

Regular School Board Meeting  
Tuesday, December 7, 2021 4:30 PM

917 Board Room  
130 145th Street East  
Rosemount, MN 55068

## **Agenda**

- I. **Call to Order - Chair Melissa Sauser**
- II. **Conduct Pledge of Allegiance - Chair Melissa Sauser**
- III. **Visitors Opportunity to be Heard - Chair Melissa Sauser**
- IV. **Review and Approve the Agenda - Chair Melissa Sauser**
- V. **Updates from Student Services, DCALS, Superintendent - Dr. Melissa Schaller/Drew Woods/Dr. Michael Favor**
- VI. **Consent Items - Chair Melissa Sauser**
  - VI.A.
    - Minutes:
    - Personnel:
    - Policies:
- VII. **Executive Director of Business Services Reports - Nicolle Roush**
  - VII.A.
    - Bills
    - Wire Transfers
    - Investment Report
- VIII. **Reports**
  - VIII.A. Employee and Teacher of the Fall Quarter - Jennifer Hetland
  - VIII.B. 360 Communities Report - Andrew Woods
  - VIII.C. Review and Approve Audit for 2020-2021 - Jim Eichten  
*(Hard copies will be available at the Board Meeting.)*
- IX. **New Business - Chair Melissa Sauser**
  - IX.A. Review and Approve Coordinator Contracts for 2021-2023 - Dr. Michael Favor
- X. **Policies - Supt. Dr. Michael Favor**
- XI. **Updates from Member Districts - All**
- XII. **Adjournment - Chair Melissa Sauser**

ISD 917

# DCALS ALC & CTE SCHOOL BOARD UPDATE

Dec. 7, 2021

## Enrollment by Demographics

DCALS Enrollments as of 11/30/21							
DCALS Main Site							
	White	Black	Hispanic/ Latino	Am Indian/Alaska Native	Asian	Two or More Races	Total
10th Grade Female	3	1	0	0	0	0	4
10th Grade Male	2	0	1	0	0	0	3
11th Grade Female	19	2	0	0	0	1	22
11th Grade Male	24	1	2	0	0	0	27
12th Grade Female	42	9	13	1	0	3	68
12th Grade Male	59	22	13	0	0	3	97
Totals	149	35	29	1	0	7	221
DCALS North Site							
	White	Black	Hispanic/ Latino	Am Indian/Alaska Native	Asian	Two or More Races	Total
10th Grade Female	1	0	1	0	0	0	2
10th Grade Male	0	0	1	0	0	0	1

11th Grade Female	3	1	3	0	0	2	9
11th Grade Male	7	5	6	0	0	2	20
12th Grade Female	13	8	16	0	1	0	38
12th Grade Male	18	8	23	0	0	2	51
Totals	42	22	50	0	1	6	121

**DCALS  
South Site**

	White	Black	Hispanic/ Latino	Am Indian/Alaska Native	Asian	Two or More Races	Total
8th Grade Female	1	1	0	0	0	0	2
8th Grade Male	1	0	0	0	0	0	1
9th Grade Female	4	0	1	0	0	0	5
9th Grade Male	0	0	1	0	0	0	1
10th Grade Female	4		1	0	1	0	6
10th Grade Male	5		1	1	0	0	7
Totals	15	1	4	1	1	0	22

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## ***Good News!***

Stefanie, Jessica and Stacy brought students from the DCALS Main and North sites to help volunteer at Open Door Pantry. The students unloaded donated food from trucks, weighed everything and helped organize over 3,000 pounds of food.



## ***Fundamental Chef Students***

The Fundamental Chef Training students and staff planned, prepared, baked, packaged & sold 365 Thanksgiving pies this year. Their Caramel Apple Crumb was the top seller, with Traditional Pumpkin and Pecan holding their own. This is an impressive total, especially after Covid cancelled their sale last school year.

Chef Patty & Darla would like to thank everyone for their continued support.

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## ***Congratulations!***

Congratulations to our very own **Paul Landwehr**. The Dakota-Scott Youth Committee recently selected Paul as the 2021 Willis Branning Excellence in Youth Employment Services Award Winner. This award is presented to an organization, program, employer or individual who is committed to preparing youth in Dakota or Scott County for the world of work.

***The award will be presented at the 2021 Dakota-Scott Workforce Development Board's Legislative and Employer Awards Event happening on December 10<sup>th</sup> from 8-9:30 am.***

The banner features a top section with a blue background and five white stars. Below the stars, the date "Dec. 10, 2021" is written in a red, cursive font. To the right is the logo for the Dakota-Scott WorkForce Development Board, which includes a map of the region and the tagline "Jobs for People, People for Jobs." The main body of the banner is dark blue with the text "Legislative and Employer Awards Event" in white. At the bottom, a white banner with blue ends contains the text "8:00-9:30 a.m. ~ Virtual" in red.

★ ★ ★ ★ ★

*Dec. 10, 2021*

**Dakota-Scott**  
WorkForce Development Board  
*Jobs for People, People for Jobs.*

**Legislative  
and  
Employer Awards Event**

**8:00-9:30 a.m. ~ Virtual**

**Executive Director of Student Services**  
**Board Update**  
**December 2021**

- **Staffing:** We continue to look for ways to support staff during this challenging school year. We have had the opportunity to hold another due process session facilitated by each administrator after working hours where staff are paid to work on due process tasks in a supported environment to allow them to concentrate on teaching tasks during the day with students. We are considering feedback we receive to improve these sessions and ensure they meet the needs of staff on varied schedules at a variety of sites.
- **Returning to Learning:** Our next meeting is scheduled for December 13th. We have a plan to comply with the OSHA ETS should it be enacted. We are also planning to send COVID-19 Update via the Smore this week to remind people about our practices for reporting and quarantine.
- **Perform:** This year we implemented Perform by PowerSchool for evaluations. While there have been some glitches to address during implementation, overall the program has been well received and has streamlined our processes for executing our evaluation systems. Brooke Peterson led implementation and has been an important part of our success. She continues to provide professional development for our administrators around evaluation and has delivered training for our licensed staff on the processes.
- **Inclusive Schools Week Recognition:** Our itinerant staff and those in our Deaf/Hard of Hearing program are celebrating Inclusive Schools Week. ISD 917 staff have the opportunity to nominate their colleagues in our member district schools that exemplify inclusion of the students that we serve. We will be recognizing at least one person from each member school district with a certificate presented at their site. We will bring forward the list of award winners at the January meeting.

## INTERMEDIATE SCHOOL DISTRICT 917

A School Board Meeting of the Intermediate School District 917 School Board was held on Tuesday, November 2, 2021, at 1300 145<sup>th</sup> Street East, Rosemount, MN, in the Dakota Room at DCTC.

**Members Present:** Tom Bennett, Lesley Chester, Wendy Felton, Lisa Ehleringer, Kathy Lewis, Cindy Nordstrom, Dave Pemble, Melissa Sauser, Byron Schwab and ex-officio member Superintendent Dr. Michael Favor.

**Members Absent:** None.

**Also Present:** Nicolle Roush, Andrew Woods, Brooke Peterson, and Linda Berg

School Board Chair Melissa Sauser called the meeting to order at 4:30 PM.

There were no visitors to be heard.

1. Motion by Dave Pemble, seconded by Byron Schwab, to approve the agenda. Voting aye: Tom Bennett, Lesley Chester, Lisa Ehleringer, Wendy Felton, Kathy Lewis, Cindy Nordstrom, Dave Pemble, Melissa Sauser, Byron Schwab. Voting naye: None. Motion carried.

Updates from Student Services, DCALS, and the Superintendent were given.

2. Motion by Byron Schwab, seconded by Kathy Lewis, to approve the consent items, as presented. Voting aye: Tom Bennett, Lesley Chester, Lisa Ehleringer, Wendy Felton, Kathy Lewis, Cindy Nordstrom, Dave Pemble, Melissa Sauser, Byron Schwab. Voting naye: None. Motion carried.
  - **Minutes:** October 5, 2021, Regular School Board Meeting
  - **Personnel: New hires:** Mary Blasack, Health Associate, effective October 13, 2021. Aurora Fields, Classroom Assistant, effective October 4, 2021. Elizabeth Garcia, Classroom Assistant, effective October 6, 2021. Karen Klaren, Classroom Assistant, effective October 4, 2021. Ashley Mark, Classroom Assistant, effective October 25, 2021. Brenda O'nan, Classroom Assistant, effective September 28, 2021. Jessica Vaillancourt, Classroom Assistant, effective November 1, 2021. Zoya Wahlstrom, Classroom Assistant, effective October 26, 2021. Brianna Willenbring, Classroom Assistant, effective October 13, 2021. **Change in status:** Susan Rogers, Student Assistant to Classroom Assistant, effective October 11, 2021. **Leaves of absence:** Teresa Stiff, Program Assistant, effective December 16, 2021, through January 23, 2022. **Resignations and terminations:** Nicole Bogdan, Program Assistant, effective October 20, 2021. Ryo Bowen, Classroom Assistant, effective October 18, 2021. Marissa Calander-Roll, Classroom Assistant, effective November 12, 2021. Daniel Crawford, Classroom Assistant, effective October 1, 2021. Melanie Delgado, Sign Language Interpreter, effective October 29, 2021. Meredith Fancher-White, Student Assistant, effective October 26, 2021. Coralee Huddle, Classroom Assistant, effective November 3, 2021. Tandra Johnson, Classroom Assistant, effective October 20, 2021. Shelby Longman, Human Resources Assistant, effective October 22, 2021. Carissa Montgomery, School Social Worker, effective October 20, 2021. Brett Peterson, Classroom Assistant, effective October 4, 2021. Michelle Porter, Classroom Assistant, effective October 20, 2021. Michael Rice, Classroom Assistant, effective November 5, 2021. Marcus Rothering, Classroom Assistant, effective October 26, 2021. Jameisha West, Classroom Assistant, effective October 19, 2021. **Retirements:** Dorinda Haasnoot, Administrative Assistant, effective December 31, 2021. Lucinda Hanson, Special Education Teacher, effective June 10, 2021.
3. Board Member Byron Schwab, introduced the following resolution accepting Donations in the amount of \$000. Motion was seconded by Wendy Felton. (Addendum A.) Voting aye: Tom Bennett, Lesley Chester, Wendy Felton, Lisa Ehleringer, Kathy Lewis, Cindy Nordstrom, Dave Pemble, Melissa Sauser,

Byron Schwab. Voting naye: None. Motion passed.

4. Motion by Dave Pemble, seconded by Tom Bennett, to approve the payments of bills from October 1, 2021, to October 27, 2021, wire transfers, and investment report. Voting aye: Tom Bennett, Lesley Chester, Lisa Ehleringer, Wendy Felton, Kathy Lewis, Cindy Nordstrom, Dave Pemble, Melissa Sauser, Byron Schwab. Voting naye: None. Motion carried.
5. Motion by Wendy Felton, seconded by Byron Schwab, to approve the Accounts Receivable Aged Invoice Report, as presented. (Addendum B.) Voting aye: Tom Bennett, Lesley Chester, Lisa Ehleringer, Wendy Felton, Kathy Lewis, Cindy Nordstrom, Dave Pemble, Melissa Sauser, Byron Schwab. Voting naye: None. Motion carried.
6. Motion by Dave Pemble, seconded by Tom Bennett, to approve the Memorandum of Agreement for the Paraprofessional Union. (Addendum C.) Voting aye: Tom Bennett, Lesley Chester, Lisa Ehleringer, Wendy Felton, Kathy Lewis, Cindy Nordstrom, Dave Pemble, Melissa Sauser, Byron Schwab. Voting naye: None. Motion carried.
7. There was a first reading on the following policies: Policy 406 Public and Private Personnel Data; Policy 413 – Harassment and Violence; Policy 501 – School Weapons Policy; Policy 515 – Protection and Privacy of Student Records; Policy 524 – Internet Acceptable Use and Safety Policy; and Policy 534 – Unpaid Meal Charges.
8. Motion by Dave Pemble, seconded by Kathy Lewis, to go into closed meeting to discuss teacher negotiations. Voting aye: Tom Bennett, Lesley Chester, Lisa Ehleringer, Wendy Felton, Kathy Lewis, Cindy Nordstrom, Dave Pemble, Melissa Sauser, Byron Schwab. Voting naye: None. Motion carried.
9. The Board meeting went into closed session at 5:07 PM.
10. Motion by Kathy Lewis, seconded by Dave Pemble, to reconvene the board meeting. Voting aye: Tom Bennett, Lesley Chester, Lisa Ehleringer, Wendy Felton, Kathy Lewis, Cindy Nordstrom, Dave Pemble, Melissa Sauser, Byron Schwab. Voting naye: None. Motion carried.
11. The School Board reconvened at 5:38 PM.
12. Motion by Byron Schwab, seconded by Tom Bennett, to adjourn the meeting. Voting aye: Tom Bennett, Lesley Chester, Lisa Ehleringer, Wendy Felton, Kathy Lewis, Cindy Nordstrom, Dave Pemble, Melissa Sauser, Byron Schwab. Voting naye: None. Motion carried.

There being no further business the meeting adjourned at 5:39 PM.

The next regular School Board Meeting will be Tuesday, December 7, 2021, at 4:30 PM.

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Clerk

**SUMMARY OF PERSONNEL ITEMS RECOMMENDED  
FOR ACTION AT BOARD MEETING OF DECEMBER 7, 2021**

**NEW HIRES:**

Tierra Cain, Classroom Assistant, effective November 29, 2021.

Amanda Edmonson, Classroom Assistant, effective November 2, 2021.

Marty Freeberg, Classroom Assistant-Intervener, effective November 15, 2021.

Marci Levy-Maguire, Communications, Innovation, & Public Relations Coordinator, effective December 6, 2021.

Taylor Oines, Classroom Assistant, effective November 18, 2021.

Clara Richard, Classroom Assistant, effective November 22, 2021.

Brooke Wiuff, Human Resources Assistant, effective November 17, 2021.

**RE-HIRES:**

Donn Anderson, Classroom Assistant, effective November 9, 2021.

**CHANGE IN STATUS:**

Ashley Drobney, Student Assistant to Classroom Assistant, effective November 11, 2021.

**LEAVES OF ABSENCE:**

Andrea Fonseca, Classroom Assistant, effective August 30, 2021, extending through January 7, 2022.

Lynette Spurgin, Program Assistant, effective January 4, 2022, through February 22, 2022.

Keith Spychalla, Classroom assistant, effective January 4, 2022, through May 10, 2022.

Patty Stanley, Sign Language Interpreter, effective December 15, 2021, through December 22, 2021.

**RESIGNATION & TERMINATIONS:**

Jemal Amos-Demmaj, Program Assistant, effective September 24, 2021.

Aurora Fields, Classroom Assistant, effective November 23, 2021.

Cathy Henry, Mental Health Professional, effective November 19, 2021.

YuYao Hu, Classroom Assistant, effective December 9, 2021.

Robert Menge, Classroom Assistant, effective December 3, 2021.

Cally Priebe, Health Associate, effective December 22, 2021.

Eric Prouty, Program Assistant, effective November 29, 2021.

Selena Terrazas, Classroom Assistant, effective December 10, 2021.

Laura Vollmuth, Classroom Assistant, effective December 21, 2021.

Brytani Witt, Classroom Assistant, effective November 9, 2021.

**RETIREMENTS:**



## Intermediate School District 917

1300 145<sup>th</sup> Street East  
Rosemount, MN 55068-2999

Phone: (651) 423-8229

Fax: (651) 423-8781

[www.isd917.org](http://www.isd917.org)

*Working in Partnership with Students, School Districts, Communities, and Industries*

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**Dr. Michael Favor**, Superintendent  
**Nicolle Roush**, Executive Director of Business Services  
**Dr. Melissa Schaller**, Executive Director of Student Services  
**Andrew Woods**, Principal of DCALS / Career Technical Center  
**Dr. Brooke Peterson**, Director of Teaching and Learning

### MEMORANDUM

TO: School Board  
FROM: Dr. Michael Favor  
DATE: December 7, 2021  
REGARDING: Policies

The attached policies are a final reading at the December 7, 2021, School Board meeting. The following policies were revised, and replacements were made with he/she to they/them.

**Policy 413 – Harassment and Violence** – Updates language and aligns with Minnesota statutory law.

**Policy 406 – Public and Private Personnel Data** - suggest adopting the revised MSBA policy. Updates definition; clarifies information about applicants; re-aligns some provisions.

**Policy 501 – School Weapons Policy** - Adds language to definition of ‘weapon’ to align with MN statute; adds referral to law enforcement; clarifies provisions on p.3; revises citations.

**Policy 515 – Protection and Privacy of Student Records.** Revises provisions to align better with FERPA; adds language to police liaison provisions; addresses obligations related to records of students with a disability; modifies other language

**Policy 524 – Internet Acceptable Use and Safety Policy.** Revises policy to reflect recent U.S. Supreme Court opinion in *Mahanoy*; updates citations. Minor changes, adding “TikTok.”

**Policy 534 – Unpaid Meal Charges** – Revises language to align with changes enacted in 2021. (not shaming or ostracizing students.)

Recommend final approval of the above policies.

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*Core Values: Collaboration, Passion for Service, Continuous Improvement, Stewardship, Equity, Open Communication, and Integrity*

**Assistant Directors:** Shannon Brennan, Don Budach, Jamie Dalbesio, Jennifer Hetland, Jennifer Olson, Taylor Thomas

*THIS IS MSBA POLICY.*

## **406 PUBLIC AND PRIVATE PERSONNEL DATA**

### **I. PURPOSE**

The purpose of this policy is to provide guidance to school district employees as to the data the school district collects and maintains regarding its employees, volunteers, independent contractors, and applicants (“personnel”).

### **II. GENERAL STATEMENT OF POLICY**

- A. All data on individuals collected, created, received, maintained, or disseminated by the school district, which is classified by statute or federal law as public, shall be accessible to the public pursuant to the procedures established by the school district.
- B. All other data on individuals is private or confidential.

### **III. DEFINITIONS**

- A. “Public” means that the data is available to anyone who requests it.
- B. “Private” means the data is not public and is accessible only to the following: the subject of the data, as limited by any applicable state or federal law; individuals within the school district whose work assignments reasonably require access; entities and agencies as determined by the responsible authority who are authorized by law to gain access to that specific data; and entities or individuals given access by the express written direction of the data subject.
- C. “Confidential” means the data are not public and are not accessible to the subject.
- D. “Parking space leasing data” means the following government data on an applicant for, or lessee of, a parking space: residence address, home telephone number, beginning and ending work hours, place of employment, location of parking space, and work telephone number.
- E. “Personnel data” means government data on individuals maintained because they are or were employees, applicants for employment, volunteers or independent contractors for the school district. Personnel data include data submitted by an employee to the school district as part of an organized self-evaluation effort by the school district to request suggestions from all employees on ways to cut costs, make the school district more efficient, or to improve school district operations.

- F. “Finalist” means an individual who is selected to be interviewed by the school board for a position.
- G. “Protected health information” means individually identifiable health information as defined in 45 C.F.R. § 160.103, that is transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium by a health care provider, in connection with a transaction covered by 45 C.F.R. Parts 160, 162 and 164. “Protected health information” excludes individually identifiable health information in education records covered by the Family Educational Rights and Privacy Act, employment records held by a school district in its role as employer; and records regarding a person who has been deceased for more than fifty (50) years..
- H. “Public officials” means business managers; human resource directors; athletic directors whose duties include at least fifty (50) percent of their time spent in administration, personnel, supervision, and evaluation; chief financial officers; directors; and individuals defined as superintendents and principals and in a charter school, individuals employed in comparable positions.

#### **IV. PUBLIC PERSONNEL DATA**

- A. The following information on current and former employees, volunteers and independent contractors of the school district, is public:
  - 1. name;
  - 2. employee identification number, which may not be the employee’s Social Security number;
  - 3. actual gross salary;
  - 4. salary range;
  - 5. terms and conditions of employment relationship;
  - 6. contract fees;
  - 7. actual gross pension;
  - 8. the value and nature of employer-paid fringe benefits;
  - 9. the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary;
  - 10. job title;
  - 11. bargaining unit;

12. job description;
13. education and training background;
14. previous work experience;
15. date of first and last employment;
16. the existence and status of any complaints or charges against the employee, regardless of whether the complaint or charge resulted in a disciplinary action;
17. the final disposition of any disciplinary action, as defined in Minnesota. Statutes, section 13.43, subdivision. 2(b), together with the specific reasons for the action and data documenting the basis of the action, excluding data that would identify confidential sources who are employees of the school district;
18. the complete terms of any agreement settling any dispute arising out of the employment relationship, including superintendent buyout agreements, except that the agreement must include specific reasons for the agreement if it involves the payment of more than \$10,000 of public money, and such agreement may not have the purpose or effect of limiting access to or disclosure of personnel data or limiting the discussion of information or opinions related to personnel data;
19. work location;
20. work telephone number;
21. badge number;
22. work-related continuing education;
23. honors and awards received; and
24. payroll time sheets or other comparable data that are used only to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data.

B. The following information on current and former applicants for employment by the school district is public:

1. veteran status;
2. relevant test scores;

3. rank on eligible list;
  4. job history;
  5. education and training; and
  6. work availability.
- C. Names of applicants are private data except when certified as eligible for appointment to a vacancy or when applicants are considered by the school board to be finalists for public employment.
- D. Applicants for appointment to a public body.
1. Data about applicants for appointment to a public body collected by the school district as a result of the applicant's application for employment are private data on individuals except that the following are public:
    - a. name;
    - b. city of residence, except when the appointment has a residency requirement that requires the entire address to be public;
    - c. education and training;
    - d. employment history;
    - e. volunteer work;
    - f. awards and honors;
    - g. prior government service;
    - h. any data required to be provided or that are voluntarily provided in an application for appointment to a multimember agency pursuant to Minnesota Statutes, section 15.0597; and
    - i. veteran status.
  2. Once an individual is appointed to a public body, the following additional items of data are public:
    - a. residential address;
    - b. either a telephone number or electronic mail address where the appointee can be reached, or both at the request of the appointee;

- c. first and last dates of service on the public body;
  - d. the existence and status of any complaints or charges against an appointee; and
  - e. upon completion of an investigation of a complaint or charge against an appointee, the final investigative report is public, unless access to the data would jeopardize an active investigation.
3. Notwithstanding paragraph 2., any electronic mail address or telephone number provided by a public body for use by an appointee shall be public. An appointee may use an electronic mail address or telephone number provided by the public body as the designated electronic mail address or telephone number at which the appointee can be reached.
- E. Regardless of whether there has been a final disposition as defined in Minnesota Statutes, section 13.43, subdivision 2(b), upon completion of an investigation of a complaint or charge against a public official, as defined in Minnesota Statutes, section 13.43, subdivision 2(e), or if a public official resigns or is terminated from employment while the complaint or charge is pending, all data relating to the complaint or charge are public, unless access to the data would jeopardize an active investigation or reveal confidential sources. Data relating to a complaint or charge against a public official is public only if:
- 1. the complaint or charge results in disciplinary action or the employee resigns or is terminated from employment while the complaint or charge is pending; or
  - 2. potential legal claims arising out of the conduct that is the subject of the complaint or charge are released as part of a settlement agreement

Data that is classified as private under another law is not made public by this provision.

## **V. PRIVATE PERSONNEL DATA**

- A. All other personnel data not listed in Section IV are private data will not be otherwise released unless authorized by law.
- B. Data pertaining to an employee's dependents are private data on individuals.
- C. Data created, collected, or maintained by the school district to administer employee assistance programs are private.
- D. Parking space leasing data with regard to data on individuals are private.
- E. An individual's checking account number is private when submitted to a government entity.

- F. Personnel data may be disseminated to labor organizations to the extent the responsible authority determines is the dissemination is necessary for the labor organization to conduct elections, notify employees of fair share fee assessments and implement the provisions of Minnesota Statutes chapters 179 and 179A. Personnel data shall be disseminated to labor organizations and the Bureau of Mediation Services (“BMS”) to the extent the dissemination is ordered or authorized by the Commissioner of the BMS.
- G. The school district may display a photograph of a current or former employee to prospective witnesses as part of the school district’s investigation of any complaint or charge against the employee.
- H. The school district may, if its responsible authority or designee reasonably determines that the release of personnel data is necessary to protect an employee from harm to self or to protect another person who may be harmed by the employee, release data that are relevant to the concerns for safety to:
  - 1. the person who may be harmed and to the attorney representing the person when the data are relevant to obtaining a restraining order;
  - 2. a prepetition screening team conducting an investigation of the employee under Minnesota Statutes. section 253B.07, subdivision 1; or
  - 3. a court, law enforcement agency, or prosecuting authority.
- I. Private personnel data or confidential investigative data on employees may be disseminated to a law enforcement agency for the purpose of reporting a crime or alleged crime committed by an employee, or for the purpose of assisting law enforcement in the investigation of a crime or alleged crime committed by an employee.
- J. A complainant has access to a statement provided by the complainant to the school district in connection with a complaint or charge against an employee.
- K. When allegations of sexual or other types of harassment are made against an employee, the employee does not have access to data that would identify the complainant or other witnesses if the responsible authority determines that the employee’s access to that data would:
  - 1. threaten the personal safety of the complainant or a witness; or
  - 2. subject the complainant or witness to harassment.

If a disciplinary proceeding is initiated against the employee, data on the complainant or witness shall be available to the employee as may be necessary for the employee to prepare for the proceeding.

- L. The school district must report to the Minnesota Professional Educator Licensing and Standards Board (“PELSB”) or the Board of School Administrators (“BOSA”), whichever has jurisdiction over the teacher’s or administrator’s license, as required by Minnesota Statutes, section 122A.20, subdivision. 2, and shall, upon written request from the licensing board having jurisdiction over license, provide the licensing board with information about the teacher or administrator from the school district’s files, any termination or disciplinary proceeding, and settlement or compromise, or any investigative file in accordance with Minnesota Statutes, section 122A.20, subdivision 2.

***[Note: The obligation to make a report set forth in this section applies equally to charter school boards and their executive directors and charter school authorizers.]***

- M. Private personnel data shall be disclosed to the Department of Employment and Economic Development for the purpose of administration of the unemployment insurance program under Minnesota Statutes. Ch. 268.
- N. When a report of alleged maltreatment of a student in an elementary, middle school, high school or charter school is made to the Commissioner of the Minnesota Department of Education (“MDE”) under Minnesota Statutes Chapter 260E, data that are relevant and collected by the school facility about the person alleged to have committed maltreatment must be provided to the Commissioner on request for purposes of an assessment or investigation of the maltreatment report. Additionally, personnel data may be released for purposes of providing information to a parent, legal guardian, or custodian of a child in accordance with MDE Screening Guidelines.
- O. The school district shall release to a requesting school district or charter school private personnel data on a current or former employee related to acts of violence toward or sexual contact with a student, if
1. an investigation conducted by or on behalf of the school district or law enforcement affirmed the allegations in writing prior to release and the investigation resulted in the resignation of the subject of the data; or
  2. the employee resigned while a complaint or charge involving the allegations was pending, the allegations involved acts of sexual contact with a student, and the employer informed the employee in writing, before the employee resigned, that if the employee resigns while the complaint or charge is still pending, the employer must release private personnel data about the employee’s alleged sexual contact with a student to a school district or charter school requesting the data after the employee applies for employment with that school district or charter school and the data remain classified as provided in Minnesota Statutes Chapter 13.

Data that are released under this paragraph must not include data on the student.

- P. Data submitted by an employee to the school district as part of an organized self-evaluation effort by the school district to request suggestions from all employees on ways to cut costs, make the school district more efficient, or improve the school district operations is private data. An employee who is identified in a suggestion, however, shall have access to all data in the suggestion except the identity of the employee making the suggestion.
- Q. Protected health information, as defined in 45 C.F.R. Parts 160 and 164, on employees is private and will not be disclosed except as permitted or required by law.
- R. Personal home contact information for employees may be used by the school district to ensure that an employee can be reached in the event of an emergency or other disruption affecting continuity of school district operations and may be shared with another government entity in the event of an emergency or other disruption to ensure continuity of operation for the school district or government entity.
- S. The personal telephone number, home address, and electronic mail address of a current or former employee of a contractor or subcontractor maintained as a result of a contractual relationship between the school district and a contractor or subcontractor entered on or after August 1, 2012, are private data. These data must be shared with another government entity to perform a function authorized by law. The data also must be disclosed to a government entity or any person for prevailing wage purposes.
- T. When a continuing contract teacher is discharged immediately because the teacher's license has been revoked due to a conviction for child abuse or sexual offenses involving a child as set forth in Minnesota Statutes, section 122A.40, subdivision 13(b), or when the Commissioner of the MDE makes a final determination of child maltreatment involving a teacher under Minnesota Statutes, section 260E.21, subdivision 4 or 260E.35, the school principal or other person having administrative control of the school must include in the teacher's employment record the information contained in the record of the disciplinary action or the final maltreatment determination, consistent with the definition of public data under Minnesota Statutes, section 13.41, subdivision. 5, and must provide PELSB and the licensing division at MDE with the necessary and relevant information to enable PELSB and MDE's licensing division to fulfill their statutory and administrative duties related to issuing, renewing, suspending, or revoking a teacher's license. In addition to the background check required under Minnesota Statutes, section 123B.03, a school board or other school hiring authority must contact PELSB and MDE to determine whether the teacher's license has been suspended or revoked, consistent with the discharge and final maltreatment determinations. Unless restricted by federal or state data practices law or by the terms of a collective bargaining agreement, the responsible authority for a school district must disseminate to another school district private personnel data on a current or former teacher (employee or contractor) of the district, including the results of background investigations, if the requesting school district

seeks the information because the subject of the data has applied for employment with the requesting school district.

#### **VI. MULTIPLE CLASSIFICATIONS**

If data on individuals are classified as both private and confidential by Minnesota Statutes Chapter 13, or any other state or federal law, the data are private.

#### **VII. CHANGE IN CLASSIFICATIONS**

The school district shall change the classification of data in its possession if it is required to do so to comply with either judicial or administrative rules pertaining to the conduct of legal actions or with a specific statute applicable to the data in the possession of the disseminating or receiving agency.

#### **VIII. RESPONSIBLE AUTHORITY**

The school district has designated [*name and title, telephone*] as the authority responsible for personnel data.

The responsible authority, or a school district employee if so designated, shall serve as the school district's data practices compliance official and, as such, shall be the employee to whom persons may direct questions or concerns regarding problems in obtaining access to data or other data practices problems.

#### **IX. EMPLOYEE AUTHORIZATION/RELEASE FORM**

An employee authorization form is included as an addendum to this policy.

***Legal References:*** Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)Minn. Stat. § 13.02 (Definitions)  
Minn. Stat. § 13.03 (Access to Government Data)  
Minn. Stat. § 13.05 (Duties of Responsible Authority)  
Minn. Stat. § 13.37 (General Nonpublic Data)  
Minn. Stat. § 13.39 (Civil Investigation Data)  
Minn. Stat. § 13.41 (Licensing Data – Public Data)  
Minn. Stat. § 13.43 (Personnel Data)  
Minn. Stat. § 13.601, subd. 3 (Applicants for Employment)  
Minn. Stat. § 15.0597 (Appointment to Multimember Agencies)  
Minn. Stat. § 122A.20, subd. 2 (Mandatory Reporting)  
Minn. Stat. § 122A.40, subds. 13 and 16 (Employment; Contracts; Termination)  
Minn. Stat. § 123B.03 (Background Check)  
Minn. Stat. § 123B.143, subd. 2 (Disclose Past Buyouts)Minn. Stat. Ch. 179 (Minnesota Labor Relations Act)  
Minn. Stat. Ch. 179A (Minnesota Public Labor Relations Act)  
Minn. Stat. § 253B.07(Judicial Commitment: Preliminary Procedures)

Minn. Stat. Ch. 260E (Reporting of Maltreatment of Minors)  
Minn. Stat. Ch. 268 (Unemployment Insurance)  
Minn. R. Pt. 1205 (Data Practices)  
P.L. 104-191 (HIPAA)  
45 C.F.R. Parts 160, 162 and 164 (HIPAA Regulations)

***Cross References:*** MSBA/MASA Model Policy 206 (Public Participation in School Board Meetings/Complaints about Persons at School Board Meetings and Data Privacy Considerations)  
MSBA/MASA Model Policy 515 (Protection and Privacy of Pupil Records)  
MSBA/MASA Model Policy 722 (Public Data Requests)  
MSBA Law Bulletin “I” (School Records – Privacy – Access to Data)

## **413 HARASSMENT AND VIOLENCE**

### **I. PURPOSE**

The purpose of this policy is to maintain a learning and working environment that is free from harassment and violence on the basis of race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, including gender identity or expression, or disability.

### **II. GENERAL STATEMENT OF POLICY**

- A. The policy of the school district is to maintain a learning and working environment that is free from harassment and violence on the basis of race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, including gender identity or expression, or disability. The school district prohibits any form of harassment or violence on the basis of race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, including gender identity or expression, or disability.
- B. A violation of this policy occurs when any student, teacher, administrator, or other school district personnel harasses a student, teacher, administrator, or other school district personnel or group of students, teachers, administrators, or other school district personnel through conduct or communication based on a person's race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, including gender identity or expression, or disability, as defined by this policy. (For purposes of this policy, school district personnel include school board members, school employees, agents, volunteers, contractors, or persons subject to the supervision and control of the district.)
- C. A violation of this policy occurs when any student, teacher, administrator, or other school district personnel inflicts, threatens to inflict, or attempts to inflict violence upon any student, teacher, administrator, or other school district personnel or group of students, teachers, administrators, or other school district personnel based on a person's race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, including gender identity or expression, or disability.

- D. The school district will act to investigate all complaints, either formal or informal, verbal or written, of harassment or violence based on a person's race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, including gender identity or expression, or disability, and to discipline or take appropriate action against any student, teacher, administrator, or other school district personnel who is found to have violated this policy.

### III. DEFINITIONS

- A. "Assault" is:
1. an act done with intent to cause fear in another of immediate bodily harm or death;
  2. the intentional infliction of or attempt to inflict bodily harm upon another; or
  3. the threat to do bodily harm to another with present ability to carry out the threat.
- B. "Harassment" prohibited by this policy consists of physical or verbal conduct, including, but not limited to, electronic communications, relating to an individual's or group of individuals' race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, including gender identity or expression, or disability when the conduct:
1. has the purpose or effect of creating an intimidating, hostile, or offensive working or academic environment;
  2. has the purpose or effect of substantially or unreasonably interfering with an individual's work or academic performance; or
  3. otherwise adversely affects an individual's employment or academic opportunities.
- C. "Immediately" means as soon as possible but in no event longer than 24 hours.
- D. Protected Classifications; Definitions
1. "Disability" means any condition or characteristic that renders a person a disabled person. A disabled person is any person who:
    - a. has a physical, sensory, or mental impairment which materially limits one or more major life activities;

- b. has a record of such an impairment; or
    - c. is regarded as having such an impairment.
  - 2. “Familial status” means the condition of one or more minors being domiciled with:
    - a. their parent or parents or the minor’s legal guardian; or
    - b. the designee of the parent or parents or guardian with the written permission of the parent or parents or guardian. The protections afforded against harassment on the basis of family status apply to any person who is pregnant or is in the process of securing legal custody of an individual who has not attained the age of majority.
  - 3. “Marital status” means whether a person is single, married, remarried, divorced, separated, or a surviving spouse and, in employment cases, includes protection against harassment on the basis of the identity, situation, actions, or beliefs of a spouse or former spouse.
  - 4. “National origin” means the place of birth of an individual or of any of the individual’s lineal ancestors.
  - 5. “Sex” includes, but is not limited to, pregnancy, childbirth, and disabilities related to pregnancy or childbirth.
  - 6. “Sexual orientation” means having or being perceived as having an emotional, physical, or sexual attachment to another person without regard to the sex of that person or having or being perceived as having an orientation for such attachment, or having or being perceived as having a self-image or identity not traditionally associated with one’s biological maleness or femaleness. “Sexual orientation” does not include a physical or sexual attachment to children by an adult.
  - 7. “Status with regard to public assistance” means the condition of being a recipient of federal, state, or local assistance, including medical assistance, or of being a tenant receiving federal, state, or local subsidies, including rental assistance or rent supplements.
- E. “Remedial response” means a measure to stop and correct acts of harassment or violence, prevent acts of harassment or violence from recurring, and protect, support, and intervene on behalf of a student who is the target or victim of acts of harassment or violence.
- F. Sexual Harassment; Definition

1. Sexual harassment consists of unwelcome sexual advances, requests for sexual favors, sexually motivated physical conduct or other verbal or physical conduct or communication of a sexual nature when:
  - a. submission to that conduct or communication is made a term or condition, either explicitly or implicitly, of obtaining employment or an education; or
  - b. submission to or rejection of that conduct or communication by an individual is used as a factor in decisions affecting that individual's employment or education; or
  - c. that conduct or communication has the purpose or effect of substantially or unreasonably interfering with an individual's employment or education, or creating an intimidating, hostile, or offensive employment or educational environment.
  
2. Sexual harassment may include, but is not limited to:
  - a. unwelcome verbal harassment or abuse;
  - b. unwelcome pressure for sexual activity;
  - c. unwelcome, sexually motivated, or inappropriate patting, pinching, or physical contact, other than necessary restraint of student(s) by teachers, administrators, or other school district personnel to avoid physical harm to persons or property;
  - d. unwelcome sexual behavior or words, including demands for sexual favors, accompanied by implied or overt threats concerning an individual's employment or educational status;
  - e. unwelcome sexual behavior or words, including demands for sexual favors, accompanied by implied or overt promises of preferential treatment with regard to an individual's employment or educational status; or
  - f. unwelcome behavior or words directed at an individual because of sexual orientation, including gender identity or expression.

G. Sexual Violence; Definition

1. Sexual violence is a physical act of aggression or force or the threat thereof which involves the touching of another's intimate parts or forcing a person to touch any person's intimate parts. Intimate parts, as defined in

Minn. Stat. § 609.341, includes the primary genital area, groin, inner thigh, buttocks, or breast, as well as the clothing covering these areas.

2. Sexual violence may include, but is not limited to:
  - a. touching, patting, grabbing, or pinching another person's intimate parts, whether that person is of the same sex or the opposite sex;
  - b. coercing, forcing, or attempting to coerce or force the touching of anyone's intimate parts;
  - c. coercing, forcing, or attempting to coerce or force sexual intercourse or a sexual act on another; or
  - d. threatening to force or coerce sexual acts, including the touching of intimate parts or intercourse, on another.

#### H. Violence: Definition

Violence prohibited by this policy is a physical act of aggression or assault upon another or group of individuals because of, or in a manner reasonably related to, race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, including gender identity or expression, or disability.

### IV. REPORTING PROCEDURES

- A. Any person who believes ~~he or she has~~ **they have** been the target or victim of harassment or violence on the basis of race, color, creed, religion, national origin, sex, age, marital status, familial status, status with regard to public assistance, sexual orientation, including gender identity or expression, or disability by a student, teacher, administrator, or other school district personnel, or any person with knowledge or belief of conduct which may constitute harassment or violence prohibited by this policy toward a student, teacher, administrator, or other school district personnel or group of students, teachers, administrators, or other school district personnel should report the alleged acts immediately to an appropriate school district official designated by this policy. A person may report conduct which may constitute harassment or violence anonymously. However, the school district may not rely solely on an anonymous report to determine discipline or other remedial responses.
- B. The school district encourages the reporting party or complainant to use the report form available from the principal or building supervisor of each building or available from the school district office, but oral reports shall be considered complaints as well.

- C. Nothing in this policy shall prevent any person from reporting harassment or violence directly to a school district human rights officer or to the superintendent. If the complaint involves the building report taker, the complaint shall be made or filed directly with the superintendent or the school district human rights officer by the reporting party or complainant.
- D. In Each School Building. The building principal, the principal's designee, or the building supervisor (hereinafter the "building report taker") is the person responsible for receiving oral or written reports of harassment or violence prohibited by this policy at the building level. Any adult school district personnel who receives a report of harassment or violence prohibited by this policy shall inform the building report taker immediately. If the complaint involves the building report taker, the complaint shall be made or filed directly with the superintendent or the school district human rights officer by the reporting party or complainant. The building report taker shall ensure that this policy and its procedures, practices, consequences, and sanctions are fairly and fully implemented and shall serve as a primary contact on policy and procedural matters.
- E. A teacher, school administrator, volunteer, contractor, or other school employee shall be particularly alert to possible situations, circumstances, or events that might include acts of harassment or violence. Any such person who witnesses, observes, receives a report of, or has other knowledge or belief of conduct that may constitute harassment or violence shall make reasonable efforts to address and resolve the harassment or violence and shall inform the building report taker immediately. School district personnel who fail to inform the building report taker of conduct that may constitute harassment or violence or who fail to make reasonable efforts to address and resolve the harassment or violence in a timely manner may be subject to disciplinary action.
- F. Upon receipt of a report, the building report taker must notify the school district human rights officer immediately, without screening or investigating the report. The building report taker may request, but may not insist upon, a written complaint. A written statement of the facts alleged will be forwarded as soon as practicable by the building report taker to the human rights officer. If the report was given verbally, the building report taker shall personally reduce it to written form within 24 hours and forward it to the human rights officer. Failure to forward any harassment or violence report or complaint as provided herein may result in disciplinary action against the building report taker.
- G. The school board hereby designates Don Budach as the school district human rights officer(s) to receive reports or complaints of harassment or violence prohibited by this policy. If the complaint involves a human rights officer, the complaint shall be filed directly with the superintendent.
- H. The school district shall conspicuously post the name of the human rights

officer(s), including mailing addresses and telephone numbers.

- I. Submission of a good faith complaint or report of harassment or violence prohibited by this policy will not affect the complainant or reporter's future employment, grades, work assignments, or educational or work environment.
- J. Use of formal reporting forms is not mandatory.
- K. Reports of harassment or violence prohibited by this policy are classified as private educational and/or personnel data and/or confidential investigative data and will not be disclosed except as permitted by law.
- L. The school district will respect the privacy of the complainant(s), the individual(s) against whom the complaint is filed, and the witnesses as much as possible, consistent with the school district's legal obligations to investigate, to take appropriate action, and to comply with any discovery or disclosure obligations.
- M. Retaliation against a victim, good faith reporter, or a witness of violence or harassment is prohibited.
- N. False accusations or reports of violence or harassment against another person are prohibited.
- O. A person who engages in an act of violence or harassment, reprisal, retaliation, or false reporting of violence or harassment, or permits, condones, or tolerates violence or harassment shall be subject to discipline or other remedial responses for that act in accordance with the school district's policies and procedures.

Consequences for students who commit, or are a party to, prohibited acts of violence or harassment or who engage in reprisal or intentional false reporting may range from remedial responses or positive behavioral interventions up to and including suspension and/or expulsion.

Consequences for employees who permit, condone, or tolerate violence or harassment or engage in an act of reprisal or intentional false reporting of violence or harassment may result in disciplinary action up to and including termination or discharge.

Consequences for other individuals engaging in prohibited acts of violence or harassment may include, but not be limited to, exclusion from school district property and events and/or termination of services and/or contracts.

## **V. INVESTIGATION**

- A. By authority of the school district, the human rights officer, within three (3) days

of the receipt of a report or complaint alleging harassment or violence prohibited by this policy, shall undertake or authorize an investigation. The investigation may be conducted by school district officials or by a third party designated by the school district.

- B. The investigation may consist of personal interviews with the complainant, the individual(s) against whom the complaint is filed, and others who may have knowledge of the alleged incident(s) or circumstances giving rise to the complaint. The investigation may also consist of any other methods and documents deemed pertinent by the investigator.
- C. In determining whether alleged conduct constitutes a violation of this policy, the school district should consider the surrounding circumstances, the nature of the behavior, past incidents or past or continuing patterns of behavior, the relationships between the parties involved, and the context in which the alleged incidents occurred. Whether a particular action or incident constitutes a violation of this policy requires a determination based on all the facts and surrounding circumstances.
- D. In addition, the school district may take immediate steps, at its discretion, to protect the target or victim, the complainant, and students, teachers, administrators, or other school district personnel pending completion of an investigation of alleged harassment or violence prohibited by this policy.
- E. The alleged perpetrator of the act(s) of harassment or violence shall be allowed the opportunity to present a defense during the investigation or prior to the imposition of discipline or other remedial responses.
- F. The investigation will be completed as soon as practicable. The school district human rights officer shall make a written report to the superintendent upon completion of the investigation. If the complaint involves the superintendent, the report may be filed directly with the school board. The report shall include a determination of whether the allegations have been substantiated as factual and whether they appear to be violations of this policy.

## **VI. SCHOOL DISTRICT ACTION**

- A. Upon completion of an investigation that determines a violation of this policy has occurred, the school district will take appropriate action. Such action may include, but is not limited to, warning, suspension, exclusion, expulsion, transfer, remediation, termination, or discharge. Disciplinary consequences will be sufficiently severe to try to deter violations and to appropriately discipline prohibited behavior. School district action taken for violation of this policy will be consistent with requirements of applicable collective bargaining agreements, Minnesota and federal law, and applicable school district policies and regulations.

- B. The school district is not authorized to disclose to a victim private educational or personnel data regarding an alleged perpetrator who is a student or employee of the school district. School officials will notify the parent(s) or guardian(s) of targets or victims of harassment or violence and the parent(s) or guardian(s) of alleged perpetrators of harassment or violence who have been involved in a reported and confirmed harassment or violence incident of the remedial or disciplinary action taken, to the extent permitted by law.
- C. In order to prevent or respond to acts of harassment or violence committed by or directed against a child with a disability, the school district shall, where determined appropriate by the child's individualized education program (IEP) or Section 504 team, allow the child's IEP or Section 504 plan to be drafted to address the skills and proficiencies the child needs as a result of the child's disability to allow the child to respond to or not to engage in acts of harassment or violence.

## **VII. RETALIATION OR REPRISAL**

The school district will discipline or take appropriate action against any student, teacher, administrator, or other school district personnel who commits an act of reprisal or who retaliates against any person who asserts, alleges, or makes a good faith report of alleged harassment or violence prohibited by this policy, who testifies, assists, or participates in an investigation of retaliation or alleged harassment or violence, or who testifies, assists, or participates in a proceeding or hearing relating to such harassment or violence. Retaliation includes, but is not limited to, any form of intimidation, reprisal, harassment, or intentional disparate treatment. Disciplinary consequences will be sufficiently severe to deter violations and to appropriately discipline the individual(s) who engaged in the harassment or violence. Remedial responses to the harassment or violence shall be tailored to the particular incident and nature of the conduct.

## **VIII. RIGHT TO ALTERNATIVE COMPLAINT PROCEDURES**

These procedures do not deny the right of any individual to pursue other avenues of recourse which may include filing charges with the Minnesota Department of Human Rights, initiating civil action, or seeking redress under state criminal statutes and/or federal law.

## **IX. HARASSMENT OR VIOLENCE AS ABUSE**

- A. Under certain circumstances, alleged harassment or violence may also be possible abuse under Minnesota law. If so, the duties of mandatory reporting under Minn. Stat. § 626.556 may be applicable.
- B. Nothing in this policy will prohibit the school district from taking immediate action to protect victims of alleged harassment, violence, or abuse.

## **X. DISSEMINATION OF POLICY AND TRAINING**

- A. This policy shall be conspicuously posted throughout each school building in areas accessible to students and staff members.
- B. This policy shall be given to each school district employee and independent contractor who regularly interacts with students at the time of initial employment with the school district.
- C. This policy shall appear in the student handbook.
- D. The school district will develop a method of discussing this policy with students and employees.
- E. The school district may implement violence prevention and character development education programs to prevent and reduce policy violations. Such programs may offer instruction on character education including, but not limited to, character qualities such as attentiveness, truthfulness, respect for authority, diligence, gratefulness, self-discipline, patience, forgiveness, respect for others, peacemaking, resourcefulness, and/or sexual abuse prevention.
- F. This policy shall be reviewed at least **annually** for compliance with state and federal law.

**Legal References:** Minn. Stat. § 120B.232 (Character Development Education)  
Minn. Stat. § 120B.234 (Child Sexual Abuse Prevention Education)  
Minn. Stat. § 121A.03, Subd. 2 (Sexual, Religious, and Racial Harassment and Violence Policy)  
Minn. Stat. § 121A.031 (School Student Bullying Policy)  
Minn. Stat. Ch. 363A (Minnesota Human Rights Act)  
Minn. Stat. § 609.341 (Definitions)  
Minn. Stat. § 626.556 *et seq.* (Reporting of Maltreatment of Minors)  
20 U.S.C. §§ 1681-1688 (Title IX of the Education Amendments of 1972)  
29 U.S.C. § 621 *et seq.* (Age Discrimination in Employment Act)  
29 U.S.C. § 794 (Rehabilitation Act of 1973, § 504)  
42 U.S.C. § 1983 (Civil Action for Deprivation of Rights)  
42 U.S.C. § 2000d *et seq.* (Title VI of the Civil Rights Act of 1964)  
42 U.S.C. § 2000e *et seq.* (Title VII of the Civil Rights Act)  
42 U.S.C. § 12101 *et seq.* (Americans with Disabilities Act)

**Cross References:** MSBA/MASA Model Policy 102 (Equal Educational Opportunity)  
MSBA/MASA Model Policy 401 (Equal Employment Opportunity)  
MSBA/MASA Model Policy 402 (Disability Nondiscrimination Policy)  
MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)

MSBA/MASA Model Policy 406 (Public and Private Personnel Data)  
MSBA/MASA Model Policy 414 (Mandated Reporting of Child Neglect or Physical or Sexual Abuse)  
MSBA/MASA Model Policy 415 (Mandated Reporting of Maltreatment of Vulnerable Adults)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 514 (Bullying Prohibition Policy)  
MSBA/MASA Model Policy 515 (Protection and Privacy of Pupil Records)  
MSBA/MASA Model Policy 521 (Student Disability Nondiscrimination)  
MSBA/MASA Model Policy 522 (Student Sex Nondiscrimination)  
MSBA/MASA Model Policy 524 (Internet Acceptable Use and Safety Policy)  
MSBA/MASA Model Policy 525 (Violence Prevention)  
MSBA/MASA Model Policy 526 (Hazing Prohibition)  
MSBA/MASA Model Policy 528 (Student Parental, Family, and Marital Status Nondiscrimination)

## **501 SCHOOL WEAPONS POLICY**

### **I. PURPOSE**

The purpose of this policy is to assure a safe school environment for students, staff and the public.

