

**BOARD PROCEDURE**

**Descriptive Code: DDB**

**SCHOOL LOANS**

**Date: August 27, 2007**

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A school must present the following information to the Board of Education before any loan will be awarded:

- A completed and approved KHE procedure form
- A plan to address all applicable gender equity issues
- A detailed plan of the project, costs, and timelines (including the expected start and completion dates of the project)
- A detailed plan of the fundraisers, grants, etc. to repay the loan
- Proof of a minimum of 20% of the anticipated project cost in the local principal's account or a letter of intent for a grant or donation signed by the appropriate authority
- An original loan agreement signed by the loan guarantor (**principal on behalf of the school**)

**ADOPTED: 2/25/03 (New)**

**REVISED: 2/25/03**

**Columbia County Board of Education**

STATE OF GEORGIA  
COUNTY OF COLUMBIA

**AGREEMENT**

THIS AGREEMENT is made and entered into on \_\_\_\_\_ between the COLUMBIA COUNTY BOARD OF EDUCATION OF COLUMBIA COUNTY, GEORGIA (the "CCBOE") and \_\_\_\_\_ (the "SPONSOR ORGANIZATION");

WHEREAS, CCBOE has identified a need for:

\_\_\_\_\_  
\_\_\_\_\_(the "PROJECT") at \_\_\_\_\_, (the "PREMISES") but recognizes that this need is not its highest priority; and

WHEREAS, The SPONSOR ORGANIZATION wishes to assist in the funding for:

\_\_\_\_\_ now have agreed to enter into a Joint Venture with CCBOE to pay a defined portion of the costs of the PROJECT and The SPONSOR ORGANIZATION to reimburse CCBOE for the balance over an agreed period of time; and

WHEREAS, CCBOE and The SPONSOR ORGANIZATION have determined that it would be to the benefit of the taxpayers and school patrons of the CCBOE and the SPONSOR ORGANIZATION to jointly construct and pay for the PROJECT on the PREMISES under the terms and conditions of this Agreement.

NOW THEREFORE, for and in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**I. Construction.**

a. CCBOE AND The SPONSOR ORGANIZATION shall cause the following to be constructed and installed:

\_\_\_\_\_  
\_\_\_\_\_

As shown on the plans, specifications and bids, attached hereto as Exhibit "A" and by reference made a part hereof

b. CCBOE shall be responsible for obtaining and administering all activities relating to contracting for construction of the PROJECT, including without limitation: (i) Advertising and obtaining proposals for design and construction from architects, engineers, contractors and other professionals as necessary; (ii) Analyzing said proposals and awarding contracts to the appropriate persons and/or entities (the "Construction Contracts"); and (iii) Administering all Construction Contracts made pursuant to this Agreement; provided however, that CCBOE shall notify the SPONSOR ORGANIZATION of the general progress of the activity conducted by CCBOE in connection with the above referenced responsibility.

c. Construction work shall proceed with due diligence until completed.

d. The costs are estimated to be \$\_\_\_\_\_.  
The CCBOE shall contribute \$\_\_\_\_\_ and  
the SPONSOR ORGANIZATION shall be responsible to pay \$\_\_\_\_\_.

e. Promptly upon completion of the PROJECT, the SPONSOR ORGANIZATION shall reimburse CCBOE for of all reasonable costs (as hereinafter defined) upon receipt from CCBOE of a detailed account of such costs of construction and expenses,

plus costs of architectural and engineering fees previously paid by CCBOE. The SPONSOR ORGANIZATION additionally represents that it has individual Booster members who are willing to sign an obligation to guarantee and repay the CCBOE the remaining costs of the PROJECT.

For purposes of this paragraph, the term "construction costs" shall include:

i. All sums paid by CCBOE for labor, materials, utilities, equipment rental, permits and services utilized or provided in the construction of the PROJECT pursuant to above-referenced plans and specifications; and

ii. All sums paid by CCBOE for architectural and engineering services heretofore or hereafter provided in the design of said PROJECT or in connection with supervision of the construction of the same together with any and all other services reasonably required to be provided by the architect or engineer employed by CCBOE in connection with the construction of said PROJECT including specifically but not exclusively the solicitation and evaluation of bids for such construction and the obtaining of the necessary certificate of occupancy or use; and

iii. Any other fees and expenses reasonably required to be paid by CCBOE in connection with the completion of construction to said PROJECT.

