

**CLEARVIEW BOARD OF EDUCATION
REGULAR MEETING
SEPTEMBER 10, 2018
6:30 P.M.**

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

IV. APPROVAL OF AGENDA

A. RESOLUTION 2018 - 164

That the Board approve the September agenda, as presented.

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

**V. RECOGNITION OF VISITORS AND HEARING OF THE PUBLIC ON
AGENDA ITEMS ONLY. (Please see Public Participation at Board Meetings.)**

VI. APPROVAL OF THE MINUTES

A. RESOLUTION 2018 - 165

That the minutes of the regular meeting held on August 13, 2018 at 6:30 p.m., and the special board meeting/work session held on August 27, 2018 at 6:30 p.m. be approved as submitted.

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

VII. TREASURER'S BUSINESS AND REPORTS

A. RESOLUTION 2018 - 166

That the Board accept the August 2018 financial statement, along with the check register.

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

B. RESOLUTION 2018 - 167

That the Board approve the permanent appropriation and certificate of estimated resources for the fiscal year ending June 30, 2019. **EXHIBIT**

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

C. RESOLUTION 2018 – 168

That the Board approve an advance from the general fund 001 to the Girls' Basketball district managed activity fund 300-9354 in the amount of \$8,500.00 to allow for successful organization of the golf outing fundraiser for the 2018-2019 fiscal year

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

D. RESOLUTION 2018 – 169

That the Board approve a transfer from the SHFT student activity fund 200-9207 to the Sports Medicine district managed activity fund 300-9350 in the amount of \$500.00 to correct the application of a donation from the Clearview Athletic Booster Club from the 2017-2018 fiscal year. **EXHIBIT**

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

E. RESOLUTION 2018 - 170

That the Board approve the following student activities and district managed activities for the 2018-2019 school year:

Drama	200-9203
Vincent Music	200-9370
Softball	300-9347
Sports Medicine	300-9350
Baseball	300-9345
Volleyball	300-9348
Track	300-9352
Bowling	300-9356

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

F. RESOLUTION 2018 - 171

That the Board approve the "then and now" certificates over \$3,000.00:

<u>PO Number</u>	<u>Vendor</u>	<u>Amount</u>
51478	HPS LLC	\$ 3,150.00
51523	All American Volleyball	\$ 3,003.00

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

G. RESOLUTION 2018 - 172

That the Board approve the establishment of the Terry Richards Memorial Scholarship Fund 007-9827. **EXHIBIT**

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

H. RESOLUTION 2018 – 173

That the Board approve the service agreement with Julian and Grube for agreed upon procedures as required by the Ohio Department of Education in connection with the Medicaid School Program (MSP) for the 2017-2018 fiscal year ending June 30, 2018 and the 2018-2019 fiscal year ending June 30, 2019 at a cost not to exceed \$1,300.00 each year.

EXHIBIT

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

I. RESOLUTION 2018 – 174

That the Board approve the Meeder Public Funds Investment Management Agreement and the US Bank Institutional Custodial Account as presented. **EXHIBIT**

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

VIII. COMMUNICATIONS

IX. BOARD MEMBER REPORTS

- a. President's Club – Adkins, Koziura
- b. Delegate to OSBA – Kokinda, Alternate; Koziura
- c. J.V.S. Board Member – Marcucci
- d. Educational Foundation - Adkins
- e. Curriculum – Kokinda, Adkins

X. OLD BUSINESS

A. RESOLUTION 2018 - 175

That the Board amend **RESOLUTION 2018-120** to include **BOB ANDERSON** as a Summer 2018 Classified Substitute Worker to work no more than 29 hours per week, at a rate of \$9.00 an hour or, at the regular cleaner rate of pay, as applicable.

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

XI. NEW BUSINESS

A. RESOLUTION 2018 -176

That the Board approve the following Certified and Classified personnel actions for the 2018-2019 school year, in accordance with Board policy and/or the negotiated agreements, as recommended by the Superintendent.

CERTIFIED

After School Detention Teachers

The following to be paid at the curriculum rate of pay, as needed: **STEPHANIE STILLWAGON, LURLENE WEST**, and substitutes as listed: **DANA BROWNSON, DEBORAH HENDERSON, DEB MOLNAR, GEORGE WACHOWIAK, and JACOB WARD**

Tuesday/Thursday School

The following to be paid at the curriculum rate of pay as needed: **DENISE LESH and SARAH SZCZEPANSKI**

Clearview Academy

The following teachers to be paid at the tutor rate of pay as needed: **HOPE EVANS, PAULA PHILLIPS, JOSEPH STRADER, JACOB WARD, GEORGE WACHOWIAK, and (substitute) DEBORAH HENDERSON**

Stipend

HOLLY MILLER, to be paid \$1,500.00 for yearbook stipend

Home Instruction Tutor

The following employee to be paid the tutor rate of pay, **JOSEPH STRADER**, for home instruction

XI. NEW BUSINESS

(Response to Intervention) RTI

The following teachers to be paid at the curriculum rate for their RTI work:

JENNIFER ANDERSON (Vincent Elementary – not to exceed \$1,000.00)

HILLARY RIOS (Durling Middle – not to exceed \$500.00)

CAROLYN KAZEL (Clearview High – not to exceed \$500.00)

Supplemental

JULIA FEICKS, MS Head 7th Grade Volleyball Coach

SCOTT SLOBODA, MS Head 7th Grade Football Coach

KELLI ALSTON, Junior Class Advisor

ROBIN DAHMAN, Youth 4 Youth Advisor

ALICIA HOWARD, NHS Advisor (.5)

ALICIA HOWARD, Senior Class Advisor (.5)

HOLLIE SLOBODA, Freshman Class Advisor

JOSEPH STRADER, H.S. Academic Challenge Advisor

MARIE TERNES, Student Council Advisor (.5)

GEORGE WACHOWIAK, Student Council Advisor (.5)

LURLENE WEST, Sophomore Class Advisor

JODI YOUNG, H.S. Choir Director

MARCI DIAZ-SOUTHARD, MS Yearbook Advisor

MARCI DIAZ-SOUTHARD, MS NHS Advisor

ANN STAMBOL, Elementary Spelling Bee Coordinator

DEB MOLNAR, Lead Mentor

STEPHANIE JONES, Special Education

STEPHANIE LEONHARDT, Special Education

SEAN HOGAN, Special Education

KELLY MCMILLION, Special Education

LAUREN SAYERS, Special Education

MARK MAJORAS, Special Education

LYNN MAECKER, Special Education

CHAD SZALAY, Special Education

HILLARY RIOS, Special Education

HOPE EVANS, Special Education

LAURA GOLAK, Special Education

JASON STEADMAN, Special Education

NICHOLAS DIMACCHIA, Special Education

ANNE SCHWARTZ, Special Education

XI. NEW BUSINESS (Continued)

CLASSIFIED

Resignation

AMANDA HOWELL, Bus Monitor/Bus Driver, effective 8/22/18

Employ

Substitute Workers on an as needed basis:

MELISSA PISCIOTTA, TRACI KLINGSHIRN, LISA DANIELS, THOMAS SPICER, CHRISTI RHOADES ADAMS, RACHEL NICHOLS, JENIFER KNAPP, CEARA MITTER, WILSON MELENDEZ, LARRY DAVIS, CHARLIE (JEANIE) HOPKINS, ANNETTE SEXSTELLA, DAVID FROST, GILBERTO LLORENS, DANYXA FLECHA, MATTHEW GUNDERSON and JOEL ORONA

MELINDA CARRERO, Initial Probationary One-Year Contract, Cleaner, Vincent Elementary School, 5.0 hrs. per day, Step "0", on the negotiated salary schedule, 187 day work calendar, effective 8/20/18

CATHALINA PABON, Initial Probationary One-Year Contract, Lunch Monitor, Vincent Elementary School, 2.0 hrs. per day, Step "0", on the negotiated salary schedule, 185 day work calendar, effective 8/22/18

GILBERTO LLORENS, Initial Probationary One-Year Contract, Lunch Monitor, Clearview High School, 1.75 hrs. per day, Step "0", on the negotiated salary schedule, pro-rated 185 day work calendar, effective 9/5/18

AMANDA HOWELL, Initial Probationary One-Year Contract, Bus Driver, 185 day work calendar, Step "0", up to 3.75 hrs. daily, effective 8/22/18

LISA HOLCOMB, Initial Probationary One-Year Contract, Bus Driver, pro-rated 185 day work calendar, Step "0", 4.75 hrs. daily, effective 9/7/18

JULIE SERNA, "As Needed", One-Year Limited Contract as a Teacher's Aide, Murray Ridge School, up to 7.5 hrs. per day, Step "0", on the negotiated salary schedule, effective 8/22/18

Supplemental

DIANA WATSON, NHS Advisor (.5)

DIANA WATSON, Senior Class Advisor (.5)

JUSTIN BILEWICZ, Drama Technical

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

XI. NEW BUSINESS (Continued)

B. RESOLUTION 2018 – 177

That the Board approve the following resolutions recommended by the Superintendent and/or Treasurer, as follows:

1. That the Board approve the first reading of the Procurement and Use of Naloxone (Narcan) in Emergency. **EXHIBIT**

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

XII. SUPERINTENDENT'S REPORT

XIII. TREASURER'S REPORT

XIV. COMMENTS AND QUESTIONS FROM THE BOARD

XV. CLEARVIEW EDUCATION ASSOCIATION

XVI. HEARING OF THE PUBLIC ON NONAGENDA ITEMS

(Please see Public Participation at Board Meetings)

XVII. ADJOURNMENT

A. RESOLUTION 2018 - 178

That the regular meeting of September 10, 2018 be adjourned.

Moved _____ Seconded _____

Baker _____ Kokinda _____ Koziura _____ Mielcarek _____ Adkins _____

Passed _____ Defeated _____

EXHIBITS

STATEMENT OF FUND ACTIVITY
Resolution #2018- Permanent Appropriation 2018-2019
Clearview Local Schools

<u>FUNDS</u>	<u>FUND</u>	<u>09/10/18</u> <u>Appropriations</u>
Government Fund Types		
General	001	14,873,828.78
Emergency	016	1,290,900.00
Principals' Funds	018	64,295.97
Total General Fund		<u>16,229,024.75</u>
Debt Service		
Bond Retirement	002	486,767.50
Total Debt Service		<u>486,767.50</u>
Capital Projects		
Permanent Improvement	003	116,300.00
Total Capital Projects		<u>116,300.00</u>
Special Revenue		
Trust Fund	007	41,237.91
Local Grants	019	78,375.36
Classroom Facilities - Maintenance	034	175,073.91
Athletics	300	250,487.32
OneNet	451	10,400.00
State Grants	499	-
Race To The Top	506	3,165.04
Title VI B	516	355,049.37
Title I	572	415,992.07
IDEA Pre-school Handicapped	587	3,041.66
Title II-A	590	55,105.82
Miscellaneous Federal Grants	599	24,671.66
Total Special Revenue		<u>1,412,600.12</u>
Total Government		18,244,692.37
Proprietary Fund Types - Enterprise		
Food Service	006	1,067,882.00
Uniform School Supplies	009	237.30
Latchkey	020	62,980.12
Total Enterprise		<u>1,131,099.42</u>
District Agency	022	136,996.82
Student Activities	200	175,657.50
Total Fiduciary		<u>312,654.32</u>
Total FY19 Permanent Appropriations		<u><u>19,688,446.11</u></u>

Clearview Local Schools
Estimated Resources Amendment #1 - September 10, 2018

<u>FUNDS</u>	<u>FUND</u>	<u>ESTIMATED RESOURCES</u>	<u>CARRYOVER</u>	<u>TOTAL</u>
Government Fund Types				
General	001	17,388,968.21	10,556,959.48	27,945,927.69
Emergency	016	1,230,505.00	91,768.45	1,322,273.45
Principal's Funds	018	31,400.00	34,295.97	65,695.97
Total General Fund		18,650,873.21	10,683,023.90	29,333,897.11
Debt Service				
Bond Retirement	002	490,150.00	323,447.96	813,597.96
Total Debt Service		490,150.00	323,447.96	813,597.96
Capital Projects				
Permanent Improvement	003	79,338.00	103,576.21	182,914.21
Total Capital Projects		79,338.00	103,576.21	182,914.21
Special Revenue				
Trust Fund	007	37,553.50	21,237.91	58,791.41
Local Grants	019	53,100.00	33,375.36	86,475.36
Classroom Facilities - Maintenance	034	79,377.79	221,873.14	301,250.93
Athletics	300	224,000.00	40,369.49	264,369.49
OneNet	451	5,400.00	5,400.00	10,800.00
State Grants	499	0.00	-	-
Race To The Top	506	0.00	3,165.04	3,165.04
Title VI-B	516	378,464.19	(23,179.56)	355,284.63
Title I	572	416,202.07	10,895.73	427,097.80
Title VI-B Preschool	587	3,041.66	-	3,041.66
Improving Teaching Quality	590	62,166.39	2,705.67	64,872.06
Medicaid	599	24,671.66	1,502.42	26,174.08
Total Special Revenue		1,283,977.26	317,345.20	1,601,322.46
Total Government		20,504,338.47	11,427,393.27	31,931,731.74
Proprietary Fund Types - Enterprise				
Food Service	006	801,650.00	500,752.41	1,302,402.41
Uniform School Supplies	009	0.00	237.30	237.30
Latchkey	020	24,000.00	62,980.12	86,980.12
Total Enterprise		825,650.00	563,969.83	1,389,619.83
Total Proprietary				
District Agency	022	122,420.00	15,461.83	137,881.83
Student Activities	200	175,000.00	45,657.50	220,657.50
Total Fiduciary		297,420.00	61,119.33	358,539.33
Total FY 14 Estimated Resources		21,627,408.47	12,052,482.43	33,679,890.90

STATEMENT OF FUND ACTIVITY
Estimated Resources Amendment #1 - September 10, 2018
Clearview Local Schools

		<u>Estimated Resources Carry Over</u>	<u>Appropriation Amendment 9/10/2018</u>	<u>Appropriation Below Est. Resources</u>
General Fund Type				
General	001	27,945,927.69	14,873,828.78	(13,072,098.91)
Emergency	016	1,322,273.45	1,290,900.00	(31,373.45)
Public School Support	018	65,695.97	64,295.97	(1,400.00)
		<u>29,333,897.11</u>	<u>16,229,024.75</u>	<u>(13,104,872.36)</u>
Debt Service Fund Type				
Bond Retirement	002	813,597.96	486,767.50	(326,830.46)
		<u>813,597.96</u>	<u>486,767.50</u>	<u>(326,830.46)</u>
Capital Improvements Fund Type				
Permanent Improvement	003	182,914.21	116,300.00	(66,614.21)
		<u>182,914.21</u>	<u>116,300.00</u>	<u>(66,614.21)</u>
Special Revenue Fund Type				
Special Grants	007	58,791.41	41,237.91	(17,553.50)
Other Local Grants	019	86,475.36	78,375.36	(8,100.00)
Classroom Facilities Maintenance	034	301,250.93	175,073.91	(126,177.02)
Dist. Managed Activities	300	264,369.49	250,487.32	(13,882.17)
Data Communications	451	10,800.00	10,400.00	(400.00)
Misc. State Grants	499	-	-	-
RttT	506	3,165.04	3,165.04	-
Title VIB	516	355,284.63	355,049.37	(235.26)
Title IA Improving Basic Programs	572	427,097.80	415,992.07	(11,105.73)
Preschool Handicapped	587	3,041.66	3,041.66	-
Title IIA Supporting Effective Instr.	590	64,872.06	55,105.82	(9,766.24)
Misc. Federal Grants	599	26,174.08	24,671.66	(1,502.42)
		<u>1,601,322.46</u>	<u>1,412,600.12</u>	<u>(188,722.34)</u>
Total Government		31,931,731.74	18,244,692.37	(13,687,039.37)
Proprietary/Enterprise Fund Type				
Food Service	006	1,302,402.41	1,067,882.00	(234,520.41)
Uniform School Supplies	009	237.30	237.30	-
Latchkey	020	86,980.12	62,980.12	(24,000.00)
		<u>1,389,619.83</u>	<u>1,131,099.42</u>	<u>(258,520.41)</u>
Agency Fund Type				
Unclaimed Monies	022	137,881.83	136,996.82	(885.01)
Student Managed Activities	200	220,657.50	175,657.50	(45,000.00)
		<u>358,539.33</u>	<u>312,654.32</u>	<u>(45,885.01)</u>
Total		<u><u>33,679,890.90</u></u>	<u><u>19,688,446.11</u></u>	<u><u>(13,991,444.79)</u></u>



C/O Clearview High School
PO Box 55
Lorain, OH 44052

August 23, 2018

Dear Mary Ann Nowak,

On November 29, 2017 the Clearview Athletic Booster Club made a donation of \$500.00 that was deposited in error to the SHFT program account #200-4630-590-9207-001. These funds should have been deposited to the Sports Medicine account # 300-4511-511-9350-000. A copy of the cancelled check is enclosed. Please use this letter as authorization to transfer the funds to the correct account.

Should you have any additional questions regarding this letter please do not hesitate to contact me at 440-342-0525.

Sincerely,

A handwritten signature in cursive script that reads 'Lisa A. Arnoczky'.

Lisa A. Arnoczky
Booster Committee Treasurer
Clearview Athletic Booster Club



C/o Clearview High School
PO Box 55
Lorain, OH 44052

November 29, 2017

Subject: Annual Team Gifts

To: Sean Nuccio

The Clearview Athletic Boosters is pleased to award a cash team gift in accordance to "Section 9.01(b) Award Schedule" of our constitution to the Clearview School District student athletic programs.

Please accept this check for \$6,000 and deposit the exact amounts listed below into each team account.

- | | |
|---------------------|----------------------------------------------------|
| ✓ Softball | \$500 |
| ✓ Girls Basketball | \$500 |
| ✓ Wrestling | \$500 |
| ✓ Cross Country | \$500 |
| ✓ Cheerleading | \$500 |
| ✓ Football | \$500 |
| ✓ Bowling | \$500 |
| ✓ Track | \$500 |
| ✓ Boys Basketball | \$500 |
| ✓ Volleyball | \$500 |
| ✓ Baseball | \$500 |
| ✓ SHFT | \$500 |
| ✓ Girls Soccer Club | Team Gift will be distributed directly to the club |

Should you have any additional questions regarding this letter please do not hesitate to contact me at 440-342-0525 and I will be happy to answer your questions.

Sincerely,

A handwritten signature in cursive script that reads "Lisa A. Arnoczky".

Lisa A. Arnoczky
Booster Committee Treasurer
Clearview Athletic Booster Club

CLEARVIEW ATHLETIC BOOSTERS 55-7134/2412 1544
P.O. BOX 55
LORAIN, OH 44052-0055 DATE 11-29-17

FAY TO THE ORDER OF Clearview Board of Education \$ 6,000.00
San Housard and Co DOLLARS

MEMO Team Donations Calvin Jones Calvin Jones
Main Office 3721 Oberlin Avenue Lorain, Ohio 44053
⑆ 241271342⑆ 0168029634⑆ 1544

Account Number	168029634	Routing Number	241271342
Amount	\$6,000.00	OF6	0
Post Date	20171204	Serial Number	1544
Sequence Number	992001822	Tran	90

00520280035000

520280035000 12-01-2017
Buckeye Community Bank

BUCKEYE COMMUNITY BANK
PAY TO THE ORDER OF
520280035000
NO POSTAL NECESSARY
IF MAILED IN THE
UNITED STATES



Terry Richards Memorial Scholarship

Terry Richards was not just "the Biology teacher". He was a teacher who loved his job, loved his students and loved sharing his knowledge (and jokes) with them. His teaching career spanned 49 years, beginning with Bay High for 2 years, then on to Clearview High for 32 years and finishing at Lorain County Community College for 16 years.. After all that time he STILL loved his job, so much that he did not let cancer stop him from getting to his classes, even when he could no longer walk and had to be wheeled in. Although his ultimate goal was to retire *only* after completing 50 years as an educator, God had other plans and he fell short of that goal by just 2 ½ semesters.

Because of his passion for teaching, high standards and sense of humor, he prepared countless students, from all walks of life, to begin their careers in various aspects of Health Care. Through them he will continue to touch lives beyond what he ever thought possible.

AMOUNT OF AWARD	\$1000
DURATION OF SCHOLARSHIP	1 Year
AWARD PAYMENT PROCEDURE	Payable to the college and pro-rated by semester/quarter based upon attendance/enrollment in an accredited college in the first year following high school
ELIGIBILITY	Cumulative GPA of at least 3.5 Graduating Clearview HS Senior majoring in Health Care or Biological Sciences
SCHOLARSHIP CHECKLIST	High school transcript Completed application Completed 1-page essay describing why you are choosing a career in Health Care or Biological Science and how this scholarship will help you reach your future goals

The deadline for applications will be March 25, 2019. All applications are to be submitted to the Clearview High School Guidance Office,

Scholarship applications will be reviewed by members of the Richards-Lauer family and recipient selected by them.

This Scholarship award will be announced at the recognition assembly and presented by a representative of Terry's family.



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

July 30, 2018

Ms. Mary Ann Nowak, Interim Treasurer
 Clearview Local School District
 4700 Broadway Ave.
 Lorain, OH 44052

Dear Ms. Nowak:

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for Clearview Local School District.

We will apply the agreed-upon procedures listed in the attached schedule that were specified and agreed to by the Ohio Department of Education (ODE) – Medicaid School Program (MSP) on the Medicaid regulations in accordance with Ohio Administrative Code (OAC) 5160-35-04(K)(2) for the Clearview Local School District for the fiscal years ended June 30, 2018 and June 30, 2019. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures performed or to be performed is solely the responsibility of ODE and agreed to by the Clearview Local School District as participants in the MSP, and we will require an acknowledgment in writing of that responsibility from the Clearview Local School District, as the OAC implies acknowledgement from ODE. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination or review, we will not express an opinion or conclusion on the Medicaid regulations. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We plan to begin our procedures for the fiscal year ended 2018 on approximately July 1, 2019, and, unless unforeseeable problems are encountered, the engagement should be completed by December 31, 2019. Future fiscal year end procedures will be performed and completed as required by ODE.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the District and ODE. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. You understand that the report is intended solely for the information and use of the District and ODE and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the Medicaid program the Clearview Local School District administers that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the requirements of Medicaid as enumerated in the attached schedule, we will disclose those matters in our report.

Ms. Mary Ann Nowak, Interim Treasurer
Clearview Local School District
Page Two

You are responsible for complying with the MSP requirements in accordance with OAC 5160-35-04(K)(2) and for agreeing to the criteria and procedures in the attached schedule and determining that such criteria and procedures are appropriate for your purposes. You are also responsible for, and agree to provide us with, a written assertion about the Medicaid requirements the agreed-upon procedures address. In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the requirements of Medicaid as enumerated in the attached schedule.

Steve C. Julian, or Tara L. Weaver will be the engagement partners and are responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our professional fees to perform the agreed-upon procedures will be at an hourly rate of \$70. This rate includes all expenses: i.e., you will not be billed additional amounts for any out-of-pocket charges we incur. Regardless of the number of hours incurred, J&G will guarantee that the total cost to the District will not exceed the following maximums:

Cost report period July 1, 2017 to June 30, 2018	\$1,300
Cost report period July 1, 2018 to June 30, 2019	\$1,300

The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered at the completion of the engagement and are payable on presentation. In the event services are performed and payment is not received in full, future services may be suspended.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign in the applicable area below and return it to us. If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Very truly yours,



Julian & Grube, Inc.

RESPONSE:

This letter correctly sets forth the understanding of Clearview Local School District.

CFO/Treasurer

Date

Superintendent or Purchasing Agent

Date

EXHIBIT A

Ohio Medicaid in Schools Program (MSP) Agreed Upon Procedures Engagement Letter

Payroll

1. Obtain the payroll worksheet. If there are no individuals included, confirm with provider and document no payroll costs were included. No AUPE steps are necessary for payroll. Otherwise, perform the steps below.

1. Obtain from the Medicaid School Program (MSP) agency a schedule or Uniform School Accounting System (USAS) report that identifies the total payroll and fringe benefit costs related to employees working on the MSP. Using the information collected, verify the following:

- If a separate schedule is used as a basis for accumulating payroll costs to be included on the MSP cost report, reconcile the expenditures included on the schedule to the MSP agency's USAS payroll accounts.
- Reconcile expenditures included on the schedule or USAS report to the salary amounts reflected on Exhibit 7 "Total Salary/Benefits/Other" column.

Notwithstanding variances due to rounding, if payroll and fringe benefit expenditures included on the schedule or USAS report are less than the amounts identified on the corresponding exhibits, prepare a proposed cost adjustment to remove the variance(s) using Schedule C. In addition, document any explanation provided by management for the variance(s) and include in the agreed upon procedures report.

2. Using cost report exhibit 7 select 20 employees or 30% of the total number of employees whose salary was charged to the MSP, whichever is less. Using the employees selected, verify the following:

- a. Employee payroll and fringe benefit amounts are reported in accordance with the cost report instructions (i.e., appropriate exhibit, column and line item).

If employee payroll and fringe benefit amounts are not reported in accordance with the cost report instructions, prepare a proposed cost adjustment to reclassify the amounts to the appropriate exhibit, column or line item. Any proposed cost adjustments should be documented on Schedule C.

- b. Employee payroll and fringe benefit amounts included on the exhibits are calculated accurately based the period(s) worked and pay rate identified within the employee personnel file or salary amount identified within the employee contract.

If employee payroll and fringe benefit amounts are not calculated accurately based on the hours or time periods worked and the hourly rate or salary amount, prepare a proposed cost adjustment to remove the variance using Schedule C. The proposed cost adjustment should result in an increase or decrease to the "Total Gross Salary" column on the appropriate exhibit.

- c. Verify amounts and types of expenditures included within the payroll and fringe benefit amounts under the "Total Gross Salary" column are allowable under 2 CFR 200 and the cost report instructions.

If costs included within payroll and fringe benefit amounts are not allowable, prepare a proposed cost adjustment using Schedule C to remove the unallowable costs from the "Total Gross Salary" column.

3. Obtain from the MSP agency (or the RMTS contractor), the three (3) quarterly Random Moment Time Study (RMTS) participant lists that were submitted to the RMTS contractor during the cost reporting period. Using the employees selected in conjunction with step 2 from above perform the following for each employee:

- a. Using the 3 quarterly RMTS lists, identify the number of quarters each employee selected participated in the RMTS.
- b. Verify the employee payroll and fringe benefit amounts included on the exhibits are accurate based on the number of quarters the employee participated in the RMTS. Accuracy is defined as follows:
 1. If an employee is identified on all three (3) quarterly RMTS participant lists then 100% of the employee's payroll and fringe benefit costs may be included on the exhibit within column "Total Gross Salary."
 2. If an employee is identified on only two (2) quarterly RMTS participant lists, then only two quarters plus 2/3 of the summer quarter of the employee's payroll and fringe benefit costs may be included on the exhibit within the column "Total Gross Salary."
 3. If an employee is identified on only one (1) quarterly RMTS participant list, then only one-quarter plus 1/3 of the summer quarter of the employee's payroll and fringe benefit costs is includable on the exhibit within the column "Total Gross Salary."
 4. If an employee is not identified on any quarterly RMTS participant lists, then none or zero dollars of their payroll or fringe benefit costs is includable on the exhibit.

If an employee's amount of payroll and fringe benefit costs included within the "Total Gross Salary" column are not accurate based on the number of quarterly RMTS they participated.

Prepare a proposed cost adjustment. Proposed adjustments should be documented using Schedule C.

4. Using the individuals selected in conjunction with step 2, verify the employees' job activities are allocable or provide a direct benefit to the MSP through either the delivery of services or performance of direct administrative functions. For the purpose of this procedure "allocable" has the same meaning as identified in 2 CFR 200.405. Prepare a work paper that identifies the employee's name, job title/position and perform the following:
 - a. Request written documentation from the MSP Agency, i.e. job description, to identify whether the job tasks/activities performed benefit the MSP.
 - b. For employees that provided MSP services during the cost reporting period, perform the following:
 1. Verify at least one of the service types performed is identified within OAC section 5160-35-05 or 5160-35-06 as being allowable to the MSP.
 2. If the service is verified as being allowable, request documentation from the Billing Agent that provides an example of the employee delivering the service to a student with an IEP. For purposes of substantiating service delivery, documentation is defined in OAC 5160-35-05(G).

If the services were not identified within the OAC as allowable or documentation was not provided to evidence the delivery of a service to a student with an IEP, prepare a proposed cost adjustment. The cost adjustment should equal the employee's gross salary and fringe amount and be documented using Schedule C.

- c. For employees that performed a Medicaid administrative function allocable to the MSP during the cost reporting period, perform the following:
 1. Verify at least one of the employee's job tasks/activities is identified within Attachment D of the Guide to Time Studies for the Ohio Medicaid School under one of the following acceptable activity codes: 6,8,10,12,14,16.
 2. If an employee's job task was identified within an acceptable activity code, request documentation from the Billing Agent that provides an example of the employee performing the administrative job task or activity. For purposes of this procedure, documentation is defined as any notes, written descriptions, completed forms, ledgers, books, records, case notes, progress notes, payroll records, or similar supporting documentation completed by the employee that demonstrates the administrative activity was performed.

If a job task/activity is not identified within one of the acceptable activity codes or no documentation was provided to evidence the employee had performed the task or activity during the cost reporting period, prepare a proposed cost adjustment. The cost adjustment should be for the employees gross salary and fringe amount and be documented using Schedule C.

5. For each employee selected in conjunction with step 2 that worked on federal program activities in addition to the MSP support detailing the fund allocation for the cost reporting period. For these employees perform the following steps:
- Inspect the payroll allocation support and recalculate the percentage funded with federal grants and agree to percentage presented in Exhibit 7.
 - Document any direct costs related to employee time spent on federal programs other than MSP. For purposes of this step, direct costs have the same meaning as defined within 2 CFR 200.413 and 200.414.
 - If direct costs related to time spent on a federal program other than MSP are identified, verify the payroll costs related to the federal program are identified on the exhibit under column, "If yes, enter amount of payroll costs related to the other federal program(s)."
 - If no costs related to the direct time spent on other federal programs are identified on the exhibit, prepare a proposed cost adjustment to identify the payroll costs that related to time spent on the other federal programs. The proposed cost adjustment should be made to add or increase the amount listed under the "If yes, enter amount of payroll costs related to the other federal program(s)" column.
 - If direct time is identified or an adjustment is made to the "If yes, enter amount of payroll costs related to the other federal program(s)" column, verify the appropriate portion of fringe benefit costs are included under column "Add proportion of fringe benefit costs."

Proposed cost adjustment amounts should be documented using Schedule C.

6. Obtain a listing of all employees whose payroll costs are included within the MSP cost report and a list of all employees whose payroll costs are included within the MSP agency's cost allocation plan as indirect costs subject to allocation. For any employees whose salary is included within the MSP cost report and within cost allocation plan, prepare a proposed cost adjustment to remove their entire salary from the appropriate cost report exhibit using Schedule C.