### **II. GENERAL STATEMENT OF POLICY**

No student or nonstudent, including adults and visitors, shall possess, use or distribute a weapon when in a school location except as provided in this policy. The school district will act to enforce this policy and to discipline or take appropriate action against any student, teacher, administrator, school employee, volunteer, or member of the public who violates this policy.

### **III. DEFINITIONS**

#### **A. “Weapon”**

1. A “weapon” means any object, device or instrument designed as a weapon or through its use is capable of threatening or producing bodily harm or which may be used to inflict self-injury including, but not limited to, any firearm, whether loaded or unloaded; airguns; pellet guns; BB guns; all knives; blades; clubs; metal knuckles; numchucks; throwing stars; explosives; fireworks; mace and other propellants; stunguns; ammunition; poisons; chains; arrows; and objects that have been modified to serve as a weapon.
2. No person shall possess, use or distribute any object, device or instrument having the appearance of a weapon and such objects, devices or instruments shall be treated as weapons including, but not limited to, weapons listed above which are broken or non-functional, look-alike guns; toy guns; and any object that is a facsimile of a real weapon.
3. No person shall use articles designed for other purposes (i.e., lasers or laser pointers, belts, combs, pencils, files, scissors, etc.), to inflict bodily harm and/or intimidate and such use will be treated as the possession and use of a weapon.

- #### **B. “School Location”**
- includes any school building or grounds, whether leased, rented, owned or controlled by the school, locations of school activities or trips, bus stops, school buses or school vehicles, school-contracted vehicles, the area of

entrance or departure from school premises or events, all locations where school-related functions are conducted, and anywhere students are under the jurisdiction of the school district.

- C. “Possession” means having a weapon on one’s person or in an area subject to one’s control in a school location.
- D. **“Dangerous Weapon” means any firearm, whether loaded or unloaded, or any device designed as a weapon and capable of producing death or great bodily harm, any combustible or flammable liquid or other device or instrumentality that, in the manner it is used or intended to be used, is calculated or likely to produce death or great bodily harm, or any fire that is used to produce death or great bodily harm. As used in this definition, “flammable liquid” means any liquid having a flash point below 100 degrees Fahrenheit and having a vapor pressure not exceeding 40 pounds per square inch (absolute) at 100 degrees Fahrenheit but does not include intoxicating liquor. As used in this subdivision, “combustible liquid” is a liquid having a flash point at or above 100 degrees Fahrenheit.**

#### IV. EXCEPTIONS

- A. A student who finds a weapon on the way to school or in a school location, or a student who discovers that ~~he or she~~ **they** accidentally ~~has~~ **have** a weapon in ~~his or her~~ **their** possession, and takes the weapon immediately to the principal’s office shall not be considered to possess a weapon. If it would be impractical or dangerous to take the weapon to the principal’s office, a student shall not be considered to possess a weapon if ~~he or she~~ **they** immediately turns the weapon over to an administrator, teacher or head coach or immediately notifies an administrator, teacher or head coach of the weapon’s location.
- B. It shall not be a violation of this policy if a nonstudent (or student where specified) falls within one of the following categories:
  - 1. active licensed peace officers;
  - 2. military personnel, or students or nonstudents participating in military training, who are on duty performing official duties;
  - 3. persons authorized to carry a pistol under Minnesota Statutes section 624.714 while in a motor vehicle or outside of a motor vehicle for the purpose of directly placing a firearm in, or retrieving it from, the trunk or rear area of the vehicle;
  - 4. persons who keep or store in a motor vehicle pistols in accordance with Minnesota Statutes sections 624.714 or 624.715 or other firearms in accordance with Minnesota Statutes section 97B.045;

- a. Section 624.714 specifies procedures and standards for obtaining pistol permits and penalties for the failure to do so. Section 624.715 defines an exception to the pistol permit requirements for “antique firearms which are carried or possessed as curiosities or for their historical significance or value.”
  - b. Section 97B.045 generally provides that a firearm may not be transported in a motor vehicle unless it is (1) unloaded and in a gun case without any portion of the firearm exposed; (2) unloaded and in the closed trunk; or (3) a handgun carried in compliance with sections 624.714 and 624.715.
5. firearm safety or marksmanship courses or activities for students or nonstudents conducted on school property;
  6. possession of dangerous weapons, BB guns, or replica firearms by a ceremonial color guard;
  7. a gun or knife show held on school property;
  8. possession of dangerous weapons, BB guns, or replica firearms with written permission of the principal or other person having general control and supervision of the school or the director of a child care center; or
  9. persons who are on unimproved property owned or leased by a child care center, school or school district unless the person knows that a student is currently present on the land for a school-related activity.

C. Policy Application to Instructional Equipment/Tools

While the school district does not allow the possession, use, or distribution of weapons by students or nonstudents, such a position is not meant to interfere with instruction or the use of appropriate equipment and tools by students or nonstudents. Such equipment and tools, when properly possessed, used, and stored, shall not be considered in violation of the rule against the possession, use, or distribution of weapons. However, when authorized instructional and work equipment and tools are used in a potentially dangerous or threatening manner, such possession and use will be treated as the possession and use of a weapon.

D. Firearms in School Parking Lots and Parking Facilities

A school district may not prohibit the lawful carry or possession of firearms in a school parking lot or parking facility. For purposes of this policy, the “lawful” carry or possession of a firearm in a school parking lot or parking facility is specifically limited to nonstudent permit-holders authorized under Minn. Stat. § 624.714 to carry a pistol in the interior of a vehicle or outside the motor vehicle for the purpose of directly placing a firearm in, or retrieving it from, the trunk or

rear area of the vehicle. Any possession or carry of a firearm beyond the immediate vicinity of a permit-holder's vehicle shall constitute a violation of this policy.

**V. CONSEQUENCES FOR STUDENT WEAPON POSSESSION/USE/DISTRIBUTION**

A. The school district does not allow the possession, use, or distribution of weapons by students. Consequently, the minimum consequence for students **willfully** possessing, using, or distributing weapons shall include:

1. immediate out-of-school suspension;
2. confiscation of the weapon;
3. immediate notification of police;
4. parent or guardian notification; and
5. recommendation to the superintendent of dismissal for a period of time not to exceed one year.

B. Pursuant to Minnesota law, a student who brings a firearm, as defined by federal law, to school will be expelled for at least one year. The school board may modify this requirement on a case-by-case basis.

C. **The building principal shall, as soon as practicable, refer to the criminal justice or juvenile delinquency system, as appropriate, a student who brings a firearm to school unlawfully.**

**E. D. Administrative Discretion**

While the school district does not allow the possession, use, or distribution of weapons by students, the superintendent may use discretion in determining whether, under the circumstances, a course of action other than the minimum consequences specified above is warranted. If so, other appropriate action may be taken, including consideration of a recommendation for lesser discipline.

**VI. CONSEQUENCES FOR WEAPON POSSESSION/USE/DISTRIBUTION BY NONSTUDENTS**

A. Employees

1. An employee who violates the terms of this policy is subject to disciplinary action, including nonrenewal, suspension, or discharge as deemed appropriate by the school board.

2. Sanctions against employees, including nonrenewal, suspension, or discharge shall be pursuant to and in accordance with applicable statutory authority, collective bargaining agreements, and school district policies.
3. When an employee violates the weapons policy, law enforcement may be notified, as appropriate.

B. Other Nonstudents

1. Any member of the public who violates this policy shall be informed of the policy and asked to leave the school location. Depending on the circumstances, the person may be barred from future entry to school locations. In addition, if the person is a student in another school district, that school district may be contacted concerning the policy violation.
2. If appropriate, law enforcement will be notified of the policy violation by the member of the public and may be asked to provide an escort to remove the member of the public from the school location.

## VII. REPORTS OF DANGEROUS WEAPON INCIDENTS IN SCHOOL ZONES

- A. **The school district must electronically report to the Commissioner of Education incidents involving the use or possession of a dangerous weapon in school zones, as required under Minnesota Statutes, section 121A.06.**

***Legal References:*** Minn. Stat. § 97B.045 (Transportation of Firearms)  
Minn. Stat. § 121A.05 (Referral to Police)  
**Minn. Stat. § 121A.06 (Reports of Dangerous Weapon Incidents in School Zones)**  
Minn. Stat. §§ 121A.40-121A.56 (Pupil Fair Dismissal Act)  
Minn. Stat. § 121A.44 (Expulsion for Possession of Firearm)  
**Minn. Stat. § 152.01, subd. 14(a) (Definition of a School Zone)**  
Minn. Stat. § 609.02, subd. 6 (Definition of Dangerous Weapon)  
Minn. Stat. § 609.605 (Trespass)  
Minn. Stat. § 609.66 (Dangerous Weapons)  
Minn. Stat. § 624.714 (Carrying of Weapons without Permit; Penalties)  
Minn. Stat. § 624.715 (Exemptions; Antiques and Ornaments)  
18 U.S.C. § 921 (Definition of Firearm)  
*In re C.R.M.* 611 N.W.2d 802 (Minn. 2000)  
***In re A.D.*, 883 N.W.2d 251 (Minn. 2016)**

***Cross References:*** MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 525 (Violence Prevention)  
**MSBA/MASA Model Policy 903 (Visitors to School District Buildings)**

**and Sites)**

## **515 PROTECTION AND PRIVACY OF PUPIL RECORDS**

### **I. PURPOSE**

The school district recognizes its responsibility in regard to the collection, maintenance, and dissemination of pupil records and the protection of the privacy rights of students as provided in federal law and state statutes.

### **II. GENERAL STATEMENT OF POLICY**

The following procedures and policies regarding the protection and privacy of parents and students are adopted by the school district, pursuant to the requirements of 20 U.S.C. § 1232g, *et seq.*, (Family Educational Rights and Privacy Act (FERPA)) 34 C.F.R. Part 99 and consistent with the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, and Minnesota Rules Parts 1205.0100-1205.2000.

### **III. DEFINITIONS**

#### **A. Authorized Representative**

“Authorized representative” means any entity or individual designated by the school district, state, or an agency headed by an official of the Comptroller of the United States, the Attorney General of the United States, the Secretary of the U.S. Department of Education, or state and local educational authorities to conduct, with respect to federal or state supported education programs, any audit or evaluation or any compliance or enforcement activity in connection with federal legal requirements that relate to these programs.

#### **B. Biometric Record**

“Biometric record,” as referred to in “Personally Identifiable,” means a record of one or more measurable biological or behavioral characteristics that can be used for ~~authorized~~ **automated** recognition of an individual (e.g., fingerprints, retina and iris patterns, voice prints, DNA sequence, facial characteristics, and handwriting).

#### **C. Dates of Attendance**

“Dates of attendance,” as referred to in “Directory Information,” means the period of time during which a student attends or attended a school or schools in the school district, including attendance in person or by paper correspondence, videoconference, satellite, internet or other electronic ~~communication~~ **information and telecommunications** technologies for students who are not in

the classroom, and including the period during which a student is working under a work-study program. The term does not include specific daily records of a student's attendance at a school or schools in the school district.

D. Directory Information

“Directory information” means information contained in an education record of a student ~~which~~; would not generally be considered harmful or an invasion of privacy if disclosed. It includes, but is not limited to: the student's name; date of birth; major field of study; dates of attendance; grade level; enrollment status (i.e., full-time or part-time); participation in officially recognized activities and sports; weight and height of members of athletic teams; degrees, honors and awards received; and the most recent educational agency or institution attended. It also includes the name of the student's parent(s). Directory information does not include:

1. a student's social security number;
2. a student's identification number (ID), user ID, or other unique personal identifier used by a student for purposes of accessing or communicating in electronic systems if the identifier may be used to access education records without use of one or more factors that authenticate the student's identity such as a personal identification number (PIN), password, or other factor known or possessed only by the authorized user;
3. a student ID or other unique personal identifier that is displayed on a student ID badge if the identifier can be used to gain access to educational records when used in conjunction with one or more factors that authenticate the student's identity, such as a PIN, password, or other factor known or possessed only by the student;
4. personally identifiable data which references religion, race, color, social position, or nationality; or
5. data collected from nonpublic school students, other than those who receive shared time educational services, unless written consent is given by the student's parent or guardian.

E. Education Records

1. What constitutes “education records.” Education records means those records ~~which~~ **that are:** (1) ~~are~~ directly related to a student; and (2) ~~are~~ maintained by the school district or by a party acting for the school district.
2. What does not constitute ~~an~~ education records. The term “education records” does not include:

- a. Records of instructional personnel which **that are**:
  - (1) **kept** in the sole possession of the maker of the record;
  - (2) **used only as a personal memory aid**;
  - (3) not accessible or revealed to any other individual except a **temporary** substitute teacher; and
  - (4) destroyed at the end of the school year.
  
- b. Records of a law enforcement unit of the school district, provided education records maintained by the school district are not disclosed to the unit, and the law enforcement records are:
  - (1) maintained separately from education records;
  - (2) maintained solely for law enforcement purposes; and
  - (3) disclosed only to law enforcement officials of the same jurisdiction.
  
- c. Records relating to an individual, including a student, who is employed by the school district which:
  - (1) are made and maintained in the normal course of business;
  - (2) relate exclusively to the individual in that individual's capacity as an employee; and
  - (3) are not available for use for any other purpose.

However, records relating to an individual in attendance at the school district who is employed as a result of his or her status as a student **are education records**.

- d. Records relating to an eligible student, or a student attending an institution of post-secondary education, ~~which~~ **that are**:
  - (1) made or maintained by a physician, psychiatrist, psychologist, or other recognized professional or paraprofessional acting in his or her professional or paraprofessional capacity or assisting in that capacity;
  - (2) made, maintained, or used only in connection with the provision of treatment to the student; and
  - (3) disclosed only to individuals providing the treatment;

provided that the records can be personally reviewed by a physician or other appropriate professional of the student's choice. For the purpose of this definition, "treatment" does not include remedial educational activities or activities that are a part of the program of instruction within the school district.

- e. Records **created or received by the school district** ~~that only contain information about an individual~~ after **an individual** ~~he or she~~ is no longer a student at the school district and that are not directly related to the individual's attendance as a student.
- f. **Grades on peer-related papers before the papers are collected and recorded by a teacher.**

F. Eligible Student

"Eligible student" means a student who has attained eighteen (18) years of age or is attending an institution of post-secondary education.

G. Juvenile Justice System

"Juvenile justice system" includes criminal justice agencies and the judiciary when involved in juvenile justice activities.

H. Legitimate Educational Interest

"Legitimate educational interest" includes **an** interest directly related to classroom instruction, teaching, student achievement and progress, discipline of a student, student health and welfare, and the ability to respond to a request for education data. It includes a person's need to know in order to:

1. Perform an administrative task required in the school or employee's contract or position description approved by the school board;
2. Perform a supervisory or instructional task directly related to the student's education; ~~or~~
3. Perform a service or benefit for the student or the student's family such as health care, counseling, student job placement, or student financial aid; **or**
4. Perform a task directly related to responding to a request for data.

I. Parent

"Parent" means a parent of a student and includes a natural parent, a guardian, or an individual acting as a parent of the student in the absence of a parent or guardian. The school district may presume the parent has the authority to exercise the rights provided herein, unless it has been provided with evidence that there is

a state law or court order governing such matters as marriage dissolution, separation or child custody, or a legally binding instrument which provides to the contrary.

J. Personally Identifiable

“Personally identifiable” means that the data or information includes, but is not limited to: (a) a student’s name; (b) the name of the student’s parent or other family member; (c) the address of the student or student’s family; (d) a personal identifier such as the student’s social security number or student number or biometric record; (e) other **indirect** identifiers, such as the student’s date of birth, place of birth, and mother’s maiden name; (f) other information that, alone or in combination, is linked or linkable to a specific student that would allow a reasonable person in the school community, who does not have personal knowledge of the relevant circumstances, to identify the student with reasonable certainty; or (g) information requested by a person who the school district reasonably believes knows the identity of the student to whom the education record relates.

K. Record

“Record” means any information or data recorded in any way including, but not limited to, handwriting, print, computer media, video or audio tape, film, microfilm, and microfiche.

L. Responsible Authority

“Responsible authority” means Superintendent of Schools or designee.

M. Student

“Student” includes any individual who is or has been in attendance, enrolled, or registered at the school district and regarding whom the school district maintains education records. Student also includes applicants for enrollment or registration at the school district and individuals who receive shared time educational services from the school district.

N. School Official

“School official” includes: (a) a person duly elected to the school board; (b) a person employed by the school board in an administrative, supervisory, instructional, or other professional position; (c) a person employed by the school board as a temporary substitute in a professional position for the period of his or her performance as a substitute; (d) a person employed by, or under contract to, the school board to perform a special task such as a secretary, a clerk, a public information officer or data practices compliance official, an attorney, or an auditor for the period of his or her performance as an employee or contractor; and (e) School Resource Officers are considered “school officials” only when

performing their duties as a School Resource Officer.

O. Summary Data

“Summary data” means statistical records and reports derived from data on individuals but in which individuals are not identified and from which neither their identities nor any other characteristic that could uniquely identify the individual is ascertainable.

P. Other Terms and Phrases

All other terms and phrases shall be defined in accordance with applicable state and federal law or ordinary customary usage.

**IV. GENERAL CLASSIFICATION**

State law provides that all data collected, created, received, or maintained by a school district are public unless classified by state or federal law as not public or private or confidential. State law classifies all data on individuals maintained by a school district which relates to a student as private data on individuals. This data may not be disclosed to parties other than the parent or eligible student without consent, except pursuant to a valid court order, certain state statutes authorizing access, and the provisions of FERPA and the regulations promulgated thereunder.

**V. STATEMENT OF RIGHTS**

A. Rights of Parents and Eligible Students

Parents and eligible students have the following rights under this policy:

1. The right to inspect and review the student’s education records;
2. The right to request the amendment of the student’s education records to ensure that they are not inaccurate, misleading, or otherwise in violation of the student’s privacy or other rights;
3. The right to consent to disclosures of personally identifiable information contained in the student’s education records, except to the extent that such consent is not required for disclosure pursuant to this policy, state or federal law, or the regulations promulgated thereunder;
4. The right to refuse release of names, addresses, and home telephone numbers of students in grades 11 and 12 to military recruiting officers and post-secondary educational institutions;
5. The right to file a complaint with the U.S. Department of Education concerning alleged failures by the school district to comply with the federal law and the regulations promulgated thereunder;

6. The right to be informed about rights under the federal law; and
7. The right to obtain a copy of this policy at the location set forth in Section XXI. of this policy.

B. Eligible Students

All rights and protections given to parents under this policy transfer to the student when he or she reaches eighteen (18) years of age or enrolls in an institution of post-secondary education. The student then becomes an “eligible student.” However, the parents of an eligible student who is also a “dependent student” are entitled to gain access to the education records of such student without first obtaining the consent of the student. In addition, parents of an eligible student may be given access to education records in connection with a health or safety emergency if the disclosure meets the conditions of any provision set forth in 34 C.F.R. § 99.31(a).

C. Disabled Students with a Disability

The school district shall follow 34 C.F.R. §§ 300.610-300.617 with regard to the ~~confidentiality~~ **privacy, notice, access, record keeping and accuracy** of information related to students with a disability.

## VI. DISCLOSURE OF EDUCATION RECORDS

A. Consent Required for Disclosure

1. The school district shall obtain a signed and dated written informed consent of the parent of a student or the eligible student before disclosing personally identifiable information from the education records of the student, except as provided herein.
2. The written consent required by this subdivision must be signed and dated by the parent of the student or the eligible student giving the consent and shall include:
  - a. a specification of the records to be disclosed;
  - b. the purpose or purposes of the disclosure;
  - c. the party or class of parties to whom the disclosure may be made;
  - d. the consequences of giving informed consent; and
  - e. if appropriate, a termination date for the consent.
3. When a disclosure is made under this subdivision:

- a. if the parent or eligible student so requests, the school district shall provide him or her with a copy of the records disclosed; and
  - b. if the parent of a student who is not an eligible student so requests, the school district shall provide the student with a copy of the records disclosed.
4. A signed and dated written consent may include a record and signature in electronic form that:
  - a. identifies and authenticates a particular person as the source of the electronic consent; and
  - b. indicates such person's approval of the information contained in the electronic consent.
5. If the responsible authority seeks an individual's informed consent to the release of private data to an insurer or the authorized representative of an insurer, informed consent shall not be deemed to have been given unless the statement is:
  - a. in plain language;
  - b. dated;
  - c. specific in designating the particular persons or agencies the data subject is authorizing to disclose information about the data subject;
  - d. specific as to the nature of the information the subject is authorizing to be disclosed;
  - e. specific as to the persons or agencies to whom the subject is authorizing information to be disclosed;
  - f. specific as to the purpose or purposes for which the information may be used by any of the parties named in Clause e. above, both at the time of the disclosure and at any time in the future; and
  - g. specific as to its expiration date which should be within a reasonable time, not to exceed one year except in the case of authorizations given in connection with applications for: (i) life insurance or noncancelable or guaranteed renewable health insurance and identified as such, two years after the date of the policy, or (ii) medical assistance under Minnesota Statutes Chapter. 256B or Minnesota Care under Minnesota Statutes Chapter 256L, which shall be ongoing during all terms of

eligibility, for individualized education program health-related services provided by a school district that are subject to third party reimbursement.

6. Eligible Student Consent

Whenever a student has attained eighteen (18) years of age or is attending an institution of post-secondary education, the rights accorded to and the consent required of the parent of the student shall thereafter only be accorded to and required of the eligible student, except as provided in Section V. of this policy.

B. Prior Consent for Disclosure Not Required

The school district may disclose personally identifiable information from the education records of a student without the written consent of the parent of the student or the eligible student unless otherwise provided herein, if the disclosure is:

1. To other school officials, including teachers, within the school district whom the school district determines have a legitimate educational interest in such records;
2. To a contractor, consultant, volunteer, or other party to whom the school district has outsourced institutional services or functions provided that the outside party:
  - a. performs an institutional service or function for which the school district would otherwise use employees;
  - b. is under the direct control of the school district with respect to the use and maintenance of education records; and
  - c. will not disclose the information to any other party without the prior consent of the parent or eligible student and uses the information only for the purposes for which the disclosure was made.
3. To officials of other schools, school districts, or post-secondary educational institutions in which the student seeks or intends to enroll, or is already enrolled, as long as the disclosure is for purposes related to the student's enrollment or transfer. The records shall include information about disciplinary action taken as a result of any incident in which the student possessed or used a dangerous weapon, and with proper annual notice (see Section XIX.), suspension and expulsion information pursuant to section 7917 of the federal Every Student Succeeds Act, **20 U.S.C. § 7917**, if applicable, data regarding a student's history of violent behavior. The records also shall include a copy of any probable cause notice or any

disposition or court order under Minnesota Statutes section 260B.171, unless the data are required to be destroyed under Minnesota Statutes section 120A.22, Subd. 7(c) or section 121A.75. On request, the school district will provide the parent or eligible student with a copy of the education records ~~which~~ **that** have been transferred and provide an opportunity for a hearing to challenge the content of those records in accordance with Section XV. of this policy;

4. To authorized representatives of the Comptroller General of the United States, the Attorney General of the United States, the Secretary of the U.S. Department of Education, or the Commissioner of the State Department of Education or his or her representative, subject to the conditions relative to such disclosure provided under federal law;
5. In connection with financial aid for which a student has applied or has received, if the information is necessary for such purposes as to:
  - a. determine eligibility for the aid;
  - b. determine the amount of the aid;
  - c. determine conditions for the aid; or
  - d. enforce the terms and conditions of the aid.

“Financial aid” for purposes of this provision means a payment of funds provided to an individual or a payment in kind of tangible or intangible property to the individual that is conditioned on the individual’s attendance at an educational agency or institution;

6. To state and local officials or authorities to whom such information is specifically allowed to be reported or disclosed pursuant to state statute adopted:
  - a. before November 19, 1974, if the allowed reporting or disclosure concerns the juvenile justice system and such system’s ability to effectively serve the student whose records are released; or
  - b. after November 19, 1974, if the reporting or disclosure allowed by state statute concerns the juvenile justice system and the system’s ability to effectively serve, prior to adjudication, the student whose records are released, provided the officials and authorities to whom the records are disclosed certify in writing to the school district that the data will not be disclosed to any other party, except as provided by state law, without the prior written consent of the parent of the student. At a minimum, the school district shall disclose the following information to the juvenile justice system under this paragraph: a student’s full name, home address,

telephone number, and date of birth; a student's school schedule, attendance record, and photographs, if any; and parents' names, home addresses, and telephone numbers.

7. To organizations conducting studies for or on behalf of educational agencies or institutions for the purpose of developing, validating, or administering predictive tests, administering student aid programs, or improving instruction; provided that the studies are conducted in a manner which does not permit the personal identification of parents or students by individuals other than representatives of the organization who have a legitimate interest in the information, the information is destroyed when no longer needed for the purposes for which the study was conducted, and the school district enters into a written agreement with the organization that: (a) specifies the purpose, scope, and duration of the study or studies and the information to be disclosed; (b) requires the organization to use personally identifiable information from education records only to meet the purpose or purposes of the study as stated in the written agreement; (c) requires the organization to conduct the study in a manner that does not permit personal identification of parents and students by anyone other than representatives of the organization with legitimate interests; and (d) requires the organization to destroy all personally identifiable information when information is no longer needed for the purposes for which the study was conducted and specifies the time period in which the information must be destroyed. For purposes of this provision, the term, "organizations," includes, but is not limited to, federal, state, and local agencies and independent organizations. In the event the Department of Education determines that a third party outside of the school district to whom information is disclosed violates this provision, the school district may not allow that third party access to personally identifiable information from education records for at least five (5) years;
8. To accrediting organizations in order to carry out their accrediting functions;
9. To parents of a student eighteen (18) years of age or older if the student is a dependent of the parents for income tax purposes;
10. To comply with a judicial order or lawfully issued subpoena, provided, however, that the school district makes a reasonable effort to notify the parent or eligible student of the order or subpoena in advance of compliance therewith so that the parent or eligible student may seek protective action, unless the disclosure is in compliance with a federal grand jury subpoena, or any other subpoena issued for law enforcement purposes, and the court or other issuing agency has ordered that the existence or the contents of the subpoena or the information furnished in response to the subpoena not be disclosed, or the disclosure is in compliance with an ex parte court order obtained by the United States Attorney General (or designee not lower than an Assistant Attorney

General) concerning investigations or prosecutions of an offense listed in 18 U.S.C. § 2332b(g)(5)(B), an act of domestic or international terrorism as defined in 18 U.S.C. § 2331, or a parent is a party to a court proceeding involving child abuse and neglect or dependency matters, and the order is issued in the context of the proceeding. If the school district initiates legal action against a parent or student, it may disclose to the court, without a court order or subpoena, the education records of the student that are relevant for the school district to proceed with the legal action as plaintiff. Also, if a parent or eligible student initiates a legal action against the school district, the school district may disclose to the court, without a court order or subpoena, the student's education records that are relevant for the school district to defend itself;

11. To appropriate parties, including parents of an eligible student, in connection with an emergency if knowledge of the information is necessary to protect the health, including the mental health, or safety of the student or other individuals. The decision is to be based upon information available at the time the threat occurs that indicates that there is an articulable and significant threat to the health or safety of a student or other individuals. In making a determination whether to disclose information under this section, the school district may take into account the totality of the circumstances pertaining to a threat and may disclose information from education records to any person whose knowledge of the information is necessary to protect the health or safety of the student or other students. A record of this disclosure must be maintained pursuant to Section XIII.E. of this policy. In addition, an educational agency or institution may include in the education records of a student appropriate information concerning disciplinary action taken against the student for conduct that posed a significant risk to the safety or well-being of that student, other students, or other members of the school community. This information may be disclosed to teachers and school officials within the school district and/or teachers and school officials in other schools who have legitimate educational interests in the behavior of the student;
12. To the juvenile justice system if information about the behavior of a student who poses a risk of harm is reasonably necessary to protect the health or safety of the student or other individuals;
13. Information the school district has designated as "directory information" pursuant to Section VII. of this policy;
14. To military recruiting officers and post-secondary educational institutions pursuant to Section XI. of this policy;
15. To the parent of a student who is not an eligible student or to the student himself or herself;
16. To appropriate health authorities to the extent necessary to administer

immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted;

17. To volunteers who are determined to have a legitimate educational interest in the data and who are conducting activities and events sponsored by or endorsed by the educational agency or institution for students or former students;
18. To the juvenile justice system, on written request that certifies that the information will not be disclosed to any other person except as authorized by law without the written consent of the parent of the student:
  - a. the following information about a student must be disclosed: a student's full name, home address, telephone number, date of birth; a student's school schedule, daily attendance record, and photographs, if any; and any parents' names, home addresses, and telephone numbers;
  - b. the existence of the following information about a student, not the actual data or other information contained in the student's education record, may be disclosed provided that a request for access must be submitted on the statutory form and it must contain an explanation of why access to the information is necessary to serve the student: (1) use of a controlled substance, alcohol, or tobacco; (2) assaultive or threatening conduct that could result in dismissal from school under the Pupil Fair Dismissal Act; (3) possession or use of weapons or look-alike weapons; (4) theft; or (5) vandalism or other damage to property. Prior to releasing this information, the principal or program administrator or chief administrative officer of a school who receives such a request must, to the extent permitted by federal law, notify the student's parent or guardian by certified mail of the request to disclose information. If the student's parent or guardian notifies the school official of an objection to the disclosure within ten (10) days of receiving certified notice, the school official must not disclose the information and instead must inform the requesting member of the juvenile justice system of the objection. If no objection from the parent or guardian is received within fourteen (14) days, the school official must respond to the request for information.

The written requests of the juvenile justice system member(s), as well as a record of any release, must be maintained in the student's file;

19. To the principal or program administrator where the student attends and to any counselor directly supervising or reporting on the behavior or progress of the student if it is information from a disposition order received by a

superintendent under Minnesota Statutes section 260B.171, subdivision 3. The principal must notify the counselor immediately and must place the disposition order in the student's permanent education record. The principal also must notify immediately any teacher or administrator who directly supervises or reports on the behavior or progress of the student whom the principal believes needs the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. The principal may also notify other school district employees, substitutes, and volunteers who are in direct contact with the student if the principal determines that these individuals need the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. Such notices from the principal must identify the student, outline the offense, and describe any conditions of probation about which the school must provide information if this information is provided in the disposition order. Disposition order information received is private educational data received for the limited purpose of serving the educational needs of the student and protecting students and staff. The information may not be further disseminated by the counselor, teacher, administrator, staff member, substitute, or volunteer except as necessary to serve the student, to protect students and staff, or as otherwise required by law, and only to the student or the student's parent or guardian;

20. To the principal or program administrator where the student attends if it is information from a peace officer's record of children received by a superintendent under Minnesota Statutes section 260B.171, Subd. 5. The principal must place the information in the student's education record. The principal also must notify immediately any teacher, counselor, or administrator directly supervising the student whom the principal believes needs the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. The principal may also notify other district employees, substitutes, and volunteers who are in direct contact with the student if the principal determines that these individuals need the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. Such notices from the principal must identify the student and describe the alleged offense if this information is provided in the peace officer's notice. Peace officer's record information received is private educational data received for the limited purpose of serving the educational needs of the student and protecting students and staff. The information must not be further disseminated by the counselor, teacher administrator, staff member, substitute, or volunteer except to communicate with the student or the student's parent or guardian as necessary to serve the student, to protect students and staff, or as otherwise required by law.

The principal or program administrator must delete the peace officer's record from the student's education record, destroy the data, and make reasonable efforts to notify any teacher, counselor, staff member, administrator, substitute, or volunteer who received information from the peace officer's record if the county attorney determines not to proceed with a petition or directs the student into a diversion or mediation program or if a juvenile court makes a decision on a petition and the county attorney or juvenile court notifies the superintendent of such action; or

21. To the Secretary of Agriculture, or authorized representative from the Food and Nutrition Service or contractors acting on behalf of the Food and Nutrition Service, for the purposes of conducting program monitoring, evaluations, and performance measurements of state and local educational and other agencies and institutions receiving funding or providing benefits of one or more programs authorized under the National School Lunch Act or the Child Nutrition Act of 1966 for which the results will be reported in an aggregate form that does not identify any individual, on the conditions that: (a) any data collected shall be protected in a manner that will not permit the personal identification of students and their parents by other than the authorized representatives of the Secretary; and (b) any personally identifiable data shall be destroyed when the data are no longer needed for program monitoring, evaluations, and performance measurements.
22. To an agency caseworker or other representative of a State or local child welfare agency, or tribal organization (as defined in section 450b of Title 25), who has the right to access a student's case plan, as defined and determined by the State or tribal organization, when such agency or organization is legally responsible, in accordance with State or tribal law, for the care and protection of the student, provided that the education records, or the personally identifiable information contained in such records, of the student will not be disclosed by such agency or organization, except to an individual or entity engaged in addressing the student's education needs and authorized by such agency or organization to receive such disclosure and such disclosure is consistent with the State or tribal laws applicable to protecting the confidentiality of a student's education records.

C. Nonpublic School Students

The school district may disclose personally identifiable information from the education records of a nonpublic school student, other than a student who receives shared time educational services, without the written consent of the parent of the student or the eligible student unless otherwise provided herein, if the disclosure is:

1. Pursuant to a valid court order;
2. Pursuant to a statute specifically authorizing access to the private data; or

3. To appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiological investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted.

## **VII. RELEASE OF DIRECTORY INFORMATION**

### **A. Classification**

Directory information is public except as provided herein.

### **B. Former Students**

Unless a former student validly opted out of the release of directory information while the student was in attendance and has not rescinded the opt out request at any time, the school district may disclose directory information from the education records generated by it regarding the former student without meeting the requirements of Paragraph C. of this section. In addition, under an explicit exclusion from the definition of an “education record,” the school district may release records that only contain information about an individual obtained after he or she is no longer a student at the school district and that are not directly related to the individual’s attendance as a student (e.g., a student’s activities as an alumnus of the school district).

### **C. Present Students and Parents**

The school district may disclose directory information from the education records of a student and information regarding parents without prior written consent of the parent of the student or eligible student, except as provided herein. Prior to such disclosure the school district shall:

1. Annually give public notice by any means that are reasonably likely to inform the parents and eligible students of:
  - a. the types of personally identifiable information regarding students and/or parents that the school district has designated as directory information;
  - b. the parent’s or eligible student’s right to refuse to let the school district designate any or all of those types of information about the student and/or the parent as directory information; and
  - c. the period of time in which a parent or eligible student has to notify the school district in writing that he or she does not want any or all of those types of information about the student and/or the parent designated as directory information.

2. Allow a reasonable period of time after such notice has been given for a parent or eligible student to inform the school district in writing that any or all of the information so designated should not be disclosed without the parent's or eligible student's prior written consent, except as provided in Section VI. of this policy.
3. A parent or eligible student may not opt out of the directory information disclosures to:
  - a. prevent the school district from disclosing or requiring the student to disclose the student's name, ID, or school district e-mail address in a class in which the student is enrolled; or
  - b. prevent the school district from requiring a student to wear, to display publicly, or to disclose a student ID card or badge that exhibits information that may be designated as directory information and that has been properly designated by the school district as directory information.
4. The school district shall not disclose or confirm directory information without meeting the written consent requirements contained in Section VI.A. of this policy if a student's social security number or other non-directory information is used alone or in combination with other data elements to identify or help identify the student or the student's records.

D. Procedure for Obtaining Nondisclosure of Directory Information

The parent's or eligible student's written notice shall be directed to the responsible authority and shall include the following:

1. Name of the student and/or parent, as appropriate;
2. Home address;
3. School presently attended by student;
4. Parent's legal relationship to student, if applicable; and
5. Specific categories of directory information to be made not public without the parent's or eligible student's prior written consent, which shall only be applicable for that school year.

E. Duration

The designation of any information as directory information about a student or parents will remain in effect for the remainder of the school year unless the parent or eligible student provides the written notifications provided herein.

## VIII. DISCLOSURE OF PRIVATE RECORDS

### A. Private Records

For the purposes herein, education records are records which are classified as private data on individuals by state law and which are accessible only to the student who is the subject of the data and the student's parent if the student is not an eligible student. The school district may not disclose private records or their contents except as summary data, or except as provided in Section VI. of this policy, without the prior written consent of the parent or the eligible student. The school district will use reasonable methods to identify and authenticate the identity of parents, students, school officials, and any other party to whom personally identifiable information from education records is disclosed.

### B. Private Records Not Accessible to Parent

In certain cases, state law intends, and clearly provides, that certain information contained in the education records of the school district pertaining to a student be accessible to the student alone, and to the parent only under special circumstances, if at all.

1. The responsible authority may deny access to private data by a parent when a minor student who is the subject of that data requests that the responsible authority deny such access. The minor student's request must be submitted in writing setting forth the reasons for denying access to the parent and must be signed by the minor. Upon receipt of such request the responsible authority shall determine if honoring the request to deny the parent access would be in the best interest of the minor data subject. In making this determination the responsible authority shall consider the following factors:
  - a. whether the minor is of sufficient age and maturity to be able to explain the reasons for and understand the consequences of the request to deny access;
  - b. whether the personal situation of the minor is such that denying parental access may protect the minor data subject from physical or emotional harm;
  - c. whether there are grounds for believing that the minor data subject's reasons for precluding parental access are reasonably accurate;
  - d. whether the data in question is of such a nature that disclosure of it to the parent may lead to physical or emotional harm to the minor data subject; and

- e. whether the data concerns medical, dental or other health services provided pursuant to Minn. Stat. §§ 144.341-144.347, in which case the data may be released only if the failure to inform the parent would seriously jeopardize the health of the minor.

C. Private Records Not Accessible to Student

Students shall not be entitled to access to private data concerning financial records and statements of the student's parent or any information contained therein.

D. Military-Connected Youth Identifier

**When a school district updates its enrollment forms in the ordinary course of business, the school district must include a box on the enrollment form to allow students to self-identify as a military-connected youth. For purposes of this section, a "military-connected youth" means having an immediate family member, including a parent or sibling, who is currently in the armed forces either as a reservist or on active duty or has recently retired from the armed forces. Data collected under this provision is private data on individuals, but summary data may be published by the Department of Education.**

IX. **DISCLOSURE OF CONFIDENTIAL RECORDS**

A. Confidential Records

Confidential records are those records and data contained therein which are made not public by state or federal law, and which are inaccessible to the student and the student's parents or to an eligible student.

B. Reports Under the Maltreatment of Minors Reporting Act

Pursuant to Minnesota Statutes Chapter **260E** ~~626.556~~, written copies of reports pertaining to a neglected and/or physically and/or sexually abused child shall be accessible only to the appropriate welfare and law enforcement agencies. In respect to other parties, such data shall be confidential and will not be made available to the parent or the subject individual by the school district. The subject individual, however, may obtain a copy of the report from either the local welfare agency, county sheriff, or the local police department subject to the provisions of Minnesota Statutes Chapter **250E**. ~~626.556, Subd. 11.~~

Regardless of whether a written report is made under Minnesota Statutes Chapter **260E**, ~~626.556, Subd. 7~~, as soon as practicable after a school receives information regarding an incident that may constitute maltreatment of a child in a school facility, the school shall inform the parent, legal guardian, or custodian of the child that an incident occurred that may constitute maltreatment of the child, when the incident occurred, and the nature of the conduct that may constitute maltreatment.

C. Investigative Data

Data collected by the school district as part of an active investigation undertaken for the purpose of the commencement or defense of pending civil legal action, or ~~which~~ **that** are retained in anticipation of a pending civil legal action are classified as protected nonpublic data in the case of data not on individuals, and confidential data in the case of data on individuals.

1. The school district may make any data classified as protected non-public or confidential pursuant to this subdivision accessible to any person, agency, or the public if the school district determines that such access will aid the law enforcement process, promote public health or safety, or dispel widespread rumor or unrest.
2. A complainant has access to a statement ~~he or she~~ **they** provided to the school district.
3. Parents or eligible students may have access to investigative data of which the student is the subject, but only to the extent the data is not inextricably intertwined with data about other school district students, school district employees, and/or attorney data as defined in Minnesota Statutes section 13.393.
4. Once a civil investigation becomes inactive, civil investigative data becomes public unless the release of the data would jeopardize another pending civil legal action, except for those portions of such data that are classified as not public data under state or federal law. Any civil investigative data presented as evidence in court or made part of a court record shall be public. For purposes of this provision, a civil investigation becomes inactive upon the occurrence of any of the following events:
  - a. a decision by the school district, or by the chief attorney for the school district, not to pursue the civil legal action. However, such investigation may subsequently become active if the school district or its attorney decides to renew the civil legal action;
  - b. the expiration of the time to file a complaint under the statute of limitations or agreement applicable to the civil legal action; or
  - c. the exhaustion or expiration of rights of appeal by either party to the civil legal action.
5. A “pending civil legal action” for purposes of this subdivision is defined as including, but not limited to, judicial, administrative, or arbitration proceedings.

D. Chemical Abuse Records

To the extent the school district maintains records of the identity, diagnosis, prognosis, or treatment of any student which are maintained in connection with the performance of any drug abuse prevention function conducted, regulated, or directly or indirectly assisted by any department or agency of the United States, such records are classified as confidential and shall be disclosed only for the purposes and under the circumstances expressly authorized by law.

#### **X. DISCLOSURE OF SCHOOL RECORDS PRIOR TO EXCLUSION OR EXPULSION HEARING**

At a reasonable time prior to any exclusion or expulsion hearing, the student and the student's parent or guardian or representative shall be given access to all school district records pertaining to the student, including any tests or reports upon which the action proposed by the school district may be based, pursuant to the Minnesota Pupil Fair Dismissal Act, Minnesota Statutes section 121A.40, *et seq.*

#### **XI. DISCLOSURE OF DATA TO MILITARY RECRUITING OFFICERS AND POST-SECONDARY EDUCATIONAL INSTITUTIONS**

- A. The school district will release the names, addresses, **electronic mail address (which shall be the electronic mail addresses provided by the school district, if available, that may be released to military recruiting officers only)**, and home telephone numbers of students in grades 11 and 12 to military recruiting officers and post-secondary educational institutions within sixty (60) days after the date of the request unless a parent or eligible student has refused in writing to release this data pursuant to Paragraph C. below.
- B. Data released to military recruiting officers under this provision:
1. may be used only for the purpose of providing information to students about military service, state and federal veterans' education benefits, and other career and educational opportunities provided by the military; and
  2. cannot be further disseminated to any other person except personnel of the recruiting services of the armed forces, **and**
  3. **copying fees shall not be imposed.**
- C. A parent or eligible student has the right to refuse the release of the name, address, **electronic mail addresses (which shall be the electronic mail addresses provided by the school, if available, that may be released to military recruiting officers only)** or home telephone number to military recruiting officers and post-secondary educational institutions. To refuse the release of the above information to military recruiting officers and post-secondary educational institutions, a parent or eligible student must notify the principal or program administrator in writing by September 15<sup>th</sup> of each year. The written request must include the following information:

1. Name of student and parent, as appropriate;
  2. Home address;
  3. Student's grade level;
  4. School presently attended by student;
  5. Parent's legal relationship to student, if applicable;
  6. Specific category or categories of information which are not to be released to military recruiting officers and post-secondary educational institutions; and
  7. Specific category or categories of information which are not to be released to the public, including military recruiting officers and post-secondary educational institutions.
- D. Annually, the school district will provide public notice by any means that are reasonably likely to inform the parents and eligible students of their rights to refuse to release the names, addresses, and home phone numbers of students in grades 11 and 12 without prior consent.
- E. A parent or eligible student's refusal to release the above information to military recruiting officers and post-secondary educational institutions does not affect the school district's release of directory information to the rest of the public, which includes military recruiting officers and post-secondary educational institutions. In order to make any directory information about a student private, the procedures contained in Section VII. of this policy also must be followed. Accordingly, to the extent the school district has designated the name, address, **home** phone number, and grade level of students as directory information, absent a request from a parent or eligible student not to release such data, this information will be public data and accessible to members of the public, including military recruiting officers and post-secondary educational institutions.

## **XII. LIMITS ON REDISCLOSURE**

### **A. Redisclosure**

Consistent with the requirements herein, the school district may only disclose personally identifiable information from the education records of a student on the condition that the party to whom the information is to be disclosed will not disclose the information to any other party without the prior written consent of the parent of the student or the eligible student, except that the officers, employees, and agents of any party receiving personally identifiable information under this section may use the information, but only for the purposes for which the disclosure was made.

B. Redislosure Not Prohibited

1. Subdivision A. of this section does not prevent the school district from disclosing personally identifiable information under Section VI. of this policy with the understanding that the party receiving the information may make further disclosures of the information on behalf of the school district provided:
  - a. The disclosures meet the requirements of Section VI. of this policy; and
  - b. The school district has complied with the record-keeping requirements of Section XIII. of this policy.
2. Subdivision A. of this section does not apply to disclosures made pursuant to court orders or lawfully issued subpoenas or litigation, to disclosures of directory information, to disclosures to a parent or student or to parents of dependent students, or to disclosures concerning sex offenders and other individuals required to register under 42 U.S.C. § 14071. However, the school district must provide the notification required in Section XII.D. of this policy if a redislosure is made based upon a court order or lawfully issued subpoena.

C. Classification of Disclosed Data

The information disclosed shall retain the same classification in the hands of the party receiving it as it had in the hands of the school district.

D. Notification

The school district shall inform the party to whom a disclosure is made of the requirements set forth in this section, except for disclosures made pursuant to court orders or lawfully issued subpoenas, disclosure of directory information under Section VII. of this policy, disclosures to a parent or student, or disclosures to parents of a dependent student. In the event that the Family Policy Compliance Office determines that a state or local educational authority, a federal agency headed by an official listed in 34 C.F.R. § 99.31(a)(3), or an authorized representative of a state or local educational authority or a federal agency headed by an official listed in § 99.31(a)(3), or a third party outside of the school district improperly redisclodes personally identifiable information from education records or fails to provide notification required under this section of this policy, the school district may not allow that third party access to personally identifiable information from education records for at least five (5) years.

**XIII. RESPONSIBLE AUTHORITY; RECORD SECURITY; AND RECORD KEEPING**

A. Responsible Authority

The responsible authority shall be responsible for the maintenance and security of student records. The Superintendent of Schools or designee is the responsible authority.

B. Record Security

The principal or program administrator of each school subject to the supervision and control of the responsible authority shall be the records manager of the school and shall have the duty of maintaining and securing the privacy and/or confidentiality of student records.

C. Plan for Securing Student Records

The district has procedures for securing student records. The procedures and related policy shall contain the following information:

1. A description of records maintained;
2. Titles of person(s) responsible for the security of student records;
3. Location of student records, by category, in the buildings;
4. Means of securing student records; and
5. Procedures for access and disclosure.

D. Review of Written Plan for Securing Student Records

The responsible authority shall review the plans submitted pursuant to Paragraph C. of this section for compliance with the law, this policy and the various administrative policies of the school district. The responsible authority shall then promulgate a chart incorporating the provisions of Paragraph C. which shall be attached to and become a part of this policy.

E. Record Keeping

1. The principal or program administrator shall, for each request for and each disclosure of personally identifiable information from the education records of a student, maintain a record with the education records of the student ~~which~~ **that** indicates:
  - a. the parties who have requested or received personally identifiable information from the education records of the student;
  - b. the legitimate interests these parties had in requesting or obtaining the information; and

- c. the names of the state and local educational authorities and federal officials and agencies listed in Section VI.B.4. of this policy that may make further disclosures of personally identifiable information from the student's education records without consent.
2. In the event the school district discloses personally identifiable information from an education record of a student pursuant to Section XII.B. of this policy, the record of disclosure required under this section shall also include:
  - a. the names of the additional parties to which the receiving party may disclose the information on behalf of the school district;
  - b. the legitimate interests under Section VI. of this policy which each of the additional parties has in requesting or obtaining the information; and
  - c. a copy of the record of further disclosures maintained by a state or local educational authority or federal official or agency listed in Section VI.B.4. of this policy in accordance with 34 C.F.R. § 99.32 and to whom the school district disclosed information from an education record. The school district shall request a copy of the record of further disclosures from a state or local educational authority or federal official or agency to whom education records were disclosed upon a request from a parent or eligible student to review the record of requests for disclosure.
3. Section XIII.E.1. does not apply to requests by or disclosure to a parent of a student or an eligible student, disclosures pursuant to the written consent of a parent of a student or an eligible student, requests by or disclosures to other school officials under Section VI.B.1. of this policy, to requests for disclosures of directory information under Section VII. of this policy, or to a party seeking or receiving the records as directed by a federal grand jury or other law enforcement subpoena and the issuing court or agency has ordered that the existence or the contents of the subpoena or the information provided in response to the subpoena not be disclosed or as directed by an ex parte court order obtained by the United States Attorney General (or designee not lower than an Assistant Attorney General) concerning investigations or prosecutions of an offense listed in 18. U.S.C. § 2332b(g)(5)(B) or an act of domestic or international terrorism.
4. The record of requests of disclosures may be inspected by:
  - a. the parent of the student or the eligible student;
  - b. the school official or his or her assistants who are responsible for the custody of the records; and

- c. the parties authorized by law to audit the record-keeping procedures of the school district.
5. The school district shall record the following information when it discloses personally identifiable information from education records under the health or safety emergency exception:
  - a. the articulable and significant threat to the health or safety of a student or other individual that formed the basis for the disclosure; and
  - b. the parties to whom the school district disclosed the information.
6. The record of requests and disclosures shall be maintained with the education records of the student as long as the school district maintains the student's education records.

