

School Board Work Session

Time: Sep 8, 2020 06:45 PM Central Time (US and Canada)

Join Zoom Meeting

<https://Rdale.zoom.us/j/94751374280?pwd=MzdocVg0NTVDbnY4Z05kU0liM0R3UT09>

Meeting ID: 947 5137 4280

Passcode: 945450

One tap mobile

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+1 301 715 8592 US (Germantown)

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Meeting ID: 947 5137 4280

Passcode: 945450

1. Finance Update
2. Affirming the UDV and Equity Policy
3. District Updates
4. Other

School Board of Robbinsdale Area Schools

Work Session – September 8, 2020

AGENDA SECTION: Work Session

ITEM: 1. Finance Update

COMMENTS BY: Virginia (Ginny) Verbrugge, Assistant Director of Finance, and Dr. Kelly Smith, Baker Tilly

The School Board will have an opportunity to hear an update from the Finance Department. An opportunity for Q & A will take place during the allotted time on the agenda.



Finance Update

Ginny Verbrugge
School Board Work Session
Tuesday, September 8, 2020



Preliminary Audit Report

- Preliminary audit work started the week of August 17, 2020 and will resume the week of September 14, 2020.
- Enrollment numbers are very close to projections with final numbers reported in November.
- Labor and fringe benefits appear to be close to budget.

Preliminary Audit Report, continued

- The projected unassigned fund balance is \$1.1 million. It does appear that the fund balance will grow by more than the estimated budgeted \$1.1 million (unassigned). Fund balance projections will be available after the audit work is completed.
- A review of the Food Service and Community Service Funds will need to be completed to determine the amount to transfer due to the Coronavirus.