Paid Claims Procedures

1. Using the list of paid claims obtained from the MSP agency select 40 individual claims or 10% of the total population, whichever is less. To the extent practical, the selection must include different claimed services for different students. Prepare a work sheet that includes the following information:
2. Record the following information from the records onto a work paper:
 - a. Student identification number, if identified
 - b. Medicaid identification number
 - c. Date of birth
 - d. CPT Code
 - e. Service type as identified in the Ohio Medicaid School Program CPT Code Assignment Appendix (e.g., MH, SLP, etc.)
 - f. Service Date
 - g. Units billed
 - h. Units paid
 - i. Date paid
 - j. Transaction Control Number (TCN)
 - k. If applicable to the service type, identify the minutes necessary to meet a unit of service using the Ohio Medicaid School Program CPT Code Assignment Appendix.
3. Using the claims selected in step 1, obtain from the MSP agency the students' attendance records, multi-factored evaluation, identification of necessary services, documentation of service provided, Individualized Education Program (IEP) which includes a plan of care, and parental consent form. Using the information obtained, perform the following for each claim selected:
 - a. Verify the service identified on the paid claim is identified within the student's plan of care as required by OAC-5160-35-05(F)(3). If the service identified on the paid claim is not identified in the plan of care, prepare a proposed cost adjustment for the total amount of the claim using Schedule P.
 - b. Verify the plan of care was signed by a qualified practitioner as required within OAC -35-05(F)(2). If the plan of care was not signed by a qualified practitioner, prepare a proposed cost adjustment for the total amount of the claim using Schedule P.
 - c. Verify the service date identified on the paid claim was subsequent to the effective date and/or authorization date of the student's plan of care. If the date of service delivery was prior to the effective/approval date, prepare a proposed cost adjustment for the total amount of the claim using Schedule P.

- d. Verify there is documentation the service identified on the paid claim was provided/delivered to the student. The provision or delivery of service is evidenced by the provider if documentation includes the information required by OAC sections 5160-35-05(G)(3), (G)(5) for medical services or 5160-35-06 (E)(3) and E(4) for transportation and equipment services. If there is no evidence the service identified on the paid claim was provided to the student, prepare a proposed cost adjustment for the total amount of the claim using Schedule P.
- e. Verify there is documentation that indicates the service was provided on the same day, month, and year as identified on the paid claim. If there is no documentation to indicate the service was provided on the same date as indicated on the paid claim, prepare a proposed cost adjustment for the amount of the claim using Schedule P.
- f. Verify the billing units identified on the paid claim correspond to the support detail and comply with the requirements of OAC 5160-35-04(J). If a unit is determined by a minimum number of minutes, calculate the number of units provided to the student by using the beginning and ending times of the service delivery. If the number of units, as calculated, is less than the units identified on the paid claim or does not comply with 5160-35-04(J), prepare a proposed cost adjustment for the amount of the claim using Schedule P.
- g. Verify the service was provided by a licensed practitioner as required by OAC 5160-35-05 by obtaining a copy of the practitioner's profession license. If the practitioner did not hold a profession license at the time of service delivery date, prepare a proposed adjustment for the total amount of the claim using Schedule P.
- h. Verify the service type identified is allowable under the requirements of OAC section 5160-35-05 or 5160-35-06 if the service related to Targeted Case Management or transportation. If the service provided was not allowable, prepare a proposed cost adjustment for the total amount of the claim using Schedule P.
- i. Verify the documentation of service delivery includes the signature or initials of the person/practitioner delivering the services as required by OAC 5160-35-05 (G)(7). Each documentation recording sheet must contain a legend that indicates the name (typed or printed), title, signature, and initials of the person delivering the services. If the documentation does not include the signature or initials of the person delivering the service or the signature or initials do not correspond to the legend, prepare a proposed cost adjustment for the claim amount using Schedule P.
- j. Verify the claim submission date was not beyond 365 days of the actual date the service was provided as required by OAC 5160-35-04(H). If the claim submission date is beyond 365 days after the service date, prepare a proposed cost adjustment for the claim amount using Schedule P.

- k. Verify the date of service was not beyond 12 months of the assessment/re-evaluation date as required by OAC 5160-35-04(B)(3). If the date of service is beyond 12 months of re-assessment/ re-evaluation date, prepare a proposed cost adjustment for the claim amount using Schedule P.
- l. Obtain the MSP agency's attendance records and verify the student was identified as being in attendance on the day the service was provided. If the student was not in school on the service date, prepare a proposed cost adjustment for the claim amount using Schedule P.
- m. Verify a parental consent form is on file for the student identified on the paid claim is effective the day the service was provided. If a parental consent form was could not obtained or was not effective the day the service was provided, prepare a proposed cost adjustment for the claim amount using Schedule P.

FIXED ASSETS

1. Obtain from the MSP agency a fixed asset schedule that identifies the total MSP fixed assets. The asset schedule must include opening and ending balances, additions, deletions/retirements, useful lives, salvage value, accumulated depreciation, and current year depreciation expense. Using the information obtained, perform the following:

Reconcile total depreciation expense included on the schedule to the amount identified on cost report Exhibit 5 A and 5D, under column the "Direct Medical Equipment" section and "Other Transportation Section" respectively.

Notwithstanding variances due to rounding, if depreciation expense reflected on the schedules are less than the amount identified on Exhibit 5A and 5D, prepare a proposed cost adjustment to remove the variance from the cost report using Schedule C. Document any explanation provided by management for the variance and include in the agreed upon procedures report.

2. **Additions:** Select 40% or 20 additions, whichever is less, from the fixed asset schedule obtained in step 1. On a work paper document the following for each addition:
 - Description or type of fixed asset
 - Serial number or agency identification number, if applicable,
 - Acquisition date,
 - Invoice amount,
 - Payment disbursement date,
 - Disbursement amount,
 - Useful life,
 - Depreciation expense for the cost report period,
 - Location of the asset,
 - Donated value, if applicable.

Using the items selected in conjunction with step 2, verify the following:

- a. Verify the fixed asset value is accurate by tracing the amount listed on the schedule to the invoice and to the canceled check or bank statement. If the fixed asset was donated trace the value identified on the schedule to the MSP agency's estimated value or donor's book value.

If the amount on the invoice or cancelled check is less than that reflected on the schedule, prepare a proposed cost adjustment to remove the variance from the cost report using Schedule C.

If the MSP agency is unable to provide an invoice (or other evidence of cost) and proof of a cash disbursement (e.g., canceled check, bank statement), prepare a proposed cost adjustment to remove the amount of depreciation included on the cost report. The proposed cost adjustment should be documented using Schedule C.

- b. Verify the assigned useful life of the fixed asset is at least equal to the useful life identified in the American Hospital Association's (AHA) "Estimated Useful Lives of Depreciable Hospital Assets" guide, 2004 Edition.

If the assigned useful life of the fixed asset is less than the useful live identified in the AHA's "Estimated Useful Lives of Depreciable Hospital Assets" guide, 2004 Edition, recalculate the depreciation amount using the useful life identified in the AHA guide. Prepare a proposed cost adjustment using Schedule C to remove the variance from the cost report.

- c. Verify the MSP agency used at least a 10% value in calculating the depreciable value of the fixed asset.

If the salvage value used in calculating the depreciable value is less than 10%, recalculate the depreciation amount, using 10% as the salvage value, and prepare a proposed cost adjustment to remove the variance from the cost report using Schedule C.

- d. Verify the MSP agency used the straight line method in calculating depreciation.

If the MSP agency used a method for calculating depreciation expense other than straight line, recalculate the depreciation amount and prepare a proposed cost adjustment to remove the variance from the cost report using Schedule C.

- e. In the year of acquisition, verify the MSP agency used one of methods identified within CMS Publication 15-1, section 118 for determining the period in which depreciation expense is initiated (e.g., time lag or actual).

If the MSP agency used a method other than one identified within CMS Publication 15-1, section 118, recalculate the depreciation expense using the actual time

methodology and prepare a proposed cost adjustment to identify the variance. Proposed cost adjustment amounts should be documented using Schedule C.

- f. Verify the payment for the fixed asset was disbursed during the cost reporting period.

If payment for the fixed asset was disbursed outside the cost reporting period, prepare a proposed cost adjustment to remove the amount of depreciation included on the cost report. Proposed cost adjustment amounts should be documented using Schedule C.

- g. Verify the existence of the fixed asset by tracing the item to its physical location and confirming the asset is correctly identified on the fixed asset schedule by comparing the serial number, asset identification number and description.

If the fixed asset cannot be located, prepare a cost adjustment for the amount of depreciation included in the cost report using Schedule C.

- h. In conjunction with the agreed upon procedures related to disbursements, verify that neither the depreciation expense nor the entire cost of the fixed asset was included within other cost report exhibits.

If the cost of the fixed asset or the depreciation expense is included on another cost report exhibit, prepare a proposed cost adjustment to remove the amount from the corresponding exhibit(s) using Schedule C.

- i. Verify the fixed asset purchased was medically necessary by having the MSP agency identify the student or students for which the asset was purchased. Obtain the student's case file and verify the fixed asset is identified within the student's IEP. (Note: If the fixed asset was purchased for use by multiple students, it is only necessary to select one of the student's IEP.)

If the fixed asset is not identified within a student's IEP as being medically necessary, prepare a proposed cost adjustment to remove the depreciation amount from the cost report using Schedule C.

3. **Deletions/Retirements (e.g., fixed assets no longer in use by the MSP agency):** Obtain from the MSP agency a listing of fixed asset retirements or deletions and select 5 or 30% of the items, whichever is less. On a work paper document the following for each deletion:

- Description or type of fixed asset
- Serial number,
- Agency Identification, if applicable,
- Deletion/Salvage date,
- Useful life,
- Depreciation expense for the cost report period,

- Fixed asset's sales proceeds, if sold

Using the items selected, verify the depreciation included in the cost report is accurate by performing the following:

- a. Verify the fixed asset has been removed from the depreciation schedule.
- b. Verify the fixed asset was retired from operations during the cost reporting period.
- c. Confirm whether the fixed asset was salvaged or sold. If the item was sold, verify whether the proceeds from the sale were used to reduce the depreciation amount claimed on the cost report.
- d. Confirm that if the fixed asset was traded-in, the value of the fixed asset was used to offset the cost of the replacement item.
- e. Verify the depreciation amount included on the cost report does not exceed the difference between the acquisition costs and accumulated depreciation amount.

Notwithstanding variances due to rounding, if depreciation expense related to salvaged fixed assets is not accurately reflected on Exhibit 6B, recalculate the actual amount and prepare a proposed cost adjustment to remove the variance from the cost report using Schedule C.

4. **Other Fixed Assets:** Select 5 or 30% of the other assets identified on the fixed asset schedule, whichever is less and verify the following:

- a. The assigned useful life and dollar value used in calculating current year depreciation are consistent with prior years.
If the assigned useful life or dollar value is different from the prior year, recalculate the depreciation amount using the prior year information and prepare a proposed cost adjustment to remove the variance from the cost report using Schedule C.
- b. Verify the MSP agency used the straight line method in calculating depreciation.

If the MSP agency used a method for calculating depreciation expense other than straight line, recalculate the depreciation amount using a straight line depreciation methodology and prepare a proposed cost adjustment to remove the variance from the cost report. Proposed cost adjustment amount should be documented using Schedule C.

- c. In conjunction with the agreed-upon procedures related to disbursements, verify that neither the depreciation expense nor the entire cost of the fixed asset was included within other cost report exhibits.

If the cost of the fixed asset or the depreciation expense is included on another cost report exhibit, prepare a proposed cost adjustment to remove the amount from the other exhibit(s) using Schedule C.

- d. Trace the fixed asset to its physical location to assure the asset exists.

If the fixed asset cannot be located, prepare a cost adjustment to remove the amount of depreciation included in the cost report using Schedule C.

5. Verify the depreciation expense identified on Exhibit 6B of the cost report is allowable under the provisions of the cost report instructions and CMS Publication 15-1, Chapter 1, 2 CFR 200, as applicable.

If the cost is not allowable under the cited provisions, prepare a proposed cost adjustment to remove the entire cost from the cost report. The amount, item description, and basis for the proposed cost adjustment should be identified on adjustment Schedule C.

STATISTICS

Random Moment Time Study (RMTS):

1. Obtain from the MSP agency, a schedule/report that identifies employees who completed a RMTS during the cost report period. The listing must identify, the employee, the cost pool under which the employee is classified (e.g., 1, 2, or 3), and the activity being performed at the time of the RMTS. (Note: If the school had no employees that completed a RMTS, no additional steps within the RMTS section need to be performed).
2. Using the schedule/report obtained in step 1, select 10% or 15 individual employees who completed an RMTS during the cost reporting period. Assure the selection includes a minimum of 50% of the employees identified under cost pool 1, 30% from cost pool 2, and 20% from cost pool 3. Prepare a work paper that includes the following information:

Name of employee,
Employee position or job title,
Date/time of all RMTS moments completed by employee
Employee activity as identified on the RMTS,
Cost Pool under which the employee is classified (e.g., 1, 2 or 3),
Student identification number, if applicable,
Effective dates of student's IEP, if applicable,
Frequency of services (e.g., daily, weekly, monthly, etc.), as identified on the IEP.

3. Using the selections made in step 2, perform the following:
 - a. For employees who indicated they were performing a medical service, obtain the case file of the student receiving the service and verify the following:
 - The service was identified in the student's Individual Education Program (IEP).
 - The service was delivered during the effective dates of the IEP.
 - There is evidence in the student's case file; the service was delivered on the same date and time as the completed RMTS.
 - Verify the service, as identified within the student's IEP, was approved by the appropriate certified profession as required by OAC Section 5160-35-05(C)(2).

If the above attributes are not met, report any variance within the agreed upon procedures report. The variance should identify the employee name, cost pool, date of RMTS, and description of the variance.

- b. For employees who indicated they were performing a Medicaid administrative activity, obtain documentation from the employee that is contemporaneous to the completion of the RMTS. Documentation is defined as any notes, written descriptions, completed forms, ledgers, books, records or any other supporting documentation. Based on the documentation provided, verify the activity identified on the RMTS coincides with the documentation provided.

If the documentation does not correlate to the activity identified on the RMTS, report any variance within the agreed upon procedures report. The variance should identify the employee name, cost pool, date of RMTS, and description of the variance.

IEP Student Utilization Ratios:

1. Obtain from the Billing Agent a schedule that identifies the total number of students who have an IEP.
2. Verify the mathematical accuracy of the list by summing the number of students on the list and reconciling it to the total identified on Exhibit 3 of the cost report, under the "Total IEP Students" category.

If the number of students identified on the list does not agree to the cost report amount, prepare an adjustment and identify the variance on Schedule S. The variance must be identified as a plus (+) or minus (-) and equal the number necessary to assure the students identified on the agency's list agrees to the total number of students identified on Exhibit 3 under "Total IEP Students."

3. Compare the amounts identified on the Exhibit 3 under the categories of "Total Medicaid IEP Students" and "Total Healthy Start IEP Students" to information obtained from the Ohio Department of Education (ODE).

If the number of students identified on by the ODE differs from the cost report figures, prepare an adjustment and identify the variance on the Schedule S. The variance must be identified as a plus (+) or minus (-) and equal the number necessary to assure the number of students identified by the ODE agrees to the number of students identified on Exhibit 3 under "Total Medicaid IEP Students" and "Total Healthy Start IEP Students."

If the student selected did not have an IEP in effect at any time during the school year, using Schedule S, prepare a proposed adjustment to reduce the number of students identified under the category of "Total IEP Students."

Administrative Claiming Allocation Statistics:

Compare the amounts identified on Exhibit 3 under “Total Medicaid Students” and “Total All Students” to information obtained from the Ohio Department of Education. If the number of students identified by the ODE differs from the cost report figures, prepare an adjustment and identify the variance on the Schedule S. The variance must be identified as a plus (+) or minus (-) and equal the number necessary to assure the number of students identified by the ODE corresponds to the number of students identified on Exhibit 3 under the “Total Medicaid Students” and “Total All Students” categories.

Transportation Statistics:

1. Confirm the special education transportation rate agrees to the rate calculated and distributed by ODE to the provider. If a variance exists, document and communicate the variance and prepare a finding to adjust the special education rate to match the ODE rate.
2. Determine and record the total Medicaid paid claims for allowable transportation service trips during the cost report period. Based on ODE T1/T2 report data, confirm paid claims for allowable trips agree with number of paid claims for allowable trips reported in the cost report. If a variance exists, report and prepare an adjustment.
3. Randomly select the lesser of 10% or 40 paid claims for testing. Document selection of 10% or 40 claims.

For the claims selected above, confirm eligibility to receive transportation for the following components:

- a. Special Education (IEP–eligible) Student, and
 - b. Valid IEP exists and authorizes transportation, and
 - c. Valid associated service is authorized in the IEP and was delivered on the date transportation was provided.
4. Summarize results of steps performed for transportation statistics including notifying management of any variances.

PROCUREMENT

1. If not specifically identified on Exhibits 5A, 5B and 5D, obtain from the MSP agency a schedule or listing that identifies all procurements of goods or services by vendor, total procurement/contract amount, and the total disbursements by vendor for the cost reporting period.

If a schedule is used, reconcile the total disbursements identified on the schedule to the total amounts identified on Exhibits 5A, 5B and 5D by cost category, under column "Expenditure Amount."

Notwithstanding variances due to rounding, if contract expenditures reflected on the schedule or listing are less than the amounts identified on Exhibits 5A, 5B and 5D, prepare a proposed cost adjustment to remove the variance from the cost report. The proposed cost adjustment should be documented on Schedule C. In addition, document any explanation provided by management for the variance and include in the agreed-upon procedures report.

2. Inquire from the MSP coordinator whether any of the procurement agreements are based on either a contingency or flat fee arrangement.

For the purposes of this section, the following definitions apply:

Contingency arrangement is defined as a procurement or contractual agreement in which payment to the vendor is not related to the actual cost of the service or actual cost of service plus a fee. Instead, payments to the vendor are based on a percentage, or other basis to the amount billed or collected. Examples include, billing agents whose fees are based on a percentage (e.g., 10%) of the total amount of Medicaid dollars billed or collected rather than a basis such as the cost per transaction or cost by identified or stipulated service.

Flat fee arrangement is defined as a procurement or contractual agreement in which the payment to the vendor is not related to the actual cost of the service or cost of service plus a fee. Instead, payments to the vendor are paid on a gross or lump sum amount regardless of the number of items processed or clients served. Examples include medical practitioners who are paid a lump sum amount (e.g., \$5,000 per month or \$60,000 per annum) without regard to the actual number of patients seen.

For all contracts or procurement agreements in which payment was based on a contingency or flat fee arrangement identify the total amounts paid to the vendor during the cost reporting period and prepare a proposed cost adjustment for the entire amount. The proposed cost adjustment should be documented on Schedule C.

3. Inquire from the MSP coordinator, the MSP agency's threshold for formal procurement of goods or services (e.g., competitive bidding, sealed bids).

4. Identify the total number of procurements that exceed the lesser of the simplified acquisition threshold of \$150,000, as described in Appendix II(A) to Part 75 – Contract Provisions for Non-Federal Entities Contracts Under Federal Awards, or the MSP agency’s formal procurement threshold by vendor. For procurements that do not meet the above threshold, perform the non-payroll disbursement procedures.
5. Using the procurements identified in step 4, make a selection of 5 procurements or 50% of the total number of procurements, whichever is less. The selection must include any contracts with a billing agent or procurements pertaining to the provision of medical services.
6. Obtain the contract files for each procurement selected and verify the following as they pertain to the vendor/contractor:

- a. The contract file includes documentation of the significant history of the procurement, including the rationale for the method of procurement (e.g., lowest bid), contractor(s) selected and those rejected, and the basis of contract price as required by 45 CFR 75.327(i).

If the lowest bid was not selected, obtain a written explanation from management as to why and include their response in the agreed-upon procedures report.

- b. The procurements provided for full and open competition as described in 45 CFR 75.328(a).

If the procurement was not awarded through full and open competition, verify whether the MSP agency designated the vendor to be a sole source contractor and/or, verify the vendor has been organized to provide common goods and services to other like governments, i.e. schools, to foster greater economies and efficiencies for the like governments through intergovernmental agreements as permitted in 45 CFR 75.327(e).

If the procurement with the vendor wasn’t awarded through full and open competition or, the vendor wasn’t organized to provide shared services through intergovernmental agreement, e.g. Educational Service Centers, then perform steps (c) through (g) below.

If the procurement with the vendor was awarded through full and open competition or, the vendor was organized to provide shared services through an intergovernmental agreement then perform steps (e) through (g) below.

- c. In cases where competition was limited, verify that documentation exists to support the rationale to limit competition as described 45 CFR 75.329(f).

If required documentation does not exist, a proposed cost adjustment for all contract payments using Schedule C.

- d. Contract files exist and an appropriate cost or price analysis was performed in connection with procurement actions, including contract modifications and that this analysis supports the procurement action as described by 45CFR 75.332(a).

If cost or price analysis documentation does not exist, obtain a written explanation from management as to why and include their response in the agreed-upon procedures report.

- e. The contract includes a requirement that the vendor is to comply with the requirements of 45 CFR 164.504(e) (1) for safeguarding and limiting access to information concerning beneficiaries.

If the contract does not include a statement requiring the contractor to comply with 45 CFR 164.504(e) (1), obtain a written explanation from management as to why and include their response in the agreed-upon procedures report.

- f. The contract includes a clause that allows the representatives of the U.S. Department of Human Services, ODJFS, ODE or their respective designee access to the subcontractor's books, documents and records.

If the contract does not include a clause allowing access to the subcontractor's records, obtain a written explanation from management as to why and include their response in the agreed-upon procedures report.

- g. The contract file includes an acknowledgement from the contracted party that they or their principles are not suspended or debarred.

If the contract does not include a clause indicating the contractor or vendor is not suspended or debarred, obtain a written explanation from management as to why and include their response and name of the contractor in the agreed-upon procedures report.

7. For procurements, excluding those awarded through shared service agreements, that relate to the provision of medical services, verify the contract includes the following:

- a. "Service providers are qualified practitioners as required within OAC 5160-35-05."
- b. Procedures for assessment or reassessment of the covered population, if they are to be performed by the contractor.
- c. Services to be provided by contracted therapists are service types identified within OAC section 5160-35-05 or 5160-35-06 as being allowable to MSP.

- d. Vendor invoices are required to provide a listing of students served for the period billed on the related invoice.
- e. Cost to be charged per service and basis for charge (i.e., student, service, time per delivery of service, etc.)

If the procurement of medical services is not supported by a written contract that includes the required items from above (a. – d e) prepare a proposed cost adjustment to remove the total amount of payments from the cost report. The proposed cost adjustment should be documented on Schedule C.

8. For procurements awarded through shared service agreements, that relate to the provision of medical services, verify the contract includes the following:
- a. Service providers are qualified practitioners as required within OAC 5160-35-05.
 - b. Services to be provided by contracted practitioners are service types identified within OAC section 5160-35-05 or 5160-35-06 as being allowable to MSP.
 - c. The estimated amount the MSP agency has agreed to pay the vendor for the contracted services.
 - d. The contract is signed by the MSP agency and the vendor.

If the procurement of medical services is not supported by a written contract that includes the required items from above (a. – d) prepare a proposed cost adjustment to remove the total amount of payments from the cost report. The proposed cost adjustment should be documented on Schedule C.

9. For procurements that relate to the provision of billing services verify the contract includes the following:
- a. The specific services to be provided, including any activities related to third party liability.
 - b. The cost per service and basis for the cost (e.g., transactional).

If the procurement of billing services is not supported by a written contract that includes the required items from above (a. and b.) prepare a proposed cost adjustment to remove the total amount of payments from the cost report. The proposed cost adjustment should be documented on Schedule C.

10. Verify the total payments disbursed to the vendor during the cost reporting period did not exceed the total amount authorized by the contract.

If the total amount paid to the vendor exceeds the amount established by the contract prepare a proposed cost adjustment to remove the total amount of payments. The proposed cost adjustment should be documented on Schedule C.

11. Using the schedule or listing obtained in step 10, select 3 individual disbursements, check, EFT, or deduction, paid under each contract or 20% of the total disbursements for each contract, whichever is less and prepare a work paper with the following information:

- Vendor/contractor name
- Description of the service(s) to be provided under the terms and conditions of the contract
- The cost of the service(s) to be provided under the terms and conditions of the contract
- Check/EFT amount
- Payment disbursement date, check date, or deduction date
- Invoice amount

12. Using the transactions selected in step 11, verify the following:

- a. The invoice amount agrees to the disbursement amount (check, EFT, or deduction). If the disbursement amount is related to shared services, i.e. Educational Service Center, and the contract is based on an estimated amount that is paid through periodic deductions or payments, agree the amount charged for the disbursement reviewed to the contract.

If the amount of the check, EFT, or deduction is in excess of the invoice amount, prepare a proposed cost adjustment to remove the variance from the cost report. For disbursements related to shared services, as described above, if the amount of the disbursement is in excess of the expected amount based on the terms of the contract and the excess cannot be explained by the MSP agency, prepare a proposed cost adjustment to remove the variance from the cost report.

If the MSP agency is unable to provide an invoice or billing statement or proof of a cash disbursement (e.g., check, EFT, or deduction), prepare a proposed cost adjustment to remove the amount included on the cost report. The proposed cost adjustment should be documented on Schedule C.

- b. The payment disbursement date is in the cost reporting period.

If the cost was disbursed outside the cost reporting period, prepare a proposed cost adjustment to remove the expenditure amount included on the cost report. The proposed cost adjustment should be documented on Schedule C.

- c. The services identified on the invoice or billing statement correspond to the terms of the contract and disbursement amount (e.g. units and types of service identified

on the invoice multiplied by the contractual rate(s) equals the disbursement amount). If the disbursement amount is related to shared services, i.e. Educational Service Center, and the contract is based on an estimated amount that is paid through periodic deductions or payments, agree the amount charged, for the disbursement reviewed, to the contract.

If the disbursement amount does not correspond to the number and types of services or the payment amount(s) identified within the contract, prepare a proposed cost adjustment to remove the expenditure amounts included on the cost report. For disbursements related to shared services, as described above, if the amount of the disbursement is in excess of the expected amount based on the terms of the contract and the excess cannot be explained by the MSP agency, prepare a proposed cost adjustment to remove the variance from the cost report. The proposed cost adjustment should be documented on Schedule C.

- d. For payments involving the delivery of medical services determine the service identified on the invoice or billing statement is allowable under the general service types outlined within OAC 5160-35-05 and 5160-35-06 (e.g., mental health services, nursing, etc.). If the disbursement amount is related to shared services, review the contract to determine if it includes general service types outlined within OAC 5160-35-05 and 5160-35-06

If the service is not allowable as described on the detailed invoice or within the shared services contract, prepare a proposed cost adjustment to remove the expenditure amount included on the cost report. The proposed cost adjustment should be documented on Schedule C.

13. Using the payments selected in conjunction with step 11, select 10 students or 10% of the total number of students from the invoices related to medical services, whichever is less. If the payment selected is related to shared services, i.e. Educational Service Center, and student listings are not provided, obtain a listing of students served from the MSP coordinator and select 10 students or 10% of the total number of students from the listing related to medical services, whichever is less. For each student selected, obtain from the MSP agency the students' IEP which includes a plan of care. Using the information, verify the service(s) provided to the students is reflected in the student's plan of care as required by OAC 5160-35-05(F)(3).

If the service included within the invoice is not identified with the student's plan of care, prepare a proposed cost adjustment to remove the expenditure amount included on the cost report. The proposed cost adjustment should be documented on Schedule C.

NON-PAYROLL DISBURSEMENTS

1. Obtain from the MSP coordinator a schedule of expenditures by the following cost categories as identified on Exhibit 5A, 5B and 5D:

- Purchased Services
- Direct Medical Supplies, Material and Other Costs
- Other Transportation Costs

The schedule should identify by cost category, expenditures by vendor, invoice, disbursement date, disbursement amount, and description of item. (Note: a schedule is not necessary if the detailed information can be identified on the face of the exhibit).

If a schedule is used, verify the total amounts are accurate by footing the individual transactions by cost category and reconciling the total amounts to Exhibit 5A, 5B and 5D, column "Expenditure Amount."

Notwithstanding variances due to rounding, if expenditures reflected on the schedule are less than the amounts identified on Exhibit 5A, 5B and 5D by cost category, prepare a proposed cost adjustment to remove the variance from the cost report. The proposed cost adjustment should be documented on Schedule C.

2. From the schedule or from Exhibit 5A, 5B and 5D, select 15 expenditures or 20% of the total transactions identified, whichever is less. Assure the selection includes a minimum of 5 expenditure transactions/invoices for each of the cost categories and excludes purchase amounts in excess of the simplified acquisition threshold, \$150,000, or the agency's threshold for formal procurement of goods or services. On a work paper document the following for each item selected, as applicable.

- Description of the item
- Expenditure purpose
- Vendor name/payee
- Check/EFT amount/Deduction Amount
- Check/EFT/Deduction date
- Payment disbursement date, if different than check/EFT/Deduction date
- Invoice amount
- Cost Category
- Account Name/Account Number from USAS

3. Using items selected in step 2, verify the following:
 - a. Amounts are reported in accordance with the cost report instructions (i.e., appropriate exhibit, column and line item).

If amounts are not reported in accordance with the cost report instructions, prepare a proposed cost adjustment using Schedule C to reclassify the cost to the proper exhibit, column and line item.

- b. Goods or services purchased are allowable under the requirements of 2 CFR 200 Subpart E and/or OAC 5160-35-05 and 5160-35-06.

If the goods or services purchased are unallowable under the provisions of 2 CFR 200 and/or OAC 5160-35-05 and 5160-35-06, prepare a proposed cost adjustment using Schedule C to remove the total amount included on the cost report.

- c. Check, EFT or deduction amount reflected on the cost report agrees to the invoice amount. If the disbursement amount is related to shared services, i.e. Educational Service Center, and the contract is based on an estimated amount that is paid through periodic deductions or payments, agree the amount charged for the disbursement reviewed to the contract.

If the amount of the disbursement is in excess of the invoice amount or expected amount based on terms of the contract and the excess cannot be explained by the MSP agency, prepare a proposed cost adjustment to remove the variance from the cost report using Schedule C.

If the MSP agency is unable to provide an invoice and proof of a cash disbursement (e.g., check, EFT, or deduction), prepare a proposed cost adjustment using Schedule C to remove the total amount included on the cost report.

- d. Payment disbursement date is within the cost reporting period.

If the disbursement date was outside the cost reporting period, prepare a proposed cost adjustment to remove the expenditure amount included on the cost report using Schedule C.

- e. The agency obtained the lowest price for the goods or services purchased by obtaining price or rate quotes from an adequate number of vendors, but not less than 2 sources as prescribed by small purchase procedures described in 45 CFR 75.329(b). (Note: price or rate quotes may be documented through catalog or internet price lists, verbal quotes or other sources that identify item prices at the time of the purchase).

If the agency did not obtain price or rate quotes, as prescribed above, determine if the procurement is consistent with methods identified in:

- 45 CFR 75.329(a) - \$3,000 micro-purchase limit
- 45 CFR 75.329(f) – non-competitive proposals
- 45 CFR 75.327(e) – shared service agreements

If the cost of a good or service was obtained through procedures described in 45 CFR 75.329(b), price quotes were obtained, and the selected provider was not the lowest of the rate or price quotes obtained by the agency, document the explanation provided by management and include in the agreed-upon procedures report. In addition, the agreed-upon procedures report must also identify the total price difference between the amount included in the cost report and the lowest quote.

If the agency did not document the method of procurement, include the total cost of the good or service and any explanation from management in the agreed upon procedures report.

- f. The good or service purchased was medically necessary by obtaining, from the MSP coordinator, the student or students for which the item was purchased. Obtain the student's case file and verify the item was identified within the student's IEP. (Note: If the item was purchased for use by multiple students, it is only necessary to select one of the student's IEP.)

If the item is not identified within a student's IEP as being medically necessary, prepare a proposed cost adjustment using Schedule C to remove the expenditure amount from the cost report and corresponding section.

- g. Procurements for equipment or fixed assets were less than the agency's capitalization threshold.

If the cost of equipment is equal to or in excess of the capitalization threshold, verify whether the item has a useful life of a least 1 year using the AHA's "Estimated Useful Lives of Depreciable Hospital Assets" guide, 2004 Edition. If the item has useful life of 1 year or more calculate the depreciation amount using the useful life identified in the AHA guide, cost of the item, time of service, and by using an estimated salvage value of 10%. Prepare a proposed cost adjustment using Schedule C to remove the total cost from the "Direct Medical Supplies, Materials & Other Cost" category and prepare a cost adjustment for the amount of calculated depreciation. The proposed cost adjustment for depreciation should be identified on Schedule C and result in an increase to the "Direct Medical Equipment (in excess of Capital Threshold)" category.

