Board of Directors Meeting Minutes (November 14, 1994)
1. Call to order - 4 p.m.
2. Roll call.
3. Consideration of tentative agenda.
4. Administration of Oath of Office to elected Board Vice President.
5. Public comments.
6. Presentation - Campus Security, Gene Boldt, Executive Director, Human Resources.
7. Presentation - IACCT Update - Dave Palmer, Assistant to the President.
8. Consideration of minutes of the October 10, 1994, organizational/regular board meeting.
9. BOARD REPORT 94-092. Consideration of approval of the final five percent payment to Baker Mechanical, Inc. for replacement of the underground heating water main, Ankeny Campus.
10. BOARD REPORT 94-093. Consideration of purchase of residential lots for the construction of student built homes.
11. BOARD REPORT 94-094. Discussion of proposed board policy requiring the performance of financial due diligence for Iowa New Jobs Training Agreements.
12. BOARD REPORT 94-095. Consideration of a resolution approving the form and content, execution and delivery of a retraining agreement – Medipharm USA.
13. BOARD REPORT 94-096. Consideration of a resolution approving the form and content, execution and delivery of a retraining agreement – Sauer-Sunstrand Co.
14. BOARD REPORT 94-097. Consideration of a resolution establishing a new TIF district for Seneca Corporation of Des Moines, Iowa, by providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program.

15. BOARD REPORT 94-098. Consideration of a resolution establishing a new TIF district for Soft Force, Inc., of Ames, Iowa, by providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program.

16. BOARD REPORT 94-099. Consideration of a resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $35,000 aggregate principal amount of new jobs training certificates (Jacobson Warehouse Co., Inc.) of the Des Moines Area Community College and providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program.

17. BOARD REPORT 94-100. Consideration of a resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $300,000 aggregate principal amount of new jobs training certificates (Equitable of Iowa Companies) of the Des Moines Area Community College.

18. BOARD REPORT 94-101. Consideration of a resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $375,000 aggregate principal amount of new jobs training certificates (Barr-Nunn Transportation, Inc., Project #4) of the Des Moines Area Community College and providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program.

19. BOARD REPORT 94-102. Consideration of a resolution directing the publication of a notice of intention to issue not to exceed $3,425,000 aggregate principal amount of new jobs training certificates and calling a public hearing on the proposal to issue said certificates, Multiple Projects XIX.

20. BOARD REPORT 94-103. Consideration of a resolution directing the advertisement for sale of new jobs training certificates, Multiple Projects XIX.
21. BOARD REPORT 94-091. Consideration of appointments to the program advisory committees for academic year 1994-95.

22. BOARD REPORT 94-090. Discussion of proposed board policy on Numbering and Naming College Buildings, Rooms and Facilities.


25. Consideration of payables.


27. President’s report.

28. Board members’ reports.

28.1 Closed session - collective bargaining.

28.2 Ratification of the amended collective bargaining agreement with the Educational Services Association (ESA).

29. Closed session - litigation.

30. Information Items:
   A. November 24-25 - THANKSGIVING - Campuses closed
   B. December 12 - Regular Board Meeting - Ankeny - 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, November 14, 1994. Board President Doug Shull called the meeting to order at 4 p.m.

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

Members Absent:
Dick Johnson, Madelyn Tursi

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 Belken, seconded by Courter. (Items 28.1 and 28.2 were added to the original agenda prior to mailing.)


H. Harris, Board Secretary, issued the Oath of Office to L. Courter, who was elected vice president of the Board at the October organizational/regular meeting.

None.

Gene Boldt, Executive Director of Human Resources, gave a presentation on campus emergencies, i.e., crisis, threat, misconduct, and distributed materials which noted building contacts and phone numbers of contact people to deal with these emergencies.

Dave Palmer, Assistant to the President, updated the Board on the DMACC/IACCT relationship.
Having no corrections, additions or deletions to the minutes of the October 10, 1994, organizational/regular board meeting, President Shull declared the minutes approved as presented.

BOARD REPORT 94-092. A motion was made by Froehlich, seconded by Pecinovsky, that the Board approve the final five percent payment to Baker Mechanical, Inc., for the replacement of the underground heating water main, Ankeny Campus. Final payment will be made after 30 days on condition that all punch list items have been completed by Baker Mechanical.


BOARD REPORT 94-093. L. Courter moved that the Board authorize the purchase of two residential building lots located at 3701 and 3705 NW 2nd Place, Ankeny, for a total of $44,000. These lots will be used for the Building Trades program to construct single family residences. Second by Froehlich.


BOARD REPORT 94-094. Proposed Board Policy 6030, Financial Due Diligence, 260E Agreements (Iowa Industrial New Jobs Training), was presented for informational purposes and preliminary comment, and will be presented at the December Board meeting for consideration and action.

It was moved by Courter, seconded by Pecinovsky, that the following resolutions be considered as a consent agenda item and that the Board approve these resolutions:

BOARD REPORT 94-095. MEDIPHARM USA. A resolution approving the form and content, execution and delivery of a jobs retraining agreement; $4,999 (Attachment #1).

BOARD REPORT 94-096. SAUER-SUNSTRAND CO. A resolution approving the form and content, execution and delivery of a retraining agreement; $20,550 (Attachment #2).

BOARD REPORT 94-097. SENECA CORPORATION. A resolution establishing a new TIF district for Seneca Corporation of Des Moines, Iowa, by providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program (Attachment #3).
A resolution establishing a new TIF district for Soft Force, Inc., of Ames, Iowa, by providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program (Attachment #4).

BOARD REPORT 94-100. EQUITABLE OF IOWA COMPANIES. A resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $300,000 aggregate principal amount of new jobs training certificates (Equitable of Iowa Companies) of the Des Moines Area Community College (Attachment #6).

BOARD REPORT 94-101. BARR-NENN TRANSPORTATION. A resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $375,000 aggregate principal amount of new jobs training certificates (Barr-Nunn Transportation, Inc., Project #4) of the Des Moines Area Community College and providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program (Attachment #7).


BOARD REPORT 94-099. L. Courter made a motion that the Board approve a resolution approving the form and content, execution and delivery of a new jobs training agreement, instituting proceedings for the taking of additional action for the issuance of new jobs training certificates, directing the publication of a notice of intention to issue not to exceed $35,000 aggregate principal amount of new jobs training certificates (Jacobson Warehouse Co., Inc.) of the Des Moines Area Community College and providing for the division of taxes levied on property where new jobs are created as a result of a new jobs training program; second by Pecinovsky (Attachment #5).

Motion passed on a roll call vote. Aye-Courter, Froehlich, Micich, Neu, Pecinovsky, Shull. Nay-Belken.

BOARD REPORT 94-102. A motion was made by G. Pecinovsky, seconded by Froehlich, that the Board approve a resolution directing the publication of a notice of intention to issue not to exceed $3,425,000 aggregate principal amount of new jobs training certificates (Equitable of Iowa Companies) of the Des Moines Area Community College (Attachment #6).
certificates and calling a public hearing on the proposal to issue said certificates, Multiple Projects XIX (Attachment #9).


APPROVAL OF RESOLUTION,ADVERTISEMENT FOR SALE, MULTIPLE PROJECTS XIX

BOARD REPORT 94-103. It was moved by Froehlich, seconded by Micich, that the Board approve a resolution directing the advertisement for sale of new jobs training certificates, Multiple Projects XIX (Attachment #9).


APPROVAL OF PROGRAM ADVISORY APPOINTMENTS, 1994-95

BOARD REPORT 94-091. A list of program advisory committee members for academic year 1994-95 was submitted for approval. A motion was made by Micich, seconded by Neu, that the Board approve the advisory committees as presented. A copy of these committee members is on file in the office of the Vice President of Academic Affairs.


DISCUSSION, POLICY, NAMING, NUMBERING BUILDINGS, ROOMS

BOARD REPORT 94-090. Proposed Board Policy 2020, Numbering and Naming College Buildings, Rooms and Facilities, was presented for informational purposes and preliminary comment, and will be presented at the December Board meeting for consideration and action.

BOARD REPORT 94-104. No action is required on the technical amendments to the Affirmative Action Plan. Moved by Neu, second by Courter that this item be removed from the agenda.


APPROVAL OF HUMAN RESOURCES REPORT

BOARD REPORT 94-089. A motion was made by Belken that the Board approve the following personnel items:

New Personnel

Darrow, Mary, Coordinator, Regional Planning Board, Ankeny. Annual salary $37,902; effective November 1, 1994; 12-month position. Employment agreement with professional staff.


Herrmann, Jane M., change from Coordinator, ABE/HSE/ESL (Grade 12) to Director, ICN (Grade 13), Ankeny. Annual salary $37,902; effective October 32, 1994.

Merrell, Wayne L. pay adjustment from 1/2 raise to full raise, Ankeny. Annual salary $61,897; effective July 1, 1994.


Approval of the payables as presented in Attachment #10 was made by Pecinovsky, seconded by Belken.


The October 31, 1994, monthly Financial Report (Attachment #11) was presented by D. Zuck, Vice President of Operations. The DMACC Audit for year ending June 30, 1994 was received and filed.

G. Pecinovsky made a motion that the Board hold a closed session to conduct a strategy meeting of a public employer concerning employees covered by a collective bargaining agreement as provided in section 20.17(3) of the Iowa Code. Second by Courter.

Motion passed unanimously on a roll call vote and at 5:25 p.m., the board convened in closed session.

The Board returned to open session at 5:30 p.m. A motion was made by Belken, seconded by Neu, that the Board ratify the amended collective bargaining agreement with the DMACC Educational Services Association (Attachment #12).


A motion was made by Micich, seconded by Pecinovsky, 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.

Motion passed unanimously on a roll call vote and at 5:30 p.m., the board convened in closed session. Gordon Greta, DMACC General Counsel, was in attendance at the closed session.

The Board returned to open session at 5:40 p.m. A tape recording of the closed session is in the safety deposit box at Community State Bank, Ankeny.

A motion for adjournment was made by Belken, seconded by Pecinovsky.

Motion passed unanimously and at 5:40 p.m., Board President Shull adjourned the meeting.

DOUG SHULL, Board President

HELEN M. HARRIS, Board Secretary
The Board of Directors of the Des Moines Area Community College met in regular session on the 14th day of November, 1994, at 4:00 p.m., in the DMACC Commons Building at 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:

Harold Belken, Lloyd Courter, Dale Froehlich, Anita Micich,

Naomi Neu, Gerry Pecinovsky

Absent Dick Johnson, Madelyn Tursi

Matters were discussed concerning a Retraining Agreement between the College and Medifarm Investment Ltd.. Following a discussion of the proposal by the Board, Board Member Courter introduced and caused to be read a resolution entitled, "A Resolution Approving the Form and Content and Execution and Delivery of a Retraining Agreement"; and moved its adoption. The motion was seconded by Board Member Pecinovsky. 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: Belken, Courter, Froehlich, Micich, Neu, Pecinovsky, Shull

Nays: NONE

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

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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 RETRAINING 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 Medifarm Investment Ltd. (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 Retraining 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 Retraining 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 Retraining Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Retraining 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 Retraining 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 November 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 14th day of November, 1994.

President of the Board of Directors

ATTEST:

Secretary of the Board of Directors
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 November 14, 1994, 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 14th day of November, 1994.

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 ( ) 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 Medipharm USA, 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 to fund the project pursuant to the Act.

Authorized Signature 11-14-94

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.
TRAINING GRANT AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

MEDIPHARM, U.S.A.

Dated as of

October 1994
TRAINING GRANT AGREEMENT

This Grant Agreement ("Agreement") made and entered into as of the ___ day of __________, 19__, between Des Moines Area Community College, Ankeny, Iowa ("Community College"), and Medipharm, U.S.A. ("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 ___1st___ day of November, 1994, and end on the ___30th___ day of November, 1996.

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 2.38%. 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 2.38%. 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:  

(name)  (title)

ATTEST:

(name)  (title)
ATTEST:

Mark Richards
Managing Director
(name) (title)

STATE OF IOWA : SS
COUNTY OF POLK :

On this 14 day of November, 1994, before me, the undersigned, a Notary Public in and for said State, personally appeared Doug Shull and Helen Harris, to me personally known, who being by me duly sworn, did say that they are the Board President and Board Sec'y 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 Harris 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
STATE OF IOWA
COUNTY OF Polk

On this 1st day of November, 1994 before me, the undersigned, a Notary Public in and for said State, personally appeared Leroy Hanson and Mark Richards, to me personally known, who being by me duly sworn, did say that they are the President and Managing Director of [name of Corporation] MediPharm USA; 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 President and Managing Director acknowledge the execution of said instrument to be the voluntary act and deed of said Corporation, by it and by them voluntarily executed.

Collette Saylor
Notary Public in and for the State of Iowa

October 21, 1994

The training plan for Medipharm USA (260F) prepared by Collette Saylor has been reviewed by me.

Jolyne L. Ghanatabadi, Ph.D.
Dean, Curriculum and Scheduling
The following training plan was designed by DMACC and Medipharm staff to meet the retraining needs of Medipharm employees. The plan was designed to assist Medipharm prepare for ISO-9000 audit and registration.

I. JOB SKILL TRAINING $400
   Mileage and Materials $ 70

Two sessions on ISO-9000 will be conducted for employees by a DMACC trainer.

Session 1: This informational session will include ISO-9000 is, why the company is seeking registration, and the part each employee will play in the process.
   (Two Hours)

Session 2: This session will teach employees how to document procedures for the Quality Manual.
   (Two Hours)

IV. ISO-9000 CONSULTING $8,000
   plus mileage $ 380

A. Steering Committee.

A DMACC trainer/consultant will spend up to 20 hours consulting with the management team of Medipharm to help them organize and plan for ISO-9000 training, documentation, and audit preparation.

B. Consulting/Editing Quality Manual

The DMACC trainer/consultant will spend up to 60 hours helping Medipharm document processes, develop manual format and forms, ensure inclusion of necessary information and prepare for audit.
VII. LEAD ASSESSOR TRAINING $1,495

An employee of Medipharm will attend a Perry Johnson seminar the basics of being a lead assessor.

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL TRAINING PLAN COST</td>
<td>$10,445</td>
</tr>
<tr>
<td>TO BE PAID FROM 260F GRANT</td>
<td>$4,999</td>
</tr>
<tr>
<td>TO BE PAID BY MEDIPHARM USA</td>
<td>$5,444*</td>
</tr>
</tbody>
</table>

* A contract will be written for the consulting time and expenses not covered under this grant.
A. What date will the training begin? 11/1/94
B. What date will the training end? 11/30/96
C. What is the **TOTAL UNDUPLICATED** number of employees that will receive training during the time frame specified above? 10

**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.

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<th># TO BE TRAINED</th>
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<th>TOTAL COST</th>
<th>260F COST</th>
</tr>
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<tbody>
<tr>
<td>ISO-9000 Lead Assessor Training</td>
<td>Perry Johnson</td>
<td>1</td>
<td>40</td>
<td>$1,495</td>
<td>-0-</td>
</tr>
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<td>DMACC</td>
<td>9</td>
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<td>DMACC</td>
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<td>$2,349</td>
</tr>
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<td>for above</td>
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<td></td>
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<td>$4,999</td>
</tr>
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12. GRANT INFORMATION
(THIS SECTION IS TO BE COMPLETED BY ALL APPLICANTS)

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

Complete the following chart to show how the grant be used:

<table>
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<tr>
<th>GRANT DISTRIBUTION</th>
<th></th>
</tr>
</thead>
<tbody>
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<td>Classroom Training</td>
<td>$400</td>
</tr>
<tr>
<td>On-The-Job Training</td>
<td>$4,349</td>
</tr>
<tr>
<td>Other Training</td>
<td>$0</td>
</tr>
<tr>
<td>College Administration</td>
<td>$0</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>$0</td>
</tr>
<tr>
<td>Other Fees</td>
<td>$0</td>
</tr>
<tr>
<td>Reserves</td>
<td>$0</td>
</tr>
<tr>
<td>Other Mileage and Materials</td>
<td>$250</td>
</tr>
<tr>
<td><strong>TOTAL GRANT AMOUNT</strong></td>
<td><strong>$4,999</strong></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 (89) and that its confidentiality may not be guaranteed.

This is an application for new jobs training assistance. I agree to comply with the requirements of Iowa code Section 260F.3 as cited above 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 true. 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.

Mark A. Richards
Signature of Business Official

10-18-94
Date
EXHIBIT C
PROJECT SITE

10215 Dennis Drive
Des Moines, IA  50322
IOWA JOBS TRAINING PROGRAM (260F) APPLICATION FOR ASSISTANCE

GRANT

This application is for: ( ) New Jobs Training. ( ) Job Retraining

1. BUSINESS INFORMATION

<table>
<thead>
<tr>
<th>Business Name</th>
<th>Federal ID #</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEDIPHARM USA</td>
<td>42-1219708</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Street Address</th>
<th>SIC Code#</th>
</tr>
</thead>
<tbody>
<tr>
<td>10215 DENNIS DRIVE</td>
<td>50322</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Town</th>
<th>Zip Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>DES MOINES</td>
<td>50322</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>County</th>
<th>State</th>
</tr>
</thead>
<tbody>
<tr>
<td>POLK</td>
<td>IOWA</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contact Person</th>
<th>Telephone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCOTT GOLDSMITH</td>
<td>(515)254-1280</td>
</tr>
</tbody>
</table>

2. COLLEGE INFORMATION

<table>
<thead>
<tr>
<th>College Name</th>
<th>Town</th>
</tr>
</thead>
<tbody>
<tr>
<td>DES MOINES AREA COMMUNITY COLLEGE</td>
<td>ANKENY, IOWA</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contact Person</th>
<th>Telephone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>COLLETTE SAYLOR</td>
<td>(515)964-6267</td>
</tr>
</tbody>
</table>

3. NEW JOBS TRAINING CERTIFICATION

(Complete this section only if applying for New Jobs Training assistance)

Iowa Code Section 260F.3 requires that a 260F-funded business must give preference for hiring and training to skilled or experienced unemployed workers in the community over any other workers who do not have greater qualifications when unemployment is due to a plant closing or reduction in force. The community college, in coordination with the local Department of Employment Services office, is responsible for identifying such unemployed workers. How has this requirement been met?

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________
4. ENVIRONMENTAL QUALITY  
(THESE SECTION IS TO BE COMPLETED BY ALL APPLICANTS)

Administrative Code, Chapter 261, Section 80, requires that the following questions be addressed when applying for Iowa Jobs Training Program financial assistance:

Does this business or any individual, in connection with this business, generate hazardous waste? ( ) yes (x) no If yes, an in-house audit must be conducted and a management plan developed to reduce the amount of waste generated, as well as safely dispose of any waste produced.

If such an audit and management plan have been developed within the last three years, submission of the audit and management plan with this application will suffice. If such an audit and management plan do not exist, an audit must be initiated prior to the disbursement of funds and a copy of the completed audit submitted within 90 days of disbursement of financial assistance.

In lieu of an in-house audit, the individual or business may request the Department of Natural Resources or the Iowa Waste Reduction Center to conduct the audit. A copy of the authorization for either of these agencies to conduct the audit must be submitted to the Iowa Department of Economic Development (IDED) prior to the disbursement of financial assistance. The individual or business must submit to IDED a copy of the completed audit within 30 days of its receipt.

Has this business or any individual, in connection with this business, been cited for any violation of state or federal environmental statutes, regulations, or rules within the past five years? ( ) yes ( ) no If yes, describe the violations in detail and corrective action taken (if necessary, use additional paper):

Has this business or any individual, in connection with this business, been referred by the Department of Natural Resources to the Iowa Attorney General for environmental violations? ( ) yes ( ) no If yes, describe the violation(s) in detail and corrective action taken (if necessary, use additional paper):

Individuals or businesses shall submit annual written reports to IDED which detail efforts and progress in saving energy and reducing waste until all conditions of financial assistance have been satisfied.
Provide a brief history of the business: Medipharm USA started up in 1984, in Urbandale Iowa, as part of a joint venture agreement between Triple F Inc. of Urbandale, Iowa and AB Medipharm in Sweden. The company began as a microbial fermentation — production facility providing bacteria and bacterial products for other companies. Medipharm sells to numerous U.S. and Foreign businesses under both private label and Medipharm products. As of 1991, Medipharm began selling its own products directly to the industry. Although Medipharm remains small in number it continues to grow in the market.

5. BUSINESS DESCRIPTION

(This section is to be completed by all applicants)

What are the products manufactured or the service(s) provided? Agriculture related products containing beneficial bacteria and other nutritional sources. Direct fed microbials, silage inoculants, and bacterial concentrates. Proprietary and private label products, along with Quality Control laboratory services associated with said products.

6. EMPLOYEE BENEFITS

(This section is to be completed by all applicants)

What is the average hourly wage for full-time employees? 17.70

What is the average hourly wage for permanent part-time employees? 8.75

What employee benefits does/will the business provide (e.g. health care, vacation, child care etc.)? Vacation + Sick Leave, Life and Health Insurance, 401K Employee Stock Option Purchase Program.
7. INFORMATION FOR NEW JOBS TRAINING PROJECTS
(COMPLETE THIS SECTION ONLY FOR NEW JOBS TRAINING PROJECTS)

This business is: ( ) new ( ) expanding

Is there a preliminary agreement for this project? ( ) yes ( ) no If yes, what is the date of the agreement? _______________

How many full-time employees were employed by the business prior to the date that you signed the 60F preliminary agreement/application for assistance? _______________

How many permanent part-time employees were employed by the business prior to the date that you signed the 260F preliminary agreement/application for assistance? _______________

How many new full-time employees will be added to the payroll within 24 months of the date that you signed the 260F preliminary agreement/application for assistance? _______________

How many new permanent part-time employees will be added to the payroll within 24 months of the date that you signed the 260F preliminary agreement/application for assistance? _______________

What activities must occur in order to accomplish the start-up or expansion? If activities have begun, please describe: ____________________________________________________________

Why is the training requested in this application needed? ____________________________________________________________
How would the business provide this training if the Iowa Jobs Training program was not available?

Can trained workers be hired? ( ) yes ( ) no If no, please explain.

How will the employees benefit from this training?

8. INFORMATION FOR RETRAINING PROJECTS

(COMPLETE THIS SECTION ONLY FOR EMPLOYEE RETRAINING PROJECTS)

Is there a preliminary training agreement for this project? ( ) yes ( ) no If yes, what is the date of the
agreement? _______________

How many full-time employees were employed by the business prior to the date that you signed the
60F preliminary agreement/application for assistance? ______

How many permanent part-time employees were employed by the business prior to the date that you
signed the 260F preliminary agreement/application for assistance? ______
A business must be retooling in order to qualify for assistance. Retooling means a change in
development, manufacturing process, management practice, etc. Describe the change and provide the dates
1. Medipharm is choosing to become ISO-9000 registered to remain competitive
in world markets. The training and consulting described in this plan will help Medipharm
make the necessary system changes, as well as, document processes and procedures to be
ready for audit and registration.

2. Why is the training requested in this application needed? How will the training contribute to the
continued existence of the business? ISO-9000 audit and registration is an arduous and
rigorous process. The training and consulting in this plan will help all Medipharm
employees learn about ISO, as well as, contribute to the documentation and development
of quality processes. ISO-9000 certification is requested by Medipharm clients to
continue to do business and expand market share. Further, it is possible that companies
such as Medipharm will soon be regulated by the USDA or the FDA. Being ISO-9000 registered
will prove to these agencies that Medipharm has documented quality processes and procedures.

3. How would the business provide this training if the Iowa Jobs Training program was not available?
The effort for ISO certification would be intermittent and take a great deal of staff
time over the next several years. This plan allows the process to move much faster
and with expert help.

