

Agenda

1. **CALL TO ORDER** (Action)
2. **APPROVAL OF GENERAL MEETING AGENDA** (Action)
3. **OPEN FORUM** (Information)
4. **APPROVAL OF CONSENT AGENDA** (Action)
 - 4.1. General Board Meeting Minutes from March 11, 2010
5. **CLOSED SESSION**
 - 5.1. Closed Session for Negotiations (Information)
6. **SHARE THE SUCCESS & RECOGNITIONS** (Information)
 - 6.1. Hennepin SMHP 2009-2010 Local Government Innovations Awards Application
 - 6.2. Health Careers Promotion Grant
7. **SUPERINTENDENT'S REPORT**
 - 7.1. FY11 Budget Reduction and Investment (Action)
 - 7.2. North Education Center (Action) & (Resolution)
8. **INSTRUCTIONAL REPORT - None**
9. **ADMINISTRATIVE SERVICES REPORT**
 - 9.1. Financial Report
 - 9.1.1. Approval of Routine Monthly Finance Report (Action)
 - 9.1.2. Approval of P-Cards (Resolution)
 - 9.1.3. Approval of Minnesota Department of Health Careers Promotion Grant (Action)
 - 9.2. Facilities Report - None
 - 9.3. Human Resource Report
 - 9.3.1. ~~Discontinuing Educational Programs and Positions~~ (Resolution)
 - 9.3.2. Approval of Grievance Review (Action)
10. **BOARD BUSINESS** (Information)
 - 10.1. Policy Review & Revision
 - 10.2. Board Reports
 - 10.2.1. Chair Report (Information)
 - 10.2.2. Best Value Training (Peyton Robb) (Information)
 - 10.3. Get on the Bus - Bren Road (Carol Bomben)
 - 10.4. **District News** (Information)
 - 10.4.1. School Board Planning Calendar
 - 10.4.2. March 25, 2010 School Board Event Calendar
 - 10.4.3. Local 2209 Uniflyer - March/April 2010
 - 10.4.4. Hosterman Parent Appreciation Flyer
 - 10.4.5. Epsilon Graduation Invitation
 - 10.5. Once Around the Table
11. **ADJOURNMENT**

DISTRICT 287 REGULAR BOARD MEETING
Intermediate District 287
March 11, 2010
MINUTES

1. CALL TO ORDER

Chair Linda Johnson called the regular meeting to order at 6:37 PM in the District Service Center Board Room. A quorum was declared with the following members in attendance:

271	Bloomington	Arlene Bush
286	Brooklyn Center	Greg Thielsen
272	Eden Prairie	Carol Bomben
270	Hopkins	Sally Johnson
278	Orono	Michèle Kunz
279	Osseo	Steven Antolak
280	Richfield	Nancy Rowley
281	Robbinsdale	Linda Johnson
283	St. Louis Park	Pam Rykken
277	Westonka	Ann Bremer

Absent: 273/ Robb, 276/Draayer, and 284/Peterson

Guests: Nate Settle and Leon Settle

287 Administration: Sandra Lewandowski, Jane Holmberg, Laura Keller-Gautsch, Janet Johnson, Char Myklebust, Tom Shultz, Chad Maxa, Anne Becker, and Wauneen Mgeni

287 Staff Members: Jessica Kast, Andrea Faeh, Deb Barnes, Brad Wing, Bruce Mulder, and Lois Lillie

2. APPROVAL OF GENERAL MEETING AGENDA

The general meeting agenda was presented for approval. *Motion by Nancy Rowley, seconded by Greg Thielsen, to approve the meeting agenda. All in favor. Motion carried unanimously.*

3. OPEN FORUM FOR COMMUNITY COMMENTS - None

4. APPROVAL OF CONSENT AGENDA

The Consent Agenda was presented for approval. The Consent Agenda included the general meeting minutes from February 25, 2010, and approval of the Routine Human Resource Activities for March 11, 2010. Chair Johnson highlighted the retirements of Patricia Brand and Nancy Nelson. *Motion by Ann Bremer, seconded by Arlene Bush, to approve the consent agenda as presented. All in favor. Motion carried unanimously.*

5. SHARE THE SUCCESS & RECOGNITIONS

Superintendent Lewandowski introduced Mr. Bruce Mulder, ATTAIN Instructor. Bruce introduced SAFE student Nate Settle and his father, Leon Settle, both of whom spoke to Nate's remarkable progress in the program, his successful work opportunities through document imaging, and his looking forward to graduation. Nate's instructors Jessica Kast, Andrea Faeh, and Brad Wing, program facilitator, congratulated Nate on his accomplishments this school year.

6. SUPERINTENDENT'S REPORT - None

7. INSTRUCTIONAL REPORT – None

8. ADMINISTRATIVE SERVICE REPORTS

Financial Report - None

Facilities Report – Work Session

Superintendent Lewandowski presented to the Board a review of three anticipated outcomes related to a proposed North Education Center project: 1) Board members will understand new information regarding costs and their impact on member district lease levy since the December Board Resolution; 2) Board members will assess the new information against assumptions for decision-making; and 3) Board members will provide direction to administration regarding next steps.

Mrs. Janet Johnson, Director of Finance Services, presented to the Board a memo summarizing negotiations with the Robbinsdale School District for a parcel of land; a new project cost estimate from TSP Architects; information on financing through federal stimulus dollars, which as projected would provide the project more than \$7 million in savings over conventional financing; and graphs of two finance scenarios with payment schedules that would not have a negative impact on the total lease costs member districts pay.

Sandy called the Board's attention to decision making assumptions regarding communication, cost, space, and location factors: 1) District 287 Board and Member districts have been provided with the necessary and requested information to make a decision; 2) Decision making for a North Education Center should recognize the need for communication with member district superintendents and their business departments; 3) December Board Resolution reflected understanding of financing options and levy impact; 4) Costs will be stable, predictable, and no more than current lease levy; 5) Program and facility space will be available when member districts refer students; 6) Program and facility space will be comparable to member districts and in accord with MDE guidelines; and 7) Location of site will optimize member district transportation concerns and available buildings or sites.

The Board directed administration to construct a timeline for actions that would require resource allocations. The first group of actions will be considered at a tentatively scheduled meeting April 8, in the event that decisions cannot be reached on March 25.

Human Resources Report - None

9. BOARD BUSINESS

Policy Review & Revision

Chair Report

Chair Johnson informed the Board that Board member Kunz, Peterson, and Chair Johnson met with the Superintendent to review the Superintendent's evaluation process. Chair Johnson will be bringing forth a slightly revised Superintendent evaluation.

Chair Johnson announced to the Board that Superintendent Lewandowski has been awarded the MinnSPRA Star Award for District Leadership for Excellence in Communications.

Board member Michèle Kunz gave an overview on the February 23, 2010, "Get on the Bus" event. Michèle complimented the overall event by stating, "You really missed a great 'Get on the Bus'".

Chair Johnson reminded the Board of the upcoming Thursday, March 18, "Get on the Bus" and the Tuesday, March 23, Local 2209 Union & Board Breakfast.

AMSD Report - None

Organizational Report - None

Once Around the Table – None

Arlene Bush

Greg Thielsen

Carol Bomben

Wayzata is hosting a networking Breakfast for Board members on Wednesday, March 17, 2010, here at the District Service Center.

Peyton Robb

Sally Johnson

Don Draayer

Michèle Kunz

Steven Antolak

Ann Bremer

Westonka sent 88 students to the State DECA Competition and advanced 15 students to nationals.

Nancy Rowley

Linda Johnson

Carter Peterson

Pam Rykken

Sandy Lewandowski

Reminded the board that on March 25, there will be brought forth a major budget reductions proposal for Board consideration.

Anne Becker

Chad Maxa

Jane Holmberg

Janet Johnson

Laura Keller-Gautsch

Laura announced that Minnesota Department of Education (MDE) monitoring visits are scheduled for May 10, 2010.

Tom Shultz

Wauneen Mgeni

10. ADJOURNMENT

Motion was heard and seconded to adjourn the meeting. Meeting adjourned at 8:41 PM.

The next general meeting will be held on March 25, 2010, at 6:30 PM in the DSC Board Room.

Submitted by
Wauneen Mgeni
Secretary to the Board

Signed: Chair _____ Clerk _____

Date _____ Date _____

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OF PUBLIC AFFAIRS

UNIVERSITY OF MINNESOTA
Driven to Discover™



2009-10 Local Government Innovation Awards
Application

For Cities, Counties, and school districts that have achieved improvements and innovations in service delivery.

NOMINEE INFORMATION:

Jurisdiction: Hennepin County

Contact Name: Jamie Halpern

Address: A-1254 Government Center

City: Minneapolis

State: MN

Zip: 55487-0122

Telephone: 612-348-9259

Email: jamie.halpern@co.hennepin.mn.us

Project Name: Hennepin County School Mental Health Program

Brief Description of Project: The Hennepin County School Mental Health Program is a broad public-private collaboration committed to improving service delivery in children's mental health. The School Mental Health Program has focused on several key service delivery components: improved access to services, improved effectiveness of mental health treatments, improved outcomes reporting system, collaborative financing, and development of a long-term sustainability strategy with state-wide implications that braids enhanced health insurance reimbursement with county, state, and school district financial support.

(Please attach a complete description of the proposal on one additional page discussing how the change is innovative and effective.)

Organization: County City School District Joint

Category: Public/Nonprofit/Private Innovative Budget Cuts

Hennepin County School Mental Health Program

The need to improve access to children's mental health services is urgent. Research has shown that 1 in 5 children have a diagnosable mental health disorder, yet 70-80% do not receive treatment, or receive inadequate levels of care. The Hennepin County School Mental Health Program (SMHP) is committed to improving service delivery in the children's mental health system so that more children and families can receive needed and appropriate services. The Hennepin County SMHP is a public-private collaboration between 13 school districts, 69 schools, 10 community mental health agencies, and the Hennepin County Human Service and Public Health Department that increases access to mental health services by integrating these services into school sites. The program has shown improved access and effectiveness of mental health services for children and families that are often hard to reach through traditional community-based services. The program has developed a countywide evaluation system that can document improved mental health and education outcomes at the student, school, district, and countywide levels. The program has also developed a collaborative, long-term financial sustainability strategy with state-wide implications, that braids health insurance reimbursement with county, state, and school district financial support.

By delivering mental health services in schools, the program is able to identify and reach children and families that typically have great difficulty connecting with and staying engaged in community-based services, often due to transportation issues, work schedules, and financial barriers. Unsuccessful engagement in effective services often leads to a child's need for more intensive and expensive services later in life. Data from SMHP sites within the Minneapolis Public Schools (one of 13 school districts in the project) shows that 85% of the students identified as needing mental health services actually received services, and 65% of these students had never accessed mental health services previously.

Program utilization data documents that students are receiving an appropriate level of treatment, averaging 15 face-to-face contacts between a therapist and child and family during the year. Research on evidenced-based treatments indicates that at least 10 – 15 treatment sessions are necessary for treatment to be effective. In addition, both teachers and parents report improvements in students' mental health as measured by standardized measures. Program data has also identified a decrease in school suspensions for students receiving mental health treatment, and who have had high rates of school suspensions in a previous year.

The program partners have collaborated to finance and develop an on-line database that collects outcome data from the programs and allows for analysis at the student, school, and agency levels, and also at a broader county-wide level to facilitate sophisticated system planning and resource management. The database also enables agency administrators to monitor fidelity in the implementation of the program to ensure high quality and consistent services, and it has resulted in greater efficiencies in data reporting and analysis.

Another strength of the Hennepin County SMHP is the collaboration of all the partners and stakeholders - school districts, local county government, community mental health providers, the State of Minnesota, and private health plans. Through a partnership based on trust and transparency, the SMHP has been able to leverage each partner's resources and expertise to develop collaborative financing and long-term sustainability strategies for the program to facilitate the continuation and expansion of effective school-based services. The collaborative financing braids health insurance reimbursement, county, state, and school district financial support creating a strong financial base for the program. This has led to the development of a long-term strategy, with state-wide implications, to help ensure the successful implementation of school mental health programs throughout the State of Minnesota.

Intermediate District 287

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INTER-OFFICE MEMORANDUM

Date: March 19, 2010

To: Sandy Lewandowski, Superintendent

From: Char Myklebust, Director of Mental Health & Partnerships

RE: New Bloomington/Richfield Community Education and Intermediate District 287 Partnership

Bloomington/Richfield Community Education and Intermediate District 287 are pleased to announce new Certified Nursing Assistant and Home Health Aide course offerings for adult learners. Classes will start on Tuesday, March 23, 2010 at the South Education Center (SEC) in Richfield. Nancy Rowley, District 287 School Board member from Richfield, and Rose Hobson, District 287 Supervisor of Career Technical Programs, developed the idea of this community partnership several months ago during a casual conversation on the patio at SEC. Lisa Rahn, Richfield Community Education Supervisor was a key collaborator in making the idea a reality.

Candy Leopold, Medical Pathways Instructor in the C-Train Program at SEC, will teach both community education courses. The Certified Nursing Assistant course, which teaches the skills required to give personal care to patients in nursing homes, hospitals, and in their homes, is a prerequisite for the Home Health Aide course. The latter course expands on the skills needed to provide home health care. Both of these courses lead to health industry-recognized certification and career opportunities in the medical field. This collaboration enables students to pay lower tuition than is charged for similar classes at local colleges. On-line registration is available at www.bloomingtonrichfieldcommunityeducation.com.

Intermediate District 287

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C-Train News March 2010

CNA/HHA

Our January CNA classes started with 10 students. This course has strict hour requirements that are mandated by the Board of Nursing. We already have a list of students who are interested in the July class.

Introduction to Telecommunications/Copper Cabling/Fiber Optics

Five out of the ten staff who were trained to teach C-Tech, have taught one or more of these courses. This quarter the Intro and Copper courses were added together in a two hour block. The instructors will be meeting to discuss what worked and what needs to be changed for the 2010-2011 school year. Next year all three classes will be taught in sequence for one semester, two-hour block.

Microsoft Office Specialist

Only one course is offered this semester. Most of the students in the class are from internal special education programs. Several of the students have over 95% attendance.