135.14 [Effective 8/1/2018] Investing interim moneys of public subdivisions.

(A) As used in this section:

(1) "Treasurer" does not include the treasurer of state, and "governing board" does not include the state board of deposit.

(2) "Other obligations" includes notes whether or not issued in anticipation of the issuance of bonds.

(B) The treasurer or governing board may invest or deposit any part or all of the interim moneys. The following classifications of obligations shall be eligible for such investment or deposit:

(1) United States treasury bills, notes, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States.

Nothing in the classification of eligible obligations set forth in division (B)(1) of this section or in the classifications of eligible obligations set forth in divisions (B)(2) to (7) of this section shall be construed to authorize any investment in stripped principal or interest obligations of such eligible obligations.

(2) Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, and government national mortgage association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.

(3) Interim deposits in the eligible institutions applying for interim moneys as provided in section 135.08 of the Revised Code. The award of interim deposits shall be made in accordance with section 135.09 of the Revised Code and the treasurer or the governing board shall determine the periods for which such interim deposits are to be made and shall award such interim deposits for such periods, provided that any eligible institution receiving an interim deposit award may, upon notification that the award has been made, decline to accept the interim deposit in which event the award shall be made as though the institution had not applied for such interim deposit.

(4) Bonds and other obligations of this state, or the political subdivisions of this state, provided that, with respect to bonds or other obligations of political subdivisions, all of the following apply:

(a) The bonds or other obligations are payable from general revenues of the political subdivision and backed by the full faith and credit of the political subdivision.

(b) The bonds or other obligations are rated at the time of purchase in the three highest classifications established by at least one nationally recognized standard rating service and purchased through a registered securities broker or dealer.

(c) The aggregate value of the bonds or other obligations does not exceed twenty per cent of interim moneys available for investment at the time of purchase.

(d) The treasurer or governing board is not the sole purchaser of the bonds or other obligations at original issuance.

(e) The bonds or other obligations mature within ten years from the date of settlement.

No investment shall be made under division (B)(4) of this section unless the treasurer or governing board has completed additional training for making the investments authorized by division (B)(4) of this section. The type and amount of additional training shall be approved by the treasurer of state and may be conducted by or provided under the supervision of the treasurer of state.

(5) No-load money market mutual funds consisting exclusively of obligations described in division (B)(1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions mentioned in section 135.03 of the Revised Code;

(6) The Ohio subdivision's fund as provided in section 135.45 of the Revised Code;

(7) Up to forty per cent of interim moneys available for investment in either of the following:

(a) Commercial paper notes issued by an entity that is defined in division (D) of section 1705.01 of the Revised Code and that has assets exceeding five hundred million dollars, to which notes all of the following apply:

(i) The notes are rated at the time of purchase in the highest classification established by at least two nationally recognized standard rating services.

(ii) The aggregate value of the notes does not exceed ten per cent of the aggregate value of the outstanding commercial paper of the issuing corporation.

(iii) The notes mature not later than two hundred seventy days after purchase.

(iv) The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five per cent of interim moneys available for investment at the time of purchase.

(b) Bankers acceptances of banks that are insured by the federal deposit insurance corporation and that mature not later than one hundred eighty days after purchase.

No investment shall be made pursuant to division (B)(7) of this section unless the treasurer or governing board has completed additional training for making the investments authorized by division (B)(7) of this section. The type and amount of additional training shall be approved by the treasurer of state and may be conducted by or provided under the supervision of the treasurer of state.

(C) Nothing in the classifications of eligible obligations set forth in divisions (B)(1) to (7) of this section shall be construed to authorize any investment in a derivative, and no treasurer or governing board shall invest in a derivative. For purposes of this division, "derivative" means a financial instrument or contract or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself. Any security, obligation, trust account, or other instrument that is created from an issue of the United States treasury or is created from an obligation of a federal agency or instrumentality or is created from both is considered a derivative instrument. An eligible investment described in this section with a variable interest rate payment, based upon a single interest payment or single index comprised of other eligible investments provided for in division (B)(1) or (2) of this section, is not a derivative, provided that such variable rate investment has a maximum maturity of two years.

(D) Except as provided in division (B)(4) or (E) of this section, any investment made pursuant to this section must mature within five years from the date of settlement, unless the investment is matched to a specific obligation or debt of the subdivision.

(E) The treasurer or governing board may also enter into a written repurchase agreement with any eligible institution mentioned in section 135.03 of the Revised Code or any eligible dealer pursuant to division (M) of this section, under the terms of which agreement the treasurer or governing board purchases, and such institution or dealer agrees unconditionally to repurchase any of the securities listed in divisions (D)(1) to (5), except letters of credit described in division (D)(2), of section 135.18 of the Revised Code. The market value of securities subject to an overnight written repurchase agreement must exceed the principal value of the overnight written repurchase agreement by at least two per cent. A written repurchase agreement shall not exceed thirty days and the market value of securities subject to a written repurchase agreement must exceed the principal value of the written repurchase agreement by at least two per cent and be marked to market daily. All securities purchased pursuant to this division shall be delivered into the custody of the treasurer or governing board or an agent designated by the treasurer or governing board. A written repurchase agreement with an eligible securities dealer shall be transacted on a delivery versus payment basis. The agreement shall contain the requirement that for

each transaction pursuant to the agreement the participating institution or dealer shall provide all of the following information:

- (1) The par value of the securities;
- (2) The type, rate, and maturity date of the securities;
- (3) A numerical identifier generally accepted in the securities industry that designates the securities.

No treasurer or governing board shall enter into a written repurchase agreement under the terms of which the treasurer or governing board agrees to sell securities owned by the subdivision to a purchaser and agrees with that purchaser to unconditionally repurchase those securities.

(F) No treasurer or governing board shall make an investment under this section, unless the treasurer or governing board, at the time of making the investment, reasonably expects that the investment can be held until its maturity.

(G) No treasurer or governing board shall pay interim moneys into a fund established by another subdivision, treasurer, governing board, or investing authority, if that fund was established for the purpose of investing the public moneys of other subdivisions. This division does not apply to the payment of public moneys into either of the following:

- (1) The Ohio subdivision's fund pursuant to division (B)(6) of this section;
- (2) A fund created solely for the purpose of acquiring, constructing, owning, leasing, or operating municipal utilities pursuant to the authority provided under section 715.02 of the Revised Code or Section 4 of Article XVIII, Ohio Constitution.

For purposes of division (G) of this section, "subdivision" includes a county.

(H) The use of leverage, in which the treasurer or governing board uses its current investment assets as collateral for the purpose of purchasing other assets, is prohibited. The issuance of taxable notes for the purpose of arbitrage is prohibited. Contracting to sell securities that have not yet been acquired by the treasurer or governing board, for the purpose of purchasing such securities on the speculation that bond prices will decline, is prohibited.

(I) Whenever, during a period of designation, the treasurer classifies public moneys as interim moneys, the treasurer shall notify the governing board of such action. The notification shall be given within thirty days after such classification and in the event the governing board does not concur in such classification or in the investments or deposits made under this section, the governing board may order the treasurer to sell or liquidate any of such investments or deposits, and any such order shall specifically describe the investments or deposits and fix the date upon which they are to be sold or liquidated. Investments or deposits so ordered to be sold or liquidated shall be sold or liquidated for cash by the treasurer on the date fixed in such order at the then current market price. Neither the treasurer nor the members of the board shall be held accountable for any loss occasioned by sales or liquidations of investments or deposits at prices lower than their cost. Any loss or expense incurred in making such sales or liquidations is payable as other expenses of the treasurer's office.

(J) If any investments or deposits purchased under the authority of this section are issuable to a designated payee or to the order of a designated payee, the name of the treasurer and the title of the treasurer's office shall be so designated. If any such securities are registrable either as to principal or interest, or both, then such securities shall be registered in the name of the treasurer as such.

(K) The treasurer is responsible for the safekeeping of all documents evidencing a deposit or investment acquired by the treasurer under this section. Any securities may be deposited for safekeeping with a qualified trustee as provided in section 135.18 of the Revised Code, except the delivery of securities acquired under any repurchase agreement under this section shall be made to a qualified trustee, provided, however, that the qualified trustee shall be required to report to the treasurer, governing board, auditor of state, or an authorized outside auditor at any time upon request as to the identity, market value, and location of the document evidencing each security,

and that if the participating institution is a designated depository of the subdivision for the current period of designation, the securities that are the subject of the repurchase agreement may be delivered to the treasurer or held in trust by the participating institution on behalf of the subdivision. Interest earned on any investments or deposits authorized by this section shall be collected by the treasurer and credited by the treasurer to the proper fund of the subdivision.

Upon the expiration of the term of office of a treasurer or in the event of a vacancy in the office of treasurer by reason of death, resignation, removal from office, or otherwise, the treasurer or the treasurer's legal representative shall transfer and deliver to the treasurer's successor all documents evidencing a deposit or investment held by the treasurer. For the investments and deposits so transferred and delivered, such treasurer shall be credited with and the treasurer's successor shall be charged with the amount of money held in such investments and deposits.

(L) Whenever investments or deposits acquired under this section mature and become due and payable, the treasurer shall present them for payment according to their tenor, and shall collect the moneys payable thereon. The moneys so collected shall be treated as public moneys subject to sections 135.01 to 135.21 of the Revised Code.

(M)

(1) All investments, except for investments in securities described in divisions (B)(5) and (6) of this section and for investments by a municipal corporation in the issues of such municipal corporation, shall be made only through a member of the financial industry regulatory authority (FINRA), through a bank, savings bank, or savings and loan association regulated by the superintendent of financial institutions, or through an institution regulated by the comptroller of the currency, federal deposit insurance corporation, or board of governors of the federal reserve system.

(2) Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, governing board, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee.

(N) In making investments authorized by this section, a treasurer or governing board may retain the services of an investment advisor, provided the advisor is licensed by the division of securities under section 1707.141 of the Revised Code or is registered with the securities and exchange commission, and possesses experience in public funds investment management, specifically in the area of state and local government investment portfolios, or the advisor is an eligible institution mentioned in section 135.03 of the Revised Code.

(O)

(1) Except as otherwise provided in divisions (O)(2) and (3) of this section, no treasurer or governing board shall make an investment or deposit under this section, unless there is on file with the auditor of state a written investment policy approved by the treasurer or governing board. The policy shall require that all entities conducting investment business with the treasurer or governing board shall sign the investment policy of that subdivision. All brokers, dealers, and financial institutions, described in division (M)(1) of this section, initiating transactions with the treasurer or governing board by giving advice or making investment recommendations shall sign the treasurer's or governing board's investment policy thereby acknowledging their agreement to abide by the policy's contents. All brokers, dealers, and financial institutions, described in division (M)(1) of this section, executing transactions initiated by the treasurer or governing board, having read the policy's contents, shall sign the investment policy thereby acknowledging their comprehension and receipt.

(2) If a written investment policy described in division (O)(1) of this section is not filed on behalf of the subdivision with the auditor of state, the treasurer or governing board of that subdivision shall invest the subdivision's interim moneys only in interim deposits pursuant to division (B)(3) of this section or interim deposits pursuant to section 135.145 of the Revised Code and approved by the treasurer of state, no-load money market mutual funds pursuant to division (B) (5) of this section, or the Ohio subdivision's fund pursuant to division (B)(6) of this section.

(3) Divisions (O)(1) and (2) of this section do not apply to a treasurer or governing board of a subdivision whose average annual portfolio of investments held pursuant to this section is one hundred thousand dollars or less, provided that the treasurer or governing board certifies, on a form prescribed by the auditor of state, that the treasurer or governing board will comply and is in compliance with the provisions of sections 135.01 to 135.21 of the Revised Code.

(P) A treasurer or governing board may enter into a written investment or deposit agreement that includes a provision under which the parties agree to submit to nonbinding arbitration to settle any controversy that may arise out of the agreement, including any controversy pertaining to losses of public moneys resulting from investment or deposit. The arbitration provision shall be set forth entirely in the agreement, and the agreement shall include a conspicuous notice to the parties that any party to the arbitration may apply to the court of common pleas of the county in which the arbitration was held for an order to vacate, modify, or correct the award. Any such party may also apply to the court for an order to change venue to a court of common pleas located more than one hundred miles from the county in which the treasurer or governing board is located.

For purposes of this division, "investment or deposit agreement" means any agreement between a treasurer or governing board and a person, under which agreement the person agrees to invest, deposit, or otherwise manage a subdivision's interim moneys on behalf of the treasurer or governing board, or agrees to provide investment advice to the treasurer or governing board.

(Q) An investment made by the treasurer or governing board pursuant to this section prior to September 27, 1996, that was a legal investment under the law as it existed before September 27, 1996, may be held until maturity.

Amended by 132nd General Assembly File No. TBD, HB 251, §1, eff. 8/1/2018.

Amended by 131st General Assembly File No. TBD, HB 64, §101.01, eff. 9/29/2015.

Amended by 130th General Assembly File No. TBD, SB 287, §1, eff. 9/4/2014.

Effective Date: 09-14-2000 .

Note: This section is set out twice. See also § 135.14, effective until 8/1/2018.

Investment Management Agreement

Meeder Public Funds

This Investment Management Agreement ("Agreement") is effective as of the date executed by and between Meeder Public Funds, Inc. ("Meeder") and Clearview Local Schools ("Client"). In consideration of the mutual promises, covenants, and undertakings set forth herein, the parties hereby agree as follows.

1. **Appointment.** Client appoints Meeder as discretionary investment manager to manage the assets deposited in any account subject to the terms of this Agreement ("Account"). Meeder accepts the appointment as investment manager and shall invest, reinvest and manage the securities, cash and other assets of the Account subject to the investment guidelines ("Investment Guidelines") provided by Client. Meeder shall provide advice only with respect to assets in the Account and shall have no responsibility for the actions or non-actions of predecessor investment advisors or for the management of assets other than the assets allocated to the Account.

2. **Trading Authorization.** Client grants Meeder discretionary trading authority and appoints Meeder as agent and attorney-in-fact with respect to investments in the Account. Meeder shall carry out such trading so long as this Agreement remains in effect and in conformance with any written criteria Client may provide to Meeder from time to time. Meeder may direct the purchase, sale, exchange, conversion, delivery or other acquisition or disposition of securities and other investments in the Account and act on behalf of Client in all other matters incidental to the handling of Account investments, all without prior consultation with Client.

3. **Custody.** Meeder shall not act as custodian for the Account or any portion of it. Custody and possession of Account assets shall be the sole obligation of the Account's separately appointed "qualified custodian." ("Custodian"). Meeder has a relationship with a Custodian who provides custodial services to Meeder Public Funds clients ("Preferred Custodian"). Client may elect to use the services of the Preferred Custodian or a Custodian of Client's choice. If Client selects a Custodian other than the Preferred Custodian, Client will notify Meeder in writing of the Custodian's name, address and the manner in which the Account assets will be maintained. Client acknowledges that it receives, or will receive from the Custodian, at least quarterly, an account statement that identifies the assets in the Account with the Custodian at the end of the period and that lists all transactions in the Account for the period. Client agrees to direct the Custodian to provide copies of all confirmations with respect to security transactions, reports, periodic account statements and the like to Meeder to enable Meeder to reconcile its records with those of the Custodian.

4. **Investment Objectives and Restrictions.** Client may provide Meeder with written Investment Guidelines, setting forth the investment objectives and any specific investment restrictions or limitations which govern the Account. Meeder shall be entitled to rely on such guidelines, objectives and restrictions relating to the Account as it may receive from Client. It is Client's responsibility to inform Meeder in writing of any changes or modifications to the Investment Guidelines, which shall be given ten days in advance of any such change.

5. **Brokerage.** Meeder will generally use the execution services of such broker-dealers as it may select to effect transactions for the purchase and sale of securities and other investments in the Account. When selecting brokers through which transactions for client accounts will be executed, Meeder's primary consideration will be the broker's ability to provide best execution of trades and Meeder may consider the quality and reliability of the brokerage services, trade price and commission, as well as research and other services provided by the broker-dealers. The responsibility to obtain best execution shall not be deemed to obligate Meeder to solicit competitive bids for each transaction. Client may direct that Meeder execute transactions through specific broker-dealers in connection with a discount brokerage or directed brokerage program established by Client. Client acknowledges that by directing brokerage to a particular broker-dealer it may forgo any benefits from savings on execution costs that Meeder may obtain for its other clients through volume discounts on aggregated orders and may pay higher commission rates than other clients of Meeder.

6. **Fees.** For the services provided in accordance with this Agreement, Client shall pay Meeder an annual fee ("Fee") based on the assets under management by Meeder as of the last business day of the billing period as follows:

Market Value	Fees
First \$25 million	0.10%
\$25 Million to \$50 million	0.08%
Over \$50 million	0.06%

Fees are subject to minimum of \$5,000 per year. Fees are billed either monthly or quarterly in arrears as selected by Client. The Fee will be deducted directly from Client's Account or invoiced directly to Client, as selected by Client. Where Client has elected to have fees deducted Client authorizes the Custodian to deduct fees from the Account and pay them to Meeder. The account statements will reflect the fee amount withdrawn in any period. Client is responsible for notifying Meeder of any exceptions or objections to the amount billed within thirty days from the billing date.

For clients who utilize the Preferred Custodian, the Fee shall include a credit equal to the amount charged by the Preferred Custodian for custodial services up to a maximum annual fee of 0.01%. If Client utilizes a Custodian other than the Preferred Custodian, Client shall be responsible for any and all fees charged by the Custodian for its services. Meeder reserves the right to discontinue credits for custodial fees charged by the Preferred Custodian upon 30 days' notice in writing of the change to Client. At such time, the new fee will become effective unless the Client notifies Meeder in writing that the Agreement is to be terminated.

7. **Solicitor Arrangements.** Meeder accepts Clients referred through unaffiliated introducing advisors ("Solicitors") and may pay Solicitors a referral fee in connection with those Clients' accounts. Each Client who is introduced to Meeder by a Solicitor will acknowledge the amount of the referral fee in a separate Written Disclosure Statement.

8. **Third-Party Payments.** Meeder or its affiliates receive compensation from unaffiliated third-parties for opening, administering or advising certain financial products offered to advisory clients, including Star Ohio and Star Plus. Asset based advisory fees are not charged for assets invested in products that pay indirect compensation to Meeder.

9. **Proxy Voting.** Meeder does not accept or assume authority to vote proxies for its public fund clients. Clients will receive their proxies or other solicitations directly from their Custodian.

10. **Statements and Reports.** Meeder will provide Client with quarterly consolidated holdings reports, unless Client and Meeder mutually agree otherwise. All confirmations with respect to security transactions, proxies, reports and the like shall be sent to Meeder. Client consents to electronic delivery of all documents from Meeder, including but not limited to a copy of the executed Agreement, statements, confirmations, Meeder's Form ADV Part 2, and other general communications.

11. **Confidentiality.** All information and advice furnished by either party to the other, including their respective agents and employees, shall be treated as confidential and shall not be disclosed to third parties except as otherwise required by law or as agreed to in writing by Client. Notwithstanding the foregoing, Client consents to the use of Client's name in sales and marketing material used by Meeder or its affiliates solely for the purpose of identifying the Client as an investment advisory client.

12. **Services to Other Clients.** Client understands that Meeder serves as investment adviser for other clients and will continue to do so. Client also understands that Meeder, its personnel and affiliates ("Affiliated Persons") may give advice or take action in performing their duties to other clients, or for their own accounts, that differ from advice given to or action taken for Client. Meeder is not obligated to buy, sell or recommend for Client any security or other investment that Meeder or its Affiliated Persons may buy, sell or recommend for any other client or their own accounts.

13. Meeder's Representations. Meeder represents that it is a registered investment adviser under the Investment Advisers Act of 1940.

14. Client's Representations. Client represents and acknowledges that: (i) Client is the sole owner of the Account assets and has full power and authority to enter into this Agreement and to commit the assets to Meeder's management and supervision; (ii) that the person signing this Agreement on behalf of Client is authorized and empowered to establish accounts and commit the assets to Meeder's management and supervision on the entity's behalf; (iii) Client has received Meeder's current Form ADV, Part 2A and B; and (iv) Client has received a copy of Meeder's Privacy Policy.

15. Term. This Agreement may be terminated by either party for any or no reason upon delivery by first class U.S. mail, postage prepaid, or delivery by hand, of a written "Notice of Termination" to the other party at least thirty (30) days prior to the date of the intended early termination of this Agreement. Termination of this Agreement will not affect the status, obligations or liabilities of the parties to this Agreement that arose prior to such termination.

16. Limitation of Liability. Except for negligence, malfeasance or violation of applicable law, neither Meeder nor its officers, directors or employees shall be liable to Client for any action performed, or omitted to be performed, or for any errors of judgment in managing the Account. Nor shall Meeder be liable to Client for any act or failure to act by any other third party. The federal securities laws impose liabilities under certain circumstances on persons even when they act in good faith. Therefore, nothing in this Agreement shall in any way constitute a waiver or limitation of any rights that Client may have under any federal or state securities laws.

17. Assignment. This Agreement may not be assigned by either party without the consent of the other party. Meeder will provide Client at least thirty (30) days prior written notice of any proposed assignment, and Client's consent will be presumed unless Client notifies Meeder otherwise in writing prior to the date of the assignment indicated on the notice.

18. Amendment. This Agreement may be amended by Meeder with thirty (30) days prior written notice to Client and may be amended immediately upon notice to the extent reasonably required to satisfy federal or state regulatory requirements.

19. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Ohio without giving effect to any conflict or choice of law provisions of that State.

20. Severability. If any provision of this Agreement is or should become inconsistent with any law or rule of any governmental or regulatory body having jurisdiction over the subject matter of this Agreement, the provision will be deemed to be rescinded or modified in accordance with any such law or rule. In all other respects, this Agreement will continue and remain in full force and effect.

21. Entire Agreement. This Agreement contains the complete understanding between the parties and supersedes all previous agreements, whether oral or written between the parties.

22. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers or agents to become effective as of the day and year first written above.

MEEDER PUBLIC FUNDS, Inc.

CLIENT

BY

BY **Mary Ann Nowak**

TITLE

TITLE **Treasurer**

SIGNATURE

SIGNATURE

DATE

DATE

Instructions for Form 720

(Rev. April 2018)

Quarterly Federal Excise Tax Return



Department of the Treasury
Internal Revenue Service

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

Future Developments

For the latest information about developments related to Form 720, and its instructions, such as legislation enacted after they were published, go to IRS.gov/Form720.

What's New

Section 4375 and 4376 patient-centered outcomes research fee increase. The fee for policy and plan years ending on or after October 1, 2017, but before October 1, 2018, is the applicable rate of \$2.39, multiplied by the average number of lives covered under the policy or plan. The applicable rate for policy and plan years ending on or after October 1, 2018, will be included in future revisions. For updated information, see *Future Developments* above. The fee for policy and plan years ending on or after October 1, 2018, but before October 1, 2017, remains at the applicable rate of \$2.26, multiplied by the average number of lives covered under the policy or plan. See *Patient-centered outcomes research fee (IRS No. 133)*, later, and Notice 2017-61.

Reminders

Butane mixture doesn't qualify for a credit. A mixture of butane (or other gasoline blendstock) and gasoline is a mixture of two taxable fuels. Therefore, it isn't an alternative fuel mixture and doesn't qualify for the section 6426 alternative fuel mixture credit. See Rev. Rul. 2018-02 at IRS.gov/IRB/2006-92_IRB#RR2018-02.

Extension of oil spill liability tax (IRS Nos. 18 and 21). For 2018, effective March 1, 2018, the section 4611 tax on crude oil received (domestic petroleum oil spill tax), or petroleum products entered (imported petroleum oil spill tax) is extended. There's a temporary modified safe harbor for semimonthly deposits of the oil spill liability tax that applies only to deposits of the tax during the third calendar quarter of 2018. It's a voluntary option and no affirmative election or other special filing is required. See IRS.gov/IRB#NOT2018-21.

Suspension of section 4191 medical device tax (formerly IRS No. 136). The medical device tax continues to be suspended through December 31, 2019.

Reducing your excise tax liability. For federal income tax purposes, reduce your section 4081 excise tax liability by the amount of excise tax credit allowable under section 6426(c) and your section 4041 excise tax liability by the amount of your excise tax credit allowable under section 6426(d), in determining your deduction for those excise taxes or your cost of goods sold deduction attributable to those excise taxes.

Exported gasoline blendstocks. Claims for exported gasoline blendstocks taxed at \$.001 per gallon are made on Schedule C, line 14b. Continue to use line 1b to make claims for exported gasoline blendstocks taxed at \$.184 per gallon.

Electronic filing. You can electronically file Form 720 through any electronic return originator (ERO), transmitter, and/or intermediate service provider (ISP) participating in the IRS e-file program for excise taxes. For more information on e-file, visit the IRS website at IRS.gov/eFILE.

Federal tax deposits made by electronic funds transfer. Generally, you must use electronic funds transfer to make federal tax deposits, such as deposits of employment tax, excise tax (for exceptions, see *Payment of Taxes*, later), and corporate income tax. Generally, electronic funds transfers are made using the Electronic Federal Tax Payment System (EFTPS). If you don't want to use EFTPS, you can arrange for your tax professional, financial institution, payroll service, or other trusted third party to make deposits on your behalf. EFTPS is a free service provided by the Department of Treasury.

To get more information about EFTPS or to enroll in EFTPS, visit www.eftps.gov or call 1-800-555-4477. See Pub. 966.

General Instructions

Purpose of Form

Use Form 720 and attachments to report your liability by IRS No. and pay the excise taxes listed on the form. If you report a liability on Part I or Part II, you may be eligible to use Schedule C to claim a credit.

Who Must File



See Patient-centered outcomes research fee (IRS No. 133) in Part II for special rules about who must file to report the patient-centered outcomes research fee.

You must file Form 720 if:

- You were liable for, or responsible for collecting, any of the federal excise taxes listed on Form 720, Parts I and II, for a prior quarter and you haven't filed a final return; or
- You are liable for, or responsible for collecting, any of the federal excise taxes listed on Form 720, Parts I and II, for the current quarter.

See *How To File*, later, for more information.

When To File

You must file a return for each quarter of the calendar year as follows.

Quarter covered	Due by
Jan., Feb., Mar.	April 30
Apr., May, June	July 31
July, Aug., Sept.	October 31
Oct., Nov., Dec.	January 31

If any due date for filing a return falls on a Saturday, Sunday, or legal holiday, you may file the return on the next business day.

Send your return to the IRS using the U.S. Postal Service or a designated private delivery service to meet the "timely mailing as timely filing/paying" rule. See *Private Delivery Services*, later.

Floor stocks tax. Report the floor stocks tax on ozone-depleting chemicals (ODCs), IRS No. 20, on the return due by July 31 of each year. The tax payment is due by June 30. See *Floor Stocks Tax*, later.

Where To File

Send Form 720 to:

Department of the Treasury
Internal Revenue Service
Cincinnati, OH 45999-0009

How To File

If you aren't reporting a tax that you normally report, enter a zero on the appropriate line on Form 720, Part I or II. Also, if you have no tax to report, write "None" on Form 720, Part III, line 3; sign and date the return. If you file the second quarter Form 720 only to report the patient-centered outcomes research fee, no filing is required in other quarters unless you have to report other fees or taxes.

If you have adjustments to liabilities reported for prior quarters, see Form 720X, Amended Quarterly Federal Excise Tax Return. Don't enter adjustments on Form 720.

If you attach additional sheets, write your name and EIN on each sheet.

Final Return

File a final return if you have been filing Form 720 and you:

1. Go out of business, or
2. Won't owe excise taxes that are reportable on Form 720 in future quarters.

TIP *If you are only filing to report zero tax and you won't owe excise tax in future quarters, check the final return box above Part I of Form 720.*

Recordkeeping

Keep copies of your tax return, records, and accounts of all transactions to show that the correct tax has been paid. Keep records to support all claims and all exemptions at least 4 years from the latest of the date:

- The tax became due,
- You paid the tax, or
- You filed a claim.

Penalties and Interest

If you receive a notice about a penalty after you file this return, reply to the notice with an explanation and we will determine if you meet reasonable-cause criteria. Don't include an explanation when you file your return.

Trust fund recovery penalty. If communications, air transportation, and indoor tanning services taxes are collected but not paid to the United States Treasury or are willfully not collected, the trust fund recovery penalty may apply. The penalty is the full amount of the unpaid tax.

The trust fund recovery penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, and paying over these taxes, and who acted willfully in not doing so.

A responsible person can be an officer or employee of a corporation, a partner or employee of a partnership, an employee of a sole proprietorship, an accountant, or a volunteer director/trustee. A responsible person also may include one who signs checks for the business or otherwise has authority to cause the spending of business funds.

Willfully means voluntarily, consciously, and intentionally. A responsible person acts willfully if he or she knows the required actions aren't taking place.

Additional Information

You may find the following products helpful when preparing Form 720 and any attachments.

- Pub. 510, *Excise Taxes*, contains definitions and examples that will help you prepare Form 720. Pub. 510 also contains information on fuel tax credits and refunds.
- Pub. 509, *Tax Calendars*, has deposit and payment due dates for federal excise taxes listed in this publication.
- Notice 2005-4 (fuel tax guidance), see 2005-2 I.R.B. 289, at [IRS.gov/IRB/2005-02_IRB#NOT2005-4](https://www.irs.gov/IRB/2005-02_IRB#NOT2005-4).
- Notice 2005-24 (sales of gasoline on oil company credit cards), 2005-12 I.R.B. 757, at [IRS.gov/IRB/2005-12_IRB#NOT2005-24](https://www.irs.gov/IRB/2005-12_IRB#NOT2005-24).
- Notice 2005-62 (biodiesel and aviation-grade kerosene), 2005-35 I.R.B. 443, at [IRS.gov/IRB/2005-35_IRB#NOT2005-62](https://www.irs.gov/IRB/2005-35_IRB#NOT2005-62).
- Notice 2005-80 (LUST, kerosene, claims by credit card issuers, and mechanical dye injection), 2005-46 I.R.B. 953, at [IRS.gov/IRB/2005-46_IRB#NOT2005-80](https://www.irs.gov/IRB/2005-46_IRB#NOT2005-80).
- Notice 2006-92 (alternative fuels and mixtures), on page 774 of 2006-43 I.R.B. 774, at [IRS.gov/IRB/2006-43_IRB#NOT2006-92](https://www.irs.gov/IRB/2006-43_IRB#NOT2006-92).
- Notice 2007-97 (alternative fuel and alternative fuel mixtures), 2007-49 I.R.B. 1092, at [IRS.gov/IRB/2007-49_IRB#NOT2007-97](https://www.irs.gov/IRB/2007-49_IRB#NOT2007-97).
- Notice 2008-110 (biodiesel and cellulosic biofuel), 2008-51 I.R.B. 1298, at [IRS.gov/IRB/2008-51_IRB#NOT2008-110](https://www.irs.gov/IRB/2008-51_IRB#NOT2008-110).
- Notice 2010-68 (Alaska dyed diesel exemption), 2010-44 I.R.B. 576 at [IRS.gov/IRB/2010-44_IRB#NOT2010-68](https://www.irs.gov/IRB/2010-44_IRB#NOT2010-68).
- Notice 2012-27 (fractional aircraft), 2012-17 I.R.B. 849, at [IRS.gov/IRB/2012-17_IRB#NOT2012-27](https://www.irs.gov/IRB/2012-17_IRB#NOT2012-27).
- Treasury Decision (T.D.) 9670 (tanning tax), 2014-29 I.R.B. 121, at [IRS.gov/IRB/2014-29_IRB#TD9670](https://www.irs.gov/IRB/2014-29_IRB#TD9670).
- Notice 2016-64 (patient-centered), 2016-64 I.R.B. 674, at [IRS.gov/IRB/2016-46_IRB#NOT2016-64](https://www.irs.gov/IRB/2016-46_IRB#NOT2016-64).
- T.D. 9621 (indoor tanning), 2013-28 I.R.B. 49 at [IRS.gov/IRB/2013-28_IRB#TD9621](https://www.irs.gov/IRB/2013-28_IRB#TD9621).
- Rev. Rul. 2016-03 (foreign reinsurance), 2016-3 I.R.B. 282, at [IRS.gov/IRB/2016-03_IRB#RR2016-03](https://www.irs.gov/IRB/2016-03_IRB#RR2016-03).
- Rev. Rul. 2018-02 (Butane mixture), at [IRS.gov/IRB/2006-92_IRB#RR2018-02](https://www.irs.gov/IRB/2006-92_IRB#RR2018-02).
- Rev. Proc. 2018-18 (inflation adjustments), at [IRS.gov/IRB/2018-10_IRB#RP2018-18](https://www.irs.gov/IRB/2018-10_IRB#RP2018-18).
- Notice 2018-21 (retroactive 2017 claims), at [IRS.gov/IRB#NOT2018-21](https://www.irs.gov/IRB#NOT2018-21).