4. Are employees at risk of losing their jobs within the next ten years if not retrained? ( ) yes ( ) no

5. How will employees benefit from this training? Employees will benefit by obtaining more
information about quality processes, contributing to company goal achievement
and documentation.
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>LABORATORY TECHNICIAN</td>
<td>2</td>
<td>10.50</td>
</tr>
<tr>
<td>PRODUCTION TECHNICIAN</td>
<td>2</td>
<td>8.75</td>
</tr>
<tr>
<td>ADMINISTRATIVE ASSISTANT</td>
<td>1</td>
<td>11.30</td>
</tr>
<tr>
<td>EXECUTIVE MANAGEMENT</td>
<td>2</td>
<td>35.00</td>
</tr>
<tr>
<td>* PRESIDENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* MANAGING DIRECTOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MIDDLE MANAGEMENT</td>
<td>3</td>
<td>16.00</td>
</tr>
<tr>
<td>* QC. MANAGER</td>
<td></td>
<td></td>
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<tr>
<td>* PRODUCTS MANAGER</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* PRODUCTION MANAGER</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please keep this information confidential.

Thank you.

Mark L. Hobbs

TOTAL

XXXXXXXXX
A. What date will the training begin? 11/1/94
B. What date will the training end? 11/30/96
C. What is the TOTAL UNDuplicated number of employees that will receive training during the time frame specified above? 10

**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.

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<th># TO BE TRAINED</th>
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<th>TOTAL COST</th>
<th>260F COST</th>
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<tbody>
<tr>
<td>ISO-9000 Lead Assessor Training</td>
<td>Perry Johnson</td>
<td>1</td>
<td>40</td>
<td>$1,495</td>
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<td>DMACC</td>
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<td>60</td>
<td>$6,000</td>
<td>$2,349</td>
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<tr>
<td>Editing</td>
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<td>$450</td>
<td>$250</td>
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<td>Mileage and Materials</td>
<td>DMACC</td>
<td>for above</td>
<td></td>
<td>$450</td>
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</tr>
</tbody>
</table>

**Total**

$10,445 $4,999
11. ON-THE-JOB TRAINING

(ON-THE-JOB TRAINING MAY ONLY BE USED WITH NEW JOBS TRAINING PROJECTS)

Use the Dictionary of Occupational Titles to determine the maximum length of OJT. Complete the following chart for each job title which will receive OJT assistance:

<table>
<thead>
<tr>
<th>JOB TITLE</th>
<th>WEEKS OF OJT TRAINING</th>
<th>SALARY DURING TRAINING PERIOD</th>
<th>260F COST DURING TRAINING PERIOD</th>
<th># TO BE TRAINED</th>
<th>TOTAL 260F OJT COST</th>
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</thead>
<tbody>
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<td></td>
</tr>
</tbody>
</table>

| TOTALS             | XXXXXXXX               | XXXXXXXX                      | XXXXXXXX                        |                 |                     |

9
12. GRANT INFORMATION

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<td>Legal Fees</td>
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<tr>
<td>TOTAL GRANT AMOUNT</td>
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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 22 989) and that its confidentiality may not be guaranteed.

This is an application for new jobs training assistance, I agree to comply with the requirements of Iowa code Section 260F.3 as cited above and also certify that the number of employees at all of this business's places statewide is 500 or less.

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: Mark A Richards
Date: 10-18-94
14. COMMUNITY COLLEGE CERTIFICATION

The Community College certifies that this applicant is a small business in which the total number of
employees at all of the business's sites in Iowa does not exceed 500. The Community College certifies
that the training needs of this applicant cannot be economically funded under Iowa Code Chapter 260E.

This application is submitted with the approval of the Community College.

[Signature of College Official]

[Date: 10/18/94]
October 19, 1994

Collette Saylor
Des Moines Area Community College
2006 South Ankeny Boulevard
Ankeny, Iowa 50021

Dear Collette:

The Iowa Department of Economic Development has reviewed and approved your Iowa Jobs Training Program (260F) application for MEDIPHARM USA in the amount of $4,999, contingent on the availability of program funds. The effective date of payment commencement for this project is 10/19/94, the date the application was received by the Department.

The identification code for this project is RG-097.

Enclosed please find three copies of the "Request For Release of Funds" form. Please return three (3) signed original copies of this form with one copy of the final agreement.

The current interest rate for 260F is 2.38%.

Also enclosed are two brochures concerning available assistance to help businesses reduce the amount of waste generated as well as safely dispose of any hazardous waste. Please provide these brochures to MEDIPHARM USA.

Sincerely,

Bob Lipman
Bureau of State Programs

Enclosures
October 21, 1994

The training plan for Medipharm USA (260F) prepared by Collette Saylor has been reviewed by me.

Jolyne L. Ghanatabadi, Ph.D.
Dean, Curriculum and Scheduling
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>LABORATORY TECHNICIAN</td>
<td>2</td>
<td>10.50</td>
</tr>
<tr>
<td>PRODUCTION TECHNICIAN</td>
<td>2</td>
<td>8.75</td>
</tr>
<tr>
<td>ADMINISTRATIVE ASSISTANT</td>
<td>1</td>
<td>11.30</td>
</tr>
<tr>
<td>EXECUTIVE MANAGEMENT *PRESIDENT</td>
<td>2</td>
<td>35.00</td>
</tr>
<tr>
<td>*MANAGING DIRECTOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MIDDLE MANAGEMENT *QC. MANAGER</td>
<td>3</td>
<td>16.00</td>
</tr>
<tr>
<td>*PRODUCTS MANAGER</td>
<td></td>
<td></td>
</tr>
<tr>
<td>*PRODUCTION MANAGER</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please keep this information confidential.

Thank you,

Mark L. Whitt
RETRAINING PLAN
FOR
MEDIPHARM, USA
RETRAINING GRANT

The following training plan was designed by DMACC and Medipharm staff to meet the retraining needs of Medipharm employees. The plan was designed to assist Medipharm prepare for ISO-9000 audit and registration.

I. JOB SKILL TRAINING $400

  Mileage and Materials $70

Two sessions on ISO-9000 will be conducted for employees by a DMACC trainer.

  Session 1: This informational session will include ISO-9000 is, why the company is seeking registration, and the part each employee will play in the process.
  (Two Hours)

  Session 2: This session will teach employees how to document procedures for the Quality Manual.
  (Two Hours)

IV. ISO-9000 CONSULTING $8,000

  plus mileage $380

A. Steering Committee.

A DMACC trainer/consultant will spend up to 20 hours consulting with the management team of Medipharm to help them organize and plan for ISO-9000 training, documentation, and audit preparation.

B. Consulting/Editing Quality Manual

The DMACC trainer/consultant will spend up to 60 hours helping Medipharm document processes, develop manual format and forms, ensure inclusion of necessary information and prepare for audit.
VII. LEAD ASSESSOR TRAINING $1,495

An employee of Medipharm will attend a Perry Johnson seminar the basics of being a lead assessor.

TOTAL TRAINING PLAN COST $10,445
TO BE PAID FROM 260F GRANT $4,999
TO BE PAID BY MEDIPHARM USA $5,444*

* A contract will be written for the consulting time and expenses not covered under this grant.
What is the grant amount being requested? (cannot exceed $4,999): $4,999

Complete the following chart to show how the grant be used:

<table>
<thead>
<tr>
<th>GRANT DISTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classroom Training</td>
</tr>
<tr>
<td>On-The-Job Training Consulting</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 Mileage and Materials</td>
</tr>
<tr>
<td>TOTAL GRANT AMOUNT</td>
</tr>
</tbody>
</table>

$4,999
Ankeny, Iowa
November 14, 1994

The Board of Directors of the Des Moines Area Community College met in regular session on the 14th day of November, 1994, at 4:00 p.m., in the DMACC Commons Building at 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:

Harold Belken, Lloyd Courter, Dale Froehlich, Anita Micich,

Naomi Neu, Gerry Pecinovsky

Absent Dick Johnson, Madelyn Tursi

Matters were discussed concerning a Retraining Agreement between the College and Sauer-Sunstrand Company. Following a discussion of the proposal by the Board, Board Member Courtter introduced and caused to be read a resolution entitled, "A Resolution Approving the Form and Content and Execution and Delivery of a Retraining Agreement"; and moved its adoption. The motion was seconded by Board Member Pecinovsky. 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: Belken, Courter, Froehlich, Micich, Neu, Pecinovsky, 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 RETRAINING 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-Sunstrand 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 $20,550; and

WHEREAS, a Retraining 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 Retraining 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 Retraining Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Retraining 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 Retraining 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 November 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 14th day of November, 1994.

[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 November 14, 1994, 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 14th day of November, 1994.

[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 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 $20,550 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.
RETRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

SAUER-SUNDSTRAND COMPANY

Dated as of

November 14, 1994

September 1994
RETRAINING AGREEMENT

This Retraining Agreement ("Agreement") made and entered into as of the 14th day of November, 1994, 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 Agreement with Employer for the purpose of establishing a retraining program ("Project") to train certain persons employed by Employer in new skills required as a result of retoothing; and

WHEREAS, the Iowa Department of Economic Development has approved an award of funds ("Project Award") under Section 260F.6 of the Act in order to provide funding for fifty percent (50%) of 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 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
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 is engaged in retooling, 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 Community College to employees of Employer as described on
Exhibit "A" (the "Program Services") entitled "Retraining Proposal". Exhibit "A" includes the number of jobs to be retrained, and 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 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 retraining services to persons employed by Employer. Employer agrees to pay fifty percent (50%) of the costs of the Project.

Section 2.3. Community College agrees to provide the Program Services if and to the extent that (a) funds are awarded and released for the Project by the Department of Economic Development to the extent of fifty percent (50%) of the costs of the Project, and (b) funds are made available from Employer to the extent of the remaining fifty percent (50%) of the costs of the Project. 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 for fifty percent (50%) of the costs of the Project 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 first day of November, 1994, and end on the first day of November, 1996.

Section 2.6. Employer shall pay Community College an application/administration fee in the amount of $900.00 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. 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 to the extent of fifty percent (50%) by the Project Award and fifty percent (50%) by Employer 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) for fifty percent (50%) of Project costs and a separate fund for the deposit of funds from Employer for the remaining fifty percent (50%) of Project costs.

Section 3.2. Employer and Community College agree that the Project Award for fifty percent (50%) of Project costs is issued by DED as a forgivable loan (forgivable loan, 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 2.38%. 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 2.38%. 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 26QF.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: 

DUG SHULL Board President

(name) (title)

ATTEST:

HELEN HARRIS Board Sec'y

(name) (title)
SAUER-SUNDSTRAND COMPANY

(name of Employer)

By:  David L. Pfeifle
      President

(name)  (title)

(Seal)

ATTEST:

Kenneth D. McCuskey  Director

(name)  (title)

STATE OF IOWA  SS
COUNTY OF POLK  SS

On this 14th day of November, 1974, before me, the undersigned, a Notary Public in and for said State, personally appeared Doug Shull and Helen 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 Harris 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
STATE OF IOWA:
COUNTY OF:

On this 19th day of October, 1994, before me, the undersigned, a Notary Public in and for said State, personally appeared David L. Pfeiffer and Kenneth S. McLuskey to me personally known, who being by me duly sworn, did say that they are the President and Director of [name of Corporation: Jarem-Jundtstrand Company]; 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 President and Director acknowledge the execution of said instrument to be the voluntary act and deed of said Corporation, by it and by them voluntarily executed.

Laurel A. Kinman
Notary Public in and for the State of Iowa
October 21, 1994

The training plan for Sauer-Sundstrand Company, (260F) prepared by Barbara Giese has been reviewed by me.

[Signature]

Golyne L. Ghanatabadi, Ph.D.
Dean, Curriculum and Scheduling
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.

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<th>AVERAGE HOURLY WAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production Machining Technician</td>
<td>40</td>
<td>$12.38</td>
</tr>
<tr>
<td>Manufacturing Services Technicians</td>
<td>5</td>
<td>15.23</td>
</tr>
<tr>
<td>Facilitators</td>
<td>10</td>
<td>19.92</td>
</tr>
</tbody>
</table>

TOTAL 55 XXXXXXXXX
11. TRAINING PROPOSAL
(THIS SECTION IS TO BE COMPLETED BY ALL APPLICANTS)

A. What date will the training begin? **November 1994**
B. What date will the training end? **November 1996**
C. What is the TOTAL UNDuplicated number of employees that will receive training during the time frame specified above? **55**

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>Basic Machinist Training - 2 sections</td>
<td>DMACC</td>
<td>30</td>
<td>40 hours</td>
<td>$8,200</td>
<td>$4,100</td>
</tr>
<tr>
<td>Computer Numerical Control</td>
<td>DMACC</td>
<td>15</td>
<td>40 hours</td>
<td>4,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Computer Numerical Control - 2 sections</td>
<td>DMACC</td>
<td>30</td>
<td>20 hours</td>
<td>4,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Turning - 3 sections</td>
<td>DMACC</td>
<td>45</td>
<td>16 hours</td>
<td>4,800</td>
<td>2,400</td>
</tr>
<tr>
<td>Milling - 3 sections</td>
<td>DMACC</td>
<td>45</td>
<td>16 hours</td>
<td>4,800</td>
<td>2,400</td>
</tr>
<tr>
<td>Train-The-Trainer</td>
<td>DMACC</td>
<td>10</td>
<td>16 hours</td>
<td>1,600</td>
<td>800</td>
</tr>
<tr>
<td>Curriculum Development</td>
<td>DMACC</td>
<td></td>
<td>--</td>
<td>9,900</td>
<td>4,950</td>
</tr>
<tr>
<td>Mileage</td>
<td>--</td>
<td></td>
<td>--</td>
<td>1,200</td>
<td>600</td>
</tr>
<tr>
<td>Materials</td>
<td>--</td>
<td></td>
<td>--</td>
<td>1,700</td>
<td>850</td>
</tr>
</tbody>
</table>
Sauer-Sundstrand plant in Ames has been engaged in assembly and limited machining for the past 23 years. The company is in the process of moving equipment back to this plant. That will add machining to jobs of many plant workers. At the same time, the number of job classifications has been reduced from 16 to 3, which is requiring workers to have greater flexibility of skill to work on more machinery. During the summer of 1994 the company hired Des Moines Area Community College to perform a machinist skill audit to determine the machinery skills levels of current employees. The training recommended in this plan reflects the outcome of the machinist skill audit.

I. Job Specific Skill Development

The machinist skill audit indicated that a number of employees currently in machinist positions demonstrated minimal machining skills. Additionally, production growth will make it possible for workers in other parts of the plant to move into the more skilled machinist positions if these employees can obtain the skills. Two sections of the 40-hour basic machining course will provide current and potential machinists with instruction in measurement and layout, general shop theory, drilling, lathes, mills, grinders, and machine shop equipment. This course includes two days of work at the DMACC machining lab.

The advanced machining skill training will provide instruction in a number of areas. Computer Numerical Control (CNC) instruction will be provided at two different levels. The employees that will be writing code will participate in a 40-hour CNC course. The remaining workers will attend a 20-hour CNC course that covers set-up and operations.

All machinists will attend advanced training in both turning and milling. Each topic will be covered in separate 16-hour courses. These courses will have 8 hours of classroom work and 8 hours of lab work at the DMACC labs. Three sections each of turning and milling will be held to train all the employees.

DMACC instructors will work with Sauer-Sundstrand employees to determine the specific curriculum content and to develop these customized courses.

III. Management Supervisory Skills

Supervisors in the machining area will participate in a 16-hour Train-The-Trainer course. This will prepare supervisors to develop skills to train individual employees on specific machines. This train-the-trainer will include the development of checklists on how to perform at specific machines and recognition and dealing with learning disabilities. DMACC will customize and teach the Train-The-Trainer.
This training plan will be funded by a 260F Retraining forgivable loan and a 50% cash match from Sauer-Sundstrand.

I. Job Specific Skill Development
   A. Basic Machinist Training $8,200
   B. CNC - one 40-hour session 4,000
two 20-hour sessions 4,000
   C. Turning - three 16-hour sessions 4,800
   D. Milling - three 16-hour sessions 4,800
   E. Curriculum development 9,900
   F. Mileage 1,200
   G. Materials 1,700

II. Management/Supervisory Skills
   A. Train-The-Trainer $1,600

Total Training Budget $40,000
   From 260F funds - $20,000
   Sauer-Sundstrand - $20,000

Training will begin in November 1994 with completion anticipated in November 1996.

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.
12. ON-THE-JOB TRAINING
(ON-THE-JOB TRAINING MAY ONLY BE USED WITH NEW JOBS TRAINING PROJECTS)

Use the Dictionary of Occupational Titles to determine the maximum length of OJT. Complete the following chart for each job title which will receive OJT assistance:

<table>
<thead>
<tr>
<th>JOB TITLE</th>
<th>WEEKS OF OJT TRAINING</th>
<th>SALARY DURING TRAINING PERIOD</th>
<th>260F COST DURING TRAINING PERIOD</th>
<th># TO BE TRAINED</th>
<th>TOTAL 260F OJT COST</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

| TOTALS    | XXXXXXXX              | XXXXXXXX                      | XXXXXXXX                        |                 |                     |
A. What is the loan amount being requested? (cannot exceed $50,000): $20,550

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>
</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 Mileage, materials, Curriculum development</td>
</tr>
<tr>
<td><strong>TOTAL LOAN AMOUNT</strong></td>
</tr>
</tbody>
</table>

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

E. If this application is for a repayable loan, what is the total obligation to be repaid (loan + interest): NA
The project is located at 2800 East 13th Street, Ames, Iowa 50010
The Board of Directors of the Des Moines Area Community College met in regular session on the 14th day of November, 1994, at 4:00 o'clock p.m., at the DMACC Commons Building at 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:

Harold Belken, Lloyd Courter, Dale Froehlich, Anita Micich,
Naomi Neu, Gerry Pecinovsky

Absent: Dick Johnson, Madelyn Tursi

Matters were discussed concerning the New Jobs Training Agreement between the College and Seneca Corporation. Following a discussion of the change of location of the Company, Board Member Courter introduced and caused to be read a resolution entitled "A Resolution Providing for the Division of Taxes Levied on Property Where New Jobs are Created as a Result of a New Jobs Training Program"; and moved its adoption. The motion was seconded by Board Member Pecinovsky. 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: Belken, Courter, Froehlich, Micich, Neu, Pecinovsky, 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 PROVIDING FOR THE DIVISION OF TAXES LEVIED ON PROPERTY WHERE NEW JOBS ARE CREATED AS A RESULT OF A NEW JOBS TRAINING PROGRAM.

WHEREAS, the 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 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has previously approved a New Jobs Training Program for Seneca Corporation (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a job training program (hereinafter referred to as the "Project") to educate and train workers for new jobs with the Company at its facilities located in the merged area served by the College; and

WHEREAS, the College has approved the issuance of New Jobs Training Certificates (the "Certificates") in order to finance the cost of the Project; and

WHEREAS, the Certificates are to be paid in part from taxes levied on the taxable business property where the Project is located; and

WHEREAS, the location of the Project is being changed by the Company; and

WHEREAS, in order to provide for a division of taxes levied on the taxable business property where the Project now will be located, the Board of Directors of the College must adopt a resolution to that effect; and

WHEREAS, the Project will now be located, and the new jobs will be created at the real property which is legally described on Exhibit "A" attached hereto and hereby incorporated herein;

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

Section 1. That all taxes levied on the Company's taxable business property, including any equipment, located on the real property legally described on Exhibit "A" attached hereto each year shall be divided as provided in Section 403.19 of the Iowa Code, subsections 1 and 2,
in the same manner as if the Company's business property was taxable property in an urban renewal project and this Resolution was an ordinance within the meaning of those subsections, all in accordance with the provisions of the Act.

Section 2. That the County Auditor of the County where the property described on Exhibit "A" is located shall after the date of the adoption of this Resolution make the allocations provided for herein.

Section 3. The taxes received by this Board of Directors shall be allocated to and when collected be paid into a special fund of the College and shall be irrevocably pledged by the College to pay the principal of and interest on the Certificates issued by the College to finance the Project.

Section 4. That the Secretary of the Board of Directors shall certify a copy of this Resolution to the County Auditor of the County where the property described on Exhibit "A" is located.

Section 5. 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 6. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 14th day of November, 1994.

[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 November 14, 1994, 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 14th day of November, 1994.

Helen Harris
Secretary of the Board of Directors
PROPERTY DESCRIPTION

SENeca CORPORATION

All lots 23 through 30 in Shawnee Acres
Except south 130.65F of lot 23
City of Des Moines, Polk County, Iowa

Known as Capital Industries, Inc.

District 11, Map 1143, Parcel 4837-2
November 14, 1994

The Board of Directors of the Des Moines Area Community College met in regular session on the 14th day of November, 1994, at 4:00 o'clock p.m., at the DMACC Commons Building at 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:

Harold Belken, Lloyd Courter, Dale Froehlich, Anita Micich,

Naomi Neu, Gerry Pecinovsky

Absent: Dick Johnson, Madelyn Tursi

Matters were discussed concerning the Small Business New Jobs Training Agreement between the College and SoftForce Inc. Following a discussion of the change of location of the Company, Board Member Courter introduced and caused to be read a resolution entitled "A Resolution Providing for the Division of Taxes Levied on Property Where New Jobs are Created as a Result of a Jobs Training Program"; and moved its adoption. The motion was seconded by Board Member Pecinovsky. 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: Belken, Courter, Froehlich, Micich, Neu, Pecinovsky, Shull

Nays: NONE

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

********

Doug Shull
President of the Board of Directors

Attest:

Helen Harris
Secretary of the Board of Directors
RESOLUTION

A RESOLUTION PROVIDING FOR THE DIVISION OF TAXES LEVIED ON PROPERTY WHERE NEW JOBS ARE CREATED AS A RESULT OF A JOBS TRAINING PROGRAM.

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 previously approved a Jobs Training Program for SoftForce Inc. (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a job training program (hereinafter referred to as the "Project") to educate and train workers for new jobs with the Company at its facilities located in the merged area served by 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; and

WHEREAS, the Fund Advance is to be paid in part from taxes levied on the taxable business property where the Project is located; and

WHEREAS, the location of the Project is being changed by the Company; and

WHEREAS, in order to provide for a division of taxes levied on the taxable business property where the Project now will be located, the Board of Directors of the College must adopt a resolution to that effect; and

WHEREAS, the Project will now be located, and the new jobs will be created at the real property which is legally described on Exhibit "A" attached hereto and hereby incorporated herein;

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

Section 1. That all taxes levied on the Company's taxable business property, including any equipment, located on the real property legally described on Exhibit "A" attached hereto
each year shall be divided as provided in Section 403.19 of the Iowa Code, subsections 1 and 2, in the same manner as if the Company’s business property was taxable property in an urban renewal project and this Resolution was an ordinance within the meaning of those subsections, all in accordance with the provisions of the Act.

Section 2. That the County Auditor of the County where the property described on Exhibit "A" is located shall after the date of the adoption of this Resolution make the allocations provided for herein.

Section 3. That the Secretary of the Board of Directors shall certify a copy of this Resolution to the County Auditor of the County where the property described on Exhibit "A" is located.

Section 4. 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 5. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 14th day of November, 1994.

[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 hereeto attached with the aforesaid corporate records and that said transcript hereeto 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 November 14, 1994, 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 hereeto) 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 14th day of November, 1994.