Bond Refunding

\$14,380,000

Independent School District 281, Robbinsdale, Minnesota

General Obligation Alternative Facilities Refunding Bonds, Series 2020B

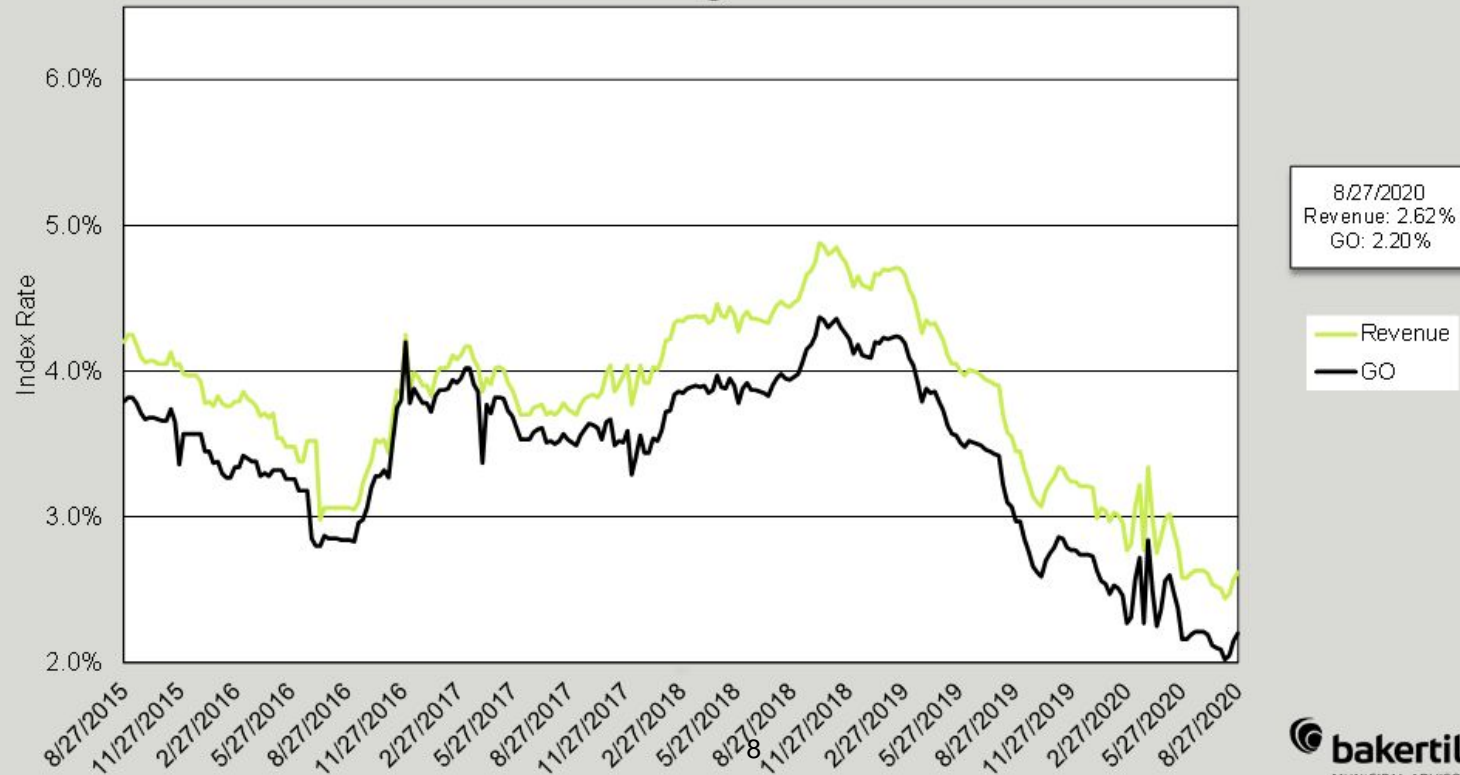
Issue Summary

Refunding Summary

Dated 11/19/2020 | Delivered 11/19/2020

	2011A Current Refunding Portion	2012A Current Refunding Portion	Issue Summary
Sources Of Funds			
Par Amount of Bonds.....	\$6,430,000.00	\$7,950,000.00	\$14,380,000.00
Reoffering Premium.....	470,435.70	473,384.25	943,819.95
Total Sources.....	\$6,900,435.70	\$8,423,384.25	\$15,323,819.95
Uses Of Funds			
Deposit to Current Refunding Fund.....	6,810,000.00	8,315,000.00	15,125,000.00
Total Underwriter's Discount (0.850%).....	54,655.00	67,575.00	122,230.00
Costs of Issuance.....	33,996.72	42,033.28	76,030.00
Rounding Amount.....	1,783.98	(1,224.03)	559.95
Total Uses.....	\$6,900,435.70	\$8,423,384.25	\$15,323,819.95
Issues Refunded And Call Dates			
2011A GO Alt Fac Bonds - PS.....	2/01/2021		
2012A GO Alt Fac Bonds - FOS.....		2/01/2021	
Savings Information			
Net Present Value Benefit.....	\$1,180,410.12	\$274,120.21	\$1,454,530.33
Total Cashflow Savings.....	1,241,812.50	260,950.00	1,522,762.50
Bond Statistics			
Average Life.....	6.437 Years	2.387 Years	4.198 Years
Average Coupon.....	2.3400014%	3.0000000%	2.5474980%
Net Interest Cost (NIC).....	1.3354819%	0.8619112%	1.1865963%
True Interest Cost (TIC).....	1.2884436%	0.8337341%	1.1428357%

BBI 20-Bond (GO) and 25-Bond (Revenue) Indices for 5 Years Ending 8/27/2020



Data Source: The Bond Buyer

Facilities Maintenance Bond Sale

\$17,085,000

Independent School District No. 281 (Robbinsdale Area Schools)
General Obligation Facilities Maintenance Bonds, Series 2020

Sources & Uses

Dated 11/19/2020 | Delivered 11/19/2020

Sources Of Funds

Par Amount of Bonds.....	\$17,085,000.00
One-Time LTFM Contribution.....	1,685,801.00
Total Sources.....	\$18,770,801.00

Uses Of Funds

Deposit to Project Construction Fund.....	18,521,441.00
Total Underwriter's Discount (1.000%).....	170,850.00
Costs of Issuance.....	75,735.00
Rounding Amount.....	10
Total Uses.....	\$18,770,801.00

OSA Report Update

OSA: Other Post-Employment Benefits

OSA Recommendation: We recommend the District develop a plan that requires a determination of amounts and when they are to be transferred prior to the release of the financial statements so they properly disclose the amount in the Trust.

District Response: The District is currently developing an OPEB advisory committee with the participation of its Financial Advisory Council (FAC).

Update: The OPEB Advisory Committee will be added to the next FAC agenda, meeting date TBD.

OSA: Credit Card Policies and Usage

OSA Recommendation: We recommend the District support all P card purchases with itemized receipts or claim forms and include documentation to support the public purpose of meal purchases.