You also may call the Business and Specialty Tax line at 1-800-829-4933 with your excise tax questions. The hours of operation are Monday–Friday, 7:00 a.m. to 7:00 p.m. local time.

Private Delivery Services

You can use the following private delivery services designated by the IRS to meet the “timely mailing as timely filing/paying” rule for tax returns and payments.

- DHL Express 9:00, DHL Express 10:30, DHL Express 12:00, DHL Express Worldwide, DHL Express Envelope, DHL Import Express 10:30, DHL Import Express 12:00, and DHL Import Express Worldwide.
- Federal Express (FedEx): FedEx First Overnight, FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2 Day, FedEx International Next Flight Out, FedEx International Priority, FedEx International First, and FedEx International Economy.
- United Parcel Service (UPS): UPS Next Day Air Early AM, UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

For the IRS mailing address to use if you are using a private delivery service, go to IRS.gov and enter “private delivery service” in the search box.



Private delivery services can't deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.

Photographs of Missing Children

The IRS is a proud partner with the [National Center for Missing & Exploited Children® \(NCMEC\)](http://www.nationalcenterformissingandexploitedchildren.org). Photographs of missing children selected by the Center may appear in instructions on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and contacting 1-800-THE-LOST (1-800-843-5678) or www.missingkids.com/home.html if you recognize a child.

Specific Instructions

Name and Address

Type your name, address, and the quarter ending date (month and year). If your address changes, check the address change box above Form 720, Part I.

P.O. box. If the post office doesn't deliver mail to the street address and you have a P.O. box, show the box number instead of the street address.

Foreign address. Follow the country's practice for entering the postal code. Don't abbreviate the country name.

Employer Identification Number (EIN)

Enter the correct EIN. If you are a one-time filer, you may not need an EIN. See *Gas guzzler tax (IRS No. 40)*, later. If you don't have an EIN, you may apply for one online. Go to the IRS website at IRS.gov/Businesses/Small and click on the “Employer ID Numbers (EINs)” link. You also may apply for an EIN by faxing or mailing Form SS-4, Application for Employer Identification Number, to the IRS.

Disregarded entities and qualified subchapter S subsidiaries. Qualified subchapter S subsidiaries (QSubs) and eligible single-owner disregarded entities are treated as separate entities for excise tax and reporting purposes. QSubs and eligible single-owner disregarded entities must pay and report excise taxes (other than IRS Nos. 31, 51, and 117), register for most excise tax activities, and claim any

refunds, credits, and payments under the EIN. These actions can't take place under the owner's taxpayer identification number (TIN). Some QSubs and disregarded entities may already have an EIN. However, if you are unsure, please call the IRS Business and Specialty Tax line at 1-800-829-4933.

Generally, QSubs and eligible single-owner disregarded entities will continue to be treated as disregarded entities for other federal tax purposes (other than employment taxes). Thus, taxpayers filing Form 4136, with Form 1040, Individual Income Tax Return, can use the owner's TIN. For more information, see Regulations section 301.7701-2(c)(2)(v).

Signature

Form 720 must be signed by a person authorized by the entity to sign this return.

Third Party Designee

If you want to allow an employee of your business, a return preparer, or other third party to discuss your Form 720 with the IRS, check the “Yes” box on Form 720 under *Third Party Designee*. Also, enter the designee's name, phone number, and any five digits that person chooses as his or her personal identification number (PIN).

By checking the “Yes” box, you are authorizing the IRS to speak with the designee to answer any questions relating to the processing of, or the information reported on, Form 720. You also are authorizing the designee to:

- Exchange information concerning Form 720 with the IRS, and
- Respond to certain IRS notices that you have shared with your designee relating to Form 720. The IRS won't send notices to your designee.

You aren't authorizing the designee to receive any refund check, bind you to anything (including additional tax liability), or otherwise represent you before the IRS. If you want to expand the designee's authority, see Pub. 947, *Practice Before the IRS and Power of Attorney*.

The authorization will automatically expire 1 year from the due date (without regard to extensions) for filing your Form 720. If you or your designee want to revoke this authorization, send a written statement of revocation to:

Department of the Treasury
Internal Revenue Service
Cincinnati, OH 45999

See Pub. 947 for more information.

Paid Preparer Use Only

A paid preparer must sign Form 720 and provide the information in the *Paid Preparer Use Only* section at the end of the form if the preparer was paid to prepare the form and isn't an employee of the filing entity. The preparer must give you a copy of the form in addition to the copy to be filed with the IRS. If you are a paid preparer, enter your Preparer Tax Identification Number (PTIN) in the space provided. Include your complete address. If you work for a firm, you also must enter the firm's name and the EIN of the firm. However, you can't use the PTIN of the tax preparation firm in place of your PTIN. You can apply for a PTIN online or by filing Form W-12, IRS Paid Preparer Tax Identification Number (PTIN) Application and Renewal. For more information about applying for a PTIN online, visit the IRS website at IRS.gov/PTIN.

Part I

Environmental Taxes

Use Form 6627, Environmental Taxes, to figure the environmental taxes on:

- Oil spill liability, IRS Nos. 18 and 21;
- Ozone-depleting chemicals (ODCs), IRS No. 98;
- Imported products that used ODCs as materials in the manufacture or production of the product, IRS No. 19; and
- The floor stocks tax on ODCs, IRS No. 20 (reported on Form 720, Part II).

Attach Form 6627 to Form 720. The tax rates for these taxes are shown on Form 6627.

Communications Taxes

Communications Services (IRS No. 22)

The tax is 3% of amounts paid for local telephone service and teletypewriter exchange service.

Who Must File

The person receiving the payment for communications services must collect and submit the tax and file the return. Enter the amount of tax collected or considered collected for the quarter.

Credits or Refunds

If tax is collected and paid over for nontaxable services from the communications tax, the collector or taxpayer may request a credit or refund as described below and in Notices 2006-50 and 2007-11.

Collectors. The collector may request a credit or refund only if it has repaid the tax to the person from whom the tax was collected, or obtained the consent of that person to the allowance of the credit or refund. These requirements also apply to nontaxable service refunds.

Collectors using the regular method for deposits. Collectors using the regular method for deposits must use Form 720X to request a credit or refund.

Collectors using the alternative method for deposits. Collectors using the alternative method for deposits must adjust their separate accounts for the credit or refund. For more information, see *Alternative method (IRS Nos. 22, 26, 27, and 28)*, later.

Air Transportation Taxes

Transportation of Persons by Air (IRS No. 26)

The taxes on transportation of persons by air are the percentage tax and the domestic segment tax. Add the percentage tax and the domestic segment tax to get the total tax on transportation of persons by air.

Note. The percentage and domestic segment taxes don't apply on a flight if the surtax on fuel used in a fractional ownership program aircraft is imposed. For more information, see *Surtax on any liquid used in a fractional ownership program aircraft as fuel (IRS No. 13)*, later.

Who Must File

The person receiving the payment for air transportation services must do all of the following.

- Collect the tax.
- Submit the tax.
- File Form 720 to report the amount of the tax collected, or considered collected, for the quarter.

Exemption for amounts paid for aircraft management services. Effective December 23, 2017, certain payments related to the management of private aircraft are exempt from the excise taxes imposed on taxable transportation by air. See Pub 510.

Percentage tax. The percentage tax is 7.5% of amounts paid for taxable transportation of persons by air.

Domestic segment tax. For calendar year 2018, the tax on the amount paid for each domestic segment of taxable transportation continues to be \$4.10.

Example. In January 2018, Frank Jones pays \$266.20 to a commercial airline for a flight in January from Washington to Chicago with a stopover in Cleveland. The flight has two segments. The price includes the \$240 fare and \$26.20 excise tax $[(\$240 \times 7.5\%) + (2 \times \$4.10)]$ for which Frank is liable. The airline collects the tax from Frank and submits it to the government.

Charter flights. If an aircraft is chartered, and the flight isn't one where the tax on fuel used in a fractional ownership program aircraft is imposed, the domestic segment tax for each segment of taxable transportation is figured by multiplying the tax by the number of passengers transported on the aircraft.

Example. In March 2018, Tim Clark pays \$1,132.40 to an air charter service to carry seven employees from Washington to Detroit with a stopover in Pittsburgh. The flight has two segments. The price includes the \$1,000 charter payment and \$132.40 excise tax $[(\$1,000 \times 7.5\%) + (2 \times \$4.10 \times 7 \text{ passengers})]$ for which Tim is liable. The charter service collects the tax from Tim and submits it to the government.

Rural airports. If a segment is to or from a rural airport, the domestic segment tax doesn't apply.

Transportation of Property by Air (IRS No. 28)

The tax is 6.25% of amounts paid for transportation of property by air. The tax doesn't apply if the surtax on fuel used in a fractional ownership program aircraft is imposed. See *Surtax on any liquid used in a fractional ownership program aircraft as fuel (IRS No. 13)*, later.

Use of International Air Travel Facilities (IRS No. 27)

For calendar year 2017, the section 4261 tax on the amount paid for international flights is increased to \$18.30 per person for flights that begin or end in the United States.

The tax is increased to \$9.10 per person for domestic segments that begin or end in Alaska or Hawaii (applies only to departures).

Communications and Air Transportation Taxes—Uncollected Tax Report

A separate report is required to be filed by collecting agents of communications services (local and teletypewriter service) and air transportation taxes if the person from whom the facilities or services tax (the tax) is required to be collected (the taxpayer) refuses to pay the tax, or it's impossible for the

collecting agent to collect the tax. The report must contain the name and address of the taxpayer, the type of facility provided or service rendered, the amount paid for the facility or service (the amount on which the tax is based), and the date paid.

Regular method taxpayers. For regular method taxpayers, the report must be filed by the due date of the Form 720 on which the tax would have been reported.

Alternative method taxpayers. For alternative method taxpayers, the report must be filed by the due date of the Form 720 that includes an adjustment to the separate account for the uncollected tax. See *Alternative method (IRS Nos. 22, 26, 27, and 28)*, later.

Where to file your uncollected tax report. Don't file the uncollected tax report with Form 720. Instead, mail the report to:

Department of the Treasury
Internal Revenue Service
Cincinnati, OH 45999

Fuel Taxes

First taxpayer's report. If you are reporting gallons of taxable fuel that may again be subject to tax, you may need to file a first taxpayer's report. The report must contain all the information as shown in the *Model Certificate B* in the Appendix of Pub. 510.

The person who paid the first tax must do all of the following.

- Give a copy of the first taxpayer's report to the buyer.
- File the first taxpayer's report with Form 720 for the quarter for which the report relates.
- Write "EXCISE—FIRST TAXPAYER'S REPORT" across the top of a separate copy of the report, and by the due date of Form 720, send the copy to:

Department of the Treasury
Internal Revenue Service
Cincinnati, OH 45999-0555

Diesel (IRS No. 60). If you are liable for the diesel fuel tax on removal at the terminal rack, report these gallons on line 60(a). If you are liable for the diesel fuel tax on events other than removal at the terminal rack, report these gallons on line 60(b). If you are liable for the diesel fuel tax because you have produced diesel by blending biodiesel with taxed diesel outside of the bulk transfer/terminal system, report these gallons of biodiesel on line 60(c). If you report gallons on line 60(c), don't report those gallons on line 60(b).

Multiply the total number of gallons subject to tax on lines (a), (b), and (c) by \$.244 and make one entry in the tax column.

See *Schedule T. Two-Party Exchange Information Reporting*, later, if applicable.

Diesel-water emulsion (IRS No. 104). If you are liable for the reduced rate (see below) of tax on a diesel-water emulsion removal at the terminal rack or other taxable event, report these gallons on the line for IRS No. 104.

Requirements. All of the following requirements must be met to be eligible for the reduced rate: (a) the diesel-water emulsion must contain at least 14% water; (b) the emulsion additive must be registered by a U.S. manufacturer with the EPA under the Clean Air Act, section 211 (as in effect on March 31, 2003); and (c) the taxpayer must be registered by

the IRS. If these requirements aren't met, you must report the sale, removal, or use of a diesel-water emulsion as diesel.

IRS Nos. 105, 107, 119, and 111. Tax is imposed at \$.001 per gallon on removals, entries, and sales of gasoline, diesel, and kerosene described as exempt transactions. Multiply the total number of gallons subject to tax for each fuel by \$.001 and enter the amount in the tax column for the following IRS Nos.

- IRS No. 105, dyed diesel, LUST tax.
- IRS No. 107, dyed kerosene, LUST tax.
- IRS No. 119, LUST tax, other exempt removals; report gasoline blendstocks, kerosene used for a feedstock purpose, and diesel or kerosene sold or used in Alaska.
- IRS No. 111, kerosene for use in aviation, LUST tax on nontaxable uses; report gallons of kerosene removed directly from a terminal into the fuel tank of an aircraft for nontaxable uses.

Kerosene (IRS No. 35). If you are liable for the kerosene tax on removal at the terminal rack, report these gallons on line 35(a). If you are liable for the kerosene tax on events other than removal at the terminal rack, report these gallons of kerosene on line 35(b).

Multiply the total number of gallons subject to tax on lines (a) and (b) by \$.244 and make one entry in the tax column.

See *Schedule T. Two-Party Exchange Information Reporting*, later, if applicable.

Kerosene for use in aviation (IRS Nos. 69, 77, and 111). Generally, kerosene is taxed at \$.244 per gallon.

- For kerosene removed directly from a terminal into the fuel tank of an aircraft for use in noncommercial aviation, the tax rate is \$.219 per gallon. Report these gallons on the line for IRS No. 69.
- For kerosene removed directly from a terminal into the fuel tank of an aircraft for use in commercial aviation (other than foreign trade), the tax rate is generally \$.044 per gallon. Report these gallons on the line for IRS No. 77.
- For kerosene removed directly from a terminal into the fuel tank of an aircraft for nontaxable uses, the tax rate is generally \$.001 per gallon. Report these gallons on the line for IRS No. 111.
- For kerosene removed directly from a terminal into the fuel tank of a fractional ownership program aircraft after March 31, 2012, a surtax of \$.141 per gallon applies. Also, report these gallons on the line for IRS No. 13.

Other fuels (IRS No. 79). You are liable for the tax on the fuels listed below when they are delivered into the fuel supply tank of a motor vehicle or motorboat (or trains for B-100). Use the following table to determine the tax for each gallon. Fill in the number of gallons and the appropriate rate in the *Rate* column on the line for IRS No. 79. If more than one rate applies, leave the *Rate* column blank and attach a schedule showing the rates and number of gallons taxed at each rate.

Fuel	Tax Rate per Gallon
Qualified—	
Ethanol produced from coal	.184
Methanol produced from coal	.184
Partially exempt—	
Ethanol produced from natural gas	.114
Methanol produced from natural gas	.0925
B-100 (100% biodiesel)	.244
Liquefied gas derived from biomass	.184
Other fuels not shown	.184

Gasoline (IRS No. 62). If you are liable for the gasoline tax on removal at the terminal rack, report these gallons on line 62(a). If you are liable for the gasoline tax on events other than removal at the terminal rack, report these gallons on line 62(b). If you are liable for the gasoline tax because you have blended alcohol with taxed gasoline outside of the bulk transfer/terminal system, report these gallons of alcohol on line 62(b).

Multiply the total number of gallons subject to tax on lines (a) and (b) by \$.184. Combine the tax for lines (a) and (b) and make one entry in the tax column.

See *Schedule T, Two-Party Exchange Information Reporting*, later, if applicable.

Surtax on any liquid used in a fractional ownership program aircraft as fuel (IRS No. 13). Fuel used in a fractional ownership program aircraft, as defined below, after March 31, 2012, is subject to a surtax of \$.141 per gallon. The fractional ownership program manager is liable for the surtax. If you are liable, report these gallons on the line for IRS No. 13.

The surtax applies in addition to any other taxes imposed on the removal, entry, use, or sale of the fuel. If the surtax is imposed, the flight isn't considered commercial aviation. Instead, the tax on the fuel used in the flight is imposed at the noncommercial aviation rate of \$.219 per gallon (IRS No. 69).

If the surtax is imposed, the following taxes don't apply.

- Transportation of persons by air (IRS No. 26).
- Transportation of property by air (IRS No. 28).
- Use of international air travel facilities (IRS No. 27).

Fractional ownership aircraft program is a program under which:

- A single fractional ownership program manager provides fractional ownership program management services on behalf of the fractional owners;
- There are one or more fractional owners per fractional program aircraft, with at least one fractional program aircraft having more than one owner;
- For at least two fractional program aircraft, none of the ownership interests in the aircraft are less than the minimum fractional ownership interest or held by the program manager;
- There exists a dry-lease aircraft exchange arrangement among all of the fractional owners; and
- There are multi-year program agreements covering the fractional ownership, fractional ownership program management services, and dry-lease aircraft exchange aspects of the program.

Fractional program aircraft. Any aircraft that, in any fractional ownership aircraft program, is listed as a fractional program aircraft in the management specifications issued to the manager of such program by the Federal Aviation

Administration under subpart K of part 91 title 14, Code of Federal Regulations, and is registered in the United States.

Fractional program aircraft aren't considered used for transportation of a qualified fractional owner, or on account of such qualified fractional owner, when they are used for flight demonstration, maintenance, or crew training. In such situations, the flight isn't commercial aviation. Instead, the tax on the fuel used in the flight is imposed at the noncommercial aviation rate.

Fractional owner. Any person owning any interest (including the entire interest) in a fractional program aircraft.

Dry-lease aircraft exchange. An agreement, documented by the written program agreements, under which the fractional program aircraft are available, on an as-needed basis without crew, to each fractional owner.

Special rule relating to deadhead service. A fractional program aircraft won't be considered to be used on account of a qualified fractional owner when it's used in deadhead service and a person other than a qualified fractional owner is separately charged for such service.

More information. See section 4043 for more information on the surtax.

Aviation gasoline (IRS No. 14). Aviation gasoline is taxed at the rate shown on Form 720.

Also, a surtax of \$.141 per gallon applies on fuel used in an aircraft which is part of a fractional ownership program.

For further information on fractional ownership program aircraft, see *Surtax on any liquid used in a fractional ownership program aircraft as fuel (IRS No. 13)*, earlier.

Alternative fuel (IRS Nos. 112, 118, and 120–124).

Alternative fuel is any liquid other than gas oil, fuel oil, or any product taxable under section 4081. You are liable for tax on alternative fuel delivered into the fuel supply tank of a motor vehicle or motorboat, or on certain bulk sales. Report the tax on the line for the IRS No. listed in the following table.

Alternative Fuel	IRS Number
Liquefied petroleum gas (LPG)	112
"P Series" fuels	118
Compressed natural gas (CNG)	120
Liquefied hydrogen	121
Fischer-Tropsch process liquid fuel from coal (including peat)	122
Liquid fuel derived from biomass	123
Liquefied natural gas (LNG)	124

For sales or uses after December 31, 2015, the following gasoline gallon equivalent (GGE) or diesel gallon equivalent (DGE) applies.

- LPG (includes propane, pentane, or mixtures of those gases), taxed at \$.183 per GGE, has a GGE of 5.75 pounds or 1.353 gallons of LPG.
- LNG, taxed at \$.243 per DGE, has a DGE of 6.06 pounds or 1.71 gallons of LNG.
- CNG, taxed at \$.183 per GGE, has a GGE of 5.66 pounds or 123.57 cubic feet of CNG.

Example. 10,000 gallons of LNG ÷ 1.71 = 5,848 DGE x \$.243 = \$1,421.06 tax.

Retail Tax

Truck, Trailer, and Semitrailer Chassis and Bodies, and Tractors (IRS No. 33)

The tax is 12% of the sales price on the first retail sale of each unit. The tax applies to:

- Truck chassis and bodies, except truck chassis and bodies suitable for use with a vehicle with a gross vehicle weight (GVW) of 33,000 pounds or less;
- Trailer and semitrailer chassis and bodies, except trailer and semitrailer chassis and bodies suitable for use with a vehicle with a GVW of 26,000 pounds or less; and
- Tractors of the kind chiefly used for highway transportation in combination with a trailer or semitrailer, except tractors that have a GVW of 19,500 pounds or less and a gross combined weight of 33,000 pounds or less.

Generally, gross combined weight means the weight of a tractor and the weight of its trailer(s).

The tax imposed on parts and accessories sold on or in connection with the units listed above and the tax imposed on the separate purchase of parts and accessories for the units listed above don't apply to an EPA-approved idling reduction device installed on a tractor or insulation that has an R value of at least R35 per inch.

Idling reduction device. Any device or system of devices that provide the tractor with services, such as heat, air conditioning, and electricity, without the use of the main drive engine while the tractor is temporarily parked or stationary. The device must be affixed to the tractor and determined by the Administrator of the EPA, in consultation with the Secretary of Energy and Secretary of Transportation, to reduce idling while parked or stationary.

Figure the tax for each vehicle sold and enter the total for the quarter on the line for IRS No. 33.

Gross vehicle weight. The gross vehicle weight (GVW) means the maximum total weight of a loaded vehicle. Generally, this maximum total weight is the GVW rating provided by the manufacturer or determined by the seller of the completed article. The seller's GVW rating must be determined for excise tax purposes on the basis of the strength of the chassis frame and the axle capacity and placement. The seller may not take into account any readily attachable components (such as tires or rim assemblies) in determining the GVW. See Regulations section 145.4051-1(e)(3) for more information.

The following four classifications of truck body types meet the suitable-for-use standard and will be excluded from the retail excise tax.

- Platform truck bodies 21 feet or less in length.
- Dry freight and refrigerated truck van bodies 24 feet or less in length.
- Dump truck bodies with load capacities of 8 cubic yards or less.
- Refuse packer truck bodies with load capacities of 20 cubic yards or less.

Section 4051(d) tire credit. A tax credit may be claimed equal to the amount of tax that has been imposed on each tire that is sold on or in connection with the first retail sale of a taxable vehicle reported on IRS No. 33. Claim the section 4051(d) tire credit on Schedule C, line 14a.

Ship Passenger Tax

Transportation by water (IRS No. 29). A tax is imposed on the operator of commercial ships. The tax is \$3 for each passenger on a commercial passenger ship that has berth or stateroom accommodations for at least 17 passengers if the trip is over 1 or more nights. A voyage extends "over 1 or more nights" if it lasts longer than 24 hours. The tax also applies to passengers on any commercial ship that transports passengers engaged in gambling aboard the ship beyond the territorial waters of the United States. Enter the number of passengers for the quarter on the line for IRS No. 29.

Other Excise Tax

Obligations not in registered form (IRS No. 31). For obligations issued during the quarter, enter the principal amount of the obligation multiplied by the number of calendar years (or portion thereof) during the period beginning on the issue date and ending on the maturity date on the line for IRS No. 31.

Foreign Insurance Taxes

Policies issued by foreign insurers (IRS No. 30). Enter the amount of premiums paid during the quarter on policies issued by foreign insurers. Multiply the premiums paid by the rates listed on Form 720 and enter the total for the three types of insurance on the line for IRS No. 30.

Section 4371(3) tax on foreign reinsurance premiums no longer applies. The 1% tax no longer applies to premiums paid on a policy of reinsurance issued by one foreign reinsurer to another foreign insurer or reinsurer, under the situations described in Rev. Rul. 2008-15, 2008-12 I.R.B. 633. See Rev. Rul. 2016-03, 2016-3 I.R.B. 282, at [IRS.gov/IRB/2016-03_IRB#RR2016-03](https://www.irs.gov/irb/2016-03_IRB#RR2016-03).

Who must file. The person who pays the premium to the foreign insurer (or to any nonresident person such as a foreign broker) must pay the tax and file the return. Otherwise, any person who issued or sold the policy, or who is insured under the policy, is required to pay the tax and file the return.

Treaty-based return positions under section 6114. Foreign insurers and reinsurers who take the position that a treaty of the United States overrules, or otherwise modifies, an internal revenue law of the United States must disclose such position. This disclosure must be made once a year on a statement which must report the payments of premiums that are exempt from the excise tax on policies issued by foreign insurers for the previous calendar year. This statement is filed with the first quarter Form 720, which is due before May 1 of each year.

You may be able to use Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b), as a disclosure statement.

At the top of Form 720, write "Section 6114 Treaty." If you have no other transactions reportable on Form 720, complete Form 720 as follows.

1. If this is your final return, check the final return box.
2. Write "None" on lines 1 and 3.
3. Sign the return.

You need an EIN to file Form 720. If you don't have an EIN, see *Employer Identification Number (EIN)*, earlier.

Where to file your treaty-based return positions under section 6114. All filers should mail Form 720 with the attached Form 8833 or disclosure statement to the address listed under *Where To File*, earlier. See the *Caution* under *Private Delivery Services*, earlier.

Manufacturers Taxes



Don't include the excise tax on coal in the sales price when determining which tax rate to use.

Underground mined coal (IRS Nos. 36 and 37). The tax on underground mined coal is the lower of \$1.10 per ton or 4.4% of the sales price. Enter on the line for IRS No. 36 the number of tons of underground mined coal sold at \$25 or more per ton. Enter on the line for IRS No. 37 the total sales price for all sales of underground mined coal sold at a selling price of less than \$25 per ton.

Surface mined coal (IRS Nos. 38 and 39). The tax on surface mined coal is the lower of \$.55 per ton or 4.4% of the sales price. Enter on the line for IRS No. 38 the number of tons of surface mined coal sold at \$12.50 or more per ton. Enter on the line for IRS No. 39 the total sales price for all sales of surface mined coal sold at a selling price of less than \$12.50 per ton.

Taxable tires (IRS Nos. 108, 109, and 113). A tax is imposed on taxable tires sold by the manufacturer, producer, or importer at the rate of \$.0945 (\$.04725 in the case of a bias ply tire or super single tire) for each 10 pounds of the maximum rated load capacity over 3,500 pounds. Figure the tax for each tire sold in each category as shown in the following chart and enter the total for the quarter on the line for IRS No. 108, 109, or 113. Enter the number of tires for each IRS No.

IRS No.	Taxable Tire Category	Rate (for each 10 pounds of the maximum rated load capacity over 3,500 pounds)
108	Taxable tires other than bias ply or super single tires	\$.0945
109	Taxable tires, bias ply or super single tires (other than super single tires designed for steering)	\$.04725
113	Taxable tires, super single tires designed for steering	\$.0945

A **taxable tire** is any tire of the type used on highway vehicles if wholly or partially made of rubber and if marked according to federal regulations for highway use. A bias ply tire is a pneumatic tire on which the ply cords that extend to the beads are laid at alternate angles substantially less than 90 degrees to the centerline of the tread. A super single tire is a tire greater than 13 inches in cross section width designed to replace two tires in a dual fitment, but doesn't include any tire designed for steering.

Gas guzzler tax (IRS No. 40). Use Form 6197, Gas Guzzler Tax, to figure the liability for this tax. Attach Form 6197 to Form 720. The tax rates for the gas guzzler tax are shown on Form 6197.

One-time filing. If you import a gas guzzling automobile, you may be eligible to make a one-time filing of Form 720 and Form 6197 if you meet all of the following conditions.

- You don't import gas guzzling automobiles in the course of your trade or business.
- You aren't required to file Form 720 reporting excise taxes for the calendar quarter, except for a one-time filing.

Follow the steps below to make a one-time filing.

1. File Form 720 for the quarter in which you incur liability for the tax. See *When To File*, earlier.
2. Pay the tax with Form 720. No deposits are required.
3. If you are an individual and don't have an EIN, enter your social security number (SSN) or individual taxpayer identification number (ITIN) on Form 720 and Form 720-V, Payment Voucher, in the space for the EIN.
4. Check the one-time filing box on the line for the gas guzzler tax.

Vaccine taxes (IRS No. 97). A tax is imposed on the sale or use of a vaccine manufactured, produced, or entered into the United States at \$.75 per dose if it:

- Contains diphtheria toxoid, tetanus toxoid, pertussis bacteria, extracted or partial cell bacteria, specific pertussis antigens, or polio virus;
- Is against measles, mumps, rubella, hepatitis A, hepatitis B, chicken pox, rotavirus gastroenteritis, or human papillomavirus;
- Is any HIB (haemophilus influenza type B) vaccine;
- Is any meningococcal vaccine;
- Is any conjugate vaccine against streptococcus pneumoniae; or
- Any trivalent vaccine against seasonal influenza or any other vaccine against seasonal influenza.

The effective date for the tax on any other vaccine against seasonal influenza is the later of August 1, 2013, or the date the Secretary of the Department of Health and Human Services lists a vaccine against seasonal influenza for purposes of compensation for any vaccine-related injury or death through the Vaccine Injury Compensation Trust Fund.

If any taxable vaccine is combined with one or more additional taxable vaccines, then the tax is imposed on each vaccine included in the combination.

Example. MMR contains three taxable vaccines: measles, mumps, and rubella. The tax per dose on MMR is \$2.25 (3 x \$.75).

Add the tax for each taxable vaccine and enter the total tax on the line for IRS No. 97.

Part II

Patient-centered outcomes research fee (IRS No. 133). The patient-centered outcomes research fee is imposed on issuers of specified health insurance policies (section 4375) and plan sponsors of applicable self-insured health plans (section 4376) for policy and plan years ending on or after October 1, 2012. Generally, references to taxes on Form 720 include this fee.

Specified health insurance policies. For issuers of specified health insurance policies, the fee for a policy year ending on or after October 1, 2017, but before October 1, 2018, is \$2.39 (line 133(b)) (\$2.26 for a policy year ending on or after October 1, 2016, but before October 1, 2017 (line 133(a)), multiplied by the average number of lives covered under the policy for that policy year. Generally,

issuers of specified health insurance policies must use one of the following four alternative methods to determine the average number of lives covered under a policy for the policy year.

1. The actual count method.
2. The snapshot method.
3. The member months method.
4. The state form method.

Applicable self-insured health plans. For plan sponsors of applicable self-insured health plans, the fee for a plan year ending on or after October 1, 2017, but before October 1, 2018, is \$2.39 (line 133(d)) (\$2.26 for a policy year ending on or after October 1, 2016, but before October 1, 2017 (line 133(c)), multiplied by the average number of lives covered under the plan for that plan year. Generally, plan sponsors of applicable self-insured health plans must use one of the following three alternative methods to determine the average number of lives covered under a plan for the plan year.

1. Actual count method.
2. Snapshot method.
3. Form 5500 method.

Reporting and paying the fee. File Form 720 annually to report and pay the fee on the second quarter Form 720 no later than July 31 of the calendar year immediately following the last day of the policy year or plan year to which the fee applies. Because the rate used to determine the fee varies from year to year, you should determine the fee using the instructions for the second quarter Form 720. If you file Form 720 only to report the fee, don't file Form 720 for the first, third, or fourth quarters of the year. If you file Form 720 to report quarterly excise tax liability for the first, third, or fourth quarter of the year (for example, filers reporting the foreign insurance tax (IRS No. 30), don't make an entry on the line for IRS No. 133 on those filings.