#### **XIV. RIGHT TO INSPECT AND REVIEW EDUCATION RECORDS**

A. Parent of a Student, an Eligible Student or the Parent of an Eligible Student Who is Also a Dependent Student

The school district shall permit the parent of a student, an eligible student, or the parent of an eligible student who is also a dependent student who is or has been in attendance in the school district to inspect or review the education records of the student, except those records which are made confidential by state or federal law or as otherwise provided in Section VIII. of this policy.

B. Response to Request for Access

The school district shall respond to any request pursuant to Subdivision A. of this section immediately, if possible, or within ten (10) days of the date of the request, excluding Saturdays, Sundays, and legal holidays.

C. Right to Inspect and Review

The right to inspect and review education records under Subdivision A. of this section includes:

1. The right to a response from the school district to reasonable requests for explanations and interpretations of records; and
2. If circumstances effectively prevent the parent or eligible student from exercising the right to inspect and review the education records, the school district shall provide the parent or eligible student with a copy of the records requested or make other arrangements for the parent or eligible student to inspect and review the requested records.

3. Nothing in this policy shall be construed as limiting the frequency of inspection of the education records of a student with a disability by the student's parent or guardian or by the student upon the student reaching the age of majority.

D. Form of Request

Parents or eligible students shall submit to the school district a written request to inspect education records which identify as precisely as possible the record or records ~~he or she wishes~~ **they wish** to inspect.

E. Collection of Student Records

If a student's education records are maintained in more than one location, the responsible authority may collect copies of the records or the records themselves from the various locations so they may be inspected at one site. However, if the parent or eligible student wishes to inspect these records where they are maintained, the school district shall attempt to accommodate those wishes. The parent or eligible student shall be notified of the time and place where the records may be inspected.

F. Records Containing Information on More Than One Student

If the education records of a student contain information on more than one student, the parent or eligible student may inspect and review or be informed of only the specific information which pertains to that student.

G. Authority to Inspect or Review

The school district may presume that either parent of the student has authority to inspect or review the education records of a student unless the school district has been provided with evidence that there is a legally binding instrument or a state law or court order governing such matters as marriage dissolution, separation, or custody which provides to the contrary.

H. Fees for Copies of Records

1. The school district shall charge a reasonable fee for providing photocopies or printed copies of records unless printing a copy is the only method to provide for the inspection of data. In determining the amount of the reasonable fee, the school district shall consider the following:
  - a. the cost of materials, including paper, used to provide the copies;
  - b. the cost of the labor required to prepare the copies;
  - c. any schedule of standard copying charges established by the school district in its normal course of operations;

- d. any special costs necessary to produce such copies from machine-based record-keeping systems, including but not limited to computers and microfilm systems; and
    - e. mailing costs.
  2. If 100 or fewer pages of black and white, letter or legal size paper copies are requested, actual costs shall not be used, and, instead, the charge shall be no more than 25 cents for each page copied.
  3. The cost of providing copies shall be borne by the parent or eligible student.
  4. The responsible authority, however, may not impose a fee for a copy of an education record made for a parent or eligible student if doing so would effectively prevent or, in the case of a student with a disability, impair the parent or eligible student from exercising their right to inspect or review the student's education records.

## **XV. REQUEST TO AMEND RECORDS; PROCEDURES TO CHALLENGE DATA**

### **A. Request to Amend Education Records**

The parent of a student or an eligible student who believes that information contained in the education records of the student is inaccurate, misleading, or violates the privacy rights of the student may request that the school district amend those records.

1. The request shall be in writing, shall identify the item the requestor believes to be inaccurate, misleading, or in violation of the privacy or other rights of the student, shall state the reason for this belief, and shall specify the correction the requestor wishes the school district to make. The request shall be signed and dated by the requestor.
2. The school district shall decide whether to amend the education records of the student in accordance with the request within thirty (30) days after receiving the request.
3. If the school district decides to refuse to amend the education records of the student in accordance with the request, it shall inform the parent of the student or the eligible student of the refusal and advise the parent or eligible student of the right to a hearing under Subdivision B. of this section.

### **B. Right to a Hearing**

If the school district refuses to amend the education records of a student, the

school district, on request, shall provide an opportunity for a hearing in order to challenge the content of the student's education records to ensure that information in the education records of the student is not inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student. A hearing shall be conducted in accordance with Subdivision C. of this section.

1. If, as a result of the hearing, the school district decides that the information is inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student, it shall amend the education records of the student accordingly and so inform the parent of the student or the eligible student in writing.
2. If, as a result of the hearing, the school district decides that the information is not inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student, it shall inform the parent or eligible student of the right to place a statement in the record commenting on the contested information in the record or stating why ~~he or she disagrees~~ **they disagree** with the decision of the school district, or both.
3. Any statement placed in the education records of the student under Subdivision B. of this section shall:
  - a. be maintained by the school district as part of the education records of the student so long as the record or contested portion thereof is maintained by the school district; and
  - b. if the education records of the student or the contested portion thereof is disclosed by the school district to any party, the explanation shall also be disclosed to that party.

C. Conduct of Hearing

1. The hearing shall be held within a reasonable period of time after the school district has received the request, and the parent of the student or the eligible student shall be given notice of the date, place, and time reasonably in advance of the hearing.
2. The hearing may be conducted by any individual, including an official of the school district who does not have a direct interest in the outcome of the hearing. The school board attorney shall be in attendance to present the school board's position and advise the designated hearing officer on legal and evidentiary matters.
3. The parent of the student or eligible student shall be afforded a full and fair opportunity for hearing to present evidence relative to the issues raised under Subdivisions A. and B. of this section and may be assisted or represented by individuals of his or her choice at his or her own expense, including an attorney.

4. The school district shall make a decision in writing within a reasonable period of time after the conclusion of the hearing. The decision shall be based solely on evidence presented at the hearing and shall include a summary of evidence and reasons for the decision.

D. Appeal

The final decision of the designated hearing officer may be appealed in accordance with the applicable provisions of Minnesota Statutes Chapter 14 relating to contested cases.

## **XVI. PROBLEMS ACCESSING DATA**

- A. The data practices compliance official is the designated employee to whom persons may direct questions or concerns regarding problems in obtaining access to data or other data practices problems.
- B. Data practices compliance official means the principal or program administrator.
- C. Any request by an individual with a disability for reasonable modifications of the school district's policies or procedures for purposes of accessing records shall be made to the data practices compliance official.

## **XVII. COMPLAINTS FOR NONCOMPLIANCE WITH FERPA**

A. Where to File Complaints

Complaints regarding alleged violations of rights accorded parents and eligible students by FERPA, and the rules promulgated thereunder, shall be submitted in writing to the ~~Family Policy Compliance Office~~, U.S. Department of Education, **Student Privacy Policy Office**, 400 Maryland Avenue S.W., Washington, D.C. 20202.

B. Content of Complaint

A complaint filed pursuant to this section must contain specific allegations of fact giving reasonable cause to believe that a violation of FERPA and the rules promulgated thereunder has occurred.

## **XVIII. WAIVER**

A parent or eligible student may waive any of his or her rights provided herein pursuant to FERPA. A waiver shall not be valid unless in writing and signed by the parent or eligible student. The school district may not require such a waiver.

## **XIX. ANNUAL NOTIFICATION OF RIGHTS**

A. Contents of Notice

The school district shall give parents of students currently in attendance and eligible students currently in attendance annual notice by such means as are reasonably likely to inform the parents and eligible students of the following:

1. That the parent or eligible student has a right to inspect and review the student's education records and the procedure for inspecting and reviewing education records;
2. That the parent or eligible student has a right to seek amendment of the student's education records to ensure that those records are not inaccurate, misleading, or otherwise in violation of the student's privacy or other rights and the procedure for requesting amendment of records;
3. That the parent or eligible student has a right to consent to disclosures of personally identifiable information contained in the student's education records, except to the extent that federal and state law and the regulations promulgated thereunder authorize disclosure without consent;
4. That the parent or eligible student has a right to file a complaint with the U.S. Department of Education regarding an alleged failure by the school district to comply with the requirements of FERPA and the rules promulgated thereunder;
5. The criteria for determining who constitutes a school official and what constitutes a legitimate educational interest for purposes of disclosing education records to other school officials whom the school district has determined to have legitimate educational interests; and
6. That the school district forwards education records on request to a school in which a student seeks or intends to enroll or is already enrolled as long as the disclosure is for purposes related to the student's enrollment or transfer and that such records may include suspension and expulsion records pursuant to the federal Every Student Succeeds Act and, if applicable, a student's history of violent behavior.

B. Notification to Parents of Students Having a Primary Home Language Other Than English

The school district shall provide for the need to effectively notify parents of students identified as having a primary or home language other than English.

C. Notification to Parents or Eligible Students Who are Disabled

The school district shall provide for the need to effectively notify parents or eligible students identified as disabled.

## XX. DESTRUCTION AND RETENTION OF RECORDS

Destruction and retention of records by the school district shall be controlled by state and federal law.

## XXI. COPIES OF POLICY

Copies of this policy may be obtained by parents and eligible students at the office of the superintendent.

**Legal References:** Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)  
**Minn. Stat. § 13.393 (Attorneys)**  
Minn. Stat. Ch. 14 (Administrative Procedures Act)  
Minn. Stat. § 120A.22 (Compulsory Instruction)  
Minn. Stat. § 121A.40-121A.56 (The Pupil Fair Dismissal Act)  
Minn. Stat. § 121A.75 (~~Sharing Disposition Order and Peace Officer Records~~)(**Receipt of Records; Sharing**)  
Minn. Stat. § 127A.852 (Military-Connected Youth Identifier)  
Minn. Stat. § 144.341-144.347 (Consent of Minors for Health Services)  
**Minn. Stat. Ch. 256B (Medical Assistance for Needy Persons)**  
**Minn. Stat. Ch. 256L (MinnesotaCare)**  
Minn. Stat. § 260B.171, Subds. 3 and 5 (Disposition Order and Peace Officer Records of Children)  
**Minn. Stat. Ch. 260E (Reporting of Maltreatment of Minors)**  
Minn. Stat. § 363A.42 (Public Records; Accessibility)  
Minn. Stat. § 626.556 (Reporting of Maltreatment of Minors)  
Minn. Rules Parts 1205.0100-1205.2000 (Data Practices)  
10 U.S.C. § 503(b) and (c) (Enlistments: Recruiting Campaigns; Compilation of Directory Information)  
18 U.S.C. § 2331 (Definitions)  
18 U.S.C. § 2332b (Acts of Terrorism Transcending National Boundaries)  
20 U.S.C. § 1232g *et seq.* (Family Educational Rights and Privacy Act)  
20 U.S.C. § 6301 *et seq.* (Every Student Succeeds Act)  
20 U.S.C. § 7908 (Armed Forces Recruiting Information)  
**20 U.S.C. § 7917 (Transfer of School Disciplinary Records)**  
**25 U.S.C. § 5304 (Definitions – Tribal Organization)**  
26 U.S.C. §§ 151 and 152 (Internal Revenue Code)  
**42 U.S.C. § 1711 *et seq.* (Child Nutrition Act)**  
**42 U.S.C. § 1751 *et seq.* (Richard B. Russell National School Lunch Act)**  
34 C.F.R. §§ 99.1-99.67 (Family Educational Rights and Privacy)  
34 C.F.R. § 300.610-300.627 (Confidentiality of Information)  
42 C.F.R. § 2.1 *et seq.* (Confidentiality of Drug Abuse Patient Records)  
*Gonzaga University v. Doe*, 536 U.S. 273, 122 S.Ct. 2268, 153 L.Ed. 2d 309 (2002)

**Cross References:** MSBA/MASA Model Policy 414 (Mandated Reporting of Child Neglect)

or Physical or Sexual Abuse)  
MSBA/MASA Model Policy 417 (Chemical Use and Abuse)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 519 (Interviews of Students by Outside Agencies)  
MSBA/MASA Model Policy 520 (Student Surveys)  
MSBA/MASA Model Policy 711 (Video Recording on School Buses)  
**MSBA/MASA Model Policy 722 (Public Data Requests)**  
MSBA/MASA Model Policy 906 (Community Notification of Predatory Offenders)  
~~MSBA Service Manual, Chapter 13,~~ School Law Bulletin “I” (School Records – Privacy – Access to Data)

## **524 INTERNET ACCEPTABLE USE AND SAFETY POLICY**

### **I. PURPOSE**

The purpose of this policy is to set forth policies and guidelines for access to the school district computer system and acceptable and safe use of the Internet, including electronic communications.

### **II. GENERAL STATEMENT OF POLICY**

In making decisions regarding student and employee access to the school district computer system and the Internet, including electronic communications, the school district considers its own stated educational mission, goals, and objectives. Electronic information research skills are now fundamental to preparation of citizens and future employees. Access to the school district computer system and to the Internet enables students and employees to explore thousands of libraries, databases, bulletin boards, and other resources while exchanging messages with people around the world. The school district expects that faculty will blend thoughtful use of the school district computer system and the Internet throughout the curriculum and will provide guidance and instruction to students in their use.

### **III. LIMITED EDUCATIONAL PURPOSE**

The school district is providing students and employees with access to the school district computer system, which includes Internet access. The purpose of the system is more specific than providing students and employees with general access to the Internet. The school district system has a limited educational purpose, which includes use of the system for classroom activities, educational research, and professional or career development activities. Users are expected to use Internet access through the district system to further educational and personal goals consistent with the mission of the school district and school policies. Uses which might be acceptable on a user's private personal account on another system may not be acceptable on this limited-purpose network.

### **IV. USE OF SYSTEM IS A PRIVILEGE**

The use of the school district system and access to use of the Internet is a privilege, not a right. Depending on the nature and degree of the violation and the number of previous violations, unacceptable use of the school district system or the Internet may result in one

or more of the following consequences: suspension or cancellation of use or access privileges; payments for damages and repairs; discipline under other appropriate school district policies, including suspension, expulsion, exclusion, or termination of employment; or civil or criminal liability under other applicable laws.

## V. UNACCEPTABLE USES

- A. **The While not an exhaustive list, the** following uses of the school district system and Internet resources or accounts are considered unacceptable:
1. Users will not use the school district system to access, review, upload, download, store, print, post, receive, transmit, or distribute:
    - a. pornographic, obscene, or sexually explicit material or other visual depictions that are harmful to minors;
    - b. obscene, abusive, profane, lewd, vulgar, rude, inflammatory, threatening, disrespectful, or sexually explicit language;
    - c. materials that use language or images that are inappropriate in the education setting or disruptive to the educational process;
    - d. information or materials that could cause damage or danger of disruption to the educational process;
    - e. materials that use language or images that advocate violence or discrimination toward other people (hate literature) or that may constitute harassment or discrimination.
  2. Users will not use the school district system to knowingly or recklessly post, transmit, or distribute false or defamatory information about a person or organization, or to harass another person, or to engage in personal attacks, including prejudicial or discriminatory attacks.
  3. Users will not use the school district system to engage in any illegal act or violate any local, state, or federal statute or law.
  4. Users will not use the school district system to vandalize, damage, or disable the property of another person or organization, will not make deliberate attempts to degrade or disrupt equipment, software, or system performance by spreading computer viruses or by any other means, will not tamper with, modify, or change the school district system software, hardware, or wiring or take any action to violate the school district's security system, and will not use the school district system in such a way as to disrupt the use of the system by other users.

5. Users will not use the school district system to gain unauthorized access to information resources or to access another person's materials, information, or files without the implied or direct permission of that person.
6. Users will not use the school district system to post private information about another person, personal contact information about themselves or other persons, or other personally identifiable information, including, but not limited to, addresses, telephone numbers, school addresses, work addresses, identification numbers, account numbers, access codes or passwords, labeled photographs, or other information that would make the individual's identity easily traceable, and will not repost a message that was sent to the user privately without permission of the person who sent the message.
  - a. This paragraph does not prohibit the posting of employee contact information on school district webpages or communications between employees and other individuals when such communications are made for education-related purposes (i.e., communications with parents or other staff members related to students).
  - b. Employees may not post personal contact information or other personally identifiable information about students unless:
    - (1) such information is classified by the school district as directory information and verification is made that the school district has not received notice from a parent/guardian or eligible student that such information is not to be designated as directory information in accordance with Policy 515, Protection and Privacy of Student Records.
    - (2) such information is not classified by the school district as directory information but written consent for release of the information to be posted has been obtained from a parent/guardian or eligible student in accordance with Policy 515 Protection and Privacy of Student Records.
  - c. These prohibitions specifically prohibit a user from utilizing the school district system to post personal information about a user or another individual on social networks, such as "Facebook," "Twitter," "Instagram," "Snapchat," "**TikTok**" "Reddit," and similar websites or applications.
7. Users will not attempt to gain unauthorized access to the school district system or any other system through the school district system, attempt to log in through another person's account, or use computer accounts, access codes, or network identification other than those assigned to the user.

Messages and records on the school district system may not be encrypted without the permission of appropriate school authorities.

8. Users will not use the school district system to violate copyright laws or usage licensing agreements, or otherwise to use another person's property without the person's prior approval or proper citation, including the downloading or exchanging of pirated software or copying software to or from any school computer, and will not plagiarize works they find on the Internet.
9. Users will not use the school district system for conducting business, for unauthorized commercial purposes, or for financial gain unrelated to the mission of the school district. Users will not use the school district system to offer or provide goods or services or for product advertisement.
10. Users will not use the school district system to engage in bullying or cyberbullying in violation of the school district's Bullying Prohibition Policy 514. This prohibition includes using any technology or other electronic communication off school premises to the extent that student learning or the school environment is substantially and materially disrupted.

- B. The school district has a special interest in regulating off-campus speech that materially disrupts classwork or involves substantial disorder or invasion of the rights of others.** A student or employee engaging in the foregoing unacceptable uses of the Internet when off school district premises also may be in violation of this policy as well as other school district policies. Examples of such violations **may** include, but are not limited to, ~~situations~~ **serious or severe bullying or harassment targeting particular individuals, threats aimed at teachers or other students, failure to follow rules concerning lessons, the writing of papers, the use of computers, or participation in other online school activities, and breaches of school security devices.** ~~where the school district system is compromised or if a school district employee or student is negatively impacted.~~ If the school district receives a report of an unacceptable use originating from a non-school computer or resource, the school district may investigate such reports to the best of its ability. Students or employees may be subject to disciplinary action for such conduct, including, but not limited to, suspension or cancellation of the use or access to the school district computer system and the Internet and discipline under other appropriate school district policies, including suspension, expulsion, exclusion, or termination of employment.
- C.** If a user inadvertently accesses unacceptable materials or an unacceptable Internet site, the user shall immediately disclose the inadvertent access to an appropriate school district official. In the case of a school district employee, the immediate disclosure shall be to the employee's immediate supervisor and/or the building administrator. This disclosure may serve as a defense against an allegation that the user has intentionally violated this policy. In certain rare instances, a user also may access otherwise unacceptable materials if necessary to complete an assignment and if done with the prior approval of and with appropriate guidance from the appropriate teacher or, in the case of a school district employee, the building administrator.

## **VI. FILTER**

- A. With respect to any of its computers with Internet access, the school district will monitor the online activities of both minors and adults and employ technology protection measures during any use of such computers by minors and adults. The technology protection measures utilized will block or filter Internet access to any visual depictions that are:
1. Obscene;
  2. Child pornography; or
  3. Harmful to minors.
- B. The term “harmful to minors” means any picture, image, graphic image file, or other visual depiction that:
1. Taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion; or
  2. Depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and
  3. Taken as a whole, lacks serious literary, artistic, political, or scientific value as to minors.
- C. Software filtering technology shall be narrowly tailored and shall not discriminate based on viewpoint.
- D. An administrator, supervisor, or other person authorized by the Superintendent may disable the technology protection measure, during use by an adult, to enable access for bona fide research or other lawful purposes.
- E. The school district will educate students about appropriate online behavior, including interacting with other individuals on social networking websites and in chat rooms and cyber bullying awareness and response.

## **VII. CONSISTENCY WITH OTHER SCHOOL POLICIES**

Use of the school district computer system and use of the Internet shall be consistent with school district policies and the mission of the school district.

## VIII. LIMITED EXPECTATION OF PRIVACY

- A. By authorizing use of the school district system, the school district does not relinquish control over materials on the system or contained in files on the system. Users should expect only limited privacy in the contents of personal files on the school district system.
- B. Routine maintenance and monitoring of the school district system may lead to a discovery that a user has violated this policy, another school district policy, or the law.
- C. An individual investigation or search will be conducted if school authorities have a reasonable suspicion that the search will uncover a violation of law or school district policy.
- D. Parents **may** have the right at any time to investigate or review the contents of their child's files and e-mail files **in accordance with the school district's Protection and Privacy of Pupil Records Policy**. Parents have the right to request the termination of their child's individual account at any time.
- E. School district employees should be aware that the school district retains the right at any time to investigate or review the contents of their files and e-mail files. In addition, school district employees should be aware that data and other materials in files maintained on the school district system may be subject to review, disclosure or discovery under ~~Minn. Stat. Ch. 13~~ **Minnesota Statutes Chapter 13** (the Minnesota Government Data Practices Act).
- F. The school district will cooperate fully with local, state and federal authorities in any investigation concerning or related to any illegal activities or activities not in compliance with school district policies conducted through the school district system.

## IX. INTERNET USE AGREEMENT

- A. The proper use of the Internet, and the educational value to be gained from proper Internet use, is the joint responsibility of students, parents, and employees of the school district.
- B. This policy requires the permission of and supervision by the school's designated professional staff before a student may use a school account or resource to access the Internet.
- C. The Internet Use Agreement form for students must be read and signed by the user, the parent or guardian, and the supervising teacher. The Internet Use Agreement form for employees must be signed by the employee. The form must then be filed at the school office.

## **X. LIMITATION ON SCHOOL DISTRICT LIABILITY**

Use of the school district system is at the user's own risk. The system is provided on an "as is, as available" basis. The school district will not be responsible for any damage users may suffer, including, but not limited to, loss, damage, or unavailability of data stored on school district diskettes, tapes, hard drives, or servers, or for delays or changes in or interruptions of service or misdeliveries or nondeliveries of information or materials, regardless of the cause. The school district is not responsible for the accuracy or quality of any advice or information obtained through or stored on the school district system. The school district will not be responsible for financial obligations arising through unauthorized use of the school district system or the Internet.

## **XI. USER NOTIFICATION**

- A. All users shall be notified of the school district policies relating to Internet use.
- B. This notification shall include the following:
  - 1. Notification that Internet use is subject to compliance with school district policies.
  - 2. Disclaimers limiting the school district's liability relative to:
    - a. Information stored on school district diskettes, hard drives, or servers.
    - b. Information retrieved through school district computers, networks, or online resources.
    - c. Personal property used to access school district computers, networks, or online resources.
    - d. Unauthorized financial obligations resulting from use of school district resources/accounts to access the Internet.
  - 3. A description of the privacy rights and limitations of school sponsored/managed Internet accounts.
  - 4. Notification that, even though the school district may use technical means to limit student Internet access, these limits do not provide a foolproof means for enforcing the provisions of this acceptable use policy.
  - 5. Notification that goods and services can be purchased over the Internet that could potentially result in unwanted financial obligations and that any financial obligation incurred by a student through the Internet is the sole

responsibility of the student and/or the student's parents.

6. Notification that the collection, creation, reception, maintenance, and dissemination of data via the Internet, including electronic communications, is governed by ~~Policy 406~~, Public and Private Personnel Data **Policy**, and ~~Policy 515~~, Protection and Privacy of Pupil Records **Policy**.
7. Notification that, should the user violate the school district's acceptable use policy, the user's access privileges may be revoked, school disciplinary action may be taken and/or appropriate legal action may be taken.
8. Notification that all provisions of the acceptable use policy are subordinate to local, state, and federal laws.

## **XII. PARENTS' RESPONSIBILITY; NOTIFICATION OF STUDENT INTERNET USE**

- A. Outside of school, parents bear responsibility for the same guidance of Internet use as they exercise with information sources such as television, telephones, radio, movies, and other possibly offensive media. Parents are responsible for monitoring their student's use of the school district system and of the Internet if the student is accessing the school district system from home or a remote location.
- B. Parents will be notified that their students will be using school district resources/accounts to access the Internet and that the school district will provide parents the option to request alternative activities not requiring Internet access. This notification should include:
  1. A copy of the user notification form provided to the student user.
  2. A description of parent/guardian responsibilities.
  3. A notification that the parents have the option to request alternative educational activities not requiring Internet access and the material to exercise this option.
  4. A statement that the Internet Use Agreement must be signed by the user, the parent or guardian, and the supervising teacher prior to use by the student.
  5. A statement that the school district's acceptable use policy is available for parental review.

### XIII. IMPLEMENTATION; POLICY REVIEW

- A. The school district administration may develop appropriate user notification forms, guidelines, and procedures necessary to implement this policy for submission to the school board for approval. Upon approval by the school board, such guidelines, forms, and procedures shall be an addendum to this policy.
- B. The administration shall revise the user notifications, including student and parent notifications, if necessary, to reflect the adoption of these guidelines and procedures.
- C. The school district Internet policies and procedures are available for review by all parents, guardians, staff, and members of the community.
- D. Because of the rapid changes in the development of the Internet, the school board shall conduct an annual review of this policy.

**Legal References: Minnesota Statute Chapter 13 (Minnesota Government Data Practices Act**

15 U.S.C. § 6501 *et seq.* (Children’s Online Privacy Protection Act)

17 U.S.C. § 101 *et seq.* (Copyrights)

**20 U.S.C. § 1232g** (Family Educational Rights and Privacy Act)

47 U.S.C. § 254 (Children’s Internet Protection Act of 2000 (CIPA))

47 C.F.R. § 54.520 (FCC rules implementing CIPA)

Minn. Stat. § 121A.031 (School Student Bullying Policy)

Minn. Stat. § 125B.15 (Internet Access for Students)

Minn. Stat. § 125B.26 (Telecommunications/Internet Access Equity Act)

**Mahanoy Area Sch. Dist. Vv. B.L., 594 U.S. \_\_\_, 141 S. Ct. 2038 (2021)**

~~*Tinker v. Des Moines Indep. Cmty. Sch. Dist.*, 393 U.S. 503, 89 S.Ct. 733, 21 L.Ed.2d 731 (1969)~~

~~*United States v. Amer. Library Assoc.*, 539 U.S. 194, 123 S.Ct. 2297, 56 L.Ed.2d 221 (2003)~~

~~*Doninger v. Niehoff*, 527 F.3d 41 (2nd Cir. 2008)~~

***Sagehorn v. Indep. Sch. Dist. No. 728*, 122 F.Supp.2d 842 (D. Minn. 2015)**

~~*R.S. v. Minnewaska Area Sch. Dist. No. 2149*, No. 12-588, 2012 WL 3870868-894 F.Supp.2d 1128 (D. Minn. 2012)~~

~~*Tatro v. Univ. of Minnesota*, 800 N.W.2d 811 (Minn. App. 2011), aff’d on other grounds 816 N.W.2d 509 (Minn. 2012)~~

~~*S.J.W. v. Lee’s Summit R-7 Sch. Dist.*, 696 F.3d 771 (8th Cir. 2012)~~

~~*Kowalski v. Berkeley County Sch.*, 652 F.3d 565 (4th Cir. 2011)~~

~~*Layshoek v. Hermitage Sch. Dist.*, 650 F.3d 205 (3rd Cir. 2011)~~

~~*Parents, Families and Friends of Lesbians and Gays, Inc. v. Camdenton R-III Sch. Dist.*, 853 F.Supp.2d 888 (W.D. Mo. 2012)~~

~~*M.T. v. Cent. York Sch. Dist.*, 937 A.2d 538 (Pa. Commw. Ct. 2007)~~

*Cross References:*

MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)  
MSBA/MASA Model Policy 406 (Public and Private Personnel Data)  
MSBA/MASA Model Policy 505 (Distribution of Nonschool-Sponsored Materials on School Premises by Students and Employees)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 514 (Bullying Prohibition Policy)  
MSBA/MASA Model Policy 515 (Protection and Privacy of Pupil Records)  
MSBA/MASA Model Policy 519 (Interviews of Students by Outside Agencies)  
MSBA/MASA Model Policy 521 (Student Disability Nondiscrimination)  
MSBA/MASA Model Policy 522 (Title IX Sex Nondiscrimination Grievance Procedures and Process Student Sex Nondiscrimination)  
MSBA/MASA Model Policy 603 (Curriculum Development)  
MSBA/MASA Model Policy 604 (Instructional Curriculum)  
MSBA/MASA Model Policy 606 (Textbooks and Instructional Materials)  
MSBA/MASA Model Policy 806 (Crisis Management Policy)  
MSBA/MASA Model Policy 904 (Distribution of Materials on School District Property by Nonschool Persons)

## **534 UNPAID MEAL CHARGES**

### **I. PURPOSE**

The purpose of this policy is to ensure that students receive healthy and nutritious meals through the school district's nutrition program and that school district employees, families, and students have a shared understanding of expectations regarding meal charges. **The policy of the school district is to provide meals to students in a respectful manner and to maintain the dignity of students by prohibiting lunch shaming or otherwise ostracizing the students.** The policy seeks to allow students to receive the nutrition they need to stay focused during the school day and minimize identification of students with insufficient funds to pay for school meals as well as to maintain the financial integrity of the school nutrition program.

### **II. PAYMENT OF MEALS**

- A. Payment of meals can be submitted via cash or check to the school site administrative assistant or ISD 917 Business Office.
- B. If the school district receives school lunch aid under ~~Minn. Stat. §~~ **Minnesota Statutes section** 124D.111, it must make lunch available without charge to all participating students who qualify for free or reduced-price meals regardless of account balance. Families may apply for free or reduced cost meals at any time during the school year. Applications may be obtained at each school, the district office or online at [http://www.isd917.org/For\\_parents/Food\\_Service](http://www.isd917.org/For_parents/Food_Service).
- C. If a parent or guardian chooses to send in one payment that is to be divided between sibling accounts, the parent or guardian must specify how the funds are to be distributed to the students' accounts. Funds may not be transferred between sibling accounts unless written permission is received from the parent or guardian.
- D. **A student who has been determined to be eligible for free and reduced-price lunch always must be served a reimbursable meal even if the student has an outstanding debt.**
- E. **Once a meal has been placed on a student's tray or otherwise served to a student, the meal may not be subsequently withdrawn from the student by the cashier or other school official, whether or not the student has an outstanding meal balance.**

### **III. LOW OR NEGATIVE ACCOUNT BALANCES – NOTIFICATION**

- A. The school district will make reasonable efforts to notify families when meal account balances are low or fall below zero.
- B. ~~If the student balance reaches five (5) unpaid meals and has not paid on their account, the site administrative assistant will place a phone call to the parent or guardian.~~ **Families will be notified of an outstanding negative balance.** History of **communications** ~~phone calls~~ should be documented by the site administrative assistant. If the parent or guardian is not contacted directly, a message will be left if possible. If the account has not been paid after all attempts mentioned, the account will then be turned over to the school's principal or social worker **to contact** ~~who will make an attempt to reach~~ the parent/guardian.
- C. Reminders for payment of outstanding student meal balances will not demean or stigmatize any student participating in the school lunch program. ~~A meal will not be taken away from a student with an overdrawn account.~~, **including, but not limited to, dumping meals, withdrawing a meal that has been served, announcing or listing students' names publicly, or affixing stickers, stamps or pins.**

#### IV. UNPAID MEAL CHARGES

- A. The school district will make reasonable efforts to communicate with families to resolve the matter of unpaid charges. Where appropriate, families may be encouraged to apply for free and reduced-price meals for their children.
- B. The school district will make reasonable efforts to collect unpaid meal charges classified as delinquent debt. Unpaid meal charges are designated as delinquent debt when payment is overdue, the debt is considered collectable, and efforts are being made to collect it.
- C. **Negative balances of more than \$500, not paid prior to the end of the school year, will be turned over to the superintendent or superintendent's designee for collection. In some instances, the school district may use a collection agency to collect unpaid school meal debts after reasonable efforts first have been made by the school district to collect the debt.**
- ~~E. D,~~ The school district may not enlist the assistance of non-school district employees, such as volunteers, to engage in debt collection efforts.
- ~~D. E.~~ The school district ~~may not deny any student the opportunity to participate in graduation ceremonies or other commencement activities due to unpaid meal charges.~~ **Will not impose any other restrictions prohibited under Minnesota Statutes section 123B.37 due to unpaid student meal balances. The school district will not limit a student's participation in any school activities, graduation ceremonies, field trips, athletics, activity clubs, or other**

**extracurricular activities or access to materials, technology, or other items provided to students due to an unpaid student meal balance.**

~~E. F.~~ Donations will be accepted and directed to general or specific accounts upon request. All donations will be processed through the ISD 917 Business Office.

~~F. G.~~ No student would be denied a meal due to insufficient funds in their account.

## V. COMMUNICATION OF POLICY

A. This policy and any pertinent supporting information shall be provided in writing (i.e., mail, email, back-to-school packet, student handbook, etc.) to:

1. all households at or before the start of each school year;
2. students and families who transfer into the school district, at the time of enrollment; and
3. all school district personnel who are responsible for enforcing this policy.

B. The school district ~~may~~ **will** post ~~the~~**this** policy on the school district's website, **or the website of the organization where the meal is served**, in addition to providing the required written notification described above.

C. **If the school district contracts with a third party for its meal services, it will provide the vendor with its school meals policy. The school district will ensure that any third-party provider with whom the school district enters into either an original or modified contract after July 1, 2021, adheres to the school district's school meals policy.**

***Legal References:*** Minn. Stat. § 123B.37 (Prohibited Fees)  
Minn. Stat. § 124D.111, Subd. 4  
42 U.S.C. § 1751 *et seq.* (Healthy and Hunger-Free Kids Act)  
7 C.F.R. § 210 *et seq.* (School Lunch Program Regulations)  
7 C.F.R. § 220.8 (School Breakfast Program Regulations)  
USDA Policy Memorandum SP 46-2016, Unpaid Meal Charges: Local Meal Charge Policies (2016)  
USDA Policy Memorandum SP 47-2016, Unpaid Meal Charges: Clarification on Collection of Delinquent Meal Payments (2016)  
USDA Policy Memorandum SP 23-2017, Unpaid Meal Charges: Guidance and Q&A  
~~Minn. Op. Atty. Gen. 169j (May 14, 2019) (Letter to Ricker)~~

DATE: 12/02/2021  
TIME: 15:17:37

INTERMEDIATE SCHOOL DISTRICT 917  
CHECK REGISTER INCLUDING SYSTEM VOIDS

PAGE NUMBER: 1  
ACCTPA21  
ACCOUNTING PERIOD: 6/22

SELECTION CRITERIA: chkstat.rundate between '20211028 00:00:00.000' and '20211202 00:00:00.000'

DISTRIBUTION FUND: 01

CHECK NUMBER	ISSUE DATE	VENDOR	STATUS	TOTAL	DESCRIPTION
1905031	10/29/2021	AMAZON CAPITAL SERVICES	V	0.00	VOID: MULTI STUB CHECK
1905032	10/29/2021	AMAZON CAPITAL SERVICES	V	0.00	VOID: MULTI STUB CHECK
1905033	10/29/2021	AMAZON CAPITAL SERVICES	R	8342.87	ACCOUNTS PAYABLE CHECK
1905034	10/29/2021	PROFESSIONAL WIRELESS COMMUNICATION	R	1102.00	ACCOUNTS PAYABLE CHECK
1905035	10/29/2021	SYSCO MINNESOTA	R	661.64	ACCOUNTS PAYABLE CHECK
1905036	11/03/2021	CALIFORNIA STATE DISBURSEMENT UNIT	R	132.50	ACCOUNTS PAYABLE CHECK
1905037	11/03/2021	WISCONSIN SCTF	R	845.39	ACCOUNTS PAYABLE CHECK
1905038	11/03/2021	EDUCATION MINNESOTA, LOCAL 3904	R	9845.16	ACCOUNTS PAYABLE CHECK
1905039	11/03/2021	MESSERLI & KRAMER P.A.	R	64.69	ACCOUNTS PAYABLE CHECK
1905040	11/03/2021	O.P.E.I.U., LOCAL 12	R	519.14	ACCOUNTS PAYABLE CHECK
1905041	11/03/2021	RELATED SERVICES NURSES ESP	R	236.44	ACCOUNTS PAYABLE CHECK
1905042	11/03/2021	S.E.P., LOCAL 4242	R	3282.82	ACCOUNTS PAYABLE CHECK
1905043	11/03/2021	IVY FUNDS	R	1958.33	ACCOUNTS PAYABLE CHECK
1905044	11/03/2021	ALEXANDER GRAHAM BELL MONTESSORI	R	138.95	ACCOUNTS PAYABLE CHECK
1905045	11/03/2021	ALL IN ONE TRANSLATION AGENCY, LLC	R	180.00	ACCOUNTS PAYABLE CHECK
1905046	11/03/2021	BAYADA HOME HEALTH CARE	R	406.25	ACCOUNTS PAYABLE CHECK
1905047	11/03/2021	CDWG	R	1200.18	ACCOUNTS PAYABLE CHECK
1905048	11/03/2021	CENTURYLINK	R	428.78	ACCOUNTS PAYABLE CHECK
1905049	11/03/2021	CINTAS CORPORATION	R	288.24	ACCOUNTS PAYABLE CHECK
1905050	11/03/2021	DELEGARD TOOL CO	R	850.00	ACCOUNTS PAYABLE CHECK
1905051	11/03/2021	HILDI INCORPORATED	R	2390.00	ACCOUNTS PAYABLE CHECK
1905052	11/03/2021	HOPE INC	R	94.60	ACCOUNTS PAYABLE CHECK
1905053	11/03/2021	MARCO INC	R	1467.42	ACCOUNTS PAYABLE CHECK
1905054	11/03/2021	MARCO TECHNOLOGIES LLC.	R	75.00	ACCOUNTS PAYABLE CHECK
1905055	11/03/2021		V	0.00	VOID: LINE UP/DAMAGED CHK
1905056	11/03/2021	MASBO	R	160.00	ACCOUNTS PAYABLE CHECK
1905057	11/03/2021	MENARDS	R	270.29	ACCOUNTS PAYABLE CHECK
1905058	11/03/2021	METRO ECSU-REGION 11 ISD #920	R	120.00	ACCOUNTS PAYABLE CHECK
1905059	11/03/2021	MN CLN SERVICES, INC	R	5740.40	ACCOUNTS PAYABLE CHECK
1905060	11/03/2021	NORTHLAND LEARNING CENTER	R	140.00	ACCOUNTS PAYABLE CHECK
1905061	11/03/2021	REPUBLIC SERVICES #923	R	646.66	ACCOUNTS PAYABLE CHECK
1905062	11/03/2021	ROSEMOUNT AUTO SERVICE	R	277.19	ACCOUNTS PAYABLE CHECK
1905063	11/03/2021	SAM'S CLUB/SYNCHRONY BANK	R	565.92	ACCOUNTS PAYABLE CHECK
1905064	11/03/2021	SAVVAS LEARNING COMPANY LLC	R	4321.51	ACCOUNTS PAYABLE CHECK
1905065	11/03/2021	SCHOLASTIC INC	R	307.67	ACCOUNTS PAYABLE CHECK
1905066	11/03/2021	SCHOLASTIC, INC	R	380.13	ACCOUNTS PAYABLE CHECK
1905067	11/03/2021	SNAG GOLF STORE	R	296.10	ACCOUNTS PAYABLE CHECK
1905068	11/03/2021	SPHERO	R	1417.44	ACCOUNTS PAYABLE CHECK
1905069	11/03/2021	STRATEGIC STAFFING SOLUTIONS	R	280.00	ACCOUNTS PAYABLE CHECK
1905070	11/03/2021	SUNBELT STAFFING, LLC	R	2080.00	ACCOUNTS PAYABLE CHECK
1905071	11/03/2021	SYSCO MINNESOTA	R	573.81	ACCOUNTS PAYABLE CHECK
1905072	11/03/2021	TEACHERS ON CALL	R	3817.06	ACCOUNTS PAYABLE CHECK
1905073	11/03/2021	TGK AUTOMOTIVE SPECIALISTS	R	241.69	ACCOUNTS PAYABLE CHECK
1905074	11/03/2021	TIERNEY BROS. INC	R	1180.59	ACCOUNTS PAYABLE CHECK
1905075	11/03/2021	VERIZON WIRELESS	R	888.39	ACCOUNTS PAYABLE CHECK
1905076	11/03/2021	WA GROUP	R	5000.00	ACCOUNTS PAYABLE CHECK
1905077	11/11/2021	ANNE HOFF, SAFE HARBOR COUNSELING	R	1000.00	ACCOUNTS PAYABLE CHECK
1905078	11/11/2021	BAYADA HOME HEALTH CARE	R	731.25	ACCOUNTS PAYABLE CHECK
1905079	11/11/2021	DAKOTA AWARDS & ENGRAVING	R	25.50	ACCOUNTS PAYABLE CHECK
1905080	11/11/2021	ESTR PUBLICATIONS	R	67.00	ACCOUNTS PAYABLE CHECK
1905081	11/11/2021	FRONTIER COMMUNICATIONS	R	814.13	ACCOUNTS PAYABLE CHECK
1905082	11/11/2021	GOVCONNECTION INC	R	434.99	ACCOUNTS PAYABLE CHECK
1905083	11/11/2021	MENARDS	R	134.66	ACCOUNTS PAYABLE CHECK

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1905084	11/11/2021	MINNESOTA DEPARTMENT OF HEALTH	R	2800.00	ACCOUNTS PAYABLE CHECK
1905085	11/11/2021	MN ENERGY RESOURCES CORPORATION	R	551.94	ACCOUNTS PAYABLE CHECK
1905086	11/11/2021	ROSEMOUNT AUTO SERVICE	R	277.19	ACCOUNTS PAYABLE CHECK
* 1905086	12/01/2021	ROSEMOUNT AUTO SERVICE	V	-277.19	VOID MANUAL CHECK
1905087	11/11/2021	SAM'S CLUB/SYNCHRONY BANK	R	109.16	ACCOUNTS PAYABLE CHECK
1905088	11/11/2021	SONOVA USA INC.	R	248.98	ACCOUNTS PAYABLE CHECK
1905089	11/11/2021	SUNBELT STAFFING, LLC	R	7060.00	ACCOUNTS PAYABLE CHECK
1905090	11/11/2021	TEAMWORKS INTERNATIONAL	R	4993.83	ACCOUNTS PAYABLE CHECK
1905091	11/17/2021	CALIFORNIA STATE DISBURSEMENT UNIT	R	132.50	ACCOUNTS PAYABLE CHECK
1905092	11/17/2021	WISCONSIN SCTF	R	845.39	ACCOUNTS PAYABLE CHECK
1905093	11/17/2021	D.S. ERICKSON & ASSOCIATES, PLLC	R	291.30	ACCOUNTS PAYABLE CHECK
1905094	11/17/2021	EDUCATION MINNESOTA, LOCAL 3904	R	9770.06	ACCOUNTS PAYABLE CHECK
1905095	11/17/2021	MESSERLI & KRAMER P.A.	R	64.69	ACCOUNTS PAYABLE CHECK
1905096	11/17/2021	NCPERS GROUP LIFE INS	R	16.00	ACCOUNTS PAYABLE CHECK
1905097	11/17/2021	O.P.E.I.U., LOCAL 12	R	519.14	ACCOUNTS PAYABLE CHECK
1905098	11/17/2021	RELATED SERVICES NURSES ESP	R	198.61	ACCOUNTS PAYABLE CHECK
1905099	11/17/2021	S.E.P., LOCAL 4242	R	3285.44	ACCOUNTS PAYABLE CHECK
1905100	11/17/2021	IVY FUNDS	R	1958.33	ACCOUNTS PAYABLE CHECK
1905101	11/17/2021	AMAZON CAPITAL SERVICES	R	1742.47	ACCOUNTS PAYABLE CHECK
1905102	11/18/2021	ACCELERATED TECHNOLOGIES	R	2330.00	ACCOUNTS PAYABLE CHECK
1905103	11/18/2021	ALL IN ONE TRANSLATION AGENCY, LLC	R	135.00	ACCOUNTS PAYABLE CHECK
1905104	11/18/2021	APPLE COMPUTER, INC	R	300.00	ACCOUNTS PAYABLE CHECK
1905105	11/18/2021	ARVIG ENTERPRISES, INC	R	2525.71	ACCOUNTS PAYABLE CHECK
1905106	11/18/2021	BATTERIES PLUS	R	40.85	ACCOUNTS PAYABLE CHECK
1905107	11/18/2021	CANON USA	R	208.51	ACCOUNTS PAYABLE CHECK
1905108	11/18/2021	CARQUEST AUTO PARTS STORES	R	1163.86	ACCOUNTS PAYABLE CHECK
1905109	11/18/2021	CUB FOODS - APPLE VALLEY	R	159.89	ACCOUNTS PAYABLE CHECK
1905110	11/18/2021	CUB FOODS - HASTINGS	R	145.54	ACCOUNTS PAYABLE CHECK
1905111	11/18/2021	CUB FOODS - ROSEMOUNT	R	119.89	ACCOUNTS PAYABLE CHECK
1905112	11/18/2021	DAKOTA TRUCK UNDERWRITERS	R	34465.00	ACCOUNTS PAYABLE CHECK
1905113	11/18/2021	ECC & ME LLC	R	1080.00	ACCOUNTS PAYABLE CHECK
1905114	11/18/2021	FARMINGTON PUBLIC SCHOOLS	R	8159.35	ACCOUNTS PAYABLE CHECK
1905115	11/18/2021	FOBBE ELECTRIC INC	R	801.55	ACCOUNTS PAYABLE CHECK
1905116	11/18/2021	FRONTIER COMMUNICATIONS	R	1215.29	ACCOUNTS PAYABLE CHECK
1905117	11/18/2021	GRAYBAR	R	397.13	ACCOUNTS PAYABLE CHECK
1905118	11/18/2021	HASTINGS PUBLIC SCHOOLS	R	153.88	ACCOUNTS PAYABLE CHECK
1905119	11/18/2021	IND SCH DIST 191	R	27486.86	ACCOUNTS PAYABLE CHECK
1905120	11/18/2021	KI INTERNATIONAL	R	202.23	ACCOUNTS PAYABLE CHECK
1905121	11/18/2021	LOFFLER BUSINESS SYSTEMS	R	536.25	ACCOUNTS PAYABLE CHECK
1905122	11/18/2021	MARCO TECHNOLOGIES	R	38.75	ACCOUNTS PAYABLE CHECK
1905123	11/18/2021	MENARDS	R	54.76	ACCOUNTS PAYABLE CHECK
1905124	11/18/2021	MINNESOTA SECRETARY OF STATE	R	120.00	ACCOUNTS PAYABLE CHECK
1905125	11/18/2021	PELLICCI ACE HARDWARE	R	10.77	ACCOUNTS PAYABLE CHECK
1905126	11/18/2021	PLANSOURCE BENEFITS ADMINISTRATION,	R	3740.34	ACCOUNTS PAYABLE CHECK
1905127	11/18/2021	SCHOODLES	R	1312.00	ACCOUNTS PAYABLE CHECK
1905128	11/18/2021	SONOVA USA INC.	R	178.99	ACCOUNTS PAYABLE CHECK
1905129	11/18/2021	SYSCO MINNESOTA	R	2109.07	ACCOUNTS PAYABLE CHECK
1905130	11/18/2021	TEACHERS ON CALL	R	10531.89	ACCOUNTS PAYABLE CHECK
1905131	11/18/2021	TECHNOLOGY BY DESIGN, LLC	R	3136.00	ACCOUNTS PAYABLE CHECK
1905132	11/18/2021	TRIO COMMUNITY MEALS, LLC	R	16484.73	ACCOUNTS PAYABLE CHECK
1905133	11/18/2021	TWIN CITY HARDWARE COMPANY INC	R	849.20	ACCOUNTS PAYABLE CHECK
1905134	11/18/2021	VALLEY VIEW GLASS & SCREEN	R	929.00	ACCOUNTS PAYABLE CHECK
1905135	11/18/2021	WESTONE LABORATORIES INC.	R	1433.35	ACCOUNTS PAYABLE CHECK
1905136	11/29/2021	CALIFORNIA STATE DISBURSEMENT UNIT	R	132.50	ACCOUNTS PAYABLE CHECK
1905137	11/29/2021	WISCONSIN SCTF	R	845.39	ACCOUNTS PAYABLE CHECK
1905138	11/29/2021	D.S. ERICKSON & ASSOCIATES, PLLC	R	145.65	ACCOUNTS PAYABLE CHECK
1905139	11/29/2021	EDUCATION MINNESOTA, LOCAL 3904	R	9717.12	ACCOUNTS PAYABLE CHECK