District Response: District policy requires documentation for purchases paid with P cards. Monthly transactions are reviewed and signed off by either an Executive Director or Program Director. The District implemented new travel authorization guidelines during the 2019-2020 school year. To ensure accounting practices and controls are in alignment, the District is conducting a thorough review of the P Card manual. In addition, district finance staff will implement a monthly P card sampling review as part of the reconciliation process.

Update: The P Card manual has been updated. The Purchasing Department sent a copy of the updated manual to district P card holders on August 26, 2020. Card holders will need to sign a new agreement form, which is in process with the Purchasing Department. Additionally, the Finance Department is finalizing a process to review P Card transactions, which will begin with the August 2020 statements.

OSA: Authorization of Expenses

OSA Recommendation: We recommend the District delegate the approval of expenditures to the Superintendent or Director of Finance as allowed by statute.

District Response: District expenditures will continue to be listed as a disbursement report under the consent agenda during School Board meetings. District procedures provide for approval of purchases by the district purchasing department, school principals or department heads. The District has a procedure for contracted services and invoices are reviewed to ensure proper approvals are in place prior to processing payments.

Update: The Finance Department reviewed 701AP, and is recommending the Board adopt this as Policy 701. First reading of Policy 701 took place during this evening's regular meeting.

OSA: Professional Development/Technology Stipends

OSA Recommendation: We recommend the District track and record all tuition and technology stipend reimbursements consistently and for compliance with District policy. We further recommended the District treat fringe benefits appropriately for tax purposes.

District Response: The District has a process for tracking tuition and technology stipends. The District will begin taxing employees for income received through technology reimbursements in fiscal year 2021 (beginning July 1, 2020).

Update: Technology reimbursements are now being handled through payroll, and the appropriate taxes are processed. The first taxes are in the 8/28/2020 payroll.



Excellence is Our Standard

At Robbinsdale Area Schools, we are dedicated to
Academic Excellence for *ALL* Students!

\$15,335,000

Independent School District 281, Robbinsdale, Minnesota
General Obligation Alternative Facilities Refunding Bonds, Series 2020B
Current Refunding of Series 2011A & 2012A Bonds

Refunding Summary

Dated 11/19/2020 | Delivered 11/19/2020

	2011A Refunding Portion	2012A Refunding Portion	Issue Summary
Sources Of Funds			
Par Amount of Bonds.....	\$6,905,000.00	\$8,430,000.00	\$15,335,000.00
Total Sources.....	\$6,905,000.00	\$8,430,000.00	\$15,335,000.00
Uses Of Funds			
Deposit to Current Refunding Fund.....	6,810,000.00	8,315,000.00	15,125,000.00
Total Underwriter's Discount (0.850%).....	58,692.50	71,655.00	130,347.50
Costs of Issuance.....	34,664.59	42,320.41	76,985.00
Rounding Amount.....	1,642.91	1,024.59	2,667.50
Total Uses.....	\$6,905,000.00	\$8,430,000.00	\$15,335,000.00
Issues Refunded And Call Dates			
Prior Issue Call Price.....	100.00%	100.00%	
Prior Issue Call Date.....	2/01/2021	2/01/2021	
Savings Information			
Net Present Value Benefit.....	\$1,279,438.78	\$264,691.73	\$1,544,130.50
Total Cashflow Savings.....	1,338,688.00	267,566.00	1,606,254.00
Net PV Benefit / PV Refunded Debt Service...	15.534%	3.064%	9.150%
Bond Statistics			
Average Life.....	6.222 Years	2.356 Years	4.097 Years
Average Coupon.....	0.9232288%	0.5175167%	0.7949743%
Net Interest Cost (NIC).....	1.0598310%	0.8782992%	1.0024448%
True Interest Cost (TIC).....	1.0624921%	0.8829499%	1.0048328%

\$17,120,000

Independent School District No. 281 (Robbinsdale Area Schools)
General Obligation Facilities Maintenance Bonds, Series 2020A

Sources & Uses

Dated 11/19/2020 | Delivered 11/19/2020

Sources Of Funds

Par Amount of Bonds.....	\$17,120,000.00
One-Time LTFM Contribution.....	1,685,801.00

Total Sources..... \$18,805,801.00

Uses Of Funds

Deposit to Project Construction Fund.....	18,521,441.00
Total Underwriter's Discount (1.200%).....	205,440.00
Costs of Issuance.....	75,770.00
Rounding Amount.....	3,150.00

