

SUPERINTENDENT'S REPORT AND AGENDA

Regular Meeting of the Board of Education
Independent School District No. 280, Richfield, Minnesota

Richfield Public Schools *inspires* and *empowers* each individual to learn, grow and *excel*

Tuesday, February 16, 2021
7:00 p.m. School Board Meeting

- I. CALL TO ORDER
- II. REVIEW AND APPROVAL OF THE AGENDA
- III. INFORMATION AND PROPOSALS -- NON-ACTION ITEMS
 - A. Public Comment
 - B. Superintendent Update
 - 1. Pandemic & Learning Model Update
 - 2. Indian Education Presentation
 - 3. Audit Report
 - 4. Year-to-Date Finance Update
 - 5. Where We Are In Enrollment Report
 - C. Commendations
- IV. CONSENT AGENDA
 - A. Routine Matters
 - 1. Minutes of the regular meeting held February 1, 2021
 - 2. General Disbursements as of 2/4/21 in the amount of \$340,583.30
 - 3. Bid Award – Main Food Vender for Nutrition Services 2021-2022
 - B. Personnel Items
- V. OLD BUSINESS
 - A. Policy 581 – Protection and Privacy of Pupil Records & Administrative Guidelines 581.1 & 581.2
 - B. Policy 703 - Student Activity Fund and Other Organizations & Administrative Guideline 703.1
- VI. NEW BUSINESS
 - A. Policy 702 – Investments & Administrative Guideline 702.1

B. Policy 701 – Budget and Fund Reserves

C. Resolution - Acceptance of Fiscal Year 2020 Final Audit Report

D. Sheridan Hills Change Order #20

E. RMS Change Orders #13 & #14

F. RHS Change Orders #48 - #52

G. Sheridan Hills Abatement Change Order #2

H. Donations

VII. ADVANCE PLANNING

A. Legislative Update

B. Information and Questions from Board

C. Future Meeting Dates

3-1-2021	7:00 p.m.	Regular Board Meeting
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3-15-2020	7:00 p.m.	Regular Board Meeting - Public Comment
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D. Suggested/Future Agenda Items

VIII. CLOSED SESSION AS ALLOWED BY MINNESOTA STATUTE 13D.03 FOR
LABOR NEGOTIATIONS STRATEGY

IX. REOPEN MEETING

X. ADJOURN REGULAR MEETING

**INFORMATION AND PROPOSALS –
NON-ACTION ITEMS**

Agenda Item III.B.

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: Superintendent Update

(Superintendent Unowsky provides an update on the pandemic and learning models. Sarah Jespersen presents on Indian Education. Auditor Bill Lauer shares his report. Craig Holje presents reports on finances and enrollment.)

Attached:

Pandemic & Learning Model presentation
Indian Education presentation
Audit Report presentation
Year-to-Date Finance Update
Where We Are in Enrollment

Enriching and accelerating learning



RICHFIELD
PUBLIC SCHOOLS

Pandemic & Learning Model Update

February 16, 2021

Enriqueciendo y acelerando el aprendizaje

Pandemic Status Update



RICHFIELD
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- Current Hennepin County case rate is 22.5 per 10,000. Original MDE guidance would suggest hybrid learning for all students.
- Current Richfield case rate is 29.2 per 10,000.
- At the moment, case rates are remaining consistently between 20 and 30 in Hennepin County each week.
- Vaccine availability has not led to any changes in guidance

Number of cases per 10,000 over 14 days, by county of residence	Learning model
0-9	In-person learning for all students
10-19	In person learning for elementary students; hybrid learning for secondary students
20-29	Hybrid learning for all students
30-49	Hybrid learning for elementary students; distance learning for secondary students
50+	Distance learning for all students

Learning Model Update: Elementary Schools

- PreK-5th grade students returned to 4-days-per-week hybrid on January 25th.
- PreK-5th grade students will be able to attend in person 5 days per week starting on March 1st!
- Distance learning will continue to be an option for families who have chosen this.
- Vaccine appointments have been offered to 100% of our elementary level staff members who are working in the hybrid model (not yet for distance teachers).
- RPS will strive to continue following early guidance related to student and staff safety, including maintaining reduced class sizes, room capacities and six-foot social distancing when feasible.

Learning Model Update: Secondary Schools

- 6-12 grade students can return to 1-day-per-week hybrid on February 22nd!
- **RMS will have all students in person on Wednesdays for advisory & activities.**
- RHS will have students in person on Tuesdays or Thursdays for AIRPods.
- Distance learning will continue to be an option for families who have chosen this.
- **We will continue to monitor case rates and vaccine distribution to see when we can offer in person time for content classes at the secondary level.**

- **Elementary:**
 - Began with 4 days in person for PreK-2 and 2 days for 3-5
 - Transitioned to 4 days in person for all
 - Moved to full distance, then transitioned back to 4 days in person for all model
 - March 1: 5 days in person for all, while still offering distance
- **Secondary:**
 - Began with 1 day in person, advisory/AIRPod, non-content based for all
 - Moved to full distance
 - Feb 22: transition back to 1 day in person, advisory/AIRPod, non-content based for all
 - Planning underway: possible evolved hybrid with in person content (2-4 days)

Happenings



RICHFIELD
PUBLIC SCHOOLS

- Fire & Ice Week
- Black History Month
- Success of girls and boys basketball teams
- Conferences



Enriching and accelerating learning



RICHFIELD
PUBLIC SCHOOLS

Questions/Comments

Enriqueciendo y acelerando el aprendizaje

Enriching and accelerating learning



RICHFIELD
PUBLIC SCHOOLS

RPS American Indian Education Update

February 16th 2021

Presentation by: Sarah Jesperson, American
Indian Education Coordinator

Enriqueciendo y acelerando el aprendizaje

American Indian Parent Advisory Committee

Role of the AIPAC

The parent committee is composed of parents/guardians of American Indian/Native American students attending Richfield Public Schools. This group of parents meets throughout the school year and serves in an advisory role for the American Indian Education program as well as helping plan and hold family events.

Parent Advisory Committee

- Chair: Lisa Turgeon (Son attends RMS)
- Vice/Co-Chair: Rebecca Cleys (4 Daughters attend Centennial)
- Member: Rachel Kupcho (Daughter attends R-STEM)
- Member: Andrea Koskie (Son attends RMS, Daughter attends RDLS)
- Member: Andrew Holmes (Daughter attends Sheridan Hills)

Native student count

Identified student total(state count):

- SY17-18, 117 students
- SY18-19, 127 students
- SY 19-20, 132 students
- SY 20-21, 137 students

Documented Tribal membership 506 form(qualification for federal funding Title VI):

- SY17-18, 30 forms
- SY18-19, 42 forms
- SY 19-20, 42 forms
- SY 20-21 TBD(part one of Title VI deadline March 11th)

Student totals per site:

RHS: 25

RCEP: 1

RMS: 45

Centennial: 15

RSTEM: 28

Sheridan Hills: 16

RDLS: 6

Central Education Center: 1

Funding sources

Current:

- State Funding- MDE American Indian Education
 - 20/21 school year: \$63,676
- Federal Funding-Title VI Office of Indian Education
 - Eligibility determined by completed 506 forms.
 - 16/17 school year: 13 forms=\$4000
 - 17/18 school year: 30 forms= \$7500
 - 18/19 school year: 42 forms= \$10000
 - 19/20 school year: 42 forms= \$10000
 - 20/21 school year: TBD

American Indian Education Program Goals Aligned to World's Best Workforce

Goal 1: All American Indian (AI) Children Ready for School

No data available, no TS-GOLD test scores.

Goal 2: All AI Third-graders Achieve Grade Level Literacy

No data available, no MAP/MCA test scores.

Goal 3: All Achievement Gaps Closed for AI Students

No data available, no MAP/MCA test scores.

Goal 4: All AI Students Attain Career and College Readiness

50% of AI high school students take at least one or more AP or honors classes. This goal was met.

Goal 5: All AI Students Graduate from High School

100% four-year graduation rate. This goal was met, 100% of A.I seniors graduated in spring 2020.

Program changes and highlights for 2020-2021 school year

- No in person events this year.
- Large budget for mailing items to all Native students in district.
 - Native print masks handmade by Samreth family(Ojibwe) and hand sanitizer.
 - Dreamcatcher kit and Native authored book.
 - Goal to mail out two more packages from RPS Indian Ed this school year(craft kits etc).
- Virtual AIPAC meetings and classroom presentations.
- Native Student Affinity group at RMS(virtual).



Jaxson(RDLS 1st grade) shows his dreamcatcher made from his Indian Ed package.

Parent Committee Vote of Concurrence

- “Prior to March 1 of each year, the AIPAC must meet to discuss whether or not they concur with the educational offerings that have been extended by the district to American Indian students. If the AIPAC finds that the district and/or school board have been meeting the needs of American Indian students, they issue a vote and resolution of concurrence. If they find that the district and/or school board have not been meeting the needs of American Indian students, they issue a vote and resolution of nonconcurrence” -
<https://education.mn.gov/MDE/dse/indian/parent/>
- The Richfield AIPAC issued a vote of concurrence on 2/9/21.



Independent School District No. 280
Audit Report
Year Ended June 30, 2020
Malloy Montague, Karnowski,
Radosevich, & Co., P.A.





Auditor's Role

- **Opinion on Basic Financial Statements**
- **Single Audit of Federal Awards**
- **Test Internal Controls and Compliance**
 - **Financial Statement Audit**
 - **Federal “Single Audit”**
 - **State Laws and Regulations**



Audit Results – District Audit

- **Unmodified Opinion on Basic Financial Statements**
- **Change in Accounting Principle**
 - **GASB Statement #84 – Fiduciary Funds**
 - *More consistency defining/reporting fiduciary activities*
 - *Changes to District financial statements*
 - *Scholarship activity administered by District moved to General Fund, resulting in a \$430,840 increase to fund balance*
 - *Remaining scholarship activity with third-party control moved to a “Custodial” fund*



Audit Results – District Audit

- **Internal Control Over Financial Reporting**
 - *No findings*

- **Compliance – Financial Reporting**
 - *No findings*

- **Minnesota Legal Compliance**
 - *No findings*



Audit Results – Federal Single Audit

- **Delayed and Issued Separately**
 - *Timing of Guidance for Education Stabilization Funds*
- **Clean Opinion on Schedule of Federal Awards**
 - *Fairly Stated in Relation to the Basic Financial Statements*
- **Internal Control and Compliance**
 - *Material weakness in internal controls and reportable noncompliance with allowable cost requirements for Title I Program*
 - *Significant deficiency in internal controls over maintenance of effort requirements for Title I Program*
 - *Significant deficiency in internal controls over allowable activities requirements for Child Nutrition Cluster Programs*



Audit Results – Other Observations & Recommendations

● COVID-19 Impact on Internal Controls

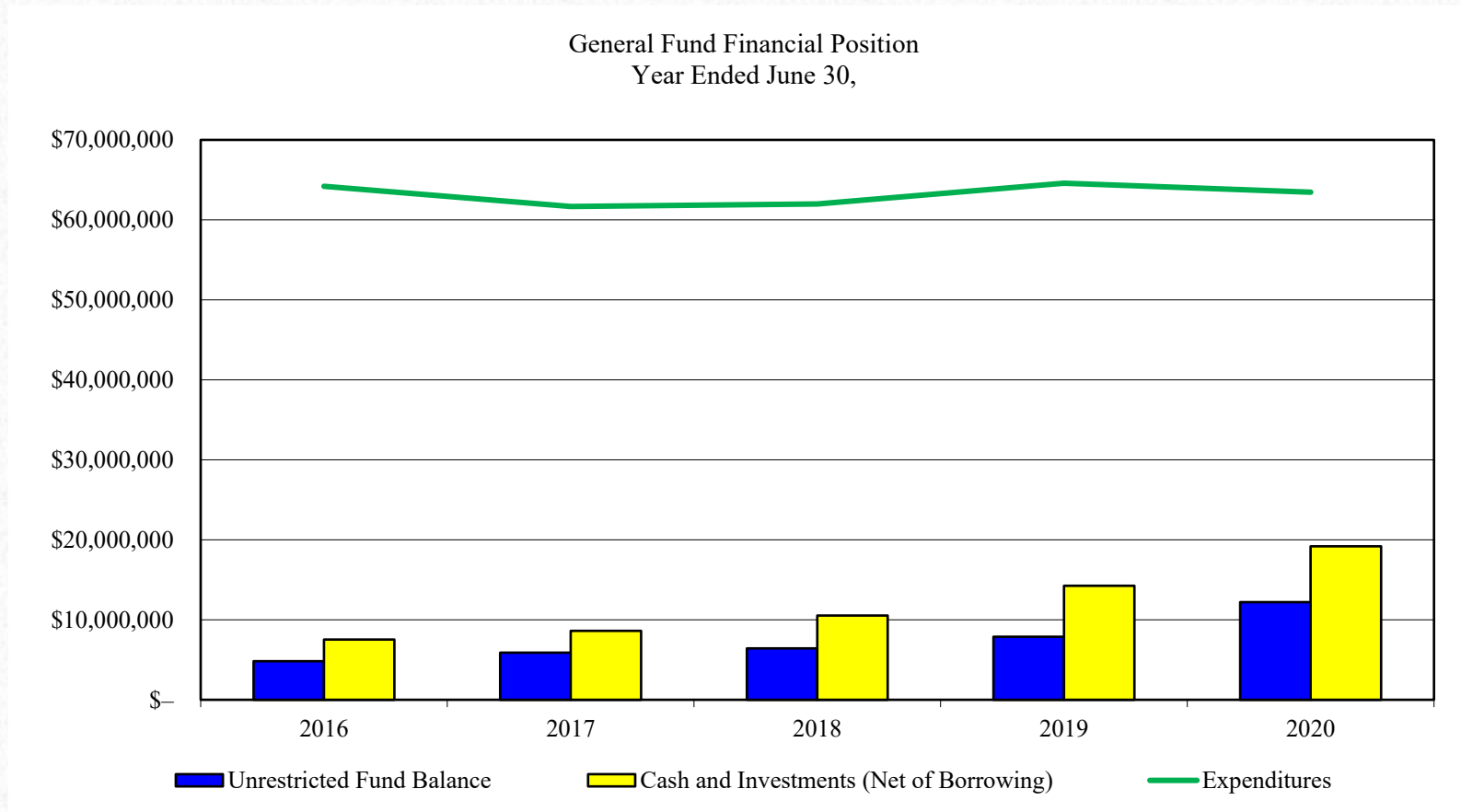
- *Changes or disruptions in operations*
- *Important to maintain consistent level of internal controls*

● EFTs and Other Areas of Heightened Concern

- *Increase in fraud risks*
- *Questioning unusual claims or transactions*
- *Importance of cyber security*
- *Assess risks and evaluate insurance coverages*



General Fund Financial Position



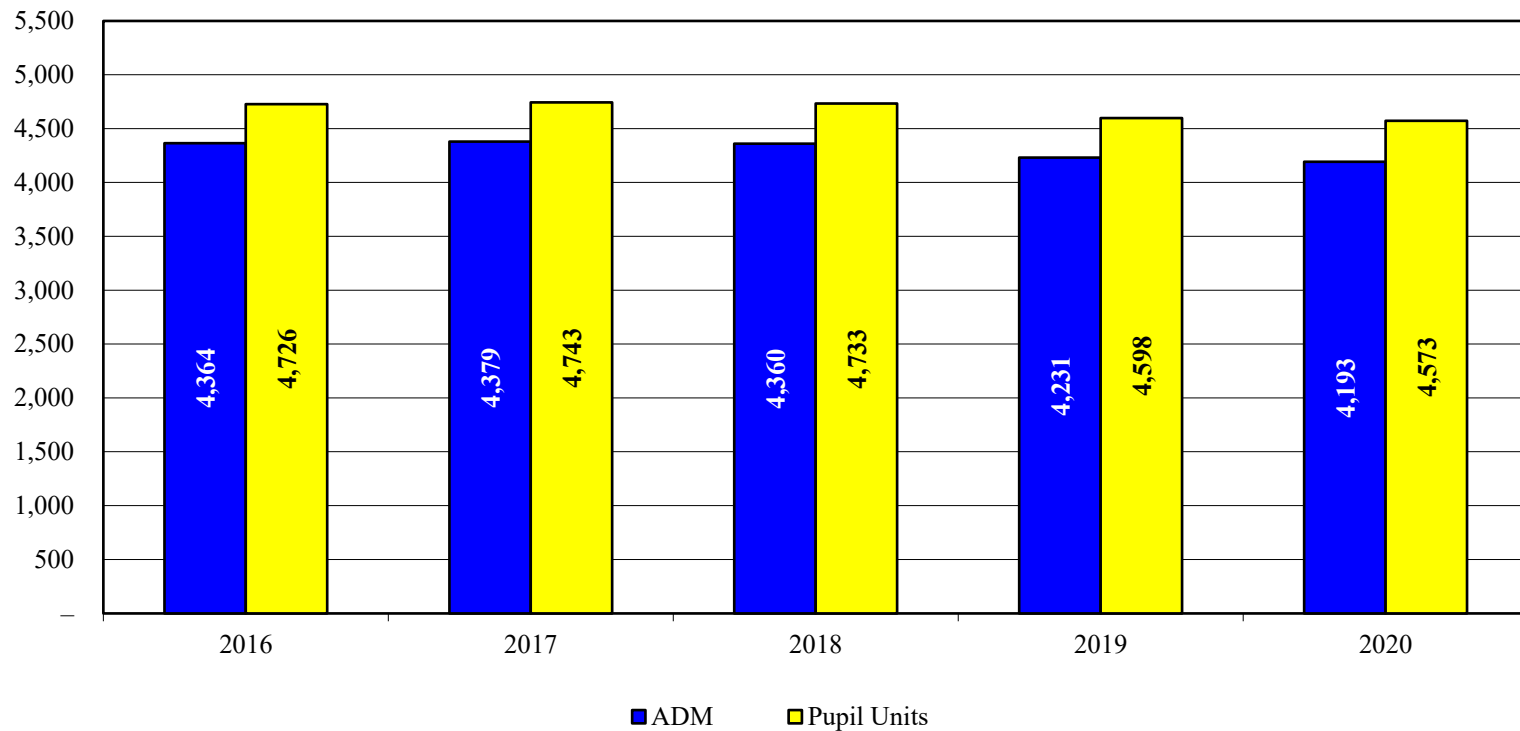


General Fund Financial Position

	June 30,		
	2018	2019	2020
Nonspendable fund balances	\$ 1,103,097	\$ 931,474	\$ 33,813
Restricted fund balance	1,617,120	2,482,106	3,964,677
Unrestricted fund balances			
Assigned	3,039,788	3,326,097	5,278,307
Unassigned	3,392,874	4,545,037	6,920,954
Total fund balance	<u><u>\$ 9,152,879</u></u>	<u><u>\$ 11,284,714</u></u>	<u><u>\$ 16,197,751</u></u>
Unrestricted fund balances as a percentage of expenditures	<u><u>10.4%</u></u>	<u><u>12.2%</u></u>	<u><u>19.2%</u></u>
Unassigned fund balances as a percentage of expenditures	<u><u>5.5%</u></u>	<u><u>7.0%</u></u>	<u><u>10.9%</u></u>

Students Served

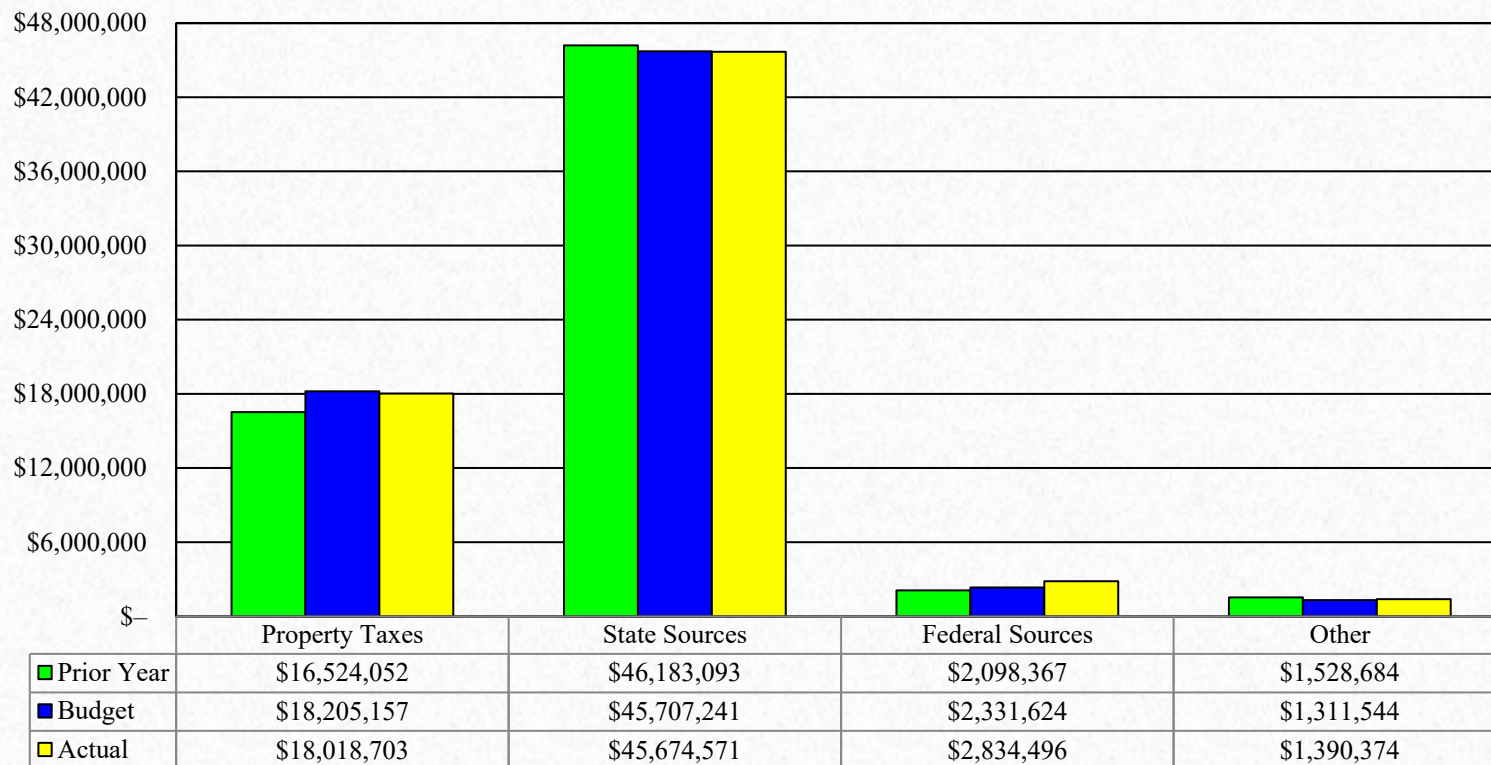
Adjusted ADM and Pupil Units Served





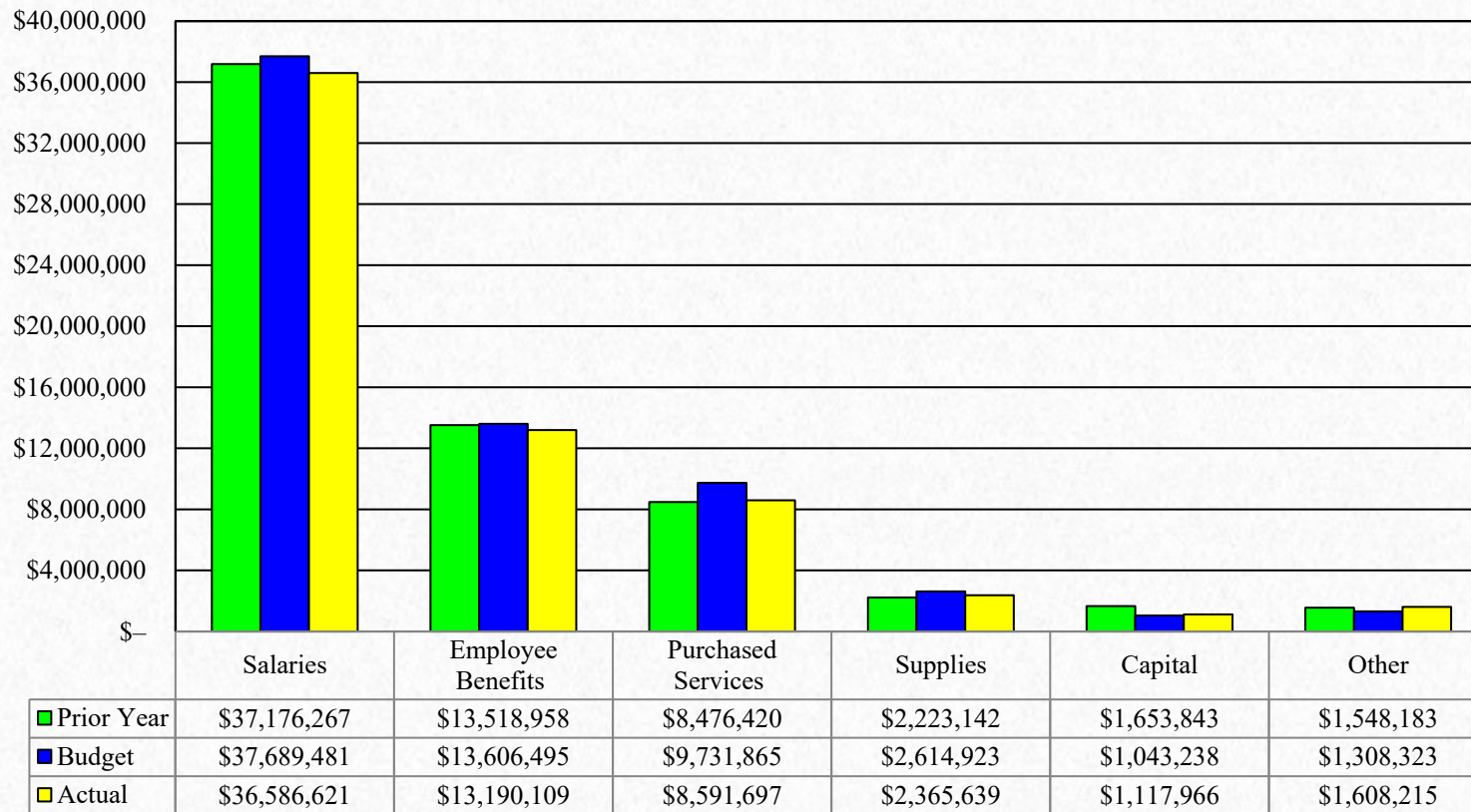
General Fund Revenue

General Fund Revenues



General Fund Expenditures

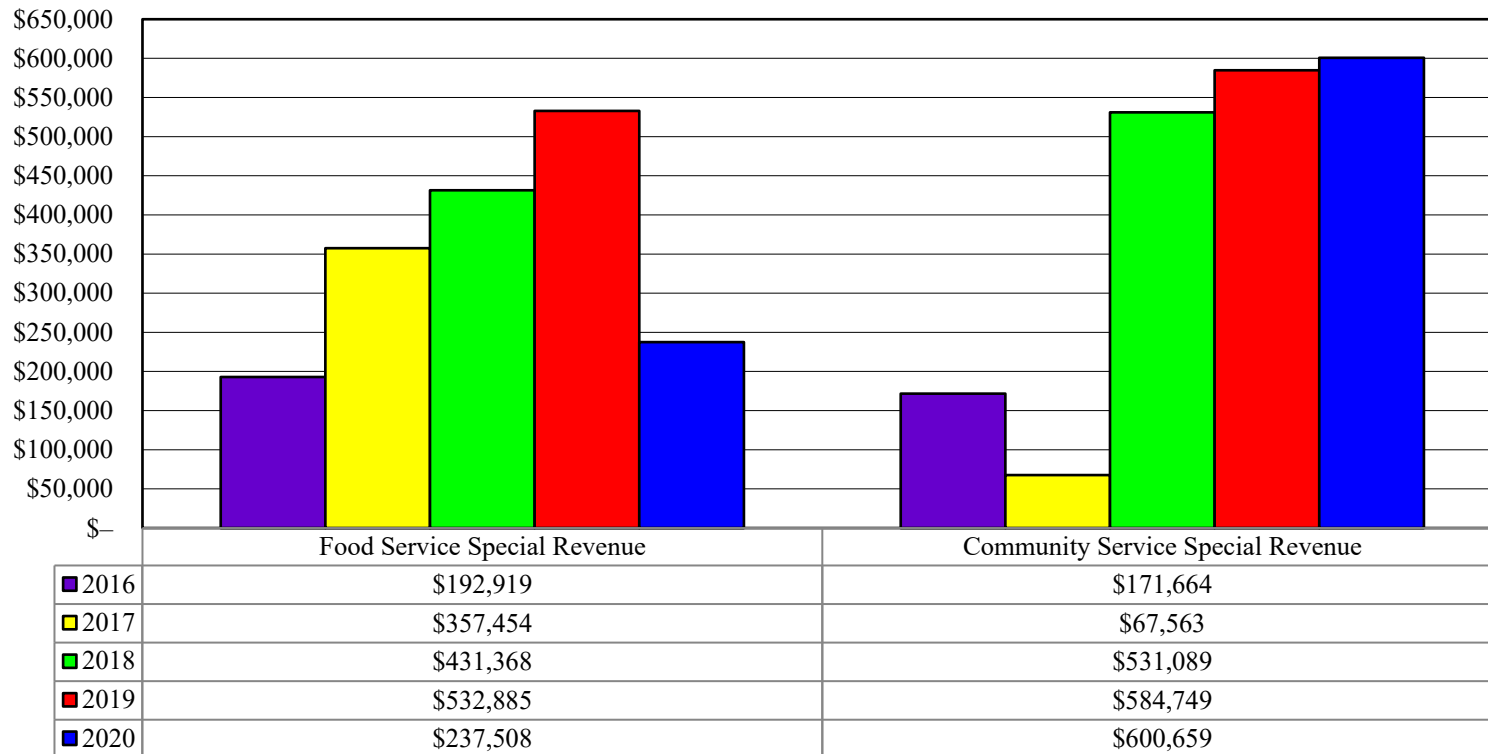
General Fund Expenditures





Other Governmental Funds

Other Operating Funds
Total Fund Balances





District-Wide Statement of Net Position

	June 30,		
	2020	2019	Change
Net position – governmental activities			
Total fund balances – governmental funds	\$ 62,481,593	\$ 120,337,853	\$ (57,856,260)
Capital assets, less accumulated depreciation	121,596,280	59,243,864	62,352,416
Bonds and capital leases	(147,224,587)	(152,390,013)	5,165,426
Pension liabilities, net of deferments	(59,641,006)	(55,950,747)	(3,690,259)
OPEB liability, net of deferments	(12,463,338)	(13,348,172)	884,834
Other	1,833,242	1,540,435	292,807
Total net position	<u>\$ (33,417,816)</u>	<u>\$ (40,566,780)</u>	<u>\$ 7,148,964</u>
Net position			
Net investment in capital assets	\$ 26,263,596	\$ 24,223,635	\$ 2,039,961
Restricted	10,384,473	6,910,435	3,474,038
Unrestricted	(70,065,885)	(71,700,850)	1,634,965
Total net position	<u>\$ (33,417,816)</u>	<u>\$ (40,566,780)</u>	<u>\$ 7,148,964</u>