Pharmacy Tech

The Pharmacy Tech class started in January with 7 students. These students were required to take a pre-test to determine their potential for passing the course and Pharmacy Tech exam. In their daily two hour course students are working on transcribing prescriptions, pharmacy calculations and procedures, as well as learning all of the different classes of drugs, their uses and effect on the body. An agreement with Walgreens for a student externship program is almost complete. Anne and Pam, Pharmacy Tech instructor will be meeting with Century College to learn how they adjusted the length of their program but still are able to prepare the students for the exam.

Law Enforcement

Eleven students enrolled in this new course that started in January. The instructor is a former officer with the St. Paul Police Department. She teaches one class at SEC and one on the HTC Eden Prairie campus. They have had guest speakers from SWAT, St. Paul K-9 officers, Richfield detectives and Richfield patrol officers. Two students applied to the Richfield Police Explorers program and one was accepted. Rose, Anne, Janet and volunteers from the Law Enforcement class will be working with Amy Dusek, Hennepin County Community Liaison for the Richfield Public Safety Department to assist/promote the Teen Academy and FACE 2 FACE (two events that connect youth and law enforcement for the Richfield community).

ATTAIN Lab

The Attain lab opened at the South Education Center in September 2009. ATTAIN is for students who want to use technology to produce work. It offers the following services: document scanning, desktop publishing, production of communication board materials, flash cards, make books into Power Point, literacy materials, scanning district files into online storage, create learning materials-calendars, worksheets, books, and laminating. Over 25 students have participated in this program. An Embroidering machine will be a new addition to the lab this summer.

Marketing C-Train courses

- South Education Center Alternative
- SEC Vector and Focus (special education programs)
- Prairie Center Alternative program
- Bloomington Transition Fair
- SHAPE Bloomington (adult diploma program)
- Beacon ALC (Bloomington alternative program)
- RCEP (Richfield Career Education Program)
- Richfield counselor meeting
- C-Train Open House Fall 2009
- Eden Prairie High School student, parent, staff tours (4)

Health Careers Promotion Grant

District 287, in partnership with Hennepin Technical College and Fairview Health Services was awarded \$9,573 from the Minnesota Department of Health. Our goal is to expand upon the existing health science program of study classes by adding two new classes: Pharmacy Tech and Anatomy and Physiology. The Pharmacy Technician pathway would provide an industry recognized certificate, earn students college credit, provide an externship at Fairview/Walgreens sites, and articulate to post-secondary programs. The Anatomy and Physiology will provide a broad background and exposure to terms of anatomy and concepts of physiology, which will enable the students to be successful in any healthcare related post-secondary educational program.

Richfield/Bloomington Community Education

The CNA course offered through Richfield/Bloomington Community Education starts this Tuesday, March 23 with at least 9 students. The Home Health Aide course will be offered two Saturdays in May. Nine students and the Pre CNA instructor from SHAPE visited our high school CNA/HHA class in February. Our SECA students showed them how to take a person's blood pressure and their pulse and respiration.

We will be meeting to discuss the possibility of offering additional C-Train courses through community education and a scrubs camp for youth interested in health careers.

Performance Measurement with C-Train courses

A performance measurement system was created by Naomi Perez in an effort to gauge success and better understand the student population being served through C-Train courses. Demographic and attendance data is collected through TIES (student management system). Students grades, certification completion and graduation rates are reported by C-Train instructors and C-Train coordinator. A student satisfaction survey created through Zoomerang is being used in all of the C-Train courses. The data is automatically compiled and results are shared immediately using bar graphs. Naomi will review the questions on this survey to make sure they are worded correctly and measuring what we want to measure.

At the end of our second year, we will be reporting performance outcomes for post-secondary enrollment, employment and graduation. Naomi and Anne will create a document that will show these outcomes and progress for each year.

INTERMEDIATE DISTRICT 287
PLYMOUTH, MINNESOTA
BOARD OF EDUCATION

Regular Meeting – March 25, 2010

AGENDA SECTION: SUPERINTENDENT’S REPORT

ITEM: FY11 Budget Reduction and Investment Plan

PRESENTED BY: Superintendent Lewandowski

1. Background Information

Motion recommending approval of Superintendent’s budget reduction and investment plan for the FY11 budget as outlined in the attached memo from Superintendent Lewandowski.

2. Fiscal Impact/Funding Source: This plan calls for an overall reduction of \$3.1 million or 4.3% which is expected to yield a flat budget for FY11.

3. RECOMMENDED ACTION: **The Board approves the Superintendents budget reductions and investment plan for the FY11 Budget.**

Motion by: _____ Yes ____ Passed ____

Second by: _____ Yes ____ Failed ____

Abstentions: _____

Intermediate District 287

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M E M O R A N D U M

DATE: March 23, 2010
TO: Intermediate District 287 School Board
FROM: Sandra Lewandowski, Superintendent
RE: **Budget Reductions & Investments Proposal for 2010-11**

This memo provides a summary of historical cost saving information, key efficiencies for FY10, budget reductions, strategic investments as well as new revenue for FY11. I am seeking approval of the budget proposal that is summarized in this memo.

Historical Information

287 has a history of actively looking for ways to minimize costs and pass along savings to member districts. I want to highlight some of the ways that this has been realized in recent years so that the effort we are making this year can be put into context. Since 2002 special education ratios have been gradually increased, this has occurred during the same time frame as our students have become increasingly complex. In 2003-05, contracts were frozen for all employee groups. In 2007, the Extended School Year, ESY, program was reduced by 45 hours. Reductions in support staff have taken place since 2007 – 2010 as the District has shifted to larger facilities. Last year, the budget was reduced by approximately \$2.9 million or 4.2% of the revised budget.

Background

This is a fluid proposal that may change over time and it represents a careful analysis of relevant data to date. Currently, we are seeing a drop in planning numbers in some programs, just as we did last year at this time. Student enrollment may increase in the coming months, as it has in the past. If this occurs, staffing and budget adjustments will be made. The reductions capitalize on efficiencies established in recent years and reflect planning ADMs for FY11 along with 287 enrollment trend data. The investments reflect new positions that will allow for the implementation of our strategic plan and a focus on curriculum & instruction and technology. This proposal is consistent with the FY11 Budget Assumptions approved by the Board in February. The goal this year has been to reduce the budget by 2-4% and to have a flat budget for FY11. This plan would achieve that goal.

Efficiencies

Work during FY10 has once again yielded a substantial list of operational efficiencies at 287. The items below represent the short-list of efficiencies that we are seeing in part because of the reduction in our facilities from 22 in FY08, to 14 in FY09 to 11 in FY10. The list also reflects our efforts to streamline the way we operate in some key areas.

- 32% increase in enrollment in NSO – without adding support or administrative staff
- 25% savings in food costs due to joining MN food buying group & using State contracts for purchases
- Purchase of WebEx service and video conferencing licenses for three sites is reducing staff travel time
- 287 vans for students reduced from 50 in '08 to 39 in '09 to 32 in '10
- Staff drivers reduced from 400 in '09 to 220 in '10
- 30% reduction in staff driving time for mid-day student transportation
- 21% reduction in electrical and 11% reduction in natural gas usage at the DSC
- SEC energy efficient systems are resulting in a savings of more than \$100K than a similar sized building according to IFMA standards

Reductions

I am recommending an overall net reduction of \$3.1 million or 4.3%. The attached chart provides some details about the reductions by Division. We have carefully analyzed staffing needs given the planning done with member districts and historical enrollment trends at 287. They include reductions due to decreased enrollment in some areas such as interpreters, deaf/hard of hearing, speech/language, audiology, social studies, and world language to name a few. Once again, this year we will be increasing the special education student:staff ratios. This is in part due to the reduction in 287 vans and staff drivers. Additionally, the reductions take advantage of retirements and requests for reduced contracts; plus, reflect the economies of scale that larger facilities afford. The reductions also include one million in savings from health premiums that were expected to rise by 14% next year. We were recently informed by Health Partners that our premiums will actually go down by 2%. By using this savings to offset our reductions, we will save many licensed and non-licensed positions. There will be 15.2 FTE licensed probationary staff layoffs and 13 FTE non-licensed layoffs and 1.0 clerical layoffs in this plan. There are no licensed tenured layoffs (ULAs) with this plan!

Investments

The overall budget reduction described above not only *decreases* positions in some areas, it also *increases* investment in others. As we continue to realign our resources to best realize our strategic plan, we are planning for shifts in key staffing areas in the amount of \$595,752. Some licensed and non licensed positions will be cut so that new positions can be created to support the strategic plan and our renewed focus on curriculum and instruction, including instructional technology. We will add 2.5 licensed .5 clerical and .8 confidential/exempt staff as part of our strategic investments. Examples of new part-time or full-time positions and changes in assignment include; on-line learning technology integration specialist, innovation coaches to collect, develop & disseminate innovative ideas at the site level, e-learning Chinese language specialist, assistant principal at Hosterman, positive behavior support at Bren Road and a transportation router/dispatcher.

Additional Revenue

In FY10 we saw a significant increase in compensatory aid. While this is not entirely new revenue, the amount of the increase is providing new resources to the District's programs and allows us to keep certain allowable expenditures out of the tuition billing processes. District staff members have done a tremendous job over the past few years in ensuring that Applications for Educational Benefits forms (also known as Free-Reduced meal applications) were completed and submitted appropriately. Their effort will generate \$655,304 more in FY11 than in 2010. This will be used for budget realignments that have been identified related to improving student achievement. It will also help us reach our goal of a zero increase in the FY11 budget.

Conclusion

The proposed budget reductions, strategic investments and additional new revenue outlined in this memo total \$3.1 million or 4.3%. More than half of this is due to increase staff ratios in special education and reductions in health premiums. Our goal of a flat budget for FY11 can be realized. By approving this proposal, the Board will authorize the Superintendent to take all necessary action related to budget and personnel.

Intermediate District 287

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Proposed Budget Adjustments for 2010-2011 3-23-10

As we work toward the goal of recommending a flat budget for the second consecutive school year, we anticipate the following reductions, investments and new revenue for FY11. The net adjustment represents 4.3% of the current revised budget. Approximately half of the savings is due to true reductions such as special education staffing ratios and savings from employee health premiums.

Reductions by Division

Teaching & Learning	\$ 378,815
Administrative Services	\$ 633,683
Special Education	<u>\$2,081,264</u>
Total	\$3,093,762

District-wide Investments

Strategic Plan	\$ 245,752
Curriculum & Instruction	\$ 100,000
Instructional Technology	<u>\$ 250,000</u>
Total	\$ 595,752

Savings

Reductions – Investments	\$2,498,010
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Additional New Revenue

Compensatory Ed Aid	\$ 655,304
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Net Savings: 4.3%

Reductions - Investments + New Revenue =

\$3,153,314

INTERMEDIATE DISTRICT 287
PLYMOUTH, MINNESOTA
BOARD OF EDUCATION

Regular Meeting – March 25, 2010

AGENDA SECTION: SUPERINTENDENT'S REPORT

ITEM: North Education Center

PRESENTED BY: Superintendent Lewandowski

1. Background Information

On March 11th, the 287 School Board directed administration to bring action forward on a proposed North Education Center at the upcoming March 25th Board meeting. The specific approval items are explained in the attached memo. They include:

1. Architecture Contract
2. Letter of Intent with the Robbinsdale School District for the purchase of the Hosterman Parcel of Land
3. Minnesota Department Education (MDE) Review and Comment process
4. Springstead Finance Work

2. Fiscal Impact/Funding Source:

3. RECOMMENDED ACTION: The Board accepts the proposed North Education Center recommendations as presented.

Motion by: _____ Yes ____ Passed ____

Second by: _____ Yes ____ Failed ____

Abstentions: _____

Intermediate District 287

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M E M O R A N D U M

Date: March 23, 2010

To: Intermediate District 287 Board Members

From: Sandra Lewandowski, Superintendent

RE: North Education Center

On March 11th, the 287 School Board directed administration to bring action forward on a proposed North Education Center at the upcoming March 25th Board meeting. There are several resource milestones ahead that will call for Board action. These include the following:

- Land Purchase
- Architecture Contract
- Demolition Contract
- Debt Financing
- Bid Approval
- FF & E (Furniture, Fixtures and Equipment)

Following a year of study of the project, action is requested on the first of these resource items:

1. Architecture Contract

~~The Board is asked to convene the appointed facility committee to review the TSP proposal and make a full board recommendation at a special meeting to be called for April 8th. Pending a recommendation and action by the full Board, a contract would be executed at that date.~~ The Board is asked to approve the attached resolution which authorizes the Board Facility Committee to approve the architecture contract in an amount not to exceed \$1,513,000. The modified action is a result of refined negotiations and a needed contract legal review. It also attempts to move the contract forward as rapidly as possible, and, avoid scheduling a special Board meeting.

2. Letter of Intent with the Robbinsdale School District for purchase of the Hosterman parcel of land.

The purchase price is \$1,175,000 and assumes that 281 will abate the current building and 287 would demo the current building. One notable part of the agreement with Robbinsdale is that should the property/building be sold in the future, 281 would have the first right of refusal; and, 287 would not sell to a charter school. A separate lease agreement will be developed for current programs to move to Sandburg during the two-year construction period. The agreement with Robbinsdale agrees that the lease costs for Sandburg would not exceed 09-10 costs. I am asking approval from the School Board to send this letter to Robbinsdale. Upon signatures by both districts, a purchase agreement will be developed for

final Board approval. This purchase agreement would be brought back to the Board at a subsequent meeting, but, potentially as early as April 22nd.

3. Minnesota Department Education (MDE) Review and Comment process

This process will need to begin immediately to coordinate with other timelines. Approval is requested to engage a consultant used in previous projects to develop the Review and Comment document at a cost of approximately \$7,000.00.

4. Springstead Finance Work

Financing for this project will take a minimum of three months. Approval is requested to begin the financing process with Springstead.