Total Uses..... \$18,805,801.00

Independent School District No. 281 (Robbinsdale Area Schools)
Hennepin County, Minnesota
General Obligation Facilities Maintenance Bonds, Series 2020A
General Obligation Refunding Bonds, Series 2020B
July 30, 2020

July 2020							August 2020							September 2020						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
			1	2	3	4							1			1	2	3	4	5
5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12
12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19
19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26
26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30			
							30	31												

October 2020							November 2020							December 2020						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
				1	2	3	1	2	3	4	5	6	7			1	2	3	4	5
4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12
11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19
18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26
25	26	27	28	29	30	31	29	30						27	28	29	30	31		

Schedule of Events		
Date	Event	Responsible Party
August 19, 2020	Request for Official Statement Information sent to District Staff.	Baker Tilly
September 9, 2020	Information forwarded to Baker Tilly for preparation of the Preliminary Official Statement.	District Staff
September 10, 2020	Finalize Bond structures and prepare Terms of Proposal.	Baker Tilly
September 15, 2020	Pre-Sale Summary, Bond Resolutions, and Notification of Sale for Facilities Maintenance Bonds delivered to District.	Baker Tilly Knutson, Flynn & Deans
September 21, 2020	Rough draft of Preliminary Official Statement sent out to District Staff and Knutson, Flynn & Deans for review.	Baker Tilly
September 21, 2020	School Board considers Bond Resolutions authorizing the Bond sale.	District Board
September 22, 2020	Publication of Notification of Sale for Facilities Maintenance Bonds.	District Staff
September 25, 2020	Final comments to Baker Tilly on Preliminary Official Statement draft.	District Staff Knutson, Flynn & Deans
September 25, 2020	Draft of Award Resolution provided to Baker Tilly (to be included in the information sent to the rating agency.)	Knutson, Flynn & Deans
September 28, 2020	Posting of Preliminary Official Statement and application for rating forwarded to rating agency.	Baker Tilly
September 29, 2020	Final day application for CUSIPs must be made	Baker Tilly

Schedule of Events		
Date	Event	Responsible Party
Week of October 5, 2020	Rating conference conducted.	S&P District Staff Baker Tilly
October 9, 2020	Form of Award Resolution delivered to the District.	Knutson, Flynn & Deans
Est. October 15, 2020	Receipt of rating.	S&P
October 19, 2020	Sale and consideration of award of the Bonds by District.	District Staff Baker Tilly
October 26, 2020	Distribution of Final Official Statement.	Baker Tilly
October 28, 2020	Draft closing documents are circulated for review.	Knutson, Flynn & Deans
November 19, 2020	Settlement of the Bonds; receipt of Bond proceeds.	District Staff Knutson, Flynn & Deans Baker Tilly
November 20, 2020	Call notice for Refunded Bonds to be sent to the Registrar.	Baker Tilly
February 1, 2021	Refunded Bonds redemption date.	