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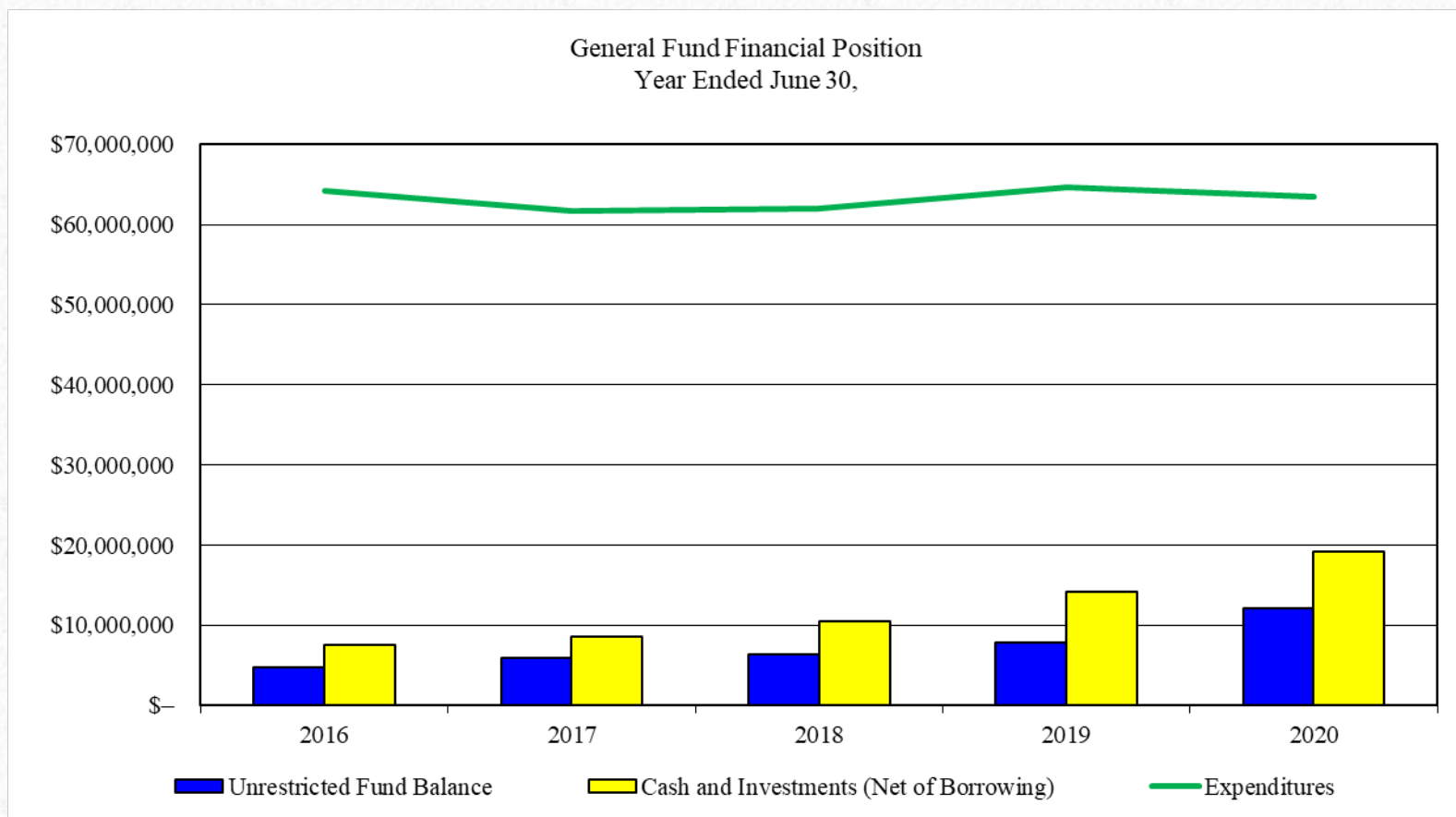
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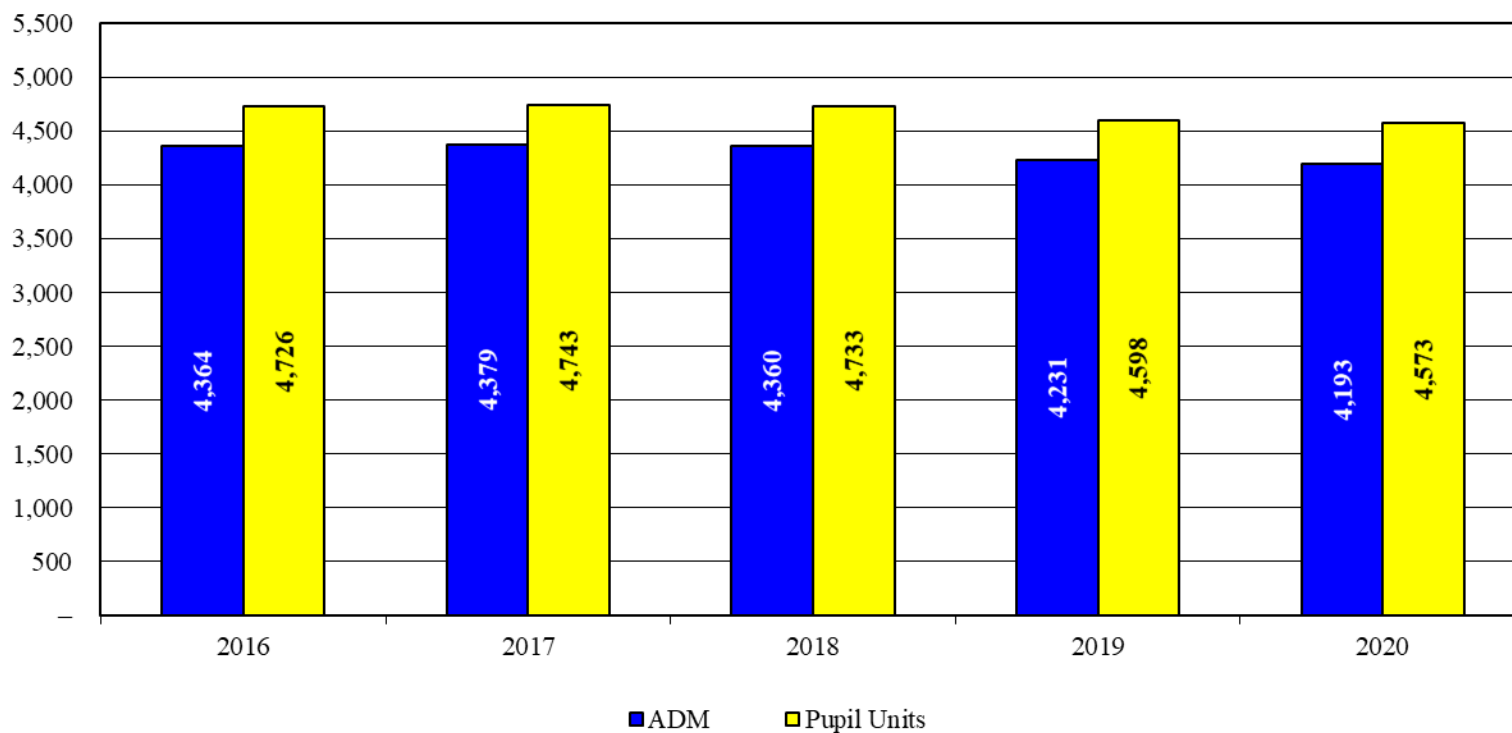


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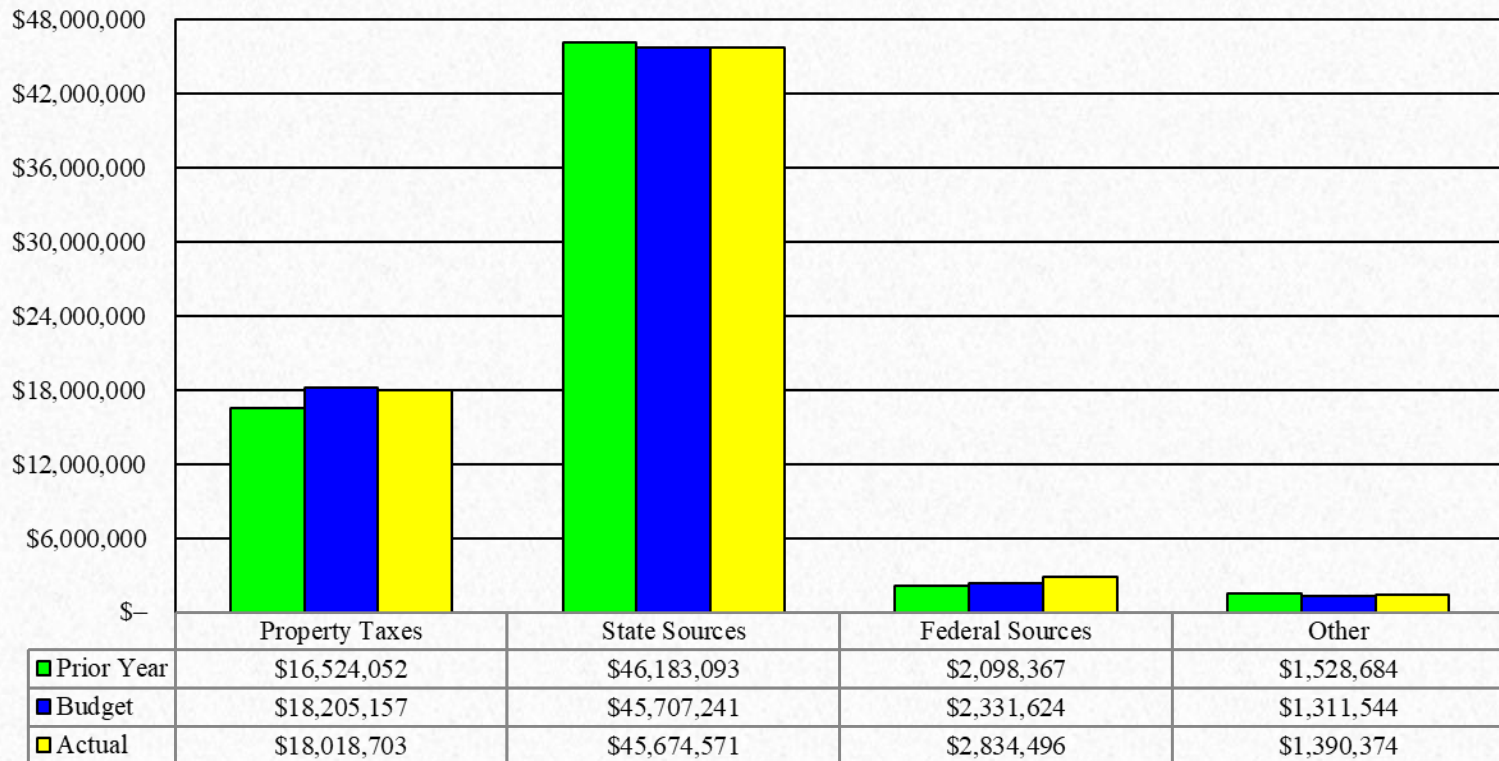
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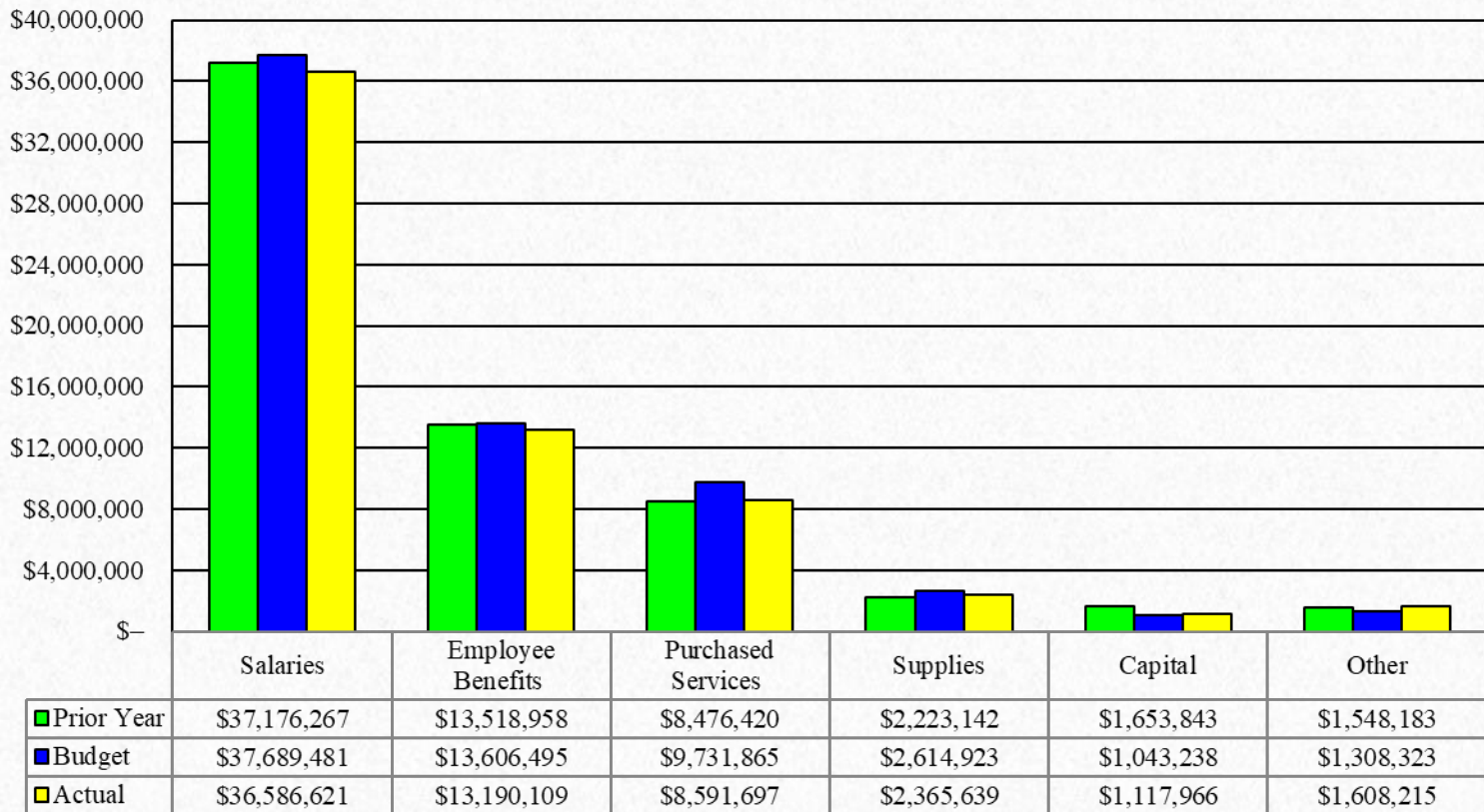
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General Fund Revenues



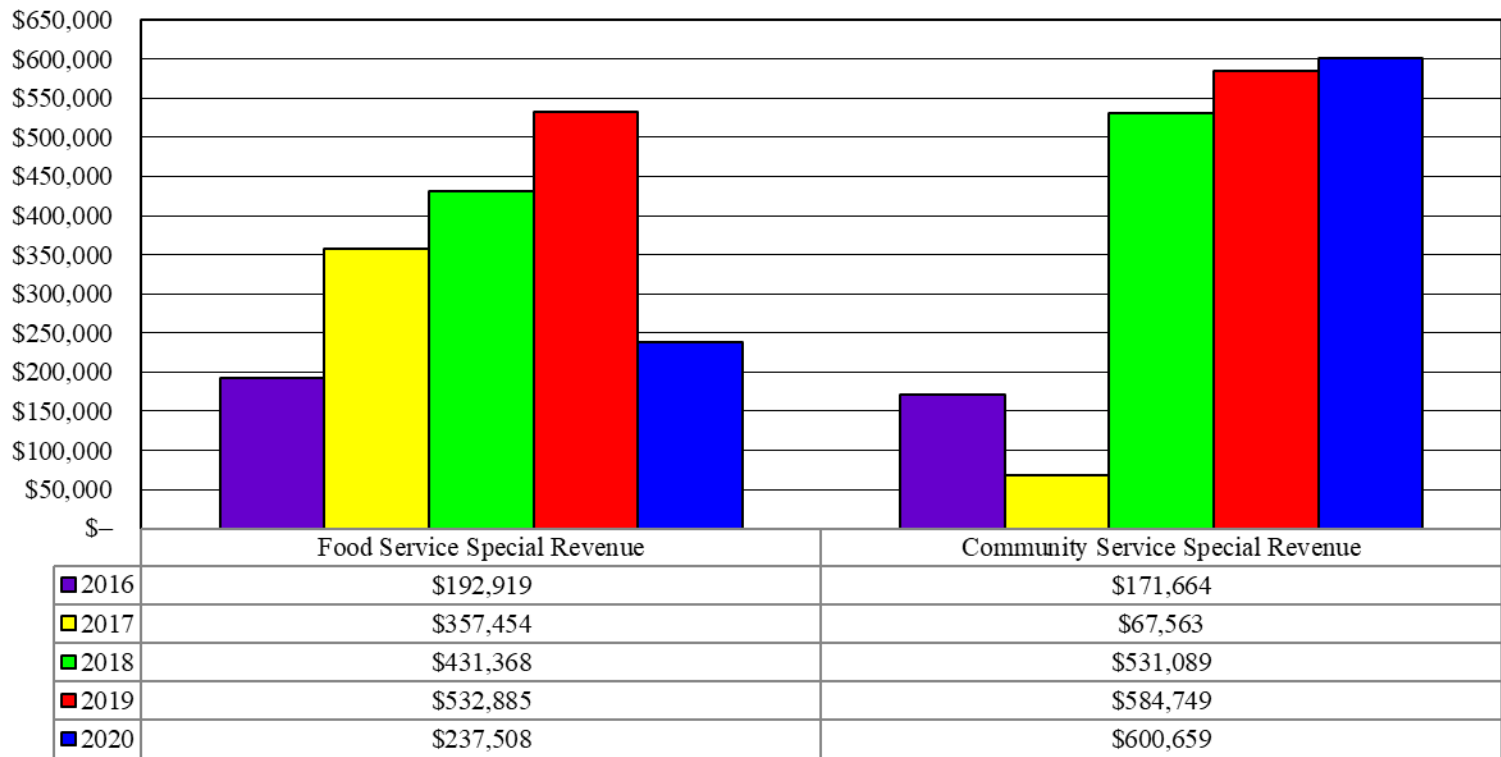
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REVENUE & EXPENDITURE SUMMARY BY SOURCE, OBJECT SERIES & PROGRAM SERIES

RICHFIELD | January 31, 2021

							January 31, 2021	January 31, 2020 % of	January 31, 2019 % of			
REVENUE CATEGORIES	June 30, 2019	June 30, 2020	Revised Budget	Projected End Of Year	Received YTD	Budget Remaining	% of Budget Received	Actuals Received	Actuals Received	Current YTD vs. PYTD	January 31, 2020	January 31, 2019
STATE	46,183,093	45,674,569	46,150,048	45,362,608	16,469,197	29,680,851	35.69%	36.51%	37.04%	(206,485)	16,675,682	17,107,331
FEDERAL	2,098,367	2,834,495	2,825,786	4,239,528	1,711,489	1,114,297	60.57%	-0.08%	38.37%	1,713,889	(2,400)	805,236
PROPERTY TAXES	16,524,053	18,018,704	17,677,523	23,314,800	17,451,264	226,259	98.72%	99.62%	89.93%	(498,165)	17,949,430	14,860,454
LOCAL SALES, INS RECOVERY & JUDGEMENTS	107,155	130,566	49,200	269,874	251,790	(202,590)	511.77%	26.20%	89.08%	217,579	34,211	95,458
SALE OF BONDS & LOANS	0	0	0	0	0	0	0.00%	0.00%	0.00%	0	0	0
INCOMING TRANSFERS FROM OTH FUNDS	0	0	0	0	0	0	0.00%	0.00%	0.00%	0	0	0
LOCAL (FEES, INTEREST, ETC.)	1,510,830	1,284,111	1,141,544	714,376	376,839	764,705	33.01%	60.12%	43.58%	(395,126)	771,965	658,369
TOTALS	66,423,498	67,942,444	67,844,101	73,901,187	36,260,580	31,583,521	53.45%	52.15%	50.47%	831,692	35,428,888	33,526,849

							January 31, 2021	January 31, 2020	January 31, 2019			
EXPENDITURES (OBJECT SERIES)	June 30, 2019	June 30, 2020	Revised Budget	Projected End Of Year	Expended YTD	Budget Remaining	% of Budget Expended	% of Actuals Expended	% of Actuals Expended	Current YTD vs. PYTD	January 31, 2020	January 31, 2019
SALARIES & WAGES	37,176,269	36,586,619	39,444,694	37,966,263	16,726,767	22,717,927	42.41%	46.23%	46.08%	(188,381)	16,915,148	17,131,964
EMPLOYEE BENEFITS	13,518,960	13,190,108	14,082,908	14,027,497	6,445,927	7,636,981	45.77%	50.99%	49.19%	(279,471)	6,725,398	6,649,331
PURCHASED SERVICES	8,173,259	8,325,304	10,572,928	9,270,245	3,918,105	6,654,823	37.06%	50.04%	45.56%	(247,632)	4,165,736	3,723,999
SUPPLIES	2,525,553	2,632,033	2,621,643	3,173,312	2,050,563	571,080	78.22%	62.83%	56.80%	396,858	1,653,705	1,434,506
EQUIPMENT	2,581,571	2,313,465	2,268,375	3,237,127	2,528,204	(259,829)	111.45%	82.15%	84.41%	627,680	1,900,524	2,179,080
DEBT SERVICE	0	0	0	0	0	0	0.00%	0.00%	0.00%	0	0	0
OTHER EXPENDITURES	315,303	412,717	391,858	364,023	67,643	324,215	17.26%	18.38%	25.25%	(8,213)	75,857	79,614
OTHER FINANCING USES	0	0	0	0	0	0	0.00%	0.00%	0.00%	0	0	0
TOTALS	64,290,915	63,460,246	69,382,406	68,038,467	31,737,209	37,645,197	45.74%	49.54%	48.53%	300,841	31,436,367	31,198,494

							January 31, 2021	January 31, 2020 % of	January 31, 2019 % of				
	June 30, 2019	June 30, 2020	Revised Budget	Projected End Of Year	Expended YTD	Budget Remaining	% of Budget Expended	Actuals Expended	Actuals Expended	Current YTD vs. PYTD	January 31, 2020	January 31, 2019	
EXPENDITURES (PROGRAM SERIES)													
SITE ADMINISTRATION	1,853,501	1,960,813	1,940,283	1,935,191	1,056,188	884,095	54.43%	59.73%	57.82%	(115,085)	1,171,272	1,071,761	
DISTRICT ADMINISTRATION	2,114,434	2,060,508	2,294,312	2,427,157	1,304,902	989,410	56.88%	56.10%	51.02%	148,898	1,156,005	1,078,814	
SUPPORT SERVICES	2,138,022	2,214,338	1,980,877	2,366,480	1,500,969	479,908	75.77%	69.65%	68.87%	(41,405)	1,542,374	1,472,426	
REGULAR INSTRUCTION	27,926,936	26,944,471	29,136,919	28,254,769	11,650,651	17,486,268	39.99%	44.18%	43.07%	(253,524)	11,904,175	12,027,311	
EXTRA-CURRICULAR ACTIVITES	1,029,765	979,957	1,030,839	909,069	385,301	645,538	37.38%	57.84%	54.31%	(181,486)	566,787	559,235	
VOCATIONAL INSTRUCTION	473,959	446,106	458,424	487,241	229,743	228,681	50.12%	43.07%	41.85%	37,617	192,126	198,373	
SPECIAL EDUCATION	12,130,842	12,270,481	12,911,323	12,321,854	5,362,516	7,548,807	41.53%	45.25%	45.12%	(189,933)	5,552,448	5,473,053	
COMMUNITY SERVICES	0	65,126	0	160	160	(160)	0.00%	0.00%	0.00%	160	0	0	
INSTRUCTIONAL SUPPORT	4,549,255	4,727,289	5,016,573	5,032,776	2,819,710	2,196,863	56.21%	66.35%	69.50%	(316,738)	3,136,448	3,161,856	
PUPIL SUPPORT SERVICES	6,291,515	6,626,336	7,060,788	6,694,276	3,129,127	3,931,661	44.32%	51.15%	46.16%	(260,267)	3,389,395	2,904,468	
FACILITIES	5,559,412	4,893,517	7,312,738	7,315,180	4,001,441	3,311,297	54.72%	53.08%	54.46%	1,403,759	2,597,682	3,027,922	
OTHER FINANCING USES	223,275	271,303	239,330	294,314	296,499	(57,169)	123.89%	83.91%	100.00%	68,845	227,654	223,275	
TOTALS	64,290,915	63,460,246	69,382,406	68,038,467	31,737,209	37,645,197	45.74%	49.54%	48.53%	300,841	31,436,367	31,198,494	

REVENUE & EXPENDITURE SUMMARY BY SOURCE, OBJECT SERIES & PROGRAM SERIES

RICHFIELD | January 31, 2021

ACTIVITY - OTHER FUNDS							January 31, 2021	January 31, 2020	January 31, 2019			
	June 30, 2019	June 30, 2020	Revised Budget	Projected End Of Year	Received YTD	Budget Remaining	% of Budget Received	Actuals Received	% of Actuals Received	Current YTD vs. PYTD	January 31, 2020	January 31, 2019
REVENUE												
FOOD SERVICE	2,838,335	2,684,713	2,860,640	2,413,482	803,602	2,057,038	28.09%	43.11%	44.99%	(353,767)	1,157,369	1,276,966
COMMUNITY EDUCATION	1,942,646	1,957,664	2,164,377	2,521,191	1,237,806	926,571	57.19%	73.17%	65.17%	(194,562)	1,432,368	1,266,068
CONSTRUCTION	3,044,448	2,184,625	925,000	824,343	(64,791)	989,791	-7.00%	-18.86%	20.53%	347,129	(411,920)	624,954
DEBT SERVICE	8,713,849	8,469,549	7,687,393	9,204,362	7,589,723	97,670	98.73%	99.02%	102.33%	(796,853)	8,386,576	8,917,087
TRUST	48,199	0	46,500	34,560	31,784	14,716	68.35%	0.00%	77.64%	(8,438)	40,221	37,422
CUSTODIAL	0	8,908	0	157	157	(157)	0.00%	0.00%	0.00%	157	0	0
INTERNAL SERVICE	7,849,043	7,722,748	7,765,500	6,125,077	2,144,301	5,621,199	27.61%	46.38%	45.50%	(1,437,548)	3,581,849	3,571,467
OPEB REVOCABLE TRUST	0	0	0	0	0	0	0.00%	0.00%	0.00%	0	0	0
OPEB IRREVOCABLE TRUST	203,285	247,051	70,000	41,518	(27,909)	97,909	-39.87%	-16.90%	34.01%	13,848	(41,758)	69,139
OPEB DEBT SERVICE	786,209	811,277	2,137,877	2,424,807	2,112,943	24,934	98.83%	99.63%	74.22%	1,304,674	808,268	583,495
TOTALS	25,426,013	24,086,536	23,657,287	23,589,496	13,827,616	9,829,671	58.45%	62.08%	64.29%	(1,125,359)	14,952,975	16,346,597
EXPENDITURES							January 31, 2021	January 31, 2020	January 31, 2019			
	June 30, 2019	June 30, 2020	Revised Budget	Projected End Of Year	Expended YTD	Budget Remaining	% of Budget Expended	Actuals Expended	% of Actuals Expended	Current YTD vs. PYTD	January 31, 2020	January 31, 2019
FOOD SERVICE	2,736,818	2,980,090	2,819,342	2,570,530	1,134,674	1,684,668	40.25%	48.39%	50.19%	(307,311)	1,441,984	1,373,611
COMMUNITY EDUCATION	1,888,985	1,941,755	2,070,408	2,107,997	1,096,158	974,250	52.94%	52.55%	52.79%	75,711	1,020,447	997,225
CONSTRUCTION	13,650,859	65,066,268	38,530,269	42,903,199	24,064,781	14,465,488	62.46%	57.86%	17.69%	(13,580,846)	37,645,626	2,414,290
DEBT SERVICE	7,967,443	8,105,988	7,245,988	10,263,360	7,243,363	2,626	99.96%	100.00%	99.95%	(862,625)	8,105,988	7,963,668
TRUST	41,908	0	46,500	22,351	33,171	13,329	71.34%	0.00%	97.61%	(14,380)	47,551	40,908
CUSTODIAL	0	13,551	0	0	0	0	0.00%	0.00%	0.00%	0	0	0
INTERNAL SERVICE	7,471,090	7,047,734	7,891,634	7,358,564	3,939,750	3,951,884	49.92%	61.60%	58.78%	(401,938)	4,341,688	4,391,466
OPEB REVOCABLE TRUST	0	0	0	0	0	0	0.00%	0.00%	0.00%	0	0	0
OPEB IRREVOCABLE TRUST	498,893	816,085	735,000	735,000	0	735,000	0.00%	0.00%	0.00%	0	0	0
OPEB DEBT SERVICE	789,125	783,025	2,021,800	1,466,452	2,021,775	25	100.00%	100.00%	100.00%	1,238,750	783,025	789,125
TOTALS	35,045,121	86,754,495	61,360,941	67,427,452	39,533,670	21,827,271	64.43%	61.54%	51.28%	(13,852,638)	53,386,308	17,970,293
SUMMARY - ALL FUNDS							January 31, 2021	January 31, 2020	January 31, 2019			
	June 30, 2019	June 30, 2020	Revised Budget	Projected End Of Year	YTD	Budget Remaining	% of Budget Expended	Actuals Expended	% of Actuals Expended	Current YTD vs. PYTD	January 31, 2020	January 31, 2019
SUMMARY												
REVENUE	91,849,511	92,028,981	91,501,388	97,490,683	50,088,195	41,413,193	54.74%	54.75%	54.30%	(293,667)	50,381,862	49,873,446
EXPENDITURES	99,336,035	150,214,740	130,743,347	135,465,918	71,270,879	59,472,468	54.51%	56.47%	49.50%	(13,551,797)	84,822,675	49,168,786
SPENDING VARIANCE	(7,486,525)	(58,185,760)	(39,241,959)	(37,975,236)	(21,182,683)	N/A	N/A	N/A	N/A	13,258,130	(34,440,813)	704,659

Enriching and accelerating learning



Where We Are

Enrollment and Class Size Report

Presented to the Richfield Board of Education

February 16th, 2021

Enriqueciendo y acelerando el aprendizaje

Multi-Year Analysis



RICHFIELD
PUBLIC SCHOOLS

RICHFIELD PUBLIC SCHOOLS ENROLLMENT COUNT - OCTOBER 1, 2020 Revised 11/5/20

GRADE	Central								2020 1-Oct	2020 Oct 1	RCEP RMS						2019 1-Oct	2020 1-Oct	Variance	
	SEC	RDLS	CENT	SHER	STEM	RMS	RHS	RCEP	ACTUAL	PROJ	RDLS	CENT	SHER	STEM	RHS	change	ACT	ACT		
ECSE*	97								97	120						-23	ECSE	131	97	-34
SEC	22								22	22						0	SEC	25	22	-3
Voluntary PreK (VPK)	5	44	43	16	49				157	186						-29	VPK	193	157	-36
K		94	51	77	106				328	312	9	-8	11	4			K	287	328	41
1		81	58	56	93				288	278	5	6	-3	2			1	305	288	-17
2		75	66	78	81				300	283	3	6	8	0		43	2	323	300	-23
3		69	64	65	116				314	313	-2	6	0	-3			3	289	314	25
4		66	60	60	103				289	280	3	0	3	3			4	281	289	8
5		60	50	56	86				252	276	-1	-9	-2	-12		-14	5	334	252	-82
6						305			305	318					-13		6	315	305	-10
7						293			293	300					-7		7	330	293	-37
8						321			321	327					-6	-26	8	307	321	14
9							317	0	317	313					4		9	311	317	6
10							303	3	306	306					0		10	291	306	15
11							277	17	294	265					29		11	250	294	44
12							240	44	284	250					34	67	12	305	284	-21
Voluntary PreK (VPK)	5	44	43	16	49				157											
Actual w/o VPK	119	445	349	392	585	919	1137	64	4010									4277	4167	-110
Projection w/o VPK	142	428	348	375	591	945	1082	52	3963	4149	Includes VPK									
Difference w/o VPK	-23	17	1	17	-6	-26	55	12												
Actual PreK-12	124	489	392	408	634	919	1137	64	4167											

	CURR.	DIFF		CURR.	DIFF		CURR.	DIFF		
Prekindergarten	254	-52	Elem K-5	1771	29	Trans+	22	0	PreK-12 Projection 10/1/20	4149
Kindergarten	328	16	M.S 6-8	919	-26	Kinder	328	16	PreK-12 Actual 10/1/20	4167
Grades 1-2	588	27	S.H 9-12	1201	67	Grds 1-6	1748	0	Projection Variance	18
Grades 3-5	855	-14	K-12 Total	3891	70	Grds 7-12	1815	54	Last Year Enrollment 10/1/2019	4277
									Change From Last Year	-110

Note: The enrollment counts include an average of the part time PSEO students.

*17 of the ECSE Students are attending VPK. They do not count towards our VPK allocation.