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1905140	11/29/2021	MESSERLI & KRAMER P.A.	R	64.69	ACCOUNTS PAYABLE CHECK
1905141	11/29/2021	O.P.E.I.U., LOCAL 12	R	519.14	ACCOUNTS PAYABLE CHECK
1905142	11/29/2021	RELATED SERVICES NURSES ESP	R	236.44	ACCOUNTS PAYABLE CHECK
1905143	11/29/2021	S.E.P., LOCAL 4242	R	3237.55	ACCOUNTS PAYABLE CHECK
1905144	11/29/2021	IVY FUNDS	R	1958.33	ACCOUNTS PAYABLE CHECK
1905145	12/02/2021	ACCESSTR.COM	R	112.00	ACCOUNTS PAYABLE CHECK
1905146	12/02/2021	ASL INTERPRETING SERVICES, INC	R	432.00	ACCOUNTS PAYABLE CHECK
1905147	12/02/2021	BAMBOO PROFESSIONALS, LLC	R	7010.00	ACCOUNTS PAYABLE CHECK
1905148	12/02/2021	CENTERPOINT ENERGY	R	279.93	ACCOUNTS PAYABLE CHECK
1905149	12/02/2021	CENTURYLINK	R	1086.42	ACCOUNTS PAYABLE CHECK
1905150	12/02/2021	CENTURYLINK COMMUNICATONS, LLC	R	429.28	ACCOUNTS PAYABLE CHECK
1905151	12/02/2021	DISTRICT 191 FOOD SERVICE	R	525.00	ACCOUNTS PAYABLE CHECK
1905152	12/02/2021	DOOR SERVICE CO	R	136.00	ACCOUNTS PAYABLE CHECK
1905153	12/02/2021	EDUCATORS BENEFIT CONSULTANTS, LLC	R	231.80	ACCOUNTS PAYABLE CHECK
1905154	12/02/2021	FRONTIER COMMUNICATIONS	R	517.55	ACCOUNTS PAYABLE CHECK
1905155	12/02/2021	GOVCONNECTION INC	R	836.26	ACCOUNTS PAYABLE CHECK
1905156	12/02/2021	THE HANOVER INSURANCE GROUP	R	162.25	ACCOUNTS PAYABLE CHECK
1905157	12/02/2021	IND SCH DIST 191	R	4310.55	ACCOUNTS PAYABLE CHECK
1905158	12/02/2021	IND SCH DIST 191	R	2672.80	ACCOUNTS PAYABLE CHECK
1905159	12/02/2021	IND SCH DIST 192	R	6721.60	ACCOUNTS PAYABLE CHECK
1905160	12/02/2021	IND SCH DIST 194	R	7583.81	ACCOUNTS PAYABLE CHECK
1905161	12/02/2021	IND SCH DIST 195	R	564.46	ACCOUNTS PAYABLE CHECK
1905162	12/02/2021	IND SCH DIST 197	R	3500.81	ACCOUNTS PAYABLE CHECK
1905163	12/02/2021	IND SCH DIST 199	R	2973.50	ACCOUNTS PAYABLE CHECK
1905164	12/02/2021	IND SCH DIST 200	R	3909.34	ACCOUNTS PAYABLE CHECK
1905165	12/02/2021	IND SCH DIST 271	R	4685.36	ACCOUNTS PAYABLE CHECK
1905166	12/02/2021	MACTA	R	600.00	ACCOUNTS PAYABLE CHECK
1905167	12/02/2021	MALLOY, MONTAGUE, KARNOWSKI, RADOSE	R	7500.00	ACCOUNTS PAYABLE CHECK
1905168	12/02/2021	MARCO INC	R	1467.42	ACCOUNTS PAYABLE CHECK
1905169	12/02/2021	MARTIN LAW FIRM PLLC	R	1009.00	ACCOUNTS PAYABLE CHECK
1905170	12/02/2021	MEDICA	R	1420.06	ACCOUNTS PAYABLE CHECK
1905171	12/02/2021	MEDICAREBLUE RX	R	66.40	ACCOUNTS PAYABLE CHECK
1905172	12/02/2021	MENARDS	R	8.37	ACCOUNTS PAYABLE CHECK
1905173	12/02/2021	METRO ECSU-REGION 11 ISD #920	R	2900.00	ACCOUNTS PAYABLE CHECK
1905174	12/02/2021	MIDWEST SPECIAL INSTRUMENTS, CORP	R	185.00	ACCOUNTS PAYABLE CHECK
1905175	12/02/2021	OFFICE OF MN.IT SERVICES	R	273.58	ACCOUNTS PAYABLE CHECK
1905176	12/02/2021	POWERSCHOOL GROUP LLC	R	13636.00	ACCOUNTS PAYABLE CHECK
1905177	12/02/2021	PRC-SATILLO	R	100.00	ACCOUNTS PAYABLE CHECK
1905178	12/02/2021	SAM'S CLUB/SYNCHRONY BANK	R	912.12	ACCOUNTS PAYABLE CHECK
1905179	12/02/2021	SAVVAS LEARNING COMPANY LLC	R	58.69	ACCOUNTS PAYABLE CHECK
1905180	12/02/2021	SO. ST. PAUL SPECIAL SCHOOL DIST 6	R	2372.20	ACCOUNTS PAYABLE CHECK
1905181	12/02/2021	SO. ST. PAUL SPECIAL SCHOOL DIST 6	R	25388.20	ACCOUNTS PAYABLE CHECK
1905182	12/02/2021	SOUTHWEST/WEST CENTRAL SERVICE CORP	R	108.00	ACCOUNTS PAYABLE CHECK
1905183	12/02/2021	STEALTHWEAR PROTECTIVE CLOTHING INC	R	129.90	ACCOUNTS PAYABLE CHECK
1905184	12/02/2021	STRATEGIC STAFFING SOLUTIONS	R	11470.88	ACCOUNTS PAYABLE CHECK
1905185	12/02/2021	SUNBELT STAFFING, LLC	R	6460.00	ACCOUNTS PAYABLE CHECK
1905186	12/02/2021	SYSCO MINNESOTA	R	2109.26	ACCOUNTS PAYABLE CHECK
1905187	12/02/2021	TEACHERS ON CALL	V	0.00	VOID: MULTI STUB CHECK
1905188	12/02/2021	TEACHERS ON CALL	R	13753.37	ACCOUNTS PAYABLE CHECK
1905189	12/02/2021	TEAMWORKS INTERNATIONAL	R	1803.87	ACCOUNTS PAYABLE CHECK
1905190	12/02/2021	TECHNOLOGY BY DESIGN, LLC	R	490.00	ACCOUNTS PAYABLE CHECK
1905191	12/02/2021	TIERNEY BROS. INC	R	5786.68	ACCOUNTS PAYABLE CHECK
1905192	12/02/2021	XCEL ENERGY	R	9111.02	ACCOUNTS PAYABLE CHECK
1905193	12/02/2021	YOUNGQUIST'S	R	486.65	ACCOUNTS PAYABLE CHECK
*V4001153	11/18/2021	BUG BUSTERS, INC.	R	329.00	ACCOUNTS PAYABLE VOUCHER
*V4001154	11/18/2021	WELLS FARGO	R	7569.02	ACCOUNTS PAYABLE VOUCHER
*V4001155	11/18/2021	CITY OF APPLE VALLEY	R	648.81	ACCOUNTS PAYABLE VOUCHER

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*V4001156	11/18/2021	CITY OF INVER GROVE HTS	R	478.81	ACCOUNTS PAYABLE VOUCHER
*V4001157	11/18/2021	LOVING GUIDANCE INC	R	166.00	ACCOUNTS PAYABLE VOUCHER
*V4001158	11/18/2021	CRAGUNS LODGE & CONFERENCE CTR	R	159.99	ACCOUNTS PAYABLE VOUCHER
*V4001159	11/18/2021	DISCOUNT SCHOOL SUPPLY	R	17.67	ACCOUNTS PAYABLE VOUCHER
*V4001160	11/18/2021	EVENTBRITE	R	595.00	ACCOUNTS PAYABLE VOUCHER
*V4001161	11/18/2021	FOLLETT SCHOOL SOLUTIONS, INC	R	252.55	ACCOUNTS PAYABLE VOUCHER
*V4001162	11/18/2021	FREEDOM CONCEPTS INC	R	5839.82	ACCOUNTS PAYABLE VOUCHER
*V4001163	11/18/2021	GLOBAL EQUIPMENT COMPANY	R	264.00	ACCOUNTS PAYABLE VOUCHER
*V4001164	11/18/2021	GOPHER SPORT	R	572.60	ACCOUNTS PAYABLE VOUCHER
*V4001165	11/18/2021	GRAINGER W W INC.	R	379.35	ACCOUNTS PAYABLE VOUCHER
*V4001166	11/18/2021	HEALTHIEST YOU	R	4270.00	ACCOUNTS PAYABLE VOUCHER
*V4001167	11/18/2021	HEARTCERT TWIN CITIES	R	170.00	ACCOUNTS PAYABLE VOUCHER
*V4001168	11/18/2021	INNOVATIVE OFFICE SOLUTIONS	R	3146.34	ACCOUNTS PAYABLE VOUCHER
*V4001169	11/18/2021	LAKESHORE LEARNING MATERIALS	R	1724.13	ACCOUNTS PAYABLE VOUCHER
*V4001170	11/18/2021	MACMH (MN ASSOC FOR CHILDREN'S MENT	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V4001171	11/18/2021	MCGRAW-HILL EDUCATION	R	897.66	ACCOUNTS PAYABLE VOUCHER
*V4001172	11/18/2021	MCGRAW HILL LLC	R	1697.08	ACCOUNTS PAYABLE VOUCHER
*V4001173	11/18/2021	MCKESSON MEDICAL	R	1229.01	ACCOUNTS PAYABLE VOUCHER
*V4001174	11/18/2021	MN ASSO FOR CHILDRENS MENTAL HEALTH	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V4001175	11/18/2021	MN EARTH SCIENCE TEACHERS ASSOC.	R	140.00	ACCOUNTS PAYABLE VOUCHER
*V4001176	11/18/2021	MSDSOONLINE DBA VELOCITYEHS	R	2700.00	ACCOUNTS PAYABLE VOUCHER
*V4001177	11/18/2021	NATIONAL AUTISM RESOURCES	R	299.99	ACCOUNTS PAYABLE VOUCHER
*V4001178	11/18/2021	NURTURED HEART INSTITUTE, LLC	R	89.00	ACCOUNTS PAYABLE VOUCHER
*V4001179	11/18/2021	OFFICE DEPOT	R	1023.82	ACCOUNTS PAYABLE VOUCHER
*V4001180	11/18/2021	PRO-ED, INC	R	150.70	ACCOUNTS PAYABLE VOUCHER
*V4001181	11/18/2021	PROFESSIONAL CRISIS MANAGEMENT ASSO	R	3530.00	ACCOUNTS PAYABLE VOUCHER
*V4001182	11/18/2021	REMEDIA PUBLICATIONS INC.	R	151.91	ACCOUNTS PAYABLE VOUCHER
*V4001183	11/18/2021	RIFTON EQ/COMMUNITY PRODUCTS LLC	R	101.25	ACCOUNTS PAYABLE VOUCHER
*V4001184	11/18/2021	RIVERSIDE INSIGHTS	R	3435.22	ACCOUNTS PAYABLE VOUCHER
*V4001185	11/18/2021	SCHOOL NURSE SUPPLY	R	400.59	ACCOUNTS PAYABLE VOUCHER
*V4001186	11/18/2021	SCHOOL SPECIALTY, LLC	R	1668.38	ACCOUNTS PAYABLE VOUCHER
*V4001187	11/18/2021	STARKEY HEARING FOUNDATION	R	169.98	ACCOUNTS PAYABLE VOUCHER
*V4001188	11/18/2021	SUPER DUPER SCHOOL CO	R	61.85	ACCOUNTS PAYABLE VOUCHER
*V4001189	11/18/2021	THE BETTY MILLS COMPANY, INC	R	224.55	ACCOUNTS PAYABLE VOUCHER
*V4001190	11/18/2021	THE HOME DEPOT PRO	R	8131.48	ACCOUNTS PAYABLE VOUCHER
*V4001191	11/18/2021	THERAPY NOTES, LLC	R	430.00	ACCOUNTS PAYABLE VOUCHER
*V4001192	11/18/2021	ULINE	R	221.86	ACCOUNTS PAYABLE VOUCHER
*V4001193	11/18/2021	UNIVERSAL CLEANING SERVICES	R	9618.35	ACCOUNTS PAYABLE VOUCHER
*V4001194	11/18/2021	URBAN CRATE, LLC	R	50.98	ACCOUNTS PAYABLE VOUCHER
*V4001195	11/18/2021	USI	R	653.65	ACCOUNTS PAYABLE VOUCHER
*V4001196	11/18/2021	VIRCO MFG CORP	R	4977.92	ACCOUNTS PAYABLE VOUCHER
*V4001197	11/18/2021	INTRADO INTERACTIVE SERVICES CORP.	R	1313.25	ACCOUNTS PAYABLE VOUCHER
*V6603717	11/10/2021	THOMAS RICHARD BENNETT	R	140.00	ACCOUNTS PAYABLE VOUCHER
*V6603718	11/10/2021	LINDA JO BERG	R	59.92	ACCOUNTS PAYABLE VOUCHER
*V6603719	11/10/2021	STEPHANIE JO BISTODEAU	R	28.56	ACCOUNTS PAYABLE VOUCHER
*V6603720	11/10/2021	DON JAMES BUDACH	R	137.20	ACCOUNTS PAYABLE VOUCHER
*V6603721	11/10/2021	LESLEY ANNE CHESTER	R	29.12	ACCOUNTS PAYABLE VOUCHER
*V6603722	11/10/2021	JAMIE AUTUMN DALBESIO	R	62.16	ACCOUNTS PAYABLE VOUCHER
*V6603723	11/10/2021	JONI KAY ERIE	R	82.88	ACCOUNTS PAYABLE VOUCHER
*V6603724	11/10/2021	WENDY CATHERINE FELTON	R	41.44	ACCOUNTS PAYABLE VOUCHER
*V6603725	11/10/2021	LINDSAY MAE FITZGERALD	R	36.96	ACCOUNTS PAYABLE VOUCHER
*V6603726	11/10/2021	PAMELA VICK GARRETSON	R	102.48	ACCOUNTS PAYABLE VOUCHER
*V6603727	11/10/2021	MEGAN MARIE HALEY	R	197.12	ACCOUNTS PAYABLE VOUCHER
*V6603728	11/10/2021	JENNIFER AMY HETLAND	R	69.44	ACCOUNTS PAYABLE VOUCHER
*V6603729	11/10/2021	COURTNEY ELIZABETH INMAN	R	17.92	ACCOUNTS PAYABLE VOUCHER
*V6603730	11/10/2021	ROXANN RHYN JOHNSON	R	318.08	ACCOUNTS PAYABLE VOUCHER
*V6603731	11/10/2021	CAROL LEIGH KURTEN	R	34.16	ACCOUNTS PAYABLE VOUCHER

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*V6603732	11/10/2021	BETSY SUE LARSEN	R	56.56	ACCOUNTS PAYABLE VOUCHER
*V6603733	11/10/2021	KATHRYN ANN LEWIS	R	43.68	ACCOUNTS PAYABLE VOUCHER
*V6603734	11/10/2021	SARAH MARIE LUDEWIG	R	89.60	ACCOUNTS PAYABLE VOUCHER
*V6603735	11/10/2021	MEGAN MARIE LUSCOMB	R	11.20	ACCOUNTS PAYABLE VOUCHER
*V6603736	11/10/2021	JAMES ANTHONY MYRMAN	R	44.80	ACCOUNTS PAYABLE VOUCHER
*V6603737	11/10/2021	CINDY L NORDSTROM	R	19.04	ACCOUNTS PAYABLE VOUCHER
*V6603738	11/10/2021	DAVID R PEMBLE	R	73.92	ACCOUNTS PAYABLE VOUCHER
*V6603739	11/10/2021	HANNAH DUFFY RADANT	R	40.32	ACCOUNTS PAYABLE VOUCHER
*V6603740	11/10/2021	SHANNON DAWN ROSENBERG	R	101.36	ACCOUNTS PAYABLE VOUCHER
*V6603741	11/10/2021	MELISSA ANN SAUSER	R	88.48	ACCOUNTS PAYABLE VOUCHER
*V6603742	11/10/2021	MELISSA RAE SCHALLER	R	171.92	ACCOUNTS PAYABLE VOUCHER
*V6603743	11/10/2021	BYRON LEITH SCHWAB	R	43.68	ACCOUNTS PAYABLE VOUCHER
*V6603744	11/10/2021	MICHAEL PATRICK ZICKRICK	R	100.80	ACCOUNTS PAYABLE VOUCHER
*V6603745	11/29/2021	MARTHA JOAN ALLEN	R	266.00	ACCOUNTS PAYABLE VOUCHER
*V6603746	11/29/2021	NICOLE ELAYNE ANDERSON	R	9.52	ACCOUNTS PAYABLE VOUCHER
*V6603747	11/29/2021	LAURA ANN ARMSTRONG	R	95.20	ACCOUNTS PAYABLE VOUCHER
*V6603748	11/29/2021	KIM MARIE AUSTIN	R	121.52	ACCOUNTS PAYABLE VOUCHER
*V6603749	11/29/2021	ALICIA MAE BEINBRECH	R	259.28	ACCOUNTS PAYABLE VOUCHER
*V6603750	11/29/2021	LINDA JO BERG	R	16.24	ACCOUNTS PAYABLE VOUCHER
*V6603751	11/29/2021	MICHAEL JASON BIBRO	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603752	11/29/2021	STEPHANIE JO BISTODEAU	R	9.52	ACCOUNTS PAYABLE VOUCHER
*V6603753	11/29/2021	TARA JO BLACKERT	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603754	11/29/2021	LOREEN M. BOHNERT	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603755	11/29/2021	MATTHEW KYLE BRUNS	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603756	11/29/2021	DON JAMES BUDACH	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603757	11/29/2021	ANNE LOUISE BYER	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603758	11/29/2021	JESSICA DAWN CHAMBLIN	R	179.76	ACCOUNTS PAYABLE VOUCHER
*V6603759	11/29/2021	JAMIE AUTUMN DALBESIO	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603760	11/29/2021	PEARL SUSAN DEVENOW	R	297.36	ACCOUNTS PAYABLE VOUCHER
*V6603761	11/29/2021	MEGHAN LOUISE DOBSON	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603762	11/29/2021	LISA A EHLERINGER	R	81.76	ACCOUNTS PAYABLE VOUCHER
*V6603763	11/29/2021	KATHERINE DIANE ENGEL	R	124.32	ACCOUNTS PAYABLE VOUCHER
*V6603764	11/29/2021	JONI KAY ERIE	R	58.24	ACCOUNTS PAYABLE VOUCHER
*V6603765	11/29/2021	MICHAEL LEONARD FAVOR	R	271.04	ACCOUNTS PAYABLE VOUCHER
*V6603766	11/29/2021	ANGELITA LEE FLEMING	R	71.68	ACCOUNTS PAYABLE VOUCHER
*V6603767	11/29/2021	SHERILYN FAYE FRISQUE	R	93.00	ACCOUNTS PAYABLE VOUCHER
*V6603768	11/29/2021	PAMELA VICK GARRETSON	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603769	11/29/2021	ADDIE SUZANNE GESKE	R	165.76	ACCOUNTS PAYABLE VOUCHER
*V6603770	11/29/2021	CHRISTINA ANN GILLARD	R	150.08	ACCOUNTS PAYABLE VOUCHER
*V6603771	11/29/2021	CASSIE J. GROFF	R	337.68	ACCOUNTS PAYABLE VOUCHER
*V6603772	11/29/2021	KELLY JEAN HANKES	R	55.44	ACCOUNTS PAYABLE VOUCHER
*V6603773	11/29/2021	JENNIFER MARIE HANSON	R	7.84	ACCOUNTS PAYABLE VOUCHER
*V6603774	11/29/2021	JANA LEE HEIDEMANN	R	16.80	ACCOUNTS PAYABLE VOUCHER
*V6603775	11/29/2021	PETER ALLYN HENDRICKS	R	165.20	ACCOUNTS PAYABLE VOUCHER
*V6603776	11/29/2021	JENNIFER AMY HETLAND	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603777	11/29/2021	KAREN LYNNE HJERMSTAD	R	95.76	ACCOUNTS PAYABLE VOUCHER
*V6603778	11/29/2021	MELISSA ROCHELL HO	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603779	11/29/2021	JUSTIN DAVID HOELSCHER	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603780	11/29/2021	KATE SCHNEEWEIS HULSE	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603781	11/29/2021	CORA MAE JOHNSON	R	11.20	ACCOUNTS PAYABLE VOUCHER
*V6603782	11/29/2021	SARAH LYNN JOHNSON	R	199.36	ACCOUNTS PAYABLE VOUCHER
*V6603783	11/29/2021	ROXANN RHYN JOHNSON	R	147.28	ACCOUNTS PAYABLE VOUCHER
*V6603784	11/29/2021	TANYA MARIE KATH	R	95.20	ACCOUNTS PAYABLE VOUCHER
*V6603785	11/29/2021	AMY TAMARAH WOLF KAUFMAN	R	262.64	ACCOUNTS PAYABLE VOUCHER
*V6603786	11/29/2021	LORI ANN KLEIN	R	202.00	ACCOUNTS PAYABLE VOUCHER
*V6603787	11/29/2021	SHANNA MARIE KNUTSON	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603788	11/29/2021	JOAN MARGARET KRAFT	R	111.44	ACCOUNTS PAYABLE VOUCHER

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INTERMEDIATE SCHOOL DISTRICT 917  
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SELECTION CRITERIA: chkstat.rundate between '20211028 00:00:00.000' and '20211202 00:00:00.000'

*V6603789	11/29/2021	CAROL LEIGH KURTEN	R	44.80	ACCOUNTS PAYABLE VOUCHER
*V6603790	11/29/2021	LAURA MARIE KVAMME	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603791	11/29/2021	DANIELLE MARIE LAFRANCE	R	120.96	ACCOUNTS PAYABLE VOUCHER
*V6603792	11/29/2021	CORY LEE LANGENFELD	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603793	11/29/2021	BETSY SUE LARSEN	R	50.40	ACCOUNTS PAYABLE VOUCHER
*V6603794	11/29/2021	TAYLOR LINDSEY LYDEN	R	49.28	ACCOUNTS PAYABLE VOUCHER
*V6603795	11/29/2021	ERIN JEAN MAHNKE	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603796	11/29/2021	KEITH ERYN MALONE	R	10.08	ACCOUNTS PAYABLE VOUCHER
*V6603797	11/29/2021	MONIQUE NICOLE MARPLE	R	19.04	ACCOUNTS PAYABLE VOUCHER
*V6603798	11/29/2021	CATHLEEN CAROL MATTICE	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603799	11/29/2021	SHANNON BRENNAN BRENNAN	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603800	11/29/2021	JODI KAY MONSON	R	16.24	ACCOUNTS PAYABLE VOUCHER
*V6603801	11/29/2021	JAMES ANTHONY MYRMAN	R	78.40	ACCOUNTS PAYABLE VOUCHER
*V6603802	11/29/2021	RACHEL ERIN NOVY	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603803	11/29/2021	JENNIFER LEE OLSON	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603804	11/29/2021	HOLLY MARIE PEMBLE	R	174.72	ACCOUNTS PAYABLE VOUCHER
*V6603805	11/29/2021	AMANDA LYNN PETERS	R	110.52	ACCOUNTS PAYABLE VOUCHER
*V6603806	11/29/2021	JENNIFER MAE PETERSEN	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603807	11/29/2021	BROOKE ALLYSON PETERSON	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603808	11/29/2021	CAROLINE ROSE PETERSON	R	259.84	ACCOUNTS PAYABLE VOUCHER
*V6603809	11/29/2021	EMILY ANN PFISTERER	R	346.08	ACCOUNTS PAYABLE VOUCHER
*V6603810	11/29/2021	HANNAH DUFFY RADANT	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603811	11/29/2021	WENDI MARLAINA RENKEN	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603812	11/29/2021	MELANIE ANN RIX	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6603813	11/29/2021	SHANNON DAWN ROSENBERG	R	110.88	ACCOUNTS PAYABLE VOUCHER
*V6603814	11/29/2021	NICOLLE KATHERINE ROUSH	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603815	11/29/2021	MELISSA RAE SCHALLER	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603816	11/29/2021	AMBER GRACE SCHMITZ	R	123.76	ACCOUNTS PAYABLE VOUCHER
*V6603817	11/29/2021	IRENE ELIZABETH SCHULTZ-ALBERT	R	42.00	ACCOUNTS PAYABLE VOUCHER
*V6603818	11/29/2021	SAMANTHA KAY SCHULZ	R	31.36	ACCOUNTS PAYABLE VOUCHER
*V6603819	11/29/2021	MICHELLE JEAN SHANLEY	R	281.12	ACCOUNTS PAYABLE VOUCHER
*V6603820	11/29/2021	HEATHER LYNN STOESZ	R	169.68	ACCOUNTS PAYABLE VOUCHER
*V6603821	11/29/2021	AMY LYNN SWANEY	R	171.20	ACCOUNTS PAYABLE VOUCHER
*V6603822	11/29/2021	KAYLEEN LAVONNE TAFFE	R	28.56	ACCOUNTS PAYABLE VOUCHER
*V6603823	11/29/2021	MARY ELIZABETH TAYLOR	R	115.36	ACCOUNTS PAYABLE VOUCHER
*V6603824	11/29/2021	SONIA LYNN TENDRICH	R	192.64	ACCOUNTS PAYABLE VOUCHER
*V6603825	11/29/2021	TAYLOR MAY THOMAS	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603826	11/29/2021	SHANYN NICOLE TUFTEE	R	146.92	ACCOUNTS PAYABLE VOUCHER
*V6603827	11/29/2021	ADRIENNE KATE TURZYNSKI	R	20.16	ACCOUNTS PAYABLE VOUCHER
*V6603828	11/29/2021	MICHELLE LYNN VOLLBRECHT	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603829	11/29/2021	JANEL LYNN VRIEZE	R	100.80	ACCOUNTS PAYABLE VOUCHER
*V6603830	11/29/2021	FRAN LOUISE WOOD	R	280.56	ACCOUNTS PAYABLE VOUCHER
*V6603831	11/29/2021	ANDREW WOODS	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6603832	11/29/2021	SCOTT MICHAEL ZEHNDER	R	20.00	ACCOUNTS PAYABLE VOUCHER
*V6603833	11/29/2021	MICHAEL PATRICK ZICKRICK	R	56.00	ACCOUNTS PAYABLE VOUCHER
*V7701791	10/29/2021	MEDICA	R	67832.22	ACCOUNTS PAYABLE VOUCHER
*V7701792	10/29/2021	MEDICA	R	150195.81	ACCOUNTS PAYABLE VOUCHER
*V7701793	11/01/2021	NATIONAL INSURANCE SERVICES OF WI,	R	8977.07	ACCOUNTS PAYABLE VOUCHER
*V7701794	11/01/2021	PLANSOURCE FLEX BEN.	R	2144.87	ACCOUNTS PAYABLE VOUCHER
*V7701795	11/03/2021	AFLAC	R	1857.02	ACCOUNTS PAYABLE VOUCHER
*V7701796	11/03/2021	AMERIPRISE FINANCIAL ADVISORS	R	9083.95	ACCOUNTS PAYABLE VOUCHER
*V7701797	11/03/2021	AXA EQUITABLE LIFE INS CO	R	4033.66	ACCOUNTS PAYABLE VOUCHER
*V7701798	11/03/2021	FIDELITY INVSTMT TAX-EX SVC CO	R	8748.62	ACCOUNTS PAYABLE VOUCHER
*V7701799	11/03/2021	HEALTH EQUITY, INC.	R	27124.03	ACCOUNTS PAYABLE VOUCHER
*V7701800	11/03/2021	HORACE MANN LIFE INS	R	2063.35	ACCOUNTS PAYABLE VOUCHER
*V7701801	11/03/2021	INTERNAL REVENUE SERVICE	R	233547.30	ACCOUNTS PAYABLE VOUCHER
*V7701802	11/03/2021	EDUCATION MN ESI BILLING TRUST	R	10253.63	ACCOUNTS PAYABLE VOUCHER

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INTERMEDIATE SCHOOL DISTRICT 917  
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ACCOUNTING PERIOD: 6/22

SELECTION CRITERIA: chkstat.rundate between '20211028 00:00:00.000' and '20211202 00:00:00.000'

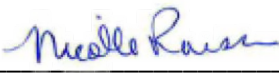
*V7701803	11/03/2021	MN DEPT OF REVENUE	R	38457.62	ACCOUNTS PAYABLE VOUCHER
*V7701804	11/03/2021	MN STATE RETIREMENT SYSTEM	R	1108.33	ACCOUNTS PAYABLE VOUCHER
*V7701805	11/03/2021	EXECUTIVE DIRECTOR	R	50465.68	ACCOUNTS PAYABLE VOUCHER
*V7701806	11/03/2021	STATE TREASURER, TRA	R	109627.77	ACCOUNTS PAYABLE VOUCHER
*V7701807	11/03/2021	VARIABLE ANNUITY LIFE INS CO	R	9956.44	ACCOUNTS PAYABLE VOUCHER
*V7701808	11/03/2021	VOYA	R	1328.76	ACCOUNTS PAYABLE VOUCHER
*V7701809	11/03/2021	APPLE VALLEY ISD LLC	R	42302.67	ACCOUNTS PAYABLE VOUCHER
*V7701810	11/03/2021	SE ISD, DST	R	78727.10	ACCOUNTS PAYABLE VOUCHER
*V7701811	11/05/2021	MEDICA	R	42557.29	ACCOUNTS PAYABLE VOUCHER
*V7701812	11/10/2021	MEDICA	R	85461.30	ACCOUNTS PAYABLE VOUCHER
*V7701813	11/10/2021	PLANSOURCE FLEX BEN.	R	2390.43	ACCOUNTS PAYABLE VOUCHER
*V7701814	11/10/2021	MEDICA	R	63252.46	ACCOUNTS PAYABLE VOUCHER
*V7701815	11/17/2021	AMERIPRISE FINANCIAL ADVISORS	R	9210.21	ACCOUNTS PAYABLE VOUCHER
*V7701816	11/17/2021	AXA EQUITABLE LIFE INS CO	R	4033.66	ACCOUNTS PAYABLE VOUCHER
*V7701817	11/17/2021	FIDELITY INVSTMT TAX-EX SVC CO	R	7546.10	ACCOUNTS PAYABLE VOUCHER
*V7701818	11/17/2021	HEALTHQUITY, INC.	R	26717.06	ACCOUNTS PAYABLE VOUCHER
*V7701819	11/17/2021	HORACE MANN LIFE INS	R	2063.35	ACCOUNTS PAYABLE VOUCHER
*V7701820	11/17/2021	INTERNAL REVENUE SERVICE	R	229917.80	ACCOUNTS PAYABLE VOUCHER
*V7701821	11/17/2021	EDUCATION MN ESI BILLING TRUST	R	10220.30	ACCOUNTS PAYABLE VOUCHER
*V7701822	11/17/2021	MN DEPT OF REVENUE	R	38054.14	ACCOUNTS PAYABLE VOUCHER
*V7701823	11/17/2021	MN STATE RETIREMENT SYSTEM	R	1108.33	ACCOUNTS PAYABLE VOUCHER
*V7701824	11/17/2021	EXECUTIVE DIRECTOR	R	49643.26	ACCOUNTS PAYABLE VOUCHER
*V7701825	11/17/2021	STATE TREASURER, TRA	R	110155.86	ACCOUNTS PAYABLE VOUCHER
*V7701826	11/17/2021	VARIABLE ANNUITY LIFE INS CO	R	9643.94	ACCOUNTS PAYABLE VOUCHER
*V7701827	11/17/2021	VOYA	R	1328.76	ACCOUNTS PAYABLE VOUCHER
*V7701828	11/17/2021	MEDICA	R	49876.21	ACCOUNTS PAYABLE VOUCHER
*V7701829	11/19/2021	DELTA DENTAL OF MINNESOTA	R	34967.52	ACCOUNTS PAYABLE VOUCHER
*V7701830	11/29/2021	MEDICA	R	51543.95	ACCOUNTS PAYABLE VOUCHER
*V7701831	11/29/2021	AFLAC	R	1915.90	ACCOUNTS PAYABLE VOUCHER
*V7701832	11/29/2021	AMERIPRISE FINANCIAL ADVISORS	R	9240.21	ACCOUNTS PAYABLE VOUCHER
*V7701833	11/29/2021	AXA EQUITABLE LIFE INS CO	R	4033.66	ACCOUNTS PAYABLE VOUCHER
*V7701834	11/29/2021	FIDELITY INVSTMT TAX-EX SVC CO	R	7504.43	ACCOUNTS PAYABLE VOUCHER
*V7701835	11/29/2021	HEALTHQUITY, INC.	R	26567.85	ACCOUNTS PAYABLE VOUCHER
*V7701836	11/29/2021	HORACE MANN LIFE INS	R	2063.35	ACCOUNTS PAYABLE VOUCHER
*V7701837	11/29/2021	INTERNAL REVENUE SERVICE	R	233056.85	ACCOUNTS PAYABLE VOUCHER
*V7701838	11/29/2021	EDUCATION MN ESI BILLING TRUST	R	10220.30	ACCOUNTS PAYABLE VOUCHER
*V7701839	11/29/2021	MN DEPT OF REVENUE	R	38685.67	ACCOUNTS PAYABLE VOUCHER
*V7701840	11/29/2021	MN STATE RETIREMENT SYSTEM	R	1108.33	ACCOUNTS PAYABLE VOUCHER
*V7701841	11/29/2021	EXECUTIVE DIRECTOR	R	50351.42	ACCOUNTS PAYABLE VOUCHER
*V7701842	11/29/2021	STATE TREASURER, TRA	R	110688.69	ACCOUNTS PAYABLE VOUCHER
*V7701843	11/29/2021	VARIABLE ANNUITY LIFE INS CO	R	9693.94	ACCOUNTS PAYABLE VOUCHER
*V7701844	11/29/2021	VOYA	R	1328.76	ACCOUNTS PAYABLE VOUCHER
*V7701845	11/29/2021	PLANSOURCE FLEX BEN.	R	2470.71	ACCOUNTS PAYABLE VOUCHER
*V7701846	12/01/2021	MEDICA	R	54044.22	ACCOUNTS PAYABLE VOUCHER
*V7701847	12/01/2021	NATIONAL INSURANCE SERVICES OF WI,	R	8845.51	ACCOUNTS PAYABLE VOUCHER
*V7701848	12/02/2021	APPLE VALLEY ISD LLC	R	42302.67	ACCOUNTS PAYABLE VOUCHER
*V7701849	12/02/2021	SE ISD, DST	R	78727.10	ACCOUNTS PAYABLE VOUCHER
TOTAL FUND				2860771.71	
TOTAL REPORT				2860771.71	

AUDREY WEILER, PAYROLL SPECIALIST

PLEASE APPROVE NET PAYROLL FOR

11/30/2021 DIRECT DEPOSITS REGULAR PAY (110)	\$	690,614.69
11/30/2021 CHECKS (110)	\$	-

**NET PAYROLL** **\$ 690,614.69**


Authorized Signature  Date 11/23/21

AUDREY WEILER, PAYROLL SPECIALIST

PLEASE APPROVE NET PAYROLL FOR

11/15/2021 DIRECT DEPOSITS REGULAR PAY (109)	\$	682,461.92
11/15/2021 CHECKS (109)	\$	-

**NET PAYROLL** \$ **682,461.92**

Authorized Signature  Date 11-10-21

**INTERMEDIATE SCHOOL DISTRICT 917  
SCHOOL BOARD REPORT OF  
CONSOLIDATED INVESTMENTS (GENERAL & BUILDING)**

<b>OCTOBER 2021</b>								
<b>ACCOUNT NAME</b>	<b>ACCT NO</b>	<b>BEGINNING BALANCE</b>	<b>PURCHASES CREDITS</b>	<b>SALES TRANSFERS</b>	<b>INVESTMENT FEES</b>	<b>INTEREST EARNED</b>	<b>ENDING BALANCE</b>	<b>YEAR TO DATE INTEREST EARNED</b>
MSDLAF + MAX	01	13,199,352.57	1,000,000.00	0.00	0.00	291.32	14,199,643.89	1,076.74
MSDLAF Liquid	01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MSDLAF TERM (CD's, Term, Comm) maturity	01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>		13,199,352.57	1,000,000.00	0.00	0.00	291.32	14,199,643.89	1,076.74

**EXPLANATION:** The above is School District Investments complying with the requirements of Minnesota Statutes 118.01, 471.56 and 475.66.

1. MSDMAX is MSDLAF'S "Max Portfolio" and includes pooled investments plus banker's acceptances, commercial paper, repurchase agreements and US Government obligations.
2. MSDLAF is MSDLAF'S primary clearing "Money Market" fund. All fixed rate investments (FRI) clear through this account as do maturities, interest, and fees.

NOTE: **August 2021** Average MSDLAF Liquid Rate was .00% and the MSDLAF+MAX Average Rate was .03%.  
MSDLAF Term Average Rate is .00%.



## Account Statement - Transaction Summary

For the Month Ending **October 31, 2021**

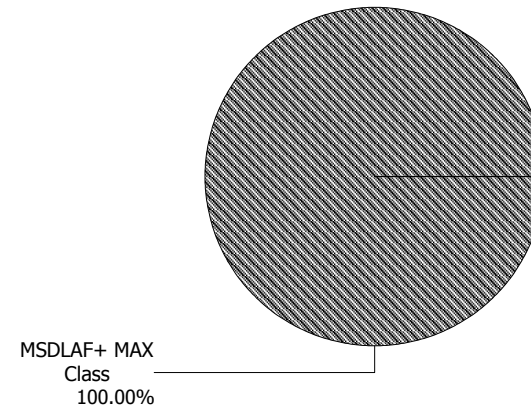
### INTERMEDIATE SCHOOL DISTRICT 917 - STATE PAYMENTS - 600430

MSDLAF+ MAX Class	
Opening Market Value	13,199,352.57
Purchases	1,000,291.32
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	0.00
<b>Closing Market Value</b>	<b>\$14,199,643.89</b>
Cash Dividends and Income	291.32

Asset Summary		
	October 31, 2021	September 30, 2021
<b>MSDLAF+ MAX Class</b>	14,199,643.89	13,199,352.57
<b>Total</b>	<b>\$14,199,643.89</b>	<b>\$13,199,352.57</b>

Asset Allocation	
MSDLAF+ MAX Class	100.00%





## Account Statement

For the Month Ending **October 31, 2021**

### INTERMEDIATE SCHOOL DISTRICT 917 - STATE PAYMENTS - 600430

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
<b>MSDLAF+ MAX Class</b>					
<b>Opening Balance</b>					<b>13,199,352.57</b>
10/28/21	10/28/21	Purchase - ACH Purchase	1.00	1,000,000.00	14,199,352.57
10/29/21	11/01/21	Accrual Income Div Reinvestment - Distributions	1.00	291.32	14,199,643.89
<b>Closing Balance</b>					<b>14,199,643.89</b>

	Month of October	Fiscal YTD July-October		
<b>Opening Balance</b>	13,199,352.57	10,998,567.15	<b>Closing Balance</b>	14,199,643.89
<b>Purchases</b>	1,000,291.32	4,701,076.74	<b>Average Monthly Balance</b>	13,328,413.02
<b>Redemptions (Excl. Checks)</b>	0.00	(1,500,000.00)	<b>Monthly Distribution Yield</b>	0.03%
<b>Check Disbursements</b>	0.00	0.00		
<b>Closing Balance</b>	<b>14,199,643.89</b>	<b>14,199,643.89</b>		
<b>Cash Dividends and Income</b>	291.32	1,076.74		

Person nominated: Loreen (Lori) - Non-Licensed Employee

Please tell us in a brief statement why you are nominating this person:

Ask anyone in the D/HH Resource Programs: Miss Lori is the glue that holds us together. In addition to the million things she does that we don't see, she responds to a million calls and texts per day from teachers, assistants, and interpreters/transliterators, coordinates schedules, handles staff and student absences, and so many other things - she is our go-to gal. As a first year teacher, she has been invaluable to me as someone to turn to with questions, concerns, or just when I need a listening ear. Thank you, Miss Lori, for all you do for us.

Nominated by: Holly Abel

Person nominated: Amy Riesgraf Indicate: Licensed or Non-Licensed Employee

Please tell us in a brief statement why you are nominating this person:

Amy has been a strong, consistent, and capable leader in her classroom while her licensed teacher has been on maternity leave. Through training on brand new paras and a substitute teacher, dealing with all parent communication, handling crises, and so much more, Amy has remained focused on supporting her students and staff. She does well advocating for help from other staff members when needed while still making sure her classroom runs as smoothly as possible.

Nominated by: Monique Marple

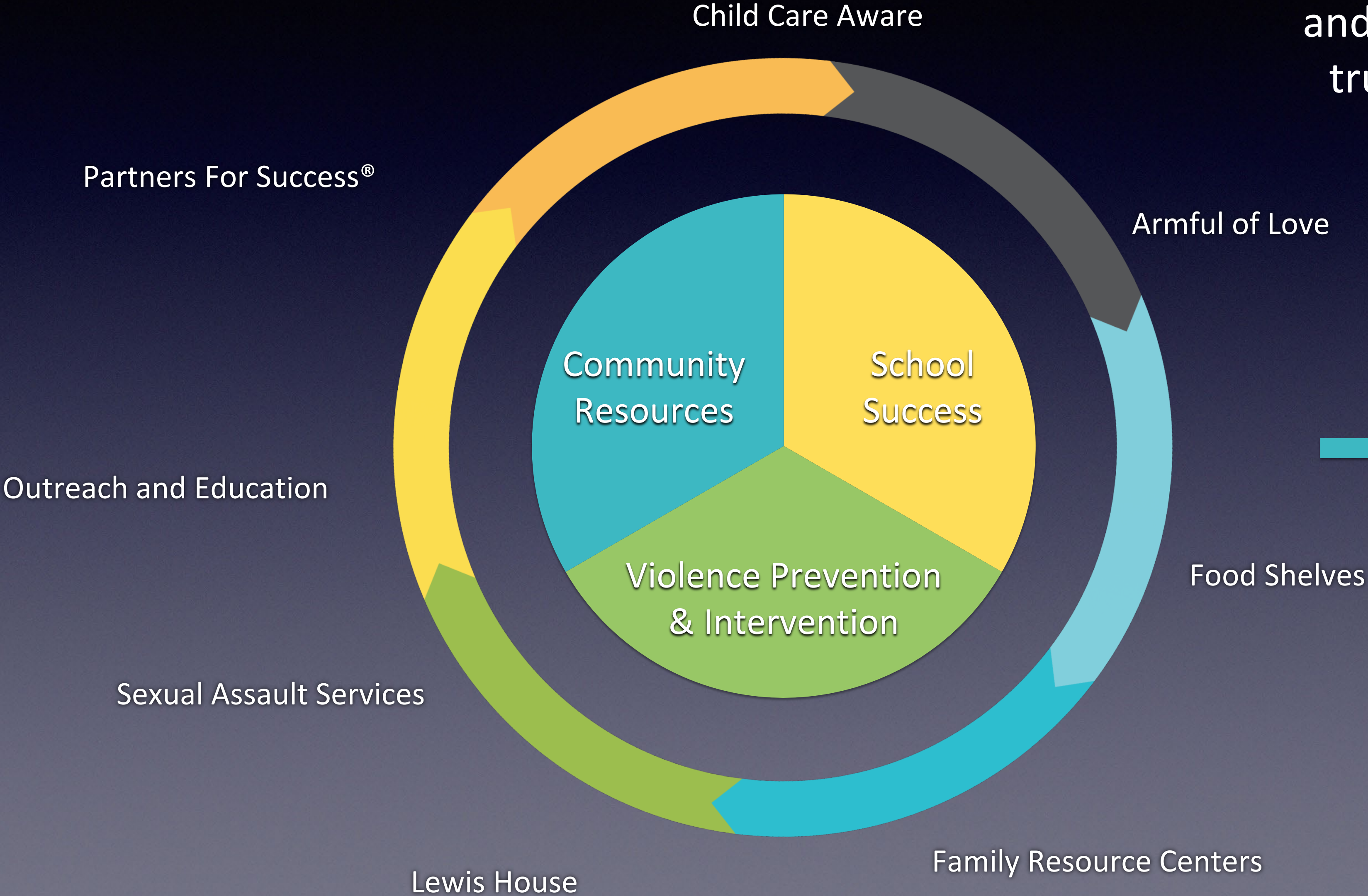


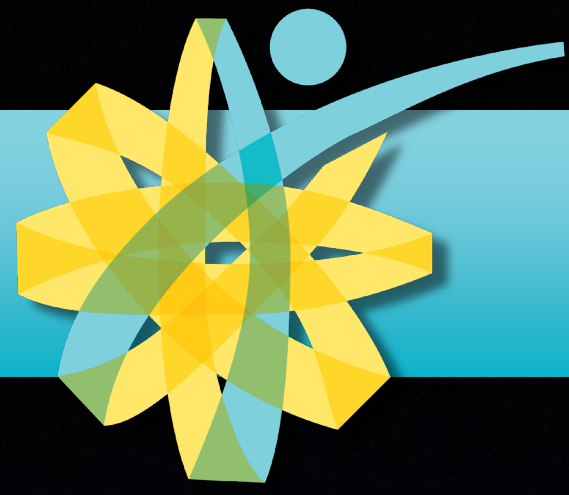
360 Communities.®

Help in the moment. Hope for the future.

# 360 Communities delivers safety and stability that improves lives

With three effective program areas and community partnerships, we build trusting relationships, break cycles of violence, and produce measurable success.

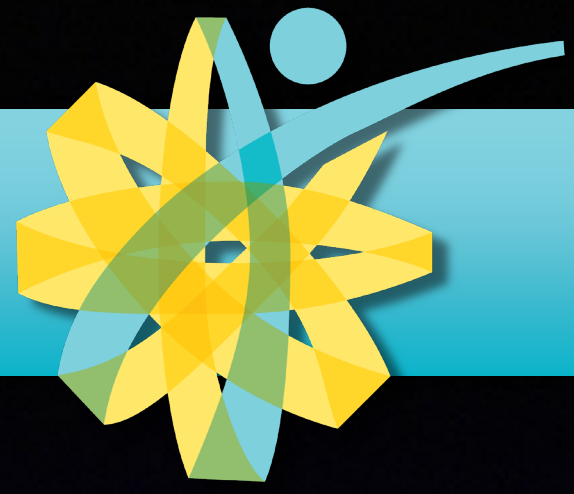




## What we do

- 1. Intervene & Stabilize** - We surround people with stabilizing resources such as safe shelter, healthy food, housing support, and more to eliminate the crisis. We create a solid foundation on which people can build a successful future.
- 2. Support, Goal Plan & Advocate** - With an inclusive, strength-based approach, we partner with people, build trusting relationships with them, and help them envision and plan for their successful future.
- 3. Break Cycles & Prevent** - We take a long view and work upstream to break cycles of violence and poverty. We provide tools for parents and their children to create safe and healthy learning environments that lead to success in school and in life. We measure movement with families across social determinants of health and wellness to ensure we have successful outcomes.





## 360 Communities delivers safety and stability that improves lives

### Our impacts:

- Decrease domestic and sexual violence
- Increase family stability
- Reduce homelessness
- Increase access to healthy food
- Prevent child abuse and neglect
- Improve early childhood development
- Increase high school graduation rates
- Raise awareness of community needs



# 360 PARTNERS FOR SUCCESS®

**Family Support Workers in 29 schools in 6 school districts provide stabilizing resources, increase parental involvement, and promote academic achievement.**



Lakeville	Farmington	WSP	SSP	ISD 196	ISD 917
Christina Huddleston	Akin Road	Garlough	Kaposia	AVHS	DCALS North
Oak Hills Elem.	Farmington Elem.	Moreland	Lincoln Center		
North HS	Meadow View	Heritage MS	SSP Jr. High		
Orchard Lake	North Trail	Pilot Knob			AVHS
Kenwood Trail	Riverview	Friendly Hills			
Lakeville South	FHS	Sibley			
Lakeville ALC	FMN Early Childhood	Mendota			
Lake Marion		Somerset			
JFK Elementary					

**2021-2022 Program**  
 6 School Districts  
 29 Schools

## Family Support Workers help families:

- Navigate school, county, and community resources
- Advocate for students and families
- Understand the support and eligibility of county resources
- Complete applications and help communicate with other organizations
- Partner with school staff to identify students who are struggling academically
- Set goals related to stability, well-being, and school success
- Support parents with communication between home and school
- Help strengthen parent-child relationships
- Collaborate with school and community for mental health support

- Access resources to meet student and family needs. Examples include connections to:
  - » Housing resources
  - » Emergency food
  - » Safety - violence prevention & intervention resources
  - » Clothing
  - » School supplies

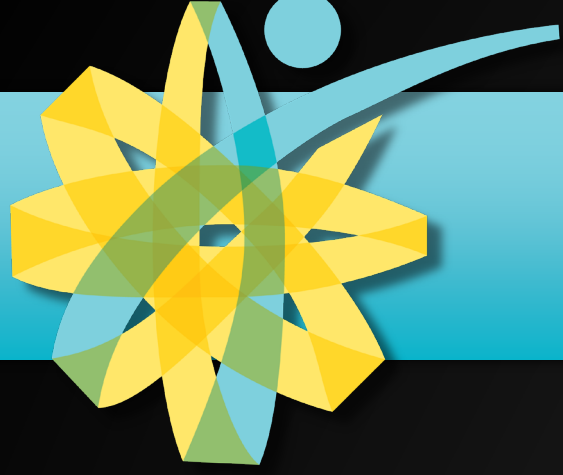


### EXAMPLES OF CHALLENGES WE HELP NAVIGATE:

- Single mom with two children who needs help with food assistance and school supplies
- Senior in high school experiencing homelessness who needs affordable housing, goal planning, and help with food, clothing, and school supplies
- Siblings who are hungry and behind in school
- Family with a costly medical emergency that places their stable housing in jeopardy
- A student who has been sexually assaulted and needs advocacy and mental health support

## Main Areas of Support:

- Housing
- Financial Stability
- Food
- Safe and Healthy Relationships
- Employment
- Physical Health
- Mental Health
- Education



# Overall Program Results

## PARTNERS FOR SUCCESS®

## 2020-2021 Impact



360 Communities®

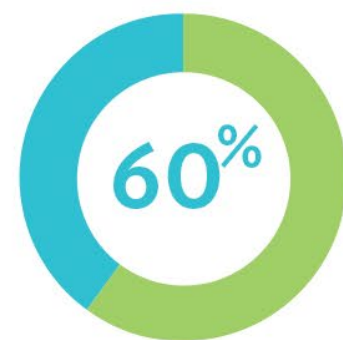
360 Communities Partners For Success® family support workers develop trust with families and deliver stabilizing resources. This support lays the foundation for academic success from kindergarten through high school graduation.