Member _____ introduced the following resolution and moved its adoption:

**RESOLUTION DIRECTING THE FACILITIES COMMITTEE
AND ADMINISTRATION TO NEGOTIATE AND ENTER INTO
AN AGREEMENT WITH ARCHITECTURAL FIRM TSP, INC.
FOR DESIGN OF A NORTH EDUCATION CENTER**

WHEREAS, by a resolution adopted December 17, 2009 (“Resolution Directing the Administration to Proceed with the Planning for a North Education Center”) the School Board of Intermediate District 287 (the “Board”) endorsed the continued planning process for a North Education Center (NEC); and

WHEREAS, as a part of that resolution, District 287 administration was directed to continue to work with TSP to develop a schematic design for a new NEC; and

WHEREAS, TSP, Inc. has provided a proposed agreement to the District concerning the necessary design work; and

WHEREAS, the proposed contract has been drafted by the American Institute of Architects with the interests of its members in mind and should be thoroughly reviewed by legal counsel for the District and the School Board to ensure that 287’s interests are represented and protected in the terms of the proposed agreement; and

WHEREAS, the legal review of the proposed agreement and any revisions requested by the District would have to be negotiated with TSP, Inc. before the District enters into any agreement; and

WHEREAS, the next Board meeting at which the agreement could be approved is two weeks away; and

WHEREAS, the Board has appointed a Facilities Committee to provide oversight to the design and construction process as well as the project budget for a North Education Center; and

WHEREAS, the Memorandum of Agreement between Intermediate District 287 and its member districts provides that “[a]ny and all of the powers, duties and functions described herein above may be performed by any committee pursuant to the bylaws of the Board or by specific resolution of the Board”; and

WHEREAS, the Board has delegated the authority to the Superintendent to sign contracts on its behalf and specifically authorizes Superintendent Sandra Lewandowski to sign the TSP contract.

NOW, THEREFORE, BE IT RESOLVED by the School Board of Intermediate District 287, State of Minnesota, as follows:

1. The Facilities Committee of the Board is hereby directed to oversee the negotiations between the District and TSP, Inc. to reach an agreement on the terms of the proposed services contract for architectural design for a North Education Center; and

2. Superintendent Sandra Lewandowski is specifically authorized to enter into said negotiated agreement with TSP, Inc. in keeping with the parameters set by the Board, and upon direction from the Board Facilities Committee. The total cost of the agreement shall not exceed \$1,513,000.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted.

INTERMEDIATE DISTRICT 287
PLYMOUTH, MINNESOTA
BOARD OF EDUCATION

Regular Meeting – March 25, 2010

AGENDA SECTION: SUPERINTENDENT’S REPORT

ITEM: Resolution Authorizing TSP Contract Signing

PRESENTED BY: Superintendent Lewandowski

1. Background Information

Resolution directing the Facilities Committee and Administration to negotiate and enter into an agreement with architectural firm TSP, Inc. for design of a North Education Center.

2. Fiscal Impact/Funding Source:

3. RECOMMENDED ACTION: The Board accepts the resolution authorizing TSP contract signing as presented.

Motion by: _____ Yes ____ Passed ____

Second by: _____ Yes ____ Failed ____

Abstentions: _____

March 26, 2010

DRAFT

Sandra Lewandowski, Superintendent
District Service Center
1820 Xenium Lane North
Plymouth, MN 55441-3708

Mr. Aldo Sicoli, Superintendent
Independent School District No. 281
Education Service Center
4148 Winnetka Avenue North
New Hope, MN 55427

Telephone: 763.550.7101
www.district287.org

RE: Letter of Intent to Purchase a Portion of the Parcel located at: 5530 Zealand Avenue North, New Hope, Minnesota

Dear Mr. Sicoli:

Intermediate District 287 (“Buyer”) is pleased to present the following Letter of Intent to purchase approximately 10.00 acres of land from Independent School District No. 281 (“Seller”) upon the following terms:

LETTER OF INTENT

PROPERTY LOCATION:

Real estate consisting of the westerly ten acres of the parcel located at 5530 Zealand Avenue North, which is bounded on the west side by Zealand Ave North and the hill along the east end of the Hosterman School building, together with improvements located thereon, collectively referred to herein as the (“Property”). The Property measures approximately 640’ x 680’. A site plan is attached as Exhibit A.

PROPERTY SIZE:

Approximately 10.00 net acres; provided, however, that the size shall be adjusted, if necessary, so as to accommodate Buyer’s prototypical building and parking lot. Any such adjustment shall be subject to final approval by Seller.

PURCHASE PRICE:

\$1,175,000 payable in cash at closing, subject to reduction for payment of normal and customary closing costs.

PURCHASE AGREEMENT:

Promptly following the execution and delivery of this Letter of Intent, Buyer and Seller shall make reasonable efforts to prepare a binding Purchase Agreement (the “Purchase Agreement”), consistent with this Letter of

Intent, and otherwise in form and substance acceptable to both Buyer and Seller.

EARNEST MONEY:

\$50,000.00 will be deposited by the Buyer in escrow with Commercial Partners Title, LLC upon full execution of the Purchase Agreement.

All Earnest Money shall be applied toward the Purchase Price and shall be refundable in the event of Buyer's or Seller's termination of the Purchase Agreement under the contingencies hereinafter referred to.

PURCHASE CONDITION:

Seller shall apply to the Commissioner of the Minnesota Department of Education for health and safety revenue to be used for abatement of hazardous materials from the Property. Regardless of whether or not Seller receives revenue from the Department of Education, Seller is responsible for the costs of removing all hazardous materials from the Property. Seller shall remove hazardous materials that can be removed from the Property prior to demolition of the building on the Property by Buyer. All remaining hazardous materials on the Property that cannot be removed prior to demolition must be removed by Seller prior to demolition being completed by Buyer. "Hazardous materials" shall include, but not be limited to, asbestos and any asbestos containing materials known or unknown.

INSPECTION PERIOD:

Buyer will have a 60 day inspection period, beginning when the Purchase Agreement is fully executed, to review the title commitment, surveys, Phase I and Phase II (if necessary) environmental reports and assessments, utilities, zoning, site conditions (tree mitigation, grading, clearing), site planning, feasibility studies, and other records pertaining to the Property and other due diligence-related materials.

During this period, Buyer will have rights of entry to the Property to perform surveys or to conduct environmental or geotechnical testing. All such rights of entry shall be subject to an indemnity and restoration agreement by all persons and entities granted rights of entry. Should Buyer at any time during this period and for any reason conclude that the Property is not suitable for its needs and its development as an education center, Buyer will notify Seller and receive a refund of the Earnest Money, less any costs and expenses, if any, necessary to restore the Property

to the condition preceding any entry and testing by or on behalf of Buyer.

CONDITIONS PRECEDENT:

Upon expiration of the inspection period or upon Buyer waiving conditions of the inspection period, there shall be an additional period of time for Buyer to obtain all necessary entitlements and approvals for Buyer's specific use of the Property, including, but not limited to, planned unit development approval, subdivision or platting of the parcel, zoning, access, conditional use permits, variances, curb-cuts, building permits and any other necessary permits and approvals from the City of New Hope and any other applicable governmental authorities. If Buyer is unable to procure such approvals, Buyer shall have the option to terminate the Purchase Agreement and receive a refund of the Earnest Money. Seller shall reasonably cooperate with Buyer in obtaining said approvals and shall consent to any necessary setback variances to the extent that such setback variances are determined by Seller, in Seller's sole and absolute discretion, to not adversely impact any property of Seller that may be located in reasonable proximity to the Property.

CLOSING:

The parties will close this transaction within 30 days after Buyer obtains all approvals for items listed in the Conditions Precedent and Buyer satisfies its inspection period.

RESPONSIBILITIES OF SELLER:

Seller is responsible to deliver to Buyer within 10 days of the execution of the Purchase Agreement, or as soon as possible thereafter:

- Any existing surveys detailing the Property currently in the possession of the Seller;
- Title evidence, consisting of an abstract or title commitment evidencing marketable title;
- Any existing geotechnical reports currently in the possession of the Seller;
- Any existing environmental reports currently in the possession of Seller; and
- All other existing records of the Seller relating to the Property, including all plans and permits.

**TAXES AND SPECIAL
ASSESSMENTS:**

Since the Property is part of a larger parcel which is being retained by Seller, for purposes of calculating the amount of taxes and special assessments, the percentage of the parcel that is being retained by Seller and the percentage of the parcel being purchased by Buyer shall be determined using the total square footage of the parcel. Seller shall be responsible and shall continue to be responsible after closing for taxes, together with interest and penalties (if any) for its percentage of the parcel.

With respect to Buyer's percentage of the parcel, taxes and installments of special assessments, together with interest and penalties (if any) due prior to the year of closing attributable to Buyer's percentage of the parcel shall be paid by Seller. Taxes, together with interest and penalties (if any) attributable to Buyer's percentage of the parcel due in the year of closing shall be prorated between Seller and Buyer based upon the date of closing. Taxes, together with interest and penalties (if any) attributable to Buyer's percentage of the parcel due after the year of closing shall be paid by Buyer.

With respect to installments of special assessments, together with interest and penalties (if any), attributable to either Seller's or Buyer's percentage of the parcel due in or after the year of closing, Seller and Buyer (i) acknowledge that treatment of such installments of special assessments by the City of New Hope is not fully understood as of the date of this Letter of Intent, and (ii) agree that the allocation and responsibility for such installments of special assessments, and any related terms and conditions, shall be separately negotiated after the date of this Letter of Intent, and all agreements with respect thereto, as so negotiated, shall be incorporated into the Purchase Agreement.

Mr. Aldo Sicoli

March 26, 2010

Page 5 of 8

OTHER CLOSING COSTS:

Seller shall be responsible for the following costs: (a) the title evidence, consisting of an abstract or title commitment evidencing marketable title; (b) any transfer or deed taxes and any deferred taxes due as a result of the sale contemplated hereunder; (c) one half of closing fees customarily charged by the title company; and (d) all other operating costs of the Property up to the date of Closing. Buyer shall be responsible for the following costs: (a) survey costs; (b) all costs of financing incurred by Buyer, including without limitation all costs relating to the recording of any mortgage (including payment of all recording fees and mortgage registration taxes); and c) all costs of title insurance and endorsements.

ATTORNEY/BROKER FEES:

Buyer shall each pay all broker and attorney fees incurred by any attorneys or brokers employed by Buyer in connection with this transaction. Seller shall pay all broker and attorney fees incurred by any attorneys or brokers employed by Seller in connection with this transaction. Each party shall indemnify and hold the other harmless from and against any other broker fees or charges as may be claimed by any broker.

LEASE OF PROPERTY:

Contemporaneous with Buyer's planned demolition of the Property, Seller and Buyer shall terminate Buyer's current lease of the Hosterman School Property ("Hosterman School Lease Agreement") and Seller and Buyer shall enter into a lease of Seller's Sandburg Middle School property (the Sandburg Property Lease"), the duration of which shall continue for the duration of redevelopment of, and completion of construction on, the Property by Buyer. All terms and conditions of the Sandburg Property Lease shall be the same as in the Hosterman School Lease Agreement. The amount of the rent for the Sandburg Property shall be the same amount as the total amount of rent being paid by the Buyer in the Hosterman School Lease Agreement and shall not be changed based on the square footage of the property being leased.

Please have District 281's Board review this Letter of Intent and acknowledge its acceptance of the above terms by signing below. Upon execution of this non-binding Letter of Intent, District 287 and District 281 will endeavor to negotiate in good faith and execute a formal purchase agreement containing customary terms and conditions. Until such time, however, except as hereinafter specifically provided, nothing contained in this Letter of Intent shall be binding on or enforceable by either party. Please indicate District 281's acceptance of the foregoing by signing below and returning to me by April 9, 2010.

Mr. Aldo Sicoli
March 26, 2010
Page 6 of 8

Notwithstanding the foregoing, in reference to the Property herein referred to by this Letter of Intent, District 281 agrees not to negotiate with an outside party for a period of 30 days from the execution date of this document, during which period the Districts shall negotiate the terms of such Purchase Agreement.

Should you or anyone else on behalf of District 281 have any questions, please contact me. I look forward to future discussions.

Sincerely,

Sandra Lewandowski, Superintendent
Intermediate District 287

Cc: Sarah Sonsalla, Kennedy & Graven

ACCEPTANCE BY SELLER

Accepted this ____ day of _____, 2010

SELLER: Independent School District No. 281

By: _____

Its: _____
Chair

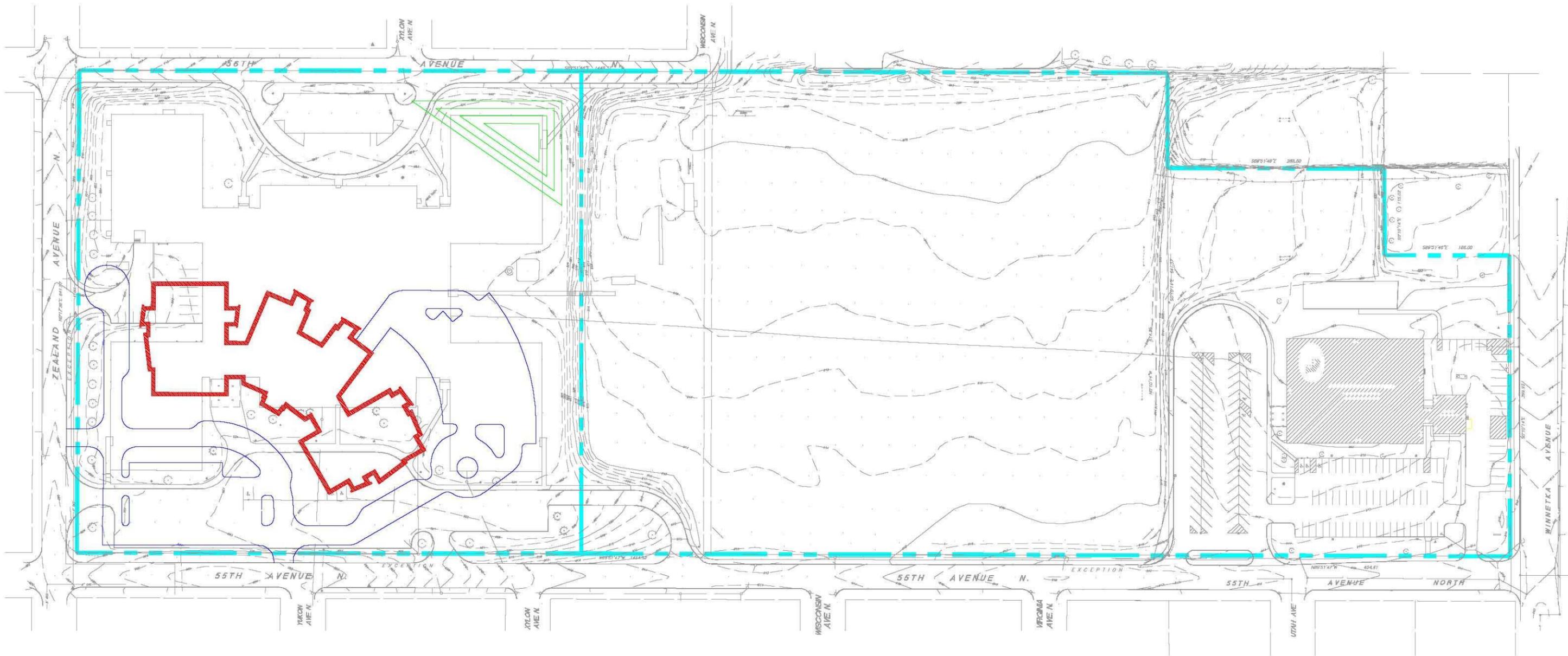
By: _____

Its: _____
Clerk

Mr. Aldo Sicoli
March 26, 2010
Page 8 of 8

**EXHIBIT A TO LETTER OF INTENT
SITE PLAN**

(SEE ATTACHED)



Intermediate District 287

RESPONSIVE. INNOVATIVE. SOLUTIONS.