[Signature]
Secretary of the Board of Directors
SOFTFORCE, INC

PROPERTY DESCRIPTION

Camelot Subdivision, Lot 5
230 SE 16th Str
Ames, Iowa
November 14, 1994

The Board of Directors of the Des Moines Area Community College met in regular session on the 14th day of November, 1994, at 4:00 o'clock p.m., at the DMACC Commons Building at 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:

- Harold Belken
- Lloyd Courter
- Dale Froehlich
- Anita Micich
- Naomi Neu
- Gerry Pecinovsky

Absent: Dick Johnson, Madelyn Tursi

Matters were discussed concerning a New Jobs Training Agreement between the College and Jacobson Transportation Company, Inc. Following a discussion of the proposal, Board member Courter introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a New Jobs Training Agreement, Instituting Proceedings for the Taking of Additional Action for the Issuance of New Jobs Training Certificates, Directing the Publication of a Notice of Intention to Issue Not to Exceed $35,000 Aggregate Principal Amount of New Jobs Training Certificates (Jacobson Transportation Company, Inc. Project) of the Des Moines Area Community College, and Providing for the Division of Taxes levied on Property Where New Jobs are Created as a Result of a New Jobs Training Program"; and moved its adoption. The motion was seconded by Board Member Pecinovsky. 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, Shull

Nays: Belken

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 NEW JOBS TRAINING AGREEMENT, INSTITUTING PROCEEDINGS FOR THE TAKING OF ADDITIONAL ACTION FOR THE ISSUANCE OF NEW JOBS TRAINING CERTIFICATES, DIRECTING THE PUBLICATION OF A NOTICE OF INTENTION TO ISSUE NOT TO EXCEED $35,000 AGGREGATE PRINCIPAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES (JACOBSON TRANSPORTATION COMPANY, INC. PROJECT) OF THE DES MOINES AREA COMMUNITY COLLEGE, AND PROVIDING FOR THE DIVISION OF TAXES LEVIED ON PROPERTY WHERE NEW JOBS ARE CREATED AS A RESULT OF A NEW JOBS TRAINING PROGRAM.

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 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with respect to a New Jobs Training Program with Jacobson Transportation Company, Inc. (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a job training program (hereinafter referred to as the "Project") to educate and train workers for new jobs with 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 determined that the amount necessary to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, will require the issuance by the College of not to exceed $35,000 aggregate principal amount of its New Jobs Training Certificates pursuant to the provisions of the Act; and

WHEREAS, it is proposed to finance the cost of the Project through the issuance of not to exceed $35,000 New Jobs Training Certificates (Jacobson Transportation Company, Inc. Project) of the College (the "Certificates"); and

WHEREAS, in order to provide for a division of taxes levied on the taxable business property where the Project will be located, the Board of Directors of the College must adopt a resolution to that effect; and
WHEREAS, the Project will be located, and the new jobs will be created at the real property which is legally described on Exhibit "B" attached hereto and hereby incorporated herein; and

WHEREAS, before the Certificates may be issued, it is necessary to publish a notice of the proposal to issue new jobs training certificates and the right to appeal the decision of the Board of Directors of the College to issue the Certificates pursuant to the provisions of the Act, all as required and provided for by Section 260E.6 of the Act; and

WHEREAS, an Industrial 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 new jobs training program for the Company;

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

Section 1. That the Secretary of the Board of Directors is hereby directed to give notice of intention to issue the Certificates, stating the amount and purpose thereof, and the Project for which the Certificates are to be issued, by publication at least once in a legal newspaper, printed in the English language published at least once weekly and having a general circulation within the merged area served by the College. The notice shall be in substantially the following form:
Notice is hereby given that the Board of Directors of Des Moines Area Community College intends to issue in the manner required by law not to exceed $30,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (Jacobson Transportation Company, Inc. Project). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at Jacobson Transportation Company, Inc., in Des Moines, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of

THE DES MOINES REGISTER (Daily)
DES MOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates November 28, 1994

Subscribed and sworn to before me by said affiant this 5th day of January 1995.

Shelly Skel
Notary Public in and for Polk County, Iowa
NOTICE OF INTENTION TO ISSUE
NEW JOBS TRAINING CERTIFICATES
(JACOBSON TRANSPORTATION COMPANY, INC. PROJECT)
OF THE DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of Des Moines Area Community College intends to issue in the manner required by law not to exceed $35,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (Jacobson Transportation Company, Inc. Project). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at Jacobson Transportation Company, Inc., in Des Moines, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

By Order of the Board of Directors

Secretary of the Board of Directors
Section 2. That the Industrial 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 Industrial New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Industrial 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.

Section 3. That this Board does hereby institute proceedings and take further and additional action for the authorization and issuance in the manner required by law of not to exceed $35,000 of New Jobs Training Certificates (Jacobson Transportation Company, Inc. Project) the proceeds of which Certificates will be used to provide funds to pay costs, including program costs, of new jobs training by providing education and training of workers for new jobs at the Company.

Section 4. That all taxes levied on the Company's taxable business property, including any equipment, located on the real property legally described on Exhibit "B" attached hereto each year shall be divided as provided in Section 403.19 of the Iowa Code, subsections 1 and 2, in the same manner as if the Company's business property was taxable property in an urban renewal project and this Resolution was an ordinance within the meaning of those subsections, all in accordance with the provisions of the Act.

Section 5. That the County Auditor of the County where the property described on Exhibit "B" is located shall after the date of the adoption of this Resolution make the allocations provided for herein.

Section 6. The taxes received by this Board of Directors shall be allocated to and when collected be paid into a special fund of the College and shall be irrevocably pledged by the College to pay the principal of and interest on the Certificates issued by the College to finance the Project.

Section 7. That the Secretary of the Board of Directors shall certify a copy of this Resolution to the County Auditor of the County where the property described on Exhibit "B" is located.

Section 8. 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 9. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.
Passed and approved this 14th day of November, 1994.

President of the Board of Directors

Attest:

Secretary of the Board of Directors
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 November 14, 1994, 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 14th day of November, 1994.

[Signature]
Secretary of the Board of Directors
INDUSTRIAL NEW JOBS TRAINING AGREEMENT

between

DES MOINES AREA COMMUNITY COLLEGE
Ankeny, Iowa

and

Jacobson Warehouse Company, Inc.

Dated as of November 14, 1994
INDUSTRIAL NEW JOBS TRAINING AGREEMENT

This Industrial New Jobs Training Agreement (the "Agreement") made and entered into as of Nov 14, 1994 between Des Moines Area Community College (the "Area School"), Ankeny, Iowa and Jacobson Warehouse Company, Inc. (the "Employer").

WITNESSETH:

WHEREAS, pursuant to Chapter 260E of the Code of Iowa, as amended (the "Act"), the Area School has determined to enter into this Agreement with Employer for the purpose of establishing a new jobs training program to educate and train certain persons employed by Employer in new jobs; and

WHEREAS, the Area School intends to fund the new jobs training program from the proceeds of the issuance by the Area School of new jobs training certificates (the "Certificates") in accordance with the provisions of the Act; and

WHEREAS, the Certificates will be issued pursuant to the terms of a resolution (the "Resolution") to be adopted by the Board of Directors of the Area School; and

WHEREAS, the Area School 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, THEREOF, 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. The Area School represents and warrants 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.
(d) It will do all things in its power required of it in order to maintain its existence through the term of this Agreement or in order to assure the assumption of its obligations hereunder by any successor public body.

Section 1.2. The Employer represents and warrants 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 and is in good standing in the State.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other instruments, if any, given by the Employer to secure its obligations hereunder and to enter into and carry out the transactions contemplated herein. Such execution, delivery and performance are not in contravention of law or Employer's articles of incorporation, by-laws 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 employees to be covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Industrial New Jobs Training Agreement between the Area School and the Employer (the "Preliminary Agreement"), and those employees are or will be employed in new jobs within the meaning of the Act in connection with the expansion of the Employer's business operations.

(e) The Employer is engaged in interstate or intrastate commerce for the purpose of manufacturing, processing or assembling products, conducting research and development, or providing services in interstate commerce, but excluding retail, health or professional services, all within the meaning of the Act.

(f) The Employer will not use any of the funds disbursed to the Employer from the proceeds of the Certificates directly or indirectly to provide any airplane, skybox or other private luxury box, health club facility, facility primarily used for gambling or store the principal business of which is the sale of alcoholic beverages for consumption off premises.
(g) The Employer will not use any of the funds disbursed to the Employer from the proceeds of the Certificates directly or indirectly to finance the purchase of land, facilities or other depreciable property of the Employer or any other person, except the Area School.

(h) The Employer understands that this Agreement is entered into upon the expectation that the new jobs credit from withholding and the incremental property taxes (as defined in the Act) to be provided from the new jobs to be created by the Employer as part of the Project and from the construction and/or remodeling of facilities and the purchase of machinery and equipment where the new jobs are created will be in an amount sufficient to fund the Project, including the principal, premium, if any, and interest on the Certificates. These expectations are based solely upon the Employer's projections, which have not been verified by the Area School and for which the Area School takes no responsibility. In the event that the funds generated by the new jobs credit from withholding and the incremental property taxes are insufficient to fund the Project, including the principal, premium, if any, and interest on the Certificates, the Employer understands that it will be financially responsible for any shortfall and that the Area School shall have no responsibility for such shortfall.

(i) The Program Services are for the purpose of providing education and training services to persons to be employed as a part of the Project. The new jobs to be created as a result of the Project will be located at the site legally described on Exhibit “B” attached hereto.

ARTICLE II

PROJECT; PROGRAM SERVICES

Section 2.1. As used herein, references to the "Project" shall include the program services (the "Program Services") and the on-the-job training program for the Employer described on Exhibit "A" attached hereto and incorporated herein by reference, as well as this Agreement and all activities of the Area School in connection therewith. Exhibit "A" shows the number of employees, areas of training, training period and other information with respect to the Project, including the estimated costs of the Project. References herein to "Project Costs" include any costs incurred by the Area School in connection with the Project or authorized by the Area School as a part of the Project. Included as a part of Exhibit "A" and incorporated by reference is a copy of the proposed budget of the Area School and the Employer with respect to the Project. References herein to the "new jobs credit from withholding" shall mean the new jobs credit from withholding authorized in connection with the Project by Section 5 of the Act, and references herein to "incremental property taxes" shall mean the incremental property taxes authorized in connection with the Project by Section 4 of the Act.
Section 2.2. The Area School agrees to provide the Program Services if and to the extent that funds are available to pay the costs of the Program Services from the proceeds of the issuance of the Certificates or from the Employer. The Employer and the Area School will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibit "A".

Section 2.3. The Employer agrees to pay or cause to be paid all necessary and incidental costs of the Project, including principal and interest on the Certificates. Such costs shall be paid from amounts in the Project Fund (as hereinafter defined) and from the new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project, all as provided in the Act, or from funds of the Employer to the extent that such sources of payment are insufficient to pay all costs of the Project, including principal and interest on the Certificates.

Section 2.4. The term of this Agreement shall be for not to exceed ten (10) years and shall coincide with the period of time over which the Certificates mature and the Project Costs are deferred; provided, however, that this Agreement shall not terminate until the Certificates have been paid in full.

Section 2.5. The Area School may revise 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 the purposes permitted by the Act.

Section 2.6. The Certificates shall be issued pursuant to the Resolution. The Resolution shall set forth the aggregate principal amount of the Certificates, the rate at which the Certificates bear interest, the maturity of the Certificates, the provisions for redemption of the Certificates, and such other matter, including the security for the Certificates, as the Board of Directors of the Area School shall determine.

Section 2.7. The proceeds from the sale of the Certificates shall be paid to the Area School and deposited in a separate fund established by the Area School (the "Project Fund"). Pending disbursement, the proceeds deposited in the Project Fund, together with any investment earnings thereon, shall be subject to a lien in favor of the holders of the Certificates as provided in the Resolution and may be used for the payment of the principal, premium, if any, and interest on the Certificates. Amounts in the Project Fund and interest earnings thereon shall be disbursed by the Area School for the payment of Project Costs approved by the Area School to the extent not used for the payment of the principal, premium, if any, and interest on the Certificates. The Employer shall not commit any funds in the Project Fund without the prior written approval of the Area School and shall have not right to receive any amounts in the Project Fund except as approved by the Area School.

Section 2.8. In the event that moneys in the Project Fund are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all costs of the Project in excess of the moneys
in the Project Fund 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 Area School; nor shall it be entitled to any abatement, diminution or postponement of the payments required to satisfy the debt service requirements on the Certificates. The Employer will, however, be entitled, to the extent permitted by the Act, to reimbursement of any of its funds used for the payment of Project Costs from the Project Fund when a surplus is attained in the Project Fund and not needed to satisfy the debt service requirements on the Certificates.

Section 2.9. In the event that Certificates are not issued by the Area School, the Employer agrees to pay to the Area School an amount sufficient to reimburse the Area School for all reasonable and necessary expenses incurred by the Area School in connection with the Project, including but not limited to legal fees and any Project Costs incurred to provide training to employees in new jobs as part of the Project.

Section 2.10. Amounts received by the Area School from the new jobs credit from withholding and incremental property taxes with respect to the Project shall be deposited in a separate fund to be held by the Area School (the "Revenue Fund"). The Area School and the Employer agree that amounts in the Revenue Fund shall be pledged by the Area School for the payment of the principal, premium, if any, and interest on the Certificates. Any interest earnings on the Revenue Fund may be used for the payment of the principal, premium, if any, and interest on the Certificates or as otherwise determined by the Area School.

ARTICLE III
PAYMENTS AND SECURITY

Section 3.1. Upon issuance of the Certificates, the Area School shall provide the Employer with a schedule showing the payments of the principal and interest on the Certificates, provided that the failure to provide such schedule to the Employer shall in no way diminish the liability of the Employer for the payments provided herein to be made by the Employer. In the event that the new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project are insufficient for the payment of each payment of principal and interest on the Certificates on the date when due, the Employer shall make, or cause to be made, payments to the Area School in the amount of any such deficiency not later than the date when such principal and interest are due on the Certificates.

In any event, the sum of all payments under this Agreement shall be sufficient to pay the total amount due with respect to such principal of and interest on the Certificates as and when due. The Employer shall not be entitled to any reimbursement for any payments made by it for purposes of paying principal and interest on the Certificates and shall not under any circumstances be entitled to any right of set-off with respect to payments due hereunder.
Section 3.2. The Employer shall make, or cause to be made, all payments required hereunder directly to the Area School at its principal office for application to the payment of the corresponding installments of principal, premium, if any, and interest on the Certificates.

Section 3.3. The obligations of the Employer to make payments shall be absolute and unconditional upon issuance of the Certificates, and the Employer shall make such payments without abatement, 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 Area School or any other person.

Section 3.4. To secure the payment by the Employer of the payments required hereunder and compliance by the Employer with all the terms, provisions and conditions hereof, the Employer agrees that the new jobs credit from withholding and the incremental property taxes shall be pledged for payment of the principal, premium, if any, and interest on the Certificates. The Employer further agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property in the State of Iowa, including specifically the property described on Exhibit "B" 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

EVENTS OF DEFAULT AND REMEDIES

Section 4.1. Each of the following shall constitute an "event of default" hereunder:

(a) The Employer shall fail to make any payment required to be made by the Employer on or prior to the date on which such payment is due and payable and such failure continues for a period of five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any other agreement, term or condition contained in this Agreement, if such failure continues for a period of thirty (30) days after notice of such failure is given to the Employer by the Area School, or for such longer period as the Area School may agree to in writing; provided, that if the failure is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes curative action within the applicable period and diligently pursues such action to completion.

(c) The Employer shall (1) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or
hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or in connection with the sale of the Certificates shall at any time prove to have been false or misleading in any material respect when made or given.

(e) The Employer shall cease operations at the Project Site.

Upon the happening of an event of default specified in (c) above, all obligations of the Employer hereunder shall be and become immediately due and payable, and upon the happening of any other event of default the Area School may declare all obligations of the Employer hereunder to be immediately due and payable by written notice to the Employer, and upon the giving of such notice such obligations shall be and become immediately due and payable without any further action by the Area School.

The declaration of an event of default under Subsection (c) 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 shall have happened and be continuing, the Area School may take whatever action at law or in equity may appear necessary or desirable to collect the payments due and other amounts then due and thereafter to become due under this Agreement, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the Area School shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Area School at no cost or expense to the Area School. Any amounts collected as payments or applicable to payments and any other amounts which would be applicable to payment of principal and premium, if any, and interest on the Certificates collected pursuant to action taken under this Section shall be paid to the holders of the Certificates for application to such payment.

Section 4.3. No remedy conferred upon or reserved to the Area School by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every 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 Area School 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 4.4. 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.

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 notice address as follows:

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

If to the Employer: Craig Petermeier
Executive Vice President
Jacobson Warehouse Company, Inc.
3811 Dixon, P.O. Box 224
Des Moines, Iowa 50301

Employer and the Area School 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 Area School 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 Area School or the Board of Directors of the Area School other than in his official capacity. Neither the members of the Board of Directors of the Area School nor any official of the Area School executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof or by
reason of the covenants, stipulations, obligations or agreements of the Area School contained in this Agreement, the Resolution or the Certificates.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Area School, the Employer and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Employer and may not be assigned by the Area School except as may be necessary to enforce or secure payment of the principal, premium, if any, and interest on the Certificates.

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 hereunder or any application hereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into or taken hereunder, or any other application hereof, 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 hereof affect any legal and valid application hereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part 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 of Iowa.

Section 5.7. The Area School agrees to use its best efforts to sell and issue the Certificates and the Employer agrees that it will cooperate with the Area School to provide any necessary financial information in connection with the sale of the Certificates. It is understood and agreed that if the Certificates are not marketed and, in the sole discretion of the Area School, are not marketable within a reasonable time, this Agreement and the Project shall be terminated. In such event, the Employer shall continue to be liable for Project Costs previously incurred as provided in Section 2.9 hereof.

Section 5.8. The Employer agrees to keep its business property where the Project will be located continuously insured, in an amount at least equal to the total amount of the Certificates outstanding, against loss or damage by fire, lightning, such other perils as are covered by standard "extended coverage" endorsements, vandalism and malicious mischief and containing customary loss deductible provisions. If loss or damage occurs and the Employer determines not to rebuild or restore its business property to its former condition, the Employer agrees to cause the insurance proceeds to be applied to the payment of principal and interest on the Certificates.
Section 5.9. Employer agrees to indemnify and hold harmless the Area School from and against any and all claims, demands, liabilities, losses, costs and expenses asserted against the Area School by any third party or any employee, agent or subcontractor of the Employer, including reasonable costs, collection expenses, attorney's fees, and court costs which may arise because of any act of omission or commission, negligence, misconduct or other fault of Employer or Employer's employees, agents or subcontractors, associated directly or indirectly with this Agreement. This provision shall survive termination of this Agreement.

Section 5.10. This Agreement shall supplement the Preliminary Agreement which, except as modified herein, is hereby ratified and confirmed and together this Agreement and the Preliminary Agreement shall constitute one agreement between the Employer and the Area School with respect to the Project. Except for the Preliminary Agreement, the entire agreement of the parties is contained in this document and any certificates of the parties given in connection herewith. Oral or written statements which are not contained herein or in such certificates are hereby rendered null, void and of no effect.

IN WITNESS WHEREOF, the Area School 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: ____________________________
    ____________________________
    President of the Board

    of Directors

Attest:

______________________________
    ____________________________
    Secretary
Jacobson Warehouse Company, Inc.  
(Name of Employer)

By:  

CRAIG PETERMEIER  EXECUTIVE V.P.  
(name and office of officer executing agreement)  
CRAIG PETERMEIER, EXECUTIVE VICE PRESIDENT

Attest:  

GENE LOVERINK, Vice President, Administration  
(name and office of officer attesting)
STATE OF IOWA
  )
  ) SS:
COUNTY OF POLK
  )

On this 14 day of November, 1994, before me, a Notary Public in and for the State of Iowa, personally appeared Doug Schulze and Helen Harris to me personally known, who, being duly sworn, did say that they are the President of the Board of Directors and Secretary, respectively, of Des Moines Area Community College; that the foregoing Industrial New Jobs Training Agreement was signed by authority of the Board of Directors of said College; and that they acknowledged the execution of said instrument to be the voluntary act and deed of said College by it and by them voluntarily executed.

Given under my hand and seal of office, this 14 day of November, 1994.

[Signature]
Notary Public in and for the State of Iowa

DATE OF FORM: June 22, 1994
DBV08908.94

WAUNETTA WILLS
W-22-96

Date of Form: June 22, 1994
DBV08908.94
EXHIBIT "A"

DESCRIPTION OF THE PROJECT

See attached Training Plan
EXHIBIT "B"

LEGAL DESCRIPTION OF PROJECT SITE
Lot two and the south 400 feet of lot one (1) except the east 100 feet of said lot one (1) in this Industry Incorporated, an official plat located in the City of Des Moines, Iowa.

DESCRIPTION OF PERSONAL PROPERTY
Racking, docking, forklifts, and miscellaneous warehouse communications equipment.
TRAINING PLAN
FOR
JACOBSON WAREHOUSE COMPANY
PROJECT #1

September 1994

Prepared By:
Jim Frazee
Training Consultant
Des Moines Area Community College
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Jacobson Warehouse Company was founded twenty-six years ago in Des Moines, Iowa, as a modest warehouse facility. Today, Jacobson manages several millions of square feet of storage area with emphasis on high tech chemical storage.

Jacobson provides highly integrated distribution services for all types of products - from expedient transportation to inventory control to safe and controlled storage. This includes being an out-source partner in providing services such as site acquisitioning, material handling, strategic distribution, warehouse layout, and vehicle design and development.

The company's theme of "handling your problems as well as your products" and committed distribution professionals has moved them into a strong growth pattern. Their truck fleet has doubled in the past two years. Work with a large manufacturer in another part of the country has led to a new project in the Des Moines area, which necessitates the hiring of new employees, the expansion of storage space and the acquisition of new equipment. This project will take new sets of skills not utilized by the company in this area; therefore, the need for assistance from the new jobs training program.

EVALUATION

All training which is conducted under this training plan will be evaluated. The procedure to be used will vary depending on the type of training which is to take place. Techniques used will be: 1) completion of an evaluation form by participants at the conclusion of each course, for which DMACC provides instruction; 2) a written evaluation of training that was provided under the training plan to be completed by management/supervisory staff at the end of the project; and, 3) focus group sessions with management/supervisors regarding outcomes of training.
<table>
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<th>Job Title</th>
<th>Number of Positions</th>
<th>Average Hourly Salary</th>
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<tr>
<td>Supervisor</td>
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<td>12.00</td>
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</tbody>
</table>

Benefits: Full premium paid for health, dental, life insurance after first 30 days. Long and short term disability also in effect after first 30 days. Profit sharing is available twice a year after one year of employment.
JACOBSON WAREHOUSE COMPANY
PROJECT #1
TRAINING PLAN OUTLINE

I. Job Specific Skill Development

A. Training in forklift operation and safety, inventory management and position specific computer training will be given to each new employee. Orientation activities to include review of benefits, work expectation, overall safety conduct and employee handbook review will also be a part of this project. Continuing emphasis on quality services will be a part of new employees’ training activities through introduction to ISO 9000.

B. Company computer specialists will provide training for customized software. DMACC will assist in the development and delivery of remainder of job specific skill development.

II. Management/Supervisory Training

Several classes involving management/supervisory strategies will be conducted by DMACC faculty. Emphasis will be on improving supervisory techniques and improving employee performance through motivation, quality improvement, and encouraging initiative. A management retreat will be held to stress continuity and focus on company objectives and missions.

III. Training Materials

DMACC will assist in the video taping of an orientation and welcome speech by company executives to be shown to new employees at orientation session. A video will also be made of a process currently used successfully at another company site. This process is compatible to the new project.

IV. On-The-Job Training

All new employees will be involved in on-the-job training, especially in work activities needing close supervision.
The source of training funds is from the Iowa new jobs credit withholding and the use of incremental property tax under Iowa Code 260E.

The training dollars will be allocated in the following training areas:

I. Job Skill Specific Training

DMACC, company trainers, and outside specialists will provide all new employees training in the following areas:

- Company policies and benefits
- Department operating procedures
- Safety/fire procedures
- Quality services to include ISO 9000
- Customer relations
- Product familiarization
- Forklift operations
- Training on customized accounting software for project.
- Keyboarding

II. Management/Supervisory Training

DMACC trainers will conduct classes for appropriate management/supervisory personnel in the following areas:

- Empowering leadership
- Encouraging initiative
- Foundations of Supervision
- Intro to Quality Improvement
- Management Conflict
- Train The Trainer

III. Training Materials

A cam-recorded video of orientation speech and materials handling process at Moline site will be produced by DMACC as training aids for new employees.

IV. On-The-Job Training

Funds in this category will be used for training in those positions requiring more direct supervision.

Total Fund $23,992
The training will begin in January 1994 and continue until December 1997.