### Goal Achievements



# 45

STUDENTS GRADUATED FROM HIGH SCHOOL WITH SUPPORT FROM PARTNERS FOR SUCCESS®.



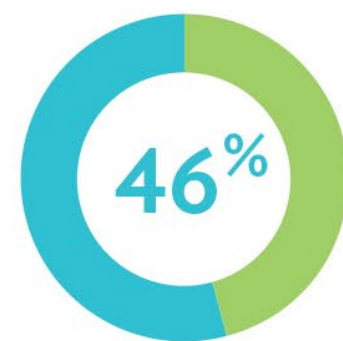
of students with attendance goals achieved their goals toward improved attendance.



of students with academic goals met their goals toward improved academic performance.



of parents with goals related to improved communication between home and school attained their goals.



of families with financial stability goals reached their goals toward better meeting their family's needs.



of families with goals related to family violence attained their goals toward creating a safer home environment.



of families with housing stability goals attained their goals toward stabilizing their housing.

According to a 2015 study by the University of Minnesota's Center for Applied Research and Educational Improvement (CAREI), preventing *FOUR* students from dropping out of high school per year generates social benefits that far exceed the annual cost of the program.

## Holistic supports

**485** home visits completed, supporting a healthy home learning environment.

**338** people received **1,589** tangible items such as school supplies, winter gear, household goods, and hygiene products.



**34** individuals were connected to violence prevention and intervention services.

**33** individuals received emotional support related to sexual and domestic violence on **64** occasions.

**Percentage of need-based resource referrals that resulted in clients accessing new support.**  
Financial (89%), Food (97%) Mental Health (80%), Physical Health (87%), Chemical Dependency (100%)

## Who we served



**2,508** people

**1,315** students

**681** families

41% Hispanic/Latino

27% Caucasian

15% African-American

8% Multiracial

5% Other/Unknown

2% Native-American

1% Asian

1% African



# SOCIAL RETURN ON INVESTMENT



**\$1.00** → **\$5.00**

- For every dollar invested in Partners For Success, a conservative estimate of \$5.00 is returned in social benefits, which includes personal earnings gains, higher tax revenues, public health savings, and crime reduction.
- The return on investment could be more than \$14.00 with a more aggressive interpretation of the data.

Source: The University of Minnesota's Center for Applied Research and Educational Improvement (CAREI), 2015

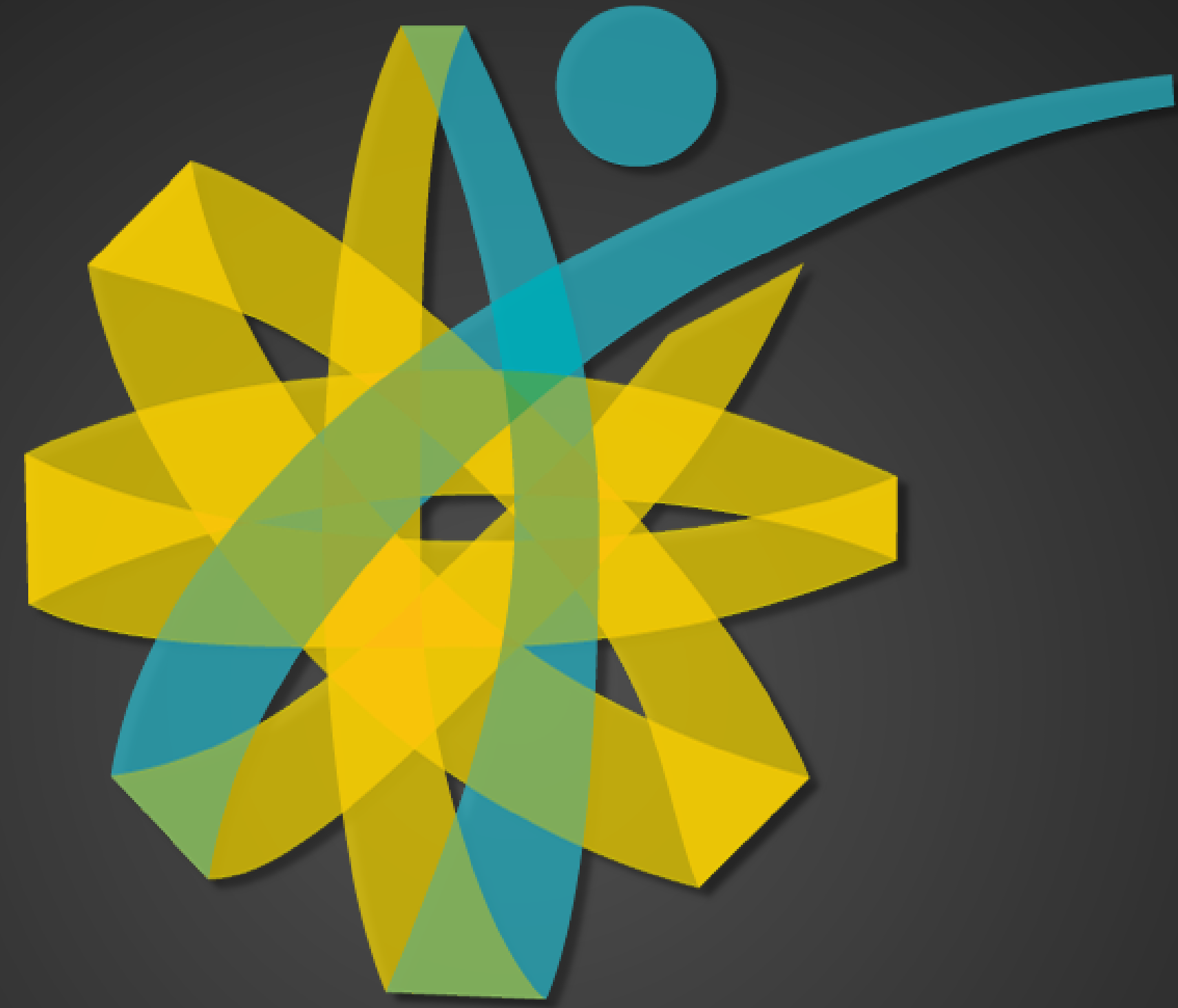
## SOCIAL RETURN ON INVESTMENT

The cost-benefit analysis is based on the measurable results produced by the program, which include:

- Increased Parental Involvement
- Reduced Food Insecurity
- Reduced Housing Instability

*Preventing even FOUR students from dropping out of high school per year, generates social benefits that far exceed the cost of the program.*





360 Communities®

Management Report

for

Intermediate School District No. 917  
Rosemount, Minnesota

June 30, 2021

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PRINCIPALS

Thomas A. Karnowski, CPA  
Paul A. Radosevich, CPA  
William J. Lauer, CPA  
James H. Eichten, CPA  
Aaron J. Nielsen, CPA  
Victoria L. Holinka, CPA/CMA  
Jaclyn M. Huegel, CPA  
Kalen T. Karnowski, CPA

To the School Board and Management of  
Intermediate School District No. 917  
Rosemount, Minnesota

We have prepared this management report in conjunction with our audit of Intermediate School District No. 917's (the District) financial statements for the year ended June 30, 2021. We have organized this report into the following sections:

- Audit Summary
- Funding Public Education in Minnesota
- Financial Trends of Your District
- Legislative Summary
- Accounting and Auditing Updates

We would be pleased to further discuss any of the information contained in this report or any other concerns that you would like us to address. We would also like to express our thanks for the courtesy and assistance extended to us during the course of our audit.

The purpose of this report is solely to provide those charged with governance of the District, management, and those who have responsibility for oversight of the District's financial reporting process comments resulting from our audit and information relevant to school district financing in Minnesota. Accordingly, this report is not suitable for any other purpose.

*Malloy, Montague, Karnowski, Radosevich & Co., P.A.*

Minneapolis, Minnesota  
November 29, 2021

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## AUDIT SUMMARY

The following is a summary of our audit work, key conclusions, and other information that we consider important or that is required to be communicated to the Board, administration, or those charged with governance of the District.

### **OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA AND *GOVERNMENT AUDITING STANDARDS***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you verbally and in our audit engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

### **PLANNED SCOPE AND TIMING OF THE AUDIT**

We performed the audit according to the planned scope and timing previously discussed and coordinated in order to obtain sufficient audit evidence and complete an effective audit.

### **AUDIT OPINION AND FINDINGS**

Based on our audit of the District's financial statements for the year ended June 30, 2021:

- We have issued an unmodified opinion on the District's basic financial statements.
- We reported no deficiencies in the District's internal control over financial reporting that we considered to be material weaknesses.
- The results of our testing disclosed no instances of noncompliance required to be reported under *Government Auditing Standards*.
- We reported two findings based on our testing of the District's compliance with Minnesota laws and regulations:
  1. Two of the twenty-five disbursements we tested were not paid within forty-five days from the receipt of goods or services as required by Minnesota Statutes.
  2. The District did not advertise a request for proposal for group insurance at least twenty-one days prior to the final date for submitting proposals as required by Minnesota Statutes.

## **OTHER OBSERVATIONS AND RECOMMENDATIONS**

### **Uniform Guidance Written Controls and Micro-Purchase Threshold**

Federal Uniform Guidance requires that nonfederal entities must have and use documented procurement procedures consistent with 2CFR § 200.317-320 for the acquisition of property or services required under a federal award or subaward. Effective August 31, 2020, the federal micro-purchase threshold, which is the threshold that allows for procurements without soliciting competitive price or rate quotations given certain conditions, was increased from \$3,500 to \$10,000 in the Federal Acquisition Regulations (FAR).

Effective November 12, 2020, the Uniform Guidance was also revised to allow nonfederal entities to establish a micro-purchase threshold higher than the \$10,000 threshold established in the FAR under certain circumstances. The nonfederal entity may self-certify a micro-purchase threshold up to \$50,000 if the requirements in 2CFR § 200.320(a)(1)(iv) are followed. Requirements include an *annual* self-certification and clear documentation of the justification to support the increase in the threshold. Acceptable reasons for justification must meet *one* of the following criteria:

- A qualification as a low-risk auditee, in accordance with the criteria in § 200.520 for the most recent audit,
- An annual internal institutional risk assessment to identify, mitigate, and manage financial risks, or,
- A higher threshold consistent with state law.

This flexibility would allow Minnesota local governments to increase and align their federal procurement procedures, specifically the micro-purchase threshold, with state law, which allows for procurements below \$25,000 to be made without competitive price or rate quotations.

We recommend that the District review its current federal procurement policy. If the micro-purchase threshold in your currently adopted policy is below the allowable FAR limit of \$10,000, you would need to make a one-time amendment to the policy to adopt the \$10,000 FAR limit before using it. If you prefer to increase your federal micro-purchase threshold to \$25,000 to align it with state law, in addition to amending your federal procurement policy, you would need to annually certify the higher threshold and the justification for using the higher threshold.

### **SIGNIFICANT ACCOUNTING POLICIES**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 of the notes to basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2021.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

## **ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS**

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Special education state aid includes an adjustment related to tuition billings to and from other school districts for special education services, which are computed using formulas derived by the Minnesota Department of Education. Because of the timing of the calculations, this adjustment for the current fiscal year is not finalized until after the District has closed its financial records. The impact of this adjustment on the receivable and revenue recorded for state special education aid is calculated using preliminary information available to the District.

The District has recorded a liability in the Statement of Net Position for severance benefits payable for which it is probable employees will be compensated. The "vesting method" used by the District to calculate this liability is based on assumptions involving the probability of employees becoming eligible to receive the benefits (vesting), the potential use of accumulated sick leave prior to termination, and the age at which such employees are likely to retire.

The District has recorded activity for other post-employment benefits (OPEB) and pension benefits. These obligations are calculated using actuarial methodologies primarily described in Governmental Accounting Standards Board (GASB) Statement Nos. 68 and 75. These actuarial calculations include significant assumptions, including projected changes, healthcare insurance costs, investment returns, retirement ages, proportionate share, and employee turnover.

The depreciation of capital assets involves estimates pertaining to useful lives.

The District's self-insured activities require recording a liability for claims incurred, but not yet reported, which are based on estimates.

We evaluated the key factors and assumptions used by management to develop the estimates discussed above in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The disclosures included in the notes to the basic financial statements related to OPEB and pension benefits are particularly sensitive, due to the materiality of the liabilities, and the large and complex estimates involved in determining the disclosures.

The financial statement disclosures are neutral, consistent, and clear.

## **DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

## **CORRECTED AND UNCORRECTED MISSTATEMENT**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected as a result of audit procedures that were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

## **DISAGREEMENTS WITH MANAGEMENT**

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

## **MANAGEMENT REPRESENTATIONS**

We have requested certain representations from management that are included in the management representation letter dated November 29, 2021.

## **MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

## **OTHER AUDIT FINDINGS OR ISSUES**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## **OTHER MATTERS**

We applied certain limited procedures to the management's discussion and analysis and the pension and OPEB-related required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplemental information and the Uniform Financial Accounting and Reporting Standards Compliance Table, which accompany the financial statements, but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and other information sections which accompany the financial statements, but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

## FUNDING PUBLIC EDUCATION IN MINNESOTA

Due to its complexity, it would be impossible to fully explain the funding of public education in Minnesota within this report. A summary of legislative changes affecting school districts included later in this report gives an indication of how complicated the funding system is. This section provides selected state-wide funding and financial trend information.

### BASIC GENERAL EDUCATION REVENUE

The largest single funding source for Minnesota school districts is basic general education aid. Each year, the Legislature sets a basic formula allowance. Total basic general education revenue is calculated by multiplying the formula allowance by the number of pupil units for which a district is entitled to aid. Pupil units are calculated using a legislatively determined weighting system applied to average daily membership (ADM). Over the years, various modifications have been made to this calculation, including changes in weighting and special consideration for declining enrollment districts.

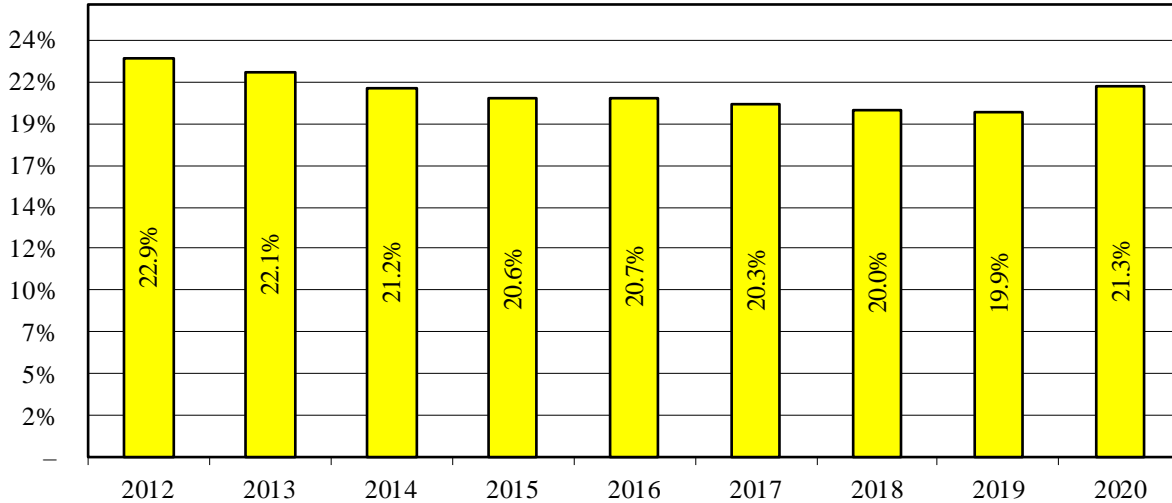
The table below presents a summary of the formula allowance for the past decade and as approved for the next two fiscal years. The 2021 Legislature approved per pupil increases of \$161 for fiscal 2022 and \$135 for fiscal 2023. The amount of the formula allowance and the percentage change from year-to-year excludes temporary funding changes, the “roll-in” of aids that were previously funded separately, and changes that may vary dependent on actions taken by individual districts. The \$529 increase in 2015 was offset by changes to pupil weightings and the general education aid formula that resulted in an increase equivalent to approximately \$105, or 2.0 percent, state-wide.

Fiscal Year Ended June 30,	Formula Allowance	
	Amount	Percent Increase
2012	\$ 5,174	1.00 %
2013	\$ 5,224	1.00 %
2014	\$ 5,302	1.50 %
2015	\$ 5,831	2.00 %
2016	\$ 5,948	2.00 %
2017	\$ 6,067	2.00 %
2018	\$ 6,188	2.00 %
2019	\$ 6,312	2.00 %
2020	\$ 6,438	2.00 %
2021	\$ 6,567	2.00 %
2022	\$ 6,728	2.45 %
2023	\$ 6,863	2.00 %

## STATE-WIDE SCHOOL DISTRICT FINANCIAL HEALTH

One of the most common and comparable statistics used to evaluate school district financial health is the unrestricted operating fund balance as a percentage of operating expenditures.

State-Wide Unrestricted Operating Fund Balance  
as a Percentage of Operating Expenditures



Note: State-wide information is not available for fiscal 2021.

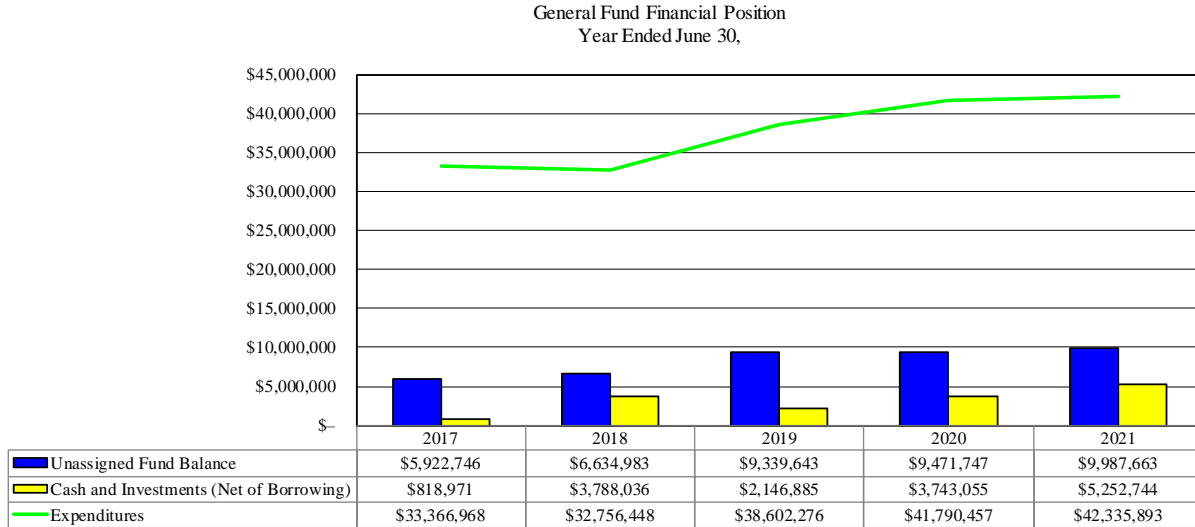
The calculation above reflects only the unrestricted fund balance of the General Fund, and the corresponding expenditures, which is the same method the state uses for the calculation of statutory operating debt.

The average unrestricted fund balance as a percentage of operating expenditures maintained by Minnesota school districts decreased gradually from 22.9 percent at the end of fiscal 2012 to 19.9 percent at the end of fiscal 2019, a period of relative stability in the state's economic condition and school funding. This ratio increased back up to 21.3 percent at the end of fiscal 2020, the highest level since 2014.

## FINANCIAL TRENDS OF YOUR DISTRICT

### GENERAL FUND FINANCIAL POSITION

The following graph displays the District’s General Fund trends of financial position and changes in the volume of financial activity. Unassigned fund balance and cash balance are two indicators of financial health, while annual expenditures are often used to measure the size of the operation.



The District ended fiscal year 2021 with a General Fund cash and investments balance of \$5,252,744 (net of borrowing and interfund receivables and payables), an increase of \$1,509,689 from the previous year. This was mainly due to the decrease in amounts due from the member districts from tuition billings.

Unassigned fund balance at year-end was \$9,987,663, an increase of \$515,916. This was due to the increase in the total fund balance and a decline in amounts assigned for subsequent year’s budget deficit.

The District ended the year with a \$204,926 increase in the General Fund balance. This increase of \$204,926 is \$580,365 higher than anticipated in the District’s revised budget. The reason for the variance is mainly due to the District experiencing better than expected results in the Secondary Education Account totaling \$435,963, including revenue exceeding projections by \$252,215, mainly due to having higher than anticipated enrollment in fiscal 2021. Expenditures were lower than anticipated in this account by \$183,748, mainly in purchased services.

The District also experienced an increase to fund balance that was more than anticipated in the Special Education Account with an increase of \$245,548, compared to an anticipated increase of \$107,969. The special education programs’ state aids were \$2,159,581 under budget for fiscal year 2021, due to lower program activity in the current year. Expenditures were also lower than budgeted amounts by \$2,457,529, mainly in salaries and benefits, purchased services, and supplies and materials. Most categories of expenditures were lower than budget as a result of moving to distance learning for parts of the year, due to COVID-19.

The following table presents the components of the General Fund balance for the past five years:

	Year Ended June 30,				
	2017	2018	2019	2020	2021
Nonspendable fund balances	\$ 154,609	\$ 622,617	\$ 129,262	\$ 131,151	\$ 109,429
Restricted fund balances	880,523	342,912	182,355	138,134	105,925
Assigned fund balances	–	423,420	145,942	391,088	134,029
Unassigned	5,922,746	6,634,983	9,339,643	9,471,747	9,987,663
<b>Total fund balances</b>	<b>\$ 6,957,878</b>	<b>\$ 8,023,932</b>	<b>\$ 9,797,202</b>	<b>\$ 10,132,120</b>	<b>\$ 10,337,046</b>
Unassigned fund balances as a percentage of expenditures	17.8%	20.3%	24.2%	22.7%	23.6%
Cash and temporary investments (net of borrowing)	\$ 818,971	\$ 3,788,036	\$ 2,146,885	\$ 3,743,055	\$ 5,252,744

The resources represented by this fund balance are critical to a district’s ability to maintain adequate cash flow throughout the year, to retain its programs, and to cushion against the impact of unexpected costs or funding shortfalls.

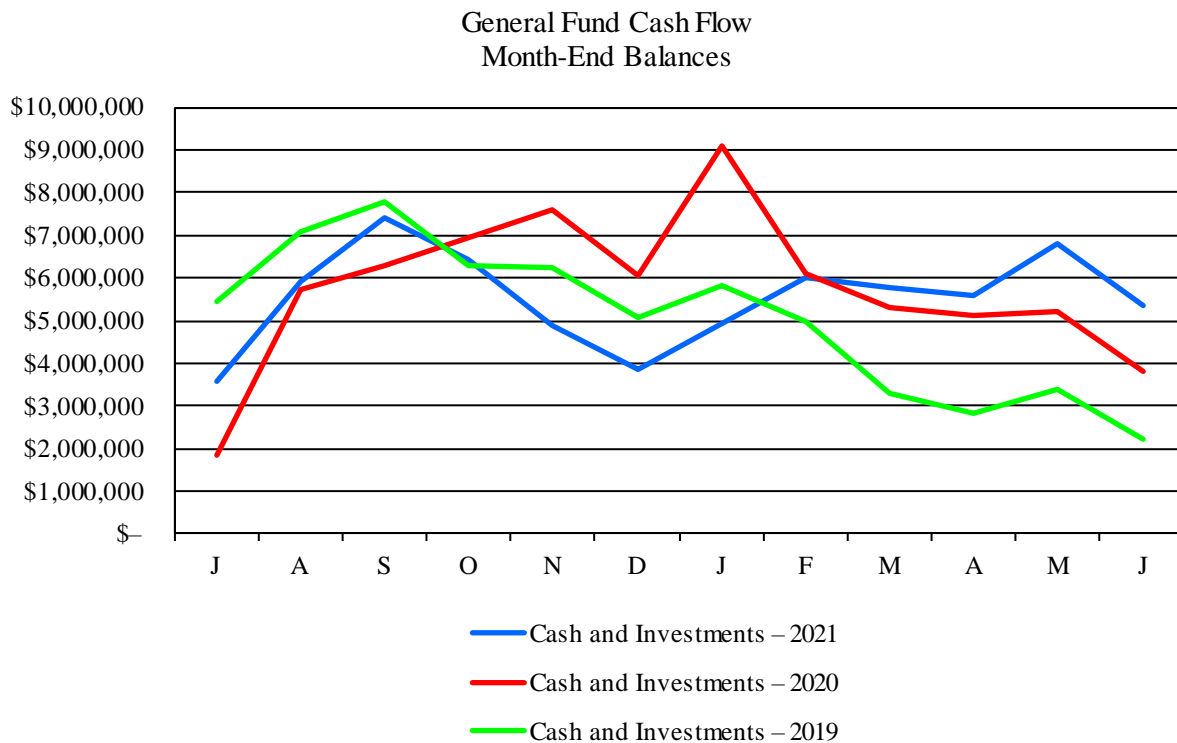
Fund balance as a percentage of expenditures is one key measure in assessing the financial health of the District. Maintaining an adequate fund balance is particularly important because of the limited availability of borrowing for the District and the need for the General Fund to be self-sustaining in its cash flow needs.

The fund balance remains healthy when compared to the level of district expenditures. The District’s plan, based on the current fund balance policy, is to maintain a minimum unassigned General Fund balance of 15.0 percent of the annual budget. At June 30, 2021, the District has exceeded that policy, with an unassigned fund balance as a percentage of 2021 expenditures of 23.6 percent.

The District’s fund balance provides opportunities to incur one-time capital expenditures to mitigate the amount of long-term facilities maintenance levy that the District requests on behalf of the member districts. The District continues to monitor its fund balances closely.

## GENERAL FUND CASH FLOW

The level of cash and investments varies considerably during the year, due to the timing of various revenues and expenditures. The following graph summarizes the level of cash and investments, including cash and investments held by trustee (net of short-term cash flow borrowing) over the past three years:



The graph above shows the peaks and valleys of the General Fund cash and investments balance (net of borrowing and interfund balances) on a monthly basis. The swing between its high and low month-end cash balances was about \$3.8 million for fiscal 2021.

## GENERAL FUND OPERATIONS AND FINANCIAL POSITION BY ACCOUNT

The following tables present comparative operating results for some of the accounts of the District's General Fund:

### Secondary Education Account

	Year Ended June 30,				
	2017	2018	2019	2020	2021
Revenue and other financing sources	\$ 3,384,163	\$ 3,891,849	\$ 4,598,757	\$ 4,409,692	\$ 4,211,547
Expenditures	3,401,719	3,399,214	3,713,372	4,101,077	4,258,342
Net change in fund balances	(17,556)	492,635	885,385	308,615	(46,795)
Fund balances					
Beginning of year	1,936,330	1,918,774	2,411,409	3,296,794	3,605,409
End of year	\$ 1,918,774	\$ 2,411,409	\$ 3,296,794	\$ 3,605,409	\$ 3,558,614

This account experienced a net decrease in fund balance of \$46,795 during fiscal 2021. This compares to a budgeted decrease of \$482,758. Revenues were over budget by \$252,215, mainly in tuition for the alternative learning (DCALS) program. Expenditures ended the year lower than budget by \$183,748, mainly in purchased services, due to reductions in contracted services, activities for students, and building lease charges.

Total revenue in the Secondary Education Account of the General Fund totaled \$4,211,547 in fiscal 2021, a decrease of \$198,145 from the previous year, due to a decrease in tuition revenue, mainly in the career and technical education programs. Expenditures in this account increased \$157,265, mainly in salaries and benefits related to open positions being filled, as well as salary rate increases.

### Special Education Account

	Year Ended June 30,				
	2017	2018	2019	2020	2021
Revenue and other financing sources	\$ 26,294,372	\$ 28,924,111	\$ 34,735,955	\$ 37,131,011	\$ 37,774,644
Expenditures and other financing uses	25,498,947	28,235,178	33,857,291	37,119,354	37,529,096
Net change in fund balances	795,425	688,933	878,664	11,657	245,548
Fund balances					
Beginning of year	4,102,054	4,897,479	5,586,412	6,465,076	6,476,733
End of year	\$ 4,897,479	\$ 5,586,412	\$ 6,465,076	\$ 6,476,733	\$ 6,722,281

This account experienced a net increase in fund balance of \$245,548 during fiscal 2021, which compares to a budgeted increase in fund balance of \$107,969 for the year. The special education programs received \$266,815 less tuition revenue than anticipated for fiscal year 2021. Special education state aid revenue was \$2,159,581 lower than budget and the related expenditures were also lower than budgeted amounts by \$2,457,529. This was mainly due to lower than anticipated salaries and benefits, purchased services, and supplies and materials. This is due to most expenditure categories being lower as a result of open positions not being filled, lower than anticipated unemployment insurance costs, and the District moving to distance learning due to COVID-19.

Special Education Account revenues increased \$643,633 in fiscal 2021. The District experienced increased activity in special education programs causing increased state aid. Expenditures and other financing uses increased \$409,742, mainly in salaries and benefits for licensed staff, employee contract enhancements, and employee benefits for insurance.

**OTHER FUNDS OF THE DISTRICT**

**Food Service Special Revenue Fund**

The District’s Food Service Special Revenue Fund expenditures exceeded revenue by \$12,679. In order to eliminate the deficit in the Food Service Special Revenue Fund, the District transferred \$12,679 from the General Fund in fiscal 2021.

**Internal Service Funds**

The internal service funds are considered proprietary funds and are used to account for health and dental insurance offered by the District to its employees as a self-insured plan and post-employment employee benefits.

The following table presents comparative operating results for the District’s internal service funds over the past five fiscal years:

	Year Ended June 30,				
	2017	2018	2019	2020	2021
Revenue	\$3,425,979	\$3,865,060	\$4,632,933	\$5,066,691	\$5,791,672
Expenses	3,255,326	3,150,658	4,122,961	3,831,523	4,742,075
Change in net position	170,653	714,402	509,972	1,235,168	1,049,597
Net position					
Beginning of year	137,433	406,523	1,120,925	1,630,897	2,866,065
End of year	\$ 308,086	\$1,120,925	\$1,630,897	\$2,866,065	\$3,915,662

These funds had revenues over expenses of \$1,049,597 during fiscal 2021. This occurred mostly as a result of the District’s internal service fund for self-insured health insurance, which had an operating income of \$1,074,301. Revenues were more than fiscal 2020, mainly in the self-insured medical insurance plan, due to increased numbers of employee participants and increased rates. Expenses increased, due to employees utilizing various medical services again, after not seeking services as a result of the COVID-19 pandemic.

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District's financial statements include fund-based information that focuses on budgetary compliance, and the sufficiency of the District's current assets to finance its current liabilities. The governmental reporting model also requires the inclusion of two government-wide financial statements designed to present a clear picture of the District as a single, unified entity. These government-wide financial statements provide information on the total cost of delivering educational services, including capital assets and long-term liabilities.

Theoretically, net position represents district resources available for providing services after its debts are settled. However, those resources are not always in expendable form, or there may be restrictions on how some of those resources can be used. Therefore, this statement divides net position into three components: net investment in capital assets, restricted, and unrestricted. The following table presents a summarized reconciliation of the District's governmental fund balances to net position, and the separate components of net position for the last two years:

	As of June 30,		Change
	2020	2021	
Net position – governmental activities			
Total fund balances – governmental funds	\$ 10,132,120	\$ 10,337,046	\$ 204,926
Total capital assets, net of depreciation	9,050,323	8,717,725	(332,598)
Total long-term debt	(7,620,856)	(7,332,145)	288,711
Net pension-related liabilities	(26,070,284)	(28,163,779)	(2,093,495)
Internal service funds balance	2,866,065	3,915,662	1,049,597
Other items	(3,722)	(11,373)	(7,651)
Total net position – governmental activities	<u>\$ (11,646,354)</u>	<u>\$ (12,536,864)</u>	<u>\$ (890,510)</u>
Net position			
Net investment in capital assets	\$ 1,894,018	\$ 1,856,227	\$ (37,791)
Restricted	93,757	61,543	(32,214)
Unrestricted	(13,634,129)	(14,454,634)	(820,505)
Total net position	<u>\$ (11,646,354)</u>	<u>\$ (12,536,864)</u>	<u>\$ (890,510)</u>

Some of the District's fund balances translate into restricted net position by virtue of external restrictions (statutory restrictions) or by the nature of the fund they are in (e.g., Food Service Special Revenue Fund balance can only be spent for food service program costs). The unrestricted net position category consists mainly of the General Fund unrestricted fund balances, offset against noncapital long-term obligations, such as severance payable, compensated absences, OPEB, and pension liabilities.

Total net position decreased by \$890,510 in fiscal 2021. The District's net investment in capital assets decreased \$37,791 this year. The change in this category of net position typically depends on the relationship between the rate at which the District is adding capital assets, the rate capital assets are being depreciated, and how that compares to the rate at which the District is repaying the debt issued to purchase or construct those assets. The District's unrestricted net position decreased by \$820,505, mainly due to changes in funding levels of the Public Employees Retirement Association and the Teachers Retirement Association pension obligations offset by improved net position in the General Fund and internal service funds of the District.

## LEGISLATIVE SUMMARY

In a typical year, the primary focus of the 2021 Minnesota legislative session would have been the development of the state's fiscal year (FY) 2022–2023 biennial budget. However, given the significant events of the preceding year, including the COVID-19 pandemic and death of George Floyd while in police custody, the focus of the regular session shifted to legislation responding to the pressing issues that resulted from these events. The business of setting a biennial budget and passing an education finance bill were ultimately not addressed until a June special session.

There was positive news on the state's budget outlook entering the session. A May 2020 special pandemic budget projection had predicted the state would finish the FY 2020–2021 biennium with a \$2.4 billion shortfall. By the regular budget and economic forecast in February 2021, the state's fiscal outlook had improved, projecting a positive budgetary variance of \$940 million at the end of the biennium, reducing the threat of potential funding cuts to local government programs. The resulting education finance bill passed and signed by the Governor on June 30, 2021, included appropriation increases of approximately \$554 billion for the FY 2022–2023 biennium, and \$669 billion for the FY 2024–2025 biennium.

The following is a brief summary of specific legislative changes from the 2021 Legislature impacting Minnesota school districts in future years.

**General Education Revenue** – The Legislature approved annual increases of 2.45 percent and 2.00 percent to the basic general education formula allowance for the FY 2022–2023 biennium. The per pupil allowance will increase \$161 to \$6,728 for FY 2022, and another \$135 to \$6,863 for FY 2023.

**English Learner Cross Subsidy Aid** – Approved annual appropriations of \$2 million to provide English learner cross-subsidy aid for FY 2022 through FY 2025. This new funding will be allocated annually to school districts and charter schools based on their proportionate share of English learner and concentration revenue from the preceding fiscal year, and must be used and accounted for within the basic skills program.

**Special Education Revenue** – The Legislature had previously approved enhancements to special education funding designed to hold the state average cross-subsidy per pupil constant at the FY 2019 level of \$82 per ADM for FY 2021, which included establishing a new component of the state special education funding formula, known as cross-subsidy reduction aid. Cross subsidy reduction aid will equal a percentage of each district's "initial cross-subsidy" for the prior fiscal year, with the percentages set at 6.43 percent for 2021. Initial cross-subsidy is defined as the district's nonfederal special education costs, including transportation, less state special education aid after tuition adjustments and general education aid attributable to students receiving special education services outside of the regular classroom for at least 60.00 percent of the school day. The 2021 Legislature approved an additional appropriation of \$10.425 million to fund a one-time increase to cross-subsidy for FY 2022, which is estimated to increase the percentage funded by 1.24 percent to a total of 7.67 percent. Charter schools are not eligible for cross-subsidy reduction aid.

**Voluntary Pre-Kindergarten (VPK) and School Readiness Plus (SRP)** – The Legislature approved continued funding for FY 2022 and FY 2023 to maintain 4,000 state-wide VPK and SRP seats set to expire after FY 2021. The Local Optional Revenue (LOR) second tier equalization factor was increased for FY 2023 only to offset the state-wide impact of levy changes for the VPK/SRP continuation, which should result in a levy increase for VPK/SRP districts and a levy decrease for most other districts.

**Hiring Bonuses** – Districts or schools are authorized to offer a hiring or retention bonus of \$2,500–\$5,000 to attract teachers who are American Indians or persons of color, or \$4,000–\$8,000 to meet staffing needs in shortage areas and to attract teachers who are American Indians or persons of color.

**Sales Tax Exemption** – A previous sales tax exemption for sales made by school-associated student groups for funding extracurricular student activities, that was eliminated by the 2019 omnibus education bill, was restored.

**Staff Development** – Teacher mentorship was added as an eligible use of general education aid restricted for staff development as part of a mandate for districts to develop teacher mentoring programs.

**Lunch Shaming Prohibited** – Students approved for free or reduced-price meal status must be served reimbursable meals irrespective of any outstanding individual student lunch account debt. Districts are required to post this policy.

## ACCOUNTING AND AUDITING UPDATES

The following is a summary of GASB standards expected to be implemented in the next few years. Due to the COVID-19 pandemic, the GASB has delayed the original implementation dates of these and other standards as described below.

### **GASB STATEMENT NO. 87, *LEASES***

A lease is a contract that transfers control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this statement.

Governments enter into leases for many types of assets. Under the previous guidance, leases were classified as either capital or operating depending on whether the lease met any of the four tests. In many cases, the previous guidance resulted in reporting lease transactions differently than similar nonlease financing transactions.

The goal of this statement is to better meet the information needs of users by improving accounting and financial reporting for leases by governments. It establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. This statement increases the usefulness of financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

Under this statement, a lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

To reduce the cost of implementation, this statement includes an exception for short-term leases, defined as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Lessees and lessors should recognize short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract. The requirements of this statement are effective for fiscal years beginning after June 15, 2021.

### **GASB STATEMENT NO. 92, *OMNIBUS 2020***

The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other post-employment benefit (OPEB) plan
- The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for post-employment benefits

- The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to post-employment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

The requirements of this statement are effective for fiscal years beginning after June 15, 2021. Earlier application is encouraged.

**GASB STATEMENT NO. 96, *SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS***

This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party’s (a SBITA vendor’s) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Under this statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability.

This statement provides an exception for short-term SBITAs with a maximum possible term under the SBITA contract of 12 months, including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources.

This statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

***GASB STATEMENT NO. 97, CERTAIN COMPONENT UNIT CRITERIA, AND ACCOUNTING AND FINANCIAL REPORTING FOR INTERNAL REVENUE CODE SECTION 457 DEFERRED COMPENSATION PLANS—AN AMENDMENT OF GASB STATEMENT NO. 14 AND NO. 84, AND A SUPERSESSION OF GASB STATEMENT NO. 32***

The primary objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution OPEB plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this statement that (1) exempt primary governments that perform the duties that a government board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans, and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately.

The requirements of this statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this statement.

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INTERMEDIATE SCHOOL DISTRICT NO. 917  
ROSEMOUNT, MINNESOTA

Financial Statements and  
Supplemental Information

Year Ended  
June 30, 2021

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INTERMEDIATE SCHOOL DISTRICT NO. 917

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INDEPENDENT SCHOOL DISTRICT NO. 917

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INTRODUCTORY SECTION

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INTERMEDIATE SCHOOL DISTRICT NO. 917

School Board and Administration  
as of June 30, 2021

**SCHOOL BOARD**

<u>Board of Directors</u>	<u>Member District</u>	<u>Position on Board</u>
Dee Dee Currier	ISD No. 191	Chairperson
Melissa Sauser	ISD No. 192	Vice Chairperson
Byron Schwab	ISD No. 197	Treasurer
Vanda Pressnall	ISD No. 195	Clerk
Tom Bennett	ISD No. 271	Director
Wendy Felton	ISD No. 6	Director
Kathy Lewis	ISD No. 194	Director
Cindy Nordstrom	ISD No. 199	Director
Dave Pemble	ISD No. 200	Director

**ADMINISTRATION**

Mark Zuzek	Superintendent
Nicolle Roush	Executive Director of Business Services
Melissa Schaller	Executive Director of Student Services
Eric Van Brocklin	Secondary Education Principal

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FINANCIAL SECTION

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PRINCIPALS

Thomas A. Karnowski, CPA  
Paul A. Radosevich, CPA  
William J. Lauer, CPA  
James H. Eichten, CPA  
Aaron J. Nielsen, CPA  
Victoria L. Holinka, CPA/CMA  
Jaclyn M. Huegel, CPA  
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT

To the School Board and Management of  
Intermediate School District No. 917  
Rosemount, Minnesota

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Intermediate School District No. 917 (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

(continued)

## **OPINIONS**

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

## **OTHER MATTERS**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, supplemental information, and other information section, are presented for purposes of additional analysis and are not required parts of the basic financial statements. The accompanying Uniform Financial Accounting and Reporting Standards (UFARS) Compliance Table is presented for purposes of additional analysis as required by the Minnesota Department of Education, and is also not a required part of the basic financial statements of the District.

The supplemental information and the UFARS Compliance Table are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and other information sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

(continued)

## **Prior Year Comparative Information**

We have previously audited the District's 2020 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 16, 2020. In our opinion, the partial comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Malloy, Montague, Karnowski, Radosevich & Co., P.A.*

Minneapolis, Minnesota  
November 29, 2021

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## INTERMEDIATE SCHOOL DISTRICT NO. 917

### Management's Discussion and Analysis Year Ended June 30, 2021

This section of Intermediate School District No. 917's (the District) annual financial statements presents management's narrative overview and analysis of the District's financial performance during the fiscal year ended June 30, 2021. Please read it in conjunction with the other components of the District's financial statements.

#### **FINANCIAL HIGHLIGHTS**

- The District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at June 30, 2021 by \$12,536,864 (net position deficit). The District's total net position decreased by \$890,510 during the fiscal year ended June 30, 2021.
- The District's total General Fund balance at June 30, 2021 is \$10,337,046, an increase of \$204,926 over the prior year.
- The District's governmental funds Balance Sheet reflects a \$9,987,663 unassigned fund balance.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial section of the financial statements consists of the following parts:

- Independent Auditor's Report;
- Management's discussion and analysis;
- Basic financial statements, including the government-wide financial statements, fund financial statements, and the notes to basic financial statements;
- Required supplementary information; and
- Combining and individual fund statements and schedules, which are presented as supplemental information.

The following explains the two types of statements included in the basic financial statements:

### **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information about the District as a whole using accounting methods similar to those used by private sector companies. The Statement of Net Position includes *all* of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide financial statements report the District's *net position* and how it has changed. Net position—the difference between the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources—is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are indicators of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District requires consideration of additional nonfinancial factors, such as the condition of school buildings and other facilities.

In the government-wide financial statements the District's activities are all shown in one category titled "governmental activities." These activities, including secondary vocational and special education instruction, administration, and food services, are primarily financed with tuition charges and state aids.

### **FUND FINANCIAL STATEMENTS**

The fund financial statements provide more detailed information about the District's *funds*, focusing on its most significant or "major funds," rather than the District as a whole. Funds (Food Service Special Revenue) that do not meet the threshold to be classified as major funds are called "nonmajor funds." Detailed financial information for nonmajor funds can be found in the supplemental information section.

Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. For Minnesota schools, funds are established in accordance with Uniform Financial Accounting and Reporting Standards in accordance with statutory requirements and accounting principles generally accepted in the United States of America.

The District maintains the following kinds of funds:

**Governmental Funds** – The District's basic services are included in governmental funds, which generally focus on: 1) how *cash and other financial assets* that can readily be converted to cash flow in and out, and 2) the balances left at year-end that are available for spending. Consequently, the governmental fund financial statements provide a detailed *short-term* view, that helps to determine whether there are more or less financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide financial statements, we provide additional information (reconciliation schedules) immediately following the governmental fund financial statements that explain the relationship (or differences) between these two types of financial statement presentations.

**Proprietary Funds** – Internal service fund services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. The District uses internal service funds to report activities that provide supplies and services for the District’s other programs and activities. These services have been included with governmental activities in the government-wide financial statements. The District currently has three internal service funds, including funds for accounting for post-employment employee benefits, and medical self-insurance and dental self-insurance plans.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table 1 is a summarized view of the District’s Statement of Net Position:

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
Current and other assets	\$ 21,012,786	\$ 19,322,793
Capital assets, net of accumulated depreciation	<u>8,717,725</u>	<u>9,050,323</u>
Total assets	<u>\$ 29,730,511</u>	<u>\$ 28,373,116</u>
<b>Deferred outflows of resources</b>		
Pension plan deferments	\$ 13,409,603	\$ 17,692,896
OPEB plan deferments	179,862	80,002
Deferred charge on refunding debt	<u>291,532</u>	<u>313,957</u>
Total deferred outflows of resources	<u>\$ 13,880,997</u>	<u>\$ 18,086,855</u>
<b>Liabilities</b>		
Current and other liabilities	\$ 4,689,404	\$ 4,338,495
Long-term liabilities, including due within one year	<u>36,216,455</u>	<u>31,745,650</u>
Total liabilities	<u>\$ 40,905,859</u>	<u>\$ 36,084,145</u>
<b>Deferred inflows of resources</b>		
Pension plan deferments	\$ 14,549,012	\$ 21,635,829
OPEB plan deferments	<u>693,501</u>	<u>386,351</u>
Total deferred inflows of resources	<u>\$ 15,242,513</u>	<u>\$ 22,022,180</u>
<b>Net position</b>		
Net investment in capital assets	\$ 1,856,227	\$ 1,894,018
Restricted for other purposes	61,543	93,757
Unrestricted	<u>(14,454,634)</u>	<u>(13,634,129)</u>
Total net position	<u>\$ (12,536,864)</u>	<u>\$ (11,646,354)</u>

The District's financial position is the product of many factors. For example, the determination of the District's net investment in capital assets involves many assumptions and estimates, such as current and accumulated depreciation amounts. A conservative versus liberal approach to depreciation estimates, as well as capitalization policies, will produce a significant difference in the calculated amounts. The other major factor in determining net position as compared to fund balances is the liability for long-term severance, pension, and other post-employment benefits (OPEB), which impacts the unrestricted portion of net position.

The District's total net position at June 30, 2021 was \$890,510 less than in the prior year, mainly due to the change in the District's share of the Public Employees Retirement Association (PERA) and the Teachers Retirement Association (TRA) pension plans, which also contributed to the change in deferred outflows of resources, long-term liabilities, and deferred inflows of resources.

Table 2 presents a summarized version of the District's Statement of Activities:

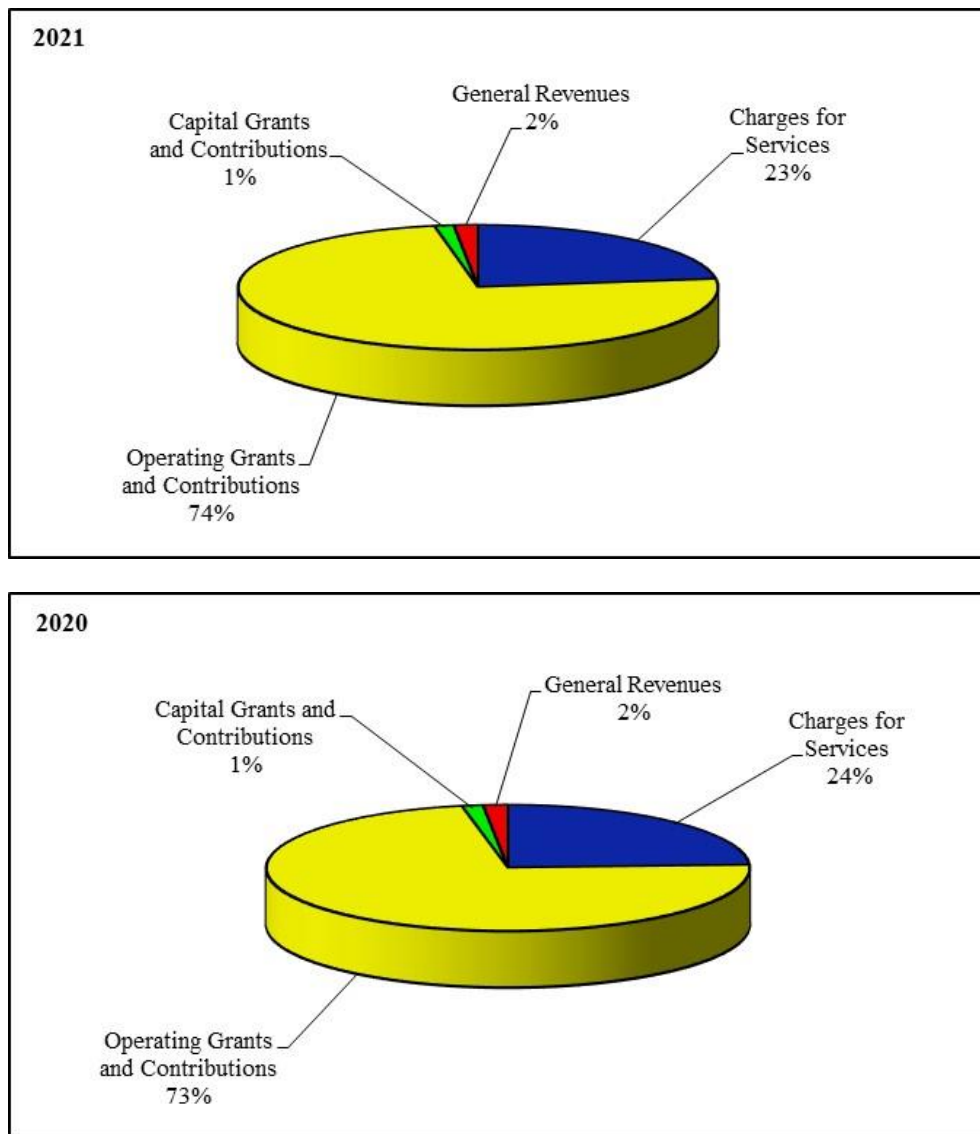
	<u>2021</u>	<u>2020</u>
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 9,775,850	\$ 10,276,311
Operating grants and contributions	31,662,477	30,724,528
Capital grants and contributions	553,065	591,900
General revenues		
Other	685,012	594,648
Investment earnings	6,965	104,869
Total revenues	<u>42,683,369</u>	<u>42,292,256</u>
<b>Expenses</b>		
Administrative and support services	2,149,317	1,980,504
Secondary vocational/DCALS	4,274,114	4,104,278
Special education programs	36,829,246	36,440,788
Food service	91,751	114,859
Interest and fiscal charges on debt	229,451	235,435
Total expenses	<u>43,573,879</u>	<u>42,875,864</u>
Change in net position	(890,510)	(583,608)
Net position – beginning	<u>(11,646,354)</u>	<u>(11,062,746)</u>
Net position – ending	<u><u>\$ (12,536,864)</u></u>	<u><u>\$ (11,646,354)</u></u>

This table is presented on an accrual basis of accounting, and it includes all of the governmental activities of the District. This statement includes depreciation expense, but excludes capital asset purchase costs, debt proceeds, and the repayment of debt principal. The District's total revenues were \$42,683,369 for the year ended June 30, 2021. Operating grants and contributions increased by 3.1 percent, due to increases in general education aid and Minnesota Department of Education (MDE) tuition billing for special education.