Prepared by the Business Office 11/5/2020

4,167 Students District-wide

- 4,010 Traditional Count
 - 1,771 Elementary (K-5)
 - 919 Middle (6-8)
 - 1,201 High (9-12)
 - 97 Pre-kindergarten (17 ECSE VPK)
 - 22 Transition +
- 157 Voluntary Pre-Kindergarten (VPK)

47 Students more than projection (18 more with VPK)

74 Students less than 2019-20 (110 less with VPK)

2019-20 to 2020-21 Comparison



RICHFIELD
PUBLIC SCHOOLS

Overall – Down 110 students (Down 74 students traditional count)

ECSE – Down 34 students

Elementary – Down 48 students

- Centennial – Down 25 students
- RDLS – Up 19 students
- RSTEM – Down 41 students
- Sheridan Hills – Down 1 student

PreK – VPK – Down 36 students

Richfield Middle School – Down 33 students

Richfield High School – Up 42 students

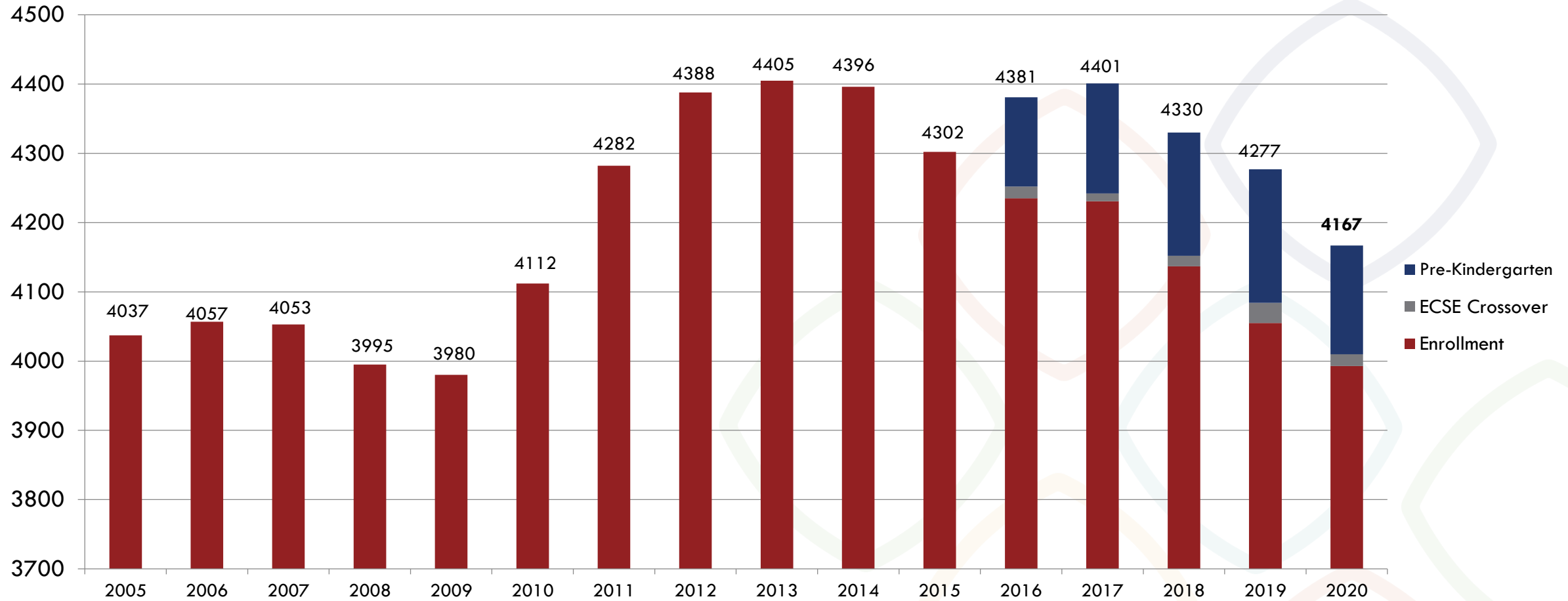
Richfield Career Education Program – Up 2 students

Transition+ - Down 3 students

Multi-Year Analysis

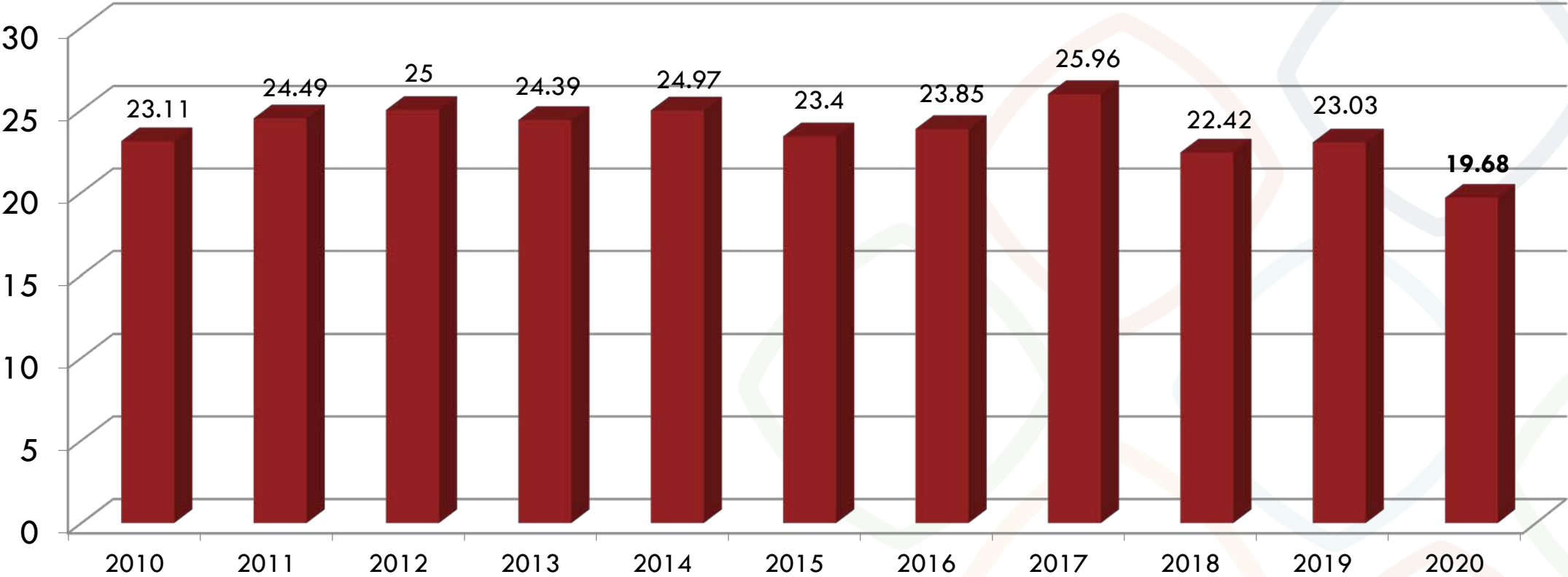


RICHFIELD
PUBLIC SCHOOLS



Elementary Class Size: K-5 Average Class Size Trend

K-5 Average Class Size Trend

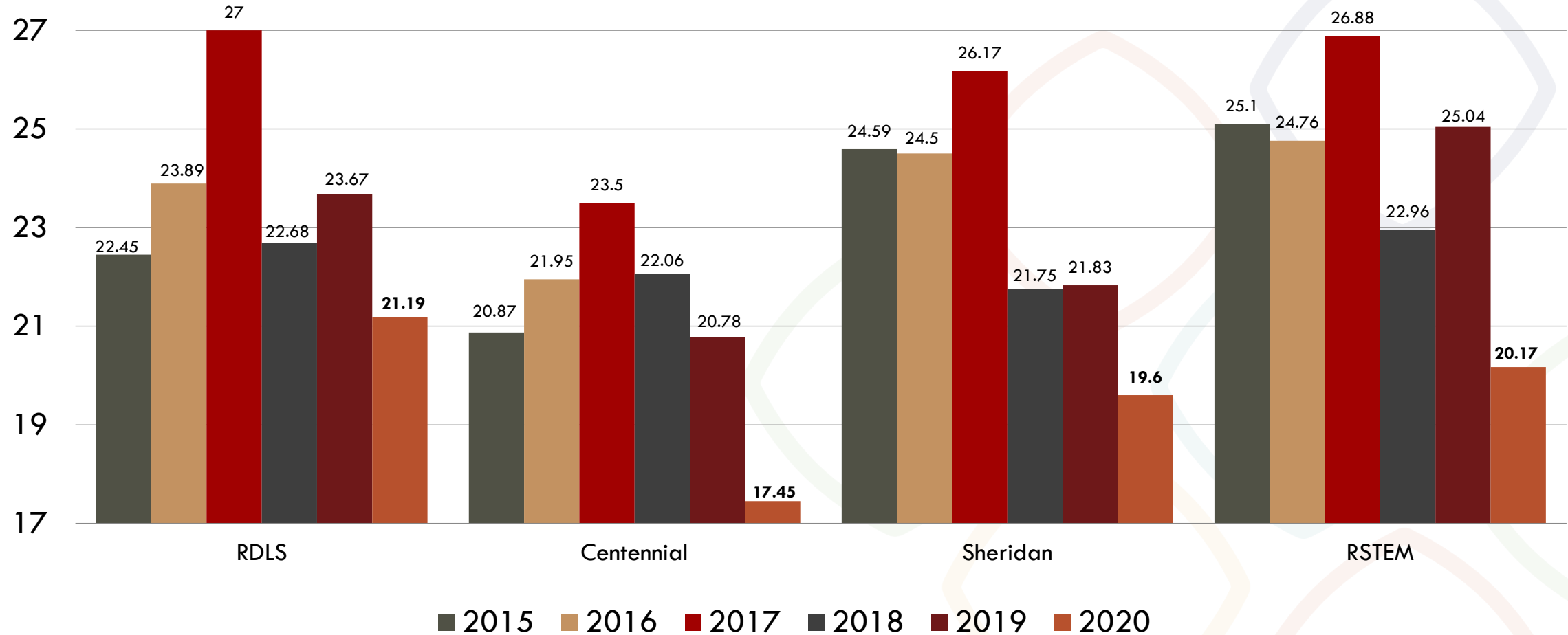


Elementary Class Size – Class Size Trend by School

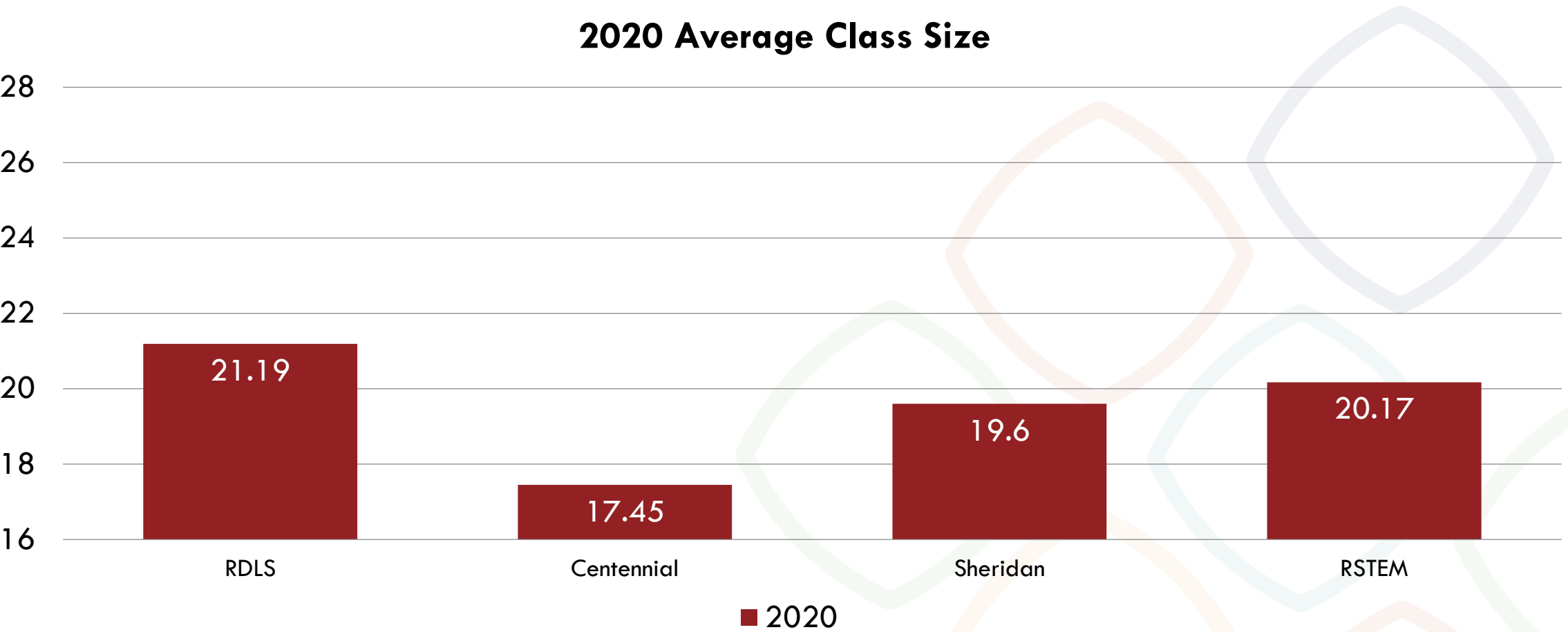


RICHFIELD
PUBLIC SCHOOLS

Class Size Trend by School



Elementary Class Size – 2020 Average Class Size

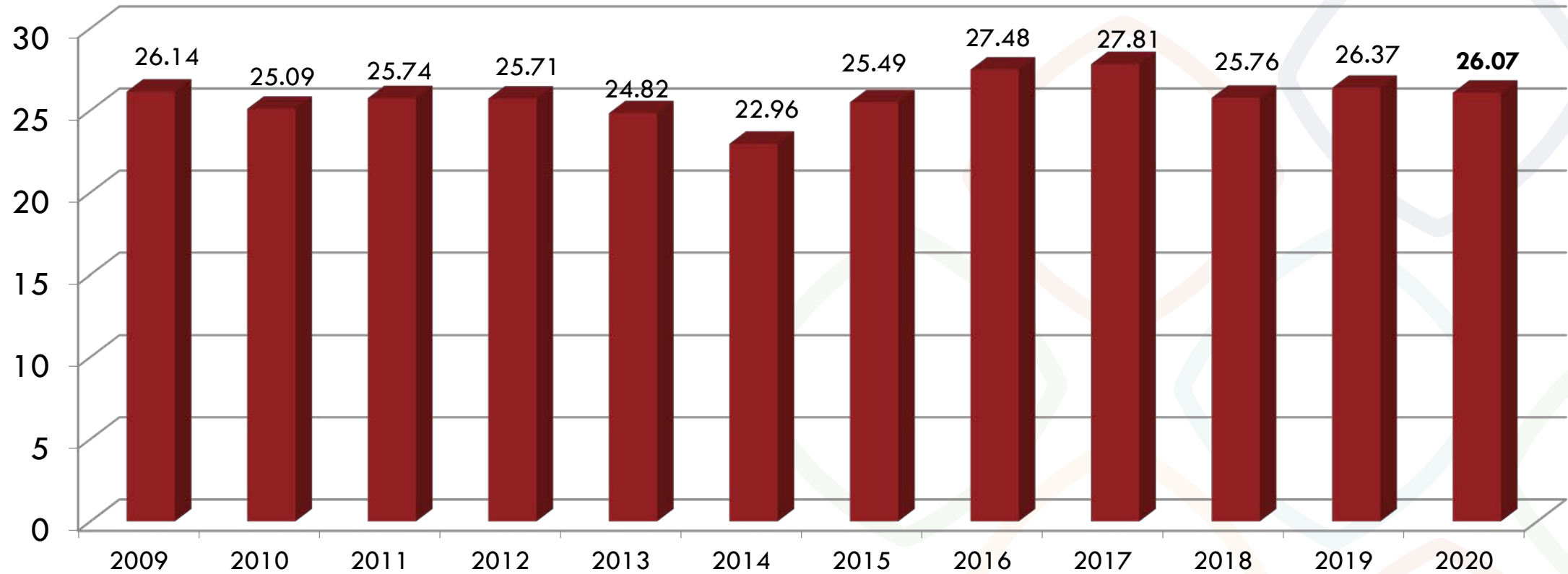


Middle School Class Size: 6-8 Average Class Size Trend



RICHFIELD
PUBLIC SCHOOLS

6-8 Average Class Size Trend

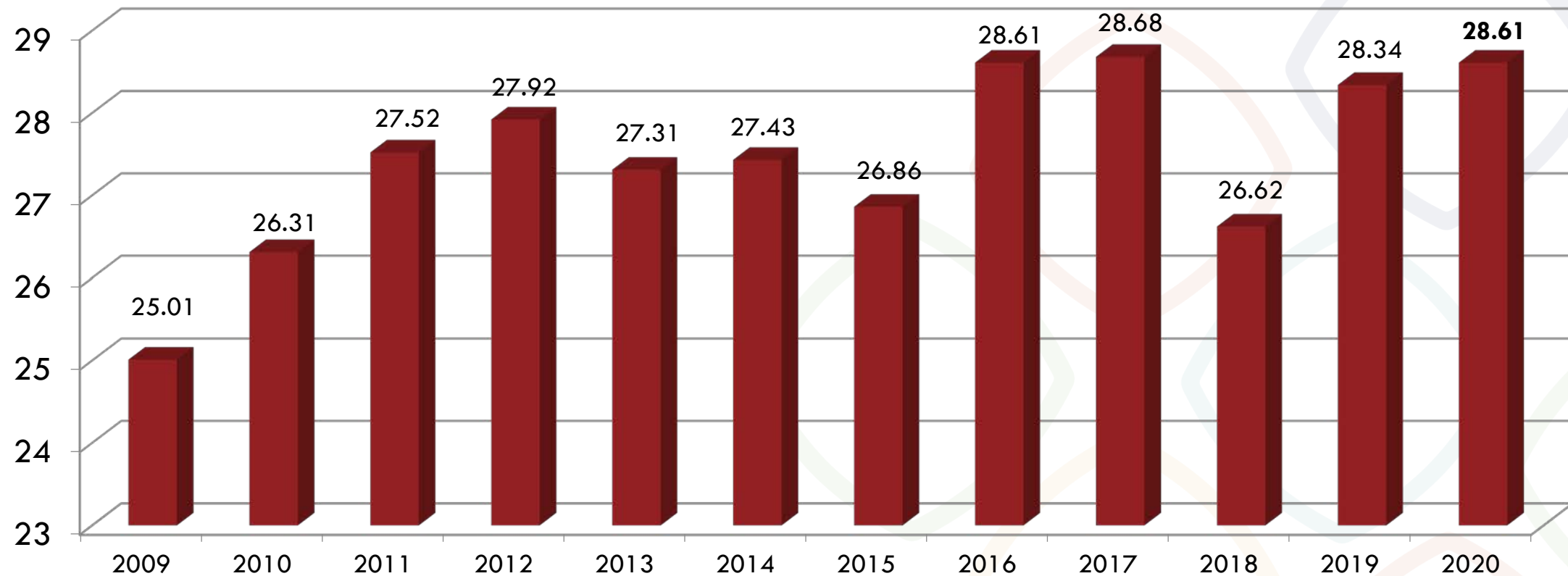


High School Class Size: 9-12 Average Class Size Trend



RICHFIELD
PUBLIC SCHOOLS

9-12 Average Class Size Trend



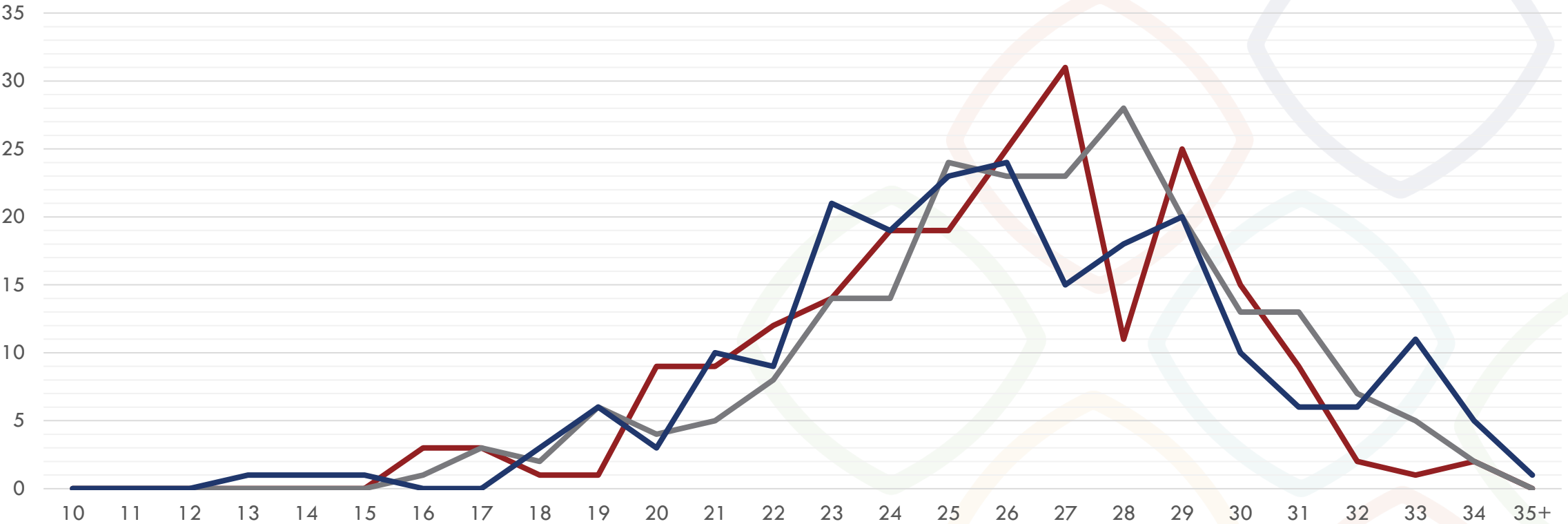
Middle School Class Size: Number of Sections per Class Size



RICHFIELD
PUBLIC SCHOOLS

Number of Sections per Class Size

— 2018-2019 — 2019-2020 — 2020-2021

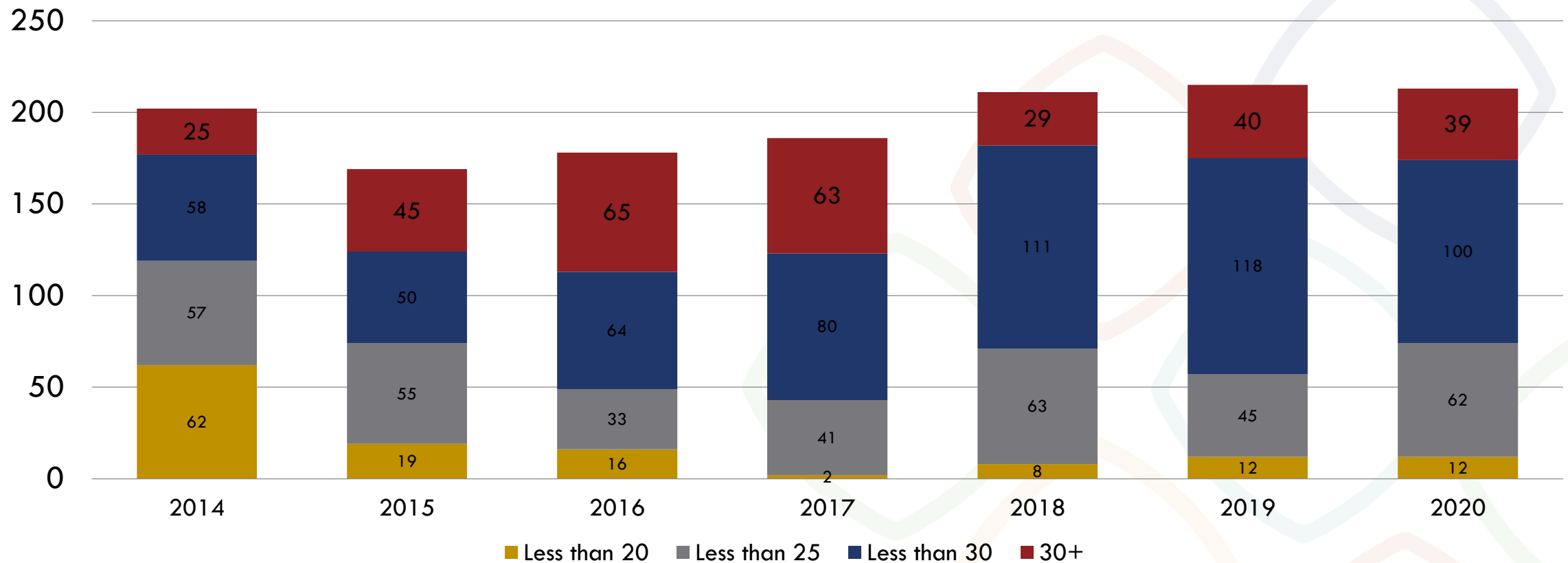


Middle School Class Size – Class Size Trend by School



RICHFIELD
PUBLIC SCHOOLS

Class Size Trend by School



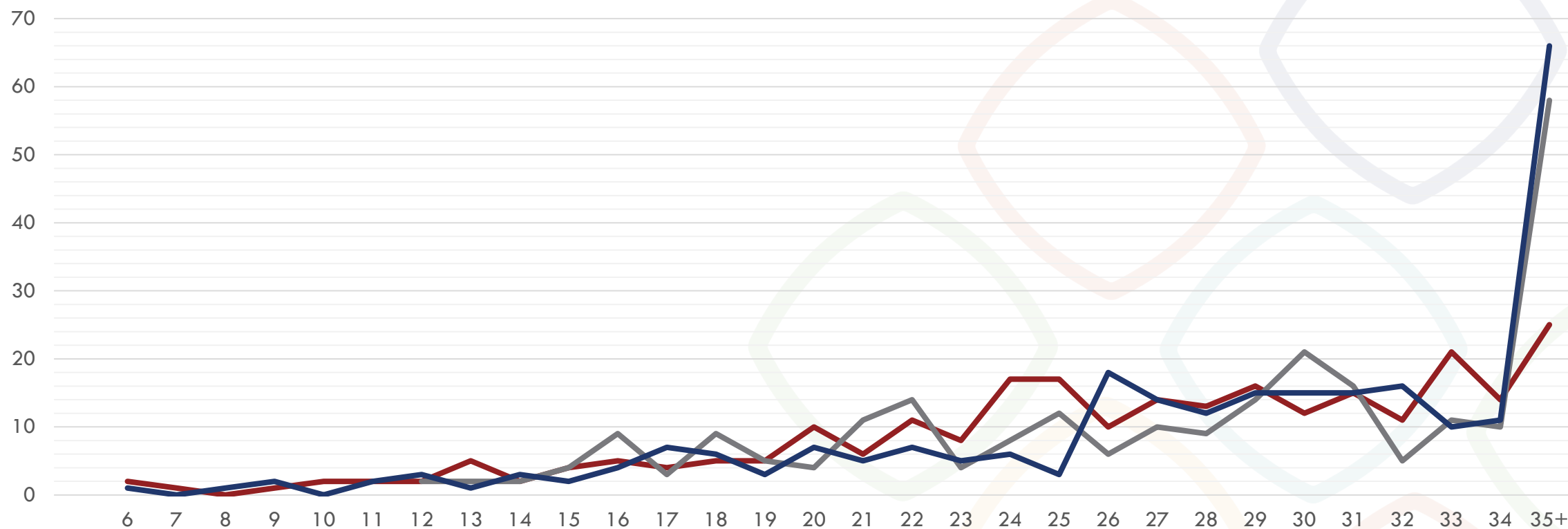
High School Class Size – Number of Sections per Class Size