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

This plan may be revised to meet the changing need of Jacobson Warehouse Company with written consent of the company and DMACC and will be filed to adjust this original training plan.
Ankeny, Iowa

November 14, 1994

The Board of Directors of the Des Moines Area Community College met in regular session on the 14th day of November, 1994, at 4:00 o'clock p.m., at the DMACC Commons Building at 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:

Harold Belken, Lloyd Courter, Dale Froehlich, Anita Micich, Naomi Neu, Gerry Pecinovsky

Absent: Dick Johnson, Madelyn Tursi

Matters were discussed concerning a New Jobs Training Agreement between the College and Equitable of Iowa Companies. Following a discussion of the proposal, Board member Courter introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a New Jobs Training Agreement, Instituting Proceedings for the Taking of Additional Action for the Issuance of New Jobs Training Certificates, and Directing the Publication of a Notice of Intention to Issue Not to Exceed $300,000 Aggregate Principal Amount of New Jobs Training Certificates (Equitable of Iowa Companies Project) of the Des Moines Area Community College"; and moved its adoption. The motion was seconded by Board Member Pecinovsky. 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: Belken, Courter, Froehlich, Micich, Neu, Pecinovsky, 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 NEW JOBS TRAINING AGREEMENT, INSTITUTING PROCEEDINGS FOR THE TAKING OF ADDITIONAL ACTION FOR THE ISSUANCE OF NEW JOBS TRAINING CERTIFICATES, AND DIRECTING THE PUBLICATION OF A NOTICE OF INTENTION TO ISSUE NOT TO EXCEED $300,000 AGGREGATE PRINCIPAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES (EQUITABLE OF IOWA COMPANIES PROJECT) OF THE DES MOINES AREA COMMUNITY COLLEGE.

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 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with respect to a New Jobs Training Program with Equitable of Iowa Companies (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a job training program (hereinafter referred to as the "Project") to educate and train workers for new jobs with 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 determined that the amount necessary to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, will require the issuance by the College of not to exceed $300,000 aggregate principal amount of its New Jobs Training Certificates pursuant to the provisions of the Act; and

WHEREAS, it is proposed to finance the cost of the Project through the issuance of not to exceed $300,000 of New Jobs Training Certificates (Equitable of Iowa Companies Project) of the College (the "Certificates"); and

WHEREAS, before the Certificates may be issued, it is necessary to publish a notice of the proposal to issue new jobs training certificates and the right to appeal the decision of the Board of Directors of the College to issue the Certificates pursuant to the provisions of the Act, all as required and provided for by Section 260E.6 of the Act; and
WHEREAS, an Industrial 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 new 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 Secretary of the Board of Directors is hereby directed to give notice of intention to issue the Certificates, stating the amount and purpose thereof, and the Project for which the Certificates are to be issued, by publication at least once in a legal newspaper, printed in the English language published at least once weekly and having a general circulation within the merged area served by the College. The notice shall be in substantially the following form:
STATE OF IOWA
POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of THE DES MOINES REGISTER (Daily)

DESMOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates November 28, 1994

in Des Moines Sunday Register on

Subscribed and sworn to before me by said affiant this 5th day of January, 1995.

Notary Public in and for Polk County, Iowa

[Signature]

Mailing Address 715 Locust Street, Des Moines, Iowa 50309
Street Address P.O. Box 957, Des Moines, Iowa 50304

(515) 284-8000

GANNETT
NOTICE OF INTENTION TO ISSUE
NEW JOBS TRAINING CERTIFICATES
(EQUITABLE OF IOWA COMPANIES PROJECT)
OF DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of Des Moines Area Community College intends to issue in the manner required by law not to exceed $300,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (Equitable of Iowa Companies Project) (the "Certificates"). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at Equitable of Iowa Companies in Des Moines, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

By Order of the Board of Directors

Secretary of the Board of Directors
Section 2. That the Industrial 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 Industrial New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Industrial 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.

Section 3. That this Board does hereby institute proceedings and take further and additional action for the authorization and issuance in the manner required by law of not to exceed $300,000 of New Jobs Training Certificates (Equitable of Iowa Companies Project) the proceeds of which Certificates will be used to provide funds to pay costs, including program costs, of new jobs training by providing education and training of workers for new jobs at the Company.

Section 4. 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 5. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 14th day of November, 1994.

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 November 14, 1994, 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 14th day of November, 1994.

[Signature]
Secretary of the Board of Directors
INDUSTRIAL NEW JOBS
TRAINING AGREEMENT

between

DES MOINES AREA COMMUNITY COLLEGE
Ankeny, Iowa

and

Equitable Life Insurance Company of Iowa,
and its affiliates

Dated as of November 14, 1994
INDUSTRIAL NEW JOBS TRAINING AGREEMENT

This Industrial New Jobs Training Agreement (the "Agreement") made and entered into as of Nov 14, 1994 between Des Moines Area Community College (the "Area School"), Ankeny, Iowa and Equitable Life Insurance Company of Iowa, and its affiliates (the "Employer").

WITNESSETH:

WHEREAS, pursuant to Chapter 260E of the Code of Iowa, as amended (the "Act"), the Area School has determined to enter into this Agreement with Employer for the purpose of establishing a new jobs training program to educate and train certain persons employed by Employer in new jobs; and

WHEREAS, the Area School intends to fund the new jobs training program from the proceeds of the issuance by the Area School of new jobs training certificates (the "Certificates") in accordance with the provisions of the Act; and

WHEREAS, the Certificates will be issued pursuant to the terms of a resolution (the "Resolution") to be adopted by the Board of Directors of the Area School; and

WHEREAS, the Area School 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, THEREOF, 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. The Area School represents and warrants 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.
(d) It will do all things in its power required of it in order to maintain its existence through the term of this Agreement or in order to assure the assumption of its obligations hereunder by any successor public body.

Section 1.2. The Employer represents and warrants 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 and is in good standing in the State.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other instruments, if any, given by the Employer to secure its obligations hereunder and to enter into and carry out the transactions contemplated herein. Such execution, delivery and performance are not in contravention of law or Employer's articles of incorporation, by-laws 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 employees to be covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Industrial New Jobs Training Agreement between the Area School and the Employer (the "Preliminary Agreement"), and those employees are or will be employed in new jobs within the meaning of the Act in connection with the expansion of the Employer's business operations.

(e) The Employer is engaged in interstate or intrastate commerce for the purpose of manufacturing, processing or assembling products, conducting research and development, or providing services in interstate commerce, but excluding retail, health or professional services, all within the meaning of the Act.

(f) The Employer will not use any of the funds disbursed to the Employer from the proceeds of the Certificates directly or indirectly to provide any airplane, skybox or other private luxury box, health club facility, facility primarily used for gambling or store the principal business of which is the sale of alcoholic beverages for consumption off premises.
(g) The Employer will not use any of the funds disbursed to the Employer from the proceeds of the Certificates directly or indirectly to finance the purchase of land, facilities or other depreciable property of the Employer or any other person, except the Area School.

(h) The Employer understands that this Agreement is entered into upon the expectation that the new jobs credit from withholding and the incremental property taxes (as defined in the Act) to be provided from the new jobs to be created by the Employer as part of the Project and from the construction and/or remodeling of facilities and the purchase of machinery and equipment where the new jobs are created will be in an amount sufficient to fund the Project, including the principal, premium, if any, and interest on the Certificates. These expectations are based solely upon the Employer's projections, which have not been verified by the Area School and for which the Area School takes no responsibility. In the event that the funds generated by the new jobs credit from withholding and the incremental property taxes are insufficient to fund the Project, including the principal, premium, if any, and interest on the Certificates, the Employer understands that it will be financially responsible for any shortfall and that the Area School shall have no responsibility for such shortfall.

(i) The Program Services are for the purpose of providing education and training services to persons to be employed as a part of the Project. The new jobs to be created as a result of the Project will be located at the site legally described on Exhibit "B" attached hereto.

ARTICLE II
PROJECT; PROGRAM SERVICES

Section 2.1. As used herein, references to the "Project" shall include the program services (the "Program Services") and the on-the-job training program for the Employer described on Exhibit "A" attached hereto and incorporated herein by reference, as well as this Agreement and all activities of the Area School in connection herewith. Exhibit "A" shows the number of employees, areas of training, training period and other information with respect to the Project, including the estimated costs of the Project. References herein to "Project Costs" include any costs incurred by the Area School in connection with the Project or authorized by the Area School as a part of the Project. Included as a part of Exhibit "A" and incorporated by reference is a copy of the proposed budget of the Area School and the Employer with respect to the Project. References herein to the "new jobs credit from withholding" shall mean the new jobs credit from withholding authorized in connection with the Project by Section 5 of the Act, and references herein to "incremental property taxes" shall mean the incremental property taxes authorized in connection with the Project by Section 4 of the Act.
Section 2.2. The Area School agrees to provide the Program Services if and to the extent that funds are available to pay the costs of the Program Services from the proceeds of the issuance of the Certificates or from the Employer. The Employer and the Area School will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibit "A".

Section 2.3. The Employer agrees to pay or cause to be paid all necessary and incidental costs of the Project, including principal and interest on the Certificates. Such costs shall be paid from amounts in the Project Fund (as hereinafter defined) and from the new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project, all as provided in the Act, or from funds of the Employer to the extent that such sources of payment are insufficient to pay all costs of the Project, including principal and interest on the Certificates.

Section 2.4. The term of this Agreement shall be for not to exceed ten (10) years and shall coincide with the period of time over which the Certificates mature and the Project Costs are deferred; provided, however, that this Agreement shall not terminate until the Certificates have been paid in full.

Section 2.5. The Area School may revise 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 the purposes permitted by the Act.

Section 2.6. The Certificates shall be issued pursuant to the Resolution. The Resolution shall set forth the aggregate principal amount of the Certificates, the rate at which the Certificates bear interest, the maturity of the Certificates, the provisions for redemption of the Certificates, and such other matter, including the security for the Certificates, as the Board of Directors of the Area School shall determine.

Section 2.7. The proceeds from the sale of the Certificates shall be paid to the Area School and deposited in a separate fund established by the Area School (the "Project Fund"). Pending disbursement, the proceeds deposited in the Project Fund, together with any investment earnings thereon, shall be subject to a lien in favor of the holders of the Certificates as provided in the Resolution and may be used for the payment of the principal, premium, if any, and interest on the Certificates. Amounts in the Project Fund and interest earnings thereon shall be disbursed by the Area School for the payment of Project Costs approved by the Area School to the extent not used for the payment of the principal, premium, if any, and interest on the Certificates. The Employer shall not commit any funds in the Project Fund without the prior written approval of the Area School and shall have not right to receive any amounts in the Project Fund except as approved by the Area School.

Section 2.8. In the event that moneys in the Project Fund are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all costs of the Project in excess of the moneys
in the Project Fund 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 Area School; nor shall it be entitled to any abatement, diminution or postponement of the payments required to satisfy the debt service requirements on the Certificates. The Employer will, however, be entitled, to the extent permitted by the Act, to reimbursement of any of its funds used for the payment of Project Costs from the Project Fund when a surplus is attained in the Project Fund and not needed to satisfy the debt service requirements on the Certificates.

Section 2.9. In the event that Certificates are not issued by the Area School, the Employer agrees to pay to the Area School an amount sufficient to reimburse the Area School for all reasonable and necessary expenses incurred by the Area School in connection with the Project, including but not limited to legal fees and any Project Costs incurred to provide training to employees in new jobs as part of the Project.

Section 2.10. Amounts received by the Area School from the new jobs credit from withholding and incremental property taxes with respect to the Project shall be deposited in a separate fund to be held by the Area School (the "Revenue Fund"). The Area School and the Employer agree that amounts in the Revenue Fund shall be pledged by the Area School for the payment of the principal, premium, if any, and interest on the Certificates. Any interest earnings on the Revenue Fund may be used for the payment of the principal, premium, if any, and interest on the Certificates or as otherwise determined by the Area School.

ARTICLE III

PAYMENTS AND SECURITY

Section 3.1. Upon issuance of the Certificates, the Area School shall provide the Employer with a schedule showing the payments of the principal and interest on the Certificates, provided that the failure to provide such schedule to the Employer shall in no way diminish the liability of the Employer for the payments provided herein to be made by the Employer. In the event that the new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project are insufficient for the payment of each payment of principal and interest on the Certificates on the date when due, the Employer shall make, or cause to be made, payments to the Area School in the amount of any such deficiency not later than the date when such principal and interest are due on the Certificates.

In any event, the sum of all payments under this Agreement shall be sufficient to pay the total amount due with respect to such principal of and interest on the Certificates as and when due. The Employer shall not be entitled to any reimbursement for any payments made by it for purposes of paying principal and interest on the Certificates and shall not under any circumstances be entitled to any right of set-off with respect to payments due hereunder.
Section 3.2. The Employer shall make, or cause to be made, all payments required hereunder directly to the Area School at its principal office for application to the payment of the corresponding installments of principal, premium, if any, and interest on the Certificates.

Section 3.3. The obligations of the Employer to make payments shall be absolute and unconditional upon issuance of the Certificates, and the Employer shall make such payments without abatement, 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 Area School or any other person.

Section 3.4. To secure the payment by the Employer of the payments required hereunder and compliance by the Employer with all the terms, provisions and conditions hereof, the Employer agrees that the new jobs credit from withholding and the incremental property taxes shall be pledged for payment of the principal, premium, if any, and interest on the Certificates. The Employer further agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property in the State of Iowa, including specifically the property described on Exhibit "B" 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

EVENTS OF DEFAULT AND REMEDIES

Section 4.1. Each of the following shall constitute an "event of default" hereunder:

(a) The Employer shall fail to make any payment required to be made by the Employer on or prior to the date on which such payment is due and payable and such failure continues for a period of five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any other agreement, term or condition contained in this Agreement, if such failure continues for a period of thirty (30) days after notice of such failure is given to the Employer by the Area School, or for such longer period as the Area School may agree to in writing; provided, that if the failure is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes curative action within the applicable period and diligently pursues such action to completion.

(c) The Employer shall (1) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or
hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or in connection with the sale of the Certificates shall at any time prove to have been false or misleading in any material respect when made or given.

(e) The Employer shall cease operations at the Project Site.

Upon the happening of an event of default specified in (c) above, all obligations of the Employer hereunder shall be and become immediately due and payable, and upon the happening of any other event of default the Area School may declare all obligations of the Employer hereunder to be immediately due and payable by written notice to the Employer, and upon the giving of such notice such obligations shall be and become immediately due and payable without any further action by the Area School.

The declaration of an event of default under Subsection (c) 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 shall have happened and be continuing, the Area School may take whatever action at law or in equity may appear necessary or desirable to collect the payments due and other amounts then due and thereafter to become due under this Agreement, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the Area School shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Area School at no cost or expense to the Area School. Any amounts collected as payments or applicable to payments and any other amounts which would be applicable to payment of principal and premium, if any, and interest on the Certificates collected pursuant to action taken under this Section shall be paid to the holders of the Certificates for application to such payment.

Section 4.3. No remedy conferred upon or reserved to the Area School by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every 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 Area School 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 4.4. 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.

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 notice address as follows:

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

If to the Employer: Beth B. Neppl
Assistant VP, Human Resources
Equitable of Iowa Companies
604 Locust Street
Des Moines, Iowa 50309-3705

Employer and the Area School 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 Area School 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 Area School or the Board of Directors of the Area School other than in his official capacity. Neither the members of the Board of Directors of the Area School nor any official of the Area School executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof or by
reason of the covenants, stipulations, obligations or agreements of the Area School contained in this Agreement, the Resolution or the Certificates.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Area School, the Employer and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Employer and may not be assigned by the Area School except as may be necessary to enforce or secure payment of the principal, premium, if any, and interest on the Certificates.

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 hereunder or any application hereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into or taken hereunder, or any other application hereof, 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 hereof affect any legal and valid application hereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part 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 of Iowa.

Section 5.7. The Area School agrees to use its best efforts to sell and issue the Certificates and the Employer agrees that it will cooperate with the Area School to provide any necessary financial information in connection with the sale of the Certificates. It is understood and agreed that if the Certificates are not marketed and, in the sole discretion of the Area School, are not marketable within a reasonable time, this Agreement and the Project shall be terminated. In such event, the Employer shall continue to be liable for Project Costs previously incurred as provided in Section 2.9 hereof.

Section 5.8. The Employer agrees to keep its business property where the Project will be located continuously insured, in an amount at least equal to the total amount of the Certificates outstanding, against loss or damage by fire, lightning, such other perils as are covered by standard “extended coverage” endorsements, vandalism and malicious mischief and containing customary loss deductible provisions. If loss or damage occurs and the Employer determines not to rebuild or restore its business property to its former condition, the Employer agrees to cause the insurance proceeds to be applied to the payment of principal and interest on the Certificates.
Section 5.9. Employer agrees to indemnify and hold harmless the Area School from and against any and all claims, demands, liabilities, losses, costs and expenses asserted against the Area School by any third party or any employee, agent or subcontractor of the Employer, including reasonable costs, collection expenses, attorney’s fees, and court costs which may arise because of any act of omission or commission, negligence, misconduct or other fault of Employer or Employer’s employees, agents or subcontractors, associated directly or indirectly with this Agreement. This provision shall survive termination of this Agreement.

Section 5.10. This Agreement shall supplement the Preliminary Agreement which, except as modified herein, is hereby ratified and confirmed and together this Agreement and the Preliminary Agreement shall constitute one agreement between the Employer and the Area School with respect to the Project. Except for the Preliminary Agreement, the entire agreement of the parties is contained in this document and any certificates of the parties given in connection herewith. Oral or written statements which are not contained herein or in such certificates are hereby rendered null, void and of no effect.

IN WITNESS WHEREOF, the Area School 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.

DESMOINES AREA COMMUNITY COLLEGE

By: __________________________, President of the Board
    of Directors

Attest:

___________________________, Secretary
Equitable Life Insurance Company of Iowa, and its affiliates
(Name of Employer)

By: Richard J. Sampel, VP - HR & Secretary
(name and office of officer executing agreement)

Attest:

Beth B. Neppl, AVP - Human Resources
(name and office of officer attesting)
STATE OF IOWA )
) SS:
COUNTY OF POLK )

On this 14th day of November, 1996, before me, a Notary Public in and for the State of Iowa, personally appeared Doug Shull and Helen Harris to me personally known, who, being duly sworn, did say that they are the President of the Board of Directors and Secretary, respectively, of Des Moines Area Community College; that the foregoing Industrial New Jobs Training Agreement was signed by authority of the Board of Directors of said College; and that they acknowledged the execution of said instrument to be the voluntary act and deed of said College by it and by them voluntarily executed.

Given under my hand and seal of office, this 14th day of November, 1996.

[Signature]
NOTARY PUBLIC IN AND FOR THE STATE OF IOWA

STATE OF
) SS:
COUNTY OF
)

On this 21st day of October, 1996, before me, a Notary Public in and for the State of Iowa, personally appeared James R. Sangal and Beth B. Nepol to me personally known, who, being duly sworn, did say that they are the VP/HR Secretary and AVP-HR, respectively, of Equitable Life Insurance Co. of Iowa; that the foregoing Industrial New Jobs Training Agreement was signed by authority of the Board of Directors of said Corporation; and that such officers acknowledged the execution of said instrument to be the voluntary act and deed of said Corporation by it and by them voluntarily executed.

Given under my hand and seal of office, this 21st day of October, 1996.

[Signature]
NOTARY PUBLIC IN AND FOR THE STATE OF IOWA

Date of Form: June 22, 1996
DBV08908.94

Date of Form: June 22, 1996
DBV08908.94
EXHIBIT “A”

DESCRIPTION OF THE PROJECT

See attached Training Plan
EXHIBIT "B"

LEGAL DESCRIPTION OF PROJECT SITE

604 Locust Street
Des Moines, Iowa  50309-3705

DESCRIPTION OF PERSONAL PROPERTY

None
TRAINING PLAN
FOR
EQUITABLE LIFE INSURANCE COMPANY OF IOWA AND ITS AFFILIATES
ORIGINAL AGREEMENT

OCTOBER 1994

Prepared By:
Collette Saylor
Training Consultant
EDG
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**EQUITABLE LIFE INSURANCE COMPANY OF IOWA AND ITS AFFILIATES**

**ORIGINAL AGREEMENT**

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<td>Budget Summary</td>
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# List of Positions

Equitable Life Insurance Company of Iowa and Its Affiliates  
Original Agreement

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<td>VP (Brok, I/S, S&amp;M)</td>
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<td>National Sales Manager - TSA (open)</td>
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<td>Performance &amp; Learning Systems Developer</td>
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<td>Work Coordinator</td>
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**TOTAL NUMBER OF NEW JOBS = 94**

TRAINING PLAN AND BUDGET
EQUITABLE LIFE INSURANCE COMPANY OF IOWA AND ITS AFFILIATES
ORIGINAL AGREEMENT

Each new employee of EIC will receive new employee orientation through which they learn about the company's vision and values, markets and products and his/her rights and roles as an Equitable employee. Because the insurance industry and its products are complicated and knowledge of these products is essential, this plan has been designed to assist EIC to develop and implement a multimedia on-line performance and learning support systems. This performance and learning support system is an integrated electronic environment that provides the support people need in order to perform a task, job or process; available when and where they need it, and in the form that they need it, with minimum intervention by others. It creates an environment in which people can immediately and consistently produce desired behavior and results with a minimum of preparation.

The three primary components of a performance support system are:

A. **Information** structured in hyper-form containing data, text, graphics, still images, animation, sound, and/or video. This "infobase" is interactive, on-line documentation containing all necessary reference material (such as policies, procedures, processes, customer and product information, etc.).

B. **Learning** experiences such as explanations, tutorials, exercises, simulations, case studies and assessments. These experiences are brief and interactive, and may be accessed individually or in a structured sequence in order to provide and ensure the knowledge and skills necessary to perform well.

C. **Advice** provided by one or more expert systems that guide and assist people in handling routine work more efficiently and non-routine situations more effectively. This component can assist with analysis, diagnosis, problem structuring and decision support, tailored to the performer's expertise.

A performance support system provides immediate, on-the-job access to integrated information, learning opportunities, and expert consultation, with the scope and sequence controlled by the performer. It reduces the need for paper documents, instructor-led training, and reliance on others (e.g. peers, managers, support staffs and/or help desks) for assistance.

Equitable will use this system in conjunction with classroom training on the use of PC's and how to access the system. Each employee through the PC at their workstation could then continue their training on a predetermined learning schedule, as well as access needed information to answer immediate procedural or product questions. Research indicates that this "Just In Time Training" is highly effective in the learning and retention of complicated work-related information.
I. JOB SKILL SPECIFIC TRAINING $40,000

A. Computer Skills Training $40,000

All new employees of EIC will receive the following computer and database training as required for their position. Software training is available in modularized format to meet specific needs:

- Microsoft Word; Beginning, Intermediate, and Advanced (9-12 hours)
- Lotus; Beginning, Intermediate, and Advanced (9-12 hours)
- Access; Introduction, and Advanced (6 hours)

B. Techniques for an Empowered Workforce Modules (DDI)

EIC is building workplace teams. The company uses nine DDI modules from the Techniques for an Empowered Workforce programs as the foundation skills training. Funds from the plan will be used to purchase necessary participant materials. (See Category III)

II. MANAGEMENT AND SUPERVISORY SKILLS -0-

A. Management Development

All managers and supervisors will participate in leadership development and management skill training units using DDI's techniques for an Empowered workforce. Funds from this plan will be used to purchase necessary participant materials. (See Category III)

B. Leadership Development

All managers and supervisors will participate in four leadership development training units using DDI's Strategies for High Involvement Leadership. Funds from this plan will be used to purchase necessary participant materials. (see Category III)
III. TRAINING MATERIALS AND SUPPLIES $200,796

A. New Employee Orientation Video $30,000

DMACC will produce a new employee orientation video for EIC.