The total cost of all programs and services was \$43,573,879. The District's expenses are predominantly related to educating students. In fiscal 2020–2021, 94.3 percent of the District's expenses were devoted to this purpose. The administrative and support services activity of the District accounted for 4.9 percent of total expenses for the year. It should be noted that the District allocated \$2,084,293 in administrative and support services expenses to the secondary vocational Dakota County Area Learning School (DCALS) and special education programs in fiscal 2021. The increase in operating grants and contributions is mainly related to increases in federal COVID-19-related stimulus aid, increases in general education aid from increased online learning students in alternative learning (DCALS) programs, and state special education aid in the current year. Charges for services decreased, due to a reduction in the number of care and treatment students the District served. The increase in expenses mainly reflects the change in the PERA and the TRA multiple-employer defined benefit pension plans, as mentioned earlier.

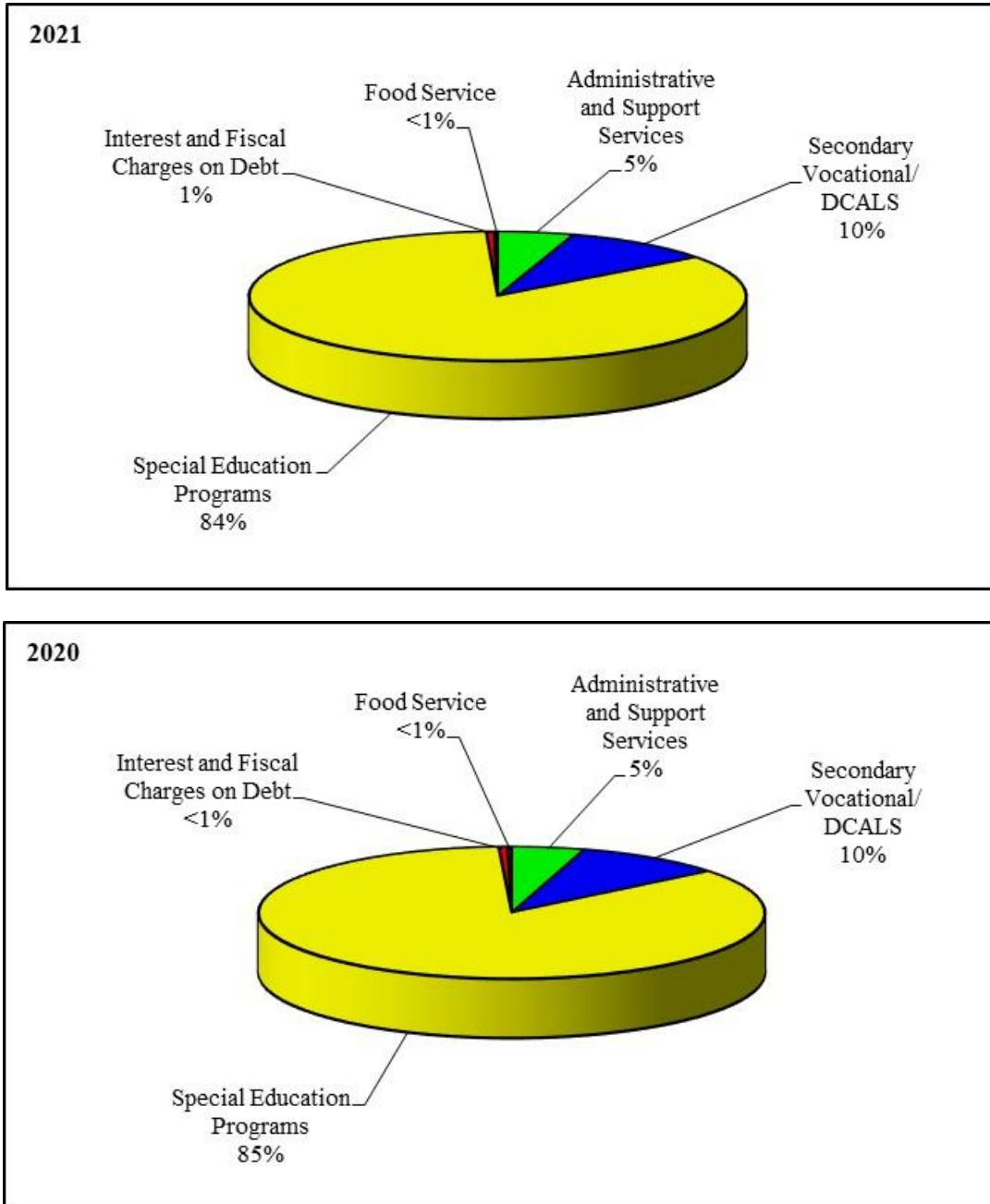
Figures A and B show further analysis of these revenue sources and expense functions:

**Figure A – Sources of Revenue for Fiscal Years 2021 and 2020**



The largest share of the District's revenue is received from the state, including the aid formulas and most of the operating grants. Special education tuition billing has been processed through the MDE since 2009. Based on the special education services and costs reported to the MDE, the District generates both state special education aid and MDE-generated tuition billing revenue. Because these dollars flow through the state, they are classified as an operating grants and contributions rather than charges for services.

**Figure B – Expenses for Fiscal Years 2021 and 2020**



The District's expenses are predominately related to educating students. Programs (or functions), such as secondary vocational (DCALS) and special education programs are directly related to classroom instruction, while the rest of the programs support instruction and other necessary costs to operate the District.

**Table 3**  
**Net Cost of Governmental Activities**  
**for the Years Ended June 30, 2021 and 2020**

	2021		2020	
	Total Cost of Services	Net (Expense) Revenue From Services	Total Cost of Services	Net (Expense) Revenue From Services
Governmental activities				
Administrative and support services	\$ 2,149,317	\$ (38,759)	\$ 1,980,504	\$ (32,954)
Secondary vocational/DCALS	4,274,114	151,956	4,104,278	555,917
Special education programs	36,829,246	(1,453,293)	36,440,788	(1,556,449)
Food service	91,751	(12,940)	114,859	(14,204)
Interest and fiscal charges	229,451	(229,451)	235,435	(235,435)
Total	<u>\$ 43,573,879</u>	<u>\$ (1,582,487)</u>	<u>\$ 42,875,864</u>	<u>\$ (1,283,125)</u>

The overall net (expense) revenue from services was \$299,362 less than fiscal 2020, mainly due to the change in the PERA and the TRA multiple-employer defined benefit pension plans, mentioned earlier.

#### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Table 4 shows the change in total fund balances of each of the District's governmental funds:

	Table 4			
	Governmental Fund Balances as of June 30, 2021 and 2020			
	2021	2020	Change	Total Percent Change
Major fund				
General	\$ 10,337,046	\$ 10,132,120	\$ 204,926	2.0%
Nonmajor fund				
Food Service Special Revenue	—	—	—	—
Total governmental funds	<u>\$ 10,337,046</u>	<u>\$ 10,132,120</u>	<u>\$ 204,926</u>	2.0%

As previously discussed, the focus of the District's governmental funds is to provide information on near-term inflows and outflows of resources, and balances of spendable resources. Such information is useful in assessing the District's financing position. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use, as they represent the portion of fund balance, which has not yet been limited to use for a particular purpose by either an external party, the District itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's School Board.

## ENROLLMENT

**Table 5**  
**Average Daily Membership (ADM) Served**  
**Last Five Fiscal Years**

	<u>2016–2017</u>	<u>2017–2018</u>	<u>2018–2019</u>	<u>2019–2020</u>	<u>2020–2021</u>
Secondary vocational resource programs	92.80	106.57	101.79	94.33	72.33
DCALS programs	214.84	271.12	320.89	332.34	339.60
Special education resource programs	478.42	466.30	479.53	506.55	512.04

Funding for Minnesota school districts is largely driven by enrollment. In the current economic environment, member districts are striving to keep students at their sites, whenever possible. Overall, the District’s secondary vocational resource programs experienced a significant decline, due to member districts starting their own vocational programs and operating under a hybrid learn model, which reduced the number of students who enrolled in vocational programs in 2020–2021. Alternative learning (DCALS) programs continue to experience growth from the previous fiscal year. Special education resource programs did not experience the intended program growth in Students with Unique Needs (SUN), Therapeutic Education Alternative (TEA), and Transition Education Services (TESA), due to COVID-19 and working within a new education model of distance or hybrid models throughout the year. Stable and predictable enrollment to maintain and fund programs will continue to be especially challenging in the secondary vocational resource programs. Special education will continue to be a challenge to expand programming to meet the educational needs of students on our waiting lists, due to the challenging hiring environment of employees.

## GENERAL FUND

The General Fund is used by the District to record the primary operations of providing education services to students enrolled in intermediate school district programs. Capital and major maintenance projects are also included in the General Fund.

**Table 6**  
**Financial Position – General Fund**  
**Last Five Fiscal Years**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Unassigned fund balance	\$ 5,922,746	\$ 6,634,983	\$ 9,339,643	\$ 9,471,747	\$ 9,987,663
Percent increase	3.4%	12.0%	40.8%	1.4%	5.4%
Expenditures	\$ 33,366,968	\$ 32,756,448	\$ 38,602,276	\$ 41,790,457	\$ 42,335,893
Percent increase (decrease)	16.7%	(1.8%)	17.8%	8.3%	1.3%
Unassigned fund balance as a percentage of expenditures	17.8%	20.3%	24.2%	22.7%	23.6%

The District ended the year with a \$204,926 increase in the General Fund balance. Unassigned General Fund balance increased \$515,916. The total increase of \$204,926 is \$580,365 higher than anticipated in the District’s revised budget. The reason for the variance is due to the District experiencing better than expected results in the Secondary Education Account totaling \$435,963. This includes revenue exceeding projections by \$252,215, mainly due to an under accrual of estimated state aid in the prior year that resulted in approximately \$144,000 of fiscal 2020 state special education aid being recognized as revenue in the current year. State aid was also higher than the budget, due to increased program activity in the current year. Tuition revenue was more than anticipated by \$230,049, mainly due to higher than anticipated enrollment including 35 additional students at the DCALS program. Expenditures were also lower than budgeted amounts, mainly in purchased services, due to the District being unable to spend all of the Carl Perkins funding received due to COVID-19 causing shifts in activities planned for students, conferences, and being unable to collectively come together to expend the funds.

Table 7 presents a summary of General Fund revenue:

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Local sources			
Tuition	\$ 10,027,650	\$ 10,282,316	\$ (254,666)
Investment earnings	3,328	54,944	(51,616)
Other	316,829	542,624	(225,795)
State sources	31,661,833	31,092,613	569,220
Federal sources	<u>543,858</u>	<u>156,934</u>	<u>386,924</u>
 Total General Fund revenues	 <u>\$ 42,553,498</u>	 <u>\$ 42,129,431</u>	 <u>\$ 424,067</u>

Total General Fund revenues increased \$424,067, or 1.0 percent, in fiscal 2021, as compared to the previous year. Overall, the changes in revenues can be attributed to an increase in state sources and federal sources. Federal source increases were directly from COVID-19-related stimulus grants and aids received in fiscal 2021. Direct tuition revenues declined from local school districts for services provided mostly in our secondary career and technical education programs. The School Board approved using fund balance of \$320,000 to mitigate the tuition cost impact in these programs, due to lower than anticipated enrollment.

The increase in state sources is due to a 2.0 percent increase in general education revenues. The remaining increase is the result of increased revenues from special education aid. The increase in special education revenues is the result of increased entitlements of about \$400,000. Increased entitlements were due to average salary and benefit increases per contract of approximately 4.0 percent, which were offset by a decrease in expenditures related to COVID-19 and the distance/hybrid learning model. In addition, other local sources decreased, due to a loss in Medical Assistances revenues, also due to COVID-19.

Table 8 presents a summary of General Fund expenditures:

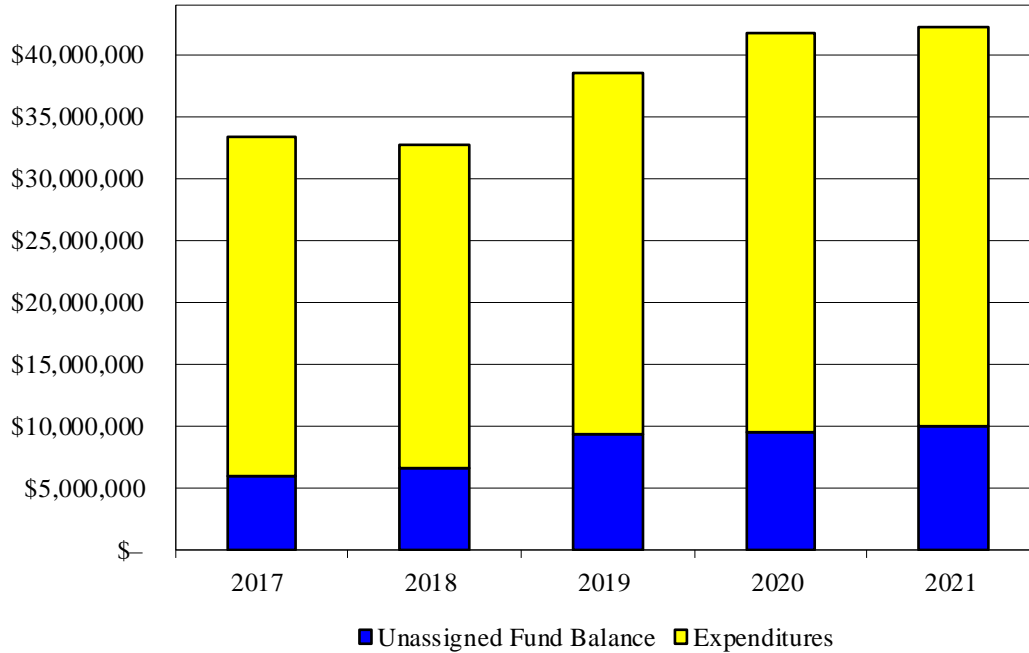
	<u>2021</u>	<u>2020</u>	<u>Change</u>
Salaries	\$ 26,077,219	\$ 24,999,206	\$ 1,078,013
Employee benefits	9,577,950	9,022,930	555,020
Purchased services	4,748,186	5,129,662	(381,476)
Supplies and materials	909,242	1,155,196	(245,954)
Other expenditures	169,398	144,951	24,447
Capital expenditures	327,098	815,812	(488,714)
Debt service	526,800	522,700	4,100
<b>Total General Fund expenditures</b>	<b><u>\$ 42,335,893</u></b>	<b><u>\$ 41,790,457</u></b>	<b><u>\$ 545,436</u></b>

Total General Fund expenditures increased \$545,436, or 1.3 percent, from the previous year. Overall, the changes in expenditures can be attributed to an increase in salaries and benefits, mainly due to increases related to employment contract enhancements and the number of employees serving the special education programs. In addition, there were significant reductions in expenditures in areas of purchased services, supplies, and capital expenditures with the impact of COVID-19. There were also several remodeling projects at the Concord, Alliance, and Lebanon Education sites in fiscal year 2020, causing the decline in capital expenditures.

In summary, 2020–2021 General Fund revenues exceeded General Fund expenditures and other financing uses by \$204,926. As a result, total fund balance increased to \$10,337,046 at June 30, 2021. After deducting nonspendable, restricted, and assigned funds, the unassigned fund balance increased from \$9,471,747 at June 30, 2020, to \$9,987,663 at June 30, 2021.

The following shows the General Fund unassigned fund balance as compared to expenditures:

**Figure C**  
**General Fund**  
**Unassigned Fund Balance as Compared to Expenditures**  
**Last Five Fiscal Years**



The graph above is the single best measure of overall financial health. The unassigned fund balance of \$10.0 million at June 30, 2021, represents 23.6 percent of annual expenditures, or almost three months of school year operations.

The fund balances of an intermediate school district are key to its financial success, as the cash flow advance options available to intermediate school districts are more restrictive to access, compared to an independent school district.

The continued maintenance of fund balance is essential for the District to minimize the impact that cash flow borrowing would have to member districts that would have to back any cash flow debt incurred by the District. With the current metering system and limited cash flow borrowing options available, the District believes it is necessary to maintain a minimum fund balance of 15.0 percent of annual budget to assure financial stability. The District's fund balance provides opportunities to incur one-time capital expenditures to mitigate the amount of long-term facilities maintenance levy that the District requests on behalf of member districts. The District continues to monitor its fund balances closely.

## General Fund Budgetary Highlights

Table 9 summarizes the General Fund budget to actual comparison:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Revenue	<u>\$ 48,775,150</u>	<u>\$ 44,644,925</u>	<u>\$ 42,553,498</u>	<u>\$ (2,091,427)</u>
Expenditures and other financing uses	<u>\$ 49,166,238</u>	<u>\$ 45,020,364</u>	<u>\$ 42,348,572</u>	<u>\$ (2,671,792)</u>

The District is required to adopt an operating budget prior to the beginning of its fiscal year, referred to above as the original budget. During the year, the District might amend that budget for known changes in circumstances such as enrollment levels, grant funding, and employee contract settlements.

The District made revisions to the budget during the budget process in January. The District derives the majority of its revenue from tuition fees to member districts and state sources from the special education tuition billing system.

The District's revenues were lower than budgeted amounts by 4.7 percent, due to several factors. The District's anticipated revenues are determined by actual expenditures incurred, which came in under budget by \$2,666,536.

The District's expenditures and other financing uses were less than budgeted amounts by 5.9 percent, due to several factors. Overall, expenditures were under budget by \$2.7 million. The District was uncertain how many positions it would be filling during the COVID-19 pandemic, due to unknown questions regarding hybrid or distance learning continuing throughout the fiscal year. This resulted in unfilled positions averaging about 44 employees. In addition, there were also unprecedented cost savings in employees taking unpaid time off, unfilled or underutilized substitute positions, supplies, equipment, utilities, and mileage.

### **FOOD SERVICE SPECIAL REVENUE FUND**

Expenditures exceeded revenues by \$12,679 for the year. In order to eliminate the potential deficit in the Food Service Special Revenue Fund, the School Board approved a transfer of \$12,679 from the General Fund.

### **INTERNAL SERVICE FUNDS**

The internal service funds account for the financing of goods or services provided by one department to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The District has three internal service funds. The District's internal service funds include financing for post-employment severance benefits and OPEB, and self-insurance of the employee medical and dental insurance programs. The self-insurance program experienced a \$1.0 million increase in net position, due to an increase in insurance premiums, plan enrollment, and utilization of service.

## CAPITAL ASSETS AND LONG-TERM LIABILITIES

### Capital Assets

Table 10 shows the District's capital assets, together with changes from the previous year. The table also shows the total depreciation expense for fiscal years ended June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Land	\$ 655,000	\$ 655,000	\$ -
Buildings	11,274,493	11,274,493	-
Furniture and equipment	2,539,559	2,710,754	(171,195)
Less accumulated depreciation	<u>(5,751,327)</u>	<u>(5,589,924)</u>	<u>(161,403)</u>
 Total	 <u>\$ 8,717,725</u>	 <u>\$ 9,050,323</u>	 <u>\$ (332,598)</u>
 Depreciation expense	 <u>\$ 429,831</u>	 <u>\$ 422,942</u>	 <u>\$ 6,889</u>

### Long-Term Liabilities

Table 11 illustrates the components of the District's long-term liabilities, together with changes from the prior year:

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Certificates of participation payable	\$ 6,940,000	\$ 7,245,000	\$ (305,000)
Unamortized premium (discount)	213,030	225,262	(12,232)
Severance benefits payable	411,068	391,406	19,662
Compensated absences payable	392,145	375,856	16,289
Total OPEB liability	1,235,842	1,380,775	(144,933)
Net pension liability	<u>27,024,370</u>	<u>22,127,351</u>	<u>4,897,019</u>
 Total	 <u>\$ 36,216,455</u>	 <u>\$ 31,745,650</u>	 <u>\$ 4,470,805</u>

The increase in the pension liability for the District is due to the change in the District's proportionate share of the state-wide PERA and TRA pension plan liabilities.

Additional details on the District's capital assets and long-term debt activity can be found in the notes to basic financial statements.

## **FACTORS BEARING ON THE DISTRICT'S FUTURE**

The **Vision** of the District is to be a community of students, families, teachers, staff members, school districts, regional organizations, and associations actively engaged in ensuring student learning success.

The **Mission** of the District is to serve as a quality, cost-effective resource for member school districts committed together to success for all learners.

The **Core Values** of the District are collaboration, passion for service, continuous improvement, stewardship, equity, open communication, and integrity.

The Vision, Mission, and Core Values of the District strongly inform budgetary decisions.

The District is charged by Minnesota Statutes to provide low incidence special education and secondary vocational technical education services to its member districts. In addition, the statutes indicate that intermediate districts should also provide its members with such other services that they require. Therefore, the District continually evaluates current service offerings and reviews additional areas of potential service to our member districts.

### **Current support services include:**

- Provide robust offerings in Federal Setting III and Federal Setting IV Special Education programming.
- The DCALS program provides a high school Alternative Learning Center (ALC) at the Dakota County Technical College (DCTC). Providing the ALC services at the DCTC site allows for program extension into Career Technical Education programs, concurrent enrollment options in the DCTC course offerings, and a well-developed career pathway model in several careers.
- Partner with Independent School District (ISD) No. 197 to operate the DCALS North in West St. Paul. This site offers a convenient location in the northern part of the District.
- Provide the needed secondary alternative learning option to qualify a targeted services program for ISD Nos. 192, 197, 199, 200, and 271.
- Organize and facilitate regional networking meetings for superintendents, secondary principals, and special education directors.
- Collaborate with both public and private support service providers to meet the needs of member districts, and to increase the capacity of our communities to meet the diverse needs of children and families.
- Collaborate with the Association of Metropolitan School Districts (AMSD), Minnesota Association of School Administrators (MASA), Minnesota School Boards Association (MSBA), and Association of Education Service Agencies (AESA) to advocate for legislation action to assist in the provision of district services.
- Collaborate with the other three intermediate school districts (916, 287, and 288) to advocate for legislative action to assist the District in meeting the needs of the unique students served by the intermediate school districts. We also collaborate on communicating about the mission and the services provided by the intermediate school districts.
- Provide special education consultation and direct service to the member districts through a purchase of services model.

Additional potential collaborative support services include:

- Potential expansion of the Transitional Educational Service Alternative (TESA) for students age 18 to 21, may be of interest to individual member districts. The TESA program launched in fiscal year 2020 in a space provided by Bloomington Public Schools, has been a terrific success. Although no specific plans are underway, it is a possibility for future expansion beginning in fiscal year 2022.
- Potential collaborations in career technical education are being investigated. With multiple member districts providing well-designed programs within their own communities, there may be synergistic opportunity to help coordinate inter-district collaborations throughout the member districts. It is likely that the District would serve as a fiscal agent for a collaborative endeavor.
- The District enrollment remains flat, due to labor shortages. We anticipate if the labor shortage is resolved that the present growth rate in Students with Unique Needs (SUN) programming and in other special education service areas is likely to continue to increase. As a district, we have nearly utilized all of the available space in our school buildings. We will need to develop plans for future expansion that may have a financial impact.

Existing circumstances that could significantly affect the District's financial health in the future:

- The District has appropriate fund balances to provide adequate opportunities to adapt to uncontrolled changes in revenue sources for the short-term (two or three years). The special education funding system is being managed in different ways by member districts. This drives each district to make different decisions about which services they provide on their own and which services they procure from the District. We need to remain relevant, responsible, and responsive to the ever-changing needs of the member districts.
- As general education revenue for many of our member districts may likely retract, we are aware that the cost efficiency of our special educational models will become a more significant concern.
- We are concerned that with the higher resignation rate, and the challenges of retention of certified teachers and non certified employees, the District will be challenged to fill all positions. As a district, we may need to consider potential incentives to hire qualified personnel.
- Due to the pandemic, we are aware that the needs of our students are greater than ever. We are aware that there may be a need for additional spending to help students recover from the lost opportunities.
- Career and technical education is in a precarious position. As member districts operate differently due to the pandemic, our student enrollment continues to decline. It will be a significant economic struggle to retain the current course offerings in our career and technical education programs.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

These financial statements are designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about these statements or need additional financial information, contact the Business Office, Intermediate School District No. 917, 1300 145th Street East, Rosemount, Minnesota 55068-2999.

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BASIC FINANCIAL STATEMENTS

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INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Net Position  
as of June 30, 2021  
(With Partial Comparative Information as of June 30, 2020)

	Governmental Activities	
	2021	2020
<b>Assets</b>		
Cash and temporary investments	\$ 11,815,866	\$ 8,893,977
Receivables		
Accounts and interest	10,690	19,208
Due from other governmental units	9,031,496	10,233,224
Inventory	488	1,168
Prepaid items	109,864	130,839
Restricted assets – temporarily restricted		
Cash and investments held by trustee	44,382	44,377
Capital assets		
Not depreciated	655,000	655,000
Depreciated, net of accumulated depreciation	8,062,725	8,395,323
Total capital assets, net of accumulated depreciation	<u>8,717,725</u>	<u>9,050,323</u>
Total assets	29,730,511	28,373,116
Deferred outflows of resources		
Pension plan deferments	13,409,603	17,692,896
OPEB plan deferments	179,862	80,002
Deferred charge on refunding	291,532	313,957
Total deferred outflows of resources	<u>13,880,997</u>	<u>18,086,855</u>
Total assets and deferred outflows of resources	<u>\$ 43,611,508</u>	<u>\$ 46,459,971</u>
<b>Liabilities</b>		
Salaries and compensated absences payable	\$ 3,174,212	\$ 3,342,825
Accounts and contracts payable	474,869	330,903
Accrued interest payable	89,875	92,417
Due to other governmental units	825,215	565,643
Unearned revenue	125,233	6,707
Long-term liabilities		
Due within one year	831,657	473,696
Due in more than one year	35,384,798	31,271,954
Total long-term liabilities	<u>36,216,455</u>	<u>31,745,650</u>
Total liabilities	40,905,859	36,084,145
Deferred inflows of resources		
Pension plan deferments	14,549,012	21,635,829
OPEB plan deferments	693,501	386,351
Total deferred inflows of resources	<u>15,242,513</u>	<u>22,022,180</u>
<b>Net position</b>		
Net investment in capital assets	1,856,227	1,894,018
Restricted for other purposes	61,543	93,757
Unrestricted	(14,454,634)	(13,634,129)
Total net position	<u>(12,536,864)</u>	<u>(11,646,354)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 43,611,508</u>	<u>\$ 46,459,971</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Activities  
 Year Ended June 30, 2021  
 (With Partial Comparative Information for the Year Ended June 30, 2020)

2021				
Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues	
			Charges for Services	Operating Grants and Contributions
Governmental activities				
Administrative and support services	\$ 2,149,317	\$ (2,084,293)	\$ —	\$ —
Secondary vocational/DCALS	4,274,114	172,333	3,329,348	742,255
Special education programs	36,829,246	1,911,960	6,446,502	30,841,411
Food service	91,751	—	—	78,811
Interest and fiscal charges on debt	229,451	—	—	—
<b>Total governmental activities</b>	<b>\$ 43,573,879</b>	<b>\$ —</b>	<b>\$ 9,775,850</b>	<b>\$ 31,662,477</b>
			General revenues	
			Other general revenues	
			Investment earnings	
			Total general revenues	
			Change in net position	
			Net position – beginning	
			Net position – ending	

		2020
	Net (Expense) Revenue and Changes in Net Position	Net (Expense) Revenue and Changes in Net Position
Capital Grants and Contributions	Governmental Activities	Governmental Activities
\$ 26,265	\$ (38,759)	\$ (32,954)
526,800	151,956	555,917
-	(1,453,293)	(1,556,449)
-	(12,940)	(14,204)
-	(229,451)	(235,435)
<u>\$ 553,065</u>	(1,582,487)	(1,283,125)
	685,012	594,648
	6,965	104,869
	<u>691,977</u>	<u>699,517</u>
	(890,510)	(583,608)
	<u>(11,646,354)</u>	<u>(11,062,746)</u>
	<u>\$ (12,536,864)</u>	<u>\$ (11,646,354)</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Balance Sheet  
 Governmental Funds  
 as of June 30, 2021  
 (With Partial Comparative Information as of June 30, 2020)

	General Fund	Nonmajor Fund – Food Service Special Revenue Fund	Total Governmental Funds	
			2021	2020
<b>Assets</b>				
Cash and temporary investments	\$ 5,239,697	\$ –	\$ 5,239,697	\$ 3,737,056
Cash and investments held by trustee	44,382	–	44,382	44,377
Receivables				
Accounts and interest	10,690	–	10,690	15,622
Due from other governmental units	9,014,388	17,108	9,031,496	10,233,224
Due from other funds	13,047	–	13,047	5,999
Inventory	488	–	488	1,168
Prepaid items	108,941	–	108,941	129,983
	<u>108,941</u>	<u>–</u>	<u>108,941</u>	<u>129,983</u>
Total assets	<u>\$ 14,431,633</u>	<u>\$ 17,108</u>	<u>\$ 14,448,741</u>	<u>\$ 14,167,429</u>
<b>Liabilities</b>				
Salaries and compensated absences payable	\$ 3,174,212	\$ –	\$ 3,174,212	\$ 3,342,825
Accounts and contracts payable	65,548	3,686	69,234	115,509
Due to other governmental units	823,401	375	823,776	564,269
Due to other funds	–	13,047	13,047	5,999
Unearned revenue	31,426	–	31,426	6,707
Total liabilities	<u>4,094,587</u>	<u>17,108</u>	<u>4,111,695</u>	<u>4,035,309</u>
<b>Fund balances</b>				
Nonspendable	109,429	–	109,429	131,151
Restricted	105,925	–	105,925	138,134
Assigned	134,029	–	134,029	391,088
Unassigned	9,987,663	–	9,987,663	9,471,747
Total fund balances	<u>10,337,046</u>	<u>–</u>	<u>10,337,046</u>	<u>10,132,120</u>
Total liabilities and fund balances	<u>\$ 14,431,633</u>	<u>\$ 17,108</u>	<u>\$ 14,448,741</u>	<u>\$ 14,167,429</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Reconciliation of the Balance Sheet to the  
Statement of Net Position  
Governmental Funds  
as of June 30, 2021  
(With Partial Comparative Information as of June 30, 2020)

	<u>2021</u>	<u>2020</u>
Total fund balances – governmental funds	\$ 10,337,046	\$ 10,132,120
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets are included in net position, but are excluded from fund balances because they do not represent financial resources.		
Cost of capital assets	14,469,052	14,640,247
Accumulated depreciation	(5,751,327)	(5,589,924)
Long-term liabilities are included in net position, but are excluded from fund balances until due and payable.		
Certificates of participation payable	(6,940,000)	(7,245,000)
Compensated absences payable	(392,145)	(375,856)
Net pension liability	(27,024,370)	(22,127,351)
Accrued interest payable on long-term debt is included in net position, but is excluded from fund balances until due and payable.	(89,875)	(92,417)
The recognition of certain revenues and expenses/expenditures differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.		
Deferred outflows of resources – pension plan deferments	13,409,603	17,692,896
Deferred inflows of resources – pension plan deferments	(14,549,012)	(21,635,829)
Deferred outflows of resources – deferred charge on refunding	291,532	313,957
Debt issuance premiums and discounts are excluded from net position until amortized, but are included in fund balances upon issuance as other financing sources and uses.	(213,030)	(225,262)
The internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	<u>3,915,662</u>	<u>2,866,065</u>
Total net position – governmental activities	<u>\$ (12,536,864)</u>	<u>\$ (11,646,354)</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Revenue, Expenditures, and Changes in Fund Balances  
 Governmental Funds  
 Year Ended June 30, 2021  
 (With Partial Comparative Information for the Year Ended June 30, 2020)

	General Fund	Nonmajor	Total Governmental Funds	
		Fund – Food Service Special Revenue Fund	2021	2020
<b>Revenue</b>				
Local sources				
Tuition	\$ 10,027,650	\$ –	\$ 10,027,650	\$ 10,282,316
Investment earnings	3,328	–	3,328	54,944
Other (refunds)	316,829	(750)	316,079	574,946
State sources	31,661,833	1,539	31,663,372	31,098,589
Federal sources	543,858	78,022	621,880	225,357
Total revenue	<u>42,553,498</u>	<u>78,811</u>	<u>42,632,309</u>	<u>42,236,152</u>
<b>Expenditures</b>				
Current				
Administrative and support services	26,955	–	26,955	25,575
Secondary vocational/DCALS	4,264,651	–	4,264,651	4,124,404
Special education programs	37,517,487	–	37,517,487	37,117,778
Food service	–	91,490	91,490	114,597
Debt service				
Principal	305,000	–	305,000	295,000
Interest and fiscal charges	221,800	–	221,800	227,700
Total expenditures	<u>42,335,893</u>	<u>91,490</u>	<u>42,427,383</u>	<u>41,905,054</u>
Excess (deficiency) of revenue over expenditures	217,605	(12,679)	204,926	331,098
<b>Other financing sources (uses)</b>				
Transfers in	–	12,679	12,679	7,876
Transfers out	(12,679)	–	(12,679)	(7,876)
Total other financing sources (uses)	<u>(12,679)</u>	<u>12,679</u>	<u>–</u>	<u>–</u>
Net change in fund balances	204,926	–	204,926	331,098
<b>Fund balances</b>				
Beginning of year	<u>10,132,120</u>	<u>–</u>	<u>10,132,120</u>	<u>9,801,022</u>
End of year	<u>\$ 10,337,046</u>	<u>\$ –</u>	<u>\$ 10,337,046</u>	<u>\$ 10,132,120</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Reconciliation of the Statement of  
Revenue, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
Year Ended June 30, 2021  
(With Partial Comparative Information for the Year Ended June 30, 2020)

	<u>2021</u>	<u>2020</u>
Total net change in fund balances – governmental funds	\$ 204,926	\$ 331,098
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are recorded as net position and the cost is allocated over their estimated useful lives as depreciation expense. However, fund balances are reduced for the full cost of capital outlays at the time of purchase.		
Capital outlays	106,031	364,703
Depreciation expense	(429,831)	(422,942)
Repayment of long-term debt does not affect the change in net position. However, it reduces fund balances.		
	305,000	295,000
Interest on long-term debt is included in the change in net position as it accrues, regardless of when payment is due. However, it is included in the change in fund balances when due.		
	2,542	2,458
Debt issuance premiums and discounts are included in the change in net position as they are amortized over the life of the debt. However, they are included in the change in fund balances upon issuance as other financing sources and uses.		
	12,232	12,232
Certain expenses are included in the change in net position, but do not require the use of current funds, and are not included in the change in fund balances.		
Net pension liability	(4,897,019)	(1,958,190)
A gain or loss on the disposal of capital assets, including the difference between the carrying value and any related sale proceeds, is included in the change in net position. However, only the sale proceeds are included in the change in fund balances.		
	(8,798)	–
The internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is included in the governmental activities in the Statement of Activities.		
	1,049,597	1,235,168
Certain expenses are included in the change in net position, but do not require the use of current funds, and are not included in the change in fund balances.		
Compensated absences payable	(16,289)	(38,708)
The recognition of certain revenues and expenses/expenditures differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.		
Deferred outflows of resources – pension plan deferments	(4,283,293)	(5,751,223)
Deferred inflows of resources – pension plan deferments	7,086,817	5,369,221
Deferred outflows of resources – deferred charge on refunding	(22,425)	(22,425)
Change in net position – governmental activities	<u>\$ (890,510)</u>	<u>\$ (583,608)</u>

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INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 General Fund  
 Year Ended June 30, 2021

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
Revenue				
Local sources				
Tuition	\$ 11,019,506	\$ 10,064,416	\$ 10,027,650	\$ (36,766)
Investment earnings	81,000	69,000	3,328	(65,672)
Other	522,133	204,535	316,829	112,294
State sources	36,934,698	33,709,129	31,661,833	(2,047,296)
Federal sources	217,813	597,845	543,858	(53,987)
Total revenue	<u>48,775,150</u>	<u>44,644,925</u>	<u>42,553,498</u>	<u>(2,091,427)</u>
Expenditures				
Current				
Administrative and support services	37,565	39,906	26,955	(12,951)
Secondary vocational/DCALS	4,710,262	4,455,677	4,264,651	(191,026)
Special education programs	43,866,081	39,980,046	37,517,487	(2,462,559)
Debt service				
Principal	305,000	305,000	305,000	–
Interest and fiscal charges	221,800	221,800	221,800	–
Total expenditures	<u>49,140,708</u>	<u>45,002,429</u>	<u>42,335,893</u>	<u>(2,666,536)</u>
Excess (deficiency) of revenue over expenditures	(365,558)	(357,504)	217,605	575,109
Other financing (uses)				
Transfers out	<u>(25,530)</u>	<u>(17,935)</u>	<u>(12,679)</u>	<u>5,256</u>
Net change in fund balances	<u>\$ (391,088)</u>	<u>\$ (375,439)</u>	204,926	<u>\$ 580,365</u>
Fund balances				
Beginning of year			<u>10,132,120</u>	
End of year			<u>\$ 10,337,046</u>	

INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Net Position  
 Proprietary Funds  
 Internal Service Funds  
 as of June 30, 2021

(With Partial Comparative Actual Amounts as of June 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Current assets		
Cash and temporary investments	\$ 6,576,169	\$ 5,156,921
Accounts receivable	–	3,586
Prepaid items	923	856
Total assets	<u>6,577,092</u>	<u>5,161,363</u>
Deferred outflows of resources		
OPEB plan deferments	179,862	80,002
Liabilities		
Current liabilities		
Accounts and contracts payable	405,635	215,394
Due to other governmental units	1,439	1,374
Total OPEB liability – due within one year	157,454	–
Severance benefits payable – due within one year	79,408	18,424
Unearned revenue	93,807	–
Total current liabilities	<u>737,743</u>	<u>235,192</u>
Long-term liabilities		
Total OPEB liability – due in more than one year	1,078,388	1,380,775
Severance benefits payable – due in more than one year	331,660	372,982
Total long-term liabilities	<u>1,410,048</u>	<u>1,753,757</u>
Total liabilities	2,147,791	1,988,949
Deferred inflows of resources		
OPEB plan deferments	<u>693,501</u>	<u>386,351</u>
Net position		
Unrestricted	<u>\$ 3,915,662</u>	<u>\$ 2,866,065</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Revenue, Expenses, and Changes in Net Position  
 Proprietary Funds  
 Internal Service Funds  
 Year Ended June 30, 2021  
 (With Partial Comparative Information for the Year Ended June 30, 2020)

	<u>2021</u>	<u>2020</u>
Operating revenue		
Charges for services		
Contributions from governmental funds	\$ 5,788,030	\$ 5,016,767
Operating expenses		
Post-employment severance and health benefits	206,446	139,516
Medical benefit claims	4,033,999	3,291,125
Dental benefit claims	501,630	400,882
Total operating expenses	<u>4,742,075</u>	<u>3,831,523</u>
Operating income	1,045,955	1,185,244
Nonoperating revenue		
Investment earnings	<u>3,642</u>	<u>49,924</u>
Change in net position	1,049,597	1,235,168
Net position		
Beginning of year	<u>2,866,065</u>	<u>1,630,897</u>
End of year	<u>\$ 3,915,662</u>	<u>\$ 2,866,065</u>

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INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Cash Flows

Proprietary Funds

Internal Service Funds

Year Ended June 30, 2021

(With Partial Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021	2020
Cash flows from operating activities		
Contributions from governmental funds	\$ 5,885,423	\$ 5,014,845
Post-employment severance and health benefit payments	(124,494)	(27,687)
Payments for medical claims	(3,850,009)	(3,493,526)
Payments for dental claims	(495,314)	(406,740)
Net cash flows from operating activities	1,415,606	1,086,892
Cash flows from investing activities		
Investment income received	3,642	49,924
Net increase in cash and cash equivalents	1,419,248	1,136,816
Cash and temporary investments		
Beginning of year	5,156,921	4,020,105
End of year	\$ 6,576,169	\$ 5,156,921
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$ 1,045,955	\$ 1,185,244
Adjustments to reconcile operating income to net cash flows from operating activities		
Changes in assets and liabilities		
Receivables	3,586	(1,922)
Prepaid items	(67)	(818)
OPEB plan deferments	207,290	(74,266)
Accounts and contracts payable	190,241	(208,450)
Due to other governmental units	65	191
Severance benefits payable	19,662	(7,343)
Total OPEB liability	(144,933)	194,256
Unearned revenue	93,807	-
Net cash flows from operating activities	\$ 1,415,606	\$ 1,086,892

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INTERMEDIATE SCHOOL DISTRICT NO. 917

Notes to Basic Financial Statements  
June 30, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Organization**

Intermediate School District No. 917 (the District) is an instrumentality of the state of Minnesota established to provide participating school districts with vocational, technical, and special education services. The District is governed by a joint School Board composed of appointed members from each participating school district. The District's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. Reporting Entity**

The District's financial statements include all funds, departments, agencies, boards, commissions, and other component units for which the District is considered to be financially accountable.

Component units are legally separate entities for which the District (primary government) is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit includes whether or not the primary government appoints the voting majority of the potential component unit's governing body, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit, or is fiscally depended upon by the potential component unit. Based on these criteria, there are no organizations considered to be component units of the District.

**C. Minnesota State Colleges and Universities**

On July 1, 1995, Minnesota technical colleges, community colleges, and state universities were merged under the control of Minnesota State Colleges and Universities (MnSCU). Therefore, the funds and assets of the District associated with Dakota County Technical College's (DCTC) operations were remanded to the state system. The District continues to serve secondary, vocational, and kindergarten through Grade 12 special education students. Under terms of an agreement with DCTC, the District has access to certain facilities and equipment of DCTC. The District pays DCTC its share of building maintenance and costs of other services based on space, usage, personnel, and budget percentages. The District provides business office services to DCTC, and is reimbursed for related actual costs based on personnel, usage, and budget percentages.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **D. Government-Wide Financial Statement Presentation**

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District. Generally, the effect of material interfund activity has been removed from the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues and an allocation of indirect administrative and support service expenses. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other internally directed revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. Other internally directed revenues are reported as general revenues.

The District applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available. Depreciation expense is included as a direct expense in the functional areas that utilize the related capital assets. Interest on debt is considered an indirect expense and is reported separately on the Statement of Activities.

### **E. Fund Financial Statement Presentation**

Separate fund financial statements are provided for governmental and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Aggregate information for the remaining nonmajor governmental funds is reported in a single column in the fund financial statements.

The internal service funds are presented in the proprietary fund financial statements. Because the principal users of the internal service funds are the District's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's internal service funds are charges to customers for service. Operating expenses for the internal service funds include the cost of providing benefits. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The District's only proprietary funds are the internal service funds, which provide services to the governmental funds.

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as described earlier in these notes.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting, transactions are recorded in the following manner:

- 1. Revenue Recognition** – Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. State revenue is recognized in the year to which it applies according to funding formulas established by Minnesota Statutes. Other revenue is considered available if collected within 60 days. Proceeds of long-term debt are reported as other financing sources.
- 2. Recording of Expenditures** – Expenditures are generally recorded when a liability is incurred, except for long-term debt and other long-term liabilities, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds. In the General Fund, capital expenditures are included within the applicable functional areas.

### Description of Funds

The existence of the various district funds has been established by the Minnesota Department of Education (MDE). Each fund is accounted for as an independent entity. A description of the funds included in this report is as follows:

### Major Governmental Funds

**General Fund** – The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The District maintains separate accounts within the General Fund for secondary education, secondary resale, special education, special education resale, district support services, capital expenditure, student activities, and service allocation costs to be reimbursed by others.

### Nonmajor Governmental Funds

**Food Service Special Revenue Fund** – The Food Service Special Revenue Fund is primarily used to account for the District’s child nutrition program.

### Proprietary Funds

**Internal Service Funds** – The internal service funds account for the financing of goods or services provided by one department to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The District has three internal service funds. The District’s internal service funds include financing for post-employment severance benefits and other post-employment benefits (OPEB), and self-insurance for the employee medical and dental insurance programs.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **F. Budgetary Information**

Each June, the School Board adopts an annual budget for the following fiscal year for all governmental funds. The budget for each fund is prepared on the same basis of accounting as the financial statements. Legal budgetary control is at the fund level. Budgeted expenditure appropriations lapse at year-end.

### **G. Cash and Temporary Investments**

Cash and temporary investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund.

Cash and investments held by trustee include balances held in segregated accounts that are established for specific purposes. In the General Fund, the capital lease escrow account is used to hold assets held for future debt payments. Interest earned on these investments was allocated directly to those accounts.

Investments are generally stated at fair value, except for investments in external investment pools, which are stated at amortized cost. Short-term, highly liquid debt instruments (including commercial paper, bankers' acceptance, and U.S. treasury and agency obligations) purchased with a remaining maturity of one year or less may also be reported at amortized cost. Investment income is accrued at the Balance Sheet date.

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

See Note 2 for the District's recurring fair value measurements as of year-end.

### **H. Receivables**

When necessary, the District utilizes an allowance for uncollectible accounts to value its receivables. However, the District considers all of its current receivables to be collectible. No allowances have been recorded.

### **I. Inventories**

Inventories are valued at the lower of cost (first-in, first-out method) or market. Inventories are recorded as expenses/expenditures when items are used or sold.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **J. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded using the consumption method and recorded as expenses/expenditures at the time of consumption.

### **K. Capital Assets**

Capital assets are capitalized at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation. The District maintains a threshold level of \$1,250 or more for capitalizing capital assets. The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend asset lives is not capitalized.

Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 20 to 50 years for buildings, and 5 to 20 years for furniture and equipment. Land is not depreciated.

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks or parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

### **L. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums or discounts on debt issuances are reported as other financing sources or uses, respectively. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### **M. Compensated Absences**

Under the terms of union contracts, certain employees accrue vacation at varying rates, portions of which may be carried over to future years. Employees are reimbursed for any unused, accrued vacation and related benefits upon termination. Vacation pay is accrued when incurred in the government-wide financial statements. Unused vacation pay is accrued in governmental fund financial statements only when it has matured, due to employee termination or similar circumstances.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **N. Sick Pay**

Substantially all district employees are entitled to sick leave at various rates. Unused sick leave enters into the calculation of early retirement incentive payments for some employees upon termination.

### **O. Severance Benefits**

The District provides lump sum severance pay to eligible employees in accordance with provisions in certain collectively bargained contracts. Members of certain employee groups may become eligible to receive lump sum severance pay benefits. Eligibility for these benefits is based on years of service and/or minimum age requirements. The amount of the severance or retirement benefit is calculated by converting a portion of unused accumulated sick leave. No individual can receive severance benefits in excess of one year's salary.

Severance payable and the District's share of related benefits are recorded as a liability in the government-wide financial statements as it is earned and it becomes probable that it will vest at some point in the future. Severance pay is accrued in the applicable internal service fund as it is earned and it becomes probable it will vest at some point in the future.

### **P. State-Wide Pension Plans**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and the Teachers Retirement Association (TRA) and additions to/deductions from the PERA's and the TRA's fiduciary net positions have been determined on the same basis as they are reported by the PERA and the TRA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The TRA has a special funding situation created by direct aid contributions made by the state of Minnesota, City of Minneapolis, and Special School District No. 1, Minneapolis Public Schools. The direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association into the TRA in 2006. A second direct aid source is from the state of Minnesota for the merger of the Duluth Teachers Retirement Fund Association in 2015.

### **Q. Unearned Revenue**

Unearned revenue consists of advances of federal COVID-19 stimulus grants received in fiscal 2021 and collections in advance of premiums charges in the internal service funds.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**R. Risk Management**

1. **General Insurance** – The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers’ compensation for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reductions in the District’s insurance coverage in the current year.
2. **Self-Insurance** – The District has established two internal service funds to account for and finance its self-insured risk of loss for respective employee dental and health insurance plans. Under these plans, the internal service funds provide coverage to participating employees and their dependents for various dental and healthcare costs as described in the plan.

The District makes premium payments to the internal service funds on behalf of program participants based on provisional rates determined by insurance company estimates of monthly claims paid for each coverage class, plus the stop-loss health insurance premium costs and administrative service charges.