RICHFIELD
PUBLIC SCHOOLS

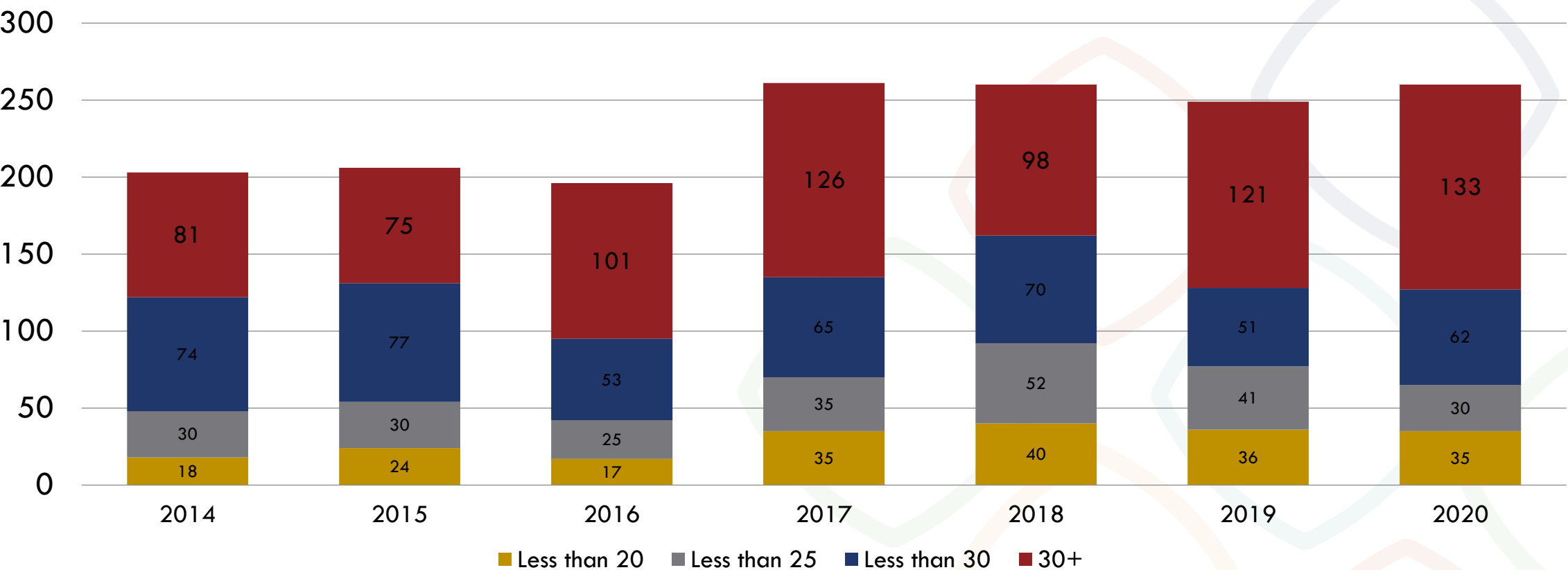
Number of Sections per Class Size

— 2018-2019 — 2019-2020 — 2020-2021



High School Class Size – Class Size Trend by School

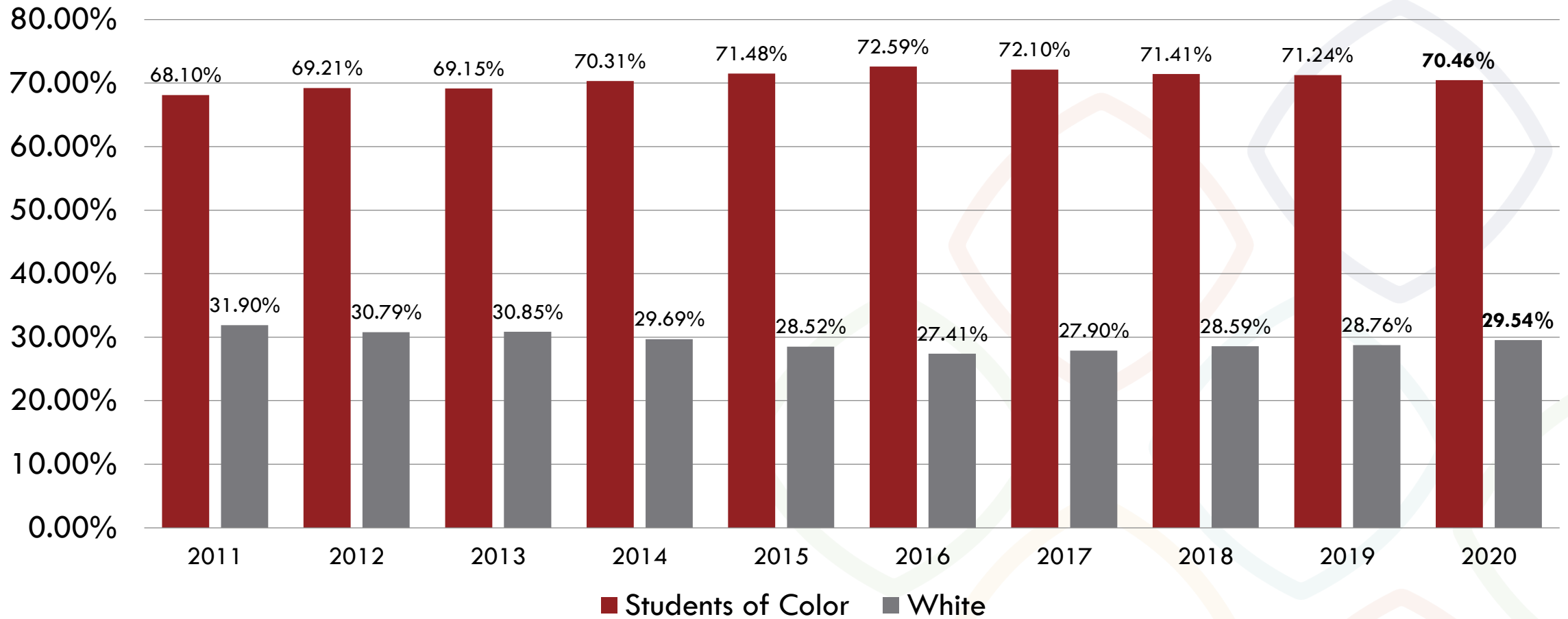
Class Size Trend by School



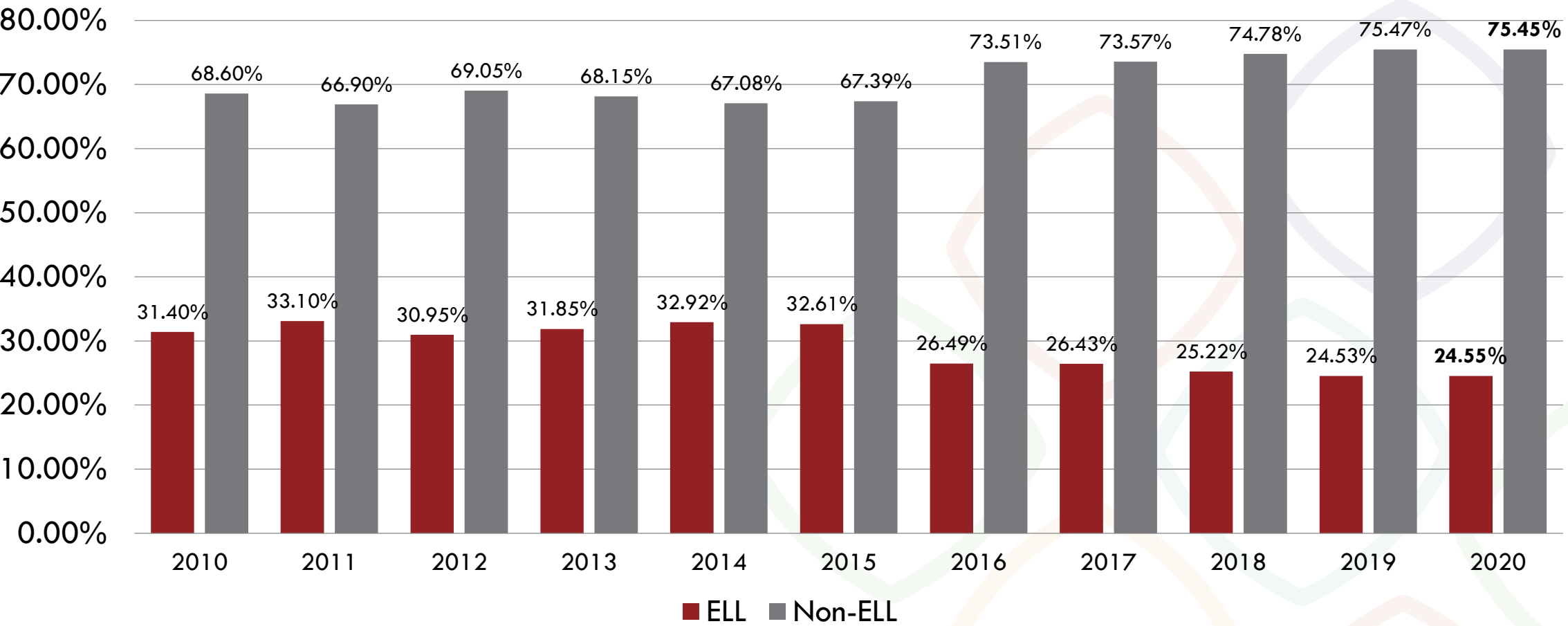
Student Diversity



RICHFIELD
PUBLIC SCHOOLS



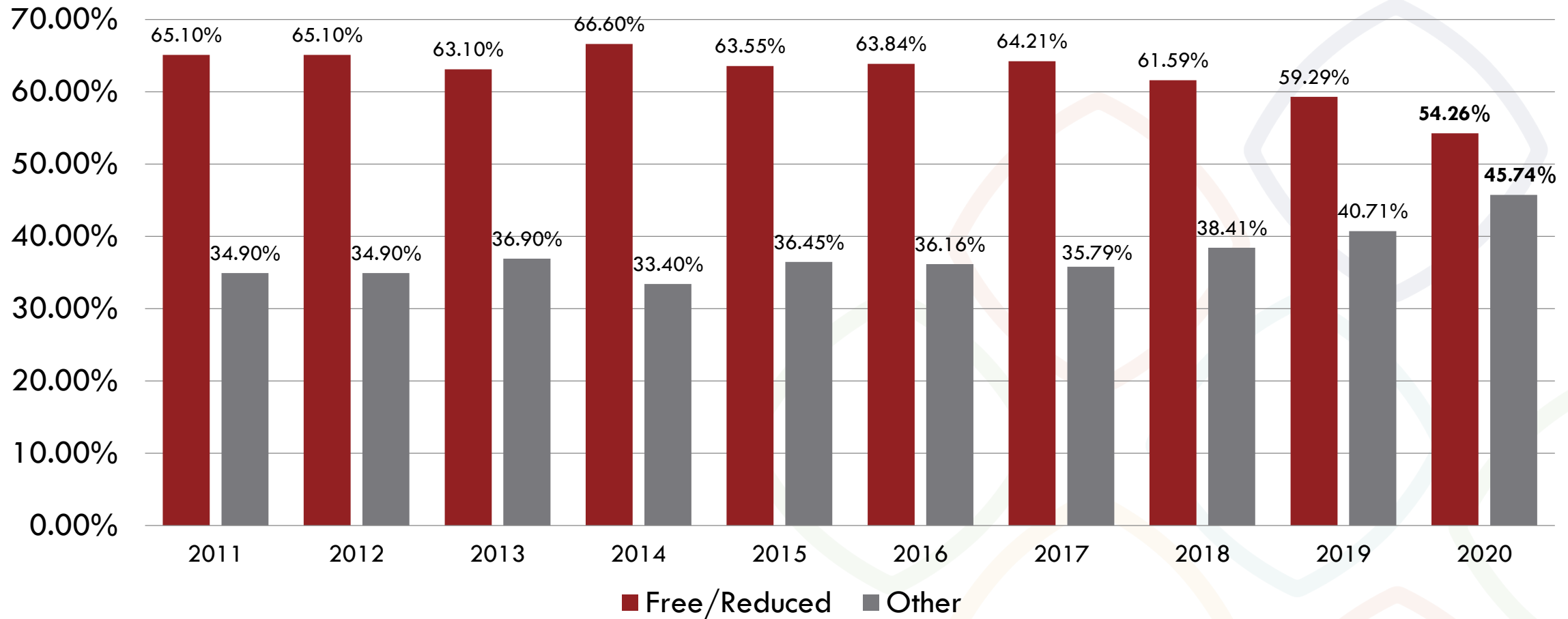
English Language Learner



Free/Reduced Enrollment



RICHFIELD
PUBLIC SCHOOLS



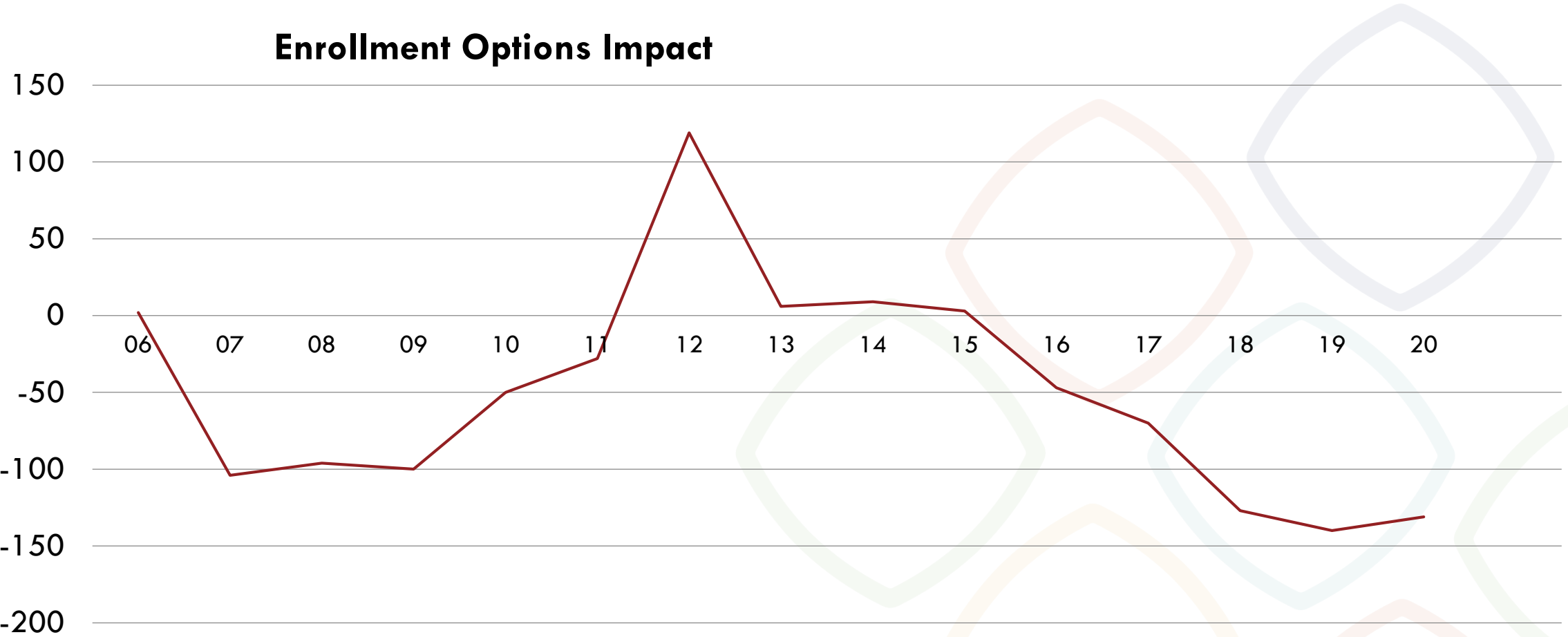
Enrollment Options



RICHFIELD
PUBLIC SCHOOLS

Major Districts	20-21 In	20-21 Out	20-21 Net	19-20 In	19-20 Out	19-20 Net	Change
Bloomington	231	222	9	229	236	-7	16
Burnsville	33	7	26	28	13	15	11
Edina	24	266	-242	22	262	-240	-2
Minneapolis	241	144	97	244	115	129	-32
Rosemount	19	13	6	21	16	5	1
St. Paul	16	5	11	20	10	10	1
SEC	0	22	-22	0	42	-42	20
Overall* Includes additional districts not listed above	623	754	-131	634	761	-127	-4

Enrollment Options Impact



Non-Public Schools

- 384 Total Students (decrease of 22 from 19-20)
- Blessed Trinity (108), Homeschool (92), Holy Angels (59) and Cristo Rey (38) are the largest.

Charter Schools

- 792 Total Students (increase of 47 from 19-20)
- Seven Hills Prep (329), Partnership Academy (165), Hiawatha Academies (54), Eagle Ridge Academy (47), SciTech Academy (32) and MN Transitions Charter (23) are the largest.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	
499	454	534	583	583	664	727	761	769	754	
806	777	876	876	942	1,022	1,078	1,061	1,151	1,176	
1,305	1,231	1,410	1,459	1,525	1,686	1,805	1,822	1,920	1,930	
4,282	4,388	4,405	4,396	4302	4381	4401	4330	4277	4167	
(471)	(573)	(540)	(592)	(588)	(617)	(657)	(634)	(629)	(623)	
3,811	3,815	3,865	3,804	3,714	3,764	3,744	3,696	3,648	3,544	
5,116	5,046	5,275	5,263	5,239	5,450	5,549	5,518	5,568	5,474	
74.49%	75.60%	73.27%	72.28%	70.89%	69.06%	67.47%	66.98%	65.52%	64.74%	

Questions



RICHFIELD
PUBLIC SCHOOLS



Enriching and accelerating learning



Where We Are

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Multi-Year Analysis



RICHFIELD
PUBLIC SCHOOLS

RICHFIELD PUBLIC SCHOOLS ENROLLMENT COUNT - OCTOBER 1, 2020 Revised 11/5/20

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Grades 3-5	855	-14	K-12 Total	3891	70	Grds 7-12	1815	54	Last Year Enrollment 10/1/2019	4277
									Change From Last Year	-110

Note: The enrollment counts include an average of the part time PSEO students.

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Prepared by the Business Office 11/5/2020

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RICHFIELD
PUBLIC SCHOOLS

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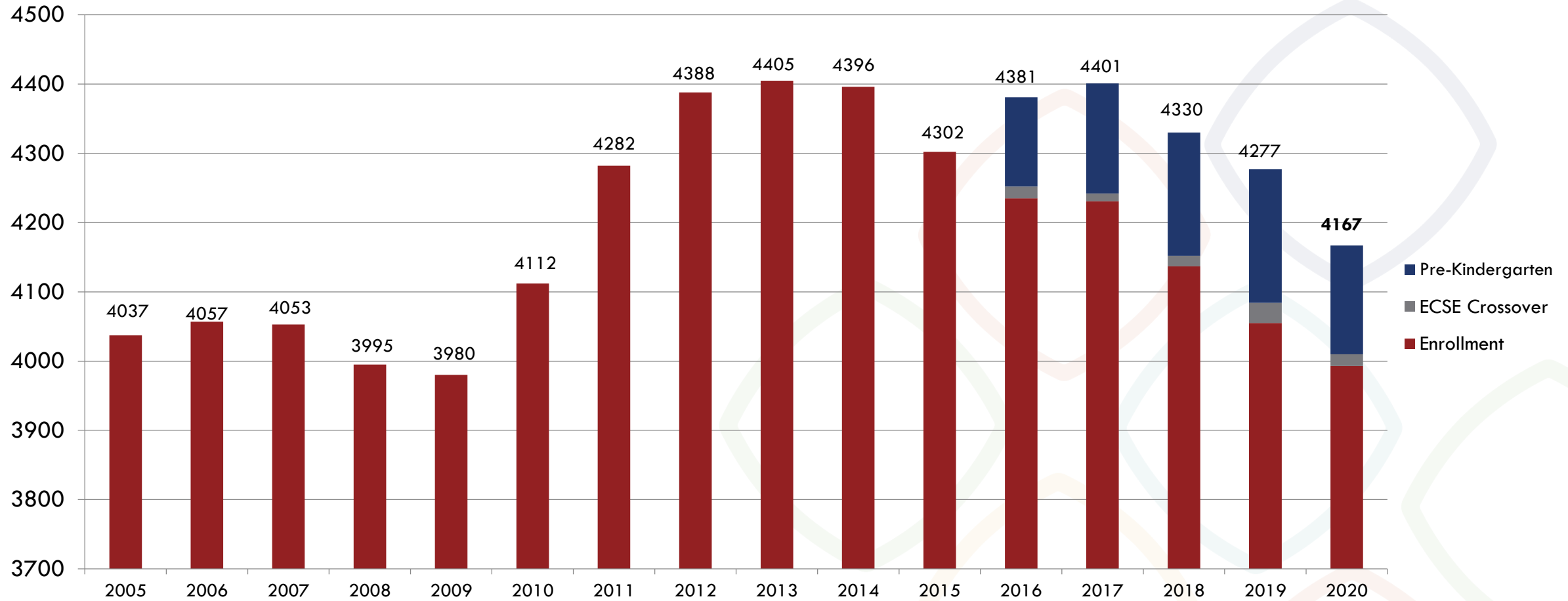
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Multi-Year Analysis



RICHFIELD
PUBLIC SCHOOLS

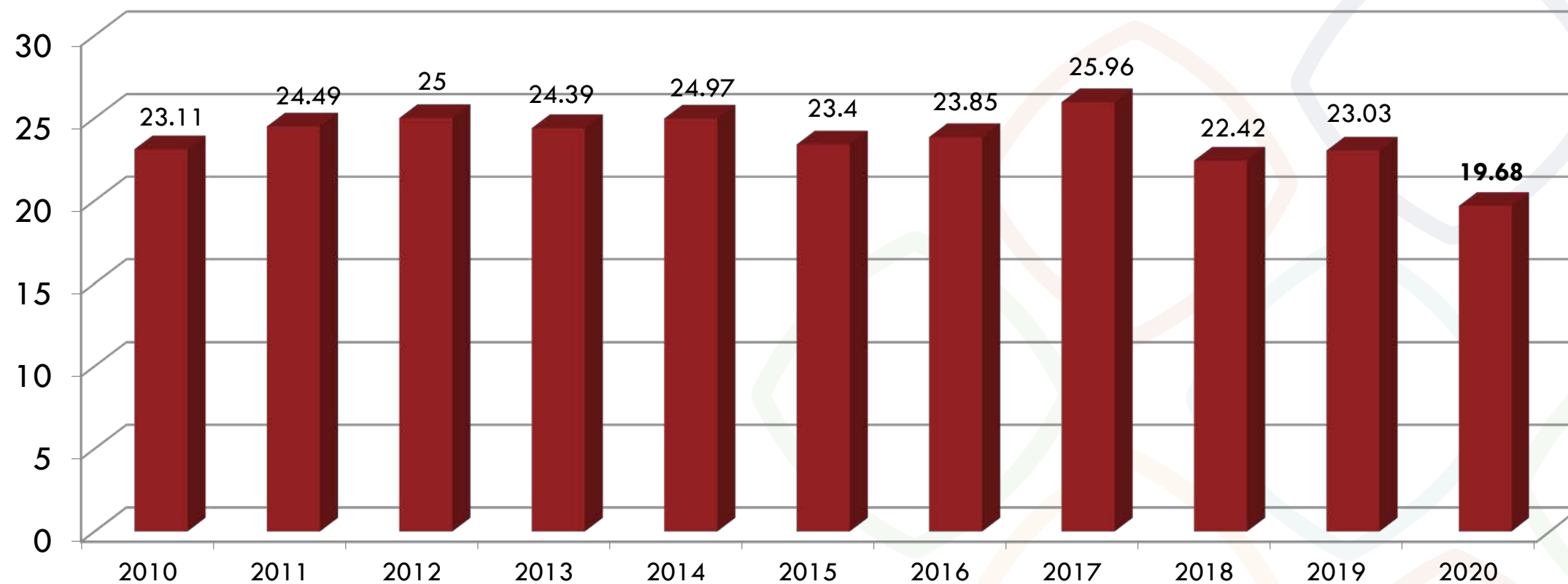


Elementary Class Size: K-5 Average Class Size Trend



RICHFIELD
PUBLIC SCHOOLS

K-5 Average Class Size Trend

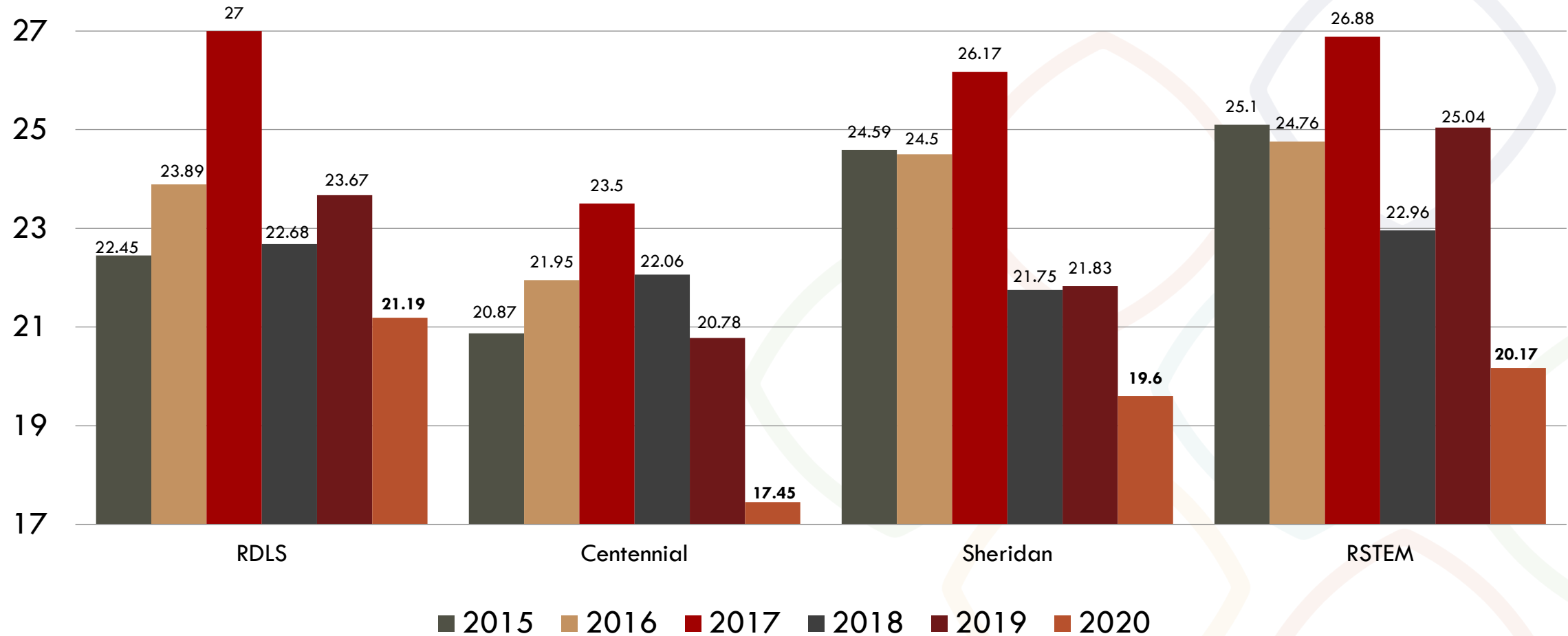


Elementary Class Size – Class Size Trend by School

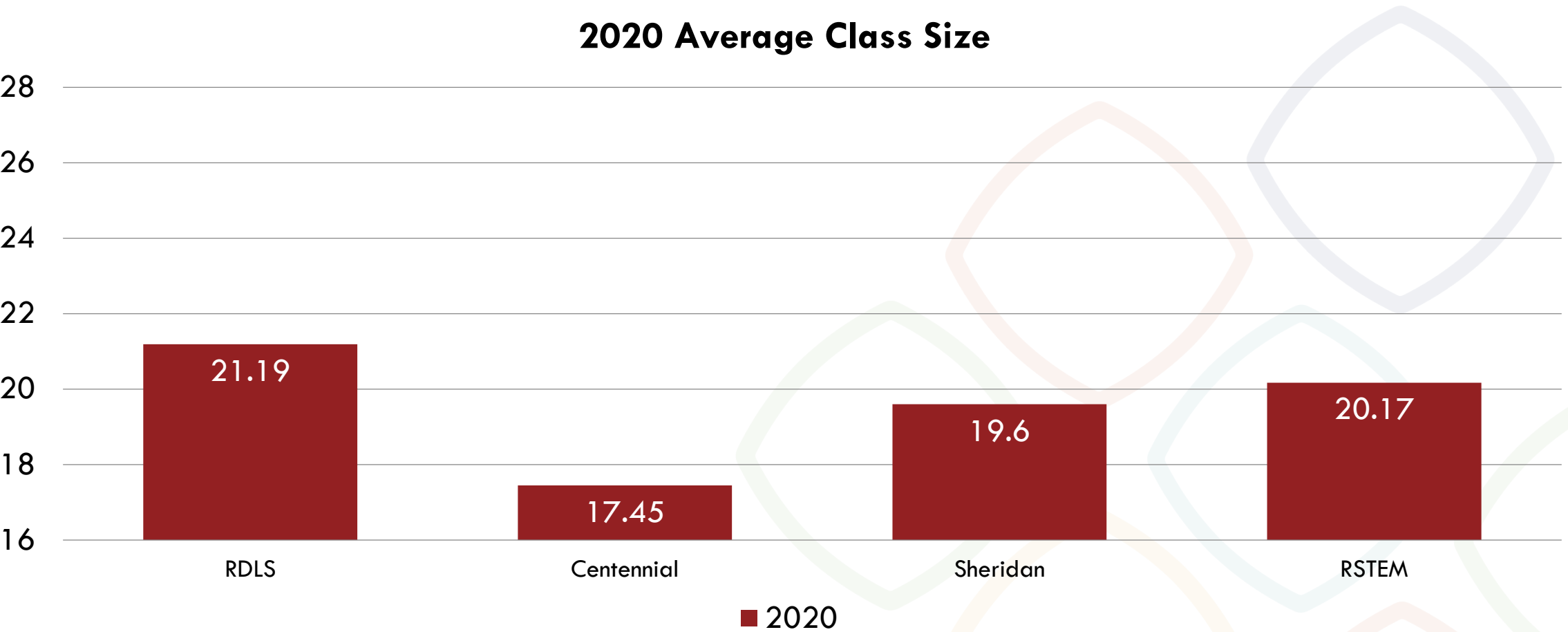


RICHFIELD
PUBLIC SCHOOLS

Class Size Trend by School



Elementary Class Size – 2020 Average Class Size

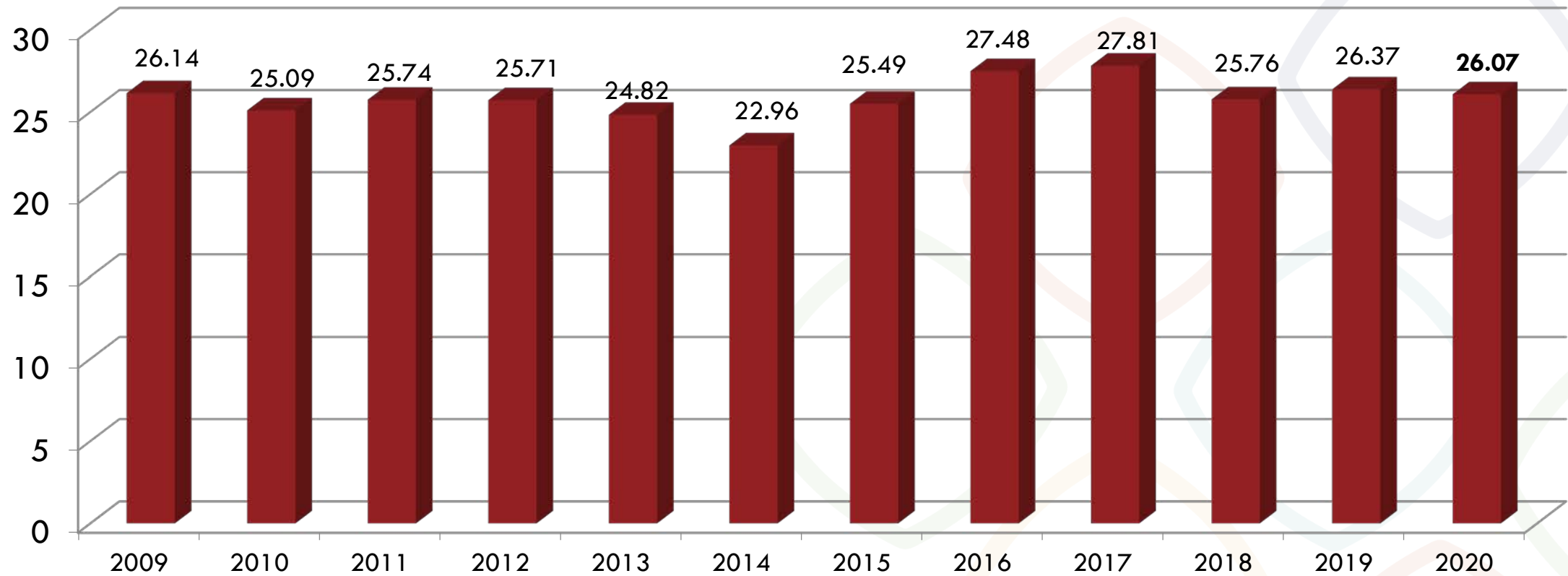


Middle School Class Size: 6-8 Average Class Size Trend



RICHFIELD
PUBLIC SCHOOLS

6-8 Average Class Size Trend

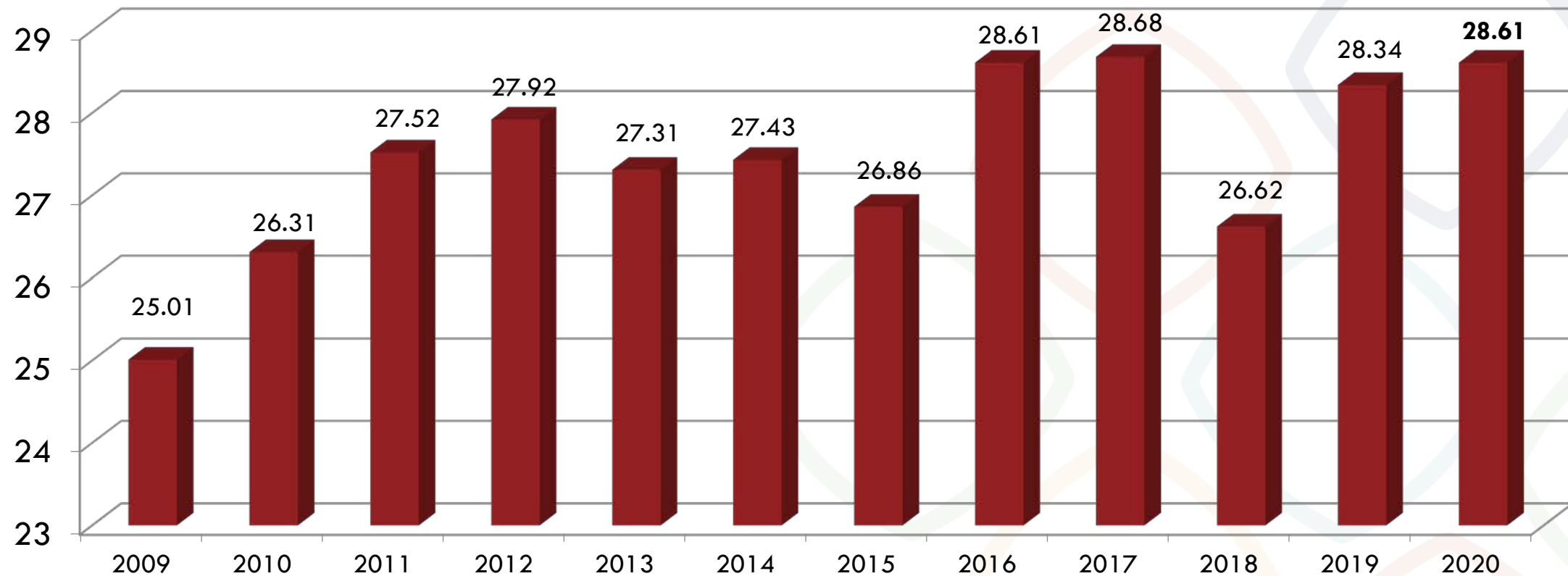


High School Class Size: 9-12 Average Class Size Trend



RICHFIELD
PUBLIC SCHOOLS

9-12 Average Class Size Trend



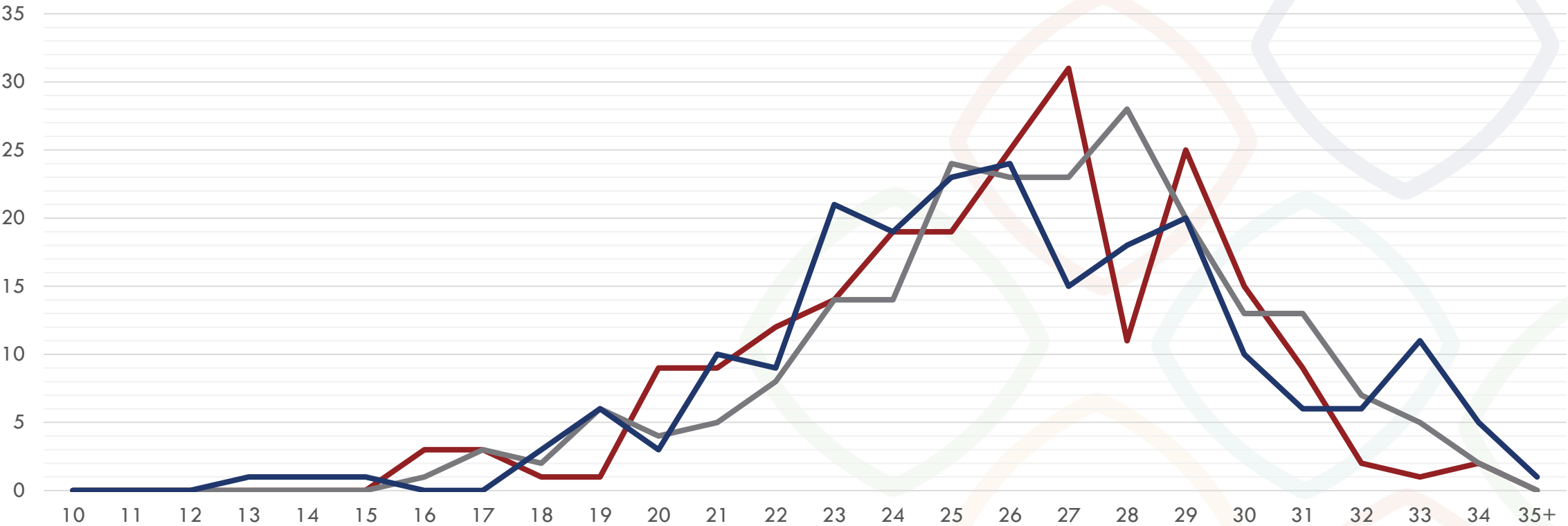
Middle School Class Size: Number of Sections per Class Size



RICHFIELD
PUBLIC SCHOOLS

Number of Sections per Class Size

2018-2019 2019-2020 2020-2021

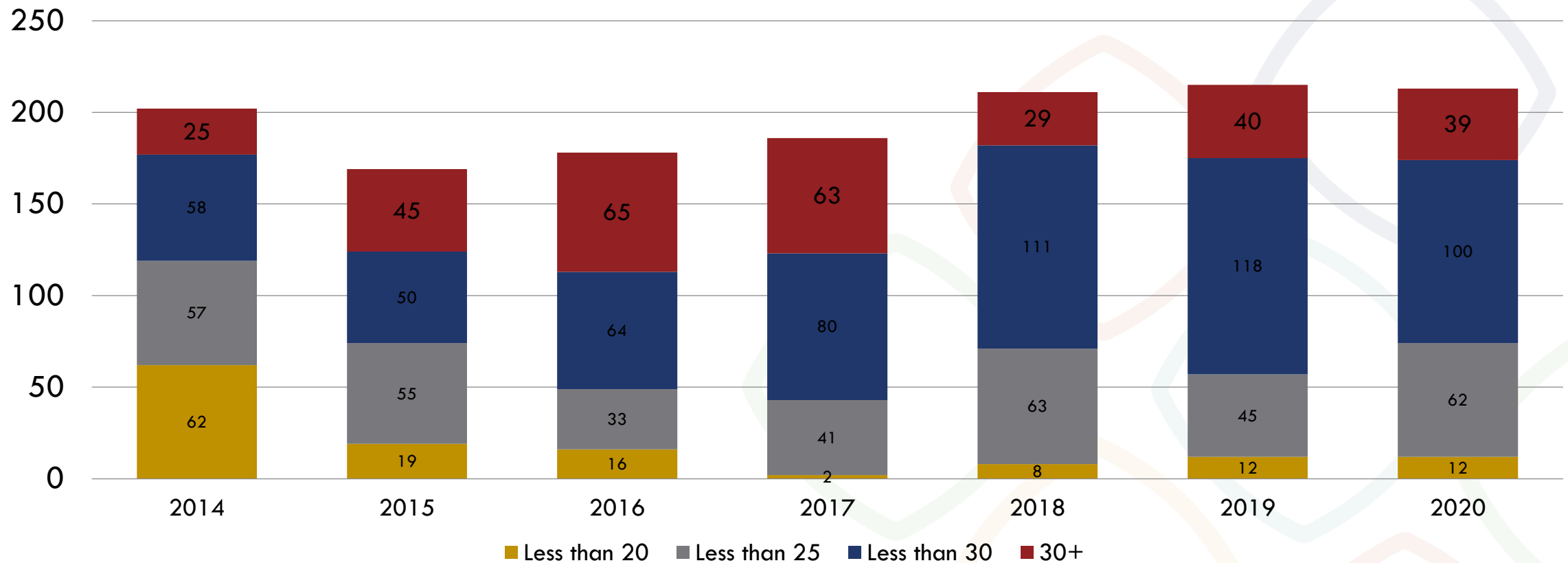


Middle School Class Size – Class Size Trend by School



RICHFIELD
PUBLIC SCHOOLS

Class Size Trend by School



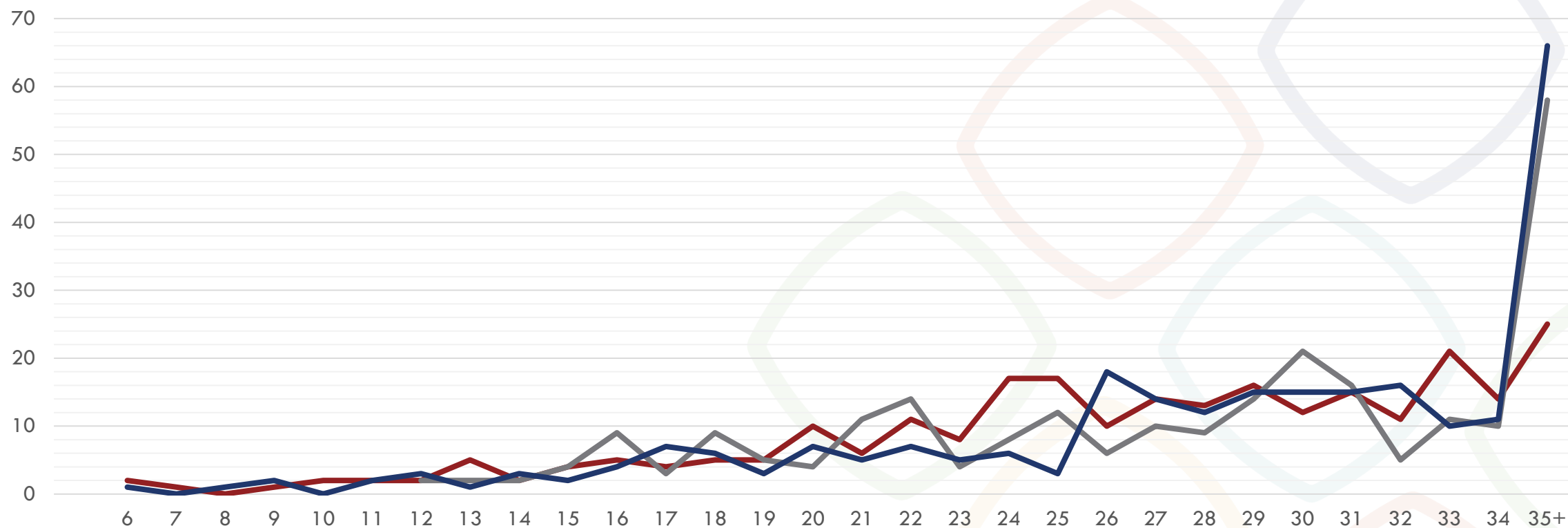
High School Class Size – Number of Sections per Class Size