B. On Line Performance and Learning Support System $130,796

Dollars from this fund will be used to cover a portion of the development and implementation of this system. These costs could include software consultants, technical writers (DMACC), graphics (DMACC), and multi-media production (DMACC). To best assist EIC with this project, funds from this plan will be used to train a DMACC writer/consultant in the Information Mapping process ($1,100 plus Expenses). This writer/consultant would then work with EIC staff to write and develop the system. Also included in the system, as described earlier, will be converting LOMA training materials to a more EIC focus and putting this self study information into the on line system. The writer/consultant will also help Equitable design this system for computer based training. Under the two agreements with USG, DMACC developed a modularized annuity training program. Dollars from this fund will be used to update this series with DMACC assistance and add it to the on line performance and learning support system.

C. DDI Materials $40,000

- Techniques for an Empowered Workforce (Employees and Supervisors)
- Strategies for High Involvement Leadership.

V. ON-THE-JOB TRAINING No funds allocated

TOTAL TRAINING FUND $240,796
BUDGET SUMMARY
FOR
EQUITABLE LIFE INSURANCE COMPANY OF IOWA AND ITS AFFILIATES
ORIGINAL AGREEMENT

The source of training funds is from the Iowa New Jobs Credit from withholding under Iowa Code 260E.

The training funds dollars will be allocated in the following training areas:

I. Job Skill Specific Training

- Computer and software training
- Team modules (See Category III)

II. Management/Supervisory Training

(See Category III for materials costs)

III. Training Materials and Supplies

- orientation video $30,000
- Development of on line performance learning and support system $130,796
- DDI team module and management training materials $40,000

V. On-The-Job Training

TOTAL TRAINING FUND $240,796

The training began in January 1994 and will continue through January 1998.

Upon receipt of proper documentation, reimbursement to providers of training that meets the guidelines of Iowa Code 260E, DMACC and this training plan will be made on an applied for basis.

This plan may be revised to meet the changing needs of EIC with written consent of the company and DMACC. These revisions will be filed to adjust this original training plan.
The Board of Directors of the Des Moines Area Community College met in regular session on the 14th day of November, 1994, at 4:00 o'clock p.m., at the DMACC Commons Building at 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:

- Harold Belken, Lloyd Courter, Dale Froehlich, Anita Micich,
- Naomi Neu, Gerry Pecinovsky

Absent: Dick Johnson, Madelyn Tursi

Matters were discussed concerning an additional New Jobs Training Agreement between the College and Barr-Nunn Transportation, Inc. Following a discussion of the proposal, Board member Courter introduced and caused to be read a resolution entitled "A Resolution Approving the Form and Content and Execution and Delivery of a New Jobs Training Agreement, Instituting Proceedings for the Taking of Additional Action for the Issuance of New Jobs Training Certificates, Directing the Publication of a Notice of Intention to Issue Not to Exceed $375,000 Aggregate Principal Amount of New Jobs Training Certificates (Barr-Nunn Transportation, Inc. Project #4) of the Des Moines Area Community College, and Providing for the Division of Taxes levied on Property Where New Jobs are Created as a Result of a New Jobs Training Program"; and moved its adoption. The motion was seconded by Board Member Pecinovsky. 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: Belken, Courter, Froehlich, Micich, Neu, Pecinovsky, 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 NEW JOBS TRAINING AGREEMENT, INSTITUTING PROCEEDINGS FOR THE TAKING OF ADDITIONAL ACTION FOR THE ISSUANCE OF NEW JOBS TRAINING CERTIFICATES, DIRECTING THE PUBLICATION OF A NOTICE OF INTENTION TO ISSUE NOT TO EXCEED $375,000 AGGREGATE PRINCIPAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES (BARR-NUNN TRANSPORTATION, INC. PROJECT #4) OF THE DES MOINES AREA COMMUNITY COLLEGE, AND PROVIDING FOR THE DIVISION OF TAXES LEVIED ON PROPERTY WHERE NEW JOBS ARE CREATED AS A RESULT OF A NEW JOBS TRAINING PROGRAM.

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 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with respect to an additional New Jobs Training Program with Barr-Nunn Transportation, Inc. (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a job training program (hereinafter referred to as the "Project") to educate and train workers for new jobs with 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 determined that the amount necessary to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, will require the issuance by the College of not to exceed $375,000 aggregate principal amount of its New Jobs Training Certificates pursuant to the provisions of the Act; and

WHEREAS, it is proposed to finance the cost of the Project through the issuance of not to exceed $375,000 New Jobs Training Certificates (Barr-Nunn Transportation, Inc. Project #4) of the College (the "Certificates"); and

WHEREAS, in order to provide for a division of taxes levied on the taxable business property where the Project will be located, the Board of Directors of the College must adopt a resolution to that effect; and
WHEREAS, the Project will be located, and the new jobs will be created at the real property which is legally described on Exhibit "B" attached hereto and hereby incorporated herein; and

WHEREAS, before the Certificates may be issued, it is necessary to publish a notice of the proposal to issue new jobs training certificates and the right to appeal the decision of the Board of Directors of the College to issue the Certificates pursuant to the provisions of the Act, all as required and provided for by Section 260E.6 of the Act; and

WHEREAS, an Industrial 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 new jobs training program for the Company;

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

Section 1. That the Secretary of the Board of Directors is hereby directed to give notice of intention to issue the Certificates, stating the amount and purpose thereof, and the Project for which the Certificates are to be issued, by publication at least once in a legal newspaper, printed in the English language published at least once weekly and having a general circulation within the merged area served by the College. The notice shall be in substantially the following form:
The Des Moines Register

Affidavit of Publication

COPY OF ADVERTISEMENT

Exhibit "A"

STATE OF IOWA

POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the

Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and

existing under the laws of the State of Iowa, with its principal place of

business in Des Moines, Iowa, the

publisher of

THE DES MOINES REGISTER (Daily)

DES MOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines,

Polk County, Iowa, and that an

advertisement, a printed copy of which is attached as Exhibit "A" and made a part

of this affidavit, was printed and published in

The Des Moines Register (daily) the

following dates November 28, 1994

in Des Moines Sunday Register on

Subscribed and sworn to before me by

said affiant this 5th day of


Shelly Work

Notary Public in and for Polk County, Iowa
NOTICE OF INTENTION TO ISSUE NEW JOBS TRAINING CERTIFICATES (BARR-NUNN TRANSPORTATION, INC. PROJECT #4) OF THE DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that the Board of Directors of Des Moines Area Community College intends to issue in the manner required by law not to exceed $375,000 aggregate principal amount of Des Moines Area Community College New Jobs Training Certificates (Barr-Nunn Transportation, Inc. Project #4). The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs, of a new jobs training program to educate and train workers for new jobs at Barr-Nunn Transportation, Inc., in Granger, Iowa.

The Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the Des Moines Area Community College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Project, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

This notice is published pursuant to the provisions of Chapter 260E of the Iowa Code.

By Order of the Board of Directors

________________________________________
Secretary of the Board of Directors
Section 2. That the Industrial 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 Industrial New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Industrial 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.

Section 3. That this Board does hereby institute proceedings and take further and additional action for the authorization and issuance in the manner required by law of not to exceed $375,000 of New Jobs Training Certificates (Barr-Nunn Transportation, Inc. Project #4) the proceeds of which Certificates will be used to provide funds to pay costs, including program costs, of new jobs training by providing education and training of workers for new jobs at the Company.

Section 4. That all taxes levied on the Company's taxable business property, including any equipment, located on the real property legally described on Exhibit "B" attached hereto each year shall be divided as provided in Section 403.19 of the Iowa Code, subsections 1 and 2, in the same manner as if the Company's business property was taxable property in an urban renewal project and this Resolution was an ordinance within the meaning of those subsections, all in accordance with the provisions of the Act.

Section 5. That the County Auditor of the County where the property described on Exhibit "B" is located shall after the date of the adoption of this Resolution make the allocations provided for herein.

Section 6. The taxes received by this Board of Directors shall be allocated to and when collected be paid into a special fund of the College and shall be irrevocably pledged by the College to pay the principal of and interest on the Certificates issued by the College to finance the Project.

Section 7. That the Secretary of the Board of Directors shall certify a copy of this Resolution to the County Auditor of the County where the property described on Exhibit "B" is located.

Section 8. 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 9. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.
Passed and approved this 14th day of November, 1994.

[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 November 14, 1994, 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 14th day of November, 1994.

[Signature]
Secretary of the Board of Directors

DBV29202.94
INDUSTRIAL NEW JOBS TRAINING AGREEMENT

between

DES MOINES AREA COMMUNITY COLLEGE
Ankeny, Iowa

and

Barr Nunn Transportation, Inc.
Project #4

Dated as of November 14, 1994
INDUSTRIAL NEW JOBS TRAINING AGREEMENT

This Industrial New Jobs Training Agreement (the "Agreement") made and entered into as of Nov 14, 1994 between Des Moines Area Community College (the "Area School"), Ankeny, Iowa and Barr Nunn Transportation (the "Employer").

WITNESSETH:

WHEREAS, pursuant to Chapter 260E of the Code of Iowa, as amended (the "Act"), the Area School has determined to enter into this Agreement with Employer for the purpose of establishing a new jobs training program to educate and train certain persons employed by Employer in new jobs; and

WHEREAS, the Area School intends to fund the new jobs training program from the proceeds of the issuance by the Area School of new jobs training certificates (the "Certificates") in accordance with the provisions of the Act; and

WHEREAS, the Certificates will be issued pursuant to the terms of a resolution (the "Resolution") to be adopted by the Board of Directors of the Area School; and

WHEREAS, the Area School 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. The Area School represents and warrants 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.
Section 1.2. The Employer represents and warrants 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 and is in good standing in the State.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other instruments, if any, given by the Employer to secure its obligations hereunder and to enter into and carry out the transactions contemplated herein. Such execution, delivery and performance are not in contravention of law or Employer's articles of incorporation, by-laws 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 employees to be covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Industrial New Jobs Training Agreement between the Area School and the Employer (the "Preliminary Agreement"), and those employees are or will be employed in new jobs within the meaning of the Act in connection with the expansion of the Employer's business operations.

(e) The Employer is engaged in interstate or intrastate commerce for the purpose of manufacturing, processing or assembling products, conducting research and development, or providing services in interstate commerce, but excluding retail, health or professional services, all within the meaning of the Act.

(f) The Employer will not use any of the funds disbursed to the Employer from the proceeds of the Certificates directly or indirectly to provide any airplane, skybox or other private luxury box, health club facility, facility primarily used for gambling or store the principal business of which is the sale of alcoholic beverages for consumption off premises.
(g) The Employer will not use any of the funds disbursed to the Employer from the proceeds of the Certificates directly or indirectly to finance the purchase of land, facilities or other depreciable property of the Employer or any other person, except the Area School.

(h) The Employer understands that this Agreement is entered into upon the expectation that the new jobs credit from withholding and the incremental property taxes (as defined in the Act) to be provided from the new jobs to be created by the Employer as part of the Project and from the construction and/or remodeling of facilities and the purchase of machinery and equipment where the new jobs are created will be in an amount sufficient to fund the Project, including the principal, premium, if any, and interest on the Certificates. These expectations are based solely upon the Employer’s projections, which have not been verified by the Area School and for which the Area School takes no responsibility. In the event that the funds generated by the new jobs credit from withholding and the incremental property taxes are insufficient to fund the Project, including the principal, premium, if any, and interest on the Certificates, the Employer understands that it will be financially responsible for any shortfall and that the Area School shall have no responsibility for such shortfall.

(i) The Program Services are for the purpose of providing education and training services to persons to be employed as a part of the Project. The new jobs to be created as a result of the Project will be located at the site legally described on Exhibit “B” attached hereto.

**ARTICLE II**

**PROJECT; PROGRAM SERVICES**

Section 2.1. As used herein, references to the "Project" shall include the program services (the "Program Services") and the on-the-job training program for the Employer described on Exhibit "A" attached hereto and incorporated herein by reference, as well as this Agreement and all activities of the Area School in connection herewith. Exhibit "A" shows the number of employees, areas of training, training period and other information with respect to the Project, including the estimated costs of the Project. References herein to “Project Costs” include any costs incurred by the Area School in connection with the Project or authorized by the Area School as a part of the Project. Included as a part of Exhibit "A" and incorporated by reference is a copy of the proposed budget of the Area School and the Employer with respect to the Project. References herein to the “new jobs credit from withholding” shall mean the new jobs credit from withholding authorized in connection with the Project by Section 5 of the Act, and references herein to “incremental property taxes” shall mean the incremental property taxes authorized in connection with the Project by Section 4 of the Act.
Section 2.2. The Area School agrees to provide the Program Services if and to the extent that funds are available to pay the costs of the Program Services from the proceeds of the issuance of the Certificates or from the Employer. The Employer and the Area School will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibit "A".

Section 2.3. The Employer agrees to pay or cause to be paid all necessary and incidental costs of the Project, including principal and interest on the Certificates. Such costs shall be paid from amounts in the Project Fund (as hereinafter defined) and from the new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project, all as provided in the Act, or from funds of the Employer to the extent that such sources of payment are insufficient to pay all costs of the Project, including principal and interest on the Certificates.

Section 2.4. The term of this Agreement shall be for not to exceed ten (10) years and shall coincide with the period of time over which the Certificates mature and the Project Costs are deferred; provided, however, that this Agreement shall not terminate until the Certificates have been paid in full.

Section 2.5. The Area School may revise 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 the purposes permitted by the Act.

Section 2.6. The Certificates shall be issued pursuant to the Resolution. The Resolution shall set forth the aggregate principal amount of the Certificates, the rate at which the Certificates bear interest, the maturity of the Certificates, the provisions for redemption of the Certificates, and such other matter, including the security for the Certificates, as the Board of Directors of the Area School shall determine.

Section 2.7. The proceeds from the sale of the Certificates shall be paid to the Area School and deposited in a separate fund established by the Area School (the "Project Fund"). Pending disbursement, the proceeds deposited in the Project Fund, together with any investment earnings thereon, shall be subject to a lien in favor of the holders of the Certificates as provided in the Resolution and may be used for the payment of the principal, premium, if any, and interest on the Certificates. Amounts in the Project Fund and interest earnings thereon shall be disbursed by the Area School for the payment of Project Costs approved by the Area School to the extent not used for the payment of the principal, premium, if any, and interest on the Certificates. The Employer shall not commit any funds in the Project Fund without the prior written approval of the Area School and shall have not right to receive any amounts in the Project Fund except as approved by the Area School.

Section 2.8. In the event that moneys in the Project Fund are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all costs of the Project in excess of the moneys
in the Project Fund 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 Area School; nor shall it be entitled to any abatement, diminution or postponement of the payments required to satisfy the debt service requirements on the Certificates. The Employer will, however, be entitled, to the extent permitted by the Act, to reimbursement of any of its funds used for the payment of Project Costs from the Project Fund when a surplus is attained in the Project Fund and not needed to satisfy the debt service requirements on the Certificates.

Section 2.9. In the event that Certificates are not issued by the Area School, the Employer agrees to pay to the Area School an amount sufficient to reimburse the Area School for all reasonable and necessary expenses incurred by the Area School in connection with the Project, including but not limited to legal fees and any Project Costs incurred to provide training to employees in new jobs as part of the Project.

Section 2.10. Amounts received by the Area School from the new jobs credit from withholding and incremental property taxes with respect to the Project shall be deposited in a separate fund to be held by the Area School (the "Revenue Fund"). The Area School and the Employer agree that amounts in the Revenue Fund shall be pledged by the Area School for the payment of the principal, premium, if any, and interest on the Certificates. Any interest earnings on the Revenue Fund may be used for the payment of the principal, premium, if any, and interest on the Certificates or as otherwise determined by the Area School.

ARTICLE III

PAYMENTS AND SECURITY

Section 3.1. Upon issuance of the Certificates, the Area School shall provide the Employer with a schedule showing the payments of the principal and interest on the Certificates, provided that the failure to provide such schedule to the Employer shall in no way diminish the liability of the Employer for the payments provided herein to be made by the Employer. In the event that the new jobs credit from withholding with respect to persons employed at the Project and the incremental property taxes produced by the expansion by the Employer as a part of the Project are insufficient for the payment of each payment of principal and interest on the Certificates on the date when due, the Employer shall make, or cause to be made, payments to the Area School in the amount of any such deficiency not later than the date when such principal and interest are due on the Certificates.

In any event, the sum of all payments under this Agreement shall be sufficient to pay the total amount due with respect to such principal of and interest on the Certificates as and when due. The Employer shall not be entitled to any reimbursement for any payments made by it for purposes of paying principal and interest on the Certificates and shall not under any circumstances be entitled to any right of set-off with respect to payments due hereunder.
Section 3.2. The Employer shall make, or cause to be made, all payments required hereunder directly to the Area School at its principal office for application to the payment of the corresponding installments of principal, premium, if any, and interest on the Certificates.

Section 3.3. The obligations of the Employer to make payments shall be absolute and unconditional upon issuance of the Certificates, and the Employer shall make such payments without abatement, 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 Area School or any other person.

Section 3.4. To secure the payment by the Employer of the payments required hereunder and compliance by the Employer with all the terms, provisions and conditions hereof, the Employer agrees that the new jobs credit from withholding and the incremental property taxes shall be pledged for payment of the principal, premium, if any, and interest on the Certificates. The Employer further agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property in the State of Iowa, including specifically the property described on Exhibit "B" 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

EVENTS OF DEFAULT AND REMEDIES

Section 4.1. Each of the following shall constitute an "event of default" hereunder:

(a) The Employer shall fail to make any payment required to be made by the Employer on or prior to the date on which such payment is due and payable and such failure continues for a period of five (5) business days thereafter.

(b) The Employer shall fail to observe and perform any other agreement, term or condition contained in this Agreement, if such failure continues for a period of thirty (30) days after notice of such failure is given to the Employer by the Area School, or for such longer period as the Area School may agree to in writing; provided, that if the failure is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the Employer institutes curative action within the applicable period and diligently pursues such action to completion.

(c) The Employer shall (1) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or
hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(d) Any representation or warranty made by the Employer herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or in connection with the sale of the Certificates shall at any time prove to have been false or misleading in any material respect when made or given.

(e) The Employer shall cease operations at the Project Site.

Upon the happening of an event of default specified in (c) above, all obligations of the Employer hereunder shall be and become immediately due and payable, and upon the happening of any other event of default the Area School may declare all obligations of the Employer hereunder to be immediately due and payable by written notice to the Employer, and upon the giving of such notice such obligations shall be and become immediately due and payable without any further action by the Area School.

The declaration of an event of default under Subsection (c) 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 shall have happened and be continuing, the Area School may take whatever action at law or in equity may appear necessary or desirable to collect the payments due and other amounts then due and thereafter to become due under this Agreement, or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing, the Area School shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Area School at no cost or expense to the Area School. Any amounts collected as payments or applicable to payments and any other amounts which would be applicable to payment of principal and premium, if any, and interest on the Certificates collected pursuant to action taken under this Section shall be paid to the holders of the Certificates for application to such payment.

Section 4.3. No remedy conferred upon or reserved to the Area School by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every 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 Area School 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 4.4. 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.

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 notice address as follows:

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

If to the Employer: Robert Sturgeon
President
Barr Nunn Transportation, Inc.
2217 Broadway, Box 518
Granger, IA 50109

Employer and the Area School 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 Area School 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 Area School or the Board of Directors of the Area School other than in his official capacity. Neither the members of the Board of Directors of the Area School nor any official of the Area School executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof or by
reason of the covenants, stipulations, obligations or agreements of the Area School contained in
this Agreement, the Resolution or the Certificates.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance
with its terms upon the Area School, the Employer and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Employer and may not be assigned by the Area School except as may be necessary to enforce or secure payment of the principal, premium, if any, and interest on the Certificates.

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 hereunder or any application hereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into or taken hereunder, or any other application hereof, 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 hereof affect any legal and valid application hereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part 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 of Iowa.

Section 5.7. The Area School agrees to use its best efforts to sell and issue the Certificates and the Employer agrees that it will cooperate with the Area School to provide any necessary financial information in connection with the sale of the Certificates. It is understood and agreed that if the Certificates are not marketed and, in the sole discretion of the Area School, are not marketable within a reasonable time, this Agreement and the Project shall be terminated. In such event, the Employer shall continue to be liable for Project Costs previously incurred as provided in Section 2.9 hereof.

Section 5.8. The Employer agrees to keep its business property where the Project will be located continuously insured, in an amount at least equal to the total amount of the Certificates outstanding, against loss or damage by fire, lightning, such other perils as are covered by standard "extended coverage" endorsements, vandalism and malicious mischief and containing customary loss deductible provisions. If loss or damage occurs and the Employer determines not to rebuild or restore its business property to its former condition, the Employer agrees to cause the insurance proceeds to be applied to the payment of principal and interest on the Certificates.
Section 5.9. Employer agrees to indemnify and hold harmless the Area School from and against any and all claims, demands, liabilities, losses, costs and expenses asserted against the Area School by any third party or any employee, agent or subcontractor of the Employer, including reasonable costs, collection expenses, attorney's fees, and court costs which may arise because of any act of omission or commission, negligence, misconduct or other fault of Employer or Employer's employees, agents or subcontractors, associated directly or indirectly with this Agreement. This provision shall survive termination of this Agreement.

Section 5.10. This Agreement shall supplement the Preliminary Agreement which, except as modified herein, is hereby ratified and confirmed and together this Agreement and the Preliminary Agreement shall constitute one agreement between the Employer and the Area School with respect to the Project. Except for the Preliminary Agreement, the entire agreement of the parties is contained in this document and any certificates of the parties given in connection herewith. Oral or written statements which are not contained herein or in such certificates are hereby rendered null, void and of no effect.

IN WITNESS WHEREOF, the Area School 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: __________________________________________

__________________________, President of the Board
of Directors

Attest:

__________________________, Secretary
Barr Nunn Transportation, Inc.
(Name of Employer)

By: Alan Hellenthal, Vice President

(name and office of officer executing agreement)

Attest: Lee Moran

Lee Moran, Vice President

(name and office of officer attesting)
On this 14th day of November, 1994, before me, a Notary Public in and for the State of Iowa, personally appeared Doug Shull and Hamilton, to me personally known, who, being duly sworn, did say that they are the President of the Board of Directors and Secretary, respectively, of Des Moines Area Community College; that the foregoing Industrial New Jobs Training Agreement was signed by authority of the Board of Directors of said College; and that they acknowledged the execution of said instrument to be the voluntary act and deed of said College by it and by them voluntarily executed.

Given under my hand and seal of office, this 14th day of November, 1994.

Notary Public in and for the State of Iowa

On this 12th day of October, 1994, before me, a Notary Public in and for the State of Iowa, personally appeared Alan Halverson and Lee Moran, to me personally known, who, being duly sworn, did say that they are the Vice President and Vice President respectively, of Borc-Man Transportation Inc.; that the foregoing Industrial New Jobs Training Agreement was signed by authority of the Board of Directors of said Corporation; and that such officers acknowledged the execution of said instrument to be the voluntary act and deed of said Corporation by it and by them voluntarily executed.

Given under my hand and seal of office, this 12th day of October, 1994.

Notary Public in and for the State of Iowa
EXHIBIT "A"

DESCRIPTION OF THE PROJECT

See attached Training Plan
EXHIBIT “B”

LEGAL DESCRIPTION OF PROJECT SITE

The South 630 feet of all of the land east of the former D.M.N. & W. R.R. right-of-way in the Northeast Quarter of the Northeast Quarter (NE 1/4 NE 1/4) of Section Twelve (12) and in the Northwest Quarter of the Northeast Quarter (NW 1/4 NE 1/4) of Section Twelve (12), all in Township Eighty (80) North, Range Twenty-six (26) West of the 5th P.M., Dallas County, Iowa.

DESCRIPTION OF PERSONAL PROPERTY

None
BARR-NUNN TRANSPORTATION, INC.
PROJECT #4
TRAINING PLAN

Prepared by
Barbara Giese
Training Consultant
Des Moines Area Community College
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BARR-NUNN TRANSPORTATION, INC.
Project #4

Introduction

The company started in 1982 as Sturgeon Truck Lines, Inc. and became Barr-Nunn Transportation, Inc. in 1985 with the purchase of the company that had federal operating authority to ship freight between states. Today, Barr-Nunn Transportation, Inc., located in Granger, Iowa has 195 Iowa employees, 250 tractors, 400 trailers, and does business in all 48 contiguous states. This project is adding 75 positions to the Iowa work force and cause the first two phases of a three-phase building project.