District claim liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported. Because actual claim liabilities depend on complex factors, such as inflation, changes in legal doctrines, and damage awards, the process used in computing a claim liability does not necessarily result in an exact amount. Claim liabilities are evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Changes in the balance of dental claim liabilities for the last two years were as follows:

Fiscal Year Ended June 30,	Beginning of Fiscal Year Liability	Charges and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2020	\$ 48,844	\$ 400,882	\$ 406,740	\$ 42,986
2021	\$ 42,986	\$ 501,630	\$ 495,314	\$ 49,302

Changes in the balance of health claim liabilities for the last two years were as follows:

Fiscal Year Ended June 30,	Beginning of Fiscal Year Liability	Charges and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2020	\$ 375,000	\$ 3,290,934	\$ 3,493,526	\$ 172,408
2021	\$ 172,408	\$ 4,032,560	\$ 3,848,635	\$ 356,333

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **S. Deferred Outflows/Inflows of Resources**

In addition to assets and liabilities, statements of financial position or balance sheets will sometimes report a separate section for deferred outflows or inflows of resources. These separate financial statement elements represent a consumption or acquisition of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) or an inflow of financial resources (revenue) until then.

The District reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide and internal service fund Statement of Net Position. These deferred outflows and inflows result from differences between expected and actual experience, changes of assumptions, change in proportion, the difference between projected and actual earnings on pension plan investments, and contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

The District also reports a deferred outflow of resources related to the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

### **T. Statement of Cash Flows**

For purposes of the Statement of Cash Flows, the District considers all highly liquid debt instruments with an original maturity from time of purchase by the District of three months or less to be cash equivalent. The proprietary fund's equity in the government-wide cash and investment management pool is considered to be cash equivalent.

### **U. Use of Estimates**

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts and disclosures during the reporting period. Actual results could differ from those estimates.

### **V. Restricted Assets**

Restricted assets are cash and cash equivalents whose use is limited by legal requirements, such as a bond indenture. Restricted assets are reported only in the government-wide financial statements. In the governmental funds, cash and investments that are restricted are reported as cash and investments held by trustee.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### W. Net Position

In the government-wide and internal service fund financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in three components:

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation, reduced by any outstanding debt attributable to acquire capital assets.
- **Restricted Net Position** – Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- **Unrestricted Net Position** – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

### X. Fund Balance Classifications

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

- **Nonspendable** – Consists of amounts that are not in spendable form, such as prepaid items, inventory, and other long-term assets.
- **Restricted** – Consists of amounts related to externally imposed constraints established by creditors, grantors, or contributors; or constraints imposed by state statutory provisions.
- **Committed** – Consists of internally imposed constraints that are established by resolution of the School Board. Those committed amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – Consists of internally imposed constraints. These constraints consist of amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned amounts represent intended uses established by the governing body itself or by an official to which the governing body delegates the authority. Pursuant to School Board resolution, the District’s superintendent and business manager are authorized to establish assignments of fund balance.
- **Unassigned** – The residual classification for the General Fund, which also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the District’s policy to first use restricted resources, then use unrestricted resources as they are needed.

When committed, assigned, or unassigned resources are available for use, it is the District’s policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Y. Prior Period Comparative Financial Information/Reclassification

The basic financial statements include certain prior year partial comparative information in total, but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2020, from which the summarized information was derived. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

## NOTE 2 – DEPOSITS AND INVESTMENTS

### A. Deposits

In accordance with applicable Minnesota Statutes, the District maintains deposits at depository banks authorized by the School Board, including checking accounts, savings accounts, and nonnegotiable certificates of deposit.

The following is considered the most significant risk associated with deposits:

**Custodial Credit Risk** – In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may be lost.

Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

The District's deposit policies do not further limit depository choices.

At year-end, the carrying amount of the District's deposits was \$817,299, while the balance on the bank records was \$975,819. At June 30, 2021, all deposits were insured or collateralized by securities held by the District's agent in the District's name.

## NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

### B. Investments

Investments are subject to various risks, the following of which are considered the most significant:

**Custodial Credit Risk** – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the District would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Although the District’s investment policies do not directly address custodial credit risk, it typically limits its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

**Credit Risk** – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the District’s investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated “A” or better; revenue obligations rated “AA” or better; general obligations of the Minnesota Housing Finance Agency rated “A” or better; bankers’ acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000; that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; or certain Minnesota securities broker-dealers. The District’s investment policies do not further restrict investing in specific financial instruments.

**Concentration Risk** – This is the risk associated with investing a significant portion of the District’s investments (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The District’s investment policies do not address concentration risk.

**Interest Rate Risk** – This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The District’s investment policies do not limit the maturities of investments; however, the District considers such things as interest rates and cash flow needs when purchasing investments.

## NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

### C. Summary

The following table presents the District’s deposit and investment balances at June 30, 2021, and information relating to potential investment risks:

Investment Type	Credit Risk		Fair Value Measurements	Interest Risk – Maturity Duration in Years				Total
	Rating	Agency		Less Than 1	1 to 5	5 to 10	More Than 10	
Investment pools/mutual funds								
Minnesota School District Liquid Asset Fund MAX Class	AAA	S&P	Amortized Cost	N/A	N/A	N/A	N/A	\$10,998,567
First American Treasury Obligations Fund Class D	AAA	S&P	Level 1	N/A	N/A	N/A	N/A	44,382
								<u>11,042,949</u>
Deposits								<u>817,299</u>
Total cash and investments								<u><u>\$11,860,248</u></u>

N/A – Not Applicable

Cash and investments are included on the basic financial statements as follows:

Cash and temporary investments – Statement of Net Position	\$11,815,866
Cash and investments held by trustee – Statement of Net Position	<u>44,382</u>
Total cash and investments	<u><u>\$11,860,248</u></u>

The Minnesota School District Liquid Asset Fund (MSDLAF) is regulated by Minnesota Statutes and is an external investment pool not registered with the Securities and Exchange Commission (SEC) that follows the same regulatory rules of the SEC. The District’s investment in the MSDLAF is measured at the value per share provided by the pool, which is based on an amortized cost method that approximates fair value.

For MSDLAF investments, there are no unfunded commitments, redemption frequency is daily, and there is no redemption notice for the Liquid Class; the redemption notice period is 14 days for the MAX Class.

### NOTE 3 – CAPITAL ASSETS

Capital assets and accumulated depreciation activity for the year ended June 30, 2021 is as follows:

	Balance – Beginning of Year	Additions	Deletions	Completed Construction	Balance – End of Year
Capital assets, not depreciated					
Land	\$ 655,000	\$ –	\$ –	\$ –	\$ 655,000
Capital assets, depreciated					
Buildings	11,274,493	–	–	–	11,274,493
Furniture and equipment	2,710,754	106,031	(277,226)	–	2,539,559
Total capital assets, depreciated	13,985,247	106,031	(277,226)	–	13,814,052
Less accumulated depreciation for					
Buildings	(3,764,684)	(282,722)	–	–	(4,047,406)
Furniture and equipment	(1,825,240)	(147,109)	268,428	–	(1,703,921)
Total accumulated depreciation	(5,589,924)	(429,831)	268,428	–	(5,751,327)
Net capital assets, depreciated	8,395,323	(323,800)	8,798	–	8,062,725
Total capital assets, net	\$ 9,050,323	\$ (323,800)	\$ 8,798	\$ –	\$ 8,717,725

Depreciation expense for the year ended June 30, 2021 was charged to the following governmental functions:

Administrative and support services	\$ 10,612
Secondary vocational/DCALS	20,445
Special education programs	398,512
Food service	262
Total depreciation expense	\$ 429,831

### NOTE 4 – LONG-TERM LIABILITIES

#### A. Components and Changes in Long-Term Liabilities

The following table describes the changes in long-term liabilities, including amounts due within one year:

	Balance – Beginning of Year	Additions	Retirements	Balance – End of Year	Due Within One Year
Certificates of participation	\$ 7,245,000	\$ –	\$ 305,000	\$ 6,940,000	\$ 310,000
Unamortized premium/discount	225,262	–	12,232	213,030	–
Severance benefits payable	391,406	79,408	59,746	411,068	79,408
Compensated absences payable	375,856	301,084	284,795	392,145	284,795
Total OPEB liability	1,380,775	–	144,933	1,235,842	157,454
Net pension liability	22,127,351	6,982,993	2,085,974	27,024,370	–
	\$ 31,745,650	\$ 7,363,485	\$ 2,892,680	\$ 36,216,455	\$ 831,657

**NOTE 4 – LONG-TERM LIABILITIES (CONTINUED)**

**B. Description of Long-Term Liabilities**

- **Certificates of Participation Payable** – In November 2016, the District sold \$8,085,000 of certificates of participation to finance the construction of additions to the Alliance Center special education facility. These certificates have interest rates that range from 2.0 percent to 3.0 percent, with a final maturity of February 2039. Annual principal and interest payments on these certificates will be paid by the General Fund. Tuition revenue in the General Fund capital expenditure account from member districts specifically for this debt obligation for the duration of the debt obligation are pledged for the payment of principal and interest on these certificates of participation payable.

Failure by the District to pay any payments under this agreement, or upon the occurrence of and continuation of an event of default, the lender without any further demand or notice, may take one or any combination of the following steps. The lender, with or without terminating the agreement, may declare all payments due or become due during the fiscal year in effect when the default occurs. They may repossess the facility by giving the District written notice to surrender the facility to the lender. The lender will thereafter use its best efforts to sell or lease its interest in the facility or any portion thereof in a commercially reasonable manner in accordance with applicable state laws. The lender may also pursue any other remedy available to require the District to perform any of its obligations in the agreement.

- **Severance Benefits Payable** – Severance benefits are paid by the applicable internal service fund. Annual payments to retire severance benefit liabilities have not been determined and will depend on actual employee turnover.
- **Compensated Absences Payable** – Compensated absences payable represent accrued vacation payable at year-end. Compensated absences are paid by the General Fund. These benefits are not funded until the year of payment. Annual payments to retire compensated absences payable will depend on employee turnover and actual employee absences.
- **Other Long-Term Liabilities** – The District offers a number of benefits to its employees, including pensions and OPEB. The details of these various benefit liabilities are discussed elsewhere in these notes. Such benefits are financed primarily by the General Fund and the Internal Service Fund.

District employees participate in two state-wide, cost-sharing, multiple-employer defined benefit pension plans administered by the PERA and the TRA. The following is a summary of the net pension liabilities, deferred outflows and inflows of resources, and pension expense reported for these plans as of and for the year ended June 30, 2021:

Pension Plans	Net Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
PERA	\$ 7,512,308	\$ 1,812,875	\$ 286,667	\$ 796,421
TRA	19,512,062	11,596,728	14,262,345	3,493,997
Total	<u>\$ 27,024,370</u>	<u>\$ 13,409,603</u>	<u>\$ 14,549,012</u>	<u>\$ 4,290,418</u>

**NOTE 4 – LONG-TERM LIABILITIES (CONTINUED)**

**C. Minimum Debt Payments**

Minimum annual principal and interest payments required to retire certificates of participation payable are as follows:

Year Ending June 30,	Principal	Interest
2022	\$ 310,000	\$ 215,700
2023	315,000	209,500
2024	325,000	201,625
2025	330,000	193,500
2026	340,000	185,250
2027–2031	1,860,000	759,050
2032–2036	2,115,000	418,500
2037–2039	1,345,000	81,450
	<u>\$ 6,940,000</u>	<u>\$ 2,264,575</u>

**NOTE 5 – FUND BALANCES**

The following is a breakdown of equity components of governmental funds, which are defined earlier in the report.

**A. Classifications**

At June 30, 2021, a summary of the District’s governmental fund balance classifications are as follows:

	General Fund	Food Service Special Revenue Fund	Total
Nonspendable			
Inventory	\$ 488	\$ –	\$ 488
Prepaid items	108,941	–	108,941
Total nonspendable	<u>109,429</u>	<u>–</u>	<u>109,429</u>
Restricted for			
Student activities	5,573	–	5,573
Debt service	44,382	–	44,382
Basic skills	55,970	–	55,970
Total restricted	<u>105,925</u>	<u>–</u>	<u>105,925</u>
Assigned			
Subsequent year’s budgeted deficit	134,029	–	134,029
Unassigned	<u>9,987,663</u>	<u>–</u>	<u>9,987,663</u>
Total	<u>\$ 10,337,046</u>	<u>\$ –</u>	<u>\$ 10,337,046</u>

## **NOTE 5 – FUND BALANCES (CONTINUED)**

### **B. Minimum Unassigned Fund Balance Policy**

The School Board has formally adopted a fund balance policy regarding maintaining a minimum unassigned fund balance for the General Fund. The policy states the District will strive to maintain a minimum unassigned General Fund balance of 15.0 percent of the annual budget. At June 30, 2021, the unassigned fund balance of the General Fund was 23.6 percent of fiscal 2021 expenditures.

## **NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE**

### **A. Plan Descriptions**

The District participates in the following cost-sharing, multiple-employer defined benefit pension plans administered by the PERA and the TRA. The PERA's and the TRA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes. The PERA's and the TRA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code (IRC).

#### **1. General Employees Retirement Fund (GERF)**

The PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

All full-time and certain part-time employees of the District other than teachers are covered by the GERF. GERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

#### **2. Teachers Retirement Association (TRA)**

The TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with Minnesota Statutes, Chapters 354 and 356. The TRA is a separate statutory entity, administered by a Board of Trustees. The Board of Trustees consists of four active members, one retired member, and three statutory officials.

Educators employed in Minnesota's public elementary and secondary schools, charter schools, and certain other TRA-covered educational institutions maintained by the state are required to be TRA members (except those employed by St. Paul Public Schools or Minnesota State Colleges and Universities (MnSCU)). Educators first hired by MnSCU may elect either TRA coverage or coverage through the Defined Contribution Plan (DCP) administered by Minnesota State.

## **NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

### **B. Benefits Provided**

The PERA and the TRA provide retirement, disability, and death benefits. Benefit provisions are established by state statutes and can only be modified by the State Legislature.

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

#### **1. GERF Benefits**

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for the PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated Plan members is 1.2 percent for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated Plan members is 1.7 percent for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at age 66.

Benefit increases are provided to benefit recipients each January. The post-retirement increase will be equal to 50.0 percent of the cost-of-living adjustment (COLA) announced by the Social Security Administration, with a minimum increase of at least 1.0 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase, will receive the full increase. For recipients receiving the annuity or benefit for at least one month, but less than a full year as of the June 30 before the effective date of the increase, will receive a reduced prorated increase. For members retiring on January 1, 2024 or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

#### **2. TRA Benefits**

The TRA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by Minnesota Statutes and vest after three years of service credit. The defined retirement benefits are based on a member's highest average salary for any five consecutive years of allowable service, age, and a formula multiplier based on years of credit at termination of service.

Two methods are used to compute benefits for the TRA's Coordinated and Basic Plan members. Members first employed before July 1, 1989, receive the greater of the Tier I or Tier II benefits as described.

## NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

### Tier I Benefits

Step-Rate Formula	Percentage per Year
<b>Basic Plan</b>	
First 10 years of service	2.2 %
All years after	2.7 %
<b>Coordinated Plan</b>	
First 10 years if service years are up to July 1, 2006	1.2 %
First 10 years if service years are July 1, 2006 or after	1.4 %
All other years of service if service years are up to July 1, 2006	1.7 %
All other years of service if service years are up to July 1, 2006 or after	1.9 %

With these provisions:

- (a) Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
- (b) Three percent per year early retirement reduction factor for all years under normal retirement age.
- (c) Unreduced benefits for early retirement under a Rule of 90 (age plus allowable service equals 90 or more).

### Tier II Benefits

For years of service prior to July 1, 2006, a level formula of 1.7 percent per year for Coordinated Plan members and 2.7 percent per year for Basic Plan members applies. For years of service July 1, 2006 and after, a level formula of 1.9 percent per year for Coordinated Plan members and 2.7 percent per year for Basic Plan members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under Minnesota Statutes. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

Members first employed after June 30, 1989, receive only the Tier II benefit calculation with a normal retirement age that is their retirement age for full Social Security retirement benefits, but not to exceed age 66.

Six different types of annuities are available to members upon retirement. The No Refund Life Plan is a lifetime annuity that ceases upon the death of the retiree—no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans that have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is eligible for a refund of their employee contributions plus interest.

The benefit provisions stated apply to active plan participants. Vested, terminated employees who are entitled to benefits, but not yet receiving them, are bound by the plan provisions in effect at the time they last terminated their public service.

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**C. Contributions**

Minnesota Statutes set the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

**1. GERF Contributions**

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Coordinated Plan members were required to contribute 6.5 percent of their annual covered salary in fiscal year 2021 and the District was required to contribute 7.5 percent for Coordinated Plan members. The District’s contributions to the GERF for the year ended June 30, 2021, were \$650,759. The District’s contributions were equal to the required contributions as set by state statutes.

**2. TRA Contributions**

Minnesota Statutes, Chapter 354 sets the rates for employer and employee contributions. Rates for each fiscal year were:

	Year Ended June 30,					
	2019		2020		2021	
	Employee	Employer	Employee	Employer	Employee	Employer
<b>Basic Plan</b>	11.00 %	11.71 %	11.00 %	11.92 %	11.00 %	12.13 %
<b>Coordinated Plan</b>	7.50 %	7.71 %	7.50 %	7.92 %	7.50 %	8.13 %

The District’s contributions to the TRA for the plan’s fiscal year ended June 30, 2021, were \$1,388,246. The District’s contributions were equal to the required contributions for each year as set by state statutes.

The following is a reconciliation of employer contributions in the TRA’s Comprehensive Annual Financial Report Statement of Changes in Fiduciary Net Position to the employer contributions used in the Schedule of Employer and Nonemployer Pension Allocations:

	<i>in thousands</i>
Employer contributions reported in the TRA’s Comprehensive Annual Financial Report Statement of Changes in Fiduciary Net Position	\$ 425,223
Add employer contributions not related to future contribution efforts	(56)
Deduct the TRA’s contributions not included in allocation	<u>(508)</u>
Total employer contributions	424,659
Total nonemployer contributions	<u>35,587</u>
Total contributions reported in the Schedule of Employer and Nonemployer Pension Allocations	<u><u>\$ 460,246</u></u>

Amounts reported in the allocation schedules may not precisely agree with financial statement amounts or actuarial valuations, due to the number of decimal places used in the allocations. The TRA has rounded percentage amounts to the nearest ten thousandths.

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**D. Pension Costs**

**1. GERF Pension Costs**

At June 30, 2021, the District reported a liability of \$7,512,308 for its proportionate share of the General Employees Fund’s net pension liability. The District’s net pension liability reflected a reduction due to the state of Minnesota’s contribution of \$16 million. The state of Minnesota is considered a nonemployer contributing entity and the state’s contribution meets the definition of a special funding situation. The state of Minnesota’s proportionate share of the net pension liability associated with the District totaled \$231,538. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportionate share of the net pension liability was based on the District’s contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2019 through June 30, 2020, relative to the total employer contributions received from all of PERA’s participating employers. The District’s proportionate share was 0.1253 percent at the end of the measurement period and 0.1135 percent for the beginning of the period.

District’s proportionate share of the net pension liability	\$	7,512,308
State’s proportionate share of the net pension liability associated with the District	\$	231,538

For the year ended June 30, 2021, the District recognized pension expense of \$776,255 for its proportionate share of the GERF’s pension expense. In addition, the District recognized \$20,166 as grant revenue for its proportionate share of the state of Minnesota’s pension expense for the annual \$16 million contribution.

At June 30, 2021, the District reported its proportionate share of the GERF’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 61,861	\$ 28,423
Changes in actuarial assumptions	–	258,244
Net collective difference between projected and actual investment earnings	249,862	–
Changes in proportion	850,393	–
District’s contributions to the GERF subsequent to the measurement date	<u>650,759</u>	<u>–</u>
Total	<u>\$ 1,812,875</u>	<u>\$ 286,667</u>

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

The \$650,759 reported as deferred outflows of resources related to pensions resulting from the District’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2022	\$ 95,214
2023	\$ 293,861
2024	\$ 304,875
2025	\$ 181,499

**2. TRA Pension Costs**

At June 30, 2021, the District reported a liability of \$19,512,062 for its proportionate share of the TRA’s net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportion of the net pension liability was based on the District’s contributions to the TRA in relation to total system contributions, including direct aid from the state of Minnesota, City of Minneapolis, and Special School District No. 1, Minneapolis Public Schools. The District’s proportionate share was 0.2641 percent at the end of the measurement period and 0.2487 percent for the beginning of the period.

The pension liability amount reflected a reduction, due to direct aid provided to the TRA. The amount recognized by the District as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the District were as follows:

District’s proportionate share of the net pension liability	\$ 19,512,062
State’s proportionate share of the net pension liability associated with the District	\$ 1,634,982

For the year ended June 30, 2021, the District recognized pension expense of \$3,344,222. It also recognized \$149,775 as an increase to pension expense for the support provided by direct aid.

At June 30, 2021, the District had deferred resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 391,296	\$ 257,784
Changes in actuarial assumptions	5,508,598	14,004,561
Net difference between projected and actual investment earnings on pension plan investments	–	–
Changes in proportion	515,507	–
District’s contributions to the TRA subsequent to the measurement date	3,793,081	–
	<u>1,388,246</u>	<u>–</u>
Total	<u>\$ 11,596,728</u>	<u>\$ 14,262,345</u>

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

A total of \$1,388,246 reported as deferred outflows of resources related to pensions resulting from district contributions to the TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2022	\$ 1,213,818
2023	\$ (3,782,724)
2024	\$ (2,582,790)
2025	\$ 819,041
2026	\$ 278,792

**E. Actuarial Assumptions**

The total pension liability in the June 30, 2020 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Assumptions	GERF	TRA
Inflation	2.25%	2.50%
Wage growth rate		2.85% before July 1, 2028, and 3.25% thereafter
Projected salary increase	3.00%	
Active member payroll growth		2.85% to 8.85% before July 1, 2028, and 3.25% to 9.25% thereafter
Investment rate of return	7.50%	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on Pub-2010 General Employee Mortality Table for the GERF Plan and the RP-2014 tables for the TRA for males and females, as appropriate, with slight adjustments to fit the PERA’s experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25 percent per year for the GERF and 1.00 percent for January 2020 through January 2023, then increasing by 0.10 percent each year, up to 1.50 percent annually for the TRA.

Actuarial assumptions used in the June 30, 2020 valuations were based on the results of actuarial experience studies. The most recent four-year experience study in the GERF plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The most recent experience study in the TRA plan was completed in 2015, with economic assumptions updated in 2017.

## **NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

The following changes in actuarial assumptions and plan provisions occurred in 2020:

### **1. GERF**

#### **CHANGES IN ACTUARIAL ASSUMPTIONS**

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years two through five, and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 General Mortality Table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 Disabled Annuitant Mortality Table to the Pub-2010 General/Teacher Disabled Annuitant Mortality Table, with adjustments.
- The mortality improvement scale was changed from MP-2018 to MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100.00 percent joint and survivor option changed from 35.00 percent to 45.00 percent. The assumed number of married female new retirees electing the 100.00 percent joint and survivor option changed from 15.00 percent to 30.00 percent. The corresponding number of married new retirees electing the life annuity option was adjusted accordingly.

#### **CHANGES IN PLAN PROVISIONS**

- Augmentation for current privatized members was reduced to 2.00 percent for the period July 1, 2020 through December 31, 2023, and zero percent thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

### **2. TRA**

#### **CHANGES IN ACTUARIAL ASSUMPTIONS**

- Employer contribution rate increased from 7.92 percent to 8.13 percent in July 2020.

**NOTE 6– DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

The State Board of Investment, which manages the investments of the PERA and the TRA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages.

The target allocation and best-estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	35.50 %	5.10 %
Private markets	25.00	5.90 %
Fixed income	20.00	0.75 %
International equity	17.50	5.30 %
Cash equivalents	2.00	– %
Total	<u>100.00 %</u>	

**F. Discount Rate**

**1. GERF**

The discount rate used to measure the total pension liability in 2020 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the GERF was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**2. TRA**

The discount rate used to measure the total pension liability was 7.50 percent. There was no change since the prior measurement. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2020 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

## NOTE 6– DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

### G. Pension Liability Sensitivity

The following table presents the District’s proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
GERF discount rate	6.50%	7.50%	8.50%
District’s proportionate share of the GERF net pension liability	\$ 12,039,623	\$ 7,512,308	\$ 3,777,636
TRA discount rate	6.50%	7.50%	8.50%
District’s proportionate share of the TRA net pension liability	\$ 29,872,760	\$ 19,512,062	\$ 10,975,370

### H. Pension Plan Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the PERA website at [www.mnpera.org](http://www.mnpera.org).

Detailed information about the plan’s fiduciary net position is available in a separately issued TRA financial report. That report can be obtained at [www.MinnesotaTRA.org](http://www.MinnesotaTRA.org), by writing to the TRA at 60 Empire Drive, Suite 400, St. Paul, MN, 55103-4000; or by calling 651-296-2409 or 800-657-3669.

## NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

### A. Plan Descriptions

The District provides post-employment healthcare benefits to certain eligible employees through a single-employer defined benefit OPEB Plan administered by the District. All post-employment benefits are based on contractual agreements with employee groups, with benefit eligibility based on years of service and/or minimum age requirements. These contractual agreements do not include any specific contribution or funding requirements. The plan does not issue a separate financial report.

All retirees of the District have the option under state law to continue their medical insurance coverage through the District from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of certain employee groups, the District pays for all or part of the eligible retiree’s premiums for medical and/or dental insurance from the time of retirement until the employee reaches the age of eligibility for Medicare. Benefits paid by the District differ by bargaining unit, with some contracts specifying a certain dollar amount per month, and some covering premium costs as defined within each collective bargaining agreement. Retirees not eligible for these district-paid premium benefits must pay the full district premium rate for their coverage.

The District is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees, whether the premiums are paid by the District or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an “implicit rate subsidy.” This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the District’s younger and statistically healthier active employees.

**NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)**

**B. Contributions**

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the District. The District's contributions in the current year totaled \$157,454 as required on a pay-as-you-go basis to finance the current year benefits as described in the previous section. The District has not established a trust fund to finance these OPEB benefits.

**C. Membership**

Membership in the plan consisted of the following as of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	1
Active plan members	<u>579</u>
Total members	<u><u>580</u></u>

**D. Total OPEB Liability of the District**

The District's total OPEB liability of \$1,235,842 at year-end was measured as of July 1, 2020, and was determined by an actuarial valuation with a valuation date of July 1, 2020.

**E. Actuarial Methods and Assumptions**

The total OPEB liability was determined by an actuarial study with a valuation date as of July 1, 2020 and measurement date as of July 1, 2020, using the entry-age method, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.40%
20-year municipal bond yield	2.40%
Inflation rate	2.50%
Salary increases	Service graded table
Healthcare trend rate	6.50% decreasing to 5.00% over 6 years, then to 4.00% over the next 48 years
Dental trend rate	4.00%

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year municipal bond yield.

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount Weighted Mortality Tables with MP-2019 Generational Improvement Scale. Economic assumptions are based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information, as well as for consistency with the other economic assumptions.

**NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)**

**F. Changes in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Beginning balance	\$ 1,380,775
Changes for the year	
Service cost	203,250
Interest	48,158
Assumption changes	(221,855)
Plan changes	72,879
Difference between expected and actual experience	(185,782)
Benefit payments	(61,583)
Total net changes	<u>(144,933)</u>
Ending balance	<u>\$ 1,235,842</u>

**G. Changes in Actuarial Assumptions**

- The mortality tables, healthcare trend rates, salary increase rates, and retiree plan participation percentages for future retirees who are not eligible to receive subsidized benefits were updated.
- The discount rate was changed from 3.10 percent to 2.40 percent.

**H. Benefit Plan Changes**

- The teachers' post-employment lump sum benefit payable to a Healthcare Savings Plan was increased from \$5,500 to \$7,500.

**I. Total OPEB Liability Sensitivity to Discount and Healthcare Cost Trend Rate Changes**

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
OPEB discount rate	1.40%	2.40%	3.40%
Total OPEB liability	\$ 1,310,774	\$ 1,235,842	\$ 1,162,823

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease in Healthcare Cost Trend Rates</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase in Healthcare Cost Trend Rates</u>
Healthcare trend rate	5.50% decreasing to 4.00%, then 3.00%	6.50% decreasing to 5.00%, then 4.00%	7.50% decreasing to 6.00%, then 5.00%
Dental trend rate	3.00%	4.00%	5.00%
Total OPEB liability	\$ 1,120,454	\$ 1,235,842	\$ 1,372,906

**NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)**

**J. OPEB Expense and Related Deferred Outflows and Deferred Inflows of Resources**

The District recognized OPEB expense of \$206,444 in the current year, and at year-end reported the following deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ 22,408	\$ 197,204
Differences between expected and actual economic experience	–	496,297
District’s contributions subsequent to the measurement date	157,454	–
<b>Total</b>	<b>\$ 179,862</b>	<b>\$ 693,501</b>

A total of \$157,454 reported as deferred outflows of resources related to OPEB resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2022.

Other amounts reported as deferred outflows and inflows of resources to the OPEB Plan will be recognized in OPEB expense as follows:

Year Ending June 30,	OPEB Expense
2022	\$ (97,258)
2023	\$ (97,258)
2024	\$ (97,258)
2025	\$ (97,258)
2026	\$ (97,258)
Thereafter	\$ (184,803)

**NOTE 8 – FLEXIBLE BENEFIT PLAN**

The District offers its employees a flexible benefit plan, a cafeteria plan (the Plan) created in accordance with the IRC § 125. All employee groups of the District are eligible if and when the collective bargaining agreement or contract with their group allows eligibility. Eligible employees can elect to participate by contributing pretax dollars withheld from payroll checks to the Plan for healthcare and dependent care benefits.

Before the beginning of the Plan year, which is from January 1 to December 31, each participant designates a total amount of pretax dollars to be contributed to the Plan during the year. At June 30, the District is contingently liable for claims against the total amount of participants’ annual contributions to the medical reimbursement portion of the Plan, whether or not such contributions have been made.

Payments of insurance premiums (health and dental) are made by the District directly to the designated insurance companies. These payments are made on a monthly basis and are accounted for in the General Fund.

## NOTE 8 – FLEXIBLE BENEFIT PLAN (CONTINUED)

Amounts withheld for medical reimbursement and dependent care are held in the District’s cash account. Payments are made by a third party administrator to participating employees upon submitting a request for reimbursement of eligible expenses incurred by the employee. The medical reimbursement and dependent care activity are accounted for in the financial statements in the General Fund.

All property of the Plan and income attributable to that property is solely the property of the District, subject to the claims of the District’s general creditors. Participants’ rights under the Plan are equal to those of general creditors of the District in an amount equal to eligible healthcare and dependent care expenses incurred by the participants. The District believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

## NOTE 9 – COMMITMENTS AND CONTINGENCIES

### A. Operating Leases

The District is leasing buildings and space in several locations. The District incurred expenditures of \$1,837,723 for operating leases during the year ended June 30, 2021. These leases are mostly financed by lease levies by member districts, which totaled \$1,388,676 in fiscal 2021. These leases are scheduled to expire on various dates through 2034. The following is a summary of minimum lease payments and common area maintenance charges for all operating leases:

Year Ending June 30,	Amount
2022	\$ 1,285,852
2023	970,350
2024	984,905
2025	999,679
2026	1,014,674
2027–2031	5,016,340
2032–2034	1,656,298
	<u>\$ 11,928,098</u>

### B. Federal and State Revenues

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

### C. Legal Contingencies

The District has the usual and customary legal claims pending at year-end, mostly of a minor nature and/or covered by insurance. Although the outcomes of these claims are not presently determinable, the District believes that the resolution of these matters will not have a material effect on its financial position.

## **NOTE 9 – COMMITMENTS AND CONTINGENCIES (CONTINUED)**

### **D. COVID-19 Pandemic**

The COVID-19 pandemic has caused numerous financial and operation challenges for districts in fiscal 2021, and is expected to have a significant impact for fiscal 2022 and possibly beyond. Any potential effects it may have on the District's future operations and financial condition cannot be determined at this time and have not been reflected in these financial statements

## **NOTE 10 – INTERFUND TRANSFERS AND BALANCES**

The General Fund made an interfund transfer of \$12,679 to the Food Service Special Revenue Fund to eliminate a fund balance deficit at year-end.

The General Fund had a \$13,047 due from the Food Service Special Revenue Fund at year-end. This due from other funds was made to assist with cash flow and will be paid with future revenues of the Food Service Special Revenue Fund.

Such interfund balances and transfers reported in the fund financial statements are eliminated in the government-wide financial statements.

## **NOTE 11 – DEFICIT NET POSITION**

The Post-Employment Employee Benefits Internal Service Fund had a deficit net position at June 30, 2021 of \$774,489. This deficit will be funded by future district contributions to this fund.

REQUIRED SUPPLEMENTARY INFORMATION

INTERMEDIATE SCHOOL DISTRICT NO. 917

Public Employees Retirement Association Pension Benefits Plan  
 Schedule of District's and Nonemployer Proportionate Share of Net Pension Liability  
 Year Ended June 30, 2021

District Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the District's Share of the State of Minnesota's Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/2015	06/30/2014	0.0973%	\$ 4,570,667	\$ -	\$ 4,570,667	\$ 5,105,448	89.53%	78.70%
06/30/2016	06/30/2015	0.0956%	\$ 4,954,489	\$ -	\$ 4,954,489	\$ 5,613,356	88.26%	78.20%
06/30/2017	06/30/2016	0.0970%	\$ 7,875,919	\$ 102,897	\$ 7,978,816	\$ 6,015,751	130.92%	68.90%
06/30/2018	06/30/2017	0.0970%	\$ 6,192,416	\$ 77,892	\$ 6,270,308	\$ 6,251,084	99.06%	75.90%
06/30/2019	06/30/2018	0.1052%	\$ 5,836,065	\$ 191,344	\$ 6,027,409	\$ 7,070,948	82.54%	79.50%
06/30/2020	06/30/2019	0.1135%	\$ 6,275,161	\$ 194,992	\$ 6,470,153	\$ 8,036,142	78.09%	80.20%
06/30/2021	06/30/2020	0.1253%	\$ 7,512,308	\$ 231,538	\$ 7,743,846	\$ 8,933,431	84.09%	79.10%

Public Employees Retirement Association Pension Benefits Plan  
 Schedule of District Contributions  
 Year Ended June 30, 2021

District Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
06/30/2015	\$ 414,341	\$ 414,341	\$ -	\$ 5,613,356	7.38%
06/30/2016	\$ 451,532	\$ 451,532	\$ -	\$ 6,015,751	7.51%
06/30/2017	\$ 469,399	\$ 469,399	\$ -	\$ 6,251,084	7.51%
06/30/2018	\$ 530,998	\$ 530,998	\$ -	\$ 7,070,948	7.51%
06/30/2019	\$ 603,172	\$ 603,172	\$ -	\$ 8,036,142	7.51%
06/30/2020	\$ 670,963	\$ 670,963	\$ -	\$ 8,933,431	7.51%
06/30/2021	\$ 650,759	\$ 650,759	\$ -	\$ 8,676,826	7.50%

Note: The District implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2014 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

INTERMEDIATE SCHOOL DISTRICT NO. 917

Teachers Retirement Association Pension Benefits Plan  
 Schedule of District's and Nonemployer Proportionate Share of Net Pension Liability  
 Year Ended June 30, 2021

District Fiscal Year-End Date	TRA Fiscal Year-End Date (Measurement Date)	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the District's Share of the State of Minnesota's Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/2015	06/30/2014	0.2029%	\$ 9,349,486	\$ 657,803	\$ 10,007,289	\$ 9,262,291	100.94%	81.50%
06/30/2016	06/30/2015	0.1954%	\$ 12,087,423	\$ 1,482,856	\$ 13,570,279	\$ 9,915,820	121.90%	76.80%
06/30/2017	06/30/2016	0.2064%	\$ 49,231,325	\$ 4,941,167	\$ 54,172,492	\$ 10,745,627	458.15%	44.88%
06/30/2018	06/30/2017	0.2149%	\$ 42,897,938	\$ 4,147,269	\$ 47,045,207	\$ 11,700,275	366.64%	51.57%
06/30/2019	06/30/2018	0.2282%	\$ 14,333,096	\$ 1,346,422	\$ 15,679,518	\$ 12,766,959	112.27%	78.07%
06/30/2020	06/30/2019	0.2487%	\$ 15,852,190	\$ 1,402,823	\$ 17,255,013	\$ 14,116,834	112.29%	78.21%
06/30/2021	06/30/2020	0.2641%	\$ 19,512,062	\$ 1,634,982	\$ 21,147,044	\$ 15,346,868	127.14%	75.48%

Teachers Retirement Association Pension Benefits Plan  
 Schedule of District Contributions  
 Year Ended June 30, 2021

District Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
06/30/2015	\$ 743,688	\$ 743,688	\$ -	\$ 9,915,820	7.50%
06/30/2016	\$ 805,427	\$ 805,427	\$ -	\$ 10,745,627	7.50%
06/30/2017	\$ 867,629	\$ 867,629	\$ -	\$ 11,700,275	7.42%
06/30/2018	\$ 955,252	\$ 955,252	\$ -	\$ 12,766,959	7.48%
06/30/2019	\$ 1,088,409	\$ 1,088,409	\$ -	\$ 14,116,834	7.71%
06/30/2020	\$ 1,215,570	\$ 1,215,570	\$ -	\$ 15,346,868	7.92%
06/30/2021	\$ 1,388,246	\$ 1,388,246	\$ -	\$ 17,075,599	8.13%

Note: The District implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2014 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 917

Other Post-Employment Benefits Plan  
 Schedule of Changes in the District's Total  
 OPEB Liability and Related Ratios  
 Year Ended June 30, 2021

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB liability				
Service cost	\$ 172,192	\$ 164,578	\$ 179,538	\$ 203,250
Interest	50,548	56,111	46,781	48,158
Assumption changes	–	1,687	27,367	(221,855)
Plan changes	–	–	–	72,879
Difference between expected and actual experience	–	(496,737)	–	(185,782)
Benefit payments	<u>(53,728)</u>	<u>(49,298)</u>	<u>(59,430)</u>	<u>(61,583)</u>
Net change in total OPEB liability	169,012	(323,659)	194,256	(144,933)
Total OPEB liability – beginning of year	<u>1,341,166</u>	<u>1,510,178</u>	<u>1,186,519</u>	<u>1,380,775</u>
Total OPEB liability – end of year	<u>\$ 1,510,178</u>	<u>\$ 1,186,519</u>	<u>\$ 1,380,775</u>	<u>\$ 1,235,842</u>
Covered-employee payroll	<u>\$ 17,301,959</u>	<u>\$ 21,687,037</u>	<u>\$ 22,337,648</u>	<u>\$ 26,723,569</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>8.73%</u>	<u>5.47%</u>	<u>6.18%</u>	<u>4.62%</u>

Note 1: The District has not established a trust fund to finance GASB Statement No. 75.

Note 2: The District implemented GASB Statement No. 75 for the year ended June 30, 2018. The schedules within the RSI section require a 10-year presentation. Additional years will be presented as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information  
June 30, 2021

**PERA – GENERAL EMPLOYEES RETIREMENT FUND**

**2020 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years two through five, and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 General Mortality Table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 Disabled Annuitant Mortality Table to the Pub-2010 General/Teacher Disabled Annuitant Mortality Table, with adjustments.
- The mortality improvement scale was changed from MP-2018 to MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100.00 percent joint and survivor option changed from 35.00 percent to 45.00 percent. The assumed number of married female new retirees electing the 100.00 percent joint and survivor option changed from 15.00 percent to 30.00 percent. The corresponding number of married new retirees electing the life annuity option was adjusted accordingly.

**2020 CHANGES IN PLAN PROVISIONS**

- Augmentation for current privatized members was reduced to 2.00 percent for the period July 1, 2020 through December 31, 2023, and zero percent thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information (continued)  
June 30, 2021

**PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)**

**2019 CHANGES IN PLAN PROVISIONS**

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

**2019 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The mortality projection scale was changed from MP-2017 to MP-2018.

**2018 CHANGES IN PLAN PROVISIONS**

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to zero percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.00 percent per year, with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio, to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age. Does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

**2018 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044, and 2.50 percent per year thereafter, to 1.25 percent per year.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information (continued)  
June 30, 2021

**PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)**

**2017 CHANGES IN PLAN PROVISIONS**

- The state's contribution for the Minneapolis Employees Retirement Fund equals \$16.0 million in 2017 and 2018, and \$6.0 million thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21.0 million to \$31.0 million in calendar years 2019 to 2031. The state's contribution changed from \$16.0 million to \$6.0 million in calendar years 2019 to 2031.

**2017 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year for all years, to 1.00 percent per year through 2044, and 2.50 percent per year thereafter.

**2016 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035, and 2.50 percent per year thereafter, to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

**2015 CHANGES IN PLAN PROVISIONS**

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Retirement Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892.0 million. Upon consolidation, state and employer contributions were revised; the state's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

**2015 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030, and 2.50 percent per year thereafter, to 1.00 percent per year through 2035, and 2.50 percent per year thereafter.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information (continued)  
June 30, 2021

**TEACHERS RETIREMENT ASSOCIATION (TRA)**

**2018 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The cost-of-living adjustment (COLA) was reduced from 2.00 percent each January 1 to 1.00 percent, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.10 percent each year until reaching the ultimate rate of 1.50 percent on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit, are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.50 percent if the funded ratio was at least 90.00 percent for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.00 percent to 3.00 percent, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.50 percent to 7.50 percent, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next six years, (7.71 percent in 2018, 7.92 percent in 2019, 8.13 percent in 2020, 8.34 percent in 2021, 8.55 percent in 2022, and 8.75 percent in 2023). In addition, the employee contribution rate will increase from 7.50 percent to 7.75 percent on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.
- The single discount rate changed from 5.12 percent to 7.50 percent.

**2017 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The COLA was assumed to increase from 2.00 percent annually to 2.50 percent annually on July 1, 2045.
- The COLA was not assumed to increase to 2.50 percent, but remain at 2.00 percent for all future years.
- Adjustments were made to the CSA loads. The active load was reduced from 1.40 percent to zero percent, the vested inactive load increased from 4.00 percent to 7.00 percent, and the nonvested inactive load increased from 4.00 percent to 9.00 percent.
- The investment return assumption was changed from 8.00 percent to 7.50 percent.
- The price inflation assumption was lowered from 2.75 percent to 2.50 percent.
- The payroll growth assumption was lowered from 3.50 percent to 3.00 percent.
- The general wage growth assumption was lowered from 3.50 percent to 2.85 percent for 10 years, followed by 3.25 percent thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.
- The single discount rate changed from 4.66 percent to 5.12 percent.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information (continued)  
June 30, 2021

**TEACHERS RETIREMENT ASSOCIATION (TRA) (CONTINUED)**

**2016 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The single discount rate was changed from 8.00 percent to 4.66 percent.

**2015 CHANGES IN PLAN PROVISIONS**

- The Duluth Teachers Retirement Fund Association was merged into the TRA on June 30, 2015.

**2015 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The annual COLA for the June 30, 2015 valuation assumed 2.00 percent. The prior year valuation used 2.00 percent, with an increase to 2.50 percent commencing in 2034.
- The discount rate used to measure the total pension liability was 8.00 percent. This is a decrease from the discount rate at the prior measurement date of 8.25 percent.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information (continued)  
June 30, 2021

**OTHER POST-EMPLOYMENT BENEFITS PLAN**

**2020 CHANGES IN PLAN PROVISIONS**

- The teachers' post-employment lump sum benefit payable to a Healthcare Savings Plan was increased from \$5,500 to \$7,500.

**2020 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The mortality tables, healthcare trend rates, salary increase rates, and retiree plan participation percentages for future retirees who are not eligible to receive subsidized benefits were updated.
- The discount rate was changed from 3.10 percent to 2.40 percent.

**2019 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The discount rate was changed from 3.50 percent to 3.10 percent.

**2018 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The healthcare trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale, to the RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale.
- The discount rate was changed from 3.40 percent to 3.50 percent.

**2017 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The discount rate was changed from 3.00 percent to 3.40 percent.