RICHFIELD
PUBLIC SCHOOLS

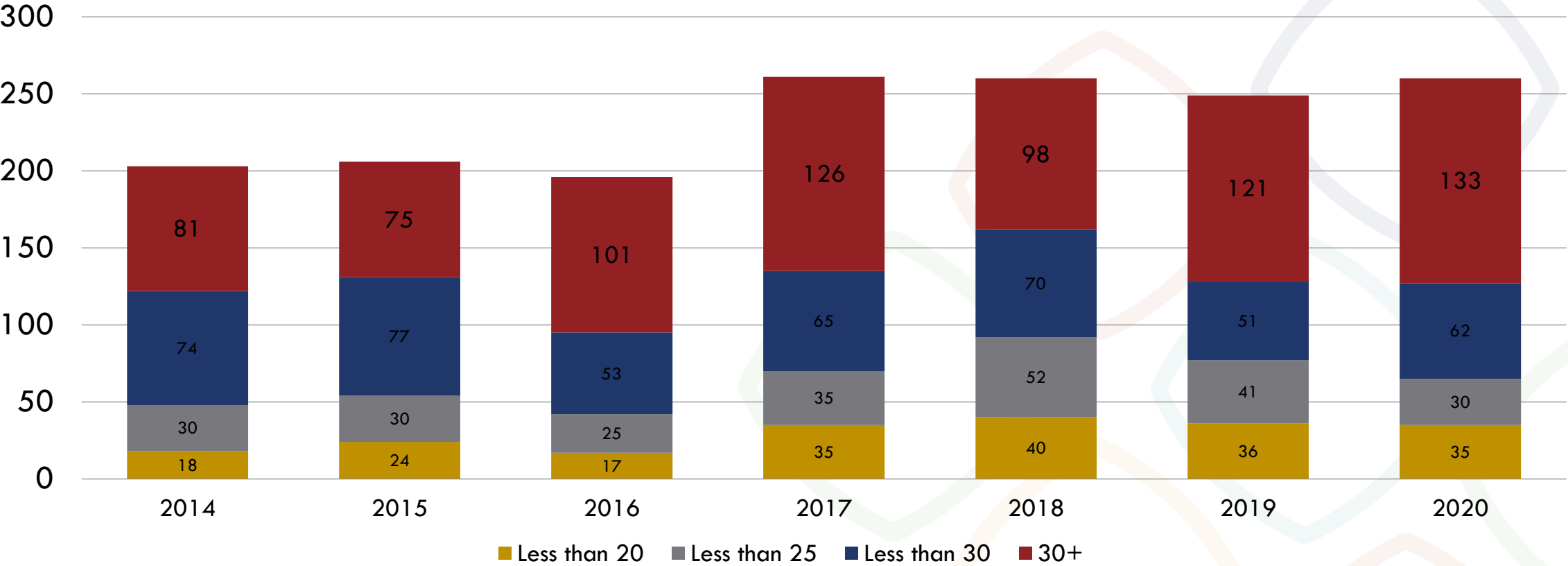
Number of Sections per Class Size

— 2018-2019 — 2019-2020 — 2020-2021



High School Class Size – Class Size Trend by School

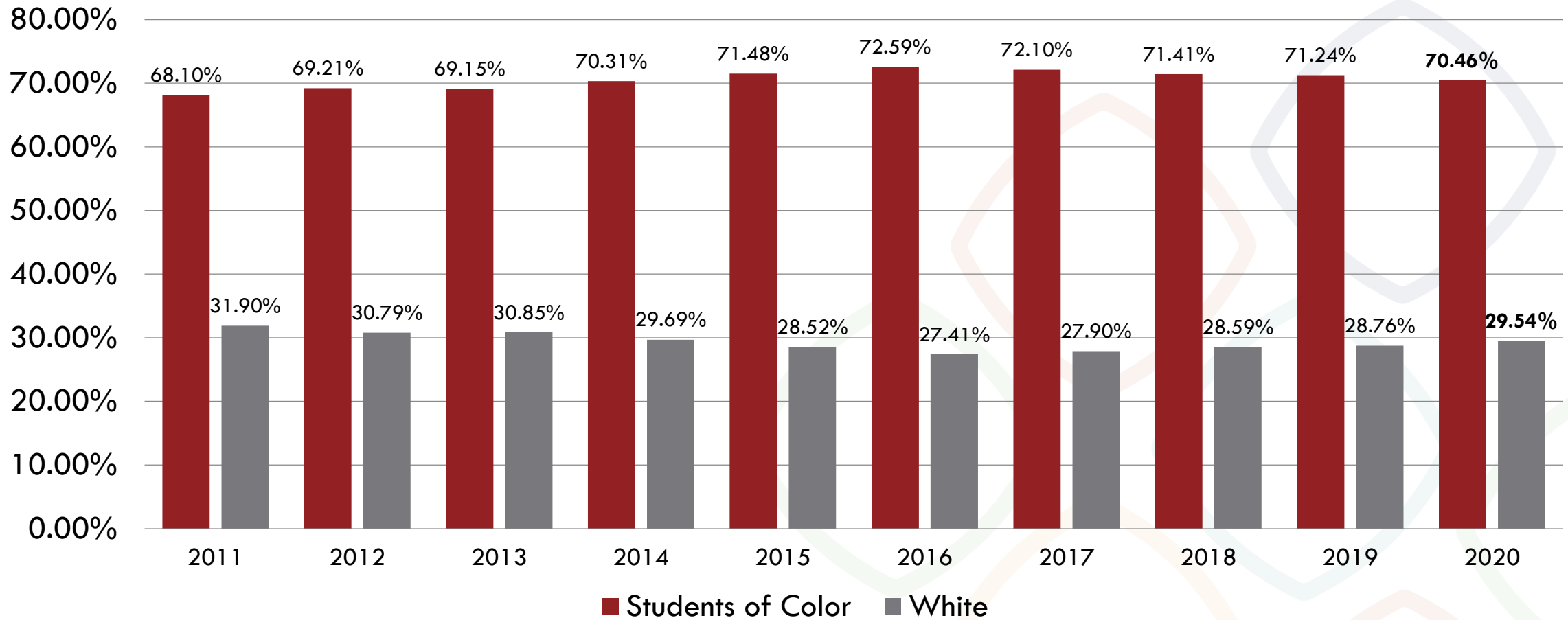
Class Size Trend by School



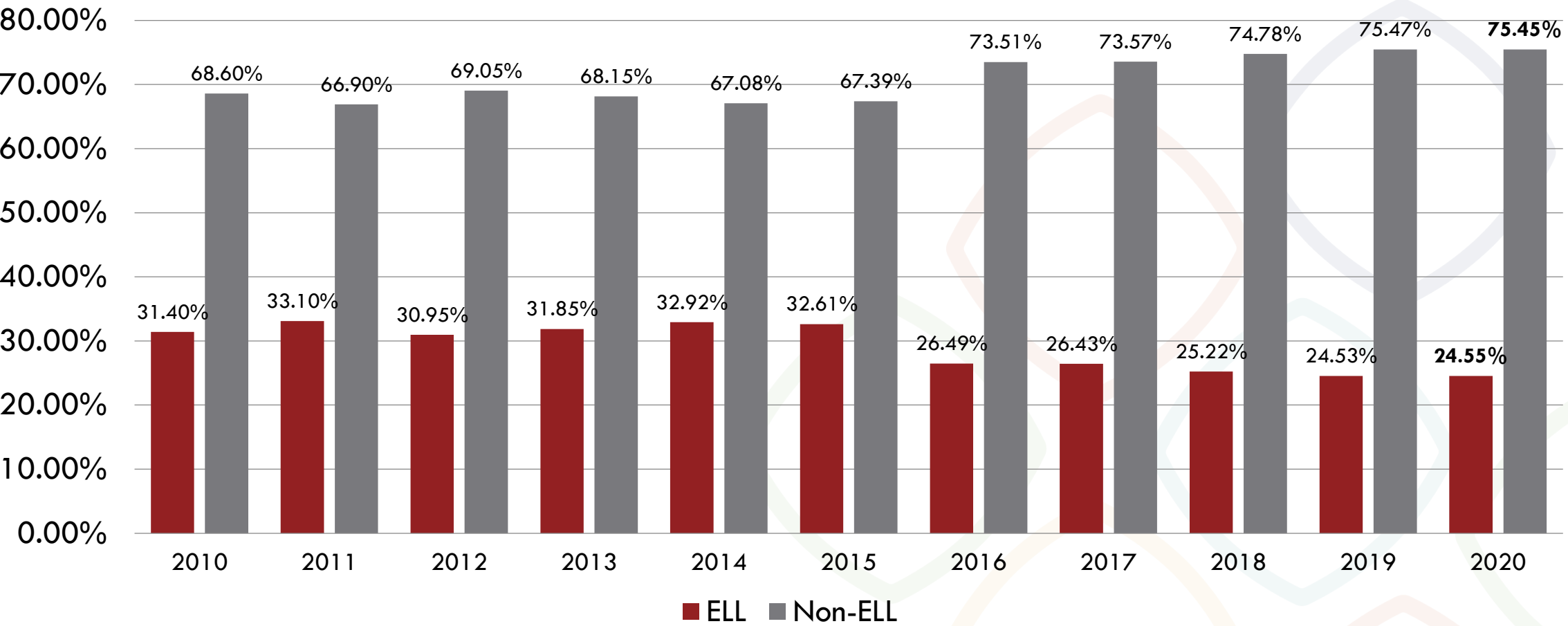
Student Diversity



RICHFIELD
PUBLIC SCHOOLS



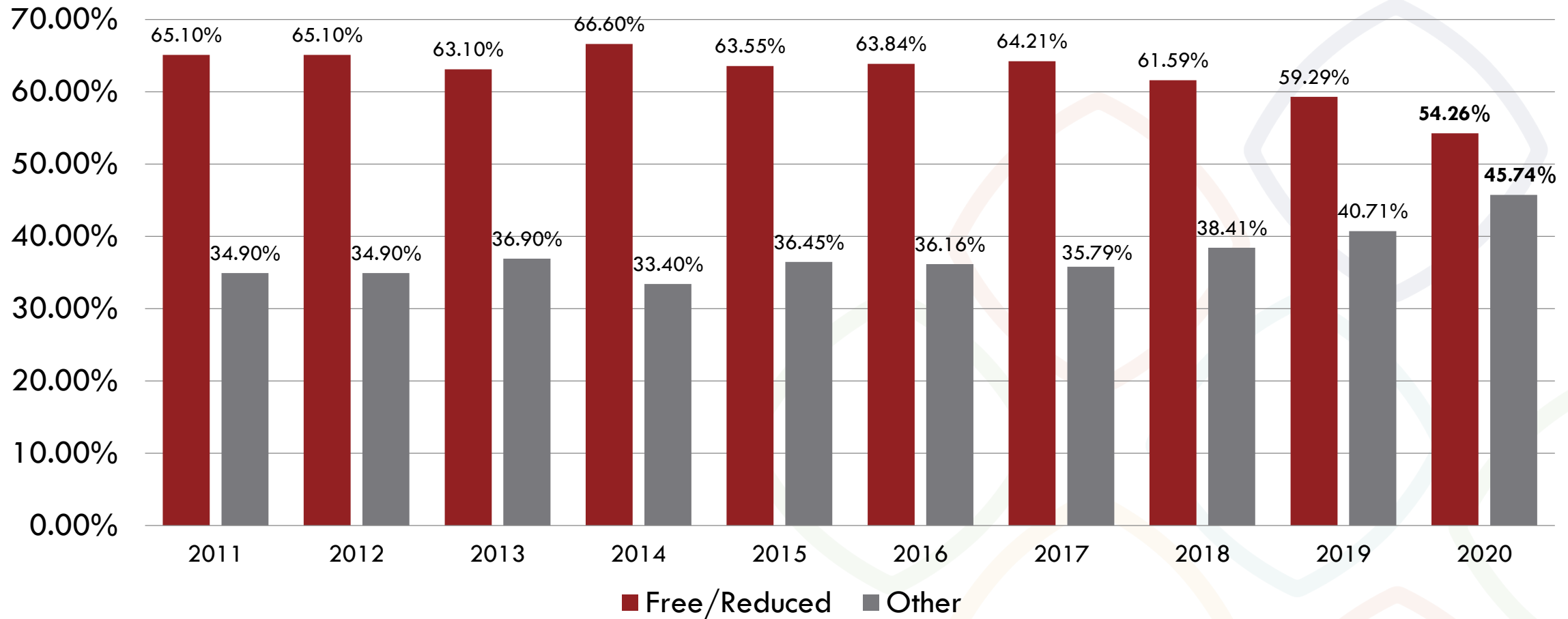
English Language Learner



Free/Reduced Enrollment



RICHFIELD
PUBLIC SCHOOLS



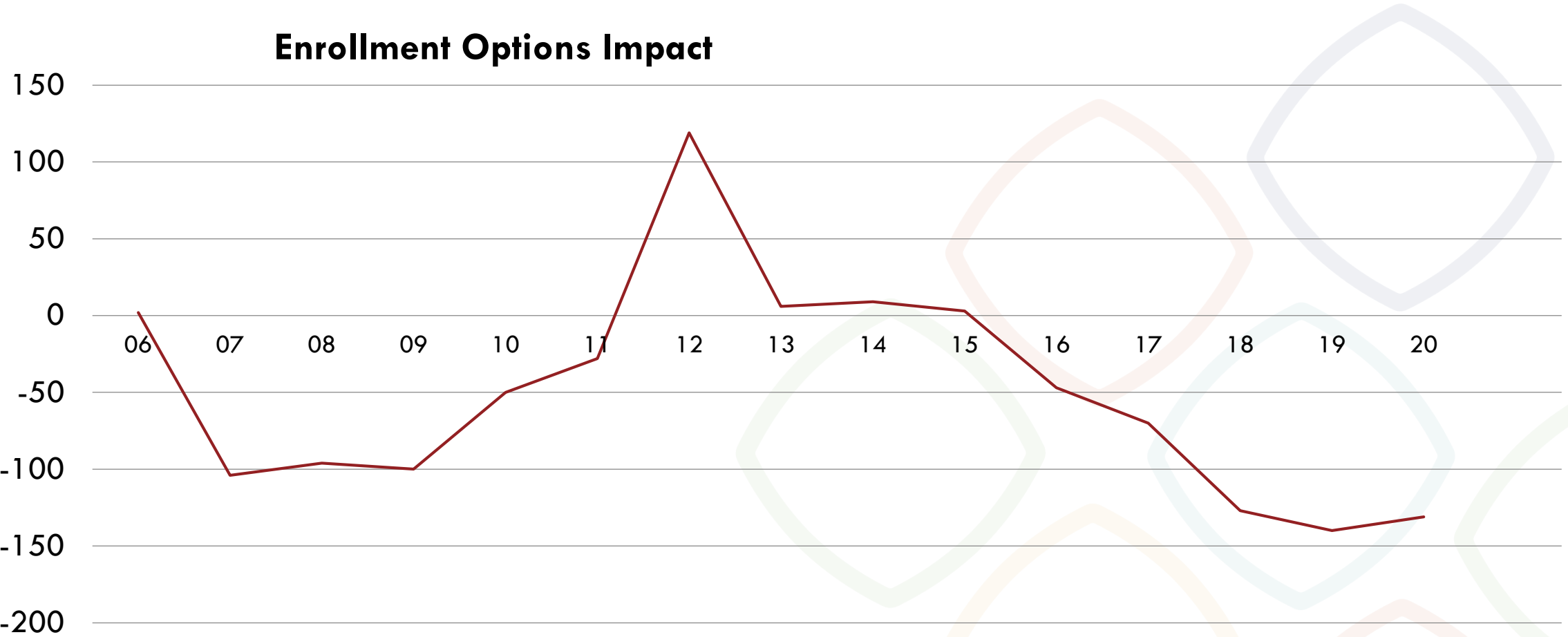
Enrollment Options



RICHFIELD
PUBLIC SCHOOLS

Major Districts	20-21 In	20-21 Out	20-21 Net	19-20 In	19-20 Out	19-20 Net	Change
Bloomington	231	222	9	229	236	-7	16
Burnsville	33	7	26	28	13	15	11
Edina	24	266	-242	22	262	-240	-2
Minneapolis	241	144	97	244	115	129	-32
Rosemount	19	13	6	21	16	5	1
St. Paul	16	5	11	20	10	10	1
SEC	0	22	-22	0	42	-42	20
Overall* Includes additional districts not listed above	623	754	-131	634	761	-127	-4

Enrollment Options Impact



Non-Public Schools

- 384 Total Students (decrease of 22 from 19-20)
- Blessed Trinity (108), Homeschool (92), Holy Angels (59) and Cristo Rey (38) are the largest.

Charter Schools

- 792 Total Students (increase of 47 from 19-20)
- Seven Hills Prep (329), Partnership Academy (165), Hiawatha Academies (54), Eagle Ridge Academy (47), SciTech Academy (32) and MN Transitions Charter (23) are the largest.

Retain Richfield

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	
499	454	534	583	583	664	727	761	769	754	
806	777	876	876	942	1,022	1,078	1,061	1,151	1,176	
1,305	1,231	1,410	1,459	1,525	1,686	1,805	1,822	1,920	1,930	
4,282	4,388	4,405	4,396	4302	4381	4401	4330	4277	4167	
(471)	(573)	(540)	(592)	(588)	(617)	(657)	(634)	(629)	(623)	
3,811	3,815	3,865	3,804	3,714	3,764	3,744	3,696	3,648	3,544	
5,116	5,046	5,275	5,263	5,239	5,450	5,549	5,518	5,568	5,474	
74.49%	75.60%	73.27%	72.28%	70.89%	69.06%	67.47%	66.98%	65.52%	64.74%	

Questions



RICHFIELD
PUBLIC SCHOOLS



RICHFIELD PUBLIC SCHOOLS
ENROLLMENT COUNT - OCTOBER 1, 2020 Revised

GRADE									2020	2020							RCEP	2019	2020	Variance
	Central	RDLS	CENT	SHER	STEM	RMS	RHS	RCEP	1-Oct	Oct 1	RDLS	CENT	SHER	STEM	RMS	change	1-Oct		1-Oct	
ECSE*	97								97	120						-23	ECSE	131	97	-34
SEC	22								22	22						0	SEC	25	22	-3
Voluntary PreK (VPK)	5	44	43	16	49				157	186						-29	VPK	193	157	-36
K		94	51	77	106				328	312	9	-8	11	4			K	287	328	41
1		81	58	56	93				288	278	5	6	-3	2			1	305	288	-17
2		75	66	78	81				300	283	3	6	8	0		43	2	323	300	-23
3		69	64	65	116				314	313	-2	6	0	-3			3	289	314	25
4		66	60	60	103				289	280	3	0	3	3			4	281	289	8
5		60	50	56	86				252	276	-1	-9	-2	-12		-14	5	334	252	-82
6						305			305	318					-13		6	315	305	-10
7						293			293	300					-7		7	330	293	-37
8						321			321	327					-6	-26	8	307	321	14
9							317	0	317	313					4		9	311	317	6
10							303	3	306	306					0		10	291	306	15
11							277	17	294	265					29		11	250	294	44
12							240	44	284	250					34	67	12	305	284	-21
Voluntary PreK (VPK)	5	44	43	16	49				157											
Actual w/o VPK	119	445	349	392	585	919	1137	64	4010									4277	4167	-110
Projection w/o VPK	142	428	348	375	591	945	1082	52	3963	4149	Includes VPK									
Difference w/o VPK	-23	17	1	17	-6	-26	55	12												
Actual PreK-12	124	489	392	408	634	919	1137	64	4167											

	CURR.	DIFF		CURR.	DIFF		CURR.	DIFF	PreK-12 Projection 10/1/20	4149
Prekindergarten	254	-52	Elem K-5	1771	29	Trans+	22	0	PreK-12 Actual 10/1/20	4167
Kindergarten	328	16	M.S 6-8	919	-26	Kinder	328	16	Projection Variance	18
Grades 1-2	588	27	S.H 9-12	1201	67	Grds 1-6	1748	0	Last Year Enrollment 10/1/2019	4277
Grades 3-5	855	-14	K-12 Total	3891	70	Grds 7-12	1815	54	Change From Last Year	-110

Note: The enrollment counts include an average of the part time PSEO students.

*17 of the ECSE Students are attending VPK. They do not count towards our VPK allocation.

Prepared by the Business Office 11/5/2020

RICHFIELD PUBLIC SCHOOLS
Elementary & Voluntary PreK Enrollment
By School, Grade, and Class Size 2020-21

GRADE	RDLS		CENTENNIAL		SHERIDAN HILLS		STEM		GRADE TOTALS
K	94	19-20-21-34	51	10-13-14-14	77	17-19-19-22	106	12-16-16-18-19-25	328
1	81	16-16-17-32	58	17-18-23	56	16-16-24	93	15-17-18-18-25	288
2	75	16-17-18-24	66	14-14-16-22	78	16-17-17-28	81	12-15-16-17-21	300
3	69	21-23-25	64	14-19-31	65	16-21-28	116	20-21-22-26-27	314
4	66	15-16-35	60	19-19-22	60	14-23-23	103	17-19-21-21-25	289
5	60	17-18-25	50	13-18-19	56	18-19-19	86	27-27-32	252
VPK	44	5-8-15-16	43	8-10-11-14	16	8-8	49	9-10-15-15	152
SCHOOL TOTALS	489		392		408		634		1923

STUDENT TO CLASSROOM TEACHER RATIO
BY SCHOOL (VPK not included)

	RDLS	CENTENNIAL	SHERIDAN	STEM	GRADE TOTALS
SCHOOL TOTALS	445	349	392	585	1771
CLASSROOM TEACHERS	21	20	20	29	90
STU/TCHR					
RATIO 2020-21	21.19	17.45	19.60	20.17	19.68
RATIO 2019-20	23.67	20.78	21.83	25.04	23.03

2020-21 ELEMENTARY CLASS SIZE BREAKDOWN BY GRADE (VPK not included)

GRADE LEVEL	<11	12	13	14	15	16	17	24	18	19	20	21	22	23	24	25	26	27	28	29	30+	STUDENT TOTAL	TEACHER TOTAL	STU/TCHR RATIO
K	1	1	1	2		2	1		1	4	1	1	1			1					1	328	18	18.22
1					1	4	3		3					1	1	1					1	288	15	19.20
2		1		2	1	4	4		1			1	1		1				1			300	17	17.65
3				1		1				1	1	3	1	1		1	1	1	1		1	314	14	22.43
4				1	1	1	1			3		2	1	2		1					1	289	14	20.64
5			1				1		3	3						1		2			1	252	12	21.00
	1	2	2	6	3	12	10	0	8	11	2	7	4	4	2	5	1	3	2	0	5	1771	90	19.68

RICHFIELD PUBLIC SCHOOL 2020-21
MIDDLE SCHOOL - NUMBER OF CLASSES BY SUBJECT AND CLASS SIZE - T1

SUBJECT/CLASS SIZE	< 10	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35 +	STU / SESS	AVERAGE CLASS SIZE
ART																			1	1			1		2	2		219 / 7	31.29
Art Explore 6																			1	1					1			89 / 3	29.67
Art Explore 8																						1		2	1			130 / 4	32.50
MEDIA																				1		1		3				189 / 6	31.50
Media 6																				1		1			3			59 / 2	29.50
Media 7																												99 / 3	33.00
Media 8																							1					31 / 1	31.00
MUSIC																						1			1			63 / 2	31.50
Music Explore 6																						1						30 / 1	30.00
Music Explore 7																								1				33 / 1	33.00
SPANISH										2		1			1		2			1								164 / 7	23.43
Spanish Exploration 6																	1											26 / 1	26.00
Spanish 1, Gr 7											1					1	1											69 / 3	23.00
Spanish 1, Gr 8											1																	19 / 1	19.00
Spanish 2, Gr 8												1								1								50 / 2	25.00
STEM																1		1		3		2		1	1	1		297 / 10	29.70
Automotive Pathway 8																						1						30 / 1	30.00
Comp Sci Pathway 8																												29 / 1	29.00
STEM 6																1												53 / 2	26.50
STEM 7																		1						1				88 / 3	29.33
STEM 8																						1				1	1	97 / 3	32.33
World Cultures												1			1					1			1		1			141 / 5	28.20
World Cultures 6													1		1													46 / 2	23.00
World Cultures 8																			1				1		1			95 / 3	31.67
LANGUAGE ARTS					1		1				1	5	2	8	8		8	6	2	1	1	2						1119 / 47	23.81
Adv Lang Arts 6					1		1																					28 / 2	14.00
Language Arts 6																1	3	2										151 / 6	25.17
Language Arts 6 Co-taught																	2	1	1									103 / 4	25.75
Spanish Language Arts 6												2	1		1													88 / 4	22.00
Adv Language Arts 7														1	1													47 / 2	23.50
Language Arts 7												1	1		2	2				1		1						193 / 8	24.13
Language Arts 7 Co-taught																						1						30 / 1	30.00
Spanish Language Arts 7																3		1										95 / 4	23.75
Adv Language Arts 8																1	2											73 / 3	24.33
Language Arts 8												1		1	1		1	1										119 / 5	23.80
Language Arts 8 Co-taught																1		1	1		1							106 / 4	26.50
Spanish Language Arts 8							1					1	1		1													86 / 4	21.50
MATHEMATICS								3	1			1	2	1	4	2	6	4	5	6								854 / 35	24.40
Compacted 6/7 Math, Gr 6												1																20 / 1	20.00
Math 6									1	1		1	1	1				1	2									183 / 8	22.88
Math 6 Co-taught															1		1				1							76 / 3	25.33
Compacted 7/8 Math, Gr 7												1					1											46 / 2	23.00
Math 7																	2	2		1								153 / 6	25.50
Math 7 Co-Taught																	2	1										76 / 3	25.33
Found Algebra 8								2								1			2	3								198 / 8	24.75
Found Algebra 8 Co-taught															1													23 / 1	23.00
Honors Geometry, Gr 8																												28 / 1	28.00
Intermediate Algebra, Gr 8															1				1									51 / 2	25.50
PHYSICAL EDUCATION												1	1	2			1			1		1	3	3	1	1	1@37	466 / 16	29.13
Phy Ed 6												1	1									2			1			167 / 6	27.83
Phy Ed 7														2			1							1		1		137 / 5	27.40
Phy Ed 8																						1	1	2			1@37	162 / 5	32.40

RICHFIELD PUBLIC SCHOOL 2020-21
MIDDLE SCHOOL - NUMBER OF CLASSES BY SUBJECT AND CLASS SIZE - T1

[illegible]

RICHFIELD PUBLIC SCHOOLS 2020-21
SENIOR HIGH - NUMBER OF CLASSES BY SUBJECT AND CLASS SIZE - S1

SUBJECT	< 10	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35 +	STU / SESS	CLASS SIZE																											
ART					1	1						1		2	1					2			1				5@178	379 / 14	27.07																											
Art Found						1								1						1			1				2@34, 1@36	132 / 4	33.00																											
Cartoon&Animation																												22 / 1	22.00																											
Drw & Paint I																												14 / 1	14.00																											
Photo I & II																												67 / 3	22.33																											
Pottery I & II																												107 / 4	26.75																											
Print Making	37 / 1	37.00																																																						
BUSINESS ED	2@14		1					1									1						1			1@35	133 / 7	19.00																												
AP Comp Science	6																			1							1@35	6 / 1	6.00																											
Adv Bus & Mktg	8																											8 / 1	8.00																											
Business Acct																												25 / 1	25.00																											
Javascript Cdg/Pr																												17 / 1	17.00																											
Personal Finance																												66 / 2	33.00																											
Python Cdg/Prgm		1																								11 / 1	11.00																													
GLOBAL LANG	2@18		1					1		2	1		2		1	2	1	1	1	1	1	1	1	1	2	2	3@110	621 / 25	24.84																											
AP Fr Lng & Cul	9																										1@37, 1@38	9 / 1	9.00																											
French 1																												1						1																		118 / 4	29.50			
French 2																																																	1				55 / 2	27.50		
French 3																																																			1			54 / 2	27.00	
AP German Lang	9																																																					9 / 1	9.00	
German 1																																																						45 / 2	22.50	
German 2																																																				1		32 / 1	32.00	
German 3																																					1																	18 / 1	18.00	
AP Spanish Lit																																1																							11 / 1	11.00
AP Sp Lng & Cul																																																							55 / 2	27.50
Spanish 1																																																							78 / 3	26.00
Spanish 2																																																							62 / 2	31.00
Spanish 3											1															1			1	75 / 3	25.00																									
FACS									2	1								1		1	1		1	1	1		3@108	339 / 12	28.25																											
Culinary Arts 1																												1@36	150 / 6	25.00																										
Culinary Arts 2																													84 / 3	28.00																										
Int Design																													33 / 1	33.00																										
Living on Own																													72 / 2	36.00																										
TECH ED			1				1	1										1		1								97 / 5	19.40																											
Metals			1				1																						27 / 2	13.50																										
Woodworking								1										1		1									70 / 3	23.33																										
LANG.ARTS			1									1		1	1	1	1		3	4	4	1	3	3	2	3	14@525	1327 / 42	31.60																											
Aurean																													27 / 1	27.00																										
AP 11 Eng Sem																													24 / 1	24.00																										
AP Lang & Comp																													102 / 3	34.00																										
Creative Wrtg																													73 / 2	36.50																										
ELD ELA 9/10																													20 / 1	20.00																										
Eng 9 Co-taught																													174 / 5	34.80																										
English 10																													29 / 1	29.00																										
Eng 10 Co-taught																													119 / 3	39.67																										
Eng 11 Co-taught																													142 / 4	35.50																										
English 12																													34 / 1	34.00																										
Eng 12 Co-taught																													103 / 3	34.33																										
Honors Eng 9																													81 / 3	27.00																										
Honors Eng 10																													109 / 4	27.25																										
Honors Eng 10 Sem																													31 / 1	31.00																										
Honors Eng 12																													43 / 2	21.50																										
Hn Sp Lng Arts 9																													63 / 2	31.50																										
Hn Sp Lng Arts 10																													55 / 2	27.50																										
Mythology	64 / 2	32.00																																																						
Speech & Debate	34 / 1	34.00																																																						

RICHFIELD PUBLIC SCHOOLS 2020-21
SENIOR HIGH - NUMBER OF CLASSES BY SUBJECT AND CLASS SIZE - S1

SUBJECT	< 10	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35 +	STU / SESS	CLASS SIZE
MATH		1					1 2		1 1				7 5 4				4 5 3			6@223		1139 / 40		28.48					
Adv Algebra		1														1			1 1			1@36	89 / 3		29.67				
Adv Alg Co-taught																							29 / 1		29.00				
Adv Algebra Sem																							36 / 1		36.00				
Algebra Seminar																							30 / 1		30.00				
CIS Calculus																							56 / 2		28.00				
CIS Calc Sem																							14 / 1		14.00				
CIS College Alg																							43 / 2		21.50				
CIS Coll Alg sem																							18 / 1		18.00				
CIS Statistics																							85 / 3		28.33				
CIS Stats Sem																							18 / 1		18.00				
Geometry																							1@37	147 / 5		29.40			
Gmtry Co-taught																								41 / 1		41.00			
Geometry Sem																							1@41	31 / 1		31.00			
Hon Adv Algebra																								77 / 3		25.67			
Hon Geometry																							56 / 2		28.00				
Honors Pre Calc																							76 / 3		25.33				
Intmdt Algebra																							1@35,1@38	162 / 5		32.40			
Intm Alg Co-taught																								1@36	36 / 1		36.00		
Span Adv Algebra	31 / 1		31.00																										
Span Geometry	32 / 1		32.00																										
Span Int Algebra		32 / 1		32.00																									
MUSIC															1				34 / 1		34.00								
Music Appre															1				34 / 1		34.00								
PHYSICAL ED.		1 2					1 1				1 1 1				3 1 1			3@331		663 / 22		30.14							
Adv Basketball		1					1					1				1 1			1@35	54 / 2		27.00							
Adv Soccer																				45 / 2		22.50							
Adv Team Sports																				35 / 1		35.00							
Fit Fever/LA																				16 / 1		16.00							
Health																				198 / 6		33.00							
Strength																				57 / 2		28.50							
Team Sports																				166 / 5		33.20							
Ultimate Games																				35 / 1		35.00							
Volleyball/Life Act															1			1@35	57 / 2		28.50								
SCIENCE		1					1 1 2				3 2 1 1				5 1 2				1 3 4			15@555		1271 / 43		29.56			
AP Biology		1					1					1				1			1@35,1@39	20 / 1		20.00							
Astronomy																				26 / 1		26.00							
Biology																				34 / 1		34.00							
Biology Sem																				20 / 1		20.00							
Bio Co-taught																				107 / 3		35.67							
CIS Climate Crisis																				17 / 1		17.00							
CIS Physiology																				26 / 1		26.00							
CIS Intro Physics																				42 / 2		21.00							
CIS Physics Inq																				62 / 3		20.67							
CIS Physics Sem																				12 / 1		12.00							
CP Chemistry																				100 / 3		33.33							
CP Chem Sem																				59 / 2		29.50							
CP Biology																				180 / 5		36.00							
CP Bio Sem																				20 / 1		20.00							
ELD Biology																				22 / 1		22.00							
Forensics																				65 / 2		32.50							
Gen Chemistry																				72 / 2		36.00							
Gen Ch Co-Taught																				81 / 2		40.50							