Deposits aren't required for this fee, so issuers and plan sponsors aren't required to pay the fee using Electronic Federal Tax Payment System (EFTPS). However, if the fee is paid using EFTPS, the payment should be applied to the second quarter. See *Electronic deposit requirement* under *Payment of Taxes*, later.

Report the average number of lives covered in column (a). Apply the applicable rate ((b) *Rate for avg. covered life*) and enter the fee in column (c).

Combine the fees for specified health insurance policies and applicable self-insured health plans and enter the total in the tax column on the line for IRS No. 133.

More information. For more information, including methods for calculating the average number of lives covered, see sections 4375, 4376, and 4377; see T.D. 9602, which is on page 746 of I.R.B. 2012-52, at IRS.gov/IRB/2012-52_IRB#TD9602.

Sport fishing equipment (other than fishing rods and fishing poles) (IRS No. 41). The tax on sport fishing equipment is 10% of the sales price. The tax is paid by the manufacturer, producer, or importer. Taxable articles include reels, fly fishing lines (and other lines not over 130 pounds test), fishing spears, spear guns, spear tips, terminal tackle, fishing supplies and accessories, and any parts or accessories sold on or in connection with these articles. See Pub. 510 for a complete list of taxable articles. Add the tax on

each sale during the quarter and enter the total on the line for IRS No. 41.

Fishing rods and fishing poles (IRS No. 110). The tax on fishing rods and fishing poles (and component parts) taxed at a rate of 10% will have a maximum tax of \$10 per article. The tax is paid by the manufacturer, producer, or importer. Add the tax on each sale during the quarter and enter the total on the line for IRS No. 110.

Electric outboard motors (IRS No. 42). The tax on an electric outboard motor is 3% of the sales price. The tax is paid by the manufacturer, producer, or importer. Add the tax on each sale during the quarter and enter the total on the line for IRS No. 42.

Fishing tackle boxes (IRS No. 114). The tax on fishing tackle boxes is 3% of the sales price. The tax is paid by the manufacturer, producer, or importer. Add the tax on each sale during the quarter and enter the total on the line for IRS No. 114.

Bows, quivers, broadheads, and points (IRS No. 44). The tax on bows is 11% of the sales price. The tax is paid by the manufacturer, producer, or importer. It applies to bows having a peak draw weight of 30 pounds or more. The tax also is imposed on the sale of any part or accessory suitable for inclusion in or attachment to a taxable bow and any quiver, broadhead, or point suitable for use with arrows described below. Add the tax on each sale during the quarter and enter the total on the line for IRS No. 44.

Arrow shafts (IRS No. 106). The tax on arrow shafts is \$0.51 per arrow shaft. The tax is paid by the manufacturer, producer, or importer of any arrow shaft (whether sold separately or incorporated as part of a finished or unfinished product) of a type used in the manufacture of any arrow which after its assembly meets either of the following conditions.

- It measures 18 inches or more in overall length.
- It measures less than 18 inches in overall length but is suitable for use with a taxable bow, described earlier.

Exemption for certain wooden arrows. The tax doesn't apply to any shaft made of all natural wood with no laminations or artificial means of enhancing the spine of such shaft (whether sold separately or incorporated as part of a finished or unfinished product) and used in the manufacture of any arrow which after its assembly meets both of the following conditions.

- It measures $\frac{3}{16}$ of an inch or less in diameter.
- It isn't suitable for use with a taxable bow, described earlier.

Add the tax on each sale during the quarter and enter the total on the line for IRS No. 106.

Indoor Tanning Services Tax

Indoor tanning services (IRS No. 140). The tax on indoor tanning service is 10% of the amount paid for that service. The tax is paid by the person paying for the indoor tanning service and is collected by the person receiving payment for the indoor tanning services.

Who must file. The person receiving the payment for indoor tanning services (collector) must collect and remit the tax and file the return. If the tax isn't collected for any reason, the collector is liable for the tax.


Definition of indoor tanning services. Indoor tanning service means a service employing any electronic product

designed to incorporate one or more ultraviolet lamps and intended for the irradiation of an individual by ultraviolet radiation, with wavelengths in air between 200 and 400 nanometers, to induce skin tanning. The term doesn't include phototherapy service performed by, and on the premises of, a licensed medical professional (such as a dermatologist, psychologist, or registered nurse). See Regulations section 49.5000B-1 for more information and special rules for qualified physical fitness facilities, undesignated payment cards, and bundled payments.

Enter the amount of indoor tanning services tax collected (or due for failing to collect the tax) for the quarter on the line for IRS No. 140.

Other Part II Taxes

Inland waterways fuel use tax (IRS No. 64). If you are liable for the inland waterways fuel use tax, report the number of gallons subject to tax on the line for IRS No. 64. Certain fuels also must be reported under IRS No. 125 (discussed next).

 *The inland waterways fuel use tax applies at the rate listed on Form 720 (\$.29, effective April 1, 2015). This is in addition to all other taxes imposed on the sale or use of the fuel.*

LUST tax on inland waterways fuel use (IRS No. 125). The leaking underground storage tank (LUST) tax must be paid on any liquid fuel used on inland waterways that isn't subject to LUST tax under section 4041(d) or 4081. For example, gallons of Bunker C residual fuel oil must be reported under both IRS Nos. 64 and 125.

Section 40 fuels (IRS No. 51). An excise tax is imposed (recaptured) if you claim the second generation biofuel producer credit and you don't use the fuel for the purposes described under *Qualified Second Generation Biofuel Production* in the Instructions for Form 6478, Biofuel Producer Credit. When recapturing, you must pay a tax on each gallon of second generation biofuel at the rate you used to figure the credit.

The tax rate for second generation biofuel is \$1.01 per gallon. Fill in the number of gallons and the appropriate rate in the *Rate* column on the line for IRS No. 51.

Biodiesel sold as but not used as fuel (IRS No. 117). You must pay a tax (recapture) on each gallon of biodiesel or renewable diesel on which a credit was claimed at the rate used to figure the credit if you:

- Use it (including a mixture) other than as a fuel;
- Buy it at retail and use it to create a mixture;
- Separate it from a mixture; or
- Use agri-biodiesel on which the small agri-biodiesel producer credit was claimed for a use not described under *Qualified Agri-Biodiesel Production* in the Instructions for Form 8864, Biodiesel and Renewable Diesel Fuels Credit.

The tax is \$1.00 per gallon of biodiesel, agri-biodiesel, and renewable diesel. An additional \$.10 is added if the agri-biodiesel benefited from the small agri-biodiesel producer credit. Fill in the number of gallons and the appropriate rate in the *Rate* column on the line for IRS No. 117. If more than one rate applies, leave the *Rate* column blank and attach a schedule showing the rates and number of gallons taxed at each rate.

Floor Stocks Tax


Ozone-depleting chemicals floor stocks tax (IRS No. 20). Use Form 6627 to figure the liability for this tax. Enter the amount from Form 6627, Part IV, line 4, column (d), on the line for IRS No. 20. Attach Form 6627 to the Form 720 that is due July 31 of each year.

Part III

Line 4. Report on Form 720, line 4, the total claims from Schedule C, line 15. See *Schedule C. Claims*, later.


Line 6. Include on line 6 the amount from line 11 of your previous return that you applied to this return and the amount from Form 720X, line 5b.

Note. Include on line 6 of your next return the amount from line 11 you want to have applied to that return.

 *If you owe other federal tax, interest, or penalty, the overpayment on line 11 and line 7 will first be applied to the unpaid amounts.*

Line 10. If line 3 is more than line 9, enter the difference in line 10. You don't have to pay if line 10 is under \$1.00.

You may pay the amount shown on line 10 by EFTPS, check or money order, or, if filing electronically, electronic funds withdrawal (direct debit). If you pay by EFTPS or direct debit, don't file Form 720-V.

 *If you don't deposit as required and, instead, pay the taxes with Form 720, you may be subject to a penalty.*

Payment of Taxes

Generally, semimonthly deposits of excise taxes are required. A **semimonthly period** is the first 15 days of a month (the first semimonthly period) or the 16th through the last day of a month (the second semimonthly period).

However, no deposit is required for the situations listed below. The taxes are payable with the return.

- The net liability for taxes listed on Form 720, Part I, doesn't exceed \$2,500 for the quarter.
- The gas guzzler tax is being paid on a one-time filing. See *Gas guzzler tax (IRS No. 40)*, earlier.
- The patient-centered outcomes research fee is being paid with a second quarter Form 720. See *Patient-centered outcomes research fee (IRS No. 133)*, earlier.
- The liability is for taxes listed on Form 720, Part II, except the floor stocks tax, which generally requires a single deposit.

Special rule for deposits of taxes in September 2018. If you are required to make deposits, see the chart below. The special rule doesn't apply to taxes not required to be deposited (see *Payment of Taxes* above). See Regulations sections 40.6302(c)-2 and 40.6302(c)-3 for rules to figure the net tax liability for the deposits due in September.

Additional deposit of taxes in September 2018

Type of Tax	For the period		Due Date
	Beginning on	Ending on	
Regular method taxes	Sept. 16	Sept. 26	Sept. 28
Alternative method taxes (IRS Nos. 22, 26, 27, and 28) (based on amounts billed)	Sept. 1	Sept. 11	Sept. 28



For the remaining days in September (27–30), be sure to make your deposits by the 14th day of October.

How To Make Deposits

To avoid a penalty, make your deposits timely and don't mail your deposits directly to the IRS. Records of your deposits will be sent to the IRS for crediting to your accounts.

Electronic deposit requirement. You must deposit all depository taxes (such as excise tax, employment tax, or corporate income tax) by electronic funds transfer.

Depositing on time. For EFTPS deposits to be on time, you must initiate the transaction at least 1 day before the date the deposit is due (before 8:00 p.m. Eastern time).

If a deposit is due on a day that isn't a business day or legal holiday, see below under *When To Make Deposits*. The term "legal holiday" means any legal holiday in the District of Columbia.

Same-day wire payment option. If you fail to submit a deposit transaction on EFTPS by 8:00 p.m. Eastern time the day before the date a deposit is due, you can still make your deposit on time by using the Federal Tax Collection Service (FTCS). To use the same-day wire payment method, you will need to make arrangements with your financial institution ahead of time. Please check with your financial institution regarding availability, deadlines, and costs. Your financial institution may charge you a fee for payments made this way. To learn more about the information you will need to provide your financial institution to make a same-day wire payment, visit [IRS.gov/E-Pay](https://www.irs.gov/E-Pay) and click on *Same-day wire*.



You will automatically be enrolled in EFTPS when you apply for an EIN. You will receive a separate mailing containing instructions for activating your EFTPS enrollment after you receive your EIN.

When To Make Deposits

There are two methods for determining deposits: the regular method and the alternative method.

The regular method applies to all taxes on Form 720, Part I, except for communications and air transportation taxes if deposits are based on amounts billed or tickets sold, rather than on amounts actually collected. See *Alternative method*, below.

If you are depositing more than one tax under a method, combine all the taxes under the method and make one deposit for the semimonthly period.

Regular method. The deposit of tax for a semimonthly period is due by the 14th day following that period. Generally, this is the 29th day of a month for the first semimonthly period

and the 14th day of the following month for the second semimonthly period. If the 14th or the 29th day falls on a Saturday, Sunday, or legal holiday, you must make the deposit by the immediately preceding day that isn't a Saturday, Sunday, or legal holiday.

Alternative method (IRS Nos. 22, 26, 27, and 28).

Deposits of communications and air transportation taxes may be based on taxes included in amounts billed or tickets sold during a semimonthly period instead of on taxes actually collected during the period. Under the alternative method, the tax included in amounts billed or tickets sold during a semimonthly period is considered collected during the first 7 days of the second following semimonthly period. The deposit of tax is due by the third business day after the seventh day of that period.

Example. The tax included in amounts billed or tickets sold for the period June 16–30, 2018, is considered collected from July 16–22, 2018, and must be deposited by July 25, 2018.

To use the alternative method, you must keep separate accounts of the tax included in amounts billed or tickets sold during the month and report on Form 720 the tax included in amounts billed or tickets sold and not the amount of tax that is actually collected. For example, amounts billed in December, January, and February are considered collected during January, February, and March and are reported on Form 720 as the tax for the first quarter of the calendar year.

The separate account for each month must reflect:

1. All items of tax included in amounts billed or tickets sold during the month, and
2. Other items of adjustment relating to tax for prior months (within the statute of limitations on credits or refunds).

The separate account for any month can't include an adjustment resulting from a refusal to pay or inability to collect unless the refusal has been reported to the IRS. See *Communications and Air Transportation Taxes—Uncollected Tax Report*, earlier.

The net tax liability that is considered collected during the semimonthly period must be either:

- The net amount of tax reflected in the separate account for the corresponding semimonthly period of the preceding month, or
- One-half of the net amount of tax reflected in the separate account for the preceding month.

Amount To Deposit

Deposits of taxes for a semimonthly period must be at least 95% of the amount of net tax liability for that period, unless the safe harbor rule applies. See *Safe Harbor Rule*, later.

The net tax liability for a semimonthly period is the total liability for the period minus any claims allowed on Schedule C for the period. Net tax liability for a semimonthly period may be figured by dividing the net tax liability for the month by 2, provided this method of computation is used for all semimonthly periods in the calendar quarter.



The net tax liability for a semimonthly period isn't reduced by any amounts from Form 720X.

Safe Harbor Rule

The safe harbor rule applies separately to deposits under the regular method and the alternative method. Persons who filed Form 720 for the look-back quarter (the second calendar quarter preceding the current quarter) are considered to meet the semimonthly deposit requirement if the deposit for each semimonthly period in the current quarter is at least $\frac{1}{6}$ (16.67%) of the net tax liability reported for the look-back quarter.

For the semimonthly period for which the additional deposit is required (September 1–11 and 16–26, the additional deposit must be at least $\frac{1}{100}$ (12.23%), of the net tax liability reported for the look-back quarter. Also, the total deposit for that semimonthly period must be at least $\frac{1}{6}$ (16.67%) of the net tax liability reported for the look-back quarter.

Exceptions. The safe harbor rule doesn't apply to the following quarters.

- The first and second quarters beginning on or after the effective date of an increase in the rate of tax unless the deposit of taxes for each semimonthly period in the calendar quarter is at least $\frac{1}{6}$ (16.67%) of the tax liability you would have had for the look-back quarter if the increased rate of tax had been in effect for that look-back quarter.
- Any quarter if liability includes any tax not in effect throughout the look-back quarter.
- For deposits under the alternative method, any quarter if liability includes any tax not in effect throughout the look-back quarter and the month preceding the look-back quarter.

Requirements to be met. For the safe harbor rule to apply, you must pay any underpayment for the current quarter by the due date of the return and check the box on line 5 of Form 720.



The IRS may withdraw the right to make deposits of tax using the safe harbor rule from any person not complying with these rules.

Online Payment Agreement

If you can't pay the full amount of tax owed, you can apply for an installment agreement online. You can apply for an installment agreement online if the total amount you owe in combined tax, penalties, and interest is \$25,000 (\$50,000 for individuals) or less, and you've filed all required returns. To apply using the Online Payment Agreement Application, go to [IRS.gov/Payment](https://www.irs.gov/Payment), click on *Tools*, then click on *Online Payment Agreement*.

Schedule A. Excise Tax Liability

How to complete. Complete Schedule A to record net tax liabilities for Form 720, Part I, taxes for each semimonthly period in a quarter even if your net liability is under \$2,500.

The following table will help you determine which boxes to complete on Schedule A.

IF you are reporting under the...	THEN you report on line...	AND enter the net tax liability in boxes...
Regular method	1	A–G
Alternative method	2	M–S

If you are reporting more than one type of tax on

lines 1 and 2:

1. Add the net tax liability for each tax for each semimonthly period, and
2. Enter the total in the applicable box.

Additional rules. Report communications and air transportation taxes based on:

- Actual collections on line 1, or
- Amounts billed or tickets sold on line 2. The amount of tax to report for a semimonthly period is the net amount that is considered collected during that period.

Example. Under the alternative method, the amounts billed for communications services from June 1–15, 2018, are considered collected during the period July 1–7, 2018, and are reported for the third quarter of 2018 on Schedule A in box M, not the second quarter of 2018.

Reporting tax liability under the special September rule. An additional reporting is required under the special September rule as follows:

<i>Regular method taxes</i>	Enter the tax liability for the period beginning September 16 and ending September 25/26 in box G, Special rule for September.
<i>Alternative method taxes</i>	Enter the tax included in amounts billed or tickets sold during the period beginning September 1 and ending September 10/11 in box S, Special rule for September box on the fourth quarter return.

For the remaining days in the September period, report the liability as follows:

<i>Regular method taxes</i>	Enter the liability for the period beginning September 26/27 and ending September 30 in box F.
<i>Alternative method taxes</i>	Enter the tax included in the amounts billed or tickets sold for the period beginning September 11/12 and ending September 15 in box M of the fourth quarter return. Enter the tax included in amounts billed or tickets sold during the period beginning September 16 and ending September 30 in box N of the fourth quarter return.

Schedule T. Two-Party Exchange Information Reporting

In a two-party exchange, the receiving person, not the delivering person, is liable for the tax imposed on the removal of taxable fuel from the terminal at the terminal rack. A two-party exchange means a transaction (other than a sale) where the delivering person and receiving person are both taxable fuel registrants and all of the following occur.

- The transaction includes a transfer from the delivering person, who holds the inventory position for the taxable fuel in the terminal as reflected in the records of the terminal operator.
- The exchange transaction occurs before or at the same time as completion of removal across the rack by the receiving person.
- The terminal operator in its records treats the receiving person as the person that removes the product across the terminal rack for purposes of reporting the transaction on Form 720-TO, Terminal Operator Report.

- The transaction is the subject of a written contract.

Information reporting. Schedule T is used to report gallons of taxable fuel:

- Received in a two-party exchange within a terminal; these gallons also must be included on the appropriate line on Form 720, page 1; or
- Delivered in a two-party exchange with a removal across the rack.

Enter all gallons of fuel received or delivered in a two-party exchange within a terminal for the applicable fuel.

Schedule C. Claims

Complete all information requested for each line, including month income tax year ends and period of claim. Enter the month as "MM." Enter the period of claim as "MM/DD/YYYY – MM/DD/YYYY." Your claim will be disallowed if you don't follow the required procedures or don't provide all the required information. Also, you are certifying to the applicable statement(s) on Schedule C when you make a claim. See Pub. 510 for more information.



You must include in gross income (income tax return) the amount from line 4 of Form 720 if you took a deduction on the income tax return that included the amount of the taxes and that deduction reduced the income tax liability. See Pub. 510 for more information.

Don't use Schedule C:

- If you aren't reporting a liability on Form 720, Part I or Part II;
- For amounts you will claim or have claimed on Form 4136, Credit for Federal Tax Paid on Fuels, or as a refund on Form 8849, Claim for Refund of Excise Taxes, and its separate schedules;
- To make adjustments to liability reported on Forms 720 filed for prior quarters (instead use Form 720X);
- If you are seeking a refund of the surtax on any liquid used in a fractional ownership program aircraft as fuel (IRS No. 13), use Form 720X; or
- To request an abatement or refund of interest under section 6404(e) (due to IRS errors or delays) or an abatement or refund of a penalty or addition to tax under section 6404(f) (due to erroneous IRS written advice). Instead, use Form 843, Claim for Refund and Request for Abatement. Also, use Form 843 to request refund of the penalty under section 6715 for misuse of dyed fuel.

Type of Use Table

The following table lists the nontaxable uses of fuels. You must enter the number from the table in the *Type of use* column as required.

No.	Type of use
1	On a farm for farming purposes
2	Off-highway business use (for business use other than in a highway vehicle registered or required to be registered for highway use) (other than use in mobile machinery)
3	Export
4	In a boat engaged in commercial fishing
5	In certain intercity and local buses
6	In a qualified local bus
7	In a bus transporting students and employees of schools (school buses)
8	For diesel and kerosene (other than kerosene used in aviation) used other than as a fuel in the propulsion engine of a train or diesel-powered highway vehicle (but not off-highway business use)
9	In foreign trade
10	Certain helicopter and fixed-wing aircraft uses
11	Exclusive use by a qualified blood collector organization
12	In a highway vehicle owned by the United States that isn't used on a highway
13	Exclusive use by a nonprofit educational organization
14	Exclusive use by a state, political subdivision of a state, or the District of Columbia
15	In an aircraft or vehicle owned by an aircraft museum
16	In military aircraft

Claim requirements for lines 1–6 and lines 14b–14d.

The following requirements must be met.

1. The amount of the claim must be at least \$750 (combining amounts on lines 1, 2, 3, 4, 5, 6, 14b, 14c, and 14d). This amount may be met by:
 - a. Making a claim for fuel used during any quarter of a claimant's income tax year, or
 - b. Aggregating amounts from any quarters of the claimant's income tax year for which no other claim has been made.
2. Claims must be filed during the first quarter following the last quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.
3. Only one claim may be filed for any quarter.
4. The fuel must have been used for a nontaxable use during the period of claim.
5. The ultimate purchaser is the only person eligible to make the claim.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

Exported taxable fuel. The claim rates for exported taxable fuel are listed on lines 1b, 2c, 3e, and 4d, and in the instructions for lines 14b and 14c. Taxpayers making a claim for exported taxable fuel must include with their records proof of exportation. Proof of exportation includes:

- A copy of the export bill of lading issued by the delivering carrier,
- A certificate by the agent or representative of the export carrier showing actual exportation of the fuel,

- A certificate of lading signed by a customs officer of the foreign country to which the fuel is exported, or
- A statement of the foreign consignee showing receipt of the fuel.

Line 1. Nontaxable Use of Gasoline

Allowable uses. The gasoline must have been used during the period of claim for type of use 2, 4, 5, 7, or 12. For exported gasoline, see *Exported taxable fuel*, earlier. Type of use 2 doesn't include any personal use or use in a motorboat.

Line 2. Nontaxable Use of Aviation Gasoline

Allowable uses. For line 2b, the aviation gasoline must have been used during the period of claim for type of use 9, 10, or 16. For exported aviation gasoline, see *Exported taxable fuel*, earlier.

For line 2d, the aviation gasoline must have been used during the period of claim for type of use 9. This claim is made in addition to the claim made on line 2b for type of use 9.

Line 3. Nontaxable Use of Undyed Diesel



Ultimate purchasers use line 3d to make claims for diesel used on a farm for farming purposes.

Allowable uses. For line 3a, the diesel must have been used during the period of claim for type of use 2, 6, 7, 8, or 12. For exported undyed diesel, see *Exported taxable fuel*, earlier. Type of use 2 doesn't include any personal use or use in a motorboat. Type of use 8 includes use as heating oil and use in a motorboat.

Line 4. Nontaxable Use of Undyed Kerosene (Other Than Kerosene Used in Aviation)

Allowable uses. For line 4a, the kerosene must have been used during the period of claim for type of use 2, 6, 7, 8, or 12. For exported undyed kerosene, see *Exported taxable fuel*, earlier. Type of use 2 doesn't include any personal use or use in a motorboat. Type of use 8 includes use as heating oil and use in a motorboat.

For lines 4e and 4f, the kerosene must have been used during the period of claim for type of use 2.

Line 5. Kerosene Used in Aviation

Claimant. For lines 5a and 5b, the ultimate purchaser of kerosene used in commercial aviation (other than foreign trade) is eligible to make this claim. For lines 5c, 5d, and 5e, the ultimate purchaser of kerosene used in noncommercial aviation (except for nonexempt, noncommercial aviation and exclusive use by a state, political subdivision of a state, or the District of Columbia) is eligible to make this claim. Claimant certifies that the right to make the claim hasn't been waived.

Allowable uses. For lines 5a and 5b, the kerosene must have been used during the period of claim in commercial aviation. If the claimant buys kerosene partly for use in commercial aviation and partly for use in noncommercial aviation, see the rules in Notice 2005-80, section 3(e)(3).

For lines 5c and 5d, the kerosene must have been used during the period of claim for type of use 1, 9, 10, 11, 13, 15, or 16.

For line 5e, the kerosene must have been used during the period of claim for type of use 9. This claim is made in addition to the claim made on lines 5c and 5d for type of use 9.

Line 6. Nontaxable Use of Alternative Fuel

Claimant. The ultimate purchaser of the taxed alternative fuel is the only person eligible to make this claim.

Allowable uses. The alternative fuel must have been used during the period of claim for type of use 1, 2, 4, 5, 6, 7, 11, 13, 14, or 15.

Type of use 5. Write "Bus" in the space to the left of the *Type of use* column. Enter the correct claim rate in the *Rate* column. The claim rates for type of use 5 are listed below.

Line number	Claim rate: Type of use 5
6a	\$.109*
6b	.110
6c	.109**
6d	.110
6e	.17
6f	.17
6g	.169***
6h	.110

(*) This is the claim rate per GGE (5.75 pounds or 1.353 gallons of LPG); (**) This is the claim rate per GGE (5.66 pounds or 123.57 cubic ft. of CNG); (***) This is the claim rate per DGE (6.06 pounds or 1.71 gallons of LNG)

Type of use 5 example. 10,000 gallons of LPG ÷ 1.353 = 7,391 GGE x \$.109 = \$805.62 claim amount.

Information for Claims on Lines 7–11

Registration number. To make an ultimate vendor claim on lines 7–11, you must be registered. Enter your registration number, including the prefix (for prefixes, see the Instructions for Form 637, Application for Registration), on the applicable line for your claim. If you aren't registered, use Form 637 to apply for a registration number.

Required certificates or waivers. The required certificates or waivers for lines 7–11 are listed in the line instructions and are available in Pub. 510.

Line 7a. Sales by Registered Ultimate Vendors of Undyed Diesel

Claimant. For line 7a, the registered ultimate vendor of the diesel is the only person eligible to make this claim and has obtained the required certificate from the buyer and has no reason to believe any information in the certificate is false. See *Model Certificate P* in Pub. 510. Only one claim may be filed for any gallon of diesel.

Allowable sales. The fuel must have been sold during the period of claim for the exclusive use by a state or local government (including essential government use by an Indian tribal government).

Claim requirements. The following requirements must be met.

1. The claim must be for diesel sold during a period that is at least 1 week.

2. The amount of the claim must be at least \$200. To meet this minimum requirement, amounts from lines 7, 8, and 9 may be combined.

3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

Registration number. Enter your UV registration number in the space provided.

Information to be submitted. For claims on line 7a, attach a separate sheet with the name and TIN of each governmental unit to whom the diesel was sold and the number of gallons sold to each.

Line 7b. Sales by Registered Ultimate Vendors of Undyed Diesel for Use in Certain Intercity and Local Buses

Claimant. For line 7b, the registered ultimate vendor of the diesel is eligible to make a claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See *Model Waiver N* in Pub. 510. Only one claim may be filed for any gallon of diesel.

Claim requirements. The following requirements must be met.

1. The claim must be for diesel sold during a period that is at least 1 week.

2. The amount of the claim must be at least \$200. To meet this minimum requirement, amounts from lines 7, 8, and 9 may be combined.

3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

Registration number. Enter your UB registration number in the space provided.

Lines 8a and 8b. Sales by Registered Ultimate Vendors of Undyed Kerosene (Other Than Kerosene Sold for Use in Aviation)

Claimant. For line 8a, the registered ultimate vendor of the kerosene is the only person eligible to make this claim and has obtained the required certificate from the buyer and has no reason to believe any information in the certificate is false. See *Model Certificate P* in Pub. 510. For line 8b, claimant has a statement, if required, that contains the date of sale, name and address of the buyer, and the number of gallons of kerosene sold to the buyer. For lines 8a and 8b, only one claim may be filed for any gallon of kerosene.

Allowable sales. The fuel must have been sold during the period of claim:

- For line 8a, use by a state or local government (including essential government use by an Indian tribal government), or
- For line 8b, from a blocked pump.

Claim requirements. The following requirements must be met.

1. The claim must be for kerosene sold during a period that is at least 1 week.

2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.

3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

Registration number. Enter your UV or UP registration number in the space provided.

Information to be submitted. For claims on line 8a, attach a separate sheet with the name and TIN of each governmental unit to whom the kerosene was sold and the number of gallons sold to each.

Line 8c. Sales by Registered Ultimate Vendors of Undyed Kerosene for Use in Certain Intercity and Local Buses

Claimant. For line 8c, the registered ultimate vendor of the kerosene is eligible to make a claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See *Model Waiver N* in Pub. 510. Only one claim may be filed for any gallon of kerosene.

Claim requirements. The following requirements must be met.

1. The claim must be for kerosene sold during a period that is at least 1 week.

2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.

3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

Registration number. Enter your UB registration number in the space provided.

Lines 9a and 9b. Sales by Registered Ultimate Vendors of Kerosene for Use in Commercial Aviation (Other Than Foreign Trade)

Claimant. The registered ultimate vendor of the kerosene sold for use in commercial aviation is eligible to make this claim only if the buyer waives his or her right by providing the registered ultimate vendor with an unexpired waiver. See

Model Waiver L in Pub. 510. Only one claim may be filed for any gallon of kerosene sold for use in commercial aviation.

Allowable sales. The kerosene sold for use in commercial aviation must have been sold during the period of claim for use in commercial aviation (other than foreign trade).

Claim requirements. The following requirements must be met.

1. The claim must be for kerosene sold for use in commercial aviation during a period that is at least 1 week.

2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.

3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

Registration number. Enter your UA registration number in the space provided.

Lines 9c, 9d, 9e, and 9f. Sales by Registered Ultimate Vendors of Kerosene Sold for Use in Noncommercial Aviation

Claimant. For line 9c, the registered ultimate vendor of the kerosene sold for use in nonexempt, noncommercial aviation is the only person eligible to make this claim and has obtained the required certificate from the ultimate purchaser. See *Model Certificate Q* in Pub. 510. For lines 9d, 9e, and 9f, the registered ultimate vendor of the kerosene sold for nontaxable use in noncommercial aviation (foreign trade for line 9f) is eligible to make this claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See *Model Waiver L* in Pub. 510. For type of use 14, see *Model Certificate P* in Pub. 510. Only one claim may be filed for any gallon of kerosene sold for use in noncommercial aviation.

Allowable sales. For line 9c, the kerosene must have been sold for a nonexempt use in noncommercial aviation. For lines 9d and 9e, the kerosene sold for use in noncommercial aviation must have been sold during the period of claim for type of use 1, 9, 10, 11, 13, 14, 15, or 16.

For line 9f, the kerosene sold for use in noncommercial aviation must have been sold during the period of claim for type of use 9. This claim is made in addition to the claim made on lines 9d and 9e for type of use 9.

Claim requirements. The following requirements must be met.

1. The claim must be for kerosene sold for use in noncommercial aviation during a period that is at least 1 week.

2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.

3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if

filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

Registration number. Enter your UA (UV if type of use 14) registration number in the space provided.

Information to be submitted. For claims on lines 9d and 9e (type of use 14), attach a separate sheet with the name and TIN of each governmental unit to whom the kerosene was sold and the number of gallons sold to each.

Lines 10 and 11. Sales by Registered Ultimate Vendors of Gasoline and Aviation Gasoline

Claimant. The registered ultimate vendor of the gasoline or aviation gasoline is eligible to make a claim on lines 10 and 11 if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired certificate. See *Model Certificate M* in Pub. 510. Only one claim may be filed for any gallon of gasoline or aviation gasoline.

Allowable sales. The gasoline or aviation gasoline must have been sold during the period of claim for:

- Use by a nonprofit educational organization, or
- Use by a state or local government (including essential government use by an Indian tribal government).

Claim requirements. The following requirements must be met.

1. The claim must be for gasoline or aviation gasoline sold or used during a period that is at least 1 week.

2. The amount of the claim must be at least \$200. To meet this minimum, amounts from lines 10 and 11 may be combined.

3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for January and February is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

Registration number. Enter your UV registration number in the space provided.

Information to be submitted. For claims on lines 10 and 11, attach a separate sheet with the name and TIN of each nonprofit educational organization or governmental unit to whom the gasoline or aviation gasoline was sold and the number of gallons sold to each.