SUPPLEMENTAL INFORMATION

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund  
Comparative Balance Sheet  
as of June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
Cash and temporary investments	\$ 5,239,697	\$ 3,737,056
Cash and investments held by trustee	44,382	44,377
Receivables		
Accounts and interest	10,690	9,547
Due from other school districts	1,931,642	3,055,925
Due from Minnesota Department of Education	7,082,746	7,149,669
Due from other governmental units	-	27,630
Due from other funds	13,047	5,999
Inventory	488	1,168
Prepaid items	108,941	129,983
	<u>108,941</u>	<u>129,983</u>
Total assets	<u>\$ 14,431,633</u>	<u>\$ 14,161,354</u>
<b>Liabilities</b>		
Salaries and compensated absences payable	\$ 3,174,212	\$ 3,342,825
Accounts and contracts payable	65,548	115,433
Due to other school districts	626,955	329,921
Due to other governmental units	196,446	234,348
Unearned revenue	31,426	6,707
Total liabilities	<u>4,094,587</u>	<u>4,029,234</u>
<b>Fund balances</b>		
Nonspendable for inventory	488	1,168
Nonspendable for prepaid items	108,941	129,983
Restricted for student activities	5,573	4,863
Restricted for debt service	44,382	44,377
Restricted for basic skills	55,970	88,894
Assigned for subsequent year's budgeted deficit	134,029	391,088
Unassigned	9,987,663	9,471,747
Total fund balances	<u>10,337,046</u>	<u>10,132,120</u>
	<u>10,337,046</u>	<u>10,132,120</u>
Total liabilities and fund balances	<u>\$ 14,431,633</u>	<u>\$ 14,161,354</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund  
 Schedule of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 Year Ended June 30, 2021  
 (With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021		Over (Under) Budget	2020
	Budget	Actual		Actual
Revenue				
Local sources				
Tuition	\$ 10,064,416	\$ 10,027,650	\$ (36,766)	\$ 10,282,316
Investment earnings	69,000	3,328	(65,672)	54,944
Other	204,535	316,829	112,294	542,624
State sources	33,709,129	31,661,833	(2,047,296)	31,092,613
Federal sources	597,845	543,858	(53,987)	156,934
Total revenue	<u>44,644,925</u>	<u>42,553,498</u>	<u>(2,091,427)</u>	<u>42,129,431</u>
Expenditures				
Current				
Administrative and support services	37,606	26,955	(10,651)	25,575
Secondary vocational/DCALS	4,457,977	4,264,651	(193,326)	4,124,404
Special education programs	39,980,046	37,517,487	(2,462,559)	37,117,778
Debt service				
Principal	305,000	305,000	–	295,000
Interest and fiscal charges	221,800	221,800	–	227,700
Total expenditures	<u>45,002,429</u>	<u>42,335,893</u>	<u>(2,666,536)</u>	<u>41,790,457</u>
Excess (deficiency) of revenue over expenditures	(357,504)	217,605	575,109	338,974
Other financing (uses)				
Transfers out	<u>(17,935)</u>	<u>(12,679)</u>	<u>5,256</u>	<u>(7,876)</u>
Net change in fund balances	<u>\$ (375,439)</u>	204,926	<u>\$ 580,365</u>	331,098
Fund balances				
Beginning of year		<u>10,132,120</u>		<u>9,801,022</u>
End of year		<u>\$ 10,337,046</u>		<u>\$ 10,132,120</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund  
Combining Balance Sheet by Account  
as of June 30, 2021

	<u>Secondary Education</u>	<u>Special Education</u>	<u>Services Allocation</u>
<b>Assets</b>			
Cash and temporary investments (deficit)	\$ 5,895,431	\$ (647,103)	\$ (13,942)
Cash and investments held by trustee	-	-	-
Receivables			
Accounts and interest	416	9,937	-
Due from other school districts	621,189	1,284,188	26,265
Due from Minnesota Department of Education	550,000	6,532,746	-
Due from other funds	13,047	-	-
Inventory	-	-	-
Prepaid items	7,236	99,396	2,309
	<u>7,236</u>	<u>99,396</u>	<u>2,309</u>
Total assets	<u>\$ 7,087,319</u>	<u>\$ 7,279,164</u>	<u>\$ 14,632</u>
<b>Liabilities</b>			
Salaries and compensated absences payable	\$ 3,174,212	\$ -	\$ -
Accounts and contracts payable	1,644	58,576	5,192
Due to other school districts	217,437	406,622	2,896
Due to other governmental units	106,167	90,004	146
Unearned revenue	29,245	1,681	-
Total liabilities	<u>3,528,705</u>	<u>556,883</u>	<u>8,234</u>
<b>Fund balances (deficit)</b>			
Nonspendable for inventory	-	-	-
Nonspendable for prepaid items	7,236	99,396	2,309
Restricted for student activities	-	-	-
Restricted for debt service	-	-	-
Restricted for basic skills	-	55,970	-
Assigned for subsequent year's budgeted deficit	127,111	-	-
Unassigned	3,424,267	6,566,915	4,089
Total fund balances	<u>3,558,614</u>	<u>6,722,281</u>	<u>6,398</u>
	<u>\$ 7,087,319</u>	<u>\$ 7,279,164</u>	<u>\$ 14,632</u>
Total liabilities and fund balances	<u>\$ 7,087,319</u>	<u>\$ 7,279,164</u>	<u>\$ 14,632</u>

<u>District Support Services</u>	<u>Capital Expenditure</u>	<u>Secondary Resale</u>	<u>Special Education Resale</u>	<u>Student Activities</u>	<u>Total</u>
\$ 671	\$ (33,511)	\$ 20,976	\$ 11,466	\$ 5,709	\$ 5,239,697
-	44,382	-	-	-	44,382
-	-	337	-	-	10,690
-	-	-	-	-	1,931,642
-	-	-	-	-	7,082,746
-	-	-	-	-	13,047
-	-	282	206	-	488
-	-	-	-	-	108,941
<u>\$ 671</u>	<u>\$ 10,871</u>	<u>\$ 21,595</u>	<u>\$ 11,672</u>	<u>\$ 5,709</u>	<u>\$ 14,431,633</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,174,212
-	-	-	-	136	65,548
-	-	-	-	-	626,955
-	-	124	5	-	196,446
-	-	-	500	-	31,426
-	-	124	505	136	4,094,587
-	-	282	206	-	488
-	-	-	-	-	108,941
-	-	-	-	5,573	5,573
-	44,382	-	-	-	44,382
-	-	-	-	-	55,970
-	1,200	5,718	-	-	134,029
671	(34,711)	15,471	10,961	-	9,987,663
<u>671</u>	<u>10,871</u>	<u>21,471</u>	<u>11,167</u>	<u>5,573</u>	<u>10,337,046</u>
<u>\$ 671</u>	<u>\$ 10,871</u>	<u>\$ 21,595</u>	<u>\$ 11,672</u>	<u>\$ 5,709</u>	<u>\$ 14,431,633</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund

Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances by Account  
Year Ended June 30, 2021

	Secondary Education	Special Education	Services Allocation
<b>Revenue</b>			
Local sources			
Tuition	\$ 3,325,041	\$ 6,175,809	\$ –
Investment earnings	1,816	1,357	–
Other	53	302,689	7,088
State sources	711,216	30,924,352	26,265
Federal sources	173,421	370,437	–
Total revenue	<u>4,211,547</u>	<u>37,774,644</u>	<u>33,353</u>
<b>Expenditures</b>			
Current			
Administrative and support services	–	–	26,955
Secondary vocational/DCALS	4,258,342	–	–
Special education programs	–	37,516,417	–
Debt service			
Principal	–	–	–
Interest and fiscal charges	–	–	–
Total expenditures	<u>4,258,342</u>	<u>37,516,417</u>	<u>26,955</u>
Excess (deficiency) of revenue over expenditures	(46,795)	258,227	6,398
<b>Other financing (uses)</b>			
Transfers out	–	(12,679)	–
Net change in fund balances	(46,795)	245,548	6,398
<b>Fund balances</b>			
Beginning of year	<u>3,605,409</u>	<u>6,476,733</u>	<u>–</u>
End of year	<u>\$ 3,558,614</u>	<u>\$ 6,722,281</u>	<u>\$ 6,398</u>

<u>District Support Services</u>	<u>Capital Expenditure</u>	<u>Secondary Resale</u>	<u>Special Education Resale</u>	<u>Student Activities</u>	<u>Total</u>
\$ -	\$ 526,800	\$ -	\$ -	\$ -	\$ 10,027,650
-	155	-	-	-	3,328
-	-	3,280	1,389	2,330	316,829
-	-	-	-	-	31,661,833
-	-	-	-	-	543,858
-	<u>526,955</u>	<u>3,280</u>	<u>1,389</u>	<u>2,330</u>	<u>42,553,498</u>
-	-	-	-	-	26,955
-	3,699	989	-	1,621	4,264,651
-	-	-	1,070	-	37,517,487
-	305,000	-	-	-	305,000
-	<u>221,800</u>	-	-	-	<u>221,800</u>
-	<u>530,499</u>	<u>989</u>	<u>1,070</u>	<u>1,621</u>	<u>42,335,893</u>
-	(3,544)	2,291	319	709	217,605
-	-	-	-	-	(12,679)
-	(3,544)	2,291	319	709	204,926
<u>671</u>	<u>14,415</u>	<u>19,180</u>	<u>10,848</u>	<u>4,864</u>	<u>10,132,120</u>
<u>\$ 671</u>	<u>\$ 10,871</u>	<u>\$ 21,471</u>	<u>\$ 11,167</u>	<u>\$ 5,573</u>	<u>\$ 10,337,046</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Secondary Education Account  
 Schedule of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual

Year Ended June 30, 2021

(With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021		Over (Under) Budget	2020
	Budget	Actual		Actual
Revenue				
Local sources				
Tuition	\$ 3,094,992	\$ 3,325,041	\$ 230,049	\$ 3,671,622
Investment earnings	42,000	1,816	(40,184)	32,575
Other	1,500	53	(1,447)	1,171
State sources	593,431	711,216	117,785	547,390
Federal sources	227,409	173,421	(53,988)	156,934
Total revenue	<u>3,959,332</u>	<u>4,211,547</u>	<u>252,215</u>	<u>4,409,692</u>
Expenditures				
Current				
Secondary vocational/DCALS				
Salaries	2,558,707	2,541,811	(16,896)	2,360,808
Employee benefits	929,575	936,625	7,050	869,042
Purchased services	689,196	512,497	(176,699)	475,221
Supplies and materials	66,450	59,795	(6,655)	85,322
Other expenditures	19,219	19,130	(89)	18,682
Capital expenditures	1,100	16,151	15,051	108,917
Allocated overhead	177,843	172,333	(5,510)	183,085
Total expenditures	<u>4,442,090</u>	<u>4,258,342</u>	<u>(183,748)</u>	<u>4,101,077</u>
Net change in fund balances	<u>\$ (482,758)</u>	<u>(46,795)</u>	<u>\$ 435,963</u>	<u>308,615</u>
Fund balances				
Beginning of year		<u>3,605,409</u>		<u>3,296,794</u>
End of year		<u>\$ 3,558,614</u>		<u>\$ 3,605,409</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Special Education Account  
 Schedule of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 Year Ended June 30, 2021  
 (With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021		Over (Under) Budget	2020
	Budget	Actual		Actual
Revenue				
Local sources				
Tuition	\$ 6,442,624	\$ 6,175,809	\$ (266,815)	\$ 6,087,994
Investment earnings	25,000	1,357	(23,643)	19,033
Other	177,857	302,689	124,832	504,261
State sources	33,083,933	30,924,352	(2,159,581)	30,519,723
Federal sources	370,436	370,437	1	–
Total revenue	<u>40,099,850</u>	<u>37,774,644</u>	<u>(2,325,206)</u>	<u>37,131,011</u>
Expenditures				
Current				
Special education programs				
Salaries	23,209,843	22,211,531	(998,312)	21,472,374
Employee benefits	8,503,509	8,246,772	(256,737)	7,792,000
Purchased services	4,415,108	3,917,383	(497,725)	4,348,076
Supplies and materials	1,289,458	794,615	(494,843)	973,863
Other expenditures	139,747	129,433	(10,314)	107,636
Capital expenditures	427,986	304,723	(123,263)	678,564
Allocated overhead	1,988,295	1,911,960	(76,335)	1,738,965
Total expenditures	<u>39,973,946</u>	<u>37,516,417</u>	<u>(2,457,529)</u>	<u>37,111,478</u>
Excess of revenue over expenditures	125,904	258,227	132,323	19,533
Other financing (uses)				
Transfers out	<u>(17,935)</u>	<u>(12,679)</u>	<u>5,256</u>	<u>(7,876)</u>
Net change in fund balances	<u>\$ 107,969</u>	245,548	<u>\$ 137,579</u>	11,657
Fund balances				
Beginning of year		<u>6,476,733</u>		<u>6,465,076</u>
End of year		<u>\$ 6,722,281</u>		<u>\$ 6,476,733</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Services Allocation Account  
 Schedule of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 Year Ended June 30, 2021  
 (With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021		Over (Under) Budget	2020
	Budget	Actual		Actual
Revenue				
Local sources				
Other	\$ 5,841	\$ 7,088	\$ 1,247	\$ 75
State sources	31,765	26,265	(5,500)	25,500
Total revenue	<u>37,606</u>	<u>33,353</u>	<u>(4,253)</u>	<u>25,575</u>
Expenditures				
Current				
Administrative and support services				
Salaries	1,342,354	1,323,877	(18,477)	1,166,024
Employee benefits	389,151	394,553	5,402	361,888
Purchased services	393,895	314,138	(79,757)	301,730
Supplies and materials	68,239	51,689	(16,550)	71,066
Other expenditures	22,191	20,767	(1,424)	18,586
Capital expenditures	3,915	6,224	2,309	28,331
Allocated overhead	(2,182,139)	(2,084,293)	97,846	(1,922,050)
Total expenditures	<u>37,606</u>	<u>26,955</u>	<u>(10,651)</u>	<u>25,575</u>
Net change in fund balances	<u>\$ –</u>	<u>6,398</u>	<u>\$ 6,398</u>	<u>–</u>
Fund balances				
Beginning of year		<u>–</u>		<u>–</u>
End of year		<u>\$ 6,398</u>		<u>\$ –</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – District Support Services Account  
 Schedule of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 Year Ended June 30, 2021  
 (With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021			2020
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Other	<u>\$ -</u>	\$ -	<u>\$ -</u>	\$ -
Fund balances				
Beginning of year		<u>671</u>		<u>671</u>
End of year		<u>\$ 671</u>		<u>\$ 671</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Capital Expenditure Account  
 Schedule of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 Year Ended June 30, 2021  
 (With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021		Over (Under) Budget	2020
	Budget	Actual		Actual
Revenue				
Local sources				
Tuition	\$ 526,800	\$ 526,800	\$ –	\$ 522,700
Investment earnings	2,000	155	(1,845)	3,336
Other	–	–	–	5,500
Total revenue	<u>528,800</u>	<u>526,955</u>	<u>(1,845)</u>	<u>531,536</u>
Expenditures				
Current				
Secondary vocational/DCALS				
Purchased services	3,300	3,699	399	2,199
Debt service				
Principal	305,000	305,000	–	295,000
Interest and fiscal charges	<u>221,800</u>	<u>221,800</u>	<u>–</u>	<u>227,700</u>
Total expenditures	<u>530,100</u>	<u>530,499</u>	<u>399</u>	<u>524,899</u>
Net change in fund balances	<u>\$ (1,300)</u>	<u>(3,544)</u>	<u>\$ (2,244)</u>	<u>6,637</u>
Fund balances				
Beginning of year		<u>14,415</u>		<u>7,778</u>
End of year		<u>\$ 10,871</u>		<u>\$ 14,415</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Secondary Resale Account  
 Schedule of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 Year Ended June 30, 2021  
 (With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021			2020
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Other	\$ 10,287	\$ 3,280	\$ (7,007)	\$ 17,999
Expenditures				
Current				
Secondary vocational/DCALS				
Purchased services	405	469	64	2,417
Supplies and materials	9,850	487	(9,363)	16,144
Other expenditures	32	33	1	47
Total expenditures	<u>10,287</u>	<u>989</u>	<u>(9,298)</u>	<u>18,608</u>
Net change in fund balances	<u>\$ -</u>	2,291	<u>\$ 2,291</u>	(609)
Fund balances				
Beginning of year		<u>19,180</u>		<u>19,789</u>
End of year		<u>\$ 21,471</u>		<u>\$ 19,180</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Special Education Resale Account  
 Schedule of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 Year Ended June 30, 2021  
 (With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021			2020
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Other	\$ 6,600	\$ 1,389	\$ (5,211)	\$ 10,054
Expenditures				
Current				
Special education programs				
Supplies and materials	6,100	1,035	(5,065)	6,300
Other expenditures	–	35	35	–
Total expenditures	<u>6,100</u>	<u>1,070</u>	<u>(5,030)</u>	<u>6,300</u>
Net change in fund balances	<u>\$ 500</u>	319	<u>\$ (181)</u>	3,754
Fund balances				
Beginning of year		<u>10,848</u>		<u>7,094</u>
End of year		<u>\$ 11,167</u>		<u>\$ 10,848</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Student Activities  
 Schedule of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 Year Ended June 30, 2021  
 (With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021			2020
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Other	\$ 2,450	\$ 2,330	\$ (120)	\$ 3,564
Expenditures				
Current				
Secondary vocational/DCALS				
Purchased services	100	–	(100)	19
Supplies and materials	2,200	1,621	(579)	2,501
Total expenditures	<u>2,300</u>	<u>1,621</u>	<u>(679)</u>	<u>2,520</u>
Net change in fund balances	<u>\$ 150</u>	709	<u>\$ 559</u>	1,044
Fund balances				
Beginning of year		<u>4,864</u>		<u>3,820</u>
End of year		<u>\$ 5,573</u>		<u>\$ 4,864</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Food Service Special Revenue Fund  
 Comparative Balance Sheet  
 as of June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
Accounts receivable	\$ -	\$ 6,075
Due from other governmental units	17,108	-
	<u>17,108</u>	<u>-</u>
Total assets	<u>\$ 17,108</u>	<u>\$ 6,075</u>
<b>Liabilities</b>		
Accounts payable	\$ 3,686	\$ 76
Due to other school districts	375	-
Due to other funds	13,047	5,999
	<u>13,047</u>	<u>5,999</u>
Total liabilities	<u>\$ 17,108</u>	<u>\$ 6,075</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Food Service Special Revenue Fund  
 Schedule of Revenue, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 Year Ended June 30, 2021  
 (With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021		Over (Under) Budget	2020
	Budget	Actual		Actual
Revenue				
Local sources				
Other – primarily meal sales (refunds)	\$ 33,190	\$ (750)	\$ (33,940)	\$ 32,322
State sources	6,000	1,539	(4,461)	5,976
Federal sources	76,850	78,022	1,172	68,423
Total revenue	<u>116,040</u>	<u>78,811</u>	<u>(37,229)</u>	<u>106,721</u>
Expenditures				
Purchased services	5,260	14,273	9,013	5,055
Supplies and materials	111,050	77,217	(33,833)	109,542
Total expenditures	<u>116,310</u>	<u>91,490</u>	<u>(24,820)</u>	<u>114,597</u>
Excess (deficiency) of revenue over expenditures	(270)	(12,679)	(12,409)	(7,876)
Other financing sources				
Transfers in	<u>270</u>	<u>12,679</u>	<u>12,409</u>	<u>7,876</u>
Net change in fund balances	<u>\$ –</u>	<u>–</u>	<u>\$ –</u>	<u>–</u>
Fund balances				
Beginning of year		<u>–</u>		<u>–</u>
End of year		<u>\$ –</u>		<u>\$ –</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Internal Service Funds  
 Combining Statement of Net Position  
 as of June 30, 2021  
 (With Comparative Totals as of June 30, 2020)

	<u>Dental Self-Insurance</u>	<u>Medical Self-Insurance</u>	<u>Post-Employment Employee Benefits</u>
Assets			
Current assets			
Cash and temporary investments	\$ 592,822	\$ 4,598,210	\$ 1,385,137
Accounts receivable	-	-	-
Prepaid items	-	-	923
Total assets	<u>592,822</u>	<u>4,598,210</u>	<u>1,386,060</u>
Deferred outflows of resources			
OPEB plan deferments	-	-	179,862
Liabilities			
Current liabilities			
Accounts and contracts payable	49,302	356,333	-
Due to other governmental units	-	1,439	-
Total OPEB liability – due within one year	-	-	157,454
Severance benefits payable – due within one year	-	-	79,408
Unearned revenue	2,575	91,232	-
Total current liabilities	<u>51,877</u>	<u>449,004</u>	<u>236,862</u>
Long-term liabilities			
Total OPEB liability – due in more than one year	-	-	1,078,388
Severance benefits payable – due in more than one year	-	-	331,660
Total long-term liabilities	<u>-</u>	<u>-</u>	<u>1,410,048</u>
Total liabilities	51,877	449,004	1,646,910
Deferred inflows of resources			
OPEB plan deferments	<u>-</u>	<u>-</u>	<u>693,501</u>
Net position			
Unrestricted	<u>\$ 540,945</u>	<u>\$ 4,149,206</u>	<u>\$ (774,489)</u>

Totals	
<u>2021</u>	<u>2020</u>
\$ 6,576,169	\$ 5,156,921
–	3,586
923	856
<u>6,577,092</u>	<u>5,161,363</u>
179,862	80,002
405,635	215,394
1,439	1,374
157,454	–
79,408	18,424
93,807	–
<u>737,743</u>	<u>235,192</u>
1,078,388	1,380,775
331,660	372,982
<u>1,410,048</u>	<u>1,753,757</u>
2,147,791	1,988,949
<u>693,501</u>	<u>386,351</u>
<u>\$ 3,915,662</u>	<u>\$ 2,866,065</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Internal Service Funds  
 Combining Statement of Revenue, Expenses, and Changes in Net Position  
 Year Ended June 30, 2021  
 (With Comparative Totals for the Year Ended June 30, 2020)

	<u>Dental Self-Insurance</u>	<u>Medical Self-Insurance</u>	<u>Post-Employment Employee Benefits</u>
Operating revenue			
Charges for services			
Contributions from governmental funds	\$ 549,531	\$ 5,108,300	\$ 130,199
Operating expenses			
Post-employment severance and health benefits	-	-	206,446
Medical benefit claims	-	4,033,999	-
Dental benefit claims	501,630	-	-
Total operating expenses	<u>501,630</u>	<u>4,033,999</u>	<u>206,446</u>
Operating income (loss)	47,901	1,074,301	(76,247)
Nonoperating revenue			
Investment earnings	<u>344</u>	<u>2,439</u>	<u>859</u>
Change in net position	48,245	1,076,740	(75,388)
Net position			
Beginning of year	<u>492,700</u>	<u>3,072,466</u>	<u>(699,101)</u>
End of year	<u>\$ 540,945</u>	<u>\$ 4,149,206</u>	<u>\$ (774,489)</u>

Totals	
<u>2021</u>	<u>2020</u>
\$ 5,788,030	\$ 5,016,767
206,446	139,516
4,033,999	3,291,125
<u>501,630</u>	<u>400,882</u>
<u>4,742,075</u>	<u>3,831,523</u>
1,045,955	1,185,244
<u>3,642</u>	<u>49,924</u>
1,049,597	1,235,168
<u>2,866,065</u>	<u>1,630,897</u>
<u><u>\$ 3,915,662</u></u>	<u><u>\$ 2,866,065</u></u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Internal Service Funds  
 Combining Statement of Cash Flows  
 Year Ended June 30, 2021  
 (With Comparative Totals for the Year Ended June 30, 2020)

	Dental Self-Insurance	Medical Self-Insurance	Post-Employment Employee Benefits
Cash flows from operating activities			
Contributions from governmental funds	\$ 552,106	\$ 5,203,118	\$ 130,199
Post-employment severance and health benefit payments	-	-	(124,494)
Payments for medical claims	-	(3,850,009)	-
Payments for dental claims	(495,314)	-	-
Net cash flows from operating activities	<u>56,792</u>	<u>1,353,109</u>	<u>5,705</u>
Cash flows from investing activities			
Investment income received	<u>344</u>	<u>2,439</u>	<u>859</u>
Net change in cash and cash equivalents	57,136	1,355,548	6,564
Cash and temporary investments			
Beginning of year	<u>535,686</u>	<u>3,242,662</u>	<u>1,378,573</u>
End of year	<u>\$ 592,822</u>	<u>\$ 4,598,210</u>	<u>\$ 1,385,137</u>
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	\$ 47,901	\$ 1,074,301	\$ (76,247)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Changes in assets and liabilities			
Accounts receivable	-	3,586	-
Prepaid items	-	-	(67)
OPEB plan deferments	-	-	207,290
Accounts and contracts payable	6,316	183,925	-
Due to other governmental units	-	65	-
Severance benefits payable	-	-	19,662
Total OPEB liability	-	-	(144,933)
Unearned revenue	<u>2,575</u>	<u>91,232</u>	<u>-</u>
Net cash flows from operating activities	<u>\$ 56,792</u>	<u>\$ 1,353,109</u>	<u>\$ 5,705</u>

Totals	
<u>2021</u>	<u>2020</u>
\$ 5,885,423	\$ 5,014,845
(124,494)	(27,687)
(3,850,009)	(3,493,526)
(495,314)	(406,740)
<u>1,415,606</u>	<u>1,086,892</u>
<u>3,642</u>	<u>49,924</u>
1,419,248	1,136,816
<u>5,156,921</u>	<u>4,020,105</u>
<u>\$ 6,576,169</u>	<u>\$ 5,156,921</u>
\$ 1,045,955	\$ 1,185,244
3,586	(1,922)
(67)	(818)
207,290	(74,266)
190,241	(208,450)
65	191
19,662	(7,343)
(144,933)	194,256
93,807	—
<u>\$ 1,415,606</u>	<u>\$ 1,086,892</u>

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OTHER INFORMATION

INTERMEDIATE SCHOOL DISTRICT NO. 917

Government-Wide Revenue by Type  
Last Ten Fiscal Years

Year Ended June 30,	Program Revenues			General Revenues	Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Investment Earnings and Other	
2012	\$ 7,848,114 34%	\$ 14,720,483 63%	\$ 498,613 2%	\$ 136,147 1%	\$ 23,203,357 100%
2013	7,839,060 33%	15,177,273 64%	580,348 2%	126,115 1%	23,722,796 100%
2014	7,619,433 30%	17,064,879 67%	581,454 3%	97,720 –	25,363,486 100%
2015	7,876,725 30%	18,073,067 67%	559,401 2%	125,715 1%	26,634,908 100%
2016	8,765,738 30%	20,327,694 68%	554,908 2%	139,795 –	29,788,135 100%
2017	8,910,685 28%	21,223,814 67%	539,240 2%	845,477 3%	31,519,216 100%
2018	9,660,814 28%	23,146,660 67%	557,650 2%	580,576 3%	33,945,700 100%
2019	11,429,417 29%	26,541,284 67%	548,350 1%	1,070,943 3%	39,589,994 100%
2020	10,276,311 24%	30,724,528 73%	591,900 1%	699,517 2%	42,292,256 100%
2021	9,775,850 23%	31,662,477 74%	553,065 1%	691,977 2%	42,683,369 100%

INTERMEDIATE SCHOOL DISTRICT NO. 917

Government-Wide Expenses by Program  
Last Ten Fiscal Years

Year Ended June 30,	Administrative and Support Services	Secondary Vocational/ DCALS	Special Education Programs	Food Service	Interest and Fiscal Charges on Debt	Total
2012	\$ 1,765,768 8%	\$ 3,875,566 17%	\$ 17,292,500 74%	\$ 101,616 -	\$ 344,925 1%	\$ 23,380,375 100%
2013	1,998,969 8%	3,962,647 16%	18,097,103 74%	85,779 -	335,885 1%	24,480,383 100%
2014	1,892,695 8%	3,483,868 14%	19,239,348 77%	108,123 -	326,431 1%	25,050,465 100%
2015	1,867,491 8%	3,182,362 12%	20,634,460 79%	116,426 -	316,820 1%	26,117,559 100%
2016	1,886,824 8%	2,993,362 11%	22,764,328 81%	131,729 -	307,246 1%	28,083,489 100%
2017	3,088,390 8%	3,590,904 10%	30,535,125 81%	143,390 -	301,437 1%	37,659,246 100%
2018	2,370,386 6%	4,185,093 11%	31,992,143 82%	136,447 -	246,834 1%	38,930,903 100%
2019	1,943,841 6%	2,399,143 8%	26,491,744 85%	159,619 -	241,276 1%	31,235,623 100%
2020	1,980,504 5%	4,104,278 10%	36,440,788 85%	114,859 -	235,435 1%	42,875,864 100%
2021	2,149,317 5%	4,274,114 10%	36,829,246 84%	91,751 -	229,451 1%	43,573,879 100%

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund Revenue by Source  
Last Ten Fiscal Years

	Year Ended June 30,	Tuition Revenue	Investment Earnings (Charges)	Other Revenue	State Revenue	Federal Revenue	Total
Secondary education	2012	\$ 3,938,532	\$ 920	\$ 21,437	\$ 61,110	\$ 197,689	\$ 4,219,688
	2013	3,587,494	855	8,645	75,408	150,577	3,822,979
	2014	3,113,264	1,301	3,335	118,957	154,147	3,391,004
	2015	3,013,776	553	7,604	105,919	151,510	3,279,362
	2016	3,110,396	3,872	1,638	175,196	161,193	3,452,295
	2017	3,052,790	4,528	1,408	185,739	139,698	3,384,163
	2018	3,548,099	10,887	866	181,063	150,934	3,891,849
	2019	4,188,911	37,628	5,934	223,735	142,549	4,598,757
	2020	3,671,622	32,575	1,171	547,390	156,934	4,409,692
	2021	3,325,041	1,816	53	711,216	173,421	4,211,547
Special education	2012	2,962,399	(341)	529,239	14,199,467	172,752	17,863,516
	2013	3,202,954	44	546,076	14,861,033	5,000	18,615,107
	2014	3,396,148	1,119	568,794	16,689,111	5,000	20,660,172
	2015	3,652,478	400	629,749	17,783,764	5,000	22,071,391
	2016	4,579,099	8,973	644,251	19,900,805	–	25,133,128
	2017	4,857,838	8,952	548,626	20,873,915	–	26,289,331
	2018	5,193,103	26,198	458,843	23,243,634	–	28,921,778
	2019	6,145,683	43,324	909,380	27,625,713	–	34,724,100
	2020	6,087,994	19,033	504,261	30,519,723	–	37,131,011
	2021	6,175,809	1,357	302,689	30,924,352	370,437	37,774,644
Services allocation	2012	352,800	–	8,402	43,416	–	404,618
	2013	449,954	–	8,474	34,896	–	493,324
	2014	432,465	–	5,654	36,921	–	475,040
	2015	468,174	–	7,116	32,284	–	507,574
	2016	417,720	–	7,755	15,648	–	441,123
	2017	432,832	–	5,462	30,377	–	468,671
	2018	457,002	–	7,003	29,193	–	493,198
	2019	466,049	–	4,012	29,978	–	500,039
	2020	–	–	75	25,500	–	25,575
	2021	–	–	7,088	26,265	–	33,353
District support services	2012	24,600	–	26,485	–	–	51,085
	2013	–	–	44,058	–	–	44,058
	2014	–	–	31,060	–	–	31,060
	2015	–	–	2,240	–	–	2,240
	2016	–	–	–	–	–	–
	2017	–	–	–	–	–	–
	2018	–	–	–	–	–	–
	2019	–	–	–	–	–	–
	2020	–	–	–	–	–	–
	2021	–	–	–	–	–	–

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund Revenue by Source (continued)  
Last Ten Fiscal Years

	Year Ended June 30,	Tuition Revenue	Investment Earnings (Charges)	Other Revenue	State Revenue	Federal Revenue	Total
Capital expenditure	2012	\$ 477,245	\$ 28,827	\$ -	\$ -	\$ -	\$ 506,072
	2013	558,376	28,560	-	-	-	586,936
	2014	559,095	28,959	-	-	-	588,054
	2015	559,401	28,344	-	-	-	587,745
	2016	554,908	31,711	-	-	-	586,619
	2017	555,220	45,416	-	-	-	600,636
	2018	505,000	3,843	-	-	-	508,843
	2019	523,500	4,197	-	-	-	527,697
	2020	522,700	3,336	5,500	-	-	531,536
	2021	526,800	155	-	-	-	526,955
Secondary resale	2012	-	-	60,687	-	-	60,687
	2013	-	-	70,329	-	-	70,329
	2014	-	-	119,308	-	-	119,308
	2015	-	-	62,472	-	-	62,472
	2016	-	-	72,784	-	-	72,784
	2017	-	-	27,382	-	-	27,382
	2018	-	-	24,148	-	-	24,148
	2019	-	-	29,593	-	-	29,593
	2020	-	-	17,999	-	-	17,999
	2021	-	-	3,280	-	-	3,280
Special education resale	2012	-	-	19,406	-	-	19,406
	2013	-	-	17,856	-	-	17,856
	2014	-	-	16,693	-	-	16,693
	2015	-	-	13,514	-	-	13,514
	2016	-	-	10,977	-	-	10,977
	2017	-	-	10,636	-	-	10,636
	2018	-	-	9,385	-	-	9,385
	2019	-	-	12,877	-	-	12,877
	2020	-	-	10,054	-	-	10,054
	2021	-	-	1,389	-	-	1,389
Student activities	2012	-	-	-	-	-	-
	2013	-	-	-	-	-	-
	2014	-	-	-	-	-	-
	2015	-	-	-	-	-	-
	2016	-	-	-	-	-	-
	2017	-	-	-	-	-	-
	2018	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2020	-	-	3,564	-	-	3,564
	2021	-	-	2,330	-	-	2,330

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund Expenditures by Object  
Last Ten Fiscal Years

	Year Ended June 30,	Salary Expenditures	Employee Benefits Expenditures	Purchased Services Expenditures	Other Expenditures	Allocated Overhead	Total
Secondary education	2012	\$ 2,365,115	\$ 732,814	\$ 515,206	\$ 133,740	\$ 220,927	\$ 3,967,802
	2013	2,449,860	795,235	535,087	120,327	234,507	4,135,016
	2014	1,894,098	702,336	521,496	92,923	260,228	3,471,081
	2015	1,818,549	684,389	506,510	91,810	280,631	3,381,889
	2016	1,766,552	613,991	466,365	102,689	296,790	3,246,387
	2017	1,849,994	629,643	413,106	238,242	270,734	3,401,719
	2018	1,939,231	657,156	445,562	100,948	256,317	3,399,214
	2019	2,068,260	757,912	461,012	209,959	216,229	3,713,372
	2020	2,360,808	869,042	475,221	212,921	183,085	4,101,077
	2021	2,541,811	936,625	512,497	95,076	172,333	4,258,342
Special education	2012	10,813,236	4,049,078	1,277,070	968,086	1,021,841	18,129,311
	2013	11,308,037	4,313,213	1,516,683	678,276	1,060,534	18,876,743
	2014	12,056,948	4,645,254	1,660,968	640,865	1,056,905	20,060,940
	2015	13,075,819	4,966,320	1,763,028	803,025	1,118,880	21,727,072
	2016	14,518,245	5,231,164	2,201,135	1,073,110	1,183,974	24,207,628
	2017	15,576,866	5,191,320	2,382,990	1,056,040	1,256,491	25,463,707
	2018	17,216,772	5,800,717	2,412,031	1,377,018	1,399,608	28,206,146
	2019	19,587,249	6,954,251	3,814,927	1,948,708	1,522,784	33,827,919
	2020	21,472,374	7,792,000	4,348,076	1,760,063	1,738,965	37,111,478
	2021	22,211,531	8,246,772	3,917,383	1,228,771	1,911,960	37,516,417
Services allocation	2012	786,232	237,644	569,416	54,094	(1,242,768)	404,618
	2013	789,620	253,125	707,647	37,971	(1,295,039)	363,415
	2014	799,495	259,349	676,557	56,770	(1,317,131)	475,040
	2015	863,256	250,344	732,924	60,561	(1,399,511)	507,574
	2016	914,218	237,668	674,770	95,229	(1,480,762)	441,123
	2017	987,354	267,621	673,348	67,572	(1,527,224)	468,671
	2018	1,035,133	280,301	773,447	60,242	(1,655,925)	493,198
	2019	1,090,570	329,963	738,997	79,522	(1,739,013)	500,039
	2020	1,166,024	361,888	301,730	117,983	(1,922,050)	25,575
	2021	1,323,877	394,553	314,138	78,680	(2,084,293)	26,955
District support services	2012	14,916	3,696	26,936	6,594	—	52,142
	2013	—	—	44,060	—	—	75,741
	2014	—	—	31,087	18,351	—	49,438
	2015	—	—	2,240	—	—	2,240
	2016	—	—	—	—	—	—
	2017	—	—	—	—	—	—
	2018	—	—	—	—	—	—
	2019	—	—	—	—	—	—
	2020	—	—	—	—	—	—
	2021	—	—	—	—	—	—

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund Expenditures by Object (continued)  
Last Ten Fiscal Years

	Year Ended June 30,	Salary Expenditures	Employee Benefits Expenditures	Purchased Services Expenditures	Other Expenditures	Allocated Overhead	Total
Capital expenditure	2012	\$ -	\$ -	\$ 73,093	\$ 574,847	\$ -	\$ 647,940
	2013	-	-	26,673	622,286	-	628,038
	2014	-	-	137,765	559,095	-	696,860
	2015	-	-	19,362	559,401	-	578,763
	2016	-	-	25,950	577,708	-	603,658
	2017	-	-	40,812	3,954,374	-	3,995,186
	2018	-	-	7,712	615,346	-	623,058
	2019	-	-	3,000	523,500	-	526,500
	2020	-	-	2,199	522,700	-	524,899
	2021	-	-	3,699	526,800	-	530,499
Secondary resale	2012	-	-	12,293	47,733	-	60,026
	2013	-	-	13,099	52,500	-	65,599
	2014	-	-	20,863	101,682	-	122,545
	2015	-	-	35,614	38,986	-	74,600
	2016	-	-	5,642	83,044	-	88,686
	2017	-	-	2,430	22,527	-	24,957
	2018	-	-	1,654	20,734	-	22,388
	2019	-	-	1,698	19,840	-	21,538
	2020	-	-	2,417	16,191	-	18,608
	2021	-	-	469	520	-	989
Special education resale	2012	-	-	60	17,319	-	17,379
	2013	-	-	-	19,246	-	19,246
	2014	-	-	1,262	18,338	-	19,600
	2015	-	-	-	11,829	-	11,829
	2016	-	-	935	10,458	-	11,393
	2017	-	-	-	12,728	-	12,728
	2018	-	-	245	12,199	-	12,444
	2019	-	-	20	12,888	-	12,908
	2020	-	-	-	6,300	-	6,300
	2021	-	-	-	1,070	-	1,070
Student activities	2012	-	-	-	-	-	-
	2013	-	-	-	-	-	-
	2014	-	-	-	-	-	-
	2015	-	-	-	-	-	-
	2016	-	-	-	-	-	-
	2017	-	-	-	-	-	-
	2018	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2020	-	-	19	2,501	-	2,520
	2021	-	-	-	1,621	-	1,621

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OTHER REQUIRED REPORTS

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PRINCIPALS

Thomas A. Karnowski, CPA  
Paul A. Radosevich, CPA  
William J. Lauer, CPA  
James H. Eichten, CPA  
Aaron J. Nielsen, CPA  
Victoria L. Holinka, CPA/CMA  
Jaclyn M. Huegel, CPA  
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the School Board and Management of  
Intermediate School District No. 917  
Rosemount, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Intermediate School District No. 917 (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 29, 2021.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(continued)

## COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

*Malloy, Montague, Karnowski, Radosevich & Co., P. A.*

Minneapolis, Minnesota  
November 29, 2021



PRINCIPALS

Thomas A. Karnowski, CPA  
Paul A. Radosevich, CPA  
William J. Lauer, CPA  
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Aaron J. Nielsen, CPA  
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INDEPENDENT AUDITOR'S REPORT

ON MINNESOTA LEGAL COMPLIANCE

To the School Board and Management of  
Intermediate School District No. 917  
Rosemount, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Intermediate School District No. 917 (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 29, 2021.

**MINNESOTA LEGAL COMPLIANCE**

In connection with our audit, we noted that the District failed to comply with provisions of the claims and disbursements and contracting and bidding of the *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minnesota Statutes § 6.65, insofar as they relate to accounting matters as described in the Schedule of Findings and Recommendations as findings 2021-001 and 2021-002. Also, in connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the deposits and investments, conflicts of interest, public indebtedness, miscellaneous provisions, and uniform financial accounting and reporting standards sections of the *Minnesota Legal Compliance Audit Guide for School Districts*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

**DISTRICT'S RESPONSES TO FINDINGS**

The District's responses to the legal compliance findings identified in our audit have been included in the Schedule of Findings and Responses. The District's responses were not subject to the auditing procedures applied in our audit of the financial statements and, accordingly, we express no opinion on them.

(continued)

**PURPOSE OF THIS REPORT**

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

*Malloy, Montague, Karnowski, Radosevich & Co., P. A.*

Minneapolis, Minnesota  
November 29, 2021

INTERMEDIATE SCHOOL DISTRICT NO. 917

Schedule of Findings and Recommendations  
Year Ended June 30, 2021

**MINNESOTA LEGAL COMPLIANCE FINDINGS**

**2021-001 UNTIMELY PAYMENTS OF INVOICES**

**Criteria** – Minnesota Statutes § 471.425, Subd. 2.

**Condition** – Minnesota Statutes require prompt payment of local government bills within a standard payment period of 45 days from receipt for governing boards of joint powers organizations.

**Questioned Costs** – Not applicable.

**Context** – We noted 2 of 25 disbursements we selected for testing were not paid within the statutory timeline.

**Repeat Finding** – This is a current year finding.

**Cause** – This was an oversight by district personnel.

**Effect** – Intermediate School District No. 917 (the District) did not pay two of its invoices in a timely manner based on statutory requirements.

**Recommendation** – We recommend that the District review its payment procedures and properly pay all invoices to ensure that all bills are paid within the statutory time limit.

**Corrective Action Plan**

**Actions Planned** – The District will review its disbursement policies to verify compliance in the future.

**Official Responsible** – Nicolle Roush, Executive Director of Business Services.

**Planned Completion Date** – June 30, 2022.

**Disagreement With or Explanation of Finding** – The District is in agreement with this finding.

**Plan to Monitor** – The Executive Director of Business Services will oversee the process to ensure the District's future compliance.

INTERMEDIATE SCHOOL DISTRICT NO. 917

Schedule of Findings and Recommendations (continued)  
Year Ended June 30, 2021

**MINNESOTA LEGAL COMPLIANCE FINDINGS (CONTINUED)**

**2021-002 ADVERTISEMENTS**

**Criteria** – Minnesota Statutes § 471.6161 Subd, 2.

**Condition** – Minnesota Statutes require public notices for all request for proposals for group insurance be placed in a newspaper or trade journal at least 21 days prior to the final date for submitting proposals.

**Questioned Costs** – Not applicable.

**Context** – The District did not advertise its request for proposals for long-term disability insurance in a newspaper or trade journal for at least 21 days prior to the final date for submitting proposals.

**Repeat Finding** – This is a current year finding.

**Cause** – This was an oversight by district personnel.

**Effect** – The District did not advertise its request for proposal 21 days prior to the final date for submitting proposals.

**Recommendation** – We recommend that the District review its procedures to ensure that public notices for request for proposals for group insurance be published on a timely basis.

**Corrective Action Plan**

**Actions Planned** – In the future, the District will submit advertisements for group insurance to the local newspaper at least 21 days prior to the final date for submitting proposals.

**Official Responsible** – Nicolle Roush, Executive Director of Business Services.

**Planned Completion Date** – June 30, 2022.

**Disagreement With or Explanation of Finding** – The District is in agreement with this finding.

**Plan to Monitor** – The Executive Director of Business Services will oversee the process to ensure the District's future compliance.

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INTERMEDIATE SCHOOL DISTRICT NO. 917

Uniform Financial Accounting and Reporting Standards  
Compliance Table  
June 30, 2021

	Audit	UFARS	Audit – UFARS
<b>General Fund</b>			
Total revenue	\$ 42,553,498	\$ 42,553,497	\$ 1
Total expenditures	\$ 42,335,893	\$ 42,335,891	\$ 2
Nonspendable			
460 Nonspendable fund balance	\$ 109,429	\$ 109,429	\$ –
Restricted			
401 Student activities	\$ 5,573	\$ 5,573	\$ –
402 Scholarships	\$ –	\$ –	\$ –
403 Staff development	\$ –	\$ –	\$ –
407 Capital projects levy	\$ –	\$ –	\$ –
408 Cooperative revenue	\$ –	\$ –	\$ –
413 Projects funded by COP			
414 Operating debt	\$ –	\$ –	\$ –
416 Levy reduction	\$ –	\$ –	\$ –
417 Taconite building maintenance	\$ –	\$ –	\$ –
424 Operating capital	\$ –	\$ –	\$ –
426 \$25 taconite	\$ –	\$ –	\$ –
427 Disabled accessibility	\$ –	\$ –	\$ –
428 Learning and development	\$ –	\$ –	\$ –
434 Area learning center	\$ –	\$ –	\$ –
435 Contracted alternative programs	\$ –	\$ –	\$ –
436 State approved alternative program	\$ –	\$ –	\$ –
438 Gifted and talented	\$ –	\$ –	\$ –
440 Teacher development and evaluation	\$ –	\$ –	\$ –
441 Basic skills programs	\$ 55,970	\$ 55,969	\$ 1
448 Achievement and integration	\$ –	\$ –	\$ –
449 Safe schools levy	\$ –	\$ –	\$ –
451 QZAB payments	\$ –	\$ –	\$ –
452 OPEB liability not in trust	\$ –	\$ –	\$ –
453 Unfunded severance and retirement levy	\$ –	\$ –	\$ –
459 Basic skills extended time	\$ –	\$ –	\$ –
467 Long-term facilities maintenance	\$ –	\$ –	\$ –
472 Medical Assistance	\$ –	\$ –	\$ –
473 PPP loans	\$ –	\$ –	\$ –
474 EIDL loans	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ 44,382	\$ 44,382	\$ –
475 Title VII – Impact Aid	\$ –	\$ –	\$ –
476 PILT	\$ –	\$ –	\$ –
Committed			
418 Committed for separation	\$ –	\$ –	\$ –
461 Committed fund balance	\$ –	\$ –	\$ –
Assigned			
462 Assigned fund balance	\$ 134,029	\$ 134,029	\$ –
Unassigned			
422 Unassigned fund balance	\$ 9,987,663	\$ 9,987,665	\$ (2)
<b>Food Service</b>			
Total revenue	\$ 78,811	\$ 78,811	\$ –
Total expenditures	\$ 91,490	\$ 91,490	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted			
452 OPEB liability not in trust	\$ –	\$ –	\$ –
474 EIDL loans	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ –	\$ –	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –
<b>Community Service</b>			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted			
426 \$25 taconite	\$ –	\$ –	\$ –
431 Community education	\$ –	\$ –	\$ –
432 ECFE	\$ –	\$ –	\$ –
440 Teacher development and evaluation	\$ –	\$ –	\$ –
444 School readiness	\$ –	\$ –	\$ –
447 Adult basic education	\$ –	\$ –	\$ –
452 OPEB liability not in trust	\$ –	\$ –	\$ –
473 PPP loans	\$ –	\$ –	\$ –
474 EIDL loans	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ –	\$ –	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –

INTERMEDIATE SCHOOL DISTRICT NO. 917

Uniform Financial Accounting and Reporting Standards  
Compliance Table (continued)  
June 30, 2021

	Audit	UFARS	Audit – UFARS
<b>Building Construction</b>			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted			
407 Capital projects levy	\$ –	\$ –	\$ –
413 Projects funded by COP	\$ –	\$ –	\$ –
467 Long-term facilities maintenance	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ –	\$ –	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –
<b>Debt Service</b>			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted			
425 Bond refundings	\$ –	\$ –	\$ –
433 Maximum effort loan	\$ –	\$ –	\$ –
451 QZAB payments	\$ –	\$ –	\$ –
467 Long-term facilities maintenance	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ –	\$ –	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –
<b>Trust</b>			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
401 Student activities	\$ –	\$ –	\$ –
402 Scholarships	\$ –	\$ –	\$ –
422 Net position	\$ –	\$ –	\$ –
<b>Custodial Fund</b>			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
401 Student activities	\$ –	\$ –	\$ –
402 Scholarships	\$ –	\$ –	\$ –
448 Achievement and integration	\$ –	\$ –	\$ –
464 Restricted	\$ –	\$ –	\$ –
<b>Internal Service</b>			
Total revenue	\$ 5,791,672	\$ 5,791,672	\$ –
Total expenditures	\$ 4,742,075	\$ 4,742,074	\$ 1
422 Net position	\$ 3,915,662	\$ 3,915,662	\$ –
<b>OPEB Revocable Trust Fund</b>			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
422 Net position	\$ –	\$ –	\$ –
<b>OPEB Irrevocable Trust Fund</b>			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
422 Net position	\$ –	\$ –	\$ –
<b>OPEB Debt Service Fund</b>			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted			
425 Bond refundings	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ –	\$ –	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –

Note: Statutory restricted deficits, if any, are reported in unassigned fund balances in the financial statements in accordance with accounting principles generally accepted in the United States of America.

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## Intermediate School District 917

1300 145<sup>th</sup> Street East  
Rosemount, MN 55068-2999  
Phone: (651) 423-8229  
Fax: (651) 423-8781  
[www.isd917.org](http://www.isd917.org)

*Working in Partnership with Students, School Districts, Communities, and Industries*

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**Dr. Michael Favor**, Superintendent  
**Nicolle Roush**, Executive Director of Business Services  
**Dr. Melissa Schaller**, Executive Director of Student Services  
**Andrew Woods**, Principal of DCALS / Career Technical Center  
**Dr. Brooke Peterson**, Director of Teaching and Learning

TO: Intermediate School District 917 School Board members  
FROM: Dr. Michael Favor, ISD 917, Superintendent  
DATE: December 7, 2021  
REGARDING: Summary of proposed coordinator contract for December 7, 2021 Board Approval

Listed below is the summary of the contract changes for board approval:

### **Coordinator's**

- Combined Communications, Innovation, & Public Relations Coordinator, Human Resources Coordinator, and Technology Coordinator under one contract instead of individual contracts.
- Proposed salary increases of 2.6% year one and 3% year two (no step advancements built in contract)
- Health insurance district contribution increase: Year 2 – Single/\$20; Family/\$200
- Market adjustment for Human Resource Coordinator due to inequity issues within coordinator positions scorings obtained through BakerTilly. It is recommended for this position to be placed at \$95,000 in fiscal year 2021-22.
- Total Package Increase: 6.0% (excludes market adjustment)

**Recommendation:** Board approve Coordinator's contract with a total package increase of 6% and a market adjustment for the Human Resource Coordinator.

**Intermediate School District 917 Policy 208 Development, Adoption,  
and Implementation of Policies  
Board adopted \_\_\_\_\_**

**208 DEVELOPMENT, ADOPTION, AND IMPLEMENTATION OF POLICIES**

***[Note: The provisions of this policy are recommendations. The procedures for policy development, adoption, and implementation are not specifically provided by statute.]***

**I. PURPOSE**

The purpose of this policy is to emphasize the importance of the policy-making role of the school board and provide the means for it to continue to be an ongoing effort.

**II. GENERAL STATEMENT OF POLICY**

Formal guidelines are necessary to ensure the school community that the school system responds to its mission and operates in an effective, efficient, and consistent manner. A set of written policy statements shall be maintained and modified as needed. Policies should define the desire and intent of the school board and should be in a form which is sufficiently explicit to guide administrative action.

**III. DEVELOPMENT OF POLICY**

- A. The school board has jurisdiction to legislate policy for the school district with the force and effect of law. School board policy provides the general direction as to what the school board wishes to accomplish while delegating implementation of policy to the administration.
- B. The school board's written policies provide guidelines and goals to the school community. The policies shall be the basis for the formulation of guidelines and directives by the administration. The school board shall determine the effectiveness of the policies by evaluating periodic reports from the administration.
- C. Policies may be proposed by a school board member, employee, student or resident of the school district. Proposed policies or ideas shall be submitted to the superintendent for review prior to possible placement on the school board agenda.

**IV. ADOPTION OF POLICY**

- A. The school board shall give notice of proposed policy changes or adoption of new policies by placing the item on the agenda of two school board meetings. The proposals shall be distributed and public comment will be allowed at both meetings prior to final school board action.
- B. The final action taken to adopt the proposed policy shall be approved by a simple majority vote of the school board at a subsequent meeting after the meetings at which public input was received. The policy will be effective on the later of the date of passage or the date stated in the motion.
- C. In the case of an emergency, a new or modified policy may be adopted by a majority vote of a quorum of the school board. A statement regarding the emergency and the need for immediate adoption of the policy shall be included in the minutes. The

emergency policy shall expire within one year following the emergency action unless the policy adoption procedure stated above is followed and the policy is reaffirmed. The school board shall have discretion to determine what constitutes an emergency situation.

- D. If a policy is modified with minor changes that do not affect the substance of the policy or because of a legal change over which the school board has no control, the modified policy may be approved at one meeting at the discretion of the school board.

## **V. IMPLEMENTATION OF POLICY**

- A. The superintendent shall be responsible for implementing school board policies, other than the policies that cover how the school board will operate. The superintendent shall develop administrative guidelines and directives to provide greater specificity and consistency in the process of implementation. These guidelines and directives, including employee and student handbooks, shall be subject to annual review and approval by the school board.

***[Note: These policies are found in the 200 Series of the MSBA/MASA Policy Reference Manual.]***

- B. Each school board member shall have access to this policy manual, and a copy shall be placed in the office of each school attendance center. Manuals shall be available in the central office and made available for reference purposes to other interested persons.
- C. The superintendent, employees designated by the superintendent, and individual school board members shall be responsible for keeping the policy manuals current.
- D. The school board shall review policies at least once every three years. The superintendent shall be responsible for developing a system of periodic review, addressing approximately one third of the policies annually. In addition, the school board shall review the following policies annually: 410 Family and Medical Leave Policy; 413 Harassment and Violence; 414 Mandated Reporting of Child Neglect or Physical or Sexual Abuse; 415 Mandated Reporting of Maltreatment of Vulnerable Adults; 506 Student Discipline; 514 Bullying Prohibition Policy; 522 Student Sex Nondiscrimination; 524 Internet Acceptable Use and Safety Policy; 616 School District System Accountability; and 806 Crisis Management Policy.
- E. When no school board policy exists to provide guidance on a matter, the superintendent is authorized to act appropriately under the circumstances keeping in mind the educational philosophy and financial condition of the school district. Under such circumstances, the superintendent shall advise the school board of the need for a policy and present a recommended policy to the school board for approval.

**Legal References:** Minn. Stat. § 123B.02, Subd. 1 (School District Powers)  
Minn. Stat. § 123B.09, Subd. 1 (School Board Powers)

**Cross References:** MSBA/MASA Model Policy 305 (Policy Implementation)



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### MEMORANDUM

TO: School Board  
FROM: Dr. Michael Favor  
DATE: December 7, 2021  
REGARDING: New Policy 208

The attached Policy 208 is a first reading at the December 7, 2021, School Board meeting. This policy will be brought to the January Board meeting for a final reading.

- **208 DEVELOPMENT, ADOPTION, AND IMPLEMENTATION OF POLICIES**