RICHFIELD PUBLIC SCHOOLS 2020-21
SENIOR HIGH - NUMBER OF CLASSES BY SUBJECT AND CLASS SIZE - S1

SUBJECT	< 10	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35 +	STU / SESS	CLASS SIZE		
SCIENCE Con't																															
Gen Chem Sem																				1	1						1@35	35 / 1	35.00		
Gen Physics																			1		1	1						57 / 2	28.50		
Physical Science										1								1						1			1@35,1@36	148 / 5	29.60		
Phy Sci Co-taught																											1@40	40 / 1	40.00		
Phy Sci Seminar																		1										26 / 1	26.00		
SOCIAL STUDIES						1				2		2	1	2	1	1		3	4	2	2		6	3	5	1	3	10@367	1435 / 49	29.29	
ACT Prep/College																				1	1				1			33 / 1	33.00		
American Gov't																						1						85 / 3	28.33		
Am Govt Co-taught																							1					31 / 1	31.00		
AP Human Geo														1				1							1		1@35	145 / 5	29.00		
AP HG Co-taught																					1			1	2		1	158 / 5	31.60		
AP Hum Geo Sem										1																		17 / 1	17.00		
AP Psychology																											1@37	37 / 1	37.00		
AP World Hist																										1	2@35,1@37	139 / 4	34.75		
AP W Hist Sem													1															21 / 1	21.00		
CIS Am History																		1	1				1		1			115 / 4	28.75		
CIS Am Hist Sem																								1				31 / 1	31.00		
CIS Education												1																20 / 1	20.00		
CIS Pol Science														1							1							80 / 3	26.67		
CIS Pol Sci Sem						1																	1					14 / 1	14.00		
History Thru Film										1								1										43 / 2	21.50		
Psychology																									1		1@37	71 / 2	35.50		
Span Hn Wrld Stdy																									1			34 / 1	34.00		
Sports & Am Hist																											1@37	37 / 1	37.00		
US History																			2									78 / 3	26.00		
US Hist Co-taught																						2						60 / 2	30.00		
US History Sem																					1							29 / 1	29.00		
World Studies												1															1@36	56 / 2	28.00		
Wrld Stdy Co Taught																											2@39	78 / 2	39.00		
Wrld Study Sem														1														23 / 1	23.00		
																											2020-21				
TOTAL SENIOR HIGH		0	2	3	1	3	2	4	7	6	3	7	5	7	5	6	3	18	14	12	15		15	15	16	10	11	Stu 7438	Sess / 260	Class Size 28.61	

THE CLASSES LISTED BELOW ARE NOT INCLUDED ABOVE:

Class	Student/Se	Class Size
Special Education	467/53	8.8
ESL	91/9	10.1
Acc English	39/3	13.0
Acc Math	45/3	15.0
Credit Recovery	18/1	18.0
Band	24/1	24.0
Inst Studio	60/2	30.0
Jazz	15/2	7.5
Symp Winds	14/1	14.0
Choir	37/1	37.0
Study Hall	354/10	35.4
Ext Campus at SEC	21/9	2.3
PSEO	19 full time, 27 part time	
Student Aide	0	
Genesys Works	5	
Hennepin Tech	5	

2019-20		
Stu	Sess	Class Size
7056	/ 249	28.34

Gender and Ethnic Enrollment - ESCE, Elementary & Voluntary PreK
RICHFIELD PUBLIC SCHOOLS 2020-2021

SCHOOL	NUMBER OF STUDENTS BY ETHNICITY														TOTALS				
by Grade	AMER IND ALASKAN		ASIAN		HISPANIC		BLACK		HAWAIIAN		2 OR MORE RACES		WHITE		Minority Total		Gender Total		Student Count
Central	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	1-Oct
ECSE*	0	0	2	3	18	9	13	5	0	0	4	2	28	13	37	19	65	32	97
VPK	1	0	0	0	1	0	0	1	0	0	0	0	2	0	2	1	4	1	5
*17 of the ECSE students are VPK served in other schools	1	0	2	3	19	9	13	6	0	0	4	2	30	13	39	20	69	33	102
Total	1		5		28		19		0		6		43		59				
Percent	0.98%		4.90%		27.45%		18.63%		0.00%		5.88%		42.16%		57.84%		67.65%	32.35%	
RDLs	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	1-Oct
VPK	0	0	0	0	15	21	0	0	0	0	0	1	3	4	15	22	18	26	44
K	0	0	1	0	30	28	1	3	0	0	0	3	13	15	32	34	45	49	94
1	0	0	0	0	18	28	1	1	0	0	3	2	8	20	22	31	30	51	81
2	0	0	0	0	29	26	0	0	0	0	0	1	7	12	29	27	36	39	75
3	0	0	0	0	26	23	1	2	1	0	1	0	8	7	29	25	37	32	69
4	0	0	0	0	19	27	0	1	0	0	2	3	4	10	21	31	25	41	66
5	0	0	0	0	18	22	0	1	0	0	1	4	8	6	19	27	27	33	60
Total	0	0	1	0	155	175	3	8	1	0	7	14	51	74	167	197	218	271	489
Percent	0.00%		0.20%		67.48%		2.25%		0.20%		4.29%		25.56%		74.44%		44.58%	55.42%	
CENTENNIAL	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	1-Oct
VPK	0	1	3	8	5	5	1	10	0	0	2	1	3	4	11	25	14	29	43
K	2	0	1	1	14	11	6	5	0	0	2	2	3	4	25	19	28	23	51
1	0	1	0	2	14	14	8	5	0	0	2	6	3	3	24	28	27	31	58
2	1	0	0	0	16	19	5	5	0	0	3	1	9	7	25	25	34	32	66
3	0	1	0	1	18	20	8	5	0	0	3	0	4	4	29	27	33	31	64
4	0	1	0	1	19	15	7	8	0	0	2	1	5	1	28	26	33	27	60
5	0	1	4	3	17	10	6	2	0	0	1	1	3	2	28	17	31	19	50
Total	3	5	8	16	103	94	41	40	0	0	15	12	30	25	170	167	200	192	392
Percent	2.04%		6.12%		50.26%		20.66%		0.00%		6.89%		14.03%		85.97%		51.02%	48.98%	
SHERIDAN	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	1-Oct
VPK	0	0	0	1	4	1	1	0	0	0	1	0	3	5	6	2	9	7	16
K	1	2	3	1	8	9	3	8	0	0	4	2	14	22	19	22	33	44	77
1	0	1	2	1	6	4	3	5	0	0	7	3	11	13	18	14	29	27	56
2	1	0	3	5	8	8	5	1	0	0	3	4	15	25	20	18	35	43	78
3	0	0	2	2	7	7	9	5	0	0	5	2	12	14	23	16	35	30	65
4	1	0	3	3	6	9	7	4	0	0	6	1	12	8	23	17	35	25	60
5	0	1	4	1	7	9	4	8	0	1	4	3	5	9	19	23	24	32	56
Total	3	4	17	14	46	47	32	31	0	1	30	15	72	96	128	112	200	208	408
Percent	1.72%		7.60%		22.79%		15.44%		0.25%		11.03%		41.18%		58.82%		49.02%	50.98%	
STEM	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	1-Oct
VPK	1	0	7	4	4	3	4	5	0	0	2	3	6	10	18	15	24	25	49
K	1	1	6	2	12	7	11	10	0	1	8	2	22	23	38	23	60	46	106
1	0	1	6	7	5	10	6	6	0	0	3	7	21	21	20	31	41	52	93
2	0	2	3	2	16	7	5	2	0	1	4	4	20	15	28	18	48	33	81
3	2	0	8	2	19	6	6	7	0	0	9	17	25	15	44	32	69	47	116
4	0	0	7	4	7	8	9	7	0	1	7	7	21	25	30	27	51	52	103
5	0	0	2	3	11	10	9	6	0	0	8	7	16	14	30	26	46	40	86
Total	4	4	39	24	74	51	50	43	0	3	41	47	131	123	208	172	339	295	634
Percent	1.26%		9.94%		19.72%		14.67%		0.47%		13.88%		40.06%		59.94%		53.47%	46.53%	
PRE K - Grade 5	11	13	67	57	397	376	139	128	1	4	97	90	314	331	712	668	1026	999	2025
Total	24		124		773		267		5		187		645		1380				
Percent	1.19%		6.12%		38.17%		13.19%		0.25%		9.23%		31.85%		68.15%		50.67%	49.33%	

Gender and Ethnic Enrollment - SEC, RCEP, Secondary & District-Wide

RICHFIELD PUBLIC SCHOOLS 2020-2021

SCHOOL	NUMBER OF STUDENTS BY ETHNICITY														TOTALS				
by Grade	AMER IND ALASKAN		ASIAN		HISPANIC		BLACK		HAWAIIAN		2 OR MORE RACES		WHITE		Minority Total		Gender Total		Student Count
SEC-TRAN/CONN	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	1-Oct
	0	0	1	0	5	2	5	4	0	0	0	0	2	3	11	6	13	9	22
Total	0		1		7		9		0		0		5		17				
Percent	0.00%		4.55%		31.82%		40.91%		0.00%		0.00%		22.73%		77.27%		59.09%		40.91%
RMS	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	1-Oct
6	0	3	8	5	62	67	26	22	0	0	19	8	50	35	115	105	165	140	305
7	2	1	3	7	78	50	15	20	0	0	19	19	39	40	117	97	156	137	293
8	4	3	6	6	61	73	19	23	0	0	18	16	47	45	108	121	155	166	321
	6	7	17	18	201	190	60	65	0	0	56	43	136	120	340	323	476	443	919
Total	13		35		391		125		0		99		256		663				
Percent	1.41%		3.81%		42.55%		13.60%		0.00%		10.77%		27.86%		72.14%		51.80%		48.20%
RHS	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	1-Oct
9	0	1	7	4	74	74	29	21	0	0	19	9	43	36	129	109	172	145	317
10	1	0	10	5	79	59	27	22	0	0	15	7	41	37	132	93	173	130	303
11	0	1	12	5	75	54	26	18	0	0	13	7	34	32	126	85	160	117	277
12	1	0	6	8	44	42	15	23	0	0	4	8	45	44	70	81	115	125	240
	2	2	35	22	272	229	97	84	0	0	51	31	163	149	457	368	620	517	1137
Total	4		57		501		181		0		82		312		825				
Percent	0.35%		5.01%		44.06%		15.92%		0.00%		7.21%		27.44%		72.56%		54.53%		45.47%
RCEP	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	1-Oct
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	1	0	0	0	0	0	1	1	0	0	2	1	2	3
11	0	0	0	0	3	4	0	2	0	0	2	0	4	2	5	6	9	8	17
12	0	0	2	0	18	9	4	5	0	0	0	0	4	2	24	14	28	16	44
	0	0	2	0	21	14	4	7	0	0	2	1	9	4	29	22	38	26	64
Total	0		2		35		11		0		3		13		51				
Percent	0.00%		3.13%		54.69%		17.19%		0.00%		4.69%		20.31%		79.69%		59.38%		40.63%
Grade 6 - 12	8	9	55	40	499	435	166	160	0	0	109	75	310	276	837	719	1147	995	2142
Total	17		95		934		326		0		184		586		1556				
Percent	0.79%		4.44%		43.60%		15.22%		0.00%		8.59%		27.36%		72.64%		53.55%		46.45%
PRE-K to Grade 12	19	22	122	97	896	811	305	288	1	4	206	165	624	607	1549	1387	2173	1994	4167
TOTAL	41		219		1707		593		5		371		1231		2936				
PERCENT	0.98%		5.26%		40.96%		14.23%		0.12%		8.90%		29.54%		70.46%		52.15%		47.85%

The minority student enrollment has decreased from 71.2% to 70.5%, a decrease .7% since October 1, 2019.

LEP Enrollment - PreK & Elementary
RICHFIELD PUBLIC SCHOOLS 2020-2021

SCHOOL	NUMBER OF STUDENTS BY ETHNICITY														LEP			Student
by Grade	AMER IND ALASKAN		ASIAN		HISPANIC		BLACK		HAWAIIAN		2 OR MORE RACES		WHITE		Total			Count
Central	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
ECSE*	0	0	0	1	2	1	1	1	0	0	0	0	0	0	3	3	6	97
VPK	0	0	0	0	2	2	0	1	0	0	0	0	0	0	2	3	5	5
*17 of the ECSE students are VPK served in other schools	0	0	0	1	4	3	1	2	0	0	0	0	0	0	5	6	11	102
Total	0	0	1	0	7	0	3	0	0	0	0	0	0	0	10.78%			
Percent	0.00%	0.00%	0.98%	0.00%	6.86%	0.00%	2.94%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.78%			
RDLS	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
VPK	0	0	0	0	11	15	0	0	0	0	0	0	0	0	11	15	26	44
K	0	0	0	0	14	13	0	0	0	0	0	0	0	0	14	13	27	94
1	0	0	0	0	8	16	0	0	0	0	0	0	0	0	8	16	24	81
2	0	0	0	0	21	17	0	0	0	0	0	0	0	0	21	17	38	75
3	0	0	0	0	16	12	0	0	0	0	0	0	0	0	16	12	28	69
4	0	0	0	0	18	20	0	0	0	0	0	0	0	0	18	20	38	66
5	0	0	0	0	10	7	0	0	0	0	0	0	0	0	10	7	17	60
Total	0	0	0	0	98	100	0	0	0	0	0	0	0	0	98	100	198	489
Percent	0.00%	0.00%	0.00%	0.00%	40.49%	40.49%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	40.49%			
CENTENNIAL	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
VPK	0	0	3	3	2	3	1	2	0	0	0	1	0	0	6	9	15	43
K	0	0	0	0	11	6	2	2	0	0	0	1	0	1	13	10	23	51
1	0	0	0	1	14	13	4	0	0	0	0	0	0	0	18	14	32	58
2	0	0	0	0	15	16	3	1	0	0	0	0	0	0	18	17	35	66
3	0	0	0	1	18	16	2	1	0	0	0	0	0	0	20	18	38	64
4	0	0	0	0	13	9	1	1	0	0	0	0	0	0	14	10	24	60
5	0	0	4	0	12	5	0	0	0	0	0	0	0	0	16	5	21	50
Total	0	0	7	5	85	68	13	7	0	0	0	2	0	1	105	83	188	392
Percent	0.00%	0.00%	3.06%	1.52%	39.03%	31.18%	5.10%	2.55%	0.00%	0.00%	0.51%	0.51%	0.26%	0.26%	47.96%			
SHERIDAN	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
VPK	0	0	0	1	3	1	0	0	0	0	0	0	1	0	4	2	6	16
K	0	0	3	1	7	7	1	3	0	0	1	0	0	1	12	12	24	77
1	0	0	1	1	5	4	0	0	0	0	0	0	0	1	6	6	12	56
2	1	0	1	2	5	6	0	1	0	0	0	1	1	0	8	10	18	78
3	0	0	1	0	6	4	4	1	0	0	1	0	0	1	12	6	18	65
4	1	0	1	2	5	4	2	2	0	0	0	0	1	1	10	9	19	60
5	0	0	0	1	3	5	1	1	0	0	0	0	0	0	4	7	11	56
Total	2	0	7	8	34	31	8	8	0	0	2	1	3	4	56	52	108	408
Percent	0.49%	0.00%	3.68%	1.90%	15.93%	13.23%	3.92%	3.92%	0.00%	0.00%	0.74%	0.51%	1.72%	1.04%	26.47%			
STEM	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
VPK	1	0	2	3	4	1	2	2	0	0	1	0	0	0	10	6	16	49
K	0	0	3	1	5	5	4	6	0	0	0	1	0	3	12	16	28	106
1	0	0	3	4	4	5	4	1	0	0	0	0	3	0	14	10	24	93
2	0	0	2	2	12	4	2	1	0	0	0	0	1	1	17	8	25	81
3	0	0	5	1	12	4	2	3	0	0	0	0	1	0	20	8	28	116
4	0	0	6	2	2	3	4	1	0	0	0	0	1	4	13	10	23	103
5	0	0	1	0	7	7	0	1	0	0	0	0	0	0	8	8	16	86
Total	1	0	22	13	46	29	18	15	0	0	1	1	6	8	94	66	160	634
Percent	0.16%	0.00%	5.52%	3.11%	11.83%	7.24%	5.21%	4.55%	0.00%	0.00%	0.32%	0.32%	2.21%	2.21%	25.24%			
PRE K - Grade 5	3	0	36	27	267	231	40	32	0	0	3	4	9	13	358	307	665	2025
Total	3	0	63	27	498	462	72	64	0	0	7	4	22	26	32.84%			
Percent	0.15%	0.00%	3.11%	2.27%	24.59%	22.56%	3.56%	2.56%	0.00%	0.00%	0.35%	0.35%	1.09%	1.09%	32.84%			

LEP Enrollment - Secondary & District-Wide

RICHFIELD PUBLIC SCHOOLS 2020-2021

SCHOOL	NUMBER OF STUDENTS BY ETHNICITY														LEP			Student
by Grade	AMER IND ALASKAN		ASIAN		HISPANIC		BLACK		HAWAIIAN		2 OR MORE RACES		WHITE		Total			Count
SEC-TRAN/CONN	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22
Total	0		0		0		0		0		0		0					
Percent	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%			
RMS	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
6	0	0	0	0	26	20	0	2	0	0	0	0	0	1	26	23	49	305
7	0	0	1	2	40	15	0	0	0	0	0	0	0	1	41	18	59	293
8	0	0	1	0	19	17	2	0	0	0	0	0	0	0	22	17	39	321
Total	0	0	2	2	85	52	2	2	0	0	0	0	0	2	89	58	147	919
Total	0		4		137		4		0		0		2					
Percent	0.00%		0.44%		14.91%		0.44%		0.00%		0.00%		0.22%		16.00%			
RHS	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
9	0	0	4	0	34	20	3	2	0	0	0	0	0	0	41	22	63	317
10	0	0	2	0	23	21	1	4	0	0	0	0	1	0	27	25	52	303
11	0	0	3	0	29	14	4	1	0	0	0	0	0	0	36	15	51	277
12	0	0	2	1	14	13	0	2	0	0	0	0	0	0	16	16	32	240
Total	0	0	11	1	100	68	8	9	0	0	0	0	1	0	120	78	198	1137
Total	0		12		168		17		0		0		1					
Percent	0.00%		1.06%		14.78%		1.50%		0.00%		0.00%		0.09%		17.41%			
RCEP	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3
11	0	0	0	0	1	2	0	0	0	0	0	0	0	0	1	2	3	17
12	0	0	0	0	7	2	0	1	0	0	0	0	0	0	7	3	10	44
Total	0	0	0	0	8	4	0	1	0	0	0	0	0	0	8	5	13	64
Total	0		0		12		1		0		0		0					
Percent	0.00%		0.00%		18.75%		1.56%		0.00%		0.00%		0.00%		20.31%			
Grade 6 - 12	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
	0	0	13	3	193	124	10	12	0	0	0	0	1	2	217	141	358	2142
Total	0		16		317		22		0		0		3					
Percent	0.00%		0.75%		14.80%		1.03%		0.00%		0.00%		0.14%		16.71%			
PRE-K to Grade 12	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total	1-Oct
	3	0	49	30	460	355	50	44	0	0	3	4	10	15	575	448	1023	4167
TOTAL	3		79		815		94		0		7		25					
PERCENT	0.07%		1.90%		19.56%		2.26%		0.00%		0.17%		0.60%		24.55%			

The LEP student enrollment has increased from 24.53% to 24.55%, an increase of .02% since October 1, 2019.

Compensatory Enrollment Summary

Richfield Public Schools

School Years 2019-2021

October 1, 2020 Applications					SCHOOL YEAR		
					20-21	19-20	18-19
	Free	Reduced	Total F/R	Enrolled			
Richfield High	489	128	617	1137	54.3%	62.2%	62.6%
Richfield Middle	428	98	526	919	57.2%	61.9%	64.0%
STEM	233	52	285	634	45.0%	52.4%	56.3%
Centennial	241	42	283	392	72.2%	77.9%	81.9%
Sheridan Hills	158	30	188	408	46.1%	50.5%	52.4%
RDLS	211	62	273	489	55.8%	60.3%	60.1%
RCEP	29	5	34	64	53.1%	53.2%	57.4%
Central ECSE & VPK	39	3	42	102	41.2%	31.5%	31.9%
SEC Transitions	10	3	13	22	59.1%	48.0%	60.0%
District Totals	1838	423	2261	4167	54.3%	59.3%	61.6%

Compensatory Enrollment - Elementary
RICHFIELD PUBLIC SCHOOLS 2020-2021

SCHOOL	NUMBER OF STUDENTS BY ETHNICITY - FR = FREE LUNCH, RE = REDUCED LUNCH																	
by Grade	AMER IND ALASKAN		ASIAN		HISPANIC		BLACK		HAWAIIAN		2 OR MORE RACES		WHITE		Compensatory Total			Student Count
Central	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	Total	1-Oct
ECSE*	0	0	1	0	25	0	7	1	0	0	3	0	1	2	37	3	40	97
VPK	1	0	0	0	1	0	0	0	0	0	0	0	0	0	2	0	2	5
*17 of the ECSE students are VPK served in other schools	1	0	1	0	26	0	7	1	0	0	3	0	1	2	39	3	42	102
Total	1		1		26		8		0		3		3					
Percent	0.98%		0.98%		25.49%		7.84%		0.00%		2.94%		2.94%		41.2%			
RDLS	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	Total	1-Oct
VPK	0	0	0	0	14	6	0	0	0	0	0	0	0	1	14	7	21	44
K	0	0	0	0	31	6	1	1	0	0	1	1	2	3	35	11	46	94
1	0	0	0	0	27	5	0	0	0	0	3	0	3	1	33	6	39	81
2	0	0	0	0	32	9	0	0	0	0	0	0	1	1	33	10	43	75
3	0	0	0	0	28	6	1	2	1	0	0	0	1	1	31	9	40	69
4	0	0	0	0	33	9	1	0	0	0	3	1	1	0	38	10	48	66
5	0	0	0	0	24	7	1	0	0	0	2	1	0	1	27	9	36	60
Total	0	0	0	0	189	48	4	3	1	0	9	3	8	8	211	62	273	489
Total	0		0		237		7		1		12		16					
Percent	0.00%		0.00%		48.47%		1.43%		0.20%		2.45%		3.27%		55.8%			
CENTENNIAL	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	Total	1-Oct
VPK	1	0	0	0	6	0	5	1	0	0	0	0	0	1	12	2	14	43
K	1	0	1	1	19	1	6	0	0	0	3	0	4	0	34	2	36	51
1	0	0	2	0	21	4	9	1	0	0	3	1	1	0	36	6	42	58
2	0	0	0	0	25	8	7	2	0	0	4	0	4	1	40	11	51	66
3	1	0	1	0	31	4	8	2	0	0	0	1	3	0	44	7	51	64
4	1	0	1	0	25	4	13	0	0	0	3	0	2	0	45	4	49	60
5	1	0	3	2	19	7	4	1	0	0	2	0	1	0	30	10	40	50
Total	5	0	8	3	146	28	52	7	0	0	15	2	15	2	241	42	283	392
Total	5		11		174		59		0		17		17					
Percent	1.28%		2.81%		44.39%		15.05%		0.00%		4.34%		4.34%		72.2%			
SHERIDAN	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	Total	1-Oct
VPK	0	0	1	0	2	2	0	0	0	0	0	0	2	1	5	3	8	16
K	1	1	1	0	11	3	7	1	0	0	2	0	0	2	22	7	29	77
1	1	0	0	0	8	1	5	0	0	0	1	1	3	0	18	2	20	56
2	0	1	2	1	10	3	4	0	0	0	3	0	1	0	20	5	25	78
3	0	0	2	0	10	1	10	1	0	0	2	0	2	2	26	4	30	65
4	0	1	2	2	13	1	8	2	0	0	4	1	4	1	31	8	39	60
5	1	0	3	0	14	1	9	0	1	0	4	0	4	0	36	1	37	56
Total	3	3	11	3	68	12	43	4	1	0	16	2	16	6	158	30	188	408
Total	6		14		80		47		1		18		22					
Percent	1.47%		3.43%		19.61%		11.52%		0.25%		4.41%		5.39%		46.1%			
STEM	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	Total	1-Oct
VPK	0	0	1	0	1	2	4	1	0	0	1	0	0	2	7	5	12	49
K	1	1	1	0	8	1	12	0	1	0	7	0	5	1	35	3	38	106
1	0	0	8	2	6	2	8	0	0	0	6	1	8	2	36	7	43	93
2	0	2	3	0	13	6	4	1	1	0	2	1	3	4	26	14	40	81
3	2	0	7	1	14	2	7	0	0	0	14	2	9	2	53	7	60	116
4	0	0	6	1	10	1	6	4	1	0	3	0	12	1	38	7	45	103
5	0	0	3	0	12	3	11	3	0	0	9	1	3	2	38	9	47	86
Total	3	3	29	4	64	17	52	9	3	0	42	5	40	14	233	52	285	634
Total	6		33		81		61		3		47		54					
Percent	0.95%		5.21%		12.78%		9.62%		0.47%		7.41%		8.52%		45.0%			
PRE K - Grade 5	12	6	49	10	493	105	158	24	5	0	85	12	80	32	882	189	1071	2025
Total	18		59		598		182		5		97		112					
Percent	0.89%		2.91%		29.53%		8.99%		0.25%		4.79%		5.53%		52.9%			

Compensatory Enrollment - Secondary & District-Wide

RICHFIELD PUBLIC SCHOOLS 2020-2021

SCHOOL	NUMBER OF STUDENTS BY ETHNICITY - FR = FREE LUNCH, RE = REDUCED LUNCH																	
by Grade	AMER IND ALASKAN		ASIAN		HISPANIC		BLACK		HAWAIIAN		2 OR MORE RACES		WHITE		Compensatory Total			Student Count
SEC-TRAN/CONN	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	Total	1-Oct
	0	0	1	0	4	0	5	2	0	0	0	0	0	1	10	3	13	22
Total	0		1		4		7		0		0		1					
Percent	0.00%		4.55%		18.18%		31.82%		0.00%		0.00%		4.55%		59.1%			
RMS	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	Total	1-Oct
6	0	0	5	1	89	22	31	7	0	0	16	1	19	5	160	36	196	305
7	2	0	4	0	71	22	22	3	0	0	17	3	11	3	127	31	158	293
8	2	0	6	0	85	19	26	4	0	0	12	2	10	6	141	31	172	321
	4	0	15	1	245	63	79	14	0	0	45	6	40	14	428	98	526	919
Total	4		16		308		93		0		51		54					
Percent	0.44%		1.74%		33.51%		10.12%		0.00%		5.55%		5.88%		57.2%			
RHS	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	Total	1-Oct
9	0	0	4	2	83	23	34	3	0	0	12	0	10	3	143	31	174	317
10	1	0	5	1	85	26	33	8	0	0	10	1	11	5	145	41	186	303
11	0	0	7	3	73	23	23	2	0	0	7	2	8	6	118	36	154	277
12	1	0	6	0	42	13	21	1	0	0	8	2	5	4	83	20	103	240
	2	0	22	6	283	85	111	14	0	0	37	5	34	18	489	128	617	1137
Total	2		28		368		125		0		42		52					
Percent	0.18%		2.46%		32.37%		10.99%		0.00%		3.69%		4.57%		54.3%			
RCEP	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	FR	RE	Total	1-Oct
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	1	3
11	0	0	0	0	5	0	1	0	0	0	2	0	0	0	8	0	8	17
12	0	0	0	0	10	5	9	0	0	0	0	0	1	0	20	5	25	44
	0	0	0	0	15	5	10	0	0	0	3	0	1	0	29	5	34	64
Total	0		0		20		10		0		3		1					
Percent	0.00%		0.00%		31.25%		15.63%		0.00%		4.69%		1.56%		53.1%			
Grade 6 - 12	6	0	38	7	547	153	205	30	0	0	85	11	75	33	956	234	1190	2142
Total	6		45		700		235		0		96		108					
Percent	0.28%		2.10%		32.68%		10.97%		0.00%		4.48%		5.04%		55.6%			
PRE-K to Grade 12	18	6	87	17	1040	258	363	54	5	0	170	23	155	65	1838	423	2261	4167
TOTAL	24		104		1298		417		5		193		220					
PERCENT	0.58%		2.50%		31.15%		10.01%		0.12%		4.63%		5.28%		54.3%			

The percent of students on Free/Reduced lunch has decreased from 59.3% to 54.3%, an decrease of 5% since October 1, 2019.

RICHFIELD PUBLIC SCHOOLS

Enrollment Options - Summary by District and by Grade Level 2020-21

DISTRICT	PreK		K		1		2		3		4		5		6		7		8		9		10		11		12		TOTAL	
	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT
Anoka				1			1																		1			1	2	
Bloomington	13	2	13	7	12	7	10	11	15	10	18	13	19	10	19	9	14	18	20	14	14	23	24	30	16	31	24	37	231	222
Brooklyn Center	2						1										1		1		1				2			3	5	
Burnsville	2		4	1	8		2	1	3		1	1	5		1		3	1	2			1	1		1	1		1	33	7
Columbia Hgts																								1				1	0	
Eastern Carver																					1				1			0	2	
Eden Prairie	3			1		1		1		1		1		2		1		2		1			2	1	1		2	4	16	
Edina	9		3	22	2	23	2	20	1	14	2	16	1	20		13	2	23		19	1	33	1	29		22		12	24	266
Farmington																										1		1	0	
Fergus Falls						1																						0	1	
Fridley	2																											2	0	
Hopkins	2								1		1										1	1			1			5	2	
Houston						1					2					1		1		1		1		1		1		0	9	
Inver Grove Hgts											1												1					1	1	
Lakeville					2		1		1		1			1												2		7	1	
Minneapolis	3	7	26	6	20	7	10	10	15	16	9	12	13	15	23	8	23	12	28	6	24	5	20	10	10	8	17	22	241	144
Minnetonka	1					1		2					1				1		2		1		1				1	1	10	
Moundsview									1	1							1	2										2	3	
Orono				1																								0	1	
Osseo									1				1	1					1	1	1		2	1	1		1	8	3	
Prior Lake																									1			1	0	
Robbinsdale					1				1			1	1					1										3	2	
Rockford																	1				1							2	0	
Rosemount			3			1	1		2	2	2	1	1	1	1		1	2	2	1	1	4			3	2	1	19	13	
Roseville			1															1									1	1	2	
SEC Academy-287																							1		5		16	0	22	
Shakopee								1									1				1				1	1		2	3	
South Wash Count														1					1				1					2	1	
Spring Lk Park			1			1																						1	1	
St Louis Park								1	1																	1		1	3	
St Paul			2	1		1	4	1	2		1		1	1	1		1		1		1					2	1	16	5	
St Paul - North																											1	0	1	
St Paul - South																									1	1		1	1	
St Paul - West			1			1					2		2		1	1	1				1					1		8	3	
Wabasha																			1									0	1	
Wayzata	1			1																								1	1	
	38	9	54	41	45	45	32	48	44	44	37	48	44	52	47	33	47	64	55	48	43	70	54	76	32	80	51	96	623	754

"In" means a student coming in from another district - attending Richfield.

"Out" means a Richfield resident - attending another district.

RICHFIELD PUBLIC SCHOOLS

Enrollment Options History School Years 2013 - 2021

	12-13		13-14		14-15		15-16		16-17		17-18		18-19		19-20		20-21	
	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT	IN	OUT
<u>Pre-K - Grade 2 Total</u>	150	120	153	123	182	129	169	131	160	132	151	145	139	140	142	139	169	143
Difference, "In" minus "Out"	30		30		53		38		28		6		-1		3		26	
<u>Grade 3-5 Total</u>	84	79	81	107	119	118	142	134	162	155	177	157	158	160	145	143	125	144
Difference, "In" minus "Out"	5		-26		1		8		7		20		-2		2		-19	
<u>Grade 6-8 Total</u>	98	100	88	104	81	111	81	90	103	119	126	151	146	159	148	167	149	145
Difference, "In" minus "Out"	-2		-16		-30		-9		-16		-25		-13		-19		4	
<u>Grade 9 - 12 Total</u>	241	155	218	200	210	225	196	228	192	258	203	274	191	302	194	320	180	322
Difference, "In" minus "Out"	86		18		-15		-32		-66		-71		-111		-126		-142	
Total Difference	119		6		9		5		-47		-70		-127		-140		-131	

NOTES:

(A) "In" means a student coming in from another district - attending Richfield.

(B) "Out" means a Richfield resident attending another district.