This project will continue a number of established programs and create a number of new training initiatives for Barr-Nunn. Quality initiatives will continue as well as new employee orientation and new driver training. Management and supervisory staff will continue to participate in the Dale Carnegie Leadership program.

The basis for the new initiatives will be a training needs assessment conducted by DMACC. This needs assessment will provide specific data for the development of the Advanced Driver Training Program and Barr-Nunn University. DMACC will provide consultative services and curriculum design for the development of both programs. The advanced driver training program will be an advancement development program for the driver fleet. The goals for the Barr-Nunn University program are to:

1. provide career track training for advancement
2. establish core requirements for each level of management
3. create an environment where employees are willing to learn both personal and professional development

Des Moines Area Community College Staff, in cooperation with Barr-Nunn Transportation staff, have prepared this plan to train 75 new employees between May 1, 1994 and December 1997. The training under this project will be evaluated by individual course evaluation and periodic training evaluations by Barr-Nunn personnel and the DMACC training consultant.
<table>
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<tr>
<th>Position Title</th>
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<th>Average Hourly Salary (yearly)</th>
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<tr>
<td>Foreman</td>
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Total positions 75

Employee benefits: Medical, dental, life insurance (45-day waiting period), 401K, vacation, 7 holidays, sec. 145 cafeteria plan, 100% tuition and book reimbursement for any schooling.
BARR-NUNN TRANSPORTATION, INC.
PROJECT #4
TRAINING PLAN OUTLINE

I. Job Specific Skill Development $128,540

All drivers new to Barr-Nunn participate in a 2½-day orientation at the Granger facility. This orientation, taught by Barr-Nunn staff, covers company paperwork, truck maintenance, safety, and how Barr-Nunn operates as a company. Because this is an established program, funds will only be used for the production of materials.

Newly hired drivers that have just graduated from driving school will participate in the 8-week new driver program. This one-on-one training program matches new drivers with experienced driver trainers. DMACC will work with Barr-Nunn to develop the student manuals and measuring tools. Funds from this project will also be used to cover partial expenses for the driver trainers during the 8-week training period.

Under this project Barr-Nunn will establish an Advanced Driver Training program to develop some form of advancement program within the driver fleet. DMACC will conduct the needs assessment and provide consulting services to develop this total program. It is anticipated that this advancement program will be developed for nonclassroom delivery using audio cassettes and self-study manuals with some video application. Skill areas that may be included are loss control, safety and basic math and reading skills upgrading. Training on the DMACC Transportation Institute skid pad will also be part of this Advanced Driver Training. The company plans to develop a state-of-the-art program for driver advancement.

Another major initiative for this training project will be the development of Barr-Nunn University. The objectives for Barr-Nunn University are: to establish career track training for employee advancement, to identify the core requirements for each management level, and to create an environment where employees are willing to learn to better themselves both personally and professionally. DMACC will conduct the training needs assessment to define the skill needs and training direction. DMACC will also provide the consulting and instructional design as well as some instruction for Barr-Nunn University. Barr-Nunn staff that deliver company specific training will participate in DMACC’s Train-The-Trainer. It is anticipated that training to be included in Barr-Nunn University will include computer skills, human resources and employment law.

This project will continue the existing quality program. New employees will attend the TQM training delivered by the Service Administrative Institute (SAI). SAI will also be hired for consulting with the steering committee and team leader facilitator training.
II. Management and Supervisory Training $60,000

This project will continue Barr-Nunn’s management training initiatives. In addition to the TQM mentioned in Category I, all management and supervisory personnel participate in the Dale Carnegie Leadership and position results courses. Funds for this project will also be used for two trainers to be certified to teach Covey 7 Habits courses. The needs assessment, conducted by DMACC, will identify additional management/supervisory training needs.

III. Training Materials $60,000

It is anticipated that print, audio, and video materials will be needed to support the new training programs that will be developed in this project. The Advanced Driver Training will rely heavily on print, audio, and perhaps video materials. DMACC will assist in the development of these materials.

The new building will include a larger training facility to meet the expanded training schedule. Training support materials, such as an overhead projector, VCR and monitor, easels and white boards, will be added. Funds from this project will be used to purchase limited training aids.

IV. Professional/Skill Development for Individual Employees $25,000

Funds in this category will be used to train individual employees through outside seminars, workshops, and classes. With the initiation of the Barr-Nunn University program, it is anticipated that funds will be used for tuition for credit and noncredit classes at DMACC and other area colleges. Funds for this category will cover tuition, registrations, materials, and travel expenses.

V. On-The-Job Training

Although Barr-Nunn employees receive on-the-job training, no funds from this project will be used for OJT reimbursement.
The training fund is generated by a credit for new jobs withholding taxes under the provision of Iowa Code 260E.

Revision of this budget is allowable if both parties consent. A revised budget with signature of college and company representative will be filed with the original training plan.

### I. Job Specific Skill Development

- New employee orientation
- New driver training program
- Advanced driver training program
- Training needs assessment
- Curriculum/instructional design
- Barr-Nunn University development
- Train-The-Trainer
- Barr-Nunn University classes
- Total Quality Management

$128,540

### II. Management and Supervisory Development

- Dale Carnegie Leadership training
- Certification for teaching Covey courses

$60,000

### III. Training Materials

- Development of print, audio, and video training materials
- Purchase of training support materials and aids

$60,000

### IV. Professional/Skill Development for Individual Employees

- Outside workshop/seminar expenses
- Tuition to DMACC credit and noncredit course
- Tuition for courses at other area colleges

$25,000

### V. On-The-Job Training

$ 00.00

Total Training Budget

$273,540


Upon receipt of proper documentation, reimbursement to all providers of training and training that meets the guidelines of 260E, DMACC, and this training plan will be made on an applied-for basis.
The Board of Directors of the Des Moines Area Community College (Merged Area XI) in the Counties 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, State of Iowa, met in regular session on the 14th day of November, 1994 at 4:00 p.m., in the DMACC Commons Building at 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:

Harold Belken, Lloyd Courter, Dale Froehlich, Anita Micich, Naomi Neu, Gerry Pecinovsky.

Absent: Dick Johnson, Madelyn Tursi

Matters were discussed concerning new jobs training programs involving the College and the companies referred to in the attached resolution and the issuance of New Jobs Training Certificates in order to fund the training programs. Following a discussion of the proposal, Board Member G. Pecinovsky introduced and caused to be read a resolution entitled "A Resolution Directing the Publication of a Notice of Intention to Issue Not to Exceed $3,425,000 Aggregate Principal Amount of New Jobs Training Certificates and Calling a Public Hearing on the Proposal to Issue said Certificates", and moved its adoption. The motion was seconded by Board Member D. Froehlich. 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: Belken, Courter, Froehlich, Micich, Neu, Pecinovsky, Shull

Nays: NONE

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

*****

Doug Shull, President of the Board of Directors

Attest:

Helen Harris, Secretary of the Board of Directors

B_W33301.93
RESOLUTION

A RESOLUTION DIRECTING THE PUBLICATION OF A NOTICE OF INTENTION TO ISSUE NOT TO EXCEED $3,425,000 AGGREGATE PRINCIPAL AMOUNT OF NEW JOBS TRAINING CERTIFICATES AND CALLING A PUBLIC HEARING ON THE PROPOSAL TO ISSUE SAID CERTIFICATES.

WHEREAS, Des Moines Area Community College (hereinafter referred to as the "College"), of the Counties 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, State of Iowa, (the area served by the College being hereinafter referred to as the "Merged Area"), 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 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with certain companies (the "Companies") with respect to New Jobs Training Programs, pursuant to the provisions of the Act for the purpose of establishing job training programs (hereinafter referred to as the "Projects") to educate and train workers for new jobs with the Companies at their facilities located or to be located in the Merged Area served by the College, which Projects will be beneficial to the Companies and the College; and

WHEREAS, the Act authorizes the College to issue New Jobs Training Certificates with respect to a single project or multiple projects and the College has determined that it will be beneficial to the College and the Companies to issue New Jobs Training Certificates which will provide the aggregate funding for all of the Projects; and

WHEREAS, the College has determined that the aggregate amount necessary to defray all or a portion of the cost of the Projects, including necessary expenses incidental thereto, will require the issuance by the College of its New Jobs Training Certificates pursuant to the provisions of the Act in the amount of $3,425,000 for the purpose of funding the Projects in the amounts set forth below opposite the name of each Company:

<table>
<thead>
<tr>
<th>Company</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>3M Company</td>
<td>$978,000</td>
</tr>
<tr>
<td>Vermeer Manufacturing Company</td>
<td>422,500</td>
</tr>
<tr>
<td>Allied Group, Inc.</td>
<td>351,500</td>
</tr>
</tbody>
</table>
Burke Marketing Corporation 161,000
CE Software, Inc. 191,000
Dee Zee, Inc. 104,500
Deflecta-Shield Corporation 300,000
E. I Du Pont De Nemours and Company 136,500
New Pella Plastics, Inc. 79,000
Barr-Nunn Transportation, Inc. 375,000
Equitable of Iowa Companies 295,500
Jacobson Transportation Company, Inc. 30,500

WHEREAS, it is proposed to finance the cost of the Projects through the issuance of New Jobs Training Certificates (Multiple Projects XIX) of the College in an aggregate principal amount of $3,425,000 (the "Certificates"); and

WHEREAS, before the Certificates may be issued, it is necessary to conduct a public hearing on the proposal to issue the Certificates and to publish a notice of the proposal to issue the Certificates and the right to appeal the decision of the Board of Directors to issue the Certificates, all as required and provided for by Section 260E.6 of the Act and Section 147 of the Internal Revenue Code of 1986.

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

Section 1. That the Board of Directors of the Des Moines Area Community College meet in the DMACC Commons Building at the College in Ankeny, Iowa, on the 12th day of December, 1994, at _____ o'clock p.m., at which time and place a public hearing shall be held on the proposal to issue the Certificates, at which hearing all residents of the Merged Area who appear shall be given an opportunity to express their views for or against the proposal to issue the Certificates.

Section 2. That the Secretary of the Board of Directors of the College is hereby directed to give notice of intention to issue the Certificates, setting forth the amount and purpose thereof, and the time when and place where the hearing will be held, by publication at least once not less than fifteen (15) days prior to the date fixed for the hearing, in a newspaper published and having a general circulation in Polk County, Iowa. The notice shall be in substantially the following form:
The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of the Des Moines Register and Tribune Company, a corporation duly organized and doing business under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of THE DES Moines REGISTER (Daily) and DES MOINES SUNDAY REGISTER newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in The Des Moines Register (daily) the following dates November 28, 1994.

Subscribed and sworn to before me by said affiant this 5th day of January, 1995.

Notary Public in and for Polk County, Iowa
Affidavit of Publication

COPY OF ADVERTISEMENT

Exhibit "A"

STATE OF IOWA

POLK COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of The Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of

THE DES MOINES REGISTER (Daily)

DES MOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in

The Des Moines Register (daily) the following dates November 28, 1994

Subscribed and sworn to before me by said affiant this 5th day of January, 1995.

Shelley Shaper

Notary Public in and for Polk County, Iowa

Mailing Address ■ P.O. Box 957 ■ Des Moines, Iowa 50304

Street Address ■ 715 Locust Street ■ Des Moines, Iowa 50309 ■ (515) 284-8000
NOTICE OF INTENTION TO ISSUE
NEW JOBS TRAINING CERTIFICATES
(MULTIPLE PROJECTS XIX) OF THE
DES MOINES AREA COMMUNITY COLLEGE

Notice is hereby given that a public hearing will be conducted before the Board of Directors of Des Moines Area Community College (the "College") in the DMACC Commons Building at the College in Ankeny, Iowa, at _____ o'clock p.m., on December 12, 1994, on a proposal to issue not to exceed $3,425,000 aggregate principal amount of the College's New Jobs Training Certificates (Multiple Projects XIX) (the "Certificates"), pursuant to the provisions of Chapter 260E of the Code of Iowa. The Certificates are to be issued for the purpose of providing funds to pay the costs, including program costs and administrative expenses, of new jobs training programs (the "Projects") to educate and train workers for new jobs at the following companies (the "Companies") at the following locations:

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>3M Company</td>
<td>Knoxville, Iowa</td>
</tr>
<tr>
<td>Vermeer Manufacturing Company</td>
<td>Pella, Iowa</td>
</tr>
<tr>
<td>Allied Group, Inc.</td>
<td>Urbandale, Iowa</td>
</tr>
<tr>
<td>Burke Marketing Corporation</td>
<td>Nevada, Iowa</td>
</tr>
<tr>
<td>CE Software, Inc.</td>
<td>West Des Moines, Iowa</td>
</tr>
<tr>
<td>Dee Zee, Inc.</td>
<td>Des Moines, Iowa</td>
</tr>
<tr>
<td>Deflecta-Shield Corporation</td>
<td>Indianola, Iowa</td>
</tr>
<tr>
<td>E. I Du Pont De Nemours and Company</td>
<td>Urbandale, Iowa</td>
</tr>
<tr>
<td>New Pella Plastics, Inc.</td>
<td>Pella, Iowa</td>
</tr>
<tr>
<td>Barr-Nunn Transportation, Inc.</td>
<td>Granger, Iowa</td>
</tr>
<tr>
<td>Equitable of Iowa Companies</td>
<td>Des Moines, Iowa</td>
</tr>
<tr>
<td>Jacobson Transportation Company, Inc.</td>
<td>Des Moines, Iowa</td>
</tr>
</tbody>
</table>

All residents of the Merged Area who appear at said public hearing shall be given an opportunity to express their views for or against the proposal to issue said Certificates, and at said hearing, or any adjournment thereof, the Board of Directors of the College shall adopt a resolution determining whether or not to proceed with the issuance of said Certificates.

Notice is further given of the intention of the Board of Directors of the College to issue the Certificates and that the Board of Directors has instituted proceedings and taken further and additional action for the authorization and issuance of the Certificates.

A person may, within fifteen days after the publication of this notice by action in the district court of a county in the area within which the College is located, appeal the decision of the Board of Directors in proposing to issue the Certificates. The action of the Board of Directors in determining to issue the Certificates is final and conclusive unless the district court finds that the Board of Directors has exceeded its legal authority. An action shall not be brought
which questions the legality of the Certificates, the power of the Board of Directors to issue the Certificates, the effectiveness of any proceedings relating to the authorization of the Projects, or the authorization and issuance of the Certificates from and after fifteen days from the publication of this notice.

By Order of the Board of Directors of Des Moines Area Community College

Secretary of the Board of Directors
Section 3. That the preparation and distribution of a preliminary official statement in accordance with Rule 15c2-12(b)(1) of the Securities Exchange Act of 1934 is hereby authorized and approved.

Section 4. That the officers 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 5. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 14th day of November, 1994.

[Signature]
President of the Board of Directors

Attest:

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

COUNTY OF POLK

I, Helen Harris, Secretary of the Board of Directors of the Des Moines Area Community College (Merged Area XI) in the Counties 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, State of Iowa, 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 November 14, 1994, which proceedings remain in full force and effect, 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 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 (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board 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 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.

Dated this 14th day of November, 1994.

Helen Harris
Secretary of the Board of Directors of the Des Moines Area Community College
Ankeny, Iowa

November 14, 1994

The Board of Directors of the Des Moines Area Community College (Merged Area XI) in the Counties 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, State of Iowa, met in regular session on the 14th day of November, 1994 at 4:00 p.m. in the DMACC Commons Building at 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:

Harold Belken, Lloyd Courter, Dale Froehlich, Anita Micich, Naomi Neu, Gerry Pecinovsky

Absent: Dick Johnson, Madelyn Tursi

Matters were discussed concerning new jobs training programs involving the College and the companies referred to in the attached resolution and the issuance of New Jobs Training Certificates in order to fund the training programs. Following a discussion of the proposal, Board Member **Froehlich** introduced and caused to be read a resolution entitled "A Resolution Directing the Advertisement for Sale of New Jobs Training Certificates"; and moved its adoption. The motion was seconded by Board Member **Micich**. 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: Belken, Courter, Froehlich, Micich, Neu, Pecinovsky, Shull

Nays: **NONE**

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

*****

Doug Shull, President of the Board of Directors

Attest:

Helen Harris, Secretary of the Board of Directors
RESOLUTION

A RESOLUTION DIRECTING THE ADVERTISEMENT FOR SALE
OF NEW JOBS TRAINING CERTIFICATES

WHEREAS, the Des Moines Area Community College (hereinafter referred to as the "College"), of the Counties 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, State of Iowa, (the area served by the College being hereinafter referred to as the "Merged Area"), 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 260E of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to issue New Jobs Training Certificates and use the proceeds from the sale of said Certificates to defray all or a portion of the cost of a "New Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to encourage industry and trade to locate and expand within the State of Iowa (the "State") in order to create jobs and employment opportunities and to improve the economic welfare of the residents of the State; and

WHEREAS, the College has undertaken negotiations with certain companies (the "Companies") with respect to New Jobs Training Programs, pursuant to the provisions of the Act for the purpose of establishing job training programs (hereinafter referred to as the "Projects") to educate and train workers for new jobs with the Companies at their facilities located or to be located in the Merged Area served by the College, which Projects will be beneficial to the Companies and the College; and

WHEREAS, the Act authorizes the College to issue New Jobs Training Certificates with respect to a single project or multiple projects and the College has determined that it will be beneficial to the College and the Companies to issue a single issue of New Jobs Training Certificates with respect to all of the Projects; and

WHEREAS, the College has determined that the aggregate amount necessary to defray all or a portion of the cost of the Projects, including necessary expenses incidental thereto, will require the issuance by the College of its New Jobs Training Certificates pursuant to the provisions of the Act in the amount of $3,425,000 for the purpose of funding the Projects in the amounts set forth below opposite the name of each Company:

<table>
<thead>
<tr>
<th>Company</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>3M Company</td>
<td>$978,000</td>
</tr>
<tr>
<td>Vermeer Manufacturing Company</td>
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<td>351,500</td>
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<tr>
<td>Burke Marketing Corporation</td>
<td>161,000</td>
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<tr>
<td>CE Software, Inc.</td>
<td>191,000</td>
</tr>
<tr>
<td>Dee Zee, Inc.</td>
<td>104,500</td>
</tr>
</tbody>
</table>
WHEREAS, it is proposed to finance the cost of the Projects through the issuance of New Jobs Training Certificates (Multiple Projects XIX) of the College in an aggregate principal amount of $3,425,000 (the "Certificates"); and

WHEREAS, the College has heretofore pursuant to resolution of the Board of Directors directed the publication of a notice of the proposal to issue New Jobs Training Certificates with respect to each of the Companies and the right to appeal the decision of the Board of Directors of the College to issue the Certificates pursuant to the provisions of the Act as required and provided for by Section 260E.6 of the Act and Section 147 of the Internal Revenue Code of 1986; and

WHEREAS, the Board of Directors of the College is authorized to proceed on behalf of the College with the sale of the Certificates, and has determined to select a date for the sale of the Certificates, publish notice of the sale, and take all action necessary to proceed with the sale of the Certificates on a basis favorable to the College and acceptable to the Board of Directors of the College;

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

Section 1. That the Certificates described herein be offered at public sale scheduled for December 12, 1994, with the opening of bids at 11:00 o'clock a.m. in Room 30b of Building Number 1, at the College in Ankeny, Iowa and the bids referred to the Board of Directors of the College at its meeting scheduled for December 12, 1994 at ___ o'clock p.m. at the College in Ankeny, Iowa.

Section 2. That the Secretary of the Board of Directors of the College shall cause to be published, in compliance with Chapter 75 of the Code of Iowa, notice of the sale of the Certificates at least once, the last one of which shall be not less than four nor more than twenty days before the sale in a legal newspaper, printed wholly in the English language, published in the county of or a county contiguous to the place of sale. The notice shall be in substantially the following form with such variations therein (including the completion of the omissions therein, the determination or modification of the maturity schedule for the Certificates, and any appropriate reduction or increase in the principal amount of the Certificates) as shall be approved by the officers of the College:

<table>
<thead>
<tr>
<th>Company</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deflecta-Shield Corporation</td>
<td>300,000</td>
</tr>
<tr>
<td>E. I. Du Pont De Nemours and Company</td>
<td>136,500</td>
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<td>79,000</td>
</tr>
<tr>
<td>Barr-Nunn Transportation, Inc.</td>
<td>375,000</td>
</tr>
<tr>
<td>Equitable of Iowa Companies</td>
<td>295,500</td>
</tr>
<tr>
<td>Jacobson Transportation Company, Inc.</td>
<td>30,500</td>
</tr>
</tbody>
</table>
COPY OF ADVERTISEMENT

STATE OF IOWA

POLL COUNTY

The undersigned, being first duly sworn, on oath states that she/he is the

COPY OF ADVERTISEMENT
Exhibit "A"

The undersigned, being first duly sworn, on oath states that she/he is the

January 28, 1994

on printed

daily

on printed

Daily)

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on printed

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The undersigned, being first duly sworn, on oath states that she/he is the

January 28, 1994

on printed

Daily)

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on printed

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January 28, 1994

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January 28, 1994

on printed

Daily)

R

on printed

)
The undersigned, being first duly sworn, on oath states that she/he is the Chief Clerk of Des Moines Register and Tribune Company, a corporation duly organized and existing under the laws of the State of Iowa, with its principal place of business in Des Moines, Iowa, the publisher of THE DES MOINES REGISTER (Daily)

DESMOINES SUNDAY REGISTER

newspapers of general circulation printed and published in the City of Des Moines, Polk County, Iowa, and that an advertisement, a printed copy of which is attached as Exhibit "A" and made a part of this affidavit, was printed and published in The Des Moines Register (daily) the following dates November 28, 1994

The Des Moines Register (daily) the following dates November 28, 1994

......

Subscribed and sworn to before me by said affiant this 5th day of January 1995

Notary Public in and for Polk County, Iowa
NOTICE OF BOND SALE

DES MOINES AREA COMMUNITY COLLEGE
NEW JOBS TRAINING CERTIFICATES

The Des Moines Area Community College (Merged Area XI) (the "College") of the Counties 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 (the "Merged Area"), State of Iowa, will receive bids in Room 30b in Building Number 1 at the College in Ankeny, Iowa, on December 12, 1994 for the purchase of the following New Jobs Training Certificates (the "Bonds"): $3,425,000 Des Moines Area Community College New Jobs Training Certificates (Multiple Projects XIX)

The Bonds are to be issued for the purpose of financing job training programs under Chapter 260E of the Code of Iowa, as amended (the "Act").

Sealed bids for the Bonds will be received at the office of the President of the College at any time prior to 11:00 o'clock a.m. on the date of the sale. The most favorable bid will be referred to the Board of Directors at their meeting to be held on the date specified above and the Bonds will then be sold to the most favorable bidder for cash, unless the Board determines to reject the most favorable bid. The most favorable bidder shall be the bidder whose bid produces the lowest interest cost computed by determining, at the rate or rates specified in the bid, the total dollar value of all interest on the Bonds and deducting any premium therefrom or adding any discount thereto.

The College reserves the right to reduce the principal amount of the Bonds to be sold on the date of the sale on the basis of the bids received and market conditions.