The SPONSOR ORGANIZATIONS commitment to pay the agreed portion of said construction costs, inclusive of interest and any and all contingencies, shall not exceed \$\_\_\_\_\_ without the mutual written consent of the parties hereto. In event that CCBOE in good faith concludes that the cost of construction will exceed \$\_\_\_\_\_ such that The SPONSOR ORGANIZATION' obligation to repay said costs would exceed \$\_\_\_\_\_ the parties hereto shall confer with the architect or engineer and agree upon reasonable modifications to the plans and specifications which will reduce the construction costs so as to not exceed such maximum limit set forth herein without unreasonably restricting the ability of the parties to construct and utilize the PROJECT for the purposes intended.

2. Payment Agreement. The SPONSOR ORGANIZATION shall be responsible to pay to CCBOE without interest over a \_\_\_\_ year period, the sum of \$\_\_\_\_\_. The first payment shall be due \_\_\_\_\_ with the second payment being due and payable on \_\_\_\_\_. If, upon \_\_\_\_\_, the \_\_\_\_\_ have repaid not less than one-half (1/2) of the \$\_\_\_\_\_, the BOE shall allow an additional \_\_\_\_ year extension for the balance to be repaid, with the final \_\_\_\_\_ payments being due \_\_\_\_\_ and \_\_\_\_\_, respectively. Under all circumstances will time be of the essence in payment of these amounts.

To assure payment by the SPONSOR ORGANIZATION, individual members of the SPONSOR ORGANIZATION shall sign the limited personal guaranty attached as Exhibit "B" and by reference made a part hereof

3. Title to the PROJECT. At the completion of construction of the PROJECT, CCBOE shall possess fee simple title to the PROJECT.

4. Assignments. Neither party shall, without the prior written consent of the other, assign this Agreement or any interest or obligation thereunder.

5. **Default.** It is understood between the parties hereto that in the event of default by either of the parties during the term of this Agreement, the other party shall have the right forthwith to give notice thereof to the party in default, same to be in writing, and if such condition of default is not removed and restored within ten (10) days after receipt of such notice, then the other party shall forthwith have the option of declaring this Agreement in default and proceeding to enforce their rights in accordance with the law.

6. **Term: Termination.** This Agreement shall be for a term of two (2) years unless earlier terminated or mutually extended as provided herein.

7. **Miscellaneous.**

a. **Notices.** All notices, demands, and requests which may or are required to be given by either party to the other shall be in writing and shall be deemed to have been properly given when sent postage pre-paid by registered or certified mail (with return receipt requested) addressed as follows:

If intended for CCBOE:  
Mr. Charles Nagle  
Superintendent  
Columbia County Board of Education  
4781 Hereford Farm Road  
Evans, GA 30809

If intended for the SPONSOR ORGANIZATION:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Either party may change the address and name of addressee to which subsequent notices are to be sent by notice to the other given as aforesaid.

b. **Covenants Bind and Benefit Successors and Assigns.** The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided, however, that no one shall have any benefit or acquire any rights under this Agreement pursuant to any conveyance, transfer, or assignment in violation of any of its provisions.

c. **Governing Law.** This Agreement shall be governed by and construed according to the laws of the state of Georgia.

d. **Entire Agreement.** This Agreement contains the entire agreement of the parties and no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of any force or effect. No failure of either party to exercise any power given it hereunder, or to insist upon strict compliance by either party of any obligations hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.

e. **Choice of Forum.** Both parties agree that any disputes arising under this agreement shall be solely subject to the jurisdiction of the Superior Court of Columbia County.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, the day and year first above written.

**The SPONSOR ORGANIZATION**

**By:** \_\_\_\_\_  
**As Its Principal**

**ATTEST:** \_\_\_\_\_  
**As its Secretary**

**COLUMBIA COUNTY BOARD OF EDUCATION**

**By:** \_\_\_\_\_  
**As Chairperson**

**ATTEST:** \_\_\_\_\_  
**As its Superintendent and Secretary**

STATE OF GEORGIA  
COUNTY OF COLUMBIA

UNCONDITIONAL LIMITED GUARANTY OF  
PAYMENT AND PERFORMANCE

This GUARANTY is made as of \_\_\_\_\_, by the undersigned individual members of \_\_\_\_\_, (hereinafter referred to as "GUARANTOR") in favor of COLUMBIA COUNTY BOARD OF EDUCATION ("CCBOE").