Summary of North Education Center Planning

March 16, 2010

North Education Center would provide long-term stability to District 287's lease costs, while taking full advantage of current conditions for construction, low interest rates and federal stimulus funding. Combined, these factors could bring the total cost of construction and financing down as much as 30%.

Background | Guided by the Board's long-range facility plan, 287 has spent a year examining its use of facilities and expenditures of \$2 million per year on leases in the North Area. The study included an examination of all centrally located commercial and school district properties available for purchase as well as an analysis of the cost differences between building (approx. \$27M) and renovating (approx. \$26M) the Hosterman site (5530 Zealand Avenue North).

In December 2009, District 287's School Board directed administration to continue planning for a NEC, enter negotiations with Robbinsdale for a parcel of land and continue to develop an architecture design. The School Board is now ready to take a vote to allocate resources to the project.

Economic Conditions Favor Construction | Building NEC would provide long-term stability to the District's lease costs, while taking full advantage of current economic conditions. Current construction projects are showing pricing at levels 15% – 20% below Means (construction standard method for cost estimating) estimates costing methods, which translates to construction savings of \$2.25 - \$4 million on a \$27 million construction project.

Additionally, interest rates are historically low, and federal stimulus funding is available for precisely this kind of building. Taxable Build America Bonds (BABs), would save between \$4 and \$6.8 million over traditional tax-exempt bonds, depending on the amount financed.

Rent increases for 2010 were 5% for Hosterman and 23% for North Vista. If 287 did nothing and continued to lease, by 2030 we would pay an estimated \$3.3M in annual rent for these two sites, have no equity and face continued rent increases (assuming an annual 5% increase in rent over 20 years). Additionally, there are serious infrastructure needs at Hosterman.

Financing Options | We have identified two funding sources to offset potentially higher costs in the initial years of NEC debt payments:

- The balance in the South Education Center (SEC) escrow for SEC debt
- Medicaid billing revenue

Options include 20 and 25-year financing for either \$20 million or \$25 million, with resources identified above to cover additional costs in early years. Financing for NEC would be structured in a way where no one district would ever be left responsible for the total amount. Lease costs, which include principal and interest payments, are billed proportionally to all districts with students enrolled in District 287 programs. The difference for a member district is that they have levy authority to generate revenue to cover that cost.

Program Efficiencies | Hosterman, North Vista and Invest/Venture High School students would all attend NEC, for a combined enrollment of about 350. Facility considerations include highly structured settings for students with autism, emotional/behavioral disorder and fetal alcohol syndrome. Some students require a full-size room completely for themselves. Other higher functioning students can be served effectively in smaller space. Given our enrollment projections, we estimate that we will continue to need at least 122,000 square feet for "North Area" students for the next 20 years.

By moving to larger sites, we have realized several efficiencies. This is especially true for multi-categorical programs such as Communication Interactive Program (CIP) (58% more efficient in licensed staffing) and Students with Unique Needs (SUN) (26% more efficient in licensed staffing). Several special education programs have benefitted from more efficient staffing ratios. Additional efficiencies are noted below:

- Streamlining operational services; i.e., copiers, printers, tech support, and maintenance staff.
- Streamlining student support services; i.e., nurses, School Resource Officers.
- Streamlining instructional support services; i.e., English Language Learner staff, Social-Emotional Learner support staff.
- Crisis response is more comprehensive.
- Program interaction opportunities have increased.

In constructing the South Education Center (SEC), we also realized greater efficiencies in energy consumption. A \$132,000 energy incentive offered by Xcel Energy combined with projected annual energy cost savings of \$161,200 means that SEC's energy conservation program will have paid for itself in 2.4 years, with continued annual cost savings.

Energy efficiencies and a preventive maintenance program not only save in operating costs, but long-term capital replacement costs as well. As much as possible, we plan to replicate these efficiencies at NEC.

The 287 School Board will be bringing the first allocation of resources for a vote on March 25, 2010. This summary continues the goal of clear communication of the project with its member districts. Communication among 287 School Board members, local district School Boards, Superintendents, and Business Directors continues to be a priority.

Intermediate District 287

Responsive. Innovative. Solutions

INTER-OFFICE MEMORANDUM

Date: March 19, 2010

To: Sandy Lewandowski, Superintendent

From: Thomas Shultz, Facilities Administrator

RE: Architectural Services

Architectural and Engineering services for the design of the North Education Center is an issue of discussion in the recent past and I am recommending we continue to work with TSP Architects for this project. State law does not require that professional services be formally bid so with that in mind I researched other large Architectural and Engineering firms in the Minneapolis/St Paul area to compare fee structures (based on a percentage of construction costs) for new construction projects involving schools and more complicated schools as compared to a typical K-12 building. Fee structures can vary from firm to firm based on varying degrees of services to be included. In this survey, the firms were asked for "full services" costs, meaning all Architectural and Engineering services needed for a completed project. The firms provided answers that had little variation in the percentage of construction cost based fees that they felt would be needed to be requested by their firms. One firm has requested anonymity and they will just be referred to as Firm A.

Firm A	6 ½ - 7 ½ %
RSP	7 - 9 %
Wold	6%
DLR Group	5 ½ - 6 ½ %

TSP's proposal shows a fee of 5.9 %, which is well below the mean amount from the other four firms (6.75%).

	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12									
1. Pre Design	Pre Design																																										
	*Confirm Space Program *Confirm Overall Building Sz *Set Project Budget *Set Project Schedule *Site Due Diligence																																										
2. Summer Transportation				Sum Tran																																							
3. Fall Transportation				Fall Transportation																																							
4. Finance (BAB)				Finance (BAB)																																							
5. Design					SD	DD	CD																																				
					Schematic Design *Site Design *Building Design *Building Systems Concepts *Energy Modeling *LEED Goals *Cost Estimate *Board Approval	Design Development *Develop Building Envelope *Develop Interior Fit Up *Develop Building Systems M, E, P, Technology *85% Complete Site Design *Watershed District Approval *Cost Estimate *Board Approval	Construction Documents *Building Details *Building System Details *Cost Estimate *Board Approval																																				
6. Review & Comment						R & C																																					
						*Collect Required Data *Submit Documents																																					
7. Conditional Use Permit							CUP																																				
							*Understand Process and Schedule *Prepare Documents *Neighborhood Meetings *Planning Commission Meetings *City Council Hearing																																				
8. Demolition Documents				Demo Doc																																							
9. Move to Sandburg						Move																																					
						*Contract Movers *Purge *Pack/ Move/ Unpack																																					
10. Demolition Bid						Bid																																					
						*Review Bids *Board Approval																																					
11. Abatement						Abate																																					
						*By ISD 281																																					
12. Demolish Hosterman							Demo																																				
							*Remove/Recycle Solid Waste *Remove Hazardous Waste *Demolish/Recycle Building																																				
13. Bid Phase 1							Bid Ph. 1																																				
							*Review Bids (PIPS) *Board Approval																																				
14. Bid Phase 2								Bid Ph. 2																																			
								*Review Bids (PIPS) *Board Approval																																			
15. Construction							Phase 1 Construction			Phase 2 Construction																																	
							*Site Work *Footings/Foundations *Structural Steel			*Remainder of the Work																																	
16. Project Closeout																												Project Closeout															
																												*Complete Punch List *Submit Closeout Documents *Test and Balance *Complete Commissioning *Submit LEED Documents															
17. Move to NEC																													Move														
																												*Contract Movers *Pack/ Move/ Unpack *Install Furniture															

TSP Intermediate District 287
North Education Center
Preliminary Schedule- Hosterman
1/19/2009
3/15/2010 Revised
3/16/2010 Revised

To Solve. To Excel. Together

INTERMEDIATE DISTRICT 287
PLYMOUTH, MINNESOTA
BOARD OF EDUCATION

Regular Meeting – March 25, 2010

AGENDA SECTION: ADMINISTRATIVE SERVICES REPORTS

ITEM: Approval of Routine Monthly Finance Report

PRESENTED BY: Janet A. Johnson, Director of Finance

1. Background Information

The February Budget vs. Actual Reports are presented for Board information and review. These reports indicate that year-to-date revenue in all funds (excluding the SEC building project) totals \$43,463,674, or 58.9% of the revised revenue budget of \$73,818,687. Year-to-date expenditures in all funds (excluding the SEC building project), total \$40,502,147 or 55.6% of the revised expenditure budget of \$72,817,617.

In December we acknowledged a problem that was causing some of the District's benefit costs to double. The correcting entries have been made, and are included in the numbers reported above.

The reports show actual amounts (Revenue on one sheet and Expenditures on the other), and their percentage of budget. The Prior Year Actual column represents June 30, 2009. These numbers are final as the audit has been completed. Additional detail is available on request.

DDA

Attachments

2. Fiscal Impact/Funding Source: None

3. RECOMMENDED ACTION: The Board approve the Finance & Donation Report items as presented.

Motion by: _____ Yes ____ Passed ____

Second by: _____ Yes ____ Failed ____

Abstentions: _____

REPORT: EXPREV 006 REVENUE SUMMARY BY FUND - Board Report
STATEMENT OF REVENUE
DIST 287 Intermediate District 287 ACCOUNTING PERIOD 02/01/10 TO 02/28/10

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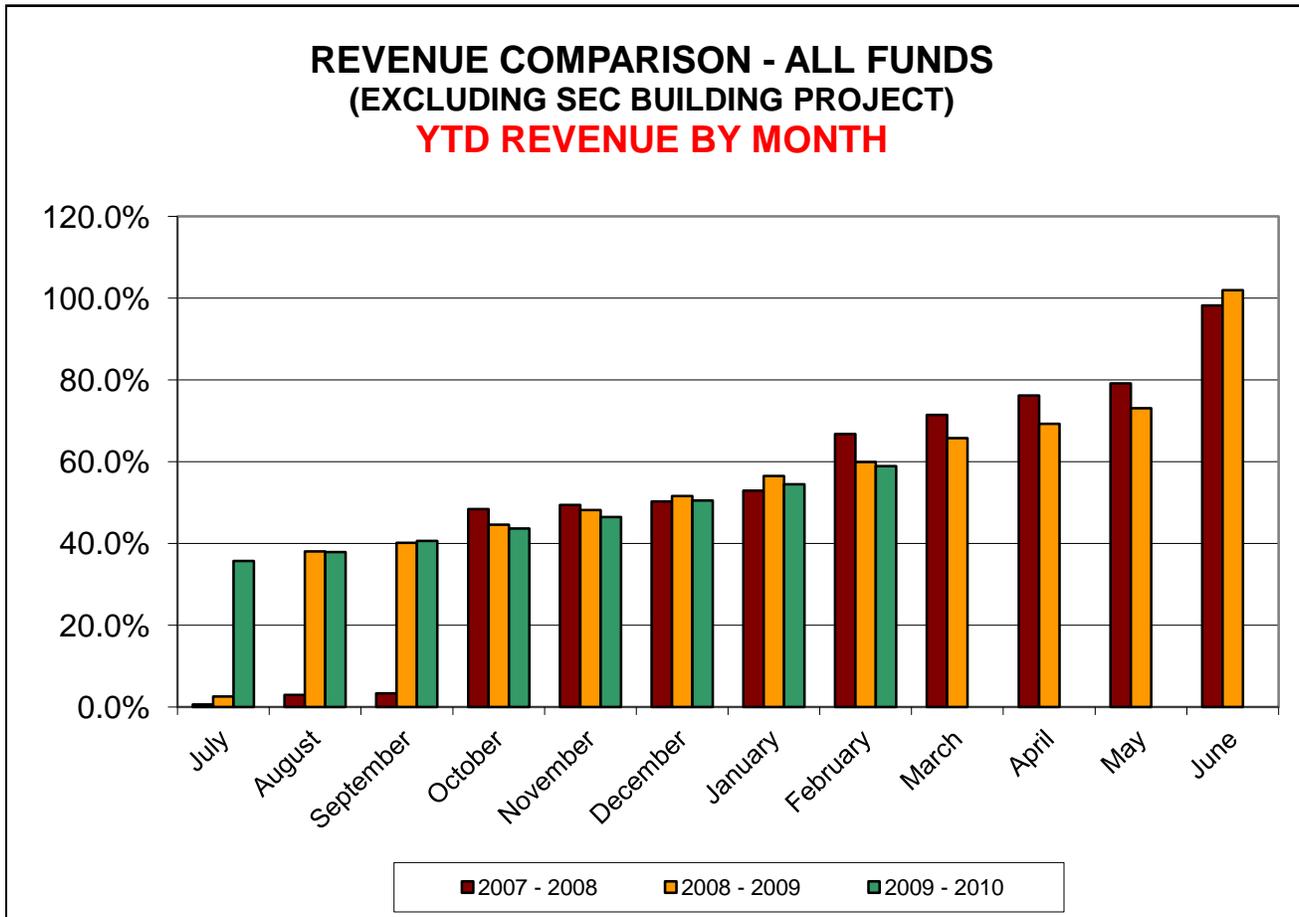
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SORTED BY: ACCOUNT FD
SUBTOTALLED BY: ACCOUNT FD
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FD 01	PRIOR YEAR ACTUAL	FISCAL YEAR 200907			REMAINING ON 02/28/10	PERCENT REMAINING
		< - - - - - REVISED BUDGET	02/01/10 02/28/10	- - - - - RECEIVED THRU 02/28/10		
01 GENERAL FUND	17,467,227.38	18,267,606	44,040.76	9,530,050.94	8,737,555.06	47.83 %
02 FOOD SERVICE FUND	302,050.35	330,873	13,645.75	63,095.64	267,777.36	80.93 %
04 COMMUNITY SERVICE FUND	266,239.17	261,802	14,468.70	152,552.29	109,249.71	41.72 %
09 AGENCY FUND - FLEX FUND	345,077.73	0	18,577.60	183,721.69	183,721.69-	0.00 %
12 ALC-ACADEMIC	7,079,991.62	7,429,221	147,083.66	6,055,823.38	1,373,397.62	18.48 %
13 CAREER & TECH	2,041,177.52	2,256,631	0.00	1,521,903.23	734,727.77	32.55 %
14 SPECIAL EDUCATION	43,835,532.02	45,243,754	2,508,485.37	25,195,187.90	20,048,566.10	44.31 %
20 INTERNAL SERVICE FUND	455,152.13	0	79,226.41	356,237.06	356,237.06-	0.00 %
30 KEYSTONE ITD	789,702.24	0	393,964.90	393,964.90	393,964.90-	0.00 %
41 DONATIONS	0.00	0	1,874.12	1,874.12	1,874.12-	0.00 %
51 STUDENT CLUBS	33,018.69	28,800	1,148.32	9,262.48	19,537.52	67.83 %
*** REPORT TOTALS:	72,615,168.85	73,818,687	3,222,515.59	43,463,673.63	30,355,013.37	41.12 %