Lines 12 and 13

Reserved for future use.

Line 14. Other Claims

For claims under section 6416(b)(2) relating to certain uses and resales of certain articles subject to manufacturer or retailer excise taxes, claimant certifies that it sold the article at a tax-excluded price, repaid the amount of tax to the ultimate vendor, or has obtained the written consent of the ultimate vendor to make the claim; and has the required supporting information.

Lines 14b and 14c. Exported Dyed Diesel, Exported Dyed Kerosene, and Exported Gasoline Blendstocks Taxed at \$.001



Claimant is required to have the name and address of the person(s) who sold the fuel to the claimant, the dates of purchase, and if exported, the required proof of export.

A claim may be made for dyed diesel or dyed kerosene exported in a trade or business during the period of claim. Claims for exported gasoline blendstocks taxed at \$.001 per gallon are made on line 14b. See *Exported taxable fuel*, earlier. The claim rate for each fuel is \$.001 per gallon.



Claims for exported gasoline blendstocks taxed at \$.184 per gallon are made on line 1b.

Line 14d. Diesel-Water Emulsion

Generally, the claim rate for the nontaxable use of a diesel-water emulsion taxed at \$.198 (credit reference number (CRN) 309) is \$.197. The fuel must have been used during the period of claim for type of use 1, 2, 3, 5, 6, 7, 8, or 12. For type of use 5, the claim rate is \$.124 (CRN 309). For type of use 3 (exported), the claim rate is \$.198 (CRN 306) and is reported on line 14d.

The claim rate for undyed diesel taxed at \$.244 (CRN 310) and used to produce a diesel-water emulsion is \$.046 per gallon of diesel so used (blender claims). The claimant must attach a statement certifying that (a) the claimant produced a diesel-water emulsion containing at least 14% water; (b) the emulsion additive is registered by a U.S. manufacturer with the EPA under the Clean Air Act, section 211 (as in effect on March 31, 2003); (c) the claimant used undyed diesel taxed at \$.244 to produce the diesel-water emulsion; and (d) the claimant sold or used the diesel-water emulsion in the blender's trade or business. The blender claimant must be registered by the IRS and must enter their registration number on line 14d and enter the applicable CRN.

Claim requirements. See *Claim requirements for lines 1–6 and lines 14b–14d*, earlier.

Line 14e. Registered Credit Card Issuers

Allowable sales. The gasoline (CRN 362), aviation gasoline (CRN 324), diesel (CRN 360), kerosene (CRN 346), or kerosene for use in aviation (CRN 369) must have been purchased with a credit card issued to the ultimate purchaser during the period of claim:

- For gasoline or aviation gasoline, for the exclusive use by a state or local government (including essential government use by an Indian tribal government) or for the exclusive use of a nonprofit educational organization; or
- For diesel, kerosene, or kerosene for use in aviation, for the exclusive use by a state or local government (including essential government use by an Indian tribal government).

Claimant. The registered credit card issuer is the only person eligible to make this claim if the credit card issuer:

1. Is registered by the IRS;
2. Hasn't collected the amount of tax from the ultimate purchaser or has obtained the written consent of the ultimate purchaser to make the claim;

3. Certifies that it has repaid or agreed to repay the amount of tax to the ultimate vendor, has obtained the written consent of the ultimate vendor to make the claim, or has otherwise made arrangements which directly or indirectly provide the ultimate vendor with reimbursement of the tax; and

4. Has in its possession an unexpired certificate from the ultimate purchaser and has no reason to believe any of the information in the certificate is false. See *Model Certificate R* in Pub. 510.

If any one of these conditions isn't met, the credit card issuer must collect the tax from the ultimate purchaser and only the ultimate purchaser can make the claim.

Claim requirements. The following requirements must be met.

1. The claim must be for gasoline, aviation gasoline, diesel, kerosene, or kerosene for use in aviation sold during a period that is at least 1 week.

2. The amount of the claim must be at least \$200 (\$100 for kerosene or kerosene for use in aviation).

3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

4. The claimant must enter its registration number on line 14e, the amount of the claim, and the applicable CRN (see *Allowable sales*, earlier). If the claim is for more than one fuel, use the blank lines 14i–14k, or attach a separate sheet listing the fuels, amount, and CRN.

If requirements 1–3 above aren't met, see *Annual Claims*, later. However, annual claims can't be made for gasoline and aviation gasoline.

Claim rates. The claim rates are shown below.

CRN	Claim Rate
324	\$.193
346	.243
360	.243
362	.183
369	.218

Annual Claims

If a claim on lines 1–9 or 14b–14e wasn't made for any gallons, an annual claim may be made (exception: alternative fuel mixtures produced after December 31, 2011). Generally, an annual claim is made on Form 4136 for the income tax year during which the fuel was used by the ultimate purchaser, sold by the registered ultimate vendor, used to produce a mixture, or used in mobile machinery. See Form 4136 for more information.

Lines 14f–14h. Tire Credits

A credit or refund (without interest) is allowable on tax-paid tires if the tires have been:

- Exported;
- Sold to a state or local government for its exclusive use;

- Sold to a nonprofit educational organization for its exclusive use;
- Sold to a qualified blood collector organization for its exclusive use in connection with a vehicle the organization certifies will be primarily used in the collection, storage, or transportation of blood;
- Used or sold for use as supplies for vessels; or
- Sold in connection with qualified intercity, local, or school buses.

Also, a credit or refund (without interest) is allowable on tax-paid tires sold by any person on, or in connection with, any other article that is sold or used in an activity listed above.

The person who paid the tax is eligible to make the claim and must include:

- A detailed description of the claim,
- Any additional information required by the regulations,
- How you figured the claim amount,
- Any other information to support the claim, and
- The number of tires claimed for each credit reference number.

Claim requirement. Generally, the claim must be filed within 3 years from the time the return was filed or 2 years from the time the tax was paid, whichever is later.

Lines 14i–14k. Other Claims



Don't use lines 14i–14k to make communications tax claims for nontaxable service. See Communications Taxes, earlier.

Use lines 14i–14k for claims relating to taxes listed in the table below. See Pub. 510 for information on allowable claims relating to these taxes. If you need additional space, attach other sheet(s). You must include the following information for each claim.

- A detailed description of the claim.
- Any additional information required by the regulations.
- The amount of the claim.
- How you figured the claim amount.
- Any other information to support the claim.

Claim requirement. Generally, the claim must be filed within 3 years from the time the return was filed or 2 years from the time the tax was paid, whichever is later.

Tax	CRN
Ozone-depleting chemicals (ODCs)	398
Oil spill liability	349
Truck, trailer, and semitrailer chassis and bodies, and tractors	383
Passenger vehicles (luxury tax)	392
Gas guzzler automobiles	340
Vaccines	397
Reserved for Future Use	
Sport fishing equipment	341
Fishing rods and fishing poles	308
Fishing tackle boxes	387
Electric outboard motors	342
Bows, quivers, broadheads, and points	344
Arrow shafts	389

Unresolved Tax Issues

If you have attempted to deal with an IRS problem unsuccessfully, you should contact the Taxpayer Advocate. The Taxpayer Advocate independently represents your interests and concerns within the IRS by protecting your rights and resolving problems that haven't been fixed through normal channels.

While Taxpayer Advocates can't change the tax law or make a technical tax decision, they can clear up problems that resulted from previous contacts and ensure that your case is given a complete and impartial review.

Your assigned personal advocate will listen to your point of view and will work with you to address your concerns. You can expect the advocate to provide you with:

- A "fresh look" at your new or ongoing problem,
- Timely acknowledgment,
- The name and phone number of the individual assigned to your case,
- Updates on progress,
- Timeframes for action,
- Speedy resolution, and
- Courteous service.

When contacting the Taxpayer Advocate, you should provide the following information.

- Your name, address, and taxpayer identification number (TIN).
- The name and telephone number of an authorized contact person and the hours he or she can be reached.
- The type of tax return and year(s) or period(s) (for quarterly returns) involved.
- A detailed description of the problem.
- Previous attempts to solve the problem and the office you contacted.
- A description of the hardship you are facing (if applicable).

You may contact a Taxpayer Advocate by calling a toll-free number, 1-877-777-4778. Persons who have access to TTY/TDD equipment may call 1-800-829-4059 and ask for Taxpayer Advocate assistance. If you prefer, you may call, write, or fax the Taxpayer Advocate office in your area. See Pub. 1546, Taxpayer Advocate Service—Your Voice at the IRS, for a list of addresses and numbers. For more information, go to [IRS.gov/Advocate](https://www.irs.gov/Advocate).

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on these forms in order to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Miscellaneous excise taxes are imposed under Subtitle D of the Internal Revenue Code. These forms are used to determine the amount of tax that you owe. Section 6011 requires you to provide the requested information. Section 6109 requires you to provide your identifying number. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We also may disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. Failure to provide this information in a timely manner or providing false or fraudulent information may subject you to penalties.

You aren't required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file these forms and related schedules will vary depending on individual circumstances. The estimated average times are:

Form	Recordkeeping	Learning about the law or the form	Preparing, copying, assembling, and sending the form to the IRS
720	53 hr., 59 min.	1 hr., 5 min.	1 hr., 58 min.
720X	6 hr., 13 min.	0 hr., 18 min.	0 hr., 24 min.

Comments and suggestions. We welcome your comments about this publication and your suggestions for future editions. You can send us comments from [IRS.gov/Formspubs](https://www.irs.gov/Formspubs). Click on "More Information" and then on "Give us feedback." Or you can write to:

Internal Revenue Service
 Tax Forms and Publications
 1111 Constitution Ave. NW
 IR-6526
 Washington, DC 20224

We respond to many letters by telephone. Therefore, it would be helpful if you would include your daytime phone number, including the area code, in your correspondence. Although we can't respond individually to each comment received, we do appreciate your feedback and will consider your comments as we revise our tax products.

Ordering forms and publications. Visit [IRS.gov/Formspubs](https://www.irs.gov/Formspubs) to download forms and publications. Otherwise, you can go to [IRS.gov/Orderforms](https://www.irs.gov/Orderforms) to order forms.

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Please return the following: • Signed application • Copy of formation document (i.e., Inc. = articles of incorporation, non-profit = Form 990)
 • Copy of government issued photo ID for authorized signers and beneficial owners (see page 3) • Signed fee schedule
 • Transfer authorization form (if applicable)

Return to:

Please complete every section.

Account Owner Information

Entity Name

Account title (if different than name above)

Address

Designated Agent (Advisor Name)

City, State, Zip

NAICS Code:

Tax I.D.

www.census.gov/eos/www/naics

Phone number (required): (To be used for disbursement authorization)

Are there other DBA or trade names used for the same legal entity? YES NO

If yes, please provide names:

Check appropriate box for federal tax classification:

- Individual/sole proprietor C Corporation S Corporation Partnership Trust/estate Exempt payee code (if any) (see bottom of page 5 for code listing)
- Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership)
- Other (see instructions)

What is the ownership structure of the entity?

- Privately Held Majority Owned by Government Publically Traded on a Designated Exchange
- Wholly Owned Subsidiary of Publically Traded Parent Company

If a publically traded entity or a wholly owned subsidiary of a publically traded parent, what exchange is the company listed on?

1. Customer is a U.S. Citizen, U.S. Resident Alien or an entity principally registered in the U.S.: YES NO

If no, please submit a W-8 BEN and state the Customer's country of residence or principal registration:

2. Is the entity headquartered outside the United States? YES NO If YES, what country is it located in:

Customer Background and Anticipated Activity

Information in this section is required to establish a baseline for account background and anticipated activity. This information is used primarily to detect suspicious activity. Your account activity is not bound to estimates provided.

1. Primary function of the Customer.

Geographical Footprint.

2. Purpose (Please provide the reason the Customer is establishing the custody and investment account).

Is this an operational account? YES NO (An operational account is defined as an account used for daily operations of the entity)

3. Are there physical locations or business addresses for the entity outside the U.S. YES NO

If yes, list addresses

4. Entity's annual revenue. (\$)

Customer Background and Anticipated Activity (cont.)

5. Entity's primary source of revenue.
6. From where will initial and ongoing funding for this account originate: (Answer all that apply):
- Domestic predecessor bank trustee or custodian: name of institution
 - Domestic predecessor broker/dealer custodian: name of institution
 - Foreign predecessor bank or broker/dealer: name of institution
 - N/A - Initial Funding - no existing assets held elsewhere
 - Other, explain
7. Method of initial and ongoing funding for this account to be transmitted by. (Check all that apply):
- Wire transfer Transfer from existing U.S. Bank Account Check(s) In-kind transfer from predecessor custodian or trustee
 - Foreign wire transfer Other, explain
8. a) Anticipated monthly value of cash and cash equivalent transaction activity (physical cash or cash instruments only).
\$ N/A
- b) Number of cash transactions in and out of the account, per year N/A
- c) Dollar range of cash transactions. - N/A
- d) Method of disbursements. Check all that apply. Wire Check ACH Transfer to another U.S. Bank account N/A
- e) Will any disbursements be sent outside the United States? YES NO
If YES, please list countries:

Tax Lot Methods

For the purpose of complying with Internal Revenue Service regulations requiring cost basis reporting, please select the tax lot selection method for the Account. Bank recommends that Customer consult with Customer's tax advisor if Customer is unsure of the option that is best for them.

- Minimize Gain - Shares are sold from tax lots having the highest per unit federal tax cost with a holding period of more than one year.
- First In First Out ("FIFO") - Shares are sold from tax lots having the earliest federal tax acquisition date.
- Last In First Out ("LIFO") - Shares are sold from tax lots having the most recent federal tax acquisition date.
- Highest Federal Cost First Out ("HIFO") - Shares are sold from tax lots having the highest federal tax cost per share.
- Lowest Federal Cost First Out ("LOFO") - Shares are sold from tax lots having the lowest federal tax cost per share.
- Specify Tax Lot - Shares are sold from tax lots that you specify.
- Average Federal Tax Cost - Shares are sold across all tax lots using the average cost. If the Account holds Investments for which this method is not permitted, the FIFO default method will be used, unless Bank is directed otherwise.
- Maximize Gain - Shares are sold from tax lots having the lowest per unit federal tax cost.

If Customer does not specify a particular tax lot or method above, Customer acknowledges that the FIFO method will be used. If Customer wishes to use a tax lot selection method that is different from what is selected above, on an individual investment or transaction basis, Customer may make that selection when executing the trade.

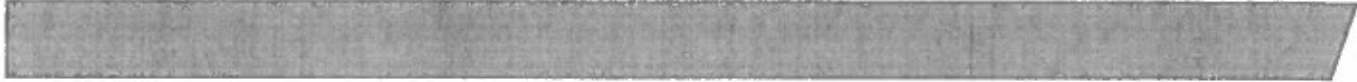
Sweep Designation

To the extent Bank has received no investment direction for cash, commonly referred to as uninvested cash, Bank will use such Assets to purchase the following (check only one):

- First American Government Obligations Fund Class Y
- First American Prime Obligations Fund Class Y
- First American Tax-Free Obligations Fund Class Y
- First American Treasury Obligations Fund Class Y
- (other mutual fund's ticker symbol) Class
- U.S. BANK NON-INTEREST BEARING DEPOSIT ACCOUNT

If the foregoing does not designate one and only one open-end investment company registered under the Investment Company Act of 1940 (a "Mutual Fund"), then Customer is deemed to have designated the U.S. Bank Non-Interest Bearing Deposit Sweep.

If a Mutual Fund is designated, Customer hereby acknowledges that it has received the prospectus for the designated Mutual Fund.



Shareholder Communications Act Election

Under the Shareholder Communications Act of 1985, as amended, Bank must try to permit direct communications between a company that issues a security held in the Account (the "Securities-Issuer") and any person who has or shared the power to vote, or the power to direct the voting of, that security (the "Voter"). Unless the Voter registers its objection with Bank, Bank must disclose the Voter's name, address, and securities positions held in the Account to the Securities-Issuer upon the Securities-Issuer's request ("Disclosure").

To the extent that Customer is the Voter, Customer hereby (i) acknowledges that failing to check one and only one line below will cause Customer to be deemed to have consented to Disclosure, and (ii) registers their:

- consent to Disclosure
- objection to Disclosure

Statements and Online Access

U.S. Bank offers online access to your account. Please provide the following information for those who require online access.

Bank will furnish each Statement Recipient with (i) an Account statement with the frequency designated below (or as subsequently agreed upon by Bank and Customer) within thirty (30) calendar days after the end of the reporting period and (ii) a final Account statement within thirty (30) calendar days after Bank has transferred all Assets from the Account as provided under this Agreement. Such Account statements will reflect Asset transactions during the reporting period and ending Asset holdings. To the extent Customer has established an account in Bank's on-line portal and granted access thereunder to Statement Recipients, Bank will furnish such Account statements by way of such system. If no frequency is so designated or agreed upon, Customer shall be deemed to have designated "Monthly".

Name Phone Number

Email

Statement Frequency: Monthly Quarterly Annually Delivery Method: Print Online Only

Name Phone Number

Email

Statement Frequency: Monthly Quarterly Annually Delivery Method: Print Online Only

Authorized Signers

Authorized Individuals – Pursuant to Section 11 of the Custody Agreement, Customer hereby authorizes the following individuals to act on Customer's behalf.

Name/Title Signature

Name/Title Signature

Name/Title Signature

Name/Title Signature

Agreement and Signature

By signing this Application, I hereby:

- a) acknowledge receipt of a copy of this Application, and the Custody Agreement
- b) acknowledge that the Custody Agreement is incorporated herein by reference
- c) agree to the terms and conditions of this application and Custody Agreement
- d) acknowledge that Non-deposit investment products are not insured by the FDIC, are not deposits or other obligations of or guaranteed by U.S. Bank National Association or its affiliates, and involve investment risks, including possible loss of the principal amount invested
- e) agree to disclose to Bank if Customer is or becomes a "senior political figure, immediate family member or close associate of a senior political figure" (as defined below), during the duration of the Custody Agreement.

A "senior political figure" is a domestic or foreign senior official in the executive, legislative, administrative, military or judicial branches of a government (whether elected or not), a senior official of a major political party, or a senior executive of a government-owned corporation. In addition, a senior political figure includes any corporation, business, or other entity that has been formed by, or for the benefit of, a senior political figure.

• "Immediate family" of a domestic or foreign senior political figure typically includes the figure's parents, siblings, spouse, children, and in-laws

• A "close associate" of a domestic or foreign senior political figure is a person who is widely and publicly known to maintain an unusually close relationship with the senior political figure, and includes a person who is in a position to conduct domestic and international financial transactions on behalf of the senior political figure.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Under penalties of perjury, I certify that:

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

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

Signer's Name (please print)

Signature

Title (please print)

Date

To Be Completed By U.S. Bank

Signer's Name (please print)

Signature

Title (please print)

Date

The following codes identify payees that are exempt from backup withholding:

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



Institutional Custody Agreement

This Custody Agreement (the "Agreement") is between the entity appearing as Customer on the Application above (the "Customer"), and U.S. Bank National Association, a national banking association organized under the laws of the United States with offices in Minneapolis, Minnesota ("Bank").

The parties hereby agree as follows:

SECTION 1: DEFINITIONS

- 1.1 "Account" means (i) the custody account established in the name of Customer and maintained under this Agreement for the Assets (as defined below) and (ii) where the context requires, one or more Sub-accounts (as defined below).
- 1.2 "Accounting Standards" means Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurement, or Governmental Accounting Standards Board (GASB) Codification Statement No. 72, Fair Value Measurement and Application.
- 1.3 "Assets" means the securities, cash, and other property Customer deposits, or causes to be deposited, from time to time under this Agreement; investments and reinvestments thereof; and income thereon, as provided herein.
- 1.4 "Cash-flow Analysis" means a periodic written analysis of Customer's cash-flow history, short-term financial needs, long-term financial needs, expected levels and timing of deposits, expected levels and timing of distributions, liquidity needs (including but not limited to the anticipated liquidity required to make distributions), ability to provide future funding, and other significant information which could affect cash-flow or the exercise of discretion to manage the Assets.
- 1.5 "CFR" means the Code of Federal Regulations.
- 1.6 "Client-controlled Asset" means an asset that is neither registered in the name of Bank or Bank's nominee nor maintained by Bank at a Depository (as defined below) or with a sub-custodian nor held by Bank in unregistered or bearer form or in such form as will pass title by delivery.
- 1.7 "Code" means the Internal Revenue Code of 1986, as amended.
- 1.8 "Depository" means any central securities depository (such as the DTC), international central securities depository (such as Euroclear Bank SA/NV), or Federal Reserve Bank.
- 1.9 "DTC" means the Depository Trust Company.
- 1.10 "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.
- 1.11 "Guidelines" means the written investment objectives, policies, strategies, and restrictions for the Account (or for any Sub-accounts therein), including but not limited to proxy-voting guidelines, as amended from time to time.
- 1.12 "Harm" means claims, costs, damages, delayed payment or non-payment on Assets sold, expenses (including attorneys' and other professional fees), fines, interest, liabilities, losses, penalties, stockholders' assessments (asserted on account of asset registration), and taxes.
- 1.13 "Indemnified Person" means Bank and its affiliates, and their officers, directors, employees, agents, successors, and assigns.
- 1.14 "Investment Advice" means a recommendation, or a suggestion to engage in or refrain from taking a particular course of action, as to (i) the advisability of acquiring, holding, disposing of, or exchanging any Asset or any securities or other investment property or (ii) the Guidelines, the Cash-flow Analysis, the composition of the Account's portfolio, or the selection of persons to provide investment advice or investment management services with respect to the Assets.
- 1.15 "Investment Company Act" means the Investment Company Act of 1940, as amended.
- 1.16 "IRS" means the Internal Revenue Service.
- 1.17 "Legal Action" means any freeze order, garnishment, levy, restraining order, search warrant, subpoena, writ of attachment or execution, or similar order relating to the Account.
- 1.18 "Messaging System" means any financial-messaging system, network, or service acceptable to Bank, such as the Society for Worldwide Interbank Financial Telecommunication messaging system.
- 1.19 "Plan-assets Vehicle" means an investment contract, product, or entity that holds plan assets (as determined pursuant to ERISA Sections 3(42) and 401 and 29 CFR Section 2510.3-101).
- 1.20 "SEC" means the United States Securities and Exchange Commission.
- 1.21 "State" means the State of Minnesota.

1.22 "Statement Recipient" means Customer and anyone else Customer so designates.

1.23 "Sub-account" means a separate portion of the Account.

SECTION 2: APPOINTMENT AND ACCEPTANCE

2.1 Customer appoints Bank to provide custody services in connection with the Assets. Bank hereby agrees to hold the Assets in the Account, upon the terms and conditions set forth below.

2.2 Establishment of Account.

2.2.1 Customer hereby deposits Assets, or causes Assets to be deposited, with Bank.

2.2.2 Customer hereby represents, warrants, and covenants as follows, and Bank may resign immediately if Customer breaches of any such representation, warranty, or covenant:

2.2.2.1 Customer holds good and valid legal title to all Assets.

2.2.2.2 None of the Assets is (i) an asset of any "plan" as defined in ERISA Section 3(3); any "plan" as defined in Code Section 4975(e)(1); any Plan-assets Vehicle; or any plan or entity not otherwise within the foregoing definitions that is subject to similar restrictions under federal, state, or local law; (ii) subject to SEC Rule 15c3-3; U.S. Commodity Futures Trading Commission Rules 1.20, 22.5, or 30.7; or any similar rule or regulation; or (iii) subject to a public-deposits, public-funds, or other State law that would require Bank to set aside any direct government obligations, government-guaranteed obligations, surety bonds, letters of credit, or other assets as security, regardless of the type or amount of capital of Bank, the amount of public deposits held by Bank, or the extent to which the Assets are not insured by the Federal Deposit Insurance Corporation or exceed federal deposit insurance limits.

2.2.2.3 Customer is neither (i) an "investment company" that is subject to registration with the SEC under the Investment Company Act, (ii) an "investment company" that is not subject to such registration pursuant to Section 3(c) thereof, (iii) an insurer, nor (iv) a reinsurer.

2.2.2.4 Customer is not a trustee of, and has no duty to engage a trustee for, the Assets.

2.2.3 As directed by Customer, Bank will establish one (1) or more Sub-accounts and allocate Assets among Sub-accounts. Customer hereby covenants not to direct Bank to establish any Sub-account for the benefit of any entity having a different tax identification number than Customer and acknowledges that each Sub-Account will have the same tax identification number as Customer.

2.2.4 Bank will keep the Assets (other than deposits at Bank) separate and apart from the assets of Bank.

SECTION 3: BOOKS, RECORDS, AND ACCOUNTS

3.1 Bank shall maintain proper books of account and complete records of Assets and transactions in the Account.

3.2 On at least five business days advance written notice, Bank shall permit Customer and Customer's independent auditors to inspect during Bank's regular business hours any books of account and records of Assets and transactions in the Account.

SECTION 4: ASSET DELIVERY, TRANSFER, CUSTODY, AND SAFEKEEPING

4.1 Customer will from time to time deliver, or cause to be delivered, Assets to Bank. Bank shall receive and accept such Assets for the Account upon directions from Customer.

4.2 Customer has designated the frequency of Account statements in the Application.

4.3 Except to the extent that Customer and Bank have entered into a separate written agreement that expressly makes Bank an investment manager of the Assets, the Account statements described above (including their timing and form) serve as the sole written notification of any securities transactions effected by Bank for the Account. Even so, Customer has the right to demand that Bank provide written notification of such transactions pursuant to 12 CFR Sections 12.4(a) or (b) at no additional cost to Customer.

4.4 Bank shall forward to any person authorized under this Agreement to direct the purchase or sale of an Asset information Bank receives with respect to the Asset concerning voluntary corporate actions (such as proxies, redemptions, or tender offers) and mandatory corporate actions (such as class actions, mergers, stock dividends, or stock splits).

4.4.1 Notwithstanding anything herein to the contrary, Bank will, without providing notice, (i) cause Assets to participate in any mandatory exchange transaction that neither requires nor permits approval by the owner of the Assets and (ii) file any proof of claim received by Bank during the term of this Agreement regarding class-action litigation over a security held in the Account during the class-action period, regardless of any waiver, release, discharge, satisfaction, or other condition that might result from such a filing.

- 4.5. Upon receipt of directions from Customer, Bank shall return Assets to Customer, or deliver Assets to such location or third party as such directions may indicate, provided that in connection therewith it is the sole responsibility of Customer to provide any transfer documentation as may be required by the applicable Depository or third party recipient. Bank shall have no power or authority to assign, hypothecate, pledge or otherwise dispose of any Assets, except as provided herein or pursuant to such directions.

SECTION 5: POWERS OF BANK

In the performance of its duties under this Agreement, Bank shall have the power to:

- 5.1 Make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any or all other instruments that may be necessary or appropriate to the proper discharge of its duties under this Agreement.
- 5.2 Hire service providers (including, but not limited to, attorneys, depositories, and sub-custodians) to assist Bank in exercising Bank's powers under this Agreement, including any service provider that is affiliated with Bank.
- 5.3 Perform other acts necessary to the proper discharge of its duties under this Agreement.
- 5.4 Hold Assets un-invested pending cash investment, distribution, resolution of a dispute, or for other operational reasons and to deposit the same in an interest-bearing or noninterest-bearing deposit account of Bank, notwithstanding any sweep direction for the Account or Bank's receipt of "float" income from such un-invested cash.
- 5.5 As directed by Customer, bring, defend, or settle lawsuits involving the Account or the Assets at the sole expense of the Account.
- 5.6 Withhold delivery or distribution of Assets that are the subject of a dispute pending final adjudication of the dispute by a court of competent jurisdiction.
- 5.7 Distribute Assets as set forth herein.
- 5.8 Safe-keep Assets as set forth herein.
- 5.9 Register any Asset in the name of Bank or Bank's nominee or to hold any Asset in unregistered or bearer form or in such form as will pass title by delivery, provided that Bank's records at all times show that all such assets are part of the Account.
- 5.10 Maintain Assets that are (i) book-entry securities at any Depository or with any sub-custodian and to permit such Assets to be registered in the name of Bank, Bank's nominee, the Depository, the Depository's nominee, the sub-custodian, or the sub-custodian's nominee and (ii) physical securities at Bank's office in the United States and in a safe place.
- 5.11 Collect all income, principal, and other distributions due and payable on Assets. If Customer directs Bank to search the DTC's Legal Notice System for notice that a particular Asset is in default or has refused payment after due demand, then Bank will conduct such a search and notify Customer of any such notice Bank finds therein.
- 5.12 Exchange foreign currency into and out of United States dollars through customary channels, including Bank's foreign exchange department.
- 5.13 Pledge the Account or any Asset as provided in any separate written control agreement among Customer, Bank, and any secured party identified therein.
- 5.14 Advance funds or securities in furtherance of settling securities transactions and other financial-market transactions under this Agreement.

SECTION 6: PURCHASES

- 6.1 Upon the receipt of directions from Customer, Bank shall settle Customer's purchases of securities on a contractual settlement basis. For the purposes of §9-206 of the Uniform Commercial Code, Customer acknowledges that its legal obligation to pay the purchase price to Bank for such purchases arises immediately at the time of the purchase. Customer hereby covenants and agrees that (i) it shall not instruct Bank to sell any Asset until such Asset has been fully paid for by Customer, and (ii) Customer shall not engage in any practice whereby Customer relies on the proceeds from the sale of an Asset to pay for the earlier purchase of the same Asset.

SECTION 7: SALES

- 7.1 Upon receipt of directions from Customer, Bank will deliver Assets held by it as Bank under this Agreement and sold by or for Customer against payment to Bank of the amount specified in such directions in accordance with the then current securities industry practices and in form satisfactory to Bank. Customer acknowledges that the current securities industry practice for physical securities is for physical delivery of such securities against later payment on delivery date. Bank agrees to use commercially reasonable efforts to obtain payment therefor during the same business day, but Customer confirms its sole assumption of all risks of payment for such deliveries. Bank assumes no responsibility for the risks of collectability of checks received for the Account.

SECTION 8: SETTLEMENTS

- 8.1 Bank shall provide Customer with settlement of all purchases and sales of Assets in accordance with Bank's instruction-deadline schedule provided that Bank has all the information necessary and the Account has all the Assets necessary to complete the transaction.
- 8.2 To avoid a deficiency in the Account, if the Account does not have sufficient funds to pay for an Asset, Customer covenants and agrees that (i) it shall not initiate any trade without sufficient Assets to settle such trade, and (ii) Customer shall not notify any third party that Bank will settle the purchase of an Asset. Customer covenants and agrees that it will not allow or direct anyone else to act contrary to (i) and (ii) above.
- 8.3 Bank shall not be liable or responsible for or on account of any act, omission, default, or insolvency of any broker, bank, trust company, person, or other agent designated by Customer to purchase or sell securities for the Account.