	Request	Recommendation/Response	District Response	District Action Steps	Status / Update	Next Steps Needed?	Date Completed	Evidence
1. Other Postemployment Benefits (Pages 1-4)	Provide information about the accounting for the District's OPEB costs and transfers from the OPEB trust to other funds of the District.	We recommend the District develop a plan that requires a determination of amounts and when they are to be transferred prior to the release of the financial statements so they properly disclose the amount in the Trust.	(Click link above)	The District is currently developing an Other Post-Employment Benefits (OPEB) advisory committee with the participation of its Financial Advisory Council (FAC).	The OPEB Advisory Committee will be added to the next FAC agenda, meeting date TBD.			
2. Fund Balance and Budget (pages 4-8)	Provide information about the District's fund balances and budget.	We recommend the District balance the District budgets and increase fund balance in the General Fund to avoid possible statutory operating debt.						
3. Credit Card Policies and Usage (page 8-11)	Examine the District's use of credit cards (also known as purchasing cards, or P Cards).	We recommend the District support all P card purchases with itemized receipts or claim forms and include documentation to support the public purpose of meal purchases.		**The P Card manual has been updated. The Purchasing Department will be emailing a copy of the updated manual to district P card holders; the manual will be uploaded to the staff intranet. **District finance staff will implement a monthly P card sampling review as part of the reconciliation process.	**A few card holders did not have signed agreements on file with the Purchasing Department, which they are working to resolve. **The Finance Department is finalizing a process to review P Card transactions, which will begin with the August 2020 statements.	**Status of signed agreements needed ** Signed agreements now that P Card manual has been update? Baker Tilly recommendation from 8/28 meeting **Upload P Card Manual and fillable PDF's to Staff Intranet for easy access	**Updated P Card manual emailed to P Card holders on 8/26/2020	P Card Manual (July 2020)
4. Authorization of Expenditures (pages 12-13)	Provide information about the District's authorization and documentation for payment of expenditures.	We recommend the District delegate the approval of expenditures to the Superintendent or Director of Finance as allowed by statute.		**Review of 701AP; will recommend Board adopt as Policy 701	**First reading on September 8, 2020			
5. Access to Financial / Budget Information (pages 13-14)	Determine if school principals have access to budget information.	Based on our tests, the principals have access to the budget information for which they are responsible.			Budgets are typically loaded into Skyward in June. Due to staffing constraints this summer, the Finance Department is hoping to have budgets completely loaded into Skyward by the end of August. Building allocations other than salary and benefits were entered in June.			
6. TIES / Sourcewell Contract (pages 14-15)	Examine the District's approval of contracts with TIES/Sourcewell.	We recommend the District ensure that professional services contracts are approved by the Board or the Superintendent or Business Manager if so designated.						
7. Title I Funds (pages 15-17)	Provide information about how the Title I program is funded and examine Title I payments to other school districts	We provided information about the District's Title I expenditure reporting and payments to other districts noting no discrepancies, and identified that the District provided corrective action plans to address findings reported during its annual audits.						
8. Compensatory Funds (pages 18-19)	Explain how districts need to allocate and use compensatory funds.	We outlined how the District allocates and chooses eligible uses for the funds.						
9. Open Enrollment (pages 19-20)	Clarify the open enrollment requirements and process.	We outlined the open enrollment requirement, the District's student data; and how the District handles transportation and uses its Achievement and Integration plan.						
10. Contract Compliance (pages 20-21)	Examine the District contracting process.	We recommend the District maintain all contracts and related documentation.						
11. Relocation Reimbursements (pages 21-23)	Provide information on reimbursements for relocation expenses.	We identified the payments for Dr. Jenkins' interview and relocation expenses (the only person eligible for these) and found they were allowed by contract.						
12. Scoreboards (pages 23-24)	Provide information on the approval, funding, and advertising policies for two video scoreboards recently purchased.	We recommend the Board approve all contracts and agreements for sponsorships or advertising and authorize any revenue related to advertising.						
13. Long-Term Facilities Maintenance Revenue Program (pages 24-25)	Examine the District's Long-Term Facilities Maintenance (LTFM) Revenue Program for compliance with state regulations and inclusion of overhead costs.	The LTFM Revenue Program was in compliance with state regulations and no overhead charges were noted as all costs were vendors, permits, bond issuance, and payroll for staff working directly with the program.						

14. Conflict of Interest - TIES / Sourcewell Contract (pages 26-27)	Examine whether a conflict of interest exists relating to a Board member and the services provided by TIES/Sourcewell.	We did not find a violation of a statutory conflict of interest. We noted that if a board member had a conflict for this type of service contract, there exists an exception in the statute.						
15. Professional Development / Technology Stipends (pages 27-30)	Provide information on the District's policy for reimbursing professional development and for technology stipends.	We recommend the District track and record all tuition and technology stipend reimbursements consistently and for compliance with District policy. We further recommended that the District treat fringe benefits appropriately for tax purposes		The District will begin taxing employees for income received through technology reimbursements in fiscal year 2021 (beginning July 1, 2020).	Technology reimbursements are now being handled through payroll, and the appropriate taxes are processed. The first taxes are in the 8/28/2020 payroll.			
16. Hiring Policies and Practice (page 31)	Provide information regarding the District's hiring practices	We tested the policy of School Board approval of new hires. All staff tested were in compliance with the Board policy.						
17. School Board Meetings (pages 32-33)	Examine School Board meeting compliance with open meeting laws and the publication of Board meeting minutes.	We recommend the District improve documentation for closed meetings and publish minutes within 30 days of the School Board meeting.			School Board minutes are being published within 30 days of the School Board meeting and closed meeting minutes document the recommended information.			School Board Meeting Minutes **Example from Sun Legal **See Nichol for more examples