DISTRICT 287

REVENUE COMPARISON - ALL FUNDS EXCLUDING SEC BUILDING PROJECT

Month	2007 - 2008		2008 - 2009		2009 - 2010	
	\$ Amount	% of Budget	\$ Amount	% of Budget	\$ Amount	% of Budget
July	400,609	0.6%	1,848,739	2.6%	26,339,259	35.7%
August	1,432,190	3.0%	25,269,197	38.1%	1,662,122	37.9%
September	235,664	3.3%	1,488,574	40.2%	2,014,369	40.7%
October	27,973,935	48.4%	3,156,289	44.6%	2,236,266	43.7%
November	612,106	49.4%	2,534,489	48.2%	2,016,891	46.4%
December	542,422	50.3%	2,467,467	51.6%	3,033,588	50.5%
January	1,662,562	52.9%	3,455,875	56.5%	2,938,663	54.5%
February	8,585,201	66.8%	2,420,448	59.9%	3,222,516	58.9%
March	2,880,213	71.4%	4,158,279	65.7%		
April	2,946,944	76.2%	2,528,874	69.3%		
May	1,848,504	79.1%	2,695,389	73.1%		
June	11,826,805	98.2%	20,591,549	102.0%		
TOTAL	60,947,155	98.2%	72,615,169	102.0%	43,463,674	58.9%
BUDGET	62,060,730		71,203,550		73,818,687	



REPORT: EXPREV 007 EXPENDITURE SUMMARY BY FUND - Board Rept
STATEMENT OF EXPENDITURES
DIST 287 Intermediate District 287 ACCOUNTING PERIOD 02/01/10 TO 02/28/10

RUN: THU 031810 08:49 PAGE 1

ACCT STATUS: All Account Statuses ACCOUNT RANGES: 01 TO 99-999
ZERO BALANCES: Suppress Zero Balances INCLUDE/EXCLUDES: EXL FD 11 11
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SUBTOTALLED BY: ACCOUNT FD
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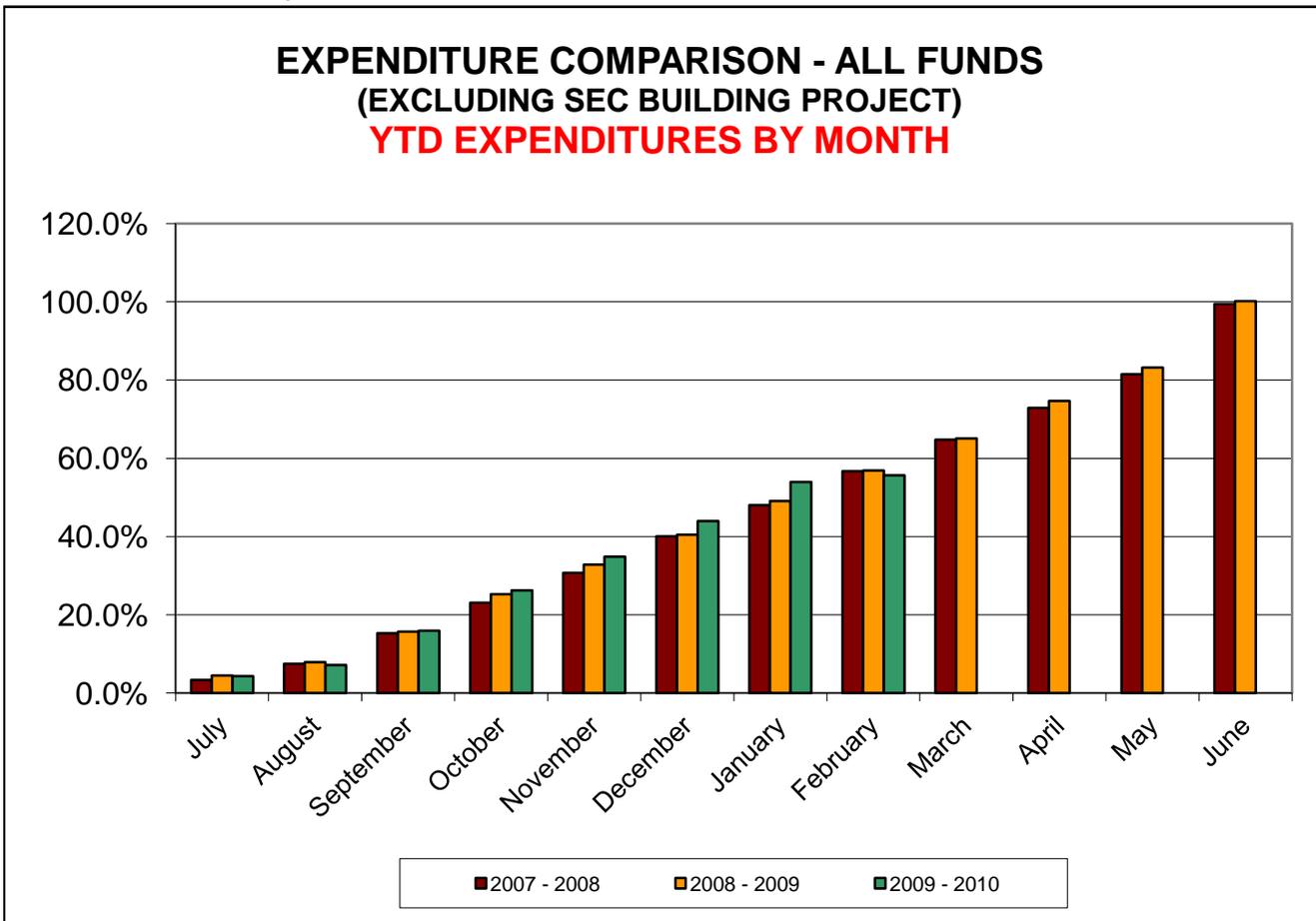
FD	PRIOR YEAR ACTUAL	< - - - - - REVISED BUDGET	FISCAL YEAR 200907				REMAINING ON 02/28/10	PERCENT REMAINING
			02/01/10 02/28/10	EXPENDED THRU 02/28/10	ENCUMBERED THRU 02/28/10			
01 GENERAL FUND	17,852,731.87	18,200,580	469,146.20	11,067,735.24	1,360,935.80	5,771,908.96	31.71 %	
02 FOOD SERVICE	302,050.35	330,873	32,319.40	143,479.26	96,445.22	90,948.52	27.48 %	
04 COMMUNITY SERVICE FUND	289,448.48	335,050	14,263.59	215,064.90	59,390.66	60,594.44	18.08 %	
09 AGENCY FUND - FLEX FUND	341,688.38	0	18,577.60	184,167.95		184,167.95-	0.00 %	
12 ALC-ACADEMIC	7,224,666.69	7,273,505	251,777.88	3,971,704.23	148,731.61	3,153,069.16	43.35 %	
13 CAREER & TECH	2,006,377.55	2,038,263	53,055.12	898,574.11	25,976.81	1,113,712.08	54.64 %	
14 SPECIAL EDUCATION	41,043,925.36	44,610,546	322,285.37	23,488,687.17	646,208.67	20,475,650.16	45.89 %	
20 INTERNAL SERVICE FUND	492,265.73	0	32,397.19	124,970.74		124,970.74-	0.00 %	
30 KEYSTONE IDT	789,702.24	0	50,000.00	400,000.00	200,000.00	600,000.00-	0.00 %	
51 STUDENT CLUBS	30,181.55	28,800	1,218.32	7,763.57	520.01	20,516.42	71.23 %	
*** REPORT TOTALS:	70,373,038.20	72,817,617	1,245,040.67	40,502,147.17	2,538,208.78	29,777,261.05	40.89 %	

DISTRICT 287

EXPENDITURE COMPARISON - ALL FUNDS EXCLUDING SEC BUILDING PROJECT

Month	2007 - 2008		2008 - 2009		2009 - 2010	
	\$ Amount	% of Budget	\$ Amount	% of Budget	\$ Amount	% of Budget
July	2,008,388	3.3%	3,131,464	4.5%	3,110,761	4.3%
August	2,561,280	7.5%	2,428,763	7.9%	2,109,112	7.2%
September	4,716,139	15.3%	5,457,295	15.7%	6,398,418	16.0%
October	4,726,362	23.0%	6,728,518	25.3%	7,497,732	26.3%
November	4,673,596	30.7%	5,330,730	32.8%	6,246,933	34.8%
December	5,674,687	40.1%	5,361,530	40.5%	6,653,398	44.0% *
January	4,836,357	48.0%	6,044,579	49.1%	7,240,751	53.9% *
February	5,284,415	56.7%	5,459,050	56.8%	1,245,041	55.6% *
March	4,912,859	64.8%	5,770,557	65.1%		
April	4,917,092	72.9%	6,755,660	74.7%		
May	5,233,528	81.5%	6,017,108	83.2%		
June	10,913,129	99.4%	11,887,784	100.1%		
TOTAL	60,457,830	99.4%	70,373,038	100.1%	40,502,147	55.6% *
BUDGET	60,816,267		70,271,671		72,817,617	

* All required adjusting entries have been completed to correct the benefit cost overstatement. These reflect the adjusted numbers.



INTERMEDIATE DISTRICT 287

Partner in Education

DATE: **March 18, 2010**

TO: Members of the School Board

FROM: Janet A. Johnson, Director of Finance

RE: **Cash Report - February** Claims, Payroll, Receipts, Investments and Cash Position

A. Recommendation: Request the Board approve payment of the items listed below:

- | | |
|--|---------------------------------|
| 1. Claim payments for: February 2010 | Totaling <u>\$ 3,585,873.13</u> |
| a) Check #'s 476768 - 477235, 70005821 - 70006002
and Electronic Wire Transfers out - #'s 2114 - 2125 | |
| 2. Payroll for: February 2010 | Totaling <u>\$ 2,094,416.97</u> |
| a) Check #'s 675034 - 675051
b) Direct Deposit #'s 165087 - 166863 | |
| 3. Receipts for: February 2010 | Totaling <u>\$ 5,714,910.79</u> |
| a) Receipt #'s 125965 - 126145
and Electronic Wire Transfers in | |
| 4. Investments at end of month | Totaling <u>\$ 7,407,058.28</u> |

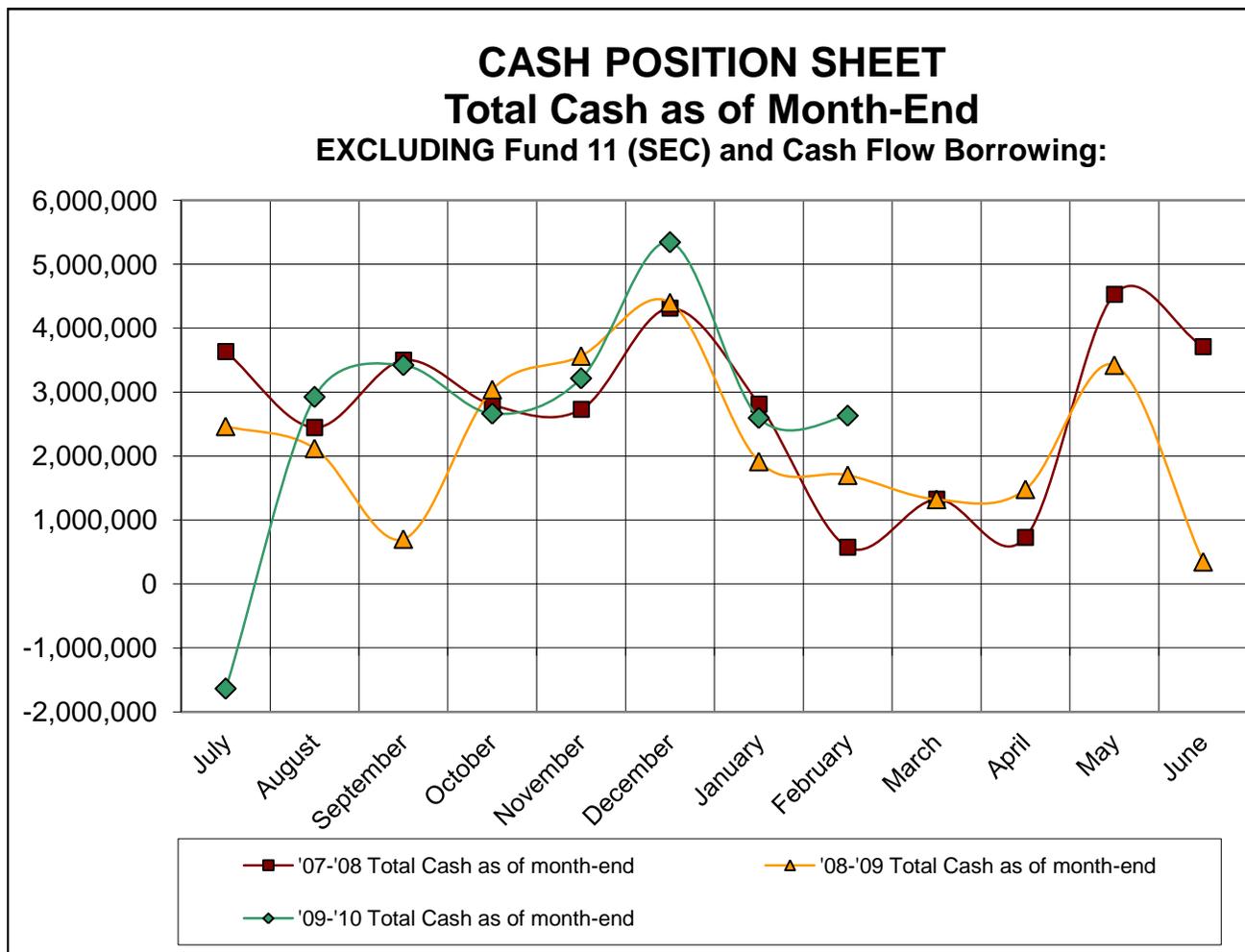
Expenditures, wire transfers, payroll, claims receipts and investments have been prepared under the direction of Dave Anderson and is presented for approval by the School Board. Dave and I would be glad to answer any questions.