SECTION 9: VALUATION; CLIENT-CONTROLLED ASSETS

- 9.1 For purposes of reporting the value of an Asset on an Account statement:
- 9.1.1 Bank will report a value that is (i) provided to Bank by a third-party pricing vendor or (ii) readily determinable on an established market, if such value is available to Bank when preparing the statement.
- 9.1.2 If such value is unavailable, Customer will, upon Bank's request, direct Bank as to the value; Bank will then report such value. Absent such a direction, Bank will report the most recent value that Bank received from the Asset's broker, fund accountant, general partner, issuer, investment manager, transfer agent, or other service provider (commonly known as a pass-through price).
- 9.1.2.1 To the extent the value of an Asset is so reported, Customer hereby represents and warrants as follows: (i) Customer received, read, and understood any governing documents (such as a limited liability company agreement, limited partnership agreement, trust agreement, or declaration of trust), offering documents (such as a fact sheet, offering circular, offering memorandum, private placement memorandum, prospectus, or summary description), and subscription documents (such as an adoption agreement or subscription agreement) for the Asset; understands the Asset's eligibility requirements, fees and expenses, transfer and withdrawal limitations, type, category, issuer, objectives, principal strategies and risks, current underlying investments, and the identity of the Asset's administrator, investment advisor, auditor, and other service providers (and any affiliations among them) and the services they provide, respectively, to the Asset and the compensation they receive therefor. (ii) Such value reflects such documents, investment-related information, service-provider information, and fee-and-expense information.
- 9.1.2.2 Customer covenants and agrees that it will under no circumstances provide Bank with a security issued by Customer or Customer's affiliates, or direct Bank to purchase a security issued by Customer or Customer's affiliates, unless the value of such security is readily determinable on an established market.
- 9.1.3 Customer hereby acknowledges that Bank is performing a routine, ministerial, non-discretionary valuation function; that the reported value might be neither fair market value nor fair value (under Accounting Standards or applicable law); and that the reported value is not a substitute for (i) investigating the Asset's value in connection with a decision to acquire, hold, dispose of, or exchange any securities or other investment property; (ii) obtaining and ensuring the reliability of an independent third-party appraisal with respect to such a decision; or (iii) obtaining Investment Advice.
- 9.1.4 Upon Customer's request, Bank will provide Customer with information about Bank's pricing sources and methodologies.
- 9.2 Customer may direct Bank from time to time to include in the Account statements specific Client-controlled Assets that are registered in the name of Customer. In such a case, Bank has the right to exclude such assets from the Account statements or to include them with a notation about control. To the extent Bank includes them, Customer hereby acknowledges that:
- 9.2.1 Customer is responsible for reviewing (i) the Account statements to ensure that they include notations about the control of each such asset and (ii) any third-party reports made accessible by Bank to ensure that they do not inaccurately identify the holder of any such assets;
- 9.2.2 Bank is not responsible for performing any duties under this Agreement (other than statement-reporting duties, as limited herein) with respect to such assets, and Customer assumes all such duties.
- 9.2.3 When furnishing Account statements or making third-party reports accessible, Bank may rely on information provided by Customer or by Customer's agents, affiliates, or representatives with respect to such assets (including, but not limited to, information on the units, value, or marketability of such assets) without questioning the information. To that end, Customer will cause each holder of such assets to provide Bank with a copy of such holder's periodic Customer account statements with respect to such assets.
- 9.2.4 Such assets are subject to the Fee Schedule between Customer and Bank.

SECTION 10: LIMITATIONS ON DUTIES

- 10.1 Customer hereby acknowledges that Bank does not provide any services under this Agreement (i) in a "fiduciary capacity" within the meaning of 12 CFR Section 9.2(e) or (ii) as a "fiduciary" as such term may be defined in State law or otherwise.
- 10.2 The duties of Bank will be strictly limited to those set forth in this Agreement, and no implied covenants, duties, responsibilities, representations, warranties, or obligations shall be read into this Agreement against Bank. Without limiting the generality of the foregoing, Bank shall have no duty to:
- 10.2.1 Evaluate or to advise anyone of the prudence, suitability, or propriety of action or proposed action of Customer in any particular transaction involving an Asset or the suitability or propriety of retaining any particular investment as an Asset; review, question, approve, or make inquiries as to any investment directions received under this Agreement; or review the securities or other property held in the Account with respect to prudence or diversification.
- 10.2.2 Act as trustee of the Assets.
- 10.2.3 Act as custodian of any assets other than the Assets.
- 10.2.4 Act as investment manager of the Assets, except to the extent the Assets are subject to Bank's discretion to manage under a separate written investment-management agreement (if any).
- 10.2.5 Provide Investment Advice.
- 10.2.6 Determine, monitor, or collect any contributions to the Account or monitor compliance with any applicable funding requirements.
- 10.2.7 Inspect, review, or examine any Client-controlled Asset or governing, offering, subscription, or similar document with respect thereto, to determine whether the asset or document is authentic, genuine, enforceable, properly signed, appropriate for the represented purpose, is what it purports to be on its face, or for any other purpose, or to execute such document, regardless of whether Bank has physical possession of such asset or document.
- 10.2.8 (i) Collect any income, principal, or other distribution due and payable on an Asset if the Asset is in default or if payment is refused after due demand or (ii) except as expressly provided herein, to notify Customer in the event of such default or refusal.
- 10.2.9 Provide notice of, or forward, mini-tenders (which are tender offers for less than 5% of an outstanding equity or debt issue) for any equity issue or, if any of the following is true, for any debt issue: The debt is not registered with the SEC. The debt issue has a "first received, first buy" basis with no withdrawal privilege and includes a guarantee of delivery clause. Or, the tender offer includes the statement that "the purchase price includes all accrued interest on the note and has been determined in the sole discretion of the buyer and may be more than or less than the fair market value of the notes" or similar language.
- 10.2.10 Question whether any direction received under this Agreement is prudent or contrary to applicable law; to solicit or confirm directions; or to question whether any direction received under this Agreement by email or Messaging System, or entered into Customer's account in Bank's on-line portal, is unreliable or has been compromised, such as by identity theft.
- 10.2.11 Calculate, withhold, prepare, sign, disclose, file, report, remit, or furnish to any taxing authority or any taxpayer any federal, state, or local taxes, tax returns, or information returns that may be required to be calculated, withheld, prepared, signed, disclosed, filed, reported, remitted, or furnished with respect to the Assets or the Account, except to the extent such duties are required by law to be performed only by Bank in its capacity as custodian under this Agreement or are expressly set forth herein.
- 10.2.12 Monitor agents hired by Customer.
- 10.2.13 Maintain or defend any legal proceeding in the absence of indemnification, to Bank's satisfaction, against all expenses and liabilities which it may sustain by reason thereof.
- 10.2.14 Advance funds or securities or otherwise expend or risk its own funds or incur its own liability in the exercise of its powers or rights or performance of its duties under this Agreement.

SECTION 11: AUTHORIZED PERSONS; DELIVERY OF DIRECTIONS

- 11.1 Customer has identified the "Designated Agent", who is authorized to act on Customer's behalf, on the Application. Customer has also identified each employee of Customer who is authorized to act on Customer's behalf, by providing such information on the Application. After the execution of this Agreement, Customer may add employees who are authorized to act on Customer's behalf by notifying Bank of the identity thereof on a form provided by Bank. Customer shall provide to bank in writing any limits on the Designated Agent's authority or any additional agent's authority to act on Customer's behalf hereunder. Absent any such limits to the contrary, the Designated Agent and any additional agent is authorized to exercise any right and fulfill any duty of Customer hereunder, including, but not limited to, any authority to direct Bank. Customer consents to Bank providing any agent access to customer account information and other confidential information relating to Customer upon such agent's request. For the

avoidance of doubt, any agent shall have the right to self-impose more restrictive limitations on their authority than what Customer has authorized, for regulatory purposes or otherwise, by providing such additional self-imposed limitations to Bank in writing and Bank's written confirmation of acceptance of such limitations. In no event is any agent authorized to amend the Agreement or terminate the Agreement.

- 11.2 In the event that the Designated Agent sends an invoice to Bank and instructs Bank to have the Account pay the invoice, Customer directs Bank to pay any such invoice as presented. Bank is hereby protected and shall incur no liability for acting on such direction and Bank shall have no duty or obligation to establish or investigate whether such invoice was limited to the payment of adviser fees (as agreed between Customer and the Designated Agent or otherwise) or for other purposes.
- 11.3 Bank may assume that any such employee or agent continues to be so authorized, until Bank receives notice to the contrary from Customer.
- 11.4 Customer hereby represents and warrants that any such employee or agent is duly appointed and is appropriately monitored and covenants that Customer will furnish such employee or agent with a copy of this Agreement, as amended from time to time, and with a copy of any communications given under this Agreement to Customer. Customer hereby acknowledges that (i) such employee's or any agent's actions or omissions are binding upon Customer as if Customer had taken such actions or made such omissions itself and (ii) Bank is indemnified, released, and held harmless accordingly.
- 11.5 Any direction, notice, or other communication provided for in this Agreement will be given in writing and (i) unless the recipient has timely delivered a superseding address under this Agreement, addressed as provided under this Agreement, (ii) entered into Customer's account in Bank's on-line portal, or (iii) sent to Bank by Messaging System.
- 11.6 Any direction received under this Agreement by email or Messaging System, entered into Customer's account in Bank's on-line portal, or confirmed by phone as provided below, is deemed to be given in a writing signed by the sender. Customer hereby represents and warrants that Customer maintains commercially reasonable security measures for preventing unauthorized access to its phone designated in the Application, to its portal account; to the email accounts of its agents, and agents' employees; and to any Messaging System used by its agents, and agents' employees, and Customer hereby assumes all risk to the Account of such unauthorized access. Customer hereby acknowledges that Customer is fully informed of the protections and risks associated with the various methods of transmitting directions to Bank and that there may be more secure methods of transmitting directions than the methods selected by Customer and Customer's agents.
- 11.7 Customer acknowledges that, in certain circumstances, Bank may need or elect to contact Customer via phone to confirm an instruction relating to the Account. In such circumstances, Customer understands that Bank will use the phone number designated in the Application and Customer expressly authorizes the Bank to act on any confirmation or instruction provided by the individual with such telephone number. In the event that Customer wishes to add additional phone contacts who are authorized relating to the Account, Customer shall contact Bank for its then-current authorization form for such purposes. Customer understands that Bank shall not be liable for any act taken upon an oral instruction received by Bank when Bank has called such number.

SECTION 12: FEES AND EXPENSES

- 12.1 Customer shall pay Bank compensation for providing services under this Agreement as agreed between Bank and Customer. Bank may also receive compensation from certain mutual funds as outlined in the Mutual Fund Compensation Disclosure.
- 12.2 Customer shall reimburse Bank for expenses, fees, costs, and other charges incurred by Bank in providing services under this Agreement (including, but not limited to, compensation, expenses, fees, costs, and other charges payable to service providers hired under this Agreement).
- 12.3 To the extent of (i) any outstanding compensation, expenses, fees, costs, or other charges incurred by Bank in providing services under this Agreement or (ii) Customer's other indebtedness to Bank, Customer hereby grants Bank a first-priority lien and security interest in, and right of set-off against, the Assets. Bank may execute that lien and security interest, and exercise that right, at any time.
- 12.4 To the extent of any advance of funds or securities under this Agreement, Customer hereby grants Bank a first-priority lien and security interest in, and right of set-off against, the Assets. Bank may execute that lien and security interest, and exercise that right, at any time. Furthermore, nothing in this Agreement constitutes a waiver of any of Bank's rights as a securities intermediary under Uniform Commercial Code §9-206.

SECTION 13: INDEMNIFICATION

- 13.1 Customer hereby indemnifies and releases each Indemnified Person and holds each Indemnified Person harmless from and against, and an Indemnified Person will incur no liability to any person or entity for, any Harm that may be imposed on, incurred by, or asserted against an Indemnified Person by reason of the Indemnified Person's action or omission in connection with this Agreement or the Account (including, but not limited to, an action or omission that is consistent with directions provided under this

Agreement), except to the extent that a court of competent jurisdiction has made a final judgment that the Harm resulted directly from the Indemnified Person's willful misconduct, gross negligence, bad faith, or material breach of this Agreement. Regardless of any determination relating to Bank's conduct, Customer agrees to indemnify, hold harmless, and release Bank from any Claim relating to (i) the action or inaction of the Designated Agent, or (ii) any action taken or omitted by Bank in reliance on any information, instruction, or direction provided by the Designated Agent. The foregoing provisions shall survive the Indemnified Person's termination as such and the termination of this Agreement.

- 13.2 No party is liable for any delay or failure in performing its obligations under this Agreement caused by wars (whether declared or not and including existing wars), revolutions, insurrections, riots, civil commotion, acts of God, accidents, fires, explosions; stoppages of labor, strikes, or other differences with employees (other than Bank's disputes with its employees); laws, regulations, orders, or other acts of any governmental authority; or any other circumstances beyond its reasonable control. Nor will any such failure or delay give any party the right to terminate this Agreement.
- 13.3 No party is liable for any indirect, incidental, special, punitive, or consequential damages arising out of or in any way related to this Agreement or the performance of its obligations under this Agreement. This limitation applies even if the party has been advised of, or is aware of, the possibility of such damages.
- 13.4 Bank is not liable with respect to the propriety of Bank's actions or omissions reflected in a statement provided under this Agreement, except to the extent (i) a Statement Recipient objects to Bank within ninety (90) calendar days after delivery of such statement or (ii) such acts or omissions could not be discovered through reasonable examination of such statement.

SECTION 14: TERMINATION

- 14.1 This Agreement terminates upon the effective date of Bank's resignation or removal under this Agreement.
- 14.2 Bank may resign under this Agreement by notice to Customer. Customer may remove Bank under this Agreement by notice to Bank. The resignation or removal shall be effective thirty (30) calendar days after delivery of the notice, except to the extent the parties agree in writing to a different effective date. By such effective date, Customer shall appoint a new custodian and notify Bank of the appointment. If Customer fails to do so, Bank shall have the right to petition a court at Account expense for appointment of a new custodian. Upon receiving notice of such appointment, Bank will transfer Assets to the new custodian as directed by Customer or the court, as the case may be. However, Bank shall not be required to transfer any Assets until Bank has received payment or reimbursement for all (a) compensation, expenses, fees, costs, or other charges incurred by Bank in providing services under this Agreement and (b) funds or securities advanced under this Agreement.

SECTION 15: MISCELLANEOUS

- 15.1 Freedom to Deal with Third Parties. Bank is free to render services to others, whether similar to those services rendered under this Agreement or of a different nature.
- 15.2 Binding Obligations. Customer and Bank each represent and warrant that (i) it has the power and authority to transact the business in which it is engaged and to execute, deliver, and perform this Agreement and has taken all action necessary to execute, deliver, and perform this Agreement and (ii) this Agreement constitutes its legal, valid, and binding obligation enforceable according to the terms hereof.
- 15.3 Complete Agreement; Amendment.
- 15.3.1 Complete Agreement. This Agreement contains a complete statement of all the arrangements between the parties with respect to its subject matter and supersedes any existing agreements between them concerning the subject.
- 15.3.2 Amendment. This Agreement may be amended at any time, in whole or in part, by a written instrument signed by Customer and Bank. Notwithstanding the foregoing, if the terms of the Fee Schedule between Customer and Bank set forth a method for amending such exhibit, then such terms alone govern amendments thereto.
- 15.3.3 Control Agreements. If Customer requests that Bank execute a "control agreement" (or similarly titled agreement) with a third-party which pledges, hypothecates, or assigns rights in the Assets to that third-party and involves obligations of Bank to that third-party (which may be affiliates of Bank or Bank's lending divisions), then the terms and requirements of such agreement concerning such Assets shall supersede and control the provisions of this Agreement. Notwithstanding the foregoing, nothing in such Agreement shall be deemed to alter Bank's rights under Section 12.4 of this Agreement.
- 15.4 Governing Law; Venue. This Agreement will be governed, enforced, and interpreted according to the laws of the State without regard to conflicts of laws, except where pre-empted by federal law. All legal actions or other proceedings directly or indirectly relating to this Agreement will be brought in federal court (or, if unavailable, state court) sitting in the State. The parties submit to the jurisdiction of any such court in any such action or proceeding and waive any immunity from suit in such court or execution, attachment (whether before or after judgment), or other legal process in or by such court. To the extent that Bank or Customer may be entitled to claim, for itself or its assets, immunity from suit, execution, attachment (whether before or after judgment) or other legal process, each hereby irrevocably agrees not to claim, and hereby waives, such immunity.

15.5 Successors and Assigns.

15.5.1 This Agreement binds, and inures to the benefit of, Customer, Bank, and their respective successors and assigns.

15.5.2 No party may assign any of its rights under this Agreement without the consent of the other party, which consent will not be unreasonably withheld. Customer hereby acknowledges that Bank will withhold consent unless and until Bank verifies an assignee's identity according to Bank's Customer Identification Program and, to that end, Customer hereby agrees to notify Bank of such assignment and provide Bank with the assignee's name, physical address, EIN, organizational documents, certificate of good standing, and license to do business, as well as other information that Bank may request. No consent is required if a party merges with, consolidates with, or sells substantially all of its assets to another entity, provided that such other entity assumes without delay, qualification, or limitation all obligations of that party under this Agreement by operation of law or by contract.

15.6 Severability. The provisions of this Agreement are severable. The invalidity of a provision herein will not affect the validity of any other provision.

15.7 No Third-Party Beneficiaries. This Agreement is made solely for the benefit of the parties. No person other than such parties has any rights or remedies under this Agreement.

15.8 Solvency. Customer hereby represents and warrants that Customer is neither insolvent nor subject to any pending bankruptcy proceeding. Customer will promptly notify Bank of any such insolvency or proceeding.

15.9 Tax-Lot Selection Method. Customer has made its designation in the Application.

15.10 Shareholder Communications Act Election. Customer has made its election in the Application.

15.11 Abandoned Property. Bank will escheat Assets pursuant to the applicable state's abandoned property, escheat, or similar law, and Bank shall be held harmless therefrom. The provisions of this Section shall survive the termination of this Agreement.

15.12 Legal Advice. Customer hereby acknowledges that it (i) did not receive legal advice from Bank concerning this Agreement, (ii) had an adequate opportunity to consult an attorney of its choice before executing this Agreement, and (iii) executed this Agreement upon its own judgment and, if sought, the advice of such attorney.

15.13 Waiver of Jury Trial. Each party hereby irrevocably waives all right to a trial by jury in any action, proceeding, claim, or counterclaim (whether based on contract, tort, or otherwise) directly or indirectly arising out of or relating to this Agreement.

15.14 Legal Action. If Bank is served with a Legal Action, then Bank will, to the extent permitted by law, use commercially reasonable efforts to notify Customer of such service. Customer will reimburse Bank for any expenses, fees, costs, or other charges incurred by Bank in responding to the Legal Action, including, but not limited to, any fees charged by an attorney of Bank's choice. If Customer notifies Bank that Customer is seeking a protective order to resist the Legal Action, then Bank will provide reasonable cooperation at Customer's request and sole cost and expense. In any event, Bank may comply with the Legal Action at any time, except to the extent Bank has received a protective order that prevents Bank from complying. Any Legal Action is subject to Bank's right of setoff and Bank's security interest in the Account. Bank may assess a service fee against the Account for any Legal Action served on Bank regardless of whether the process is subsequently revoked, vacated, or released. Unless expressly prohibited by law, Bank will set off or enforce Bank's security interest against the Account for such fee prior to Bank's honoring the Legal Action. Bank will not be liable to Customer if an attachment, a hold, or the payment of Bank's fee from the Account leaves insufficient funds or results in the sale of Assets.

15.15 Interpleader. With respect to Assets that are the subject of a dispute, Bank may file an interpleader action or other petition with a court of competent jurisdiction for directions with respect to the dispute. Customer will reimburse Bank for any expenses, fees, costs, or other charges incurred by Bank in filing such petition and implementing such directions, including, but not limited to, any fees charged by an attorney of Bank's choice. Before disbursing Assets pursuant to such directions, Bank will deduct therefrom an amount in payment or reimbursement for all (i) compensation, expenses, fees, costs, or other charges incurred by Bank in providing services under this Agreement and (ii) funds or securities advanced under this Agreement.

15.16 Representations and Warranties. Customer hereby covenants that, if any of the representations or warranties that it provides in this Agreement becomes inaccurate or incomplete, it will promptly notify Bank thereof and of any fact, omission, event, or change of circumstances related thereto.

15.17 Publicity. No party will disclose the existence of this Agreement or any terms thereof in advertising, promotional, or marketing materials without obtaining, in each case, the prior written consent of each other party.

15.18 Counterparts and Duplicates. This Agreement may be executed in any number of counterparts, each of which shall be considered an original, but all of which together shall constitute the same instrument. This Agreement and any administrative form under this Agreement may be proved either by a signed original or by a reproduced copy thereof (including, not by way of limitation, a microfiche copy or an electronic file copy).

15.19 Effective Date. This Agreement will become effective when all parties have signed it. The date of this Agreement will be the date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature).

SECTION 16: SWEEP DIRECTION

16.1. Customer's Sweep Direction has been made in the Application.

16.2 If a First American Fund is identified above, Customer hereby acknowledges and confirms that Customer understands the following information about the First American Funds:

16.2.1 The open-end investment companies registered under the Investment Company Act of 1940 in the First American Funds, Inc. family (the "First American Funds") are distributed and underwritten by Bank's affiliate, Quasar Distributors, LLC.

16.2.2 Bank's affiliate, U.S. Bancorp Asset Management, Inc., serves as the funds' investment advisor and provides shareholder services. Bank provides custody services to the funds, and Bank's affiliate, U.S. Bancorp Fund Services, LLC, provides accounting, administration, and transfer-agent services.

16.2.3 Compensation paid to Bank and its affiliates by the First American Funds as well as other fees and expenses of the funds are detailed in the prospectuses.

16.2.4 Shares of registered investment companies are not deposits or obligations of, or guaranteed by, any bank, including any bank affiliated with U.S. Bancorp. Nor does the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other governmental agency insure such products. An investment in such products involves investment risks, including the possible loss of principal, due to fluctuations in each product's net asset value.

16.3 This authorization and direction shall continue in effect with respect to the identified fund should the fund be merged with or into another fund.

16.4 If the U.S. BANK IT&C CLIENTS NON-INTEREST BEARING ACCOUNT is identified above, Customer hereby acknowledges that uninvested cash is swept to the U.S. BANK IT&C CLIENTS NON-INTEREST BEARING ACCOUNT, a non-interest bearing deposit account at U.S. Bank National Association. Customer acknowledges that (i) the U.S. BANK IT&C CLIENTS NON- INTEREST BEARING ACCOUNT is owned by Bank on behalf of its customers, (ii) all deposits and withdrawals from such account are performed and controlled by Bank, and (iii) cash in the U.S. BANK IT&C CLIENTS NON-INTEREST BEARING ACCOUNT shall be insured by the FDIC, as determined under FDIC regulations, subject to applicable limits.

SECTION 17: PATRIOT ACT

17.1 By signing above, Customer acknowledges that they have received the following important information:

17.1 To help the United States fight the funding of terrorism and money laundering activities, U.S. law requires U.S. Bancorp, like other financial institutions, to obtain, verify, and record information that identifies each customer that opens an account.

17.1.2 When you open an account with us, we will ask for your legal name, address, date of birth, tax identification number, and other identifying information that will assist us with identifying you. We may also ask to see your photo identification (driver's license) or other identifying documents.

Mutual Fund Compensation Disclosure

U.S. Bancorp, or its affiliates, including U.S. Bancorp Asset Management, Inc. (USBAM), U.S. Bank N.A. (USBNA), Quasar Distributors, LLC (Quasar) and U.S. Bancorp Fund Services, LLC (USBFS) (hereafter together U.S. Bank) have entered, and will from time to time enter, into agreements with mutual funds and/or their sponsors, service providers and affiliates whereby U.S. Bank may receive compensation for investment advisory services, shareholder services, administration, custody, securities-lending, accounting, transfer agency, sub-transfer agency, National Securities Clearing Corporation (NSCC) networking, distribution, principal underwriting and other services rendered to, or on behalf of, mutual funds. Under these agreements, U.S. Bank generally receives a percentage compensation (basis points) for these services, based on account assets invested in a mutual fund and determined using the average daily net assets held by the account in that fund. This compensation does not increase the fees paid by an account beyond the fees described in the account fee schedule and the fund's prospectus. This Disclosure describes the compensation U.S. Bank receives for services it performs. This Disclosure should not be considered investment advice.

FIRST AMERICAN FUNDS, INC. MONEY MARKET FUNDS: The First American Funds, Inc. money market funds are U.S. Bank affiliated funds managed by USBAM. U.S. Bank provides services to these funds, which may include acting as investment advisor to the funds and/or providing administration, custody, shareholder, transfer agent, accounting, distribution and principal underwriting services. U.S. Bank receives fees for these services as shown in the schedule below. U.S. Bank may also receive fees from the funds for securities lending services of up to 20 percent of each fund's net income from securities lending transactions as addressed in the prospectuses.

U.S. Bank may waive a portion of the fees it is entitled to receive for providing services to the First American Funds, Inc. (Total Fees). Total Fees equal the Gross Advisory Fees and Gross Other Fees & Expenses and are stated before any waivers. Net Fees & Expenses shown below are stated after any waivers and expenses paid to third parties. Fee waivers may be terminated at any time. Gross Other Fees & Expenses may vary slightly based on charges for services rendered, but the basis for calculating these amounts does not change. If you have the authority to direct U.S. Bank with regard to the investments in the account, you authorize the fees paid by the funds and received by U.S. Bank up to the Total Annual Fund Operating Expenses disclosed in the prospectuses.

Affiliated Fund Name	Gross Advisory Fees	Gross Other Fees & Expenses Received By U.S. Bank					Net Fees & Expenses Received By U.S. Bank					
		Class X/Z/N/A	Class X	Class Z	Class V	Class Y	Class A	Class X	Class Z	Class V	Class Y	Class A
FIRST AMERICAN FUNDS												
Government Obligations	0.10%	0.14%	0.14%	0.24%	0.39%	0.69%	0.14%	0.18%	0.30%	0.45%	0.74%	
Institutional Prime Obligations	0.10%	0.14%	0.14%	0.24%	0.39%	0.69%	0.12%	0.18%	0.29%	0.43%	0.73%	
Retail Prime Obligations	0.10%	0.14%	0.14%	0.24%	0.39%	0.69%	0.04%	0.10%	0.17%	0.35%	0.65%	
Retail Tax Free Obligations	0.10%	N/A	0.16%	0.26%	0.41%	0.71%	N/A	0.09%	0.20%	0.35%	0.65%	
Treasury Obligations	0.10%	0.14%	0.14%	0.24%	0.39%	0.69%	0.12%	0.19%	0.28%	0.44%	0.73%	
U.S. Treasury Money Market	0.10%	N/A	0.15%	0.25%	0.40%	0.70%	N/A	0.14%	0.23%	0.38%	0.68%	

Fees and expenses above may be found in the fund prospectuses.

FIDELITY AND FEDERATED MONEY MARKET MUTUAL FUNDS: U.S. Bank may receive custody, shareholder servicing, accounting, administration, sub-transfer agency and other fees of up to 50 basis points, though more generally, fees range from zero to 25 basis points, from the following funds. Load fees described in prospectuses are waived.

Fund Name	Fund Name
Federated California Municipal Cash Trust – Institutional Shares	Fidelity Institutional Money Market Tax-Exempt Portfolio – Class I
Federated Minnesota Municipal Cash Trust – Institutional Shares	Fidelity Institutional Money Market Treasury Only Portfolio – Class I
Federated Ohio Municipal Cash Trust – Institutional Shares	Fidelity Institutional Money Market Treasury Portfolio – Class I
Fidelity Institutional Money Market Government Portfolio – Class I	Fidelity Money Market Portfolio – Class I
Fidelity Institutional Money Market Prime Portfolio – Class I	



Investment products and services are:

NOT A DEPOSIT	NOT FDIC INSURED	MAY LOSE VALUE	NOT BANK GUARANTEED	NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
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Continued on next page

NUVEEN MUTUAL FUNDS: Firststar Capital Corporation (Firststar Capital), an affiliate of U.S. Bancorp, holds a less-than-10 percent ownership interest in Windy City Investments Holdings, LLC, which was formerly the parent of Windy City Investment, Inc. and the indirect parent of Nuveen Fund Advisors, LLC, which is the investment advisor to the Nuveen Mutual Funds. On October 1, 2014, Windy City Investments, Inc. was sold to Teachers Insurance and Annuity Association of America. As a result of the sale, U.S. Bancorp no longer has an indirect ownership interest in Nuveen Fund Advisors, LLC. Depending on the outcome of certain factors, Firststar Capital might in the future receive an earn-out payment in respect to its interest in Windy City Investment Holdings, LLC, under the terms of the sale. If U.S. Bank exercises investment discretion over the assets of an irrevocable trust or ERISA or IRA account, to the extent the earn-out payment is attributable to the account's interest in Nuveen Mutual Funds, U.S. Bank will credit to the account a proportionate amount of the payment. Importantly, the sale changed neither the services that U.S. Bank expects to provide to the accounts holding Nuveen Mutual Funds nor the compensation that U.S. Bank expects to receive for providing such services.

OTHER MUTUAL FUNDS: U.S. Bank may enter into agreements with mutual funds other than First American Funds, including the Nuveen Mutual Funds (Other Mutual Funds) or with Other Mutual Funds' service providers (including investment advisors, administrators, transfer agents or distributors) whereby U.S. Bank provides services for a fee to, or on behalf of, the Other Mutual Funds. Services may include, as applicable, custody and shareholder services provided by USBNA (fee rates for these services may be up to 75 basis points, though more generally fees range from 17 to 25 basis points), networking services provided by NSCC (fee rates for these services may be up to 140 basis points), distribution and principal underwriter services provided by Quasar (fee rates for these services may be up to 95 basis points), accounting, administration and sub-transfer agency services provided by USBFS (fee rates for these services may be up to 30 basis points) and USBFS employees may also serve on the board of directors or as officers of Other Mutual Funds at no additional charge.

U.S. Bank has also entered into an agreement with National Financial Services, LLC (NFS) to provide shareholder and administration services for, or on behalf of, NFS, Fidelity Brokerage Services, LLC and the Other Mutual Funds available on the NFS platform (fee rates for these services may be up to 19 basis points). The fees received by U.S. Bank may include 12b-1 fees.

U.S. Bank will receive shareholder servicing compensation of up to 15 basis points on account assets invested in the Nuveen Mutual Funds. However, U.S. Bank will receive no shareholder service compensation for Nuveen Mutual Fund holdings in ERISA or IRA accounts, Nuveen will retain these fees.

OTHER IMPORTANT INFORMATION: Fees received by U.S. Bank from Nuveen Mutual Funds, Fidelity and Federated Money Market Mutual Funds, Other Mutual Funds and National Financial Services, LLC are not in addition to, and do not increase, fund operating expenses or other fees and expenses as described in the applicable prospectuses.

U.S. Bank may also receive fees from Nuveen Mutual Funds and Other Mutual Funds for securities lending services, which are generally calculated as a percentage of each fund's net income from securities lending transactions.

U.S. Bank may be affiliated with certain Nuveen Mutual Funds, Fidelity and Federated Money Market Mutual Funds and Other Mutual Funds within the meaning of section 2(a)(3) of the Investment Company Act of 1940. Quasar may be the principal underwriter of such funds within the meaning of section 2(a)(29) of the Act. If U.S. Bank exercises investment discretion over the assets of an ERISA or IRA account, which invests in a mutual fund for which U.S. Bank is such an affiliate or principal underwriter, then U.S. Bank refunds to that account the fees received from that affiliated fund.



U.S. Bancorp Asset Management, Inc. (USBAM) is a registered investment advisor and a wholly-owned subsidiary of U.S. Bank National Association. USBAM serves as investment advisor to First American Funds, Inc. First American Funds, Inc. are distributed by Quasar Distributors, LLC, an affiliate of the investment advisor. U.S. Bank is not responsible for and does not guarantee the products, services or performance of USBAM or Quasar Distributors, LLC. If investing in mutual funds, each fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information. Please contact the fund or a member of your relationship team for a copy. Read the prospectus carefully before investing.

Mutual fund investing involves risk and principal loss is possible. Investing in certain funds involves special risks, such as those related to investments in small- and mid-capitalization stocks, foreign, debt and high-yield securities and funds that focus their investments in a particular industry. Please refer to the fund prospectus for additional details pertaining to these risks.

Income from tax-exempt funds may be subject to state and local taxes and a portion of income may be subject to the federal and/or state alternative minimum tax for certain investors. Federal and/or state income tax rules will apply to any capital gains distribution.

An investment in money market funds is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. It is possible to lose money by investing in these funds.