BACKGROUND AND AGREEMENT

CCBOE has agreed to advance the sum of \$\_\_\_\_\_ to construct \_\_\_\_\_ (known as the "PROJECT") at \_\_\_\_\_ (Known as the "PREMISES"). Furthermore, CCBOE has agreed to contribute \$\_\_\_\_\_ toward the construction of the PROJECT. To induce construction now, rather than later, \_\_\_\_\_ (the "SPONSOR ORGANIZATION") has executed a certain agreement (the "AGREEMENT") between CCBOE and THE SPONSOR ORGANIZATION, agreeing that the SPONSOR ORGANIZATION shall be obligated to pay over a \_\_\_\_\_ year period the balance of \$\_\_\_\_\_ for the PROJECT. As CCBOE is advancing the funds, the payments will be made by the SPONSOR ORGANIZATION to CCBOE.

To induce the CCBOE to advance the money and to ensure payment by the SPONSOR ORGANIZATION, the following individual members of the SPONSOR ORGANIZATION agree to be individually and personally responsible for the repayment of the debt up to a maximum of \$\_\_\_\_\_ for each of the persons who signs as a guarantor herein below. The sum of \$\_\_\_\_\_ may further be reduced as the balance owed to the CCBOE reduces through the payments called for in the Agreement and by then prorating the individual obligation and liability of each of the undersigned against the outstanding balance. This is an unconditional guaranty to make a full and prompt payment to the CCBOE when requested by it, in the event payment has not been made by SPONSOR ORGANIZATION. The undersigned Guarantors obligation to pay up to \$\_\_\_\_\_ (the "GUARANTEED LIMIT") shall also include in the calculation of the total debt due, upon default by SPONSOR ORGANIZATION, in addition to all costs of collection, including reasonable attorney's fees.

In the event that the SPONSOR ORGANIZATION shall be in default and the undersigned GUARANTOR agrees to remain fully bound until this agreement is fully paid and waive demand, presentment and protest and all notices hereto and further agree to remain bound, notwithstanding any extension, modification, waiver, or other indulgence or discharge. No modification or change in terms by any GUARANTOR or the SPONSOR ORGANIZATION may be effective unless in writing signed by the GUARANTOR, the SPONSOR ORGANIZATION, and the CCBOE. Any modification or change in terms shall be valid and binding upon the undersigned

GUARANTOR notwithstanding the acknowledgement of any of the undersigned, and each of the others power of attorney to enter into any such modifications on their behalf. The rights of the CCBOE shall be cumulative and not successive or exclusive.

The GUARANTOR acknowledges that there is sufficient consideration for the execution of this guarantee.

In the event that the CCBOE, at its sole discretion, modifies the designs, or construction of the PROJECT, the GUARANTOR agrees to guarantee the modified contract without notice and consent up to the GUARANTEED LIMIT.

**Miscellaneous Provisions.**

a. Notices. All notices, demands, and requests which may or are required to be given by either party to the other shall be in writing and shall be deemed to have been properly given when sent postage pre-paid by registered or certified mail (with return receipt requested) addressed as follows:

If intended for CCBOE:

Charles Nagle  
Superintendent  
Columbia County Board of Education  
4781 Hereford Farm Road  
Evans, GA 30809

If intended for the GUARANTOR:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Either party may change the address and name of addressee to which subsequent notices are to be sent by notice to the other given as aforesaid.

b. Covenants Bind and Benefit Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided, however, that no one shall have any benefit or acquire any rights under this Agreement pursuant to any conveyance, transfer, or assignment in violation of any of its provisions.

c. Governing Law. This Agreement shall be governed by and construed according to the laws of the state of Georgia.

d. Entire Agreement. This Agreement contains the entire agreement of the parties and no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of any force or effect. No failure of either party to exercise any power given it hereunder, or to insist upon strict compliance by either party of any obligations hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.

e. Choice of Forum. Both parties agree that any disputes arising under this agreement shall be solely subject to the jurisdiction of the Superior Court of Columbia County.

Name of GUARANTOR: \_\_\_\_\_

Address of

GUARANTOR: \_\_\_\_\_

\_\_\_\_\_  
Effective on the above date

By: \_\_\_\_\_  
GUARANTOR (Principal on behalf of the School)

Signed, sealed and delivered  
in the presence of:

\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: \_\_\_\_\_