Intermediate District 287

Cash Position Sheet- Monthly Total Net Cash- All Accounts
(EXCLUDING Fund 11 - SEC):

<u>Date</u>	<u>'07-'08 Total Cash as of month-end</u>	<u>'08-'09 Total Cash as of month-end</u>	<u>'09-'10 Total Cash as of month-end</u>
July	3,634,310	2,466,323	-1,635,886
August	2,446,506	2,120,954	2,924,129
September	3,498,121	703,434	3,420,767
October	2,800,950	3,040,273	2,663,437 *
November	2,729,418	3,565,934	3,215,281
December	4,311,267	4,399,671	5,343,251
January	2,810,576	1,915,347	2,595,593
February	575,941	1,701,975	2,630,541
March	1,323,615	1,323,076	
April	727,725	1,481,056	
May	4,527,215	3,423,055	
June	3,711,348	347,873	

* excludes Aid Anticipation Certificate proceeds of \$4,902,195.65 in October, 2009



**INTERMEDIATE DISTRICT 287
FEBRUARY 2010 ACTIVITY**

WIRE TRANSFERS IN:

DATE	AGENCY	TO	EF#	AMOUNT	DESCRIPTION
02/02/10	DHS-MMIS	MSDLAF	4449081	153,071.21	1417080730MA IEP SERVICES THIRD PARTY
	DHS-MMIS	MSDLAF	4449081	1,830.84	1417080730MCREMA IEP SERVICES THIRD PARTY
02/03/10	B22 DEED-FISCAL	MSDLAF	4453708	102,219.14	INV#66405 DEC09 REPT #2 DH/H VECTOR INTERPRETER
	DEPT OF EDUCATION	MSDLAF	4453708	124,827.04	INV#66403 FIN0862 B31888 1/21/10 MATH & SCIENCE
02/04/10	G45 MEDIATIONS SYSTEM	MSDLAF	4456016	1,650.83	INV#66404 BUREAU OF MEDIATIONS 100109-123109
02/05/10	DEPT OF EDUCATION	MSDLAF	4458193	3,459.97	INV#66403 FIN0862 B31888 1/28/10 MATH & SCIENCE
02/08/10	DEPT OF EDUCATION	MSDLAF	4460047	16,611.71	INV#66407 FIN0825 B30708 1/21/10 ALTERNATIVE TO SUS.
02/11/10	EDUCATION AID	MSDLAF	4469778	28,667.96	01S211 GEN ED AID 10 50/50 COMPENSATORY REV
	EDUCATION AID	MSDLAF	4469778	1,769,321.45	01S360 SPEC EDUC 10
	EDUC-SPECIAL EDUC	MSDLAF	4469778	467,600.06	FEDERAL TUITION ADJUSTMENT FY0809
02/17/10	DEPT OF EDUCATION	MSDLAF	4477617	1,686.78	INV#66407 FIN0825 B30708 1/21/10 ALTERNATIVE TO SUS.
02/19/10	H55-DHS-MUELLE	MSDLAF	4485130	27,876.25	REBATE4%IEPSETASIDE FY08 THIRD PARTY BILLING
02/25/10	EDUCATION AID	MSDLAF	4493518	478,372.57	01S360 SPED EDUC 10
	EDUC-FOOD & NUTRITION	MSDLAF	4493518	7,242.45	02F701 FREE-RED LUNCH FY10
	EDUC-FOOD & NUTRITION	MSDLAF	4493518	3,421.54	02F705 BREAKFAST FY10
	EDUC-FOOD & NUTRITION	MSDLAF	4493518	929.88	02F701 REG LUNCHES FY10
	EDUC-FOOD & NUTRITION	MSDLAF	4493518	126.95	02F705 STATE BRKFST FY10
	EDUC-FOOD & NUTRITION	MSDLAF	4493518	413.28	02S300 STSCHLUNCH FY10
MTD TOTALS				3,189,329.91	

WIRE TRANSFERS OUT:

DATE	FROM	AGENCY	EF#	AMOUNT	DESCRIPTION
02/12/10	MSDLAF	BANK CARD SERVICE	2114	370.31	MERCHANT FEES JAN09
	MSDLAF	MN DEPT OF REVENUE	2115	59,997.46	STATE WITHOLDING TAXES
	MSDLAF	US BANK	2116	0.00	UNISSUED
	MSDLAF	US BANK		1,040,163.31	DIRECT DEPOSIT PAYROLL
	MSDLAF	ING	2117	1,498.94	MN STATE RETIREMENT
	MSDLAF	EBC	2118	68,995.62	EMPLOYEE & EMPLOYER 403B
	MSDLAF	US BANK	2119	364,869.87	FEDERAL TAXES
02/26/10	MSDLAF	US BANK	2120	99.23	US BANK ARP CHGS VOUCHER DEC09
	MSDLAF	MN DEPT OF REVENUE	2121	60,479.28	STATE WITHOLDING TAXES
	MSDLAF	US BANK	2122	368,218.27	FEDERAL TAXES
	MSDLAF	US BANK		1,037,279.41	DIRECT DEPOSIT PAYROLL
	MSDLAF	ING	2123	6,090.83	MN STATE RETIREMENT
	MSDLAF	EBC	2124	92,788.71	EMPLOYEE & EMPLOYER 403B
	MSDLAF	US BANK	2125	18,577.60	CORP. HEALTH SYSTEMS JAN2010
	MSDLAF	US BANK	4057	84.87	US BANK ARP CHGS PAYROLL DEC09
	MSDLAF	US BANK	3045	34.95	US BANK ARP CHGS RECEIPT DEC09
MTD TOTALS				3,119,548.66	

**DONATIONS
INTERMEDIATE DISTRICT 287
2009-2010**

February 2010

DON. DATE	DESCRIPTION	VIN#	EST VALUE	DONOR	SS# OR FED ID#	PROGRAM
12/02/09	3 ORIGINAL ART WORK		\$ 3,900.00	MYKLEBUST, CHARLENE		CONFERENCE ROOM
02/05/10	CHECK		\$ 100.00	PEYTON, MARY JO		VECTOR NORTH
02/10/10	CHECK		\$ 50.00	SHAALAN, AZZA & AKEF, ABDELWAHAAB		PHASE NORTH
02/03/10	CHECK		\$ 29.90	WELLS FARGO COMMUNITY SUPPORT		GENERAL FUND
			\$ 4,079.90			

INTERMEDIATE DISTRICT 287
PLYMOUTH, MINNESOTA
BOARD OF EDUCATION

Regular Meeting – March 25, 2010

AGENDA SECTION: ADMINISTRATIVE SERVICES REPORTS

ITEM: Resolution Authorizing Issuance of Individual Procurement Cards

PRESENTED BY: Janet A. Johnson, Director of Finance

1. Background Information

The no cost, highly secure purchasing card provides approved District personnel with a cost effective and convenient method of purchasing, thereby reducing the volume of purchase orders and payments processed to vendors and employees. The purchase card would be used in accordance with the guidelines established. This master card program is through PFM Financial Services and is endorsed by MASBO and MASA. A resolution authorizing issuance of individual procurement cards is attached.

2. Fiscal Impact/Funding Source: We expect efficiency and cost savings in handling small dollar purchasing transactions. There is potential to generate revenue through the rebate program.

3. RECOMMENDED ACTION: **The Board passes the attached resolution authorizing District 287 to issue individual procurement cards.**

Motion by: _____ Yes ____ Passed ____

Second by: _____ Yes ____ Failed ____

Abstentions: _____

Member _____ introduced the following resolution and moved its adoption:

***RESOLUTION AUTHORIZING ISSUANCE OF
INDIVIDUAL PROCUREMENT CARDS***

WHEREAS, the School Board has authority to authorize the purchase of goods and services by use of Procurement Cards; and

WHEREAS, the Minnesota Association of School Administrators (“MASA”) has entered into an Administration Agreement with PFM Financial Services LLC, to administer, on behalf of participating school districts in the State of Minnesota, a Procurement Card system. The Procurement Cards will be issued to individual authorized employees of the district, by Harris Bank, at 115 South LaSalle Street, Chicago, IL 60603, with established limits and purpose; and

WHEREAS, it is the desire of the School Board to enable each authorized individual employee to procure authorized supplies for School District purposes in order to facilitate creative pedagogical processes and efficient School District operations; and

WHEREAS, it is the desire of the School Board to reduce the economic burden on the resources of the School District by increasing efficiency and reducing the administrative costs of the School District and to respond to the exigencies of the day-to-day operations in accordance with the procurement process as established by Minnesota Statutes; and

WHEREAS, the School Board recognizes that the Procurement Card is neither a substitute for public bidding nor the School District’s existing procurement program, and that the Procurement Card Program is not being implemented for the purpose of bid splitting and/or the avoidance of the statutorily mandated public bidding process; and

WHEREAS, the School Board recognizes the economic and financial savings and benefits to be gained by establishing an electronic Procurement Card system and sponsors and endorses the Corporate MasterCard Procurement Card Program;

NOW, THEREFORE, BE IT RESOLVED by the School Board of Intermediate District 287 State of Minnesota, as follows:

1. The Board Chair and Clerk are authorized to enter into an Agreement with Harris Bank to secure Procurement Cards for each authorized employee of the School District under such terms and conditions as approved by the School Board.
2. As a condition precedent to receiving the Procurement Card, each authorized employee shall execute a Procurement Card Use Agreement.
3. As a condition precedent to receiving the Procurement Card, Director of Finance or designee shall establish a monetary limit of authority for each employee’s use of the Procurement Card.
4. The School Board hereby expressly authorizes the Chair and Clerk to execute the Procurement Card Use Agreement on its behalf.

5. The Superintendent shall establish procedures and internal controls to implement this program, to ensure that Procurement Cards are being used only for authorized school district business purposes and in compliance with applicable law, and to allow for easily verifiable audits of their use.

The motion for the adoption of the foregoing resolution was duly seconded by _____ and upon vote being taken thereon the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA

COUNTY OF HENNEPIN

I the undersigned, being the duly qualified and acting Clerk of Intermediate District 287, State of Minnesota, hereby certify that the attached and foregoing is a full, true and correct transcript of the minutes of a meeting of the School Board of said school district duly called and held on March 25, 2010, so far as such minutes relate to the adoption of a resolution authorizing the issuance of individual procurement cards, and that the resolution included therein is a full, true and correct copy of the original thereof.

WITNESS MY HAND officially as such this _____ day of _____, 20_____.

Board Chair

Board Clerk

INTERMEDIATE DISTRICT 287
PLYMOUTH, MINNESOTA
BOARD OF EDUCATION

Regular Meeting – March 25, 2010

AGENDA SECTION: ADMINISTRATIVE SERVICES

ITEM: Recommendation for Board Acceptance of the following Grant.

PRESENTED BY: Janet A. Johnson, Director of Finance

1. Background Information

Recommend approval of the Minnesota Health Careers Promotion Grant Program; January 1, 2010 – December 31, 2010. District 287, in partnership with Hennepin Technical College and Fairview Health Services was awarded \$9,573 from the Minnesota Department of Health. The health careers path program supported by the grant will be offered through C-Train at South Education Center. Our goal is to expand upon the existing health science program by adding two new classes: Pharmacy Tech & Anatomy, and Physiology. The Pharmacy Technician pathway would provide an industry-recognized certificate, earn students college credit, provide an externship at Fairview/Walgreens sites, and articulate to post-secondary programs. The Anatomy and Physiology class will provide background and exposure to terms of anatomy and concepts of physiology, which will enable the students to be successful in any healthcare related post-secondary educational program.

2. Fiscal Impact/Funding Source: This revenue source supports programs as noted.

3. RECOMMENDED ACTION: The Board accepts the Health Careers Promotion Grant Program as presented.

Motion by: _____ Yes ____ Passed ____

Second by: _____ Yes ____ Failed ____

Abstentions: _____

**INTERMEDIATE DISTRICT 287
PLYMOUTH, MINNESOTA
BOARD OF EDUCATION**

Regular Meeting – March 25, 2010

AGENDA SECTION: ADMINISTRATIVE SERVICES REPORT

ITEM: Approval of Grievance Review

PRESENTED BY: Anne Becker, Director of Human Resource

1. Background Information

Recommend approval of scheduling a School Board Review of a grievance brought by a member of School Service Employees SEIU Local 284. The Local 284, Article XIX: Grievance Procedure, states:

Section E. School Board Review. Within ten (10) calendar days after the Level 3 grievance response, an employee who is not satisfied with the disposition of the grievance shall file with the Superintendent a written request for a conference with the School Board regarding the grievance. At its next meeting, the School Board shall set a time for a conference of the employee with a committee or representative(s) of the School Board, which conference shall take place within fifteen (15) calendar days of the Board meeting. The Board shall indicate the disposition of the grievance in writing, with a copy to the employee and the Exclusive Representative within fifteen (15) calendar days of the conference. If the grievance is not satisfactorily resolved as a result of such conference, it may be referred to arbitration within fifteen calendar days of the Board's response.