BOND DETAILS: The Bonds are in the aggregate principal amount set forth above, to be dated January 1, 1995, to be in the denomination of $5,000, or any integral multiple thereof designated by the successful bidder within forty-eight hours of acceptance of the bid, and to mature as follows:
<table>
<thead>
<tr>
<th>Principal Amount</th>
<th>Maturity (June 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000</td>
<td>1996</td>
</tr>
<tr>
<td>240,000</td>
<td>1997</td>
</tr>
<tr>
<td>270,000</td>
<td>1998</td>
</tr>
<tr>
<td>310,000</td>
<td>1999</td>
</tr>
<tr>
<td>410,000</td>
<td>2000</td>
</tr>
<tr>
<td>480,000</td>
<td>2001</td>
</tr>
<tr>
<td>515,000</td>
<td>2002</td>
</tr>
<tr>
<td>550,000</td>
<td>2003</td>
</tr>
<tr>
<td>550,000</td>
<td>2004</td>
</tr>
</tbody>
</table>

Interest on the Bonds will be payable on June 1, 1995 and semiannually thereafter on each June 1 and December 1 until the principal on the Bonds is paid in full. Principal and interest will be payable by Norwest Bank Iowa, National Association, the Paying Agent for the College.

**AUTHORITY:** The Bonds are issued under the authority of Chapter 260E of the Code of Iowa, as amended.

**PURPOSE:** The proceeds of the issuance of the Bonds will be used to finance the training of workers (the "Projects"), including the costs of the issuance of the Bonds and administrative expenses, in new jobs at the following companies (the "Companies") at the following locations:

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>3M Company</td>
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<tr>
<td>Vermeer Manufacturing Company</td>
<td>Pella, Iowa</td>
</tr>
<tr>
<td>Allied Group, Inc.</td>
<td>Urbandale, Iowa</td>
</tr>
<tr>
<td>Burke Marketing Corporation</td>
<td>Nevada, Iowa</td>
</tr>
<tr>
<td>CE Software, Inc.</td>
<td>West Des Moines, Iowa</td>
</tr>
<tr>
<td>Dee Zee, Inc.</td>
<td>Des Moines, Iowa</td>
</tr>
<tr>
<td>Deflecta-Shield Corporation</td>
<td>Indianola, Iowa</td>
</tr>
<tr>
<td>E. I Du Pont De Nemours and Company</td>
<td>Urbandale, Iowa</td>
</tr>
<tr>
<td>New Pella Plastics, Inc.</td>
<td>Pella, Iowa</td>
</tr>
<tr>
<td>Barr-Nunn Transportation, Inc.</td>
<td>Granger, Iowa</td>
</tr>
<tr>
<td>Equitable of Iowa Companies</td>
<td>Des Moines, Iowa</td>
</tr>
<tr>
<td>Jacobson Transportation Company, Inc.</td>
<td>Des Moines, Iowa</td>
</tr>
</tbody>
</table>

The Projects are undertaken pursuant to Industrial New Jobs Training Agreements between the College and each of the Companies. The proceeds of the issuance of the Bonds will also be used to pay related administrative costs of the new jobs training programs and costs of issuance.
SECURITY: All of the Bonds are issued on a parity basis. The Bonds are secured by special funds of the College into which are deposited a new jobs credit from withholding taxes to be received or derived from new employment resulting from each of the Projects, and revenue from incremental property taxes to be received or derived from some of the business properties where new jobs are created as a result of the Projects. In addition, the Bonds are secured by a special standby tax assessed upon all taxable property within the Merged Area to the extent necessary to pay principal and interest on the Bonds.

PARITY BONDS: The College reserves the right to issue additional bonds payable from the same sources and ranking on a parity with the Bonds.

INTEREST RATE AND BIDDING REQUIREMENTS: The Bonds shall bear interest at a rate or rates to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/20 of 1%, or both. No Bond shall bear more than one interest rate, all Bonds maturing in any one year shall carry the same interest rate, and each rate of interest specified for Bonds of any maturity shall not be less than a rate of interest specified for an earlier maturity. No proposal for the purchase of less than all of the Bonds or at a price less than $3,390,750 plus accrued interest will be considered. Each bid shall state the total interest cost, total premium or discount, the net interest cost to the College and the net effective interest rate thereunder, but such statements shall not be considered a part of the bid.

The successful bidder will be required to provide to the College by December 30, 1994 the initial price to the public at which a substantial amount of the Bonds have been sold and will be required to confirm such information in writing at the time of the closing.

BID SECURITY: A Good Faith Deposit ("Deposit") in the form of a certified or cashier's check or a Financial Surety Bond in an amount equal to $68,500 payable to the order of the Treasurer of the College, is required for a bid to be considered. If a check is used, it must accompany the bid. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of Iowa and such bond must be submitted to the College or its Financial Advisor prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser ("Purchaser") is required to submit its Deposit to the College or its Financial Advisor in the form of a cashier's check (or wire transfer such amount as instructed by the College or its Financial Advisor) not later than 3:30 p.m. Des Moines, Iowa time on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the College to satisfy the Deposit requirement. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event a Purchaser fails to honor its accepted bid, the Deposit will be retained by the College. Checks of the unsuccessful bidders will be promptly returned to each bidder's representative or by registered mail.
REGISTRATION: The Bonds will be registered as to principal and interest. Norwest Bank Iowa, National Association will act as registrar of the Bonds and transfer agent for the College.

PRIOR REDEMPTION: Bonds maturing on or after June 1, 2003, are subject to redemption prior to their stated maturities, in whole or from time to time in part, in numerical order, on June 1, 2002, or on any interest payment date thereafter at the option of the College, upon terms of par plus accrued interest to the date of call.

DELIVERY OF BONDS: The Bonds will be delivered, without expense to the purchaser, at any mutually acceptable bank or trust company in the United States, upon full payment in immediately available cash or federal funds. The Bonds are expected to be delivered within thirty days after the sale. Should delivery be delayed beyond sixty days from date of sale for any reason, except failure of performance by the purchaser, the purchaser may withdraw its bid and thereafter its interest in and liability for the Bonds will cease and its bid security will be returned without interest. When the Bonds are ready for delivery, the College may give the successful bidder five working days notice of the delivery date and the College will expect payment in full on that date, otherwise reserving the right at its option to determine that the bidder has failed to comply with the offer of purchase. Accrued interest to the date of delivery of the Bonds shall be paid by the purchaser at the time of delivery.

OFFICIAL STATEMENT: Prior to the date of sale of the Bonds, potential underwriters may obtain copies of a preliminary official statement in accordance with Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934 (the "Act") from the Financial Advisor to the College, Evensen, Dodge, Inc., 601 2nd Avenue South, Suite 5100, Minneapolis, Minnesota 55402, (612) 338-3535. The College will provide the purchasers of the Bonds with copies of a final official statement in accordance with Rule 15c2-12(b)(3) under the Act.

CUSIP NUMBERS: It is anticipated that the Bonds will be printed with CUSIP numbers, unless otherwise requested by the purchasers. In no event will the College be responsible for or Bond Counsel review or express any opinion of the correctness of such numbers, and incorrect numbers on said Bonds shall not be cause for the purchasers to refuse to accept delivery of the Bonds.

RATINGS: The Bonds will be rated by Moody's Investors Services, Inc.

LEGAL OPINION: The Bonds will be sold subject to the opinion of Davis, Hockenberg, Wine, Brown, Koehn & Shors, P.C., Attorneys, of Des Moines, Iowa, which will be furnished without expense to the purchasers of the Bonds at the delivery thereof. Except to the extent necessary to issue their opinion as to the legality of the Bonds, the attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the Bonds.
RIGHTS RESERVED: The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.

Dated this ____ day of November, 1994.

HELEN HARRIS,
Secretary of the Board of
Directors of the Des Moines
Area Community College

(end of notice)
Section 3. That the preparation and distribution of a preliminary official statement in accordance with Rule 15c2-12(b)(1) of the Securities Exchange Act of 1934 is hereby authorized and approved.

Section 4. 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 5. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 14th day of November, 1994.

[Signatures]

Attest:

[Signatures]

President of the Board of Directors

Secretary of the Board of Directors
STATE OF IOWA

COUNTY OF POLK

I, Helen Harris, Secretary of the Board of Directors of the Des Moines Area Community College (Merged Area XI) in the Counties 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, State of Iowa, 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 November 14, 1994, which proceedings remain in full force and effect, 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 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 (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board 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 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.

Dated this 14th day of November, 1994.

[Signature]
Secretary of the Board of Directors of the Des Moines Area Community College
DES MOINES AREA COMMUNITY COLLEGE  
MONTHLY FINANCIAL REPORT  
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### Balance Sheet

**Des Moines Area Community College**

**Balance Sheet**

**October 31, 1994**

#### ASSETS

<table>
<thead>
<tr>
<th>Current Assets</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>301,172</td>
<td>2,301</td>
<td>1,690</td>
<td>89,501</td>
<td>394,664</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments (Sch B)</td>
<td>3,720,893</td>
<td>17,668,409</td>
<td>(80,913)</td>
<td>657,117</td>
<td>24,604,504</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable (Sch C)</td>
<td>7,912,498</td>
<td>18,389,977</td>
<td>134,930</td>
<td>20,513</td>
<td>26,470,261</td>
<td>1,041,371</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Loans (Sch E)</td>
<td>15,615</td>
<td>330,440</td>
<td>2,161</td>
<td>9,114</td>
<td>1,583,242</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits &amp; Prepaid Expenses (Sch D)</td>
<td>185,119</td>
<td>592,184</td>
<td></td>
<td></td>
<td>767,303</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to/from Other Funds (Sch D)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>12,135,297</td>
<td>36,388,826</td>
<td>638,362</td>
<td>857,091</td>
<td>231,827</td>
<td>1,092,303</td>
<td>67,740,920</td>
<td>119,084,626</td>
</tr>
</tbody>
</table>

| Fixed Assets                          |              |            |           |        |             |      |       |       |
| Land, Buildings & Improvements        | 36,089       |            |           |        |             |      |       |       |
| Equipment, Leased Prop, Books & Film  | 131,957      |            |           |        |             |      |       |       |
| **Total fixed assets**                | 0            | 0          | 0         | 168,046| 0           | 0    | 64,055,235| 64,223,281|

**TOTAL ASSETS**

12,135,297 36,388,826 638,362 857,091 231,827 1,092,303 67,740,920 119,084,626

#### LIABILITIES AND FUND BALANCES

| Current Liabilities                  | 8,924,628    | 11,732,947 | 118,416   | 20,212  | 6,322       | 20,802,525 |
| Long Term Liabilities                | 24,208,776   | 8,037,786  | 32,284,564| 869,611 |
| Deposits Held in Custody for Others  | 5,732        | 21,000     | 836,879   |         |
| **Total liabilities**                | 8,930,360    | 35,962,725 | 118,416   | 857,091 | 0           | 8,044,108  | 53,912,700|

**Fund Balance**

| Unrestricted                         | 3,019,818    |            |           |        |             | 3,019,818 |
| Restricted – spec purposes            | 185,119      | 426,101    | 519,946   | 231,827 | 1,092,303   | (217,172) |
| Net Investment in Plant               |              |            |           |        |             | 62,359,280| 62,359,280|
| **Total fund balance**               | 3,204,937    | 426,101    | 519,946   | 0      | 231,827     | 1,092,303 | 65,171,926|

**TOTAL LIABILITIES & FUND BALANCE**

12,135,297 36,388,826 638,362 857,091 231,827 1,092,303 67,740,920 119,084,626
# Statement of Revenue, Expenditures & Changes in Fund Balances

**October 31, 1994**

## Revenues & Other Additions:

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund 1</th>
<th>General 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>Tuition and Fees</td>
<td>4,448,336</td>
<td>230,720</td>
<td>11,470</td>
<td>100,787</td>
<td></td>
<td></td>
<td></td>
<td>4,791,323</td>
</tr>
<tr>
<td>Local Support (Property Taxes)</td>
<td>1,274,189</td>
<td>237,528</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,497,658</td>
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<tr>
<td>State Support</td>
<td>5,737,518</td>
<td>480,001</td>
<td>57,615</td>
<td></td>
<td>1,803,437</td>
<td></td>
<td></td>
<td>2,675,134</td>
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<tr>
<td>Federal Support</td>
<td>251,393</td>
<td>341,617</td>
<td>13,391</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,409,838</td>
</tr>
<tr>
<td>Sales &amp; Services</td>
<td>42,104</td>
<td>408,550</td>
<td>14,473</td>
<td></td>
<td>4,243</td>
<td></td>
<td></td>
<td>466,493</td>
</tr>
<tr>
<td>Training Revenue</td>
<td>159,254</td>
<td>140,245</td>
<td>14,473</td>
<td></td>
<td>20,024</td>
<td></td>
<td></td>
<td>466,493</td>
</tr>
<tr>
<td>Other Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue &amp; Other Additions</strong></td>
<td>11,912,794</td>
<td>1,838,671</td>
<td>2,535,137</td>
<td>1,861,052</td>
<td>4,243</td>
<td></td>
<td></td>
<td>19,425,197</td>
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</table>

## Expenditures & Other Deductions:

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund 1</th>
<th>General 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>Educational &amp; General</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Instruction</td>
<td>6,777,626</td>
<td>1,178,899</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7,956,525</td>
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<tr>
<td>Academic Support</td>
<td>1,375,943</td>
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<td></td>
<td></td>
<td></td>
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<td></td>
<td>1,375,943</td>
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<tr>
<td>Student Services</td>
<td>926,939</td>
<td>178,987</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td>1,105,926</td>
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<tr>
<td>Institutional Support</td>
<td>1,706,338</td>
<td>327,836</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,034,174</td>
</tr>
<tr>
<td>Operation &amp; Maintenance of Plant</td>
<td>909,198</td>
<td>152,949</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,062,147</td>
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<tr>
<td>Auxiliary Enterprise Expenditure</td>
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<td></td>
<td></td>
<td></td>
<td>2,598,514</td>
<td></td>
<td></td>
<td>2,598,514</td>
</tr>
<tr>
<td>Scholarship Expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,868,723</td>
<td></td>
<td></td>
<td>1,868,723</td>
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<tr>
<td>Loan Fund Expense</td>
<td></td>
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<td></td>
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<td></td>
<td>4,374</td>
</tr>
<tr>
<td>Plant Fund Expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,741,328</td>
</tr>
<tr>
<td>Agency Fund Expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>190,351</td>
</tr>
<tr>
<td><strong>Total Expenditures &amp; Other Deductions</strong></td>
<td>11,685,804</td>
<td>1,838,671</td>
<td>2,598,514</td>
<td>1,868,723</td>
<td>4,374</td>
<td></td>
<td></td>
<td>20,937,765</td>
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</tbody>
</table>

## Transfer Among Funds: Additions & Deductions

<table>
<thead>
<tr>
<th>Description</th>
<th>Restricted Fund 1</th>
<th>Restricted 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>Mandatory</td>
<td>(36,657)</td>
<td>(12,152)</td>
<td>(147,000)</td>
<td>19,598</td>
<td>112,000</td>
<td>7,200</td>
<td>7,200</td>
<td>0</td>
</tr>
<tr>
<td>Non-Mandatory</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20,384</td>
</tr>
<tr>
<td><strong>Net Increase (Decrease) for the Period</strong></td>
<td>168,151</td>
<td>0</td>
<td>(210,377)</td>
<td>104,642</td>
<td>140,986</td>
<td>7,069</td>
<td>(1,723,039)</td>
<td>(1,512,568)</td>
</tr>
</tbody>
</table>

## Fund Balance

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund</th>
<th>General Fund</th>
<th>Auxiliary Fund</th>
<th>Agency Fund</th>
<th>Scholarship Fund</th>
<th>Loan Fund</th>
<th>Plant Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance at Beginning of Year</td>
<td>3,036,786</td>
<td>425,101</td>
<td>730,323</td>
<td>90,841</td>
<td>1,055,234</td>
<td>61,419,851</td>
<td>67,521,373</td>
</tr>
<tr>
<td>Fund Balance at End of Period</td>
<td>3,204,937</td>
<td>426,101</td>
<td>519,946</td>
<td>836,879</td>
<td>231,827</td>
<td>59,696,812</td>
<td>66,008,805</td>
</tr>
<tr>
<td>INSTITUTION</td>
<td>INVESTMENT TYPE</td>
<td>INTEREST RATE</td>
<td>UNRESTRICTED CURRENT FUND 1</td>
<td>RESTRICTED CURRENT FUND 2</td>
<td>AUXILIARY FUND 3</td>
<td>AGENCY FUND 4</td>
<td>SCHOLARSHIP FUND 5</td>
</tr>
<tr>
<td>----------------------------</td>
<td>----------------</td>
<td>---------------</td>
<td>-----------------------------</td>
<td>---------------------------</td>
<td>-----------------</td>
<td>---------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>First National Bank</td>
<td>Money Market</td>
<td>3.90%</td>
<td>563,654</td>
<td>108,146</td>
<td>(80,913)</td>
<td>607,117</td>
<td>231,827</td>
</tr>
<tr>
<td>First National Bank</td>
<td>No Interest Acct</td>
<td>0.00%</td>
<td></td>
<td>106,713</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First National Bank</td>
<td>CD's due 4/4/95</td>
<td>3.75%</td>
<td></td>
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</tr>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total First National Bank</strong></td>
<td></td>
<td></td>
<td>563,654</td>
<td>214,861</td>
<td>(80,913)</td>
<td>657,117</td>
<td>231,827</td>
</tr>
<tr>
<td>Firstar Bank</td>
<td>Money Market</td>
<td>VAR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norwest Bank (ISJIT)</td>
<td>Trust Account</td>
<td>VAR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ISJIT Direct</td>
<td>Trust Account</td>
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<td></td>
<td>3,720,893</td>
<td>17,658,409</td>
<td>(80,913)</td>
<td>657,117</td>
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<td>Agency</td>
<td>Scholarship</td>
<td>Loan</td>
<td>Plant</td>
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<td>---------------------</td>
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<td></td>
<td>(54,050)</td>
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<td>8,044,108</td>
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### BUDGET REPORT
#### SUMMARY BY FUND (ALL FUNDS)
**OCTOBER 31, 1994**

**FUND NAME** | **FUND NO.** | **BOARD APPROVED BUDGET** | **WORKING BUDGET** | **AMOUNT EXPENDED/ RECEIVED** | **AMOUNT ENCUMBERED** | **WORKING BALANCE**
--- | --- | --- | --- | --- | --- | ---
**REVENUE:**
GEN FUND CURRENT | 1 | $35,998,223 | $36,168,153 | $11,920,996 | 24,247,157 |
RESTRICTED CURRENT | 2 | 18,135,561 | 18,225,033 | 1,838,671 | 16,386,362 |
AUXILIARY | 3 | 6,702,176 | 6,882,176 | 2,535,137 | 4,347,039 |
AGENCY | 4 | 835,264 | 845,993 | 384,582 | 461,411 |
SCHOLARSHIP | 5 | 5,418,667 | 5,445,333 | 2,009,709 | 3,435,624 |
LOAN | 6 | 79,870 | 81,207 | 11,443 | 69,764 |
PLANT (NOTE 1) | 7 | 3,778,627 | 3,608,627 | 1,018,289 | 2,590,338 |

**Total Revenue:** $70,948,388 | $71,256,522 | $19,718,827 | $0 | $51,537,695

**EXPENDITURES:**
GEN FUND CURRENT | 1 | $35,781,632 | $36,247,513 | $11,752,846 | $16,574,919 | $7,919,748 |
RESTRICTED CURRENT | 2 | 18,099,107 | 20,294,207 | 1,838,671 | 1,511,857 | 16,943,679 |
AUXILIARY | 3 | 6,498,735 | 6,780,818 | 2,745,514 | 1,351,892 | 2,683,424 |
AGENCY | 4 | 799,344 | 834,350 | 279,941 | 65,981 | 488,428 |
SCHOLARSHIP | 5 | 5,398,667 | 5,398,667 | 1,868,723 | 0 | 3,529,944 |
LOAN | 6 | 37,100 | 37,100 | 4,374 | 0 | 32,726 |
PLANT (NOTE 1) | 7 | 6,371,986 | 7,150,089 | 2,741,328 | 779,968 | 3,628,793 |

**Total Expenditures:** $72,986,571 | $76,742,744 | $21,231,397 | $20,284,617 | $35,226,730

**NOTE 1:** THE PLANT FUND IS PRESENTED ON A CASH BASIS CONSISTENT WITH THE PUBLISHED BUDGET.
DMACC BUDGET STATUS OCTOBER 31, 1994
FUNDS 1 & 2

Budget Revenue
Actual Revenue
Budget Expense
Actual Expense
Year to Date Budget
DMACC BUDGET STATUS OCTOBER 31, 1994
FUND 3, 4, 5, 6, 7

Fund 3
Auxiliary

Fund 4
Agency

Fund 5
Scholarship

Fund 6
Loan

Fund 7
Plant

[Bar chart showing budget status for different funds]
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<th>Year</th>
<th>Current Year Revenue</th>
<th>Same Month Prior Year Revenue</th>
<th>Current Year Expense</th>
<th>Same Month Prior Year Expense</th>
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<td>10,500,000</td>
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<td>8,000,000</td>
<td>7,500,000</td>
<td>7,000,000</td>
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A Collective Bargaining Agreement

between

Des Moines Area Community College Educational Services Association

and

Des Moines Area Community College Board of Directors

July 1, 1994 - June 30, 1996
**TABLE OF CONTENTS**

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<th>SUBJECT</th>
<th>PAGE</th>
</tr>
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<td>2</td>
<td>Grievance Procedure</td>
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<td>3</td>
<td>Seniority</td>
<td>4-5</td>
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<td>Transfers</td>
<td>6-7</td>
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<td>5</td>
<td>Staff Reduction</td>
<td>8-9</td>
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<td>Evaluation</td>
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<td>Hours of Work</td>
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<td>Compliance &amp; Duration</td>
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**Appendix A**

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<thead>
<tr>
<th>Subject</th>
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<td>Salary Ranges</td>
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</table>
ARTICLE 1
RECOGNITION

Part A: Bargaining Unit Agent

The Employer hereby recognizes the Des Moines Area Community College Education Services Association for the term of their PERB certification as the bargaining agent for the unit as described below.

Part B: Bargaining Unit

Section 1 - Inclusions

All Regular secretarial/clerical, physical plant and food service employees who work a minimum of 20 hours per week for a period of 9 months or more.

(Regular employee refers to an employee hired into an authorized position for whom there is an expectation of ongoing employment.)

Section 2 - Exclusions

All Nonregular employees; all student employees; all supervisory and administrative staff; all faculty and professional staff; all human resources staff; all secretaries to the College President; Vice-Presidents; Assistant to the President; Executive Director, District Administration; Deans; and all other employees excluded by Section 4 of the Act.

(Nonregular employee refers to an employee hired into an unauthorized position for a time of limited duration or a limited number of hours per week for whom there is no expectation of ongoing employment.)

Fixed Term - 1,000 hours or less per fiscal year
Part-time - Less than 20 hours per week for an indefinite period of time
ARTICLE 2
GRIEVANCE PROCEDURE

Part A: Definitions

Grievance - A grievance is a claim by a grievant of a misapplication, misinterpretation or a violation of an article(s) of this agreement.

Grievant - A grievant shall mean an employee or group of employees filing a grievance.

Class Grievance - When the grievance affects a group of employees with more than one supervisor or more than one campus, it will be considered a class grievance and may be filed by the Association Grievance Chairperson or President at Step Three using the provisions in Step One.

Part B: Procedure

Section 1 - Step One

The grievant will present a signed written grievance on an approved form to the immediate supervisor within 15 days of the date of the event or condition giving rise to the grievance. The grievance shall state the name(s) of the grievant(s), the facts giving rise to the grievance, the provisions of the agreement violated, the relief requested and will be signed by the grievant(s). Within 10 days after receipt of the grievance, the supervisor shall give a written answer to the grievant with a copy to the Grievance Chairperson.

Section 2 - Step Two

In the event the grievance is not resolved at Step One, the grievant may within 10 days of the receipt of the supervisor's answer submit the signed grievance to the appropriate Dean or Manager. The appropriate Dean or Manager shall have 10 days after receipt to submit a written answer to the grievant with a copy to the Grievance Chairperson.

Section 3 - Step Three

If the grievance is not resolved at Step Two, the grievant may within 10 days of the receipt of the answer in Step Two, submit the written grievance to the President or his/her designee. The President or his/her designee shall submit a written answer with reasons to the grievant within 20 working days, with a written copy to the Grievance Chairperson.