See the applicable fund prospectuses, which may be found on the fund companies' websites, for a complete description, including calculation formulas, for management, custody and other fees associated with the mutual funds. For more information, including whether a fund is affiliated with, or pays U.S. Bank fees, contact your Portfolio Manager or a member of your relationship team.

www.federatedinvestors.com | www.fidelity.com | www.firstamericanfunds.com | www.nuveen.com

Information as of December 2016

Custody Fee Schedule

For Clients of Meeder Investment Management

CUSTODIAL SERVICES

FEE: 1 BPS ON MARKET VALUE

- | | |
|------------------------------------------|------------------------------------|
| ■ Safekeeping of assets | ■ Income Collection |
| ■ Transaction settlement | ■ Corporate Action Processing |
| ■ Cash Management (all cash swept daily) | ■ Proxy distribution |
| ■ Online account access | ■ Asset Valuation |
| ■ Consolidated accounting & reporting | ■ Class Action Proceeds collection |

TRANSACTION PROCESSING

- | | |
|--------------------------------------|------------|
| ■ Purchases/Sales/Principal Paydowns | ■ Included |
| ■ Physical Trades | ■ Included |
| ■ Mutual Funds Transactions | ■ Included |
| ■ Security Holding Fees | ■ Included |
| ■ Cash receipts and disbursements | ■ Included |

SERVICE AND FEE ASSUMPTIONS

- Custody Fees are charged to the account monthly
- U.S. Bank does not have investment management responsibility
- Fee schedule assumes exclusive use of U.S. Bank approved products for the investment of short term cash.
- This fee schedule pertains to domestic securities. International securities priced separately

Account Name Clearview Local School District

Client Signature _____ Date _____

All of  serving you™



U.S. Bank reserves the right to adjust the fees quoted in this fee schedule should any of the information and assumptions used to generate these fees change prior to the conversation of the account to U.S. Bank.

Meeder Public Funds, Inc.

Advisory Services Brochure

6125 Memorial Drive
Dublin, OH 43017
614-766-7000
800-325-3539
www.meederinvestment.com

FORM ADV, Part 2A

March 31, 2018

This brochure provides information about the qualifications and business practices of Meeder Public Funds, Inc. If you have any questions about the contents of this brochure, please contact us at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Meeder Public Funds, Inc. is registered with the SEC as an investment adviser; however, registration does not imply any level of skill or training.

Additional information about Meeder Public Funds, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

No material changes have been made to the brochure since its last annual update dated March 31, 2017. Copies of the Form ADV, Part 2A Advisory Services Brochure for Meeder Public Funds are available on Meeder's website at www.meederinvestment.com or by contacting your investment representative.

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ITEM 4 – ADVISORY BUSINESS

Meeder Investment Management, Inc. (“MIM”) offers a complete range of equity, fixed income and cash management investment solutions through its wholly-owned SEC registered investment advisers: Meeder Public Funds, Inc. (“MPF”), Meeder Asset Management, Inc. (“MAM”), and Meeder Advisory Services, Inc. (“MAS”). MIM’s principal owners are Robert Meeder, Jr. and Robert Meeder, Sr. All affiliates of MIM are located at 6125 Memorial Drive, Dublin, Ohio 43017 and share employees.

Meeder Public Funds, Inc.

MPF provides professional investment advisory and administrative services to state and local public funds managers utilizing a variety of fixed income portfolio solutions. MPF was established in 1990 as Productive Capital Management, Inc. On October 1, 2013, Productive Capital Management, Inc. was acquired by MIM and the company changed its name to MPF on March 31, 2015. In some instances, MPF continues to conduct business under the name of Productive Capital Management.

As of December 31, 2017, MPF’s regulatory assets under management were \$4,194,119,095 of which \$2,068,613,302 was managed on a discretionary basis and \$2,125,505,793 was managed on a non-discretionary basis.

Investment Advisory Services

MPF provides a variety of investment advisory services to state and local governments, including counties, cities, school districts, villages, townships, universities, special districts, libraries, and state agencies (“Public Clients”). MPF provides Public Clients with investment advice limited to the purchase or sale of fixed

income securities, including U.S. Government securities, agencies, commercial paper, banker’s acceptances, corporate bonds, municipal debt, bank deposits, and money market funds. MPF may also recommend a local government investment pool or other bank liquidity products for a client’s cash management needs.

MPF tailors its services to its Public Clients, utilizing investments permissible under the applicable state investment code and the Public Client’s investment policy. Public Clients may impose restrictions as long as they are legally permissible under the applicable laws and administrative rules. In addition to portfolio management services, MPF also provides educational services, compliance reviews, administrative services and consulting services.

ITEM 5 – FEES AND COMPENSATION

The fees charged by MPF for its advisory services are typically based on a percentage of assets under management. Fees are negotiable and may vary depending on a variety of factors, including the types of investments permitted, the size of the portfolio, the relationship with the client, and specific service requirements for a given account.

Standard Fee Schedule

Assets	Advisory Fee
Up to \$25 million	10 basis points
Over \$25 million and up to \$50 million	8 basis points
Over \$50 million and up to \$100 million	6 basis points
Over \$100 million	Negotiable

The advisory fee is subject to a minimum of \$5,000 per year. Consulting and educational services may be provided under an hourly fee or flat fee arrangement and will vary depending upon the scope of the engagement.

Public Clients are generally billed monthly in arrears; however, they may request quarterly billing. Public Clients may authorize their custodian to directly debit the fee from assets held in their custodial account. Advisory fees billed as a percentage of assets under management are based on the value of assets at the end of each billing period. Public Clients that pay a flat fee will receive an invoice for the billing period selected. The adviser provides a fee invoice to all clients. Accounts initiated or terminated during a billing period will be charged a prorated fee.

Other Fees and Expenses

Public Clients may pay other expenses in addition to the fees paid to MPF, including brokerage commissions, transaction fees, custodial fees, transfer taxes, wire transfer fees, and other fees and taxes charged to brokerage accounts and securities transactions. Money market mutual funds and local government investment pools also charge internal management fees which are disclosed in a fund's prospectus or publicly available financial reports. Item 12 of this brochure provides additional information about the Adviser's brokerage practices.

In some cases, MPF accounts may pay a separate referral fee, known as a solicitor payment, to an unaffiliated third party broker-dealer or investment adviser pursuant to a written agreement. Any solicitor payment will be fully disclosed in a separate disclosure attached to the client's investment advisory agreement. Solicitor fees are paid separately from the advisory fee charged by MPF and may increase the fees paid by the client. Annual fees payable to solicitors are negotiable and range up to 0.05% of the assets under management. Item 14 of this brochure provides additional information about the adviser's referral payment policies.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

MPF does not charge performance-based fees.

ITEM 7 – TYPES OF CLIENTS

MPF offers discretionary and non-discretionary fixed income investment advisory services to Public Clients, including counties, cities, school districts, villages, townships, universities, special districts, libraries, and state agencies.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

As an institutional fixed income manager, MPF's primary investment objectives are to provide safety of principal and

liquidity appropriate to each Public Client's cash flow needs while maximizing yield. The adviser tailors advice to each Public Client utilizing all investments permissible under the applicable state investment code, the Public Client's investment policy, and sources and uses of cash flow.

Methods of Analysis and Investment Strategies

MPF specializes in quantitative investment analysis. Quantitative investment analysis is a method of evaluating securities and other assets by analyzing a large amount of data through the use of quantitative models to guide our investment decisions. Our models consider a wide breadth of factors – from traditional valuation and profitability measures, to momentum indicators, to other price signals. These diverse sets of inputs, combined with our proprietary signal construction methodology and optimization process, underpin the adviser's investment process. In addition, the adviser performs ongoing research to maintain the effectiveness of its quantitative investment analysis over time.

Portfolios are constructed and positioned to enhance performance through duration management as deemed appropriate for the anticipated interest rate environment. We utilize proprietary models designed to predict the direction of intermediate-term interest rates to determine the overall duration target for a Public Client's portfolio based upon the liquidity needs of the Public Client. Short-term interest rate models are also utilized to structure purchases within the portfolios, helping to identify opportunities within the marketplace to maximize interest income for our clients.

Fixed Income Risks

Investing in securities involves risk of loss that clients should be prepared to bear. Although MPF manages assets in a manner consistent with its Public Clients' stated risk tolerance, the investment decisions we make may not produce the expected returns, may cause the portfolio to lose value, or may cause the portfolio to underperform other portfolios with similar investment objectives. There is no assurance that a portfolio's objective will be achieved. Material risks associated with investing in fixed income securities include:

Interest Rate Risk: Fixed income security prices increase or decrease in value as interest rates increase or decrease. Generally, if interest rates increase, the values of fixed income securities decrease; if interest rates decrease, the values of fixed income securities increase.

Issuer/Credit Risk: Issuers may not make payments on securities they issue. If the credit quality of a security is lowered due to the issuer's financial condition, it may affect the value of the security as well as the liquidity or our ability to sell the security.

Liquidity Risk: Some of our Public Clients invest in bank certificates of deposit. Collateralized CDs are non-negotiable and, if required to sell before it matures, a principal loss may be realized.

Reinvestment Risk: It may not be possible to reinvest cash flows at a rate equal to the asset's current rate of return after a security matures. Generally, this may occur if interest rates decrease over the period of time during which the asset is held.

Quantitative Analysis Risk: The adviser relies heavily on quantitative data supplied by third parties to evaluate investments and construct optimal portfolios. In the event this data is inaccurate or incomplete, investment decisions may be compromised. Quantitative analysis is unlikely to be successful unless the quantitative assumptions made by the adviser remain relevant in future market conditions. If future market environments do not reflect the assumptions made in our quantitative models, quantitative investment strategies employed may exhibit capital loss.

General Economic Risk: In the event a Public Client needs to raise cash for budgetary reasons or portfolios need to be realigned, it may be necessary to sell securities at a loss due to fluctuations in the market value of the portfolio.

ITEM 9 – DISCIPLINARY INFORMATION

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. MPF has no reportable disclosures.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

MPF is a wholly owned subsidiary of MIM. Other wholly owned subsidiaries of MIM include MAM, MAS, Adviser Dealer Services, Inc. ("ADS"), and Mutual Funds Service Company ("MFSCo").

MAM is a registered investment adviser that serves as the investment adviser for the Meeder family of Mutual Funds. In addition, MAM provides investment advisory services to individuals, corporations, institutional entities, retirement plans and their participants. MAM also provides investment advisory services to STAR Ohio, a local government investment pool. Doing business as Public Funds Administrators, MAM also serves as the administrator for STAR Plus, an FDIC insured bank deposit program. MAM receives an advisory fee for services provided to STAR Ohio and an administration fee for services provided to STAR Plus.

MAS is registered investment adviser that typically serves as an investment strategist, providing independent broker-dealers, investment advisers, and other financial intermediaries with access to Meeder's investment portfolios and retirement portfolios, which consist principally of Meeder Funds. In addition, MAS provides investment management services to retirement plans and their participants.

ADS is a limited purpose broker-dealer and FINRA member firm which serves as the principal underwriter and distributor of the

Meeder Funds. ADS does not hold client accounts or execute trades for MIM affiliates.

MFSCo provides shareholder, transfer agent and dividend distribution services for the Meeder Funds. Acting as the administrator for Meeder Funds, MFSCo also enters into selling agreements with unaffiliated broker-dealers and financial intermediaries to distribute and provide other services in connection with the sale of fund shares. Doing business as Public Funds Administrators, MFSCo also serves as the co-administrator of STAR Ohio and receives an administration fee for these services.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

MPF has adopted a Code of Ethics that complies with Rule 17j-1 of the Investment Company Act of 1940 and Rule 204A-1 of the Investment Advisers Act of 1940. The Code sets forth fiduciary standards that govern the conduct of directors, officers and employees who have access to client information. The Code incorporates the firm's outside employment, political contribution, and gift policies. Personnel subject to the Code must acknowledge their compliance with the Code and applicable securities laws and report any violations of the Code with which they become aware to the firm's Chief Compliance Officer. A copy of the Code is available to prospective and current clients upon request.

Personal Trading Policies

Directors, officers and employees of MPF and its affiliates may take positions in securities owned by the firm's clients, which may pose a potential conflict of interest. The firm has implemented policies designed to detect and mitigate such conflicts of interest, including prohibitions on unacceptable trading activities, such as front running, short-swing trading and insider trading. Directors, officers and employees who recommend securities or have access to non-public information are prohibited from personally trading in reportable securities recommended to clients in close proximity to the client's transaction. Employees having access to this information must also make periodic reports of their securities accounts and transactions in reportable securities.

Participation or Interest in Client Transactions

Where appropriate, MPF may recommend the use of STAR Ohio or STAR Plus to its Public Clients. Assets placed in STAR Ohio or STAR Plus by a Public Client are not included when calculating the asset management fee charged by MPF. Because MPF's affiliates receive advisory and administrative fees in connection with the STAR Ohio and STAR Plus programs, and these fees vary between the products, this practice presents a conflict of interest. To mitigate this conflict, MPF fully discloses this relationship and the terms and conditions of each program to its clients in connection with any recommendation of STAR Ohio or STAR Plus products.

ITEM 12 – BROKERAGE PRACTICES

Selection of Broker-Dealers for Client Transactions

MPF trades with a list of local and nationally recognized broker-dealers that have been selected by the adviser based on their reputation, competitive pricing, and trade execution. MPF's goal when selecting a particular broker or dealer is to obtain the best price and trade execution for our Public Clients. When selecting broker-dealers, MPF does not consider whether the adviser or an affiliate receives Public Client referrals from the broker-dealer.

Public Clients may direct MPF to execute transactions through specific broker-dealers selected by the Public Client. When selecting this option, the Public Client may forgo any benefits from savings on execution costs that the adviser may obtain for its other clients through volume discounts on aggregated orders and may pay higher commission rates than other clients of the adviser.

Directed Brokerage and Soft Dollar Arrangements

MPF does not engage in directed brokerage or soft dollar arrangements, including markups or markdowns in order to obtain research or any other product or service from any broker-dealer.

Trade Aggregation

MPF may elect to aggregate trades executed for a Public Client's account with trades being executed for the same securities in other accounts we manage. Each client participating in an aggregated transaction receives the same price and participation in such trades is allocated pro-rata based on the size of the order.

ITEM 13 – REVIEW OF ACCOUNTS

MPF generally performs a daily review of transactions in Public Client accounts and portfolios are generally reviewed at least monthly. In addition, Public Client portfolio reviews may be conducted in response to changes in market conditions or changes to client situations. Generally, the assigned portfolio manager performs account reviews in coordination with the portfolio management team.

On a monthly or quarterly basis depending on client needs, MPF generally provides Public Clients with written periodic investment reports summarizing holdings information. In addition, MPF may provide additional forms of reporting to Public Clients as agreed by MPF and the client. Public Clients also receive a summary statement from their qualified custodian or safekeeping agent at least quarterly.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

MPF may pay referral fees, known as solicitor payments, to unaffiliated third party broker-dealers and investment advisers pursuant to a written agreement. Under these agreements, MPF or one of its affiliated advisers pays a fee collected from the client

to the referring broker-dealer or investment adviser. Any solicitor payment must be approved by the client after being provided with identity of the solicitor, the amount of the compensation, and the nature of the relationship. Solicitor fees are paid separately from any advisory fee charged by MPF and may increase the fees paid by the client. Annual fees payable to solicitors are negotiable and range up to 0.05% of the assets under management.

MPF does not receive any economic benefit from non-clients in connection with giving advice to clients.

ITEM 15 – CUSTODY

MPF and its affiliates do not provide custodial services to Public Clients. Public Clients may elect to use the services of MPF's preferred custodian or elect to maintain assets at a bank, broker-dealer, or other qualified custodian of their choosing.

ITEM 16 – INVESTMENT DISCRETION

MPF will accept discretionary or non-discretionary authority to manage Public Client assets. Under either circumstance, the adviser will observe limitations and restrictions that are outlined in each Public Client's investment policy agreement or restrictions imposed by state laws or regulations. Investment guidelines and restrictions must be provided to the adviser in writing.

For non-discretionary Public Clients, MPF will make recommendations that must be authorized by the Public Client prior to execution of the transaction. For discretionary Public Clients, securities will be purchased and sold for the account without obtaining prior approval for the security selected, amount of securities bought or sold, or the broker-dealer used to execute each transaction. Authorization for discretionary management is obtained through a signed investment management agreement. Discretionary management of accounts is undertaken in accordance with the applicable state investment code and the Public Client's investment policy.

ITEM 17 – VOTING CLIENT SECURITIES

MPF does not accept or have the authority to vote Public Client securities. Public Clients will receive their proxies or other solicitations directly from their custodian or transfer agent. Public Clients may contact MPF if they have questions regarding a particular solicitation, but MPF will not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client.

ITEM 18 – FINANCIAL INFORMATION

MPF has no financial commitments that impair its ability to meet contractual and fiduciary commitments to its clients and has not been subject to a bankruptcy proceeding.

Investment Team

6125 Memorial Drive
Dublin, OH 43017
(614) 766-7000

Jason Click (b. 1977)
Senior Vice President

Educational Background

The Ohio State University, B.S. Business Administration

Business Experience

04/2009 – Present Meeder Investment Management, Senior VP
06/2005 – 12/2008 New Covenant Trust Company, VP
06/2004 – 06/2005 BISYS Fund Services, VP of Mutual Fund Sales
12/2003 – 02/2004 Bank One, Relationship Banker

Certifications

Certified Financial Planner – CFP®

Licenses

The Adviser holds a Financial Industry Regulatory Authority Series 6, 7, and 66 License.

Disciplinary Information

The Adviser has no legal or disciplinary events to disclose.

Other Investment-Related Business Activities

The Adviser is a registered representative of Adviser Dealer Services, Inc., an affiliated broker-dealer, and sometimes receives commissions for the sale of securities products. This compensation gives the Adviser an incentive to recommend investment products based on the compensation he or she receives. Meeder discloses all such compensation to the client and implements policies and procedures intended to place the interests of its advisory clients first.

The Adviser is a licensed insurance agent. When offering insurance products, the Adviser typically receives the normal and customary commissions or fees associated with insurance sales.

Other Business Activities

The Adviser has no other business activities to disclose.

Additional Compensation

The Adviser has no additional compensation to disclose.

Supervision

Investment strategies for separately managed accounts, portfolios and retirement plans are reviewed by firm committees. The firm has also implemented policies and procedures reasonably designed to detect or prevent inappropriate conduct. The supervisor is responsible for ensuring that the firm's policies are implemented on a consistent basis.

Supervisor: Bob Meeder, Chief Executive Officer
Telephone: (614) 766-7000

Certifications

Certified Financial Planner – CFP®

The Certified Financial Planner™ is a voluntary certification granted by the Certified Financial Planner Board of Standards, Inc. Individuals must satisfactorily fulfill the following requirements: a) complete an advanced college-level course of study addressing the financial planning subject areas; b) pass a comprehensive examination; c) complete at least three years of full-time financial planning-related experience; d) agree to be bound by CFP Board's Standards of Professional Conduct; and e) complete 30 hours of continuing education hours every two years.

Investment Team

6125 Memorial Drive
Dublin, OH 43017
(614) 766-7000

Jason Headings (b. 1982)
Senior Vice President

Educational Background

Miami University, B.A. Finance & Marketing

Business Experience

02/2006 – Present Meeder Investment Management; Senior VP, Director of Fixed Income, Portfolio Manager
07/2004 – 10/2006 PFS Investments; Registered Representative

Certifications

Chartered Market Technician – CMT®

Licenses

The Adviser holds a Financial Industry Regulatory Authority Series 6 License.

Disciplinary Information

The Adviser has no legal or disciplinary events to disclose.

Other Investment-Related Business Activities

The Adviser is a registered representative of Adviser Dealer Services, Inc., an affiliated registered broker-dealer. The Adviser does not receive commissions or other transactional compensation from Adviser Dealer Services, Inc.

Other Business Activities

The Adviser has no other business activities to disclose.

Additional Compensation

The Adviser has no additional compensation to disclose.

Supervision

The firm has also implemented policies and procedures reasonably designed to detect or prevent inappropriate conduct. The supervisor meets regularly with the Adviser to review and monitor his or her activities and client recommendations.

Supervisor: Jason Click
Telephone: (614) 766-7000

Certifications

Chartered Market Technician – CMT®

The Chartered Market Technician® credential is the preeminent, global designation for practitioners of technical analysis. The designation is awarded to those who demonstrate mastery of a core body of knowledge of investment risk in portfolio management settings. To earn the CMT charter an individual must be a Member of the Market Technicians Association (MTA), successfully complete three levels of examinations and obtain approval from the MTA Admissions Committee and Board of Directors.

Investment Team

6125 Memorial Drive
Dublin, OH 43017
(614) 766-7000

Eileen Stanic (b. 1958)
Senior Public Funds Adviser

Educational Background

Cleveland State University, B.B.A. Finance

Business Experience

10/2014 – Present	Meeder Investment Management, Senior Public Funds Adviser
04/2011 – 09/2014	Robert W. Baird & Co., VP and Sr. Relationship Manager
06/2003 – 12/2010	Productive Capital Management, Inc., Managing Director
12/2002 – 07/2003	Citigroup Global Markets, Inc., Financial Advisor

Certifications

Certified Treasury Professional (CTP)

License

The Adviser holds a Financial Industry Regulatory Authority Series 7, 63, 65, and 66 License.

Disciplinary Information

The Adviser has no legal or disciplinary events to disclose.

Other Investment-Related Business Activities

The Adviser has no other investment-related business activities to disclose.

Other Business Activities

The Adviser has no other business activities to disclose.

Additional Compensation

The Adviser has no additional compensation to disclose.

Supervision

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Supervisor: Jason Headings
Telephone: (614) 766-7000

Certifications

Certified Treasury Professional – CTP®

The Certified Treasury Professional® designation is sponsored by the Association for Financial Professionals® (AFP) and serves as a benchmark of competency in the finance profession. To earn and keep the designation, finance professionals must have two years of qualifying professional work experience, pass the CTP exam, earn and report 36 continuing education credits every three years, and abide by the AFP's Standards of Ethical Conduct.

Investment Team

6125 Memorial Drive
Dublin, OH 43017
(614) 766-7000

Scott Gruber (b. 1989)
Client Portfolio Manager

Educational Background

Otterbein University, B.S. Business Administration, Finance

Business Experience

08/2011 – Present Meeder Investment Management; Client Portfolio Manager, Sr. Investment Analyst, Reporting Analyst
06/2009 – 08/2011 Farmers Citizens Bank, Credit Analyst

Certifications

Chartered Market Technician – CMT®

Licenses

The Adviser holds a Financial Industry Regulatory Authority Series 7 License.

Disciplinary Information

The Adviser has no legal or disciplinary events to disclose.

Other Investment-Related Business Activities

The Adviser is a registered representative of Adviser Dealer Services, Inc., an affiliated registered broker-dealer. The Adviser does not receive commissions or other transactional compensation from Adviser Dealer Services, Inc.

Other Business Activities

The Adviser has no other business activities to disclose.

Additional Compensation

The Adviser has no additional compensation to disclose.

Supervision

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Supervisor: Jason Headings
Telephone: (614) 766-7000

Certifications

Chartered Market Technician – CMT®

The Chartered Market Technician® credential is the preeminent, global designation for practitioners of technical analysis. The designation is awarded to those who demonstrate mastery of a core body of knowledge of investment risk in portfolio management settings. To earn the CMT charter an individual must be a Member of the Market Technicians Association (MTA), successfully complete three levels of examinations and obtain approval from the MTA Admissions Committee and Board of Directors.

Investment Team

6125 Memorial Drive
Dublin, OH 43017
(614) 766-7000

Mike Kloack (b. 1968)
Senior Public Funds Advisor

Educational Background

Bachelor of Business Administration, Baker College
Masters of Business Administration, Spring Arbor University

Business Experience

05/2017 – Present Meeder Investment Management; Senior Public Funds Adviser
8/2015 – 5/2017 GPS Consulting Services, LLC
9/2001 – 8/2015 Stauder, Barch & Associates, Inc.

Licenses

The Adviser holds a Financial Industry Regulatory Authority Series 65 License.

Disciplinary Information

The Adviser has no legal or disciplinary events to disclose.

Other Investment-Related Business Activities

The Adviser is a registered representative of Adviser Dealer Services, Inc., an affiliated registered broker-dealer. The Adviser does not receive commissions or other transactional compensation from Adviser Dealer Services, Inc.

Other Business Activities

The Adviser has no other business activities to disclose.

Additional Compensation

The Adviser has no additional compensation to disclose.

Supervision

The firm has also implemented policies and procedures reasonably designed to detect or prevent inappropriate conduct. The supervisor meets regularly with the Adviser to review and monitor his or her activities and client recommendations.

Supervisor: Jason Headings
Telephone: (614) 766-7000

Investment Team

6125 Memorial Drive
Dublin, OH 43017
(614) 766-7000

Tim Irwin (b. 1977)
Vice President

Educational Background

University of Colorado, B.A. in Economics

Business Experience

06/2017 – Present	Meeder Investment Management
01/2015 – 05/2016	Montage Securities, LLC
04/2014 – 01/2015	J.P. Morgan Institutional Investments Inc.
07/2011 – 07/2013	Unified Financial Securities, Inc.
01/2011 – 02/2011	J.P. Morgan Institutional Investments Inc.
05/2006 – 02/2011	JPMorgan Distribution Services, Inc.
07/2004 – 10/2005	A. G. Edwards & Sons, Inc.
09/2000 – 03/2004	Harris Investor Services LLC

Certifications

Certified Investment Management Analyst®

Licenses

The Adviser holds a Financial Industry Regulatory Authority Series 7, a Series 63, and a Series 65 License.

Disciplinary Information

The Adviser has no legal or disciplinary events to disclose.

Other Investment-Related Business Activities

The Adviser is a registered representative of Adviser Dealer Services, Inc., an affiliated registered broker-dealer. The Adviser does not receive commissions or other transactional compensation from Adviser Dealer Services, Inc.

Other Business Activities

The Adviser has no other business activities to disclose.

Additional Compensation

The Adviser has no additional compensation to disclose.

Supervision

The firm has also implemented policies and procedures reasonably designed to detect or prevent inappropriate conduct. The supervisor meets regularly with the Adviser to review and monitor his or her activities and client recommendations.

Supervisor: Jason Headings
Telephone: (614) 766-7000

Certifications

Certified Investment Management Analyst – CIMA®

The Certified Investment Management Analyst® certification is administered through the Investment Management Consultants Association (IMCA) and signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for investment management consulting. To earn and maintain the designation, candidates must have three years of financial services experience, complete a one-week classroom education program, pass an online certification examination, and report 40 hours of continuing education credits every two years.



Privacy Policy

In order to enhance our ability to provide you with the best service possible, Meeder Investment Management, Inc. and its affiliates, including Meeder Asset Management, Inc., Meeder Advisory Services, Inc., Meeder Public Funds, Inc., Adviser Dealer Services, Inc., and Mutual Funds Service Company (referred to as "Meeder", "we" or "us") collect, use, and share certain information about you. This policy explains what information we collect and with whom we share it. The practices described in this policy are applicable to all consumers, including current and former customers, who do business with us. The policy also explains how we protect the security and confidentiality of our customer information.

A. INFORMATION WE COLLECT AND SOURCES OF INFORMATION

We may collect information about Meeder customers to help service and manage your account and to assist in offering services and products you may find valuable. We collect this information from a variety of sources, including:

- Information we receive from you on account application and other forms (e.g., your name, address, date of birth, social security number, and investment information);
- Information about your transactions and experiences with us (e.g., your account balance, transaction history, and investment selections); and
- Information we obtain from third parties regarding their brokerage, investment advisory, custodial, or other relationship with you (e.g., your account number, account balance, and transaction history).

B. INFORMATION WE SHARE WITH SERVICE PROVIDERS

We may disclose all of the information we collect, as described in paragraph A, to companies (including affiliates) that perform services on our behalf, including those that assist us in responding to inquiries, processing transactions, preparing and mailing account statements, and other forms of customer servicing.

C. INFORMATION WE SHARE WITH AFFILIATES

Our affiliates are financial service providers that offer transfer agency, customer accounting, administrative, customer servicing, investment advisory, brokerage, and other financial services. In addition to the information we share with affiliates that provide services to us, we may share information described in paragraph A among affiliates to better assist you in achieving your financial goals.

D. INFORMATION WE SHARE WITH NONAFFILIATED THIRD PARTIES

We do not disclose any nonpublic personal information about our customers or former customers to nonaffiliated third parties, except as described in paragraph B above and as required or permitted by law.

E. SECURITY AND CONFIDENTIALITY OF YOUR INFORMATION

We maintain policies, and require all nonaffiliated third parties to maintain policies, to safeguard customer information. We restrict access to nonpublic personal information about you to those employees (or people working on our behalf and under confidentiality agreements) who need to know that information in order to provide products and services to you. We also maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

F. CHANGES TO THIS POLICY

We may amend this policy at any time, and we will notify you of changes to its terms and conditions. In addition, we will provide customers a copy of this policy annually.

Clearview Local School District NARCAN ADMINISTERING Policy

PROCUREMENT AND USE OF NALOXONE (NARCAN) IN EMERGENCY

In accordance with state law, the Clearview Local School District shall procure Naloxone ("Narcan") for use in emergency situations. Narcan is a drug that may be obtained with or without a prescription and is used to treat individuals who are experiencing, or may be experiencing, an opioid-related overdose.

The Administrative Guidelines shall:

- A. specify the individuals employed by the Clearview Local School District who may, in accordance with Service Entity SB319, procure Narcan;
- B. include the physician-established protocol(s), as required by law
- C. identify the location in each building where Narcan shall be stored. Location will be easy access to trained personnel, out of reach of students and others;
- D. specify the conditions under which Narcan must be stored, replaced, and disposed of;
- E. specify the individuals employed or under contract with Clearview Local School District who are authorized to use Narcan in emergency situations;
- F. specify the training that the employees or contractors must complete before being authorized to access and administer Narcan; and
- G. specify that the assistance from an emergency medical service provider (911) must be requested as soon as practicable before or after Narcan is administered.

Clearview Local School District

NARCAN ADMINISTERING GUIDELINES

PURPOSE

To establish guidelines governing the utilization of Narcan by the staff of Clearview Local School District.

POLICY

It is the policy of Clearview Local School District that selected staff will be trained in the administration of Nasal Narcan. Kits will be stored in the _____ in a secure area.

PROCEDURE

Narcan may be used when staff reasonably believes that a person is in an opiate-induced state based on the following information/personal observation:

- When a person appears to be suffering from an opiate overdose on school property
- When observing drugs, paraphernalia or any other drug instrument associated with the individual
- When the person is found to be unresponsive, there is an absence of breathing or the victim has no pulse, is unresponsive to a sternum rub or has bluish nail beds or lips

Staff will immediately dial 911 and report that there is a suspected overdose on school property. Follow Service Entity Protocol and administer Narcan as trained. As soon as emergency medical services arrive on the scene, staff will take a secondary role to assist as needed.

Staff will take steps to insure their safety as well as the safety of the victim and use personal protective equipment as needed (gloves, face shield etc...). Other trained staff should be assisting as necessary.

NASAL NARCAN ADMINISTRATION

Post administration of Narcan requires staff to complete an Administration of Narcan Incident Report and submit to the school security or designee.

MAINTENANCE/REPLACEMENT

Narcan is a prescription medication and has a shelf life of two (2) years. The Clearview Local School District will designate a staff member to monitor and replace all Narcan kits subject to dates of expiration.

RECORD KEEPING

School designee, shall maintain:

1. List of all staff trained in the Administration of Narcan on the Service Entity Protocol,
2. Current Naloxone (Narcan) inventory log,
3. Completed incident report for each instance that Narcan was administered with the following information;
 - The date and time of administration,
 - The time 911 was called,
 - The name of the person who received the Narcan,
 - The name of the person who administered the Narcan,
 - The outcome of the incident

Completed incident report shall be kept in the _____ office showing each instance when Narcan was used, by whom, and the outcome of the administration.

Authorized Signature

Date