An employee has requested a School Board review of her grievance. The grievance concerns the interpretation of a Memorandum of Understanding entered into between the District, the employee, and SEIU when the employee's position (which had previously been unaffiliated) was added to Local 284. The MOU calls for the employee's hourly rate to be frozen until such time as it corresponds to the amount that someone in her position would be earning according to the SEIU salary schedule.

Because the grievant was originally an unaffiliated employee, her salary was considerably higher than employees in the clerical unit when she was added to the unit a few years ago. The question to be decided in the grievance process is whether the freeze in her hourly rate includes longevity pay (the \$0.30 per hour increase in pay after ten years of service), or only refers to the annual increases to the salary schedule as spelled out in the Master Contract.

2. Fiscal Impact/Funding Source:

3. RECOMMENDED ACTION: Board approval of setting a date and time for a conference of the employee with representatives of the School Board.

Motion by: _____ Yes ____ Passed ____

Second by: _____ Yes ____ Failed ____

Abstentions: _____



Peace Sign, Mosaic, Grade 10, East Grand Forks Senior High School

School Construction and the New “BEST VALUE” Contracting Law

*Shamus P. O’Meara
and Mark R. Azman*

Over the years, school construction projects have moved from remodeling and additions to expansive new high school campus projects exceeding \$100 million. As the focus of public construction has changed and costs have increased, some professionals involved in school design and construction sought an alternative to Minnesota’s competitive bidding laws that would allow public entities to receive the best value for the large sums of public monies expended for these projects.

In 2007, the Minnesota Legislature passed a “Best Value” law that by 2010 will allow all school districts to elect an alternative method for awarding construction contracts.

Best Value Contracting – Introduction

In contrast to the traditional “lowest bid” method of awarding contracts, Best Value permits public owners to consider several factors in the evaluation and selection of potential contractors, including price, quality and timeliness of prior work, technical capabilities, and customer satisfaction.

School leaders are optimistic about the change. “Having gone through a number of multi-million dollar construction projects, we welcome the chance to include the Best Value method as a project delivery option,” said Mark Fortman, assistant director of Buildings and Grounds at West St. Paul-Mendota Heights-Eagan. “With the Low Bid method, the cheapest price may not result in the highest quality. On the other hand, the Best Value option will allow school boards to consider a variety of factors when evaluating bids, which promotes the better use of tax dollars and the increased opportunity to award public contracts to more qualified, competent and dedicated contractors. We’ll be watching as the use of Best Value expands across the state.”

Lowest Responsible Bid – The Traditional Method

State and local public entities are generally required to award public contracts to the lowest responsible bidders, depending on the project’s cost. This statutory and court-recognized mandate requires public owners to conduct an objective evaluation of the responsiveness of the bids, the responsibility of the bidders and the bid amount.

The evaluation of whether a low bidder is a “responsible” low bidder may include a review of the bidder’s financial responsibility, skill, integrity, ability, and the likelihood of performing faithful, prompt and satisfactory work.

If an unsuccessful bidder prevails in an action challenging the validity of a municipal contract, damages are limited to the costs of preparing the unsuccessful bid. In addition, a successful bid challenge can result in a determination that the contract is void, and no longer legally enforceable.

Bonding – A Measure of Protection

In Minnesota, three bonds provide protection to public owners: Bid, Performance and Payment Bonds. Bid bonds guarantee the successful bidder will enter into the contract and protect against losses from the bidder's failure to enter into the contract, including costs to re-advertise and project delays. Performance bonds protect the public owner against damages from the contractor's failure to properly complete the contract. Payment bonds protect persons furnishing labor and materials from damages arising out of the contractor's failure to pay for such items.

Prequalification – Precursor to Best Value

The lowest responsible bid method is not without drawbacks. Occasionally, contractors may submit low bids in order to win public contracts only to later pursue excessive or costly change orders. Also, the subjective difficulty with determining the lowest responsible bidder and fear of bid protests can prompt school districts to award to the low bidder with little or no consideration of whether the low bidder is the lowest "responsible" bidder.

School districts can even find themselves involved in expensive litigation with bond sureties over termination and payment issues involving a defaulted contractor. To mitigate potential abuses and eliminate unqualified contractors, public owners began to utilize prequalifying and responsible contractor policies with greater frequency over the last decade.

The goal of prequalification is to determine whether potential contractors meet acceptable standards of ability, experience, performance, integrity, and financial capacity before being allowed to bid. In Minnesota, legal authority supporting the power of a public body to utilize prequalification procedures is unclear. Courts across the country are divided on this issue.

In Minnesota, appellate courts considering challenges to public bidding irregularities have explained the need for public entities to properly comply with competitive bidding laws once the decision is made to invoke competitive

THE PROS AND CONS OF BEST VALUE CONTRACTING

Advantages

- Ability to evaluate both technical capabilities and cost
- Enhances ability to select qualified contractors
- Reduces delays
- Reduces cost overruns/ change orders
- Promotes innovative design
- Improves quality
- Improves customer satisfaction

Disadvantages

- Subjective evaluation may cause more bid protests/lawsuits
- Requires public owners to possess technical skill, time and resources to evaluate bids
- Highly technical aspects make evaluation difficult
- Potential for increased costs
- Eliminates/reduces competition

bidding as the method of contract procurement. In general, if a public owner follows a procedure "which emasculates the safeguards of public bidding" or otherwise fails to comply with competitive bidding laws, a public contract is void, even without a showing of fraud.

The purpose of competitive bidding is to give all contractors an equal opportunity to present a bid and ensure taxpayers receive the best bargain. Mindful of this purpose, a more acceptable approach may be to use prequalification criteria within project bid specifications as a means to evaluate "responsible" bidders. Nonetheless, it remains an open question whether Minnesota appellate courts will ultimately view prequalification as a permitted practice.

Best Value Contracting Explained

The "Best Value" procurement method provides school districts and other public entities with a new alternative to award public construction contracts. Best Value allows public entities to award contracts based upon a variety of factors that consider overall value and performance.

"Although projects must continue to be publicly solicited, and price remains a factor, Best Value may offer the opportunity to better control costs, improve quality, deliver projects on time, and lessen the adversarial relationship between owners and contractors often found with the lowest bid method," said John R. Gockel, a civil engineer and construction consultant.

Customer satisfaction is a critical goal for school districts. "We're hoping the use of Best Value will increase the ability to successfully deliver the construction projects promised to

Continued on page 10



Continued from page 9

the citizens of the district," notes Phil Belden, building and grounds supervisor with Mahtomedi Public Schools. "What this means to me is receiving high quality workmanship at a competitive cost with less risk of defects or other problems that may cause delays or additional costs."

Best Value contracting allows public owners to consider not only price, but also a number of performance criteria, which are found in Minnesota Statutes section 16C.02, subd. 4a:

Best value; construction. For purposes of construction, building, alteration, improvement, or repair services, "best value" describes the result determined by a procurement method that considers price and performance criteria, which may include, but are not limited to:

- the quality of the vendor's or contractor's performance on previous projects;
- the timeliness of the vendor's or contractor's performance on previous projects;
- the level of customer satisfaction with the vendor's or contractor's performance on previous projects;
- the vendor's or contractor's record of performing previous projects on budget and ability to minimize cost overruns;
- the vendor's or contractor's ability to minimize change orders;
- the vendor's or contractor's ability to prepare appropriate project plans;
- the vendor's or contractor's technical capacities;
- the individual qualifications of the contractor's key personnel; and
- the vendor's or contractor's ability to assess and minimize risks.

"Performance on previous projects" does not include the exercise or assertion of a person's legal rights. * * *

This list represents sample criteria. The development of discernible criteria and sub-criteria plays a key role in communicating to potential sources a clear understanding of the public owner's basis of contractor selection.

Safeguards

In order to avoid issues of favoritism, and to include transparency in the process, the Best Value law includes safeguards. Two important safety measures are the information that must be included in the solicitation document and the evaluation process. The

solicitation document must state the "criteria to be used to evaluate the proposals," and the "relative weight of price and other selection criteria." The award must be evaluated "in an open and competitive manner," and "must be made to the vendor or contractor offering the best value applying the weighted selection criteria."

These measures seek to reduce potential abuses by forbidding post-bid changes to the weighting schedule identified in the solicitation document in order to select a favored contractor. Full disclosure of all criteria and sub-criteria and their weighted ranking also provides a standard of objectivity in a process that will include the subjective evaluation of contractor proposals. Public owners will find guidance in procedures the state will establish.

The law is also careful to prohibit a public owner from considering a contractor's prior assertion of "legal rights" as part of the evaluation of prior performance.

Training

School Districts administering Best Value procedures and consultants retained to prepare or evaluate solicitation documents must be trained in the Best Value process. The Commissioner of Administration is empowered to establish a training program, but no specific training procedure has been promulgated to date.

Public owners may not use Best Value contracting for more than one project annually or 20 percent of all projects, whichever is greater, during the first three fiscal years during which Best Value bidding is used.

I-35W Bridge Replacement Project – A Best Value Test

In a highly publicized move, MnDOT utilized a Best Value/Design-Build process for the I-35W Bridge Replacement Project. A few days after the collapse, MnDOT issued a Request for Qualifications which resulted in the pre-qualification of five design-build teams. Four of those teams submitted bid proposals in two phases: a technical proposal and a financial proposal.

The winning bidder scored the highest technical score by a significant margin, but its price proposal was also more than \$50 million higher than the lowest bidder and its construction time was the longest. Evaluation of the weighted criteria and subcriteria, however, resulted in the selection of the bidder which reportedly represented the "best value" to the state. The winning bidder is a joint enterprise between two out-of-state firms, one from Colorado and one from Washington.

Not surprisingly, a bid protest was commenced by two of the losing bidders alleging the state's actions were arbitrary and capricious with the Minnesota Department of Administration (DOA) reviewing the bid protest. A key question addressed was "How does the highest priced proposal with the longest

MNDOT BEST VALUE DESIGN-BUILD CONTRACTS

In 2001, the Legislature granted authority for MnDOT to utilize the Best Value method. Since 2001, MnDOT reports that it has awarded six Best Value Design-Build projects:

Highway 212 in the west Twin Cities Metro - \$238 million

ROC 52 in Rochester - \$232 million

I-494 in the west Twin Cities Metro - \$135 million

Highway 52 in Oronoco - \$37 million

Highway 10/32 in Hawley - \$8.6 million

District 4 Signs - \$1.0 million

construction schedule end up in first place?” The answer, DOA determined, was not found in MnDOT’s actions, but with the statutory Best Value formula: “If a perception exists that the state will be paying too high a premium for technical excellence, the problem lies with the formula in the [best value] statute, not with MnDOT’s implementation. In fact, based on statute and language of the [Request for Proposal], MnDOT is left with two choices—award a contract to the top-ranked responder or reject all responses. Even if MnDOT chose the latter, the statutory formula would remain the same.”

Although “best value” involves more subjectivity than low-bid awards, the DOA did not find MnDOT’s actions arbitrary and capricious. The award to the “best value” contractor was affirmed, but a court challenge to the award is currently underway.

University of Minnesota Pilot Program

The University of Minnesota gained legislative approval to utilize the Best Value method in 2005. Based on the University’s measured approach, the Best Value method has proven to be a successful method of contract procurement.

Between 2005 and 2007, the University of Minnesota utilized a pilot program to test a Best Value process developed at the University of Arizona. The pilot program involved 18 projects with 45 procurements valued at \$10 million based on the Best Value method. Each project averaged 3 proposals, and about half of the Best Value awards were also the lowest cost. Of the 18 completed projects, contractor-driven cost and schedule increases were only 0.4% and 0.8%, respectively. Sixteen of the projects had no contractor cost increases. The average increase in contractor profit was 4.5%. Based in part on the success of

the pilot program, the University of Minnesota has decided to integrate the pilot program into its standard selection process.

Conclusion

It will take several years before the school and public construction communities are able to substantively evaluate the effectiveness of the Best Value method. Based upon the success of projects undertaken by MnDOT and the University of Minnesota, some may contend that Best Value contracting offers a clear opportunity for school communities and the general public to benefit from the delivery of high quality construction projects at competitive prices and on time.

Others may suggest the statutory Best Value criteria are vague and redundant, and may hinder out-state and non-union contractors from winning contracts, eliminate competition, and drive up the costs of school construction projects. The I-35W Bridge Project highlights concerns about Best Value, and it will be closely followed as the bid protest winds through the courts.

Shamus P. O’Meara is a partner with Johnson & Condon, P.A. in Minneapolis practicing in complex Construction, Education, Governmental and Transactional matters. He may be reached at 952-806-0438 or spo@johnson-condon.com. Mark R. Azman is a senior associate with Johnson & Condon, P.A. Mark focuses his practice on litigation and transactional matters in the Education, Construction and Commercial Law areas. He may be reached at 952-806-0408 or mra@johnson-condon.com. Additional information may be found at www.Johnson-Condon.com.