RICHFIELD RESIDENTS ATTENDING CHARTER SCHOOLS - School Years 2019-2021

Name of School	City	PreK	K	1	2	3	4	5	6	7	8	9	10	11	12	20-21	19-20	18-19
AFSA High School	Vadnais Heights															0	1	0
Agamin Classical Academy	Edina		2	1							1					4	0	0
Aspen Academy	Savage			1												1	0	0
Augsburg Fairview Academy	Minneapolis											1			1	2	1	1
Aurora Charter School	Minneapolis				3	1		3	1	2	2					12	15	14
Avalon School	St. Paul									1				1		2	1	1
Bdote Learning Center	Minneapolis															0	2	2
Best Academy	Golden Valley								1							1	3	0
Blue Sky Charter	St. Paul											1		1	1	3	5	2
Career Pathways	St. Paul														1	1	2	2
Cyber Village Academy	St. Paul		1						1	1				1		4	3	2
Eagle Ridge Academy	Eden Prairie		9	3	1	4	2	1	4	5	3	5	1	4	5	47	42	43
El Colegio Charter School	Minneapolis												1	1	2	4	2	4
FIT Academy	Apple Valley															0	0	1
Great River School	St. Paul						1						2			3	2	1
Hennepin Elementary	Minneapolis															0	4	1
High School for Recording Arts	St. Paul												1			1	1	0
Higher Ground Academy	St. Paul			1							1			1	2	5	1	1
Hiawatha Academies	Minneapolis			4	4	9	4	6	4	2	5	7	1	5	3	54	51	37
Horizon Science Academy	Richfield		5	2	2	2	2	1								14	8	0
International Spanish Academy	Minnetonka		1													1	0	0
KIPP Minnesota Charter	Minneapolis			1												1	0	0
Lincoln International School	Minneapolis															0	1	3
Lionsgate Academy	Crystal									1		3	1		4	9	8	8
Mastery School	Minneapolis															0	0	1
MN Internship Center	Minneapolis														1	1	0	1
MN Online High School	St. Paul														1	1	1	0
MN River Valley Education	Montevideo															0	1	0
MN Transitions Charter	Minneapolis		1	2		2			1	3	1	2	2	4	5	23	11	12
New Century School	St. Paul	1														1	0	0
Nova Classical Academy	St. Paul			1									1			2	2	2
Partnership Academy	Richfield	3	9	20	19	13	18	24	18	22	19					165	147	120
PIM Arts High School(Main Street)	Eden Prairie											1	3	1	2	7	8	6
Prodeo Academy	Minneapolis		2		1	1		2								6	4	3
SciTech Academy	Richfield		5	5	4	2	7	5	2	1	1					32	26	23
Seven Hills Prep Academy	Bloomington		40	30	28	51	41	48	30	33	28					329	322	310
Skyline Math & Science Acdmy	Minneapolis															0	0	1
Southside Family Charter	Minneapolis															0	2	2
Spero Academy	Minneapolis		1													1	4	2
St. Paul City School	St. Paul															0	0	4
St. Paul Conservatory	St. Paul											1		1		2	1	1
Step Academy Charter	Inver Grv Hgts									1					1	2	1	2
StoneBridge World School	Minneapolis		1		2	3	3	3	1	1						14	15	25
Success Academy	Bloomington							1	1	1						3	3	0
The Journey School	St. Paul							1								1	2	0
Twin Cities Intl Schools	Minneapolis		1		1	1			3	1	1					8	6	8
Ubah Medical Academy	Minneapolis											1			1	2	3	2
Upper Mississippi Academy	St Paul								2	1	1	2	2		1	9	10	9
Venture Academy	Minneapolis								1		1				1	3	2	1
Watershed Academy	Richfield											1	5	2	2	10	20	20
Yinghua Academy	Minneapolis									1						1	2	1
Total Student		4	78	71	65	89	78	95	70	77	64	25	20	22	34	792	745	679

RICHFIELD RESIDENTS ATTENDING NON-PUBLIC SCHOOLS - School Years 2019-2021

Name of School	City	PreK	K	1	2	3	4	5	6	7	8	9	10	11	12	20-21	19-20	18-19
Academy of Holy Angels	Richfield											21	10	17	11	59	54	72
AgapeChristi Academy	Eden Prairie															0	1	0
Annunciation	Minneapolis		1	2	1	2	4	3	8	1	5					27	36	32
Avail Academy (Calvin)	Edina					1			1		1					3	6	8
Benilde-St. Margaret	St. Louis Pk					1			1		1					3	2	0
Blake	Hopkins													1		1	5	6
Blessed Trinity	Richfield	5	10	11	11	9	12	14	6	19	11					108	123	121
Breck	Minneapolis		1	1			1									3	3	4
City of Lakes Waldorf	Minneapolis								1							1	1	3
Concordia Academy	Minneapolis															0	1	3
Convent of the Visitation	Mendota Hgt															0	1	0
Cristo Rey	Minneapolis											19	7	7	5	38	30	33
Crown of Life	Eagan															0	0	2
DeLaSalle	Minneapolis											2	2	3	3	10	12	0
First Baptist	Rosemount															0	1	2
Groves Academy	St. Louis Pk									1		1				2	2	1
Hill-Murray	Maplewood															0	1	1
Holy Family	Victoria															0	0	1
Homeschool	Richfield		2	2	12	6	6	6	14	11	9	6	8	8	2	92	89	92
The International School	Eden Prairie							1								1	3	1
Lake Country	Minneapolis				1				1							2	0	2
Mayer Lutheran	Mayer														1	1	2	2
Minnehaha Academy	Minneapolis		1				1		2		1	1	4			10	11	13
Nativity of Mary	Bloomington		1		1		1		1	1	1					6	0	0
Oak Hill Montessori	Shoreview															0	1	2
Pilgrim Lutheran	Minneapolis															0	0	12
Providence Academy	Plymouth												1			1	1	0
Shattuck-St Mary's	Faribault													1		1	1	0
Southview Christian	Burnsville															0	2	0
St. Croix Lutheran	W St Paul										1	1		1		3	4	3
Sunny Hollow Montessori	St Paul															0	2	4
United Christian (Bethany)	St Paul			1					3		1	2	1	1	3	12	11	7
Total Students		5	16	17	26	19	25	24	38	33	31	53	33	39	25	384	406	427

**INFORMATION AND PROPOSALS –
NON-ACTION ITEMS**

Agenda Item III.C.

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: Commendations

RPS would like to commend Dr. Latanya Daniels, Assistant Superintendent, for positively representing RPS in the Twin Cities community. The University of St. Thomas has published a TV advertisement for their School of Education, which is where Dr. Daniels received her MA, EdS and EdD degrees. This ad highlights Dr. Daniels' tenure as the principal of Richfield High School where she and her team increased graduation rates and doubled the number of advanced courses taken by students of color. Congratulations to Dr. Daniels! (Watch the ad here: <https://youtu.be/kLqrA8fylps>)

RPS would like to thank RCEP staff members Dr. Kasya Willhite, Wendy Anderson, and Cassie Acostacano, as well as RCEP Alumni Kylie and Tyreese for their contributions to the recent half-hour documentary produced by Regional Educational Laboratory Midwest in partnership with Twin Cities Public Television, which focuses on social-emotional learning in schools. This documentary features RCEP as one of three Minnesota schools that are seeing high levels of success with incorporating SEL into their academic programs. RCEP staff members expertly represented their program, and RCEP alumni bravely shared their stories. Thank you for positively bringing RCEP into the limelight that they deserve! (Watch the documentary here: <https://ies.ed.gov/ncee/edlabs/regions/midwest/videos/social-emotional-learning-for-a-lifetime.aspx>)

RPS would like to congratulate the communications and technology teams, and Jennifer Valley in particular, for being recognized by Finals site for creating one of the nation's ten best public school websites of 2020! The launch of the new RPS website showcased the new RPS branding and provided the ability to share easy-to-find information with families in a year when that has been incredibly important. Well done! (The full article can be found here: <https://www.finalsite.com/blog/p/~board/b/post/best-public-school-websites-2020>)

Lastly, RPS would like to commend the Richfield School Board for their ongoing dedication to leading the district. Next week is Minnesota School Board Recognition Week, and the entire state will be celebrating school board members for their commitment to Minnesota's public school students. At RPS, we are very grateful to

have six board members who selflessly devote their knowledge, time and talents as advocates for our students and families. Thank you!

FUND	CHECK	DATE	VENDOR	TYPE	AMOUNT
01	299999	01/13/2021	NEW PRAGUE DANCE TEAM	R	300.00
01	300000	01/14/2021	BLUE CROSS BLUE SHIELD OF MINNESOTA	R	8,360.00
01	300001	01/14/2021	CENTURYLINK	R	71.00
01	300002	01/14/2021	CHENG & TSUI COMPANY INC	R	755.90
01	300003	01/14/2021	CITY OF RICHFIELD	R	5,409.39
01	300004	01/14/2021	COMCAST BUSINESS	R	529.74
01	300005	01/14/2021	DICKS LAKEVILLE SANITATION INC	R	7,045.91
01	300006	01/14/2021	FATH CUTTER, NOELLA	R	4,500.00
01	300007	01/14/2021	H BROOKS AND COMPANY LLC	R	2,063.89
01	300008	01/14/2021	HOME DEPOT U.S.A.	R	1,313.45
01	300009	01/14/2021	LAJ CONSULTING, LLC	R	600.00
01	300010	01/14/2021	LARSON ENGINEERING	R	2,000.00
01	300011	01/14/2021	LOFFLER COMPANIES	R	151.00
01	300012	01/14/2021	MACKIN BOOK COMPANY	R	270.75
01	300013	01/14/2021	MATRIX COMMUNICATIONS INC	R	1,345.50
01	300014	01/14/2021	MINNESOTA STATE HIGH SCHOOL LEAGUE	R	70.00
01	300015	01/14/2021	MULTILINGUAL WORD INC	R	725.00
01	300016	01/14/2021	NCS PEARSON INC	R	340.97
01	300017	01/14/2021	PAN O GOLD BAKING CO	R	229.40
01	300018	01/14/2021	PLAINVIEW MILK PRODUCTS COOPERATIVE	R	3,256.81
01	300019	01/14/2021	RICHFIELD CHAMBER OF COMMERCE	R	1,420.00
01	300020	01/14/2021	RUPP ANDERSON SQUIRES & WALDSPURGER	R	4,809.31
01	300021	01/14/2021	STRATEGIC STAFFING SOLUTIONS	R	5,880.00
01	300022	01/14/2021	TRIO SUPPLY COMPANY	R	359.06
01	300023	01/14/2021	UPPER LAKES FOODS	R	5,444.30
01	300024	01/14/2021	XCEL ENERGY	R	44.97
01	300025	01/21/2021	ALLIED PROFESSIONALS, INC.	R	952.00
01	300026	01/21/2021	ARAMARK	R	71.93
01	300027	01/21/2021	ASPEN EQUIPMENT CO	R	1,579.32
01	300028	01/21/2021	BEN FRANKLIN ELECTRIC INC	R	642.00
01	300029	01/21/2021	BLUETARP FINANCIAL	R	29.98
01	300030	01/21/2021	CARQUEST AUTO PARTS	R	337.16
01	300031	01/21/2021	CATALYST BUYING GROUP LLC	R	914.99
01	300032	01/21/2021	CINTAS CORPORATION NO 2	R	539.80
01	300033	01/21/2021	CITY OF RICHFIELD	R	200.00
01	300034	01/21/2021	CONTINENTAL RESEARCH CORP	R	1,125.45
01	300035	01/21/2021	CULLIGAN SOFT WATER	R	9.50
01	300036	01/21/2021	DIGITAL INSURANCE LLC	R	3,537.00
01	300037	01/21/2021	DOOR SERVICE COMPANY OF THE TWIN CI	R	686.00
01	300038	01/21/2021	ECM PUBLISHERS INC	R	130.90
01	300039	01/21/2021	EDUCATORS BENEFIT CONSULTANTS LLC	R	432.97
01	300040	01/21/2021	FUN AND FUNCTION LLC	R	33.44
01	300041	01/21/2021	GROUP MEDICAREBLUE RX	R	6,493.00
01	300042	01/21/2021	GSSC-GENERAL SECURITY SERVICE	R	701.70
01	300043	01/21/2021	H BROOKS AND COMPANY LLC	R	241.43
01	300044	01/21/2021	HILDI INC.	R	2,745.00
01	300045	01/21/2021	HILLYARD	R	9,880.37
01	300046	01/21/2021	HOGLUND BUS CO INC	R	825.95
01	300047	01/21/2021	HOPE CHURCH	R	14,062.22

01	300048	01/21/2021	IDEAL ENERGIES LLC	R	992.09
01	300049	01/21/2021	IIX INSURANCE INFORMATION EXCHANGE	R	65.20
01	300050	01/21/2021	INTEGRATED FIRE & SECURITY INC	R	793.20
01	300051	01/21/2021	INTERMEDIATE DISTRICT 287	R	105,010.24
01	300052	01/21/2021	KINECT ENERGY INC	R	39,946.48
01	300053	01/21/2021	KREMER SERVICES LLC	R	1,437.80
01	300054	01/21/2021	LEROY'S GREAT BEAR	R	29.99
01	300055	01/21/2021	LOFFLER	R	1,225.09
01	300056	01/21/2021	MADISON NATIONAL LIFE INS CO INC	R	19,157.16
01	300057	01/21/2021	MASBO	R	110.00
01	300058	01/21/2021	MATRIX COMMUNICATIONS INC	R	2,775.00
01	300059	01/21/2021	METROPOLITAN MECHANICAL CONTRACTORS	R	2,668.00
01	300060	01/21/2021	MN DEPT OF LABOR AND INDUSTRY	R	130.00
01	300061	01/21/2021	NOKOMIS SHOE SHOP	R	125.00
01	300062	01/21/2021	NORTH DAKOTA CHILD SUPPORT PYMT CNT	R	39.60
01	300063	01/21/2021	PAN O GOLD BAKING CO	R	119.60
01	300064	01/21/2021	PREMIUM WATERS INC	R	28.00
01	300065	01/21/2021	QUALITY FLOW SYSTEMS, INC.	R	864.00
01	300066	01/21/2021	RIVERSIDE INSIGHTS	R	660.00
01	300067	01/21/2021	SCHOOL SERVICE EMPLOYEES UNION	R	7,839.24
01	300068	01/21/2021	SHERWIN WILLIAMS CO	R	521.09
01	300069	01/21/2021	SPOTIFY USA INC.	R	488.50
01	300070	01/21/2021	PARK ADAM TRANSPORTATION	R	27,303.47
01	300071	01/21/2021	SUBURBAN TIRE WHOLESALE	R	839.30
01	300072	01/21/2021	SUMMIT COMPANIES	R	2,834.00
01	300073	01/21/2021	SUPER DUPER PUBLICATIONS	R	124.00
01	300074	01/21/2021	TOLL COMPANY	R	44.77
01	300075	01/21/2021	TRIO SUPPLY COMPANY	R	287.08
01	300076	01/21/2021	TWIN CITY FILTER SERVICE INC	R	519.75
01	300077	01/21/2021	UNITED HEALTHCARE	R	159.60
01	300078	01/21/2021	UNITED HEALTHCARE INSURANCE CO	R	479.54
01	300079	01/21/2021	UNITED STATES TREASURER	R	430.00
01	300080	01/21/2021	UNIVERSITY OF MINNESOTA	R	10,440.00
01	300081	01/21/2021	UPPER LAKES FOODS	R	5,707.90
01	300082	01/21/2021	VOSS ELECTRIC CO	R	256.50
01	300083	01/21/2021	XCEL ENERGY	R	90.74
01	300084	01/21/2021	ZAYO GROUP HOLDINGS	R	8,612.68
01	300085	01/25/2021	ABSOLUTE COMMERCIAL FLOORING, INC.	R	768.00
01	300086	01/25/2021	ALL FURNITURE INC	R	3,146.23
01	300087	01/25/2021	AMERICAN DRAPERY SYSTEMS, INC.	R	20,150.00
01	300088	01/25/2021	BRAUN INTERTEC CORP	R	2,483.50
01	300089	01/25/2021	CORVAL CONSTRUCTION	R	81,699.21
01	300090	01/25/2021	EBERT CONSTRUCTION	R	347,277.97
01	300091	01/25/2021	ICS CONSULTING, INC.	R	77,833.93
01	300092	01/25/2021	INSTITUTE FOR ENVIROMENTAL	R	8,024.12
01	300093	01/25/2021	LS BLACK CONSTRUCTORS, INC.	R	720,602.39
01	300094	01/25/2021	MCDONOUGH'S SEWER SERVICES, INC.	R	502.00
01	300095	01/25/2021	PHILLIP HUCH	R	1,520.00
01	300096	01/25/2021	SHAW-LUNDQUIST ASSOCIATES, INC.	R	921,897.16
01	300097	01/25/2021	WASCHE COMMERCIAL FINISHES, INC.	R	850.00

01	300098	01/25/2021	WOLD ARCHITECTS AND ENGINEERS	R	27,959.23
01	300100	01/26/2021	AMAZON.COM SYNCB/AMAZON	R	3,762.91
01	300101	01/26/2021	LANGUAGE LINE SERVICE	R	2,210.27
TOTAL CHECK REGISTER					2,567,309.99

CHECK & E-PAY RUNS FOR 02/01/2021 BOARD REPORTS

BANK 05	DATE	AMOUNT
CHECKS	1/13/2021	300.00
	1/14/2021	56,996.35
	1/21/2021	289,326.72
	1/26/2021	5,973.18
CONSTRUCTION CHECKS	1/25/2021	2,214,713.74

CHECK REGISTER BANK 05 TOTAL =	2,567,309.99
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BREAKDOWN	
01-206-00	284,711.95
02-206-00	23,393.01
03-206-00	33,222.53
04-206-00	9,500.26
06-206-00	2,214,713.74
07-206-00	-
08-206-00	-
20-206-00	1,202.58
21-206-00	565.92
47-206-00	-
50-206-00	-
BANK TOTAL =	2,567,309.99

SUPERINTENDENT'S REPORT AND AGENDA

Regular Meeting of the Board of Education
Independent School District No. 280, Richfield, Minnesota

Richfield Public Schools *inspires* and *empowers* each individual to learn, grow and *excel*

Monday, February 1, 2021
7:00 p.m. School Board Meeting

I. CALL TO ORDER

The regular meeting of the Board of Education of ISD 280, Hennepin County, Richfield, Minnesota was held on Monday, February 1, 2021 in the boardroom at the Richfield Public Schools district office, with an option for joining virtually due to the current federal and state emergency declarations and guidance about limiting person-to-person contact because of the COVID-19 (coronavirus) pandemic. Chair Timothy Pollis called the Regular Board Meeting to order at 7:07 pm with the following school board members in attendance: Brakke, Cole (virtually), Maleck, and Toensing. Smisek was not able to attend.

Student board representative Tyler Jake was present virtually. Administrators present were Superintendent Unowsky, Asst. Superintendent Daniels (virtually), and Chief HR & Admin Officer Holje.

II. REVIEW AND APPROVAL OF THE AGENDA

Motion by Maleck, seconded by Toensing, and unanimously carried, the Board of Education approved the agenda.

III. INFORMATION AND PROPOSALS -- NON-ACTION ITEMS

- A. Superintendent Update
 - 1. Superintendent Goals
 - 2. Sheridan Hills Presentation
 - 3. Safe Routes to Schools Report
- B. Commendation

IV. CONSENT AGENDA

Motion by Toensing, seconded by Brakke, and unanimously carried, the Board of Education approved the consent agenda.

- A. Routine Matters
 - 1. Minutes of the organizational meeting held January 19, 2021
 - 2. General Disbursements as of 1/26/21 in the amount of \$2,567,309.99
 - 3. Investment Holdings
- B. Personnel Items

Certified Full Time Position for Employment – Temp Contract
Brenna Peterson – Science Teacher - RHS

Classified Part Time Position For Employment – Paraprofessional

Sara Acevedo – 7 hr/day, Paraprofessional Health Assistant, Centennial

Kimberly Hernandez Xochipiltécalt – 6.5 hr/day, Special Ed Paraprofessional, STEM

Classified Full Time Position For Employment – Paraprofessional

Jason Boie – 8 hr/day, Instructional Paraprofessional, Centennial Elementary

Jada Gardner – 8 hr/day, Instructional Paraprofessional, RMS

Classified Part Time Position for Employment – Facilities/Transportation

John Ashmead – 2 hr/day, Bus Driver

Classified Part Time Position For Employment – Nutrition Services

Carmen Sarmiento – 5.5 hr/day, Kitchen Assistant Sheridan Hills

Classified Part Time Resignation – Facilities/Transportation

Manisha Sephus – Bus driver

V. OLD BUSINESS

A. Policy 115: Title IX

Motion by Maleck, seconded by Brakke, and unanimously carried, the Board of Education approved the policy.

B. Policy 581 - Protection and Privacy of Pupil Records & Administrative Guidelines
581.1 & 581.2 - second read

VI. NEW BUSINESS

A. Policy 703: Student Activity Fund and other Organizations & Administrative
Guideline 703.1 - first read

B. Boost Grant Authorization - Bicycle Fleet

Motion by Brakke, seconded by Toensing, and unanimously carried, the Board of Education approved the grant authorization.

C. Nutrition Services Contract

Motion by Toensing, seconded by Maleck, and unanimously carried, the Board of Education approved the contract.

D. Donations

Motion by Toensing, seconded by Cole, and unanimously carried, the Board of Education accepts the donations with gratitude.

VII. ADVANCE PLANNING

A. Legislative Update

B. Information and Questions from Board

C. Future Meeting Dates

Tuesday	2-16-2021	7:00 p.m.	Regular Board Meeting - Public Comment
	3-1-2021	7:00 p.m.	Regular Board Meeting

D. Suggested/Future Agenda Items

VIII. CLOSED SESSION AS ALLOWED BY MINNESOTA STATUTE 13D.03 FOR LABOR NEGOTIATIONS STRATEGY

Motion by Toensing, seconded by Maleck and unanimously approved, the board moved into closed session at 8:47 pm.

IX. REOPEN MEETING

Motion by Maleck, seconded by Toensing and unanimously approved, the board moved into open session at 9:14 pm. Cole was no longer in attendance.

X. ADJOURN REGULAR MEETING

Chair Pollis adjourned the meeting at 9:15 pm.

FUND	CHECK	DATE	VENDOR	TYPE	AMOUNT
01	300102	01/28/2021	INNOVATIVE OFFICE SOLUTIONS LLC	R	616.82
01	300103	01/28/2021	ALL STATE COMMUNICATIONS INC	R	24,767.00
01	300104	01/28/2021	ALLIED PROFESSIONALS, INC.	R	1,139.00
01	300105	01/28/2021	ALLSTATE LEASING	R	949.97
01	300106	01/28/2021	BEN FRANKLIN ELECTRIC INC	R	9,830.00
01	300107	01/28/2021	BLACKBOARD INC	R	3,088.42
01	300108	01/28/2021	BRINK'S INCORPORATED	R	1,341.99
01	300109	01/28/2021	CAPTIVATE MEDIA & CONSULTING	R	1,240.00
01	300110	01/28/2021	CEP ART & DESIGN	R	180.00
01	300111	01/28/2021	CITY OF RICHFIELD	R	2,814.05
01	300112	01/28/2021	DIGI INTERNATIONAL, INC.	R	330.00
01	300113	01/28/2021	DISTRICT 2 DECA	R	360.00
01	300114	01/28/2021	DISCOUNT SCHOOL SUPPLY	R	299.12
01	300115	01/28/2021	ECM PUBLISHERS INC	R	136.85
01	300116	01/28/2021	ECOLAB INC	R	122.42
01	300117	01/28/2021	FASTENAL INDUSTRIAL	R	7.85
01	300118	01/28/2021	FLUENCY MATTERS	R	300.00
01	300119	01/28/2021	GEORGAKOPOULOS, TESS	R	80.00
01	300120	01/28/2021	WW GRAINGER INC	R	526.08
01	300121	01/28/2021	H BROOKS AND COMPANY LLC	R	1,200.78
01	300122	01/28/2021	HAWKINS INC	R	3,338.93
01	300123	01/28/2021	HR SIMPLIFIED INC.	R	630.00
01	300124	01/28/2021	INSTITUTE FOR ENVIROMENTAL	R	12,580.00
01	300125	01/28/2021	JAYTECH, INC	R	156.80
01	300126	01/28/2021	LAKESHORE LEARNING MATERIALS	R	145.14
01	300127	01/28/2021	MIDWEST BUS PARTS INC	R	322.20
01	300128	01/28/2021	MINUTEMAN PRESS-BLOOMINGTON	R	91.46
01	300129	01/28/2021	NCEA	R	749.25
01	300130	01/28/2021	NUSS TRUCK & EQUIPMENT	R	1,800.00
01	300131	01/28/2021	OCCUPATIONAL MEDICINE CONSULTANTS	R	421.50
01	300132	01/28/2021	OSCAR ALVARADO HERRERA	R	100.00
01	300133	01/28/2021	PAN O GOLD BAKING CO	R	270.40
01	300134	01/28/2021	PHOENIX SCHOOL COUNSELING	R	14,848.21
01	300135	01/28/2021	RYAN JEANNIE M	R	642.91
01	300136	01/28/2021	SYN-TECH SYSTEMS, INC	R	1,175.00
01	300137	01/28/2021	TERREL'S TOOLBOX LLC	R	151.50
01	300138	01/28/2021	THE COLLEGE BOARD-MWRO	R	175.00
01	300139	01/28/2021	TRIO SUPPLY COMPANY	R	674.82
01	300140	01/28/2021	UPPER LAKES FOODS	R	7,006.96
01	300141	01/28/2021	UW-STEVENS POINT	R	3,000.00
01	300142	01/28/2021	VSP VISION SERVICE PLAN	R	2,936.07
01	300143	01/28/2021	XCEL ENERGY	R	42,589.38
01	300144	01/29/2021	CINTAS	R	764.33
01	300145	01/29/2021	SCREENCASTIFY, LLC	R	725.00
01	300146	01/29/2021	SEESAW LEARNING, INC.	R	550.00
01	300147	02/04/2021	AIM ELECTRONICS INC	R	1,241.84
01	300148	02/04/2021	ALL STATE COMMUNICATIONS INC	R	2,964.85
01	300149	02/04/2021	ALLIED PROFESSIONALS, INC.	R	620.50
01	300150	02/04/2021	ANDERSON GRACE	R	10.00

01	300151	02/04/2021	ANDREWS GUY	R	79.00
01	300152	02/04/2021	BLUETARP FINANCIAL	R	84.95
01	300153	02/04/2021	BRAMBILLA'S LEASE SYSTEMS, INC	R	2,161.00
01	300154	02/04/2021	BROWN CHRIS	R	79.00
01	300155	02/04/2021	CANON USA	R	4,038.49
01	300156	02/04/2021	CASEY MICHAEL TODD	R	79.00
01	300157	02/04/2021	CHASKA PARKS & RECREATION	R	2,728.75
01	300158	02/04/2021	CHROMEBOOKPARTS.COM	R	12,499.50
01	300159	02/04/2021	CITY OF RICHFIELD	R	6,785.59
01	300160	02/04/2021	CITY OF RICHFIELD	R	2,213.69
01	300161	02/04/2021	COLLINS MELANIE	R	35.00
01	300162	02/04/2021	COMCAST	R	272.01
01	300163	02/04/2021	COMCAST BUSINESS	R	244.74
01	300164	02/04/2021	CONTEMPORARY TRANSPORTATION LLC	R	840.00
01	300165	02/04/2021	CROSBY-IRONTON HIGH SCHOOL	R	150.00
01	300166	02/04/2021	CURTIS NEAL BARKER	R	79.00
01	300167	02/04/2021	DAY ROGER ANTHONY	R	79.00
01	300168	02/04/2021	DIGITAL INSURANCE LLC	R	1,698.00
01	300169	02/04/2021	DOOR SERVICE COMPANY OF THE TWIN CI	R	49,700.00
01	300170	02/04/2021	SELAM ASFAHA	R	140.00
01	300171	02/04/2021	ECM PUBLISHERS INC	R	95.20
01	300172	02/04/2021	ECOLAB INC	R	948.63
01	300173	02/04/2021	EDUCATORS BENEFIT CONSULTANTS LLC	R	102.00
01	300174	02/04/2021	ERIN PATRICIA SUGRUE	R	350.00
01	300175	02/04/2021	FASTSIGNS	R	37.80
01	300176	02/04/2021	FINANGER PHILLIP J	R	140.00
01	300177	02/04/2021	WW GRAINGER INC	R	91.99
01	300178	02/04/2021	HAMMER SPORTS, LLC	R	294.00
01	300179	02/04/2021	HANKS, DANE AUGUST	R	30.00
01	300180	02/04/2021	HILGER MERRY	R	79.00
01	300181	02/04/2021	HOGLUND BUS CO INC	R	63.97
01	300182	02/04/2021	HOLLIS ETHAN	R	35.00
01	300183	02/04/2021	INTERNATIONAL OFFICE TECHNOLOGIES	R	950.00
01	300184	02/04/2021	JAYTECH, INC	R	134.21
01	300185	02/04/2021	JOERGER BRYCE	R	30.00
01	300186	02/04/2021	JOHNSON CONTROLS SECURITY SOLUTIONS	R	828.96
01	300187	02/04/2021	JOHNSTON STEPHEN	R	176.00
01	300188	02/04/2021	KATKE CHRISTINA	R	79.00
01	300189	02/04/2021	KINECT ENERGY INC	R	515.00
01	300190	02/04/2021	LEROY'S GREAT BEAR	R	427.24
01	300191	02/04/2021	LYNDSLEY KEVIN KAR	R	79.00
01	300192	02/04/2021	MALLOY MONTAGUE KARNOWSKI & RADO	R	20,700.00
01	300193	02/04/2021	MENARDS - RICHFIELD	R	35.29
01	300194	02/04/2021	MIDWEST BUS PARTS INC	R	690.94
01	300195	02/04/2021	MINNEAPOLIS ATHENA AWARDS COMM	R	100.00
01	300196	02/04/2021	MINUTEMAN PRESS OF RICHFIELD	R	240.00
01	300197	02/04/2021	MMEA	R	500.00
01	300198	02/04/2021	MN DEPT OF LABOR AND INDUSTRY	R	100.00
01	300199	02/04/2021	MOORE KENAN	R	79.00
01	300200	02/04/2021	NAVARRO RAYMOND	R	98.00

01	300201	02/04/2021	NOVAK JANICE SOPHIE	R	60.00
01	300202	02/04/2021	OKEY CHRIS	R	200.00
01	300203	02/04/2021	INNOCENT TECHNOLOGIES LLC	R	35,000.00
01	300204	02/04/2021	PER MAR SECURITY SERVICES	R	35.00
01	300205	02/04/2021	REALITYWORKS, INC.	R	1,813.01
01	300206	02/04/2021	SCHOLASTIC INC	R	181.50
01	300207	02/04/2021	SCHOOL SPECIALTY INC	R	355.71
01	300208	02/04/2021	SHERWIN WILLIAMS CO	R	449.85
01	300209	02/04/2021	INDIGO SIGNWORKS, INC.	R	213.50
01	300210	02/04/2021	TAFFE SARAH ANN	R	8,165.60
01	300211	02/04/2021	TRANSPORTATION PLUS, INC.	R	940.00
01	300212	02/04/2021	UHL COMPANY INC	R	10,775.00
01	300213	02/04/2021	VRIEZE TYLER	R	79.00
01	300214	02/04/2021	WASHINGTON ROBERT	R	79.00
01	300215	02/04/2021	ALLSTATE PETERBILT OF S ST PAUL	R	520.47
01	300216	02/04/2021	WORLD FUEL SERVICES, INC.	R	1,373.90
01	300217	02/04/2021	YOGA OPTIONS, LLC	R	27.00
01	300218	02/04/2021	ZAHRADKA ROBERT	R	79.00
01	300219	02/04/2021	ZUBAN FAMETTA	R	10.00
01	V610550	02/04/2021	MIRIAM A CASTRO SANJUAN	R	40.00
01	V610551	02/04/2021	PHIL N CEDER	R	40.00
01	V610552	02/04/2021	MARY L CLARKSON	R	70.00
01	V610553	02/04/2021	LATANYA R DANIELS	R	70.00
01	V610554	02/04/2021	GEORGE A DENNIS	R	35.00
01	V610555	02/04/2021	JARED ELLERSON	R	70.00
01	V610556	02/04/2021	RYAN D FINKE	R	70.00
01	V610557	02/04/2021	PETER J FITZPATRICK	R	40.00
01	V610558	02/04/2021	STEVEN T FLUCAS	R	70.00
01	V610559	02/04/2021	MICHAEL L FRANKENBERG	R	70.00
01	V610560	02/04/2021	RACHEL GENS	R	70.00
01	V610561	02/04/2021	AREND J GEURINK	R	70.00
01	V610562	02/04/2021	JAMES A GILLIGAN	R	70.00
01	V610563	02/04/2021	CHRISTINA M GONZALEZ	R	70.00
01	V610564	02/04/2021	KYLE L GUSTAFSON	R	40.00
01	V610565	02/04/2021	KEVIN D HARRIS	R	40.00
01	V610566	02/04/2021	JAMES L HILL	R	40.00
01	V610567	02/04/2021	CARLONDREA D HINES	R	70.00
01	V610568	02/04/2021	JESSICA M HOFFMAN	R	40.00
01	V610569	02/04/2021	CRAIG D HOLJE	R	70.00
01	V610570	02/04/2021	MARTIN B HUBERTY	R	133.96
01	V610571	02/04/2021	JANICE JORENBY	R	70.00
01	V610572	02/04/2021	MADELINE KAISER	R	129.88
01	V610573	02/04/2021	CORY J KLINGE	R	70.00
01	V610574	02/04/2021	DANIEL E KRETSINGER	R	70.00
01	V610575	02/04/2021	ANOOP KUMAR	R	40.00
01	V610576	02/04/2021	AMBER L LEWIS	R	12.98
01	V610577	02/04/2021	COLLEEN M MAHONEY	R	70.00
01	V610578	02/04/2021	MICHAEL A MANNING	R	70.00
01	V610579	02/04/2021	DANIEL P MCGINN	R	40.00
01	V610580	02/04/2021	DOUG R MCMEEKIN	R	70.00

01	V610581	02/04/2021	CAROLE R MCNAUGHTON-COMMERS	R	70.00
01	V610582	02/04/2021	KENT D MEYER	R	70.00
01	V610583	02/04/2021	ALECIA M MOBLEY	R	70.00
01	V610584	02/04/2021	LISA M NEGUS	R	70.00
01	V610585	02/04/2021	ERIN H NEILON	R	40.00
01	V610586	02/04/2021	ROBERT G OLSON	R	40.00
01	V610587	02/04/2021	LAURA B OTTERNESS	R	70.00
01	V610588	02/04/2021	MARK S PEDERSEN	R	40.00
01	V610589	02/04/2021	DENNIS E PETERSON	R	35.00
01	V610590	02/04/2021	CASSANDRA QUAM	R	70.00
01	V610591	02/04/2021	RENEE C REED-KARSTENS	R	40.00
01	V610592	02/04/2021	KEITH D RIEF	R	40.00
01	V610593	02/04/2021	TERESA L ROSEN	R	70.00
01	V610594	02/04/2021	MAUREEN E RUHLAND	R	40.00
01	V610595	02/04/2021	TIMECKA MARIE SANCHEZ-MICHAELS	R	70.00
01	V610596	02/04/2021	AMBER M SCHAUER	R	70.00
01	V610597	02/04/2021	MARTA I SHAHSAVAND	R	70.00
01	V610598	02/04/2021	DANE A SMITH	R	8.34
01	V610599	02/04/2021	NANCY J STACHEL	R	70.00
01	V610600	02/04/2021	MORGAN L STEELE	R	169.59
01	V610601	02/04/2021	PATRICK M SURE	R	40.00
01	V610602	02/04/2021	STACY THEIEN-COLLINS	R	70.00
01	V610603	02/04/2021	VLADIMIR S TOLEDO	R	40.00
01	V610604	02/04/2021	IAN D TOLENTINO	R	40.00
01	V610605	02/04/2021	JOAN M TOMKINSON	R	150.00
01	V610606	02/04/2021	STEVEN P UNOWSKY	R	270.00
01	V610607	02/04/2021	STEPHEN C URBANSKI	R	40.00
01	V610608	02/04/2021	CARRIE A VALA	R	70.00
01	V610609	02/04/2021	JENNIFER K VALLEY	R	70.00
01	V610610	02/04/2021	RYAN WAGNER	R	40.00
01	V610611	02/04/2021	REBECCA S WALD	R	40.00
01	V610612	02/04/2021	KASYA L WILLHITE	R	70.00
01	V610613	02/04/2021	AMY J WINTER AHSENMACHER	R	70.00
01	V610614	02/04/2021	AUBREE M YUNKER	R	69.94
01	V2100821	02/04/2021	P-CARD BAIRD LISA	R	3,118.35
01	V2100822	02/04/2021	P-CARD BROWN MATTHEW	R	84.98
01	V2100823	02/04/2021	P-CARD BRUNNER PATTI	R	3,547.90
01	V2100824	02/04/2021	P-CARD DINGMAN KRISTI	R	970.85
01	V2100825	02/04/2021	P-CARD FINDLEY LAMPKIN MELISSA	R	320.22
01	V2100826	02/04/2021	P-CARD GEURINK AREND	R	848.00
01	V2100827	02/04/2021	P-CARD GULLICKSON KEVIN	R	48.51
01	V2100828	02/04/2021	P-CARD HOLJE CRAIG	R	110.00
01	V2100829	02/04/2021	P-CARD KRETSINGER DAN	R	1,734.74
01	V2100830	02/04/2021	P-CARD MACE CHRISTI JO	R	126.99
01	V2100831	02/04/2021	P-CARD MARYN ANGELA	R	557.95
01	V2100832	02/04/2021	P-CARD MCGINN DAN	R	295.00
01	V2100833	02/04/2021	P-CARD MCNAUGHTON COMMERS CAROLE	R	44.29
01	V2100834	02/04/2021	P-CARD POMERLEAU DORIS	R	719.70
01	V2100835	02/04/2021	P-CARD SHAHSAVAND MARTA	R	242.50
01	V2100836	02/04/2021	P-CARD STACHEL NANCY	R	89.00

01	V2100837	02/04/2021	P-CARD VALLEY JENNIFER	R	528.50
01	V2100838	02/04/2021	P-CARD WINTER AMY	R	574.24

TOTAL CHECKS, EPAYS & PCARDS					340,583.30
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CHECK & E-PAY RUNS FOR 02/16/2021 BOARD REPORTS

BANK 05	DATE	AMOUNT
P-CARDS, JANUARY 2021	2/4/2021	13,961.72
CHECKS	1/28/2021	142,519.06
CHECKS-Federal CARES Funding	1/28/2021	616.82
BLESSED TRINITY CARES	1/29/2021	2,039.33
	2/4/2021	177,211.68
E-PAYS	2/4/2021	4,234.69

CHECK REGISTER BANK 05 TOTAL =	340,583.30
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BREAKDOWN	
01-206-00	288,253.77
02-206-00	11,872.30
03-206-00	9,238.24
04-206-00	29,033.99
06-206-00	70.00
07-206-00	-
08-206-00	-
20-206-00	2,014.20
21-206-00	100.80
47-206-00	-
50-206-00	-
BANK TOTAL =	340,583.30

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

SUBJECT: BID AWARD- MAIN FOOD VENDOR NUTRITION SERVICES

Recommended by the Superintendent that the Board of Education renew the contract for the Main Food Vendor contract for the 2021-2022 school year with Upper Lakes Foods.