School Board of Robbinsdale Area Schools

Work Session – September 8, 2020

AGENDA SECTION: Work Session

ITEM: 2. Affirming the UDV and Equity Policy

COMMENTS BY: David Boone, Chair

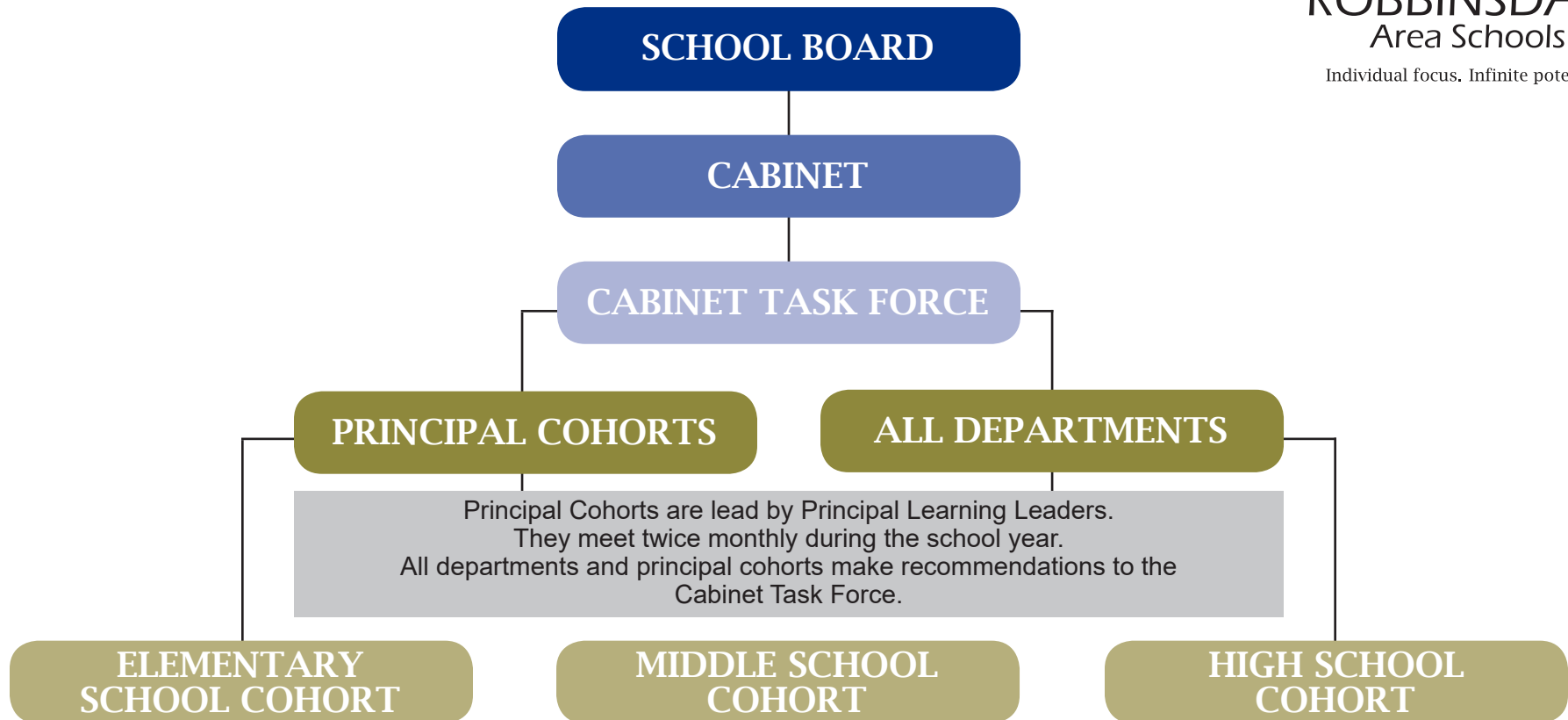
The School Board will have an opportunity to continue their work and discussions from the August 14-15, 2020 Board Development regarding affirming the UDV and Equity Policy.

ADMINISTRATIVE LEADERSHIP ORGANIZATIONAL CHART



ROBBINSDALE
Area Schools

Individual focus. Infinite potential.



School Board of Robbinsdale Area Schools

Work Session – September 8, 2020

AGENDA SECTION: Work Session

ITEM: 3. District Updates

COMMENTS BY: Dr. Stephanie Burrage, Interim Superintendent

The School Board will have an opportunity to hear district updates. An opportunity for Q & A will take place during the allotted time on the agenda.

SUPERINTENDENT'S ORGANIZATIONAL CHART



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