A PHASED APPROACH

The ability of public bodies to utilize the Best Value approach will be phased in over three years:

PHASE I - JULY 1, 2007

State Agencies

Counties

Cities

School Districts with highest 25-percent enrollment

PHASE II - JULY 1, 2009

Phase I entities

School Districts with the highest 50-percent enrollment

PHASE III - JULY 1, 2010

Phase I and II entities

All other townships, school districts and political subdivisions

School Board Planning Calendar 2010

1 st Meeting of the Month		2 nd Meeting of the Month	
JANUARY 14, 2010 <i>Organizational Meeting</i> ○ Oath of Office ○ Election of Board Officers ○ Board's Adoption of the current definition of directory info under the Family Educ. Rights & Privacy Act <i>Regular Meeting</i> Transition DHH – Kelsey Dahl Prior Year Audit Review		JANUARY 28, 2010 Finalize Legislative Annual Report Platform Strategic Plan Review & Measurement Report Financial Report December Pay Equity Implementation Report (every other year) Decision Resource Report to the Board TIES Award Winners (Shiow-Jen Sun/Kayleen Taffe) Mary Peters Named District 287 Teacher of the Year Transportation Study Report	
FEBRUARY 11, 2010 Prairie Center Alternative “Help for Haiti” Bloomington Impact Statement Online Learning – Mike Smart & Jon Voss (Instructional) Special Education Monitoring (Instructional) Telecommunicating Pilot		FEBRUARY 25, 2010 Financial Report February Staff Reduction ULA Resolution Changes for following Yr FY10 Budget Revision & FY11 Budget Assumptions Program Withdrawal Report Truancy Model Partnership with Hennepin county Facilities Management Update Itinerate Services – Instructional Report (Laura K-G.) School Board Recognition Week	
MARCH 11, 2010 North Education Center – Work Shop	MARCH 25, 2010 Efficiency Efforts Status Report Financial Report February North Education Center (Possible Action)		
MARCH 25, 2010 Program Reduction Resolution Recommendation Reduction ULA for tenured staff		APRIL 22, 2010 <i>(Only one Board meeting this month!)</i> Minnesota Math and Science Teacher Academy Long Range Facilities Planning Presentation Proposed District 287 School Calendar 2010-2011 Attorney Services	
MAY 13, 2010 Food Service Report System for Student Achievement Data Collection		MAY 27, 2010 Financial Report April Audit Open Items & Requirements changes Staff Reduction ULA Resolution FY 10 Budget Revision Non- Tenured Non-Renewals & Probationary Non-Licensed Clerical Layoffs	
JUNE 10, 2010 Superintendents Evaluation	JUNE 24, 2010 Financial Report May Employment Guides for Unaffiliated and Admin. Student Achievement in the Area of Reading 2010-11 Budget Final ULA Resolution for Licensed Staff Board Evaluation MDE Monitoring in Special Education Superintendent & School Board Evaluation to plan for Board Retreat outcomes		

INFORMATIONAL ITEMS TO REMEMBER:

- ** Community use of Facilities Bucket
- ** Health and Medical Bucket

School Board Planning Calendar 2010

1 st Meeting of the Month	2 nd Meeting of the Month
<i>Only one Board meeting this month!</i>	JULY 22, 2010 Financial Report June Legislative Session Review & Implications for District Operations C-Train Update
<i>Only one Board meeting this month!</i>	AUGUST 26, 2010 Financial Report July EBD Presentation (Laura Keller-Gautsch – 15 minutes) Report on Crisis Planning (Michelle Axell – 10 minutes) Approval of Cash Flow Borrowing Resolution School Start Up Program Report “Top 5 Things Board Members Should Know About the Start of School”. (Colleen, Laura, and Jane)
SEPTEMBER 9, 2010 Superintendent Goals Closed Session on Negotiation	SEPTEMBER 23, 2010 Financial Report August PLC’s Instructional Report - Student Achievement & Measurement of Progress (will include AYP). (Jane & Laura) Resolution Authorizing 287 to purchase Edgewood (Don Lifto may come to Board Meeting)
OCTOBER 14, 2010 Prior Year Agenda Review Strategic Plan – Role of the School Board (Steven Barone)	OCTOBER 28, 2010 Financial Report September Strategic Plan Update MSTA – Instructional Report
NOVEMBER 11, 2010 <i>(Only one Board meeting this month!)</i>	
Financial Report October Facilities Management Update C-Train Report (Written Report) Parameters Resolution authorizing the certificate sale and the conditions of the award for financing the Edgewood Purchase.	Prior Year Unaudited Fund Balance Report OPEB Reporting & Funding Edgewood Purchase Agreement Approval
DECEMBER 9, 2010 <i>(Only one Board meeting this month!)</i>	
Financial Report November Facilities Management Update - Energy Audit Restraints and Seclusion – Instructional Report Legislative Initiatives & White Paper Review Consideration and award of the certifications for Edgewood purchase.	Prior Year Audit Review North Education Center Decision Digital Copy Certificate (Written Report) Teacher Contract Renewal

INFORMATIONAL ITEMS TO REMEMBER:

- ** Community use of Facilities Bucket
- ** Health and Medical Bucket

INTERMEDIATE DISTRICT 287
March 11, 2010
SCHOOL BOARD CALENDAR

**PROPOSED
 DATES**

March 2010

25	Thursday	General Board Meeting	6:30PM	Board Rm
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April 2010

17	Saturday	MN Destination ImagiNation – State Tournament	Anoka High School, Anoka	
20	Tuesday	Hosterman Appreciation Night	6:30PM – 8:00PM	Hosterman
		Parent/Guardian/Caregiver		
22	Thursday	General Board Meeting	6:30PM	Board Rm

May 2010

13	Thursday	General Board Meeting	6:30PM	Board Rm
20	Thursday	Eden Prairie Pathways Awards Program	10:10AM & 12:20PM	Eden Prairie HTC
26	Wednesday	North Vista Graduation	6:00PM	North Vista Ed Ctr
27	Thursday	General Board Meeting	6:30PM	Board Rm

June 2010

02	Wednesday	Hosterman Graduation (Strive, SAFE, SUN & CIP)	9:45AM	Hosterman Cafeteria
03	Thursday	City West Academy Graduation	10:00AM	City West Academy @ Shady Oak
03	Thursday	South Education Center Alternative Graduation	5:00PM	SEC Gym
04	Friday	Prairie Center Alternative Graduation	10:00AM	Eden Prairie Community Center
04	Friday	VECTOR/InVEST Transition North Graduation	12:30PM	HTC, North Campus
09	Wednesday	Epsilon Graduation	1:30 PM - 3:30PM	Henn Cty Home Sch
09	Wednesday	Edgewood Graduation	6:30PM	HTC, North Campus
10	Thursday	General Board Meeting	6:30PM	Board Rm
24	Thursday	General Board Meeting	6:30PM	Board Rm

Local 2209 Uniflyer

March • April 2010



What is Family Medical Leave Act ? What is Exigency Leave?

Although this law has been in place for many years, you might not be aware of its provisions. **FMLA (Family Medical Leave Act)** provides for up to 12 weeks of unpaid leave per year. The leave may be used to give birth, be with a new child, to care for your own serious health condition or to care for your spouse, child, or parent who has a serious health condition.

The leave is unpaid unless you have a qualifying reason under Section 19 of your contract to use annual leave. In the Local 2209 contract, the annual leave time runs concurrently with FMLA leave. Generally, you can use your annual leave time during FMLA if you, your spouse, or your child has a serious medical condition (this could include disability due to pregnancy.)

While you are on FMLA leave, health and dental benefits must be continued on the same basis as when you began the leave. In other words, the district must continue to pay whatever premiums it pays while you are at work. When you return from

FMLA, you have the right to your former position, or an equivalent position with equivalent pay, benefits, and other employment terms.

Effective January 2008, an eligible employee is allowed to take up to 26 work weeks of leave to care for a member of the armed forces. This leave expands the definition of eligible members of your family to include "next of kin."

And finally, **exigency leave**. This leave provides up to 12 weeks of leave to handle "any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is on active duty or has been notified of an impending call or order to active duty."

In order to apply for FMLA or exigency leave, contact the Human Resources department to obtain the district FMLA policies and documentation. You will need to have your physician fill out the FMLA medical form.



Rachel Domaszek
Education MN Field Staff

To avoid potential problems, make sure you start this process as soon as you know you need to go on leave.

This article is only an overview of some of the key elements of FMLA. This law is intended to help employees and protect their employment status. If you have any questions, ask your local Member Rights Advocate for assistance.

Questions on these topics?
Contact a Member Rights Advocate:

Bob Bathke: rebathke@district287.org
Bob Laumann: rclaumann@district287.org
Mary Neiman: mcneiman@district287.org

KNOW YOUR CONTRACT ...

MATCHING CONTRIBUTION PLAN

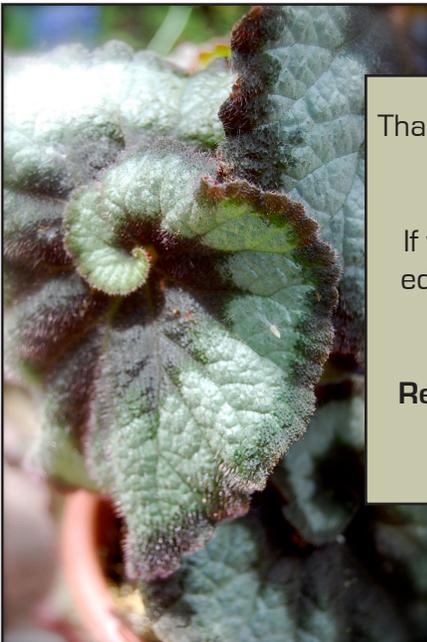
- * Annual tax deferred monetary benefit via 403(b) plan
- * Employees who are .8 or greater (hours per wk or days per year basis)
- * Apply by July 1st to begin matching contributions on Sept 15 paycheck, or by Dec 1st to begin on Jan 15th paycheck
- * Contributions divided equally over 19 or 24 pay periods
- * Must be working 5 or more years for District 287
- * Matching annual contributions:

5-9 yrs:	\$500
10-14 yrs:	\$900
15-19 yrs:	\$1400
20+ yrs:	\$1900
- * Maximum cumulative contribution:

Salaried:	\$35,000
Hourly:	\$18,000

***When eligible for new or increased matching contribution, employee must complete a new TSA application form available in Business Services Office.**

For financial advice: Jim Lutz, Educator's Financial Services, Inc. 952.941.9140 / JimL@tsainvest.com



Thanks to Mary Hogetvedt's idea for the **GO GREEN** Uniflyer option!

If you'd like your Uniflyer in electronic edition, please send email request to: LELazowski@district287.org .

Remember to send your **PERSONAL** email address with request.

Local 2209 Executive Council Members

Bruce Mulder, President
763-550-3120

Bob Bathke, Vice President
612-355-5856

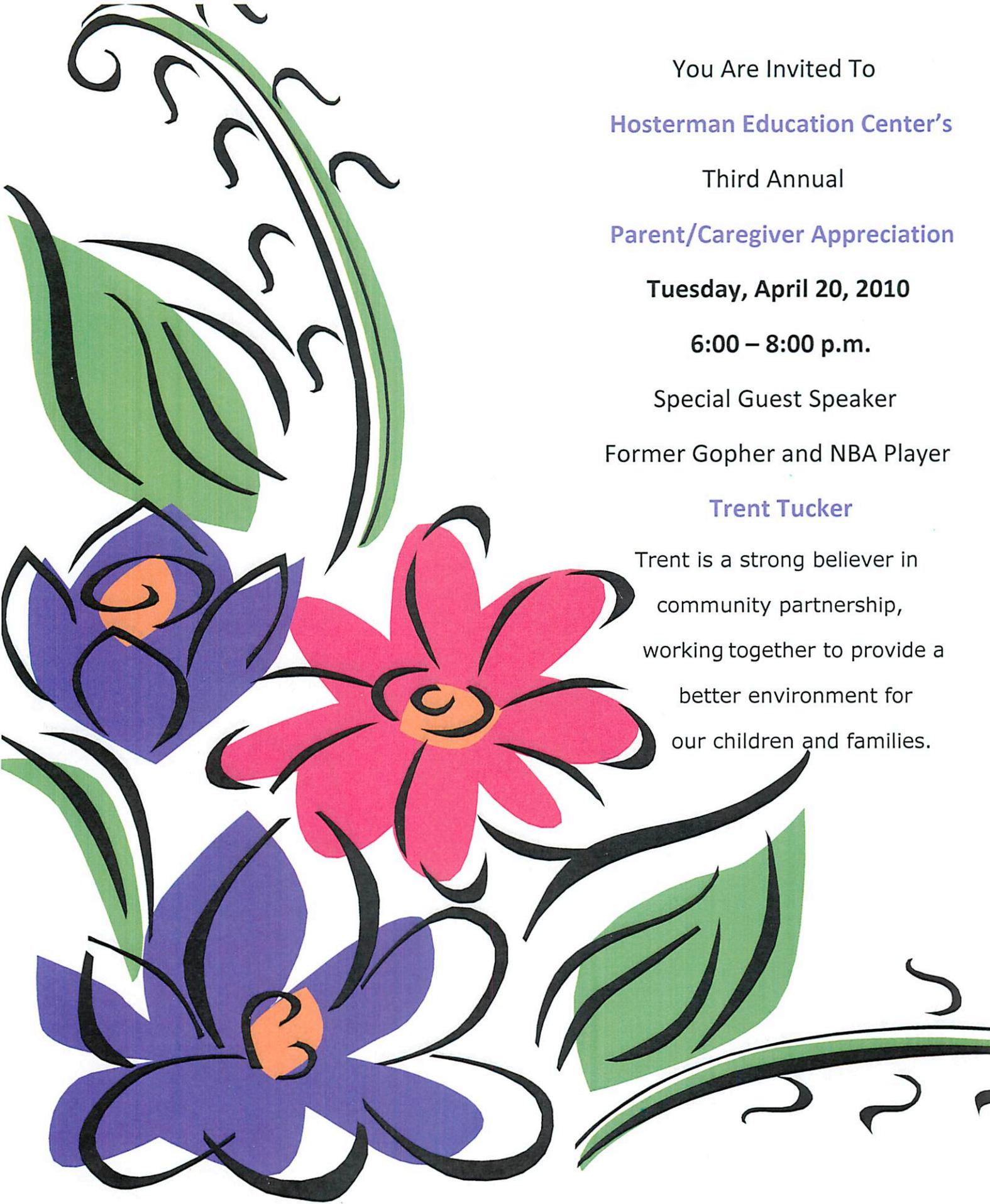
Mary Neiman, Executive Officer A
952-653-1660

Bob Laumann, Executive Officer B
763-550-7361

Mark Hoffer, Treasurer
763-550-3174

Lois Lillie, Membership Secretary
763-550-7171

Communications Coordinator:
Laura Lazowski
763-550-7170 ext.2



You Are Invited To
Hosterman Education Center's
Third Annual
Parent/Caregiver Appreciation

Tuesday, April 20, 2010

6:00 – 8:00 p.m.

Special Guest Speaker

Former Gopher and NBA Player

Trent Tucker

Trent is a strong believer in
community partnership,
working together to provide a
better environment for
our children and families.

Intermediate District 287
invites you to join us for a graduation
ceremony honoring the students who are
graduating high school or receiving
G.E.D. certificates through
the Epsilon Program at the
Hennepin County Home School

Wednesday, June 9, 2010
1:30 – 3:30 PM

RSVP: Kathy Albrecht (763) 205-7601
Hennepin County Home School
14300 County Highway 62
Minnetonka, MN 55345

The identity of the residents in this program is confidential.
No cameras, pagers or cell phones are allowed.
A photographer will be on site to take photographs.

Please be aware that there are strict security procedures
for all guests and residents at this ceremony.