Background

(Prepared by Craig Holje and Michael Manning)

It is recommended that we renew the contract with Upper Lakes Foods based on their products, service, pricing and delivery accuracy. Richfield and Bloomington have coordinated in their purchasing to ensure optimum delivery pricing and scheduling. This contract is extended through a joint purchasing agreement through Sourcewell which has extended their contract with Upper Lakes Foods through 2023, allowing Richfield and Bloomington to renew and stay on the contract for the 2021-2022 School Year.

The renewal will include an increase of the current fixed fee from \$0.69 to \$0.83 per case and the commodity fixed fee from \$1.25 to \$1.50 per case. This is due to several reasons associated with COVID, reduced sales, inflation, and operational costs. These prices are still below most suppliers and falls in line with normal inflation as they have not had an increase in over 3 years. We have received communication that Bloomington is also planning to renew this contract.



January 26, 2021

Michael Manning
Director of Food & Nutrition
Richfield Schools, ISD 280
7001 Harriet Ave. S.
Richfield, MN 55423

Dear Michael:

Upper Lakes Foods is pleased to renew with Richfield Schools/ISD 280 for the upcoming 2021-2022 school year under the Sourcewell Contract. The fixed fee and commodity fee are based on our school/distributor partnership, current market costs, and changes in the economy since the conception of our agreement currently in place.

\$0.83 per case fix fee grocery.

\$1.50 per case commodity fee

Plus, the handling and storage pass through fee charge by Americold Newport per case.

Upper Lakes Foods works hard at keeping rising costs to a minimum and with the current economic situation, we are pleased to renew.

Upper Lakes Foods, Inc. shall not be charged with liquidated damages when delay in delivery is due to unforeseeable cause beyond the control of Upper Lakes Foods, Inc., including but not restricted to Acts of God, acts of the public enemy, epidemics, quarantine restrictions, strikes, and freight embargoes.

Please sign below and return via email or mail.

Sincerely,

Renee Parks, Upper Lakes Foods, Inc.
800-879-1265 Ext 4208
800-238-6456 Fax
rparks@ulfoods.com

1/26/2021
Date

Purchasing Agent

Date

801 INDUSTRY AVENUE
CLOQUET, MINNESOTA 55720

T. 800.879.1265
F. 218.879.1940

INFO@ULFOODS.COM
WWW.UPPERLAKESFOODS.COM

• FAMILY-OWNED AND OPERATED •
UPPER LAKES FOODS
EST 1967

TO: School Food Authority – Richfield Schools/ISD 280
FROM: Denise Sorensen
DATE: January 26, 2021
SUBJECT: USDA Donated Foods (Commodities)

Upper Lakes Foods will deliver and charge the following:

Commodity fee per district dry or frozen \$1.50 per case
Plus, handling and storage pass through fee charged by Americold Newport per case.

Diverted/processed commodities:

Commodity fee per district dry or frozen \$1.50 per case
Diverted/processed commodities shall be removed from ULF warehouse within 10 days after such time; a monthly fee may be discussed if storage is necessary.

- Delivery Schedule to be determined per individual School Food Authorities.
- ULF will not provide storage for USDA Donated Foods for extended periods of time.
- ULF reserves the right to review the contract addendum January 1, 2022.
- In the event there are mandated changes in the Distribution of USDA Foods, Upper Lakes Foods reserves the right to adjust the commodity fee.

DISTRIBUTOR: UPPER LAKES FOODS, INC.
CONTACT PERSON: DENISE SORENSEN
ADDRESS: 801 INDUSTRY AVENUE
CITY/STATE/ZIP: CLOQUET, MN 55720
TELEPHONE/FAX: (218) 879-1265 ext 4379 Fax (715) 392-1202
EMAIL: denisesorensen@ulfoods.com

SCHOOL FOOD AUTHORITY: _____
CONTACT PERSON: _____
ADDRESS: _____
CITY/STATE/ZIP: _____
TELEPHONE/FAX: _____
EMAIL: _____

SFA REPRESENTATIVE SIGNATURE: _____

DISTRIBUTOR REPRESENTATIVE SIGNATURE: Denise Sorensen

CONSENT AGENDA – FOR ACTION

Agenda Item IV.B

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: PERSONNEL ITEMS
(Recommended by Superintendent)

That the Board of Education approve the following personnel items:

Certified Full Time Request for Extended Leave of Absence:
Christy Conrad – Special Education

Certified Full Time – Retirement
Jodi Schleyer – 3rd Grade Teacher – Sheridan Hills

Registered Nurse Full Time Position For Employment – Temporary
Libby Nelson – Registered Nurse – Richfield High School

Classified Part Time Position For Employment – Paraprofessional
Anna Stecker – 6.5 hr/day Special Ed Paraprofessional – Centennial

Classified Part Time Position For Employment – Co-Curricular
Kirk Shellum – Alpine Ski Assistant Coach

Classified Full Time Resignation - Food & Nutrition Services
Mary Emerson – 4 hr/day, Kitchen Assistant, Richfield Middle School

Classified Unpaid Leave – Paraprofessional
Marshall Santiago-Toledano – 8 hr/day, Clerical Paraprofessional, Richfield High School
Alejandra Johnson – 7 hr/day, Para Instructional, CEC

OLD BUSINESS – FOR ACTION

Agenda Item V.A.

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: Protection & Privacy of Pupil Records

(Recommended by the Superintendent)

Passage upon a third read of Policy 581: Protection and Privacy of Pupil Records and the accompanying guidelines. This redlined draft incorporates feedback from our legal team as well as updates to language that is consistent across our policies.

Attachments:

Policy 581: Protection and Privacy of Pupil Records - redlined
Administrative Guideline 581.1 - redlined
Administrative Guideline 581.2 - redlined
Administrative Guideline 581.2 Appendix - redlined
MSBA Model Policy 515: Protection and Privacy of Pupil Records

RICHFIELD PUBLIC SCHOOLS
PROTECTION AND PRIVACY OF PUPIL RECORDS

I. PURPOSE

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

II. GENERAL STATEMENT OF POLICY

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

III. DEFINITIONS

A. Dates of Attendance

Date of attendance, as referred to in Directory Information, means the period of time during which a student attends or attended a school or schools in the school district, including attendance in person or by paper correspondence, satellite, internet or other electronic communication technologies for students who are not in the classroom, and including the period during which a student is working under a work-study program.— The term does not include specific daily records of a student's attendance at a school or schools in the school district.

Commented [FEL1]: This is the language from MSBA's model policy. In light of distance learning, it seems helpful to clarify that this term includes distance learning attendance.

B. Dependent student.

For purposes of this policy, a dependent student is the dependent of a taxpayer, who:

1. has the same principal place of abode as the taxpayer for more than half of the taxable year; and
2. has not provided over one half of his/her own support for the calendar year; and
3. has not attained the age of 24.

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C. Directory information.

Directory information means information contained in an education record of a student which would not generally be considered harmful or an invasion of privacy if disclosed. It includes, but is not limited to: the student's name, name of school attended, dates of attendance, grade level, date of graduation, participation in officially recognized activities and sports, weight and height of members of athletic teams, degrees and awards received, as well as photos/videotape (excluding security camera videos in schools and/or in school buses) for school approved publications, school news purposes, school video productions or local cable casts. It also includes name, address, and telephone number of the student's parent(s). Directory information does not include:

1. a student's social security number;

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2. a student's identification number (ID), user ID, or other unique personal identifier used by a student for purposes of accessing or communicating in electronic systems if the identifier may be used to access education records without use of one or more factors that authenticate the student's identity such as a personal identification number (PIN), password, or other factor known or possessed only by the authorized user;

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3. a student ID or other unique personal identifier that is displayed on a student ID badge if the identifier can be used to gain access to educational records when used in conjunction with one or more factors that authenticate the student's identity, such as a PIN, password, or other factor known or possessed only by the student;

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4. personally identifiable data which references religion, race, color, social position, or nationality; or

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5. data collected from nonpublic school students, other than those who receive shared time educational services, unless written consent is given by the student's parent or guardian.

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D. Education records.

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

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- a. Records of instructional personnel which:
- (1) are in the sole possession of the maker thereof; and
 - (2) are not accessible or revealed to any other individual except a temporary substitute for the maker of the record; and
 - (3) are destroyed at the end of the school year.
- b. Records of a law enforcement unit located at the school provided the law enforcement records are:
- (1) maintained separately from education records;
 - (2) maintained solely for law enforcement purposes; and
 - (3) created by the law enforcement unit; and
 - (4) disclosed only to law enforcement officials of the same jurisdiction.
- c. Records relating to an individual, including a student, who is employed by the school district which:
- (1) are made and maintained in the normal course of business;
 - (2) relate exclusively to the individual in that individual's capacity as an employee; and
 - (3) are not available for use for any other purpose.
- However, these provisions shall not apply to records relating to an individual in attendance at the school district who is employed as a result of his or her status as a student.
- d. Records relating to an eligible student, or a student attending an institution of post-secondary education, which are:
- (1) made or maintained by a physician, psychiatrist, psychologist or other recognized professional or paraprofessional acting in his or her professional or paraprofessional capacity or assisting in that capacity;
 - (2) made, maintained, or used only in connection with the provision of treatment to the student; and
 - (3) disclosed only to individuals providing the treatment; provided that the records can be personally reviewed by a physician or other appropriate professional of the student's choice. For the purpose of this definition, "treatment" does not include remedial educational activities or activities that are a part of the program of instruction within the school district.
- e. Records that only contain information about an individual after ~~he or she~~ they is-are no longer a student at the school district and that are not directly related to the individual's attendance as a student.

Commented [FEL2]: This language is in the model policy. Item (3) is not. However, I would recommend leaving item 3 because it makes clear that the law enforcement unit is sharing only records it creates with other law enforcement officials.

E. Eligible student.

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

F. Juvenile justice system.

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

G. Legitimate educational interest.

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

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

H. Parent.

Parent means a parent of a student and includes a natural parent, a guardian, or an individual acting as a parent of the student in the absence of a parent or guardian. The school district may presume the parent has the authority to exercise the rights provided herein, unless it has been provided with evidence that there is a state law or court order governing such matters as marriage dissolution, separation or child custody, or a legally binding instrument which provides to the contrary.

I. Personally identifiable.

Personally identifiable means that the data or information includes, but is not limited to: (a) a student's name; (b) the name of the student's parent or other family member; (c) the address of the student or student's family; (d) a personal identifier such as the student's social security number or biometric record, if applicable; (e) a list of personal characteristics that would make the student's identity easily traceable; ~~or~~ (f) other information that, alone or in

combination, is linked or linkable to a specific student that would allow a reasonable person in the school community, who does not have personal knowledge of the relevant circumstances, to identify the student with reasonable certainty; or (g) information requested by a person who the school district reasonably believes knows the identity of the student to whom the education record relates other information that would make the student's identity easily traceable.

J. Record.

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

K. Responsible authority.

Responsible authority: Craig Holje, ~~Director of Personnel and Administrative Services~~ Chief HR and Administrative Officer (612-798-6031)

L. Student.

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

M. School official.

School official includes: (a) a person duly elected to the school board; (b) a person employed by the school board in an administrative, supervisory, instructional or other professional position; (c) a person employed by the school board as a temporary substitute in a professional position for the period of his or her performance as a substitute; and (d) a person employed by, or under contract to, the school board to perform a special task such as a secretary, a clerk, an attorney or an auditor for the period of his or her performance as an employee or contractor; (e) application service provider in performance of necessary functions of data collection, maintenance and storage.

N. Summary data.

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

O. Other terms and phrases.

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

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IV. GENERAL CLASSIFICATION

State law provides that all data collected, created, received or maintained by a school district is public unless classified by state or federal law as not public or private or confidential. State law classifies all data on individuals maintained by a school district which relates to a student as private data on individuals. This data may not be disclosed to parties other than the parent or eligible student without consent, except pursuant to a valid court order, certain state statutes authorizing access, and the provisions of 20 U.S.C. §1232g and the regulations promulgated thereunder. Note: A subpoena does not suffice for release of educational data. The requesting party must produce a valid court order.

V. STATEMENT OF RIGHTS

A. Rights of parents and eligible students.

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

1. The right to inspect and review the student's education records;
2. The right to request the amendment of the student's education records to ensure that they are not inaccurate, misleading or otherwise in violation of the student's privacy or other rights;
3. The right to consent to disclosures of personally identifiable information contained in the student's education records, except to the extent that such consent is not required for disclosure pursuant to this policy, state or federal law, or the regulations promulgated thereunder.
- [4. The right to refuse release of names, addresses, and home telephone numbers of students in grades 11 and 12 to military recruiting officers and post-secondary educational institutions;](#)
- [45.](#) The right to file a complaint with the U.S. Department of Education concerning alleged failures by the school district to comply with the federal law and the regulations promulgated thereunder;
- [56.](#) The right to be informed about rights under the federal law; and
- [67.](#) The right to obtain a copy of this policy at the location set forth in the COPIES OF POLICY section of this policy.

B. Eligible students.

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

C. Students with Disabilities

The school district shall follow 34 C.F.R. §§ 300.610-.617 with regard to the confidentiality of information related to students with a disability.

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VI. DISCLOSURE OF EDUCATION RECORDS

A. Consent required for disclosure.

1. The school district shall obtain a signed and dated written informed consent of the parent of a student or the eligible student before disclosing personally identifiable information from the education records of the student, except as provided herein.
2. The written consent required by this subdivision must be signed and dated by the parent of the student or the eligible student giving the consent and shall include:
 - a. a specification of the records to be disclosed;
 - b. the purpose or purposes of the disclosure;
 - c. the party or class of parties to whom the disclosure may be made;
and
 - d. the consequences of giving informed consent; and
- de. if appropriate, a termination date for the consent.
3. When a disclosure is made under this subdivision:
 - a. if the parent or eligible student so requests, the school district shall provide ~~him or her~~ them with a copy of the records disclosed; and
 - b. if the parent of a student who is not an eligible student so requests, the school district shall provide the student with a copy of the records disclosed.

4. If the responsible authority seeks an individual's informed consent to the release of private data to an insurer or the authorized representative of an insurer, informed consent shall not be deemed to have been given unless the statement is:
 - a. in plain language;
 - b. dated;
 - c. specific in designating the particular persons or agencies the data subject is authorizing to disclose information about the data subject;
 - d. specific as to the nature of the information the subject is authorizing to be disclosed;
 - e. specific as to the persons or agencies to whom the subject is authorizing information to be disclosed;
 - f. specific as to the purpose or purposes for which the information may be used by any of the parties named in clause e, both at the time of the disclosure and at any time in the future; and
 - g. specific as to its expiration date which should be within a reasonable time, not to exceed one year except in the case of authorizations given in connection with applications for:
 1. life insurance or non-cancelable or guaranteed renewable health insurance and identified as such, two years after the date of the policy, or
 2. medical assistance under Minn. Stat. Ch. 256B or Minnesota Care under Minn. Stat. Ch. 256L, which shall be ongoing during all terms of eligibility, for individualized education program health-related services provided by a school district that are subject to third party reimbursement..
5. A signed and dated written consent may include a record and signature in electronic format that (a) identifies and authenticates a particular person as the source of the electronic consent; and (b) indicates such person's approval of the information contained in the electronic consent.
6. Eligible student consent.

Whenever a student has attained eighteen (18) years of age or is attending an institution of post-secondary education, the rights accorded to and the consent required of the parent of the student shall thereafter only be accorded to and required of the eligible student, except as provided in the STATEMENT OF RIGHTS section of this policy.
- B. Prior consent for disclosure not required.

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

1. To other school officials, including teachers, within the school district whom the school district determines have a legitimate educational interest in such records;
2. To officials of other schools or school districts in which the student seeks or intends to enroll, as long as the disclosure is for purposes related to the student's enrollment or transfer. The records shall include information about disciplinary action taken as a result of any incident in which the student possessed or used a dangerous weapon and with proper annual notice (see the ANNUAL NOTIFICATION OF RIGHTS SECTION OF THIS POLICY), suspension and expulsion information pursuant to section 7917 of the federal Every Student Succeeds Act and, if applicable, data regarding a student's history of violent behavior. The records also shall include a copy of any probable cause notice or any disposition or court order under Minn. Stat. § 260B.171, unless the data are required to be destroyed under Minn. Stat. § 120A.22, Subd. 7(c) or § 121A.75. Upon request, the school district will provide the parent or eligible student with a copy of the education records which have been transferred and provide an opportunity for a hearing to challenge the content of those records in accordance with the REQUEST TO AMEND RECORDS; PROCEDURES TO CHALLENGE DATA section of this policy.
3. To authorized representatives of the Comptroller General of the United States, the Secretary of the U.S. Department of Education, or an official or employee of the Department of Education acting for the Secretary under a delegation of authority, or the Commissioner of the State Department of Education or his or her representative, subject to the conditions relative to such disclosure provided under federal law;
4. In connection with financial aid for which a student has applied or has received, if the information is necessary for such purposes as to:
 - a. determine eligibility for the aid;
 - b. determine the amount of the aid;
 - c. determine conditions for the aid; or
 - d. enforce the terms and conditions of the aid.

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

5. To state and local officials or authorities to whom such information is specifically allowed to be reported or disclosed pursuant to state statute adopted:
 - a. before November 19, 1974, if the allowed reporting or disclosure concerns the juvenile justice system and such system's ability to effectively serve the student whose records are released; or
 - b. after November 19, 1974, if the reporting or disclosure allowed by state statute concerns the juvenile justice system and the system's ability to effectively serve, prior to adjudication, the student whose records are released, provided the officials and authorities to whom the records are disclosed certify in writing to the school district that the data will not be disclosed to any other party, except as provided by state law, without the prior written consent of the parent of the student. At a minimum, the school district shall disclose the following information to the juvenile justice system under this paragraph: a student's full name, home address, telephone number, and date of birth; a student's school schedule, attendance record, and photographs, if any; and parents' names, home addresses, and telephone numbers.
6. To organizations conducting studies for or on behalf of educational agencies or institutions for the purpose of developing, validating or administering predictive tests, administering student aid programs or improving instruction; provided that the studies are conducted in a manner which does not permit the personal identification of parents or students by individuals other than representatives of the organization who have a legitimate interest in the information, and the information is destroyed when no longer needed for the purposes for which the study was conducted, and the school district enters into a written agreement with the organization that: (a) specifies the purpose, scope, and duration of the study or studies and the information to be disclosed; (b) requires the organization to use personally identifiable information from education records only to meet the purpose or purposes of the study as stated in the written agreement; (c) requires the organization to conduct the study in a manner that does not permit personal identification of parents and students by anyone other than representatives of the organization with legitimate interests; and (d) requires the organization to destroy all personally identifiable information when information is no longer needed for the purposes for which the study was conducted and specifies the time period in which the information must be destroyed. For purposes of this provision, the term "organizations" includes, but is not limited to, federal, state and local agencies and independent organizations. In the event the Department of Education determines that a third party outside of the school district to whom information is disclosed violates this provision, the school district may not allow that third party access to personally identifiable information from education records for at least five years.

7. To accrediting organizations in order to carry out their accrediting functions;
8. To parents of a dependent student or to the student themselves;
9. To comply with a judicial order provided, however, that the school district makes a reasonable effort to notify the parent or eligible student of the order in advance of compliance therewith so that the parent or eligible student may seek protective action. In addition, if the school district initiates legal action against a parent or student and has made a reasonable effort to notify the parent or eligible student in advance of its use, it may disclose the student's education records that are relevant to the action to the court without a court order. Also, if a parent or eligible student initiates a legal action against the school district, the school district may disclose to the court, without a court order or subpoena, the student's education records that are relevant for the school district to defend itself.
10. To appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health, including the mental health, or safety of the student or other individuals. The decision is to be based upon information available at the time the threat occurs that indicates that there is an articulable and significant threat to the health or safety of a student or other individuals. In making a determination whether to disclose information under this section, the school district may take into account the totality of the circumstances pertaining to a threat and may disclose information from education records to any person whose knowledge of the information is necessary to protect the health or safety of the student or other students. A record of this disclosure must be maintained pursuant to the RECORD KEEPING section of this policy. In addition, an educational agency or institution may include in the educational records of a student, appropriate information concerning disciplinary action taken against the student for conduct that posed a significant risk to the safety or well-being of that student, other students, or other members of the school community. This information may be disclosed to teachers and school officials within the school district and/or teachers and school officials in other schools who have legitimate educational interests in the behavior of the student.
11. Information the school district has designated as "directory information" pursuant to the RELEASE OF DIRECTORY INFORMATION section of this policy.
12. To the parent of a student who is not an eligible student or to the student himself or herself.
13. To appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent

disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted.

14. To volunteers who are determined to have a legitimate educational interest in the data and who are conducting activities and events sponsored by or endorsed by the educational agency or institution for students or former students.
15. To the juvenile justice system if information about the behavior of a student who poses a risk of harm is reasonably necessary to protect the health or safety of the student or other individuals.
16. To military recruiting officers, under the following circumstances. The school district shall release to military recruiting officers the names, addresses, and home telephone numbers of students in grades 11 and 12, within 60 days after the date of request for such data.

The school district shall give parents and students notice of the right to refuse release of this data to military recruiting officers, by publishing the notice in the Richfield Public Schools calendar and handbook, or by other means reasonably likely to inform the parents and students of the right. If a parent or eligible student objects to the release of this data to military recruiting officers, the data shall not be disclosed.

Parents or eligible students wishing to prevent the release of data to military recruiters must provide written notice to the school district that they do not want the school district to release the student's name, address, and/or home telephone number. Such notice must be provided to the school district within 30 days after the district disseminates its annual data practices notice, or by October 1 of each school year, whichever is later.

Data released to military recruiting officers under this subdivision may be used only for the purpose of providing information to students about military service, state and federal veterans' education benefits, and other career and educational opportunities provided by the military; and shall not be further disseminated to any other person except personnel of the recruiting services of the armed forces.

A parent or eligible student's refusal to release the above information to military recruiting officers and post-secondary educational institutions does not affect the school district's release of directory information to the rest of the public, which includes military recruiting officers and post-secondary educational institutions. In order to make any directory information about a student private, the procedures contained in the RELEASE OF DIRECTORY INFORMATION section of this policy also must be followed. Accordingly, to the extent the school district has designated the name and grade level of students as directory information, absent a request from a parent or eligible student not to release such data, this information will be public data and

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accessible to members of the public, including military recruiting officers and post-secondary educational institutions.

17. To the juvenile justice system, on written request that certifies that the information will not be disclosed to any other person except as authorized by law without the written consent of the parent of the student:

- a. the following information about a student must be disclosed: a student's full name, home address, telephone number, date of birth; a student's school schedule, attendance record, and photographs, if any; and any parents' names, home addresses, and telephone numbers;
- b. the existence of the following information about a student, not the actual data or other information contained in the student's educational record, may be disclosed provided that a request for access must be submitted on the statutory form and it must contain an explanation of why access to the information is necessary to serve the student: (1) use of a controlled substance, alcohol, or tobacco; (2) assaultive or threatening conduct that could result in dismissal from school under the Pupil Fair Dismissal Act; (3) possession or use of weapons or look-alike weapons; (4) theft; or (5) vandalism or other damage to property. Prior to releasing this information, the principal or chief administrative officer of a school who receives such a request must, to the extent permitted by federal law, notify the student's parent or guardian by certified mail of the request to disclose information. If the student's parent or guardian notifies the school official of an objection to the disclosure within ten (10) days of receiving certified notice, the school official must not disclose the information and instead must inform the requesting member of the juvenile justice system of the objection. If no objection from the parent or guardian is received within fourteen (14) days, the school official must respond to the request for information.

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

18. To the principal where the student attends and to any counselor directly supervising or reporting on the behavior or progress of the student if it is information from a disposition order received by a superintendent under Minn. Stat. §260B.171, Subd. 3. The principal must notify the counselor immediately and must place the disposition order in the student's permanent education record. The principal also must notify immediately any teacher or administrator who directly supervises or reports on the behavior or progress of the student whom the principal believes needs the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless

vulnerability. The principal may also notify other school district employees, substitutes, and volunteers who are in direct contact with the student if the principal determines that these individuals need the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. Such notices from the principal must identify the student, outline the offense, and described any conditions of probation about which the school must provide information if this information is provided in the disposition order. Disposition order information received is private educational data received for the limited purpose of serving the educational needs of the student and protecting students and staff. The information may not be further disseminated by the counselor, teacher, administrator, staff member, substitute, or volunteer except as necessary to serve the student, to protect students and staff, or as otherwise required by law, and only to the student or the student's parent or guardian.

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

The principal must delete the peace officer's record from the student's educational record, destroy the data, and make reasonable efforts to notify any teacher, counselor, staff member, administrator, substitute, or volunteer who received information from the peace officer's record if the county attorney determines not to proceed with a petition or directs the student into a diversion

or mediation program or if a juvenile court makes a decision on a petition and the county attorney or juvenile court notifies the superintendent of such action.

20. To the Secretary of Agriculture, or authorized representative from the Food and Nutrition Service or contractors acting on behalf of the Food and Nutrition Service, for the purposes of conducting program monitoring, evaluations, and performance measurements of state and local educational and other agencies and institutions receiving funding or providing benefits of one or more programs authorized under the National School Lunch Act or the Child Nutrition Act of 1966 for which the results will be reported in an aggregate form that does not identify any individual, on the conditions that: (a) any data collected shall be protected in a manner that will not permit the personal identification of students and their parents by other than the authorized representatives of the Secretary; and (b) any personally identifiable data shall be destroyed when the data are no longer needed for program monitoring, evaluations, and performance measurements.

21. To an agency caseworker or other representative of a State or local child welfare agency, or tribal organization (as defined in 25 U.S.C. § 5304), who has the right to access a student's case plan, as defined and determined by the State or tribal organization, when such agency or organization is legally responsible, in accordance with State or tribal law, for the care and protection of the student, provided that the education records, or the personally identifiable information contained in such records, of the student will not be disclosed by such agency or organization, except to an individual or entity engaged in addressing the student's education needs and authorized by such agency or organization to receive such disclosure and such disclosure is consistent with the State or tribal laws applicable to protecting the confidentiality of a student's education records.

22. To a contractor, consultant, volunteer, or other party to whom the school district has outsourced institutional services or functions provided that the outside party:

- a. performs an institutional service or function for which the school district would otherwise use employees;
- b. is under the direct control of the school district with respect to the use and maintenance of education records; and
- c. will not disclose the information to any other party without the prior consent of the parent or eligible student and uses the information only for the purposes for which the disclosure was made.

C. Nonpublic School Students

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

1. Pursuant to a valid court order;
2. Pursuant to a statute specifically authorizing access to the private data; or
3. To appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiological investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted.

VII. RELEASE OF DIRECTORY INFORMATION

A. Classification.

Directory information is public except as provided herein.

B. Former students.

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

C. Present ~~students~~ Students and Parents.

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

1. Annually, give public notice by any means that are reasonably likely to inform the parents and eligible students of:

- a. the types of personally identifiable information regarding students and/or parents that the school district has designated as directory information;
 - b. the parent's or eligible student's right to refuse to let the school district designate any or all of those types of information about the student and/or the parent as directory information; and
 - c. the period of time in which a parent or eligible student has to notify the school district in writing that ~~he or she~~they does not want any or all of those types of information about the student and/or the parent designated as directory information.
2. Allow a reasonable period of time after such notice has been given for a parent or eligible student to inform the school district, in writing, that any or all of the information so designated should not be disclosed without the parent's or eligible student's prior written consent, except as provided in the DISCLOSURE OF EDUCATION RECORDS section of this policy.
3. A parent or eligible student may not opt out of the directory information disclosures to:
 - a. prevent the school district from disclosing or requiring the student to disclose the student's name, ID, or school district e-mail address in a class in which the student is enrolled; or
 - b. prevent the school district from requiring a student to wear, to display publicly, or to disclose a student ID card or badge that exhibits information that may be designated as directory information and that has been properly designated by the school district as directory information.
 4. The school district shall not disclose or confirm directory information without meeting the written consent requirements contained in the DISCLOSURE OF EDUCATION RECORDS section of this policy if a student's social security number or other nondirectory information is used alone or in combination with other data elements to identify or help identify the student or the student's records.
- D. Procedure for obtaining nondisclosure of directory information.
- The parent's or eligible student's written notice shall be directed to the responsible authority and shall include the following:
1. Name of the student and/or parent, as appropriate;
 2. Home address;
 3. School presently attended by student;

4. Parent's legal relationship to student, if applicable; and
5. Specific categories of directory information to be made not public without the parent's or eligible student's prior written consent, which shall only be applicable for that school year.

E. Duration.

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

VIII. DISCLOSURE OF PRIVATE RECORDS

A. Private records.

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

B. Certain health records not accessible to parent.

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

1. The responsible authority may deny access to private data by a parent when a minor student who is the subject of that data requests that the responsible authority deny such access. The minor student's request must be submitted in writing setting forth the reasons for denying access to the parent and must be signed by the minor. Upon receipt of such request the responsible authority shall determine if honoring the request to deny the parent access would be in the best interest of the minor data subject. In making this determination the responsible authority shall consider the following factors:
 - a. whether the minor is of sufficient age and maturity to be able to explain the reasons for and understand the consequences of the request to deny access;

- b. whether the personal situation of the minor is such that denying parental access may protect the minor data subject from physical or emotional harm;
- c. whether there are grounds for believing that the minor data subject's reasons for precluding parental access are reasonably accurate;
- d. whether the data in question is of such a nature that disclosure of it to the parent may lead to physical or emotional harm to the minor data subject; and
- e. whether the data concerns medical, dental or other health services provided pursuant to Minn