Section 4 - Step Four

If the grievance is not resolved in Step Three, the Association will mail written notification simultaneously to the President and the American Arbitration Association within 20 working days.
of the answer in Step Three, requesting a list of arbitrators. The parties agree to be bound by the rules and procedures of the American Arbitration Association. The arbitrator will review the grievance and render a final and binding decision. The arbitrator's powers will be limited to the extent that he/she shall have no power to add to, subtract from, disregard, alter, or modify any of the terms of this Agreement. The expenses incurred by the arbitrator and any mutual fees for arbitration services will be shared equally by the Employer and the Association, but each party will pay the fees incurred in the presentation of its case. Whenever possible, grievance hearings will be scheduled after 5 p.m.

Section 5 - General Provisions

1. The failure of a grievant to act within the prescribed time limits will act as a bar to any further appeal.

2. The failure of the administrator to give a decision within the prescribed time limits shall permit the grievance to proceed to the next level.

3. Time limits may be extended by written mutual consent of the Administrator and the grievant.

4. All documents dealing with the processing of a grievance shall be filed in a separate grievance file and shall not be kept in the personnel file of any employee.

5. Days, as used in this section, shall be working days.

6. The grievant may have an Association representative present at all levels of the grievance procedure.
ARTICLE 3
SENIORITY

Part A: Definition

Seniority shall be defined as the length of service with the College as a member of the bargaining unit, except that all members of the bargaining unit as of the first day of this agreement shall be credited with any seniority accumulated prior to the certification of the bargaining unit as well as the time from certification to the first day of the agreement.

Employees now in the bargaining unit that worked 6 months or more per year but less than 12 months per year shall receive pro-rata credit from June 30, 1968 to the present.

Part B: Accumulation of Seniority

Accumulation of seniority shall begin on the employee’s day of hire. In the event that more than one individual has the same date of hire, position on the seniority list shall be determined by casting lots.

Part C: Seniority List

The Employer shall prepare, maintain, and post the seniority list and any revisions or updates. The seniority list shall be posted in conspicuous locations on each campus on or about September 30 of each year. The DMACC-ESA president shall be supplied a copy on September 30 and an update on or about March 30.

Part D: Breaks in Seniority

Seniority will be broken for the following reasons:

1. Termination
2. Resignation
3. Retirement
4. Employment by the College in a position outside the bargaining unit
5. Lay-off under Staff Reduction for more than 1 year
6. Failure to properly respond or report for work on recall under Staff Reduction

Part E: Probationary Period

Employees shall be considered probationary for the first 90 days of employment. Upon successful completion of the probationary period, the employees shall be eligible for benefits provided by this agreement, including seniority retroactive to the date of hire.

During the Christmas shutdown period, probationary employees may borrow Vacation time equal to that earned by non-probationary employees in an equivalent amount of time to that worked by the
probationary employee. Should the employee fail to successfully finish his/her probationary period, all Vacation and the Holiday pay provided above will be forfeited.

All other benefits remain unavailable to probationary employees.
ARTICLE 4
TRANSFERS

Part A: Vacancy —

Section 1 - Definition

A vacancy shall be defined as any position, either newly created or a present position, that is not filled. The Employer is not obligated to fill a vacant position.

Section 2 - Posting

All vacancies shall be posted in a designated place in each building and on each campus for a period of 7 working days. Such vacancy notices shall contain the following information:

1. Type of work by description
2. Classification by title
3. Minimum qualifications
4. Hours scheduled
5. Starting date
6. Location of work
7. Grade
8. Rate of pay
9. How to apply for the position

If no applicant for a posted vacancy meets the minimum qualifications, then the position shall be posted as a vacancy again, noting it is a second posting.

Section 3 - Interviews

The immediate supervisor for a position in which a vacancy exists shall interview up to six applicants for the position. Priority for such interviews shall be given to the most qualified applicants, based upon the qualifications stated in the vacancy notice. If less than 6 applicants with superior qualifications are selected for interviews, then the quota of 6 will be filled by interviewing up to 2 bargaining unit applicants with the greatest seniority.

Section 4 - Notification

Applicants not selected for the position shall receive written notice of same within 10 working days after the selection process is completed. The Association shall be notified of the selection in writing.

Part B: Involuntary Transfer

Involuntary transfer is a permanent movement to a different campus which has not been requested by a bargaining unit member. (Campus shall mean Ankeny, Boone, Carroll, Newton and Urban.)
The parties agree that involuntary transfers of employees shall be avoided whenever possible. Involuntary transfers will be accomplished by transferring the least senior employee within that job classification and grade first. No involuntary transfer shall occur unless a vacancy still exists after interviewing applicants for a vacant position.

Part C: Temporary Transfers Between Campuses

Temporary transfers between campuses shall be by agreement with the employee or in accordance with past practice in those areas where employees have been regularly assigned to other campuses on a temporary basis.

Part D: Temporary Assignment

Any employee asked by a supervisor to temporarily assume the duties of another employee will receive an adjustment in pay after assuming major responsibilities of the temporary assignment for 3 consecutive working days. Such adjustment will be an increase of 5 percent of the employee's current salary or the minimum of the grade, whichever is greater, except in no circumstance will an employee receive more than the midpoint of the grade of the position being performed. An employee's pay rate shall not be reduced by any temporary change in duties.
ARTICLE 5
STAFF REDUCTION

Part A: Definition

Reduction in staff shall mean a reduction in and/or elimination of a job classification (title and grade) on a campus.

When the reduction eliminates a job classification, all the employees in that job classification will be laid off. When the reduction is in the number of employees in the job classification, the Employer will retain the employee(s) with the best written evaluations, as provided in this agreement and seniority. Seniority shall be the deciding factor in which employees will be retained when evaluations are comparable. The overall evaluation designation shall be either satisfactory or unsatisfactory for this section.

Part B: Staff Reduction Units

Reduction shall apply separately to the following locations:

1. Ankeny and Urban Campuses combined
2. Boone Campus
3. Carroll Campus
4. Newton Campus

Part C: Notification

The Employer shall provide the employee with 3 weeks of written notice of intent to terminate.

Part D: Staff Reduction Rights

Section 1 - Placement

An employee reduced under the above procedure shall be entitled to fill any vacancy which exists at the time of reduction in any job classification for which the employee has performed satisfactorily for the Employer in the past. Should more than one such employee seek to fill a vacancy, the most senior employee shall be given the position.

Section 2 - Recall

Employees, other than probationary employees (less than 90 calendar days), reduced under the above procedures shall have recall rights for up to 1 year to any vacancy in the following categories:

1. A job classification which the employee held at the time of lay-off
2. The same job title but at a lower grade
3. A job classification in which he/she has performed satisfactorily for the Employer in the past
Should more than 1 employee be eligible for recall under this section, seniority shall determine the employee(s) to be recalled.

An employee who is offered recall to a job classification which has a rate of pay less than he/she was earning at the time of lay-off may refuse such recall and still retain future recall rights as provided by this article.

Section 2A - Recall Notification

Notice of recall shall be sent to the employee by registered mail to the last address on file with the Employer. An employee who has been reduced under this procedure is responsible for keeping a current address on file with the Employer. The employee must notify the Employer in writing, within 5 working days of his/her receipt of the recall notice, of his/her intent to report for work. Persons recalled will have up to 21 days to report for work if employed elsewhere at the time the recall notice is received or up to 7 days if unemployed. Failure to provide notice of an intent to return to work or failure to return to work under the above time periods shall terminate the individual’s rights under this article.

Section 2B - Return to Work Following Recall

An employee who returns to work under the recall procedure shall be reinstated with the applicable benefits accrued at the time of reduction.
ARTICLE 6
EVALUATION

Part A: Required Evaluations

Within 2 weeks of employment, the Employer will acquaint the employee with the evaluation procedure, including the evaluation instruments to be used. No evaluation will take place until such orientation has been completed.

A new employee shall be evaluated prior to the completion of 3 months in employment. All other employees shall be formally evaluated in writing once each year.

Part B: Evaluation Procedures

Section 1 - Conference

A copy of each formal written evaluation shall be given to the employee and a conference shall be held between the employee and the immediate supervisor. The employee shall have at least 2 days prior notice concerning the date of the conference. A copy signed by both parties shall be given to the employee. The employee's signature does not necessarily mean agreement with the evaluation, but rather awareness of the content.

Section 2 - Response

Within 10 working days of the conference, the employee shall have his/her written response to the evaluation and/or evaluation conference placed in his/her file and attached to the evaluation.

Section 3 - Remediation

Where the employee's performance is in need of improvement, the evaluator will so note in the written evaluation, and offer recommendations and assistance for improvement.

Part C: Personnel File

Each employee shall have the right to review the contents of his/her personnel file except for confidential information. A representative of the Association, at the employee's request, may accompany the employee in the review.

Any complaints directed toward an employee which are placed in his/her personnel file are to be called to the employee's attention in writing.

The employee shall have the right to reproduce any of the contents of his/her file at their expense.
ARTICLE 7
HEALTH AND SAFETY

Part A: Working Conditions

The Employer will endeavor to maintain safe working conditions. Employees will be alerted to unsafe working conditions and will report same to the Employer.

Employees will not be requested to work under unsafe conditions. Unsafe shall mean danger to health and not merely uncomfortable or inconvenient conditions.

Part B: Safety Equipment

The Employer shall provide required safety equipment as designated by state safety laws.

Part C: Medical Exams

Any request by the Employer for medical examinations after employment will be at the expense of the Employer.
ARTICLE 8
LEAVES OF ABSENCE

Part A: Sick Leave

Section 1 - Eligibility

Regular full-time and Regular part-time employees, after the effective date of this contract and having reported for duty each year, will accrue Sick Leave on a yearly basis.

Section 2 - Accrual

A Regular full-time employee shall accrue 10 hours of Sick Leave for each month worked. The unused portion of such allowance shall accumulate to a maximum of 100 days or 800 hours. A Regular part-time employee shall receive a prorated portion of the above Sick Leave.

Section 3 - Use

Sick Leave will be available for employees due to illness or injury of the employee. Sick Leave may only be used to the extent earned of at least one-hour.

Section 4 - Notification of Illness

An employee who is going to be absent should notify his/her supervisor before the start of the work day, unless such illness or injury prevents same. In any event, the supervisor or his/her designee should be notified on the day of absence. In addition, an absent employee must keep his/her supervisor advised as to possible return to work.

Section 5 - Return to Work from Sick Leave

Upon return to work, the employee shall complete the appropriate leave form. This form must be completed within 2 days of a return to work. A certificate from the employee’s doctor is required to verify an illness of more than 4 days.

Section 6 - Disability Income Plan

Sick Leave will be integrated with Disability and Workers' Compensation so that the total dollars received by the employee shall not exceed 100 percent of the employee's normal pay. A charge equal to the number of days used shall be made against the employee’s accumulated Sick Leave.
Part B: Illness in the Immediate Family

Section 1 - Eligibility

In the event of illness in the immediate family of a Regular full-time or Regular part-time employee, leave of absence with pay may be granted.

Section 2 - Accrual

Leave of absence up to 40 hours per year (non-cumulative) with pay may be granted. In the event of illness to an employee's child (living at home), an additional 16 hours per year may be granted. The additional 2 days will be charged against accumulated Sick Leave. A Regular part-time employee shall receive a prorated portion of the above leave.

Section 3 - Use

Immediate family is defined as spouse, children, parents, brother, sister, grandparents, grandchildren, or comparable in-laws.

Section 4 - Notification of Illness

The employee must notify his/her supervisor before the start of the shift of said absence unless such illness prevents same. In any event, the supervisor should be notified on the day of absence.

Section 5 - Return to Work from Leave

Within 2 days of return to work from such absence, the employee shall complete the appropriate leave form.

Part C: Bereavement Leave

Section 1 - Eligibility

Regular full-time and Regular part-time employees, upon approval of the Employer, may be granted Bereavement Leave.

Section 2 - Accrual

A Regular full-time employee may be granted up to 40 hours of leave annually (non-cumulative) with pay. A Regular part-time employee shall receive a prorated portion of the above Bereavement Leave.

Section 3 - Use

Bereavement Leave may be used for attendance at funerals and other purposes directly related to said death of his/her immediate family. Immediate family is defined as spouse, child (including step-children), parents, brothers, sisters,
grandparents, grandchildren or comparable in-laws. Up to 16 hours may be used for other than immediate family members.

Part D: Personal Business Leave

Section 1. - Eligibility

Regular full-time and Regular part-time employees may be granted Personal Business Leave.

Section 2 - Accrual

A Regular full-time employee may be granted 16 hours a year (non-cumulative) with pay for personal business. A Regular part-time employee shall receive a prorated portion of the above Personal Business Leave.

Section 3 - Use

The purpose of the Personal Business Leave is to permit an employee an opportunity to handle business of a personal nature that cannot be taken care of outside normal working hours. Personal Business Leave shall not be granted for the work day before or the work day after a Vacation, Holiday, or College shut down period, except as provided for in the Holiday article.

Section 4 - Request for Leave

To be eligible for such leave, the employee shall submit a written request with the reason to the supervisor for written approval.

Part E: Jury Duty Leave

When an employee is required to serve on a jury, the absence from work for this reason will be excused without loss of pay. The jury duty pay received by the employee must be turned in to the Business Office. An employee is expected to report back to the working assignment during a normal work day when his/her presence is not required by the court, except if such time is less than 2 hours.

Part F: Military Leave

An employee who is a member of the National Guard, or any organized reserve of the Army, Navy, Marine Corps, Coast Guard, or Air Force which requires periods of training, is permitted to be absent from work for the purpose of receiving military training when ordered by proper authority to active state or federal service. Such absence is allowed in addition to regular Vacation and will be taken without pay except for the first 30 days which will be paid.
Part G: Leaves of Absence Without Pay

A leave of absence without pay for up to a maximum of 1 year may be granted upon timely written request to the President.

Part G: Family and Medical Leave Act

All Regular employees of the College will be granted up to a maximum of 12 work weeks per fiscal year of paid and/or unpaid, job-protected leave for the birth, adoption, or placement of a child for foster care; their own, or a family member's serious health condition.
ARTICLE 9
HOLIDAYS

Part A: Holidays—

Regular full-time employees shall be entitled to the following 8-hour Holidays with pay:

1. New Years Day (January 1)
2. Martin Luther King's Birthday
3. Memorial Day (Last Monday in May)
4. Independence Day (July 4)
5. Labor Day (First Monday in September)
6. Thanksgiving Day (Fourth Thursday in November)
7. Friday after Thanksgiving
8. Christmas Day (December 25)
9. Two days to be assigned at Christmas by the Board

Regular part-time employees shall be entitled to a prorated portion of the above Holidays.

Part B: Observation

A Holiday falling on a Saturday or a Sunday shall be observed on the Friday or Monday respectively.

Part C: Unpaid Holidays

Employees shall be entitled to take any normal work day between Christmas Day and New Years Day, which is a non-paid holiday, as either an unpaid holiday, a paid Vacation day, or as a paid Personal Business day.
ARTICLE 10
VACATION

Part A: Eligibility

All Regular full-time and Regular part-time employees shall accrue Vacation Leave.

Part B: Accrual

The Vacation year shall start on July 1 and end on June 30. Vacation will accrue in any month in which the employee started before the 16th day of the month.

Regular full-time employees shall accrue Vacation Leave as follows:

<table>
<thead>
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<th>Years of Service</th>
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<td>1 to 5</td>
<td>1.25 per month</td>
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<tr>
<td>6 and over</td>
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Regular part-time employees shall receive a prorated portion of the above Vacation Leave.

Part C: Use

Vacation may be used in any month following accrual. Vacation must be taken in half or full days. All Vacation, including accrual as of July 1, 1985, must be used in the next 12 months after the last date of accrual (June 30).

Part D: Request for Leave

Requests for Vacation Leave are to be submitted on an appropriate form supplied by the Employer and must be approved by the employee's immediate supervisor in advance. In granting or denying Vacation requests, the supervisor shall first consider the operational needs of the Employer, but shall otherwise grant Vacation based upon preference by seniority.

Part E: Resignation/Termination

An employee who submits at least three weeks' notice of resignation shall receive earned Vacation in a lump sum.

Employees who are terminated shall receive the number of days accrued up to the termination, including the current month, provided termination is after the 15th day of the month.
ARTICLE 11
INSURANCE

Part A: Eligibility

All Regular full-time and Regular part-time employees shall be eligible for the insurance coverages as described below. Medical, dental, disability and life coverages for a newly hired covered employee shall be effective the first day that he/she reports for work.

Part B: Medical

The Employer shall contribute the cost of the single premium for full-time and part-time employees.

The Employer shall contribute toward the cost of a family plan premium for a full-time employee as follows:

Heritage HMO $372.04/month
Principal Healthcare, Inc. HMO $298.97/month
Heritage Trust (Indemnity Plan) $392.52/month

For part-time employees who elect family coverage, the Employer shall pay an amount over and above the single premium prorated on a basis of the percentage of time worked.

Part C: Dental

The Employer shall purchase a group dental policy for all eligible employees. The Employer will contribute the cost of the single premium. An employee who is eligible and elects dependent coverage shall pay the cost of the additional premium.

Part D: Long-Term Disability

The Employer shall purchase a long-term disability insurance group policy for eligible employees. An employee must work at least 30 hours per week for 9 months to be eligible for long-term disability (covered employee). The policy shall have a 90 day waiting period for illness or injury. The program shall pay 70 percent of the monthly salary up to a maximum of $5,000 per month. The Employer shall pay the premium for this insurance.

Part E: Term Life

The Employer shall purchase a group term life insurance policy for eligible employees in the amount of two times an employee’s yearly salary rounded to the nearest thousand dollars. The Employer shall pay the entire premium of such insurance.

Part F: Salary Reduction Option

An eligible employee may elect to reduce his/her taxable salary by an amount equal to the employee’s share of the family medical
and dental premiums. Election to participate in this program may be made at the time of initial sign up for insurances or during the open enrollment coinciding with the anniversary date of the plan, or as dictated by the carrier.

Part G: Workers' Compensation

Each employee shall be provided with Workers' Compensation insurance. Sick Leave benefits paid to the employee shall be integrated with Workers' Compensation benefits paid, so that the total dollars received by the employee shall not exceed 100 percent of the employee’s normal weekly salary.

Part H: Optional Insurances

Section 1 - Optional Employee/Spouse Life Insurance

An eligible employee may elect to purchase optional life insurance in the increments allowed by the carrier. To be eligible, employees must provide evidence of insurability as required by the carrier. The insurance may be purchased for the employee and/or spouse.

Section 2 - Optional Dependent Life Insurance

An eligible employee may elect to purchase optional dependent life insurance for his or her spouse and eligible dependent children.

The optional insurance may be purchased in units. The first unit provides $10,000 coverage for the spouse and $5,000 for each dependent child without evidence of insurability. Two additional units may be purchased with proof of insurability.

An employee will not be eligible to purchase this coverage if he or she is covered as a dependent under another College employee’s policy.

Part I: General Conditions

Coverages must be substantially equal to those in effect during the 1985-86 year except for those employees who elect to be part of one of the H.M.O. plans. All of the above insurances are subject to the terms and conditions of the carrier selected by the Employer.
ARTICLE 12
WAGES

Part A: Wage Increases

Regular full-time and Regular part-time employees shall receive a general wage increase of 3.3% of the 1993-94 hourly rate, plus $.05/hour, plus .5% of the resulting hourly rate. Employees hired after December 31 will receive the pay range adjustment or one-half of the annual pay adjustment, whichever is greater.

In no circumstance will an employee receive an increase that places them above the maximum of his/her assigned grade.

Part B: New Hires

An individual newly hired into the bargaining unit shall be paid the minimum hourly rate of the assigned grade.

Part C: Pay Day

The employee will be paid every other Friday. Should the Friday fall on a holiday, the employee will be paid on the day before. Checks will be mailed to employees if the pay period occurs during a College closing.

Part D: On-Call Pay

An employee required to be on call shall be paid $1.00 for each hour on call.
ARTICLE 13
HOURS OF WORK

Part A: Work Schedule

The normal work schedule for Regular full-time employees shall be 40 hours, excluding lunch periods.

Section 1 - Breaks

During this period, an employee shall be permitted one 15-minute break during the first half of the day and one 15-minute break during the second half of the day, as work conditions allow.

An employee scheduled to work less than 8 hours shall be permitted one 15-minute break during any four consecutive hours of work as conditions allow.

An employee working over 8 hours shall be permitted one additional 15-minute break for every 4 consecutive hours of work, as work conditions allow.

Section 2 - Lunch Period

An employee working an 8 hour day shall have a half-hour lunch period assigned around the middle of said hours.

Part B: Nonguarantee of Hours

Nothing in this section shall be a guarantee of hours per day, per week, or per year.
ARTICLE 14
OVERTIME AND PAY PRACTICES

Part A: Overtime

An employee who works in excess of 40 hours in a 7 day period shall be paid time and one-half for each hour worked over 40.

Holidays, Vacations and paid leaves of absence, except Sick Leave and Personal Business Leave, will be included in computing hours of work.

Part B: Emergency Call-In

An employee who is called in on an emergency basis outside his/her normal hours of work will receive one and one-half times his/her straight time hourly rate for a minimum of 2 hours work unless such hours overlap his/her regularly scheduled hours of work. If such hours overlap the employee’s regularly scheduled hours, he/she shall be paid one and one-half times his/her straight time hourly rate for the hours before the start of his/her regularly scheduled hours, and his/her straight time rate for the regularly scheduled hours.

Part C: Work on a Holiday

An employee who is required to work on a Holiday, as defined in this agreement, shall be paid one and one-half times his/her straight time hourly rate.

Part D: Work on a Saturday/Sunday

An employee, except one whose normal work schedule includes Saturday and/or Sunday, shall be paid one and one-half his/her straight time hourly rate for hours of work on Saturday and Sunday.
ARTICLE 15  
SUPPLEMENTAL PAY

Part A: Enrollment in DMACC Courses

All Regular full-time employees covered by this agreement, during the term of their employment, may enroll in non-credit courses without payment of tuition under the following conditions:

1. There are an adequate number of tuition-paying students to justify the course operating
2. Pay all special fees and charges (example books and supplies)
3. The course is scheduled outside the employee’s regular working hours
4. The class has space available after all tuition-paying students are enrolled

Part B: Mileage Reimbursement

Employees who are authorized to use their own automobiles in the performance of their duties shall be reimbursed at the maximum rate allowable by the state. No mileage will be paid for commuting to and from work. However, employees assigned for any period of time to another campus will have any increased commuting distance reimbursed at the current mileage rate.
ARTICLE 16
DUES DEDUCTIONS

Part A: Dues Amount

By August 1st of each year, the Educational Services Association shall submit to Payroll the new dues amounts to be deducted effective September 1st.

Part B: Authorization

At any time during the year, an employee may authorize dues deduction by turning in the appropriate authorization form to Payroll. Authorization will remain in effect from year to year unless the Educational Services Association receives timely written notification from the employee.

Part C: Deductions

Payroll shall withhold the dues from the employee’s paycheck, not to exceed 2 deductions per month. Deductions will be made through August of each year. Payroll will transmit deducted dues once a month to the designated Treasurer of the Educational Services Association.

Part D: Liability

No liability shall accrue to the Educational Services Association or any administrative official collectively or individually for any action taken or not taken with regard to information furnished under this article.
ARTICLE 17
COMPLIANCE & DURATION

Part A: Compliance

In the event that any article, section or portion of this Agreement is found to be contrary to state or federal law, then such article, section or portion shall be of no force and effect, but the remainder of this Agreement shall continue in full force and effect.

Part B: Duration

The parties hereby agree that this agreement shall be effective July 1, 1994, and continue until June 30, 1996. However, either party may reopen negotiations for the second year (1995-96) on Insurance (Article 11), Wages (Article 12), and 1 other article.

Dated

FOR THE ASSOCIATION

FOR THE COLLEGE

[Signatures]

Jean R. Eichenhain
APPENDIX A
SALARY RANGES
Effective July 1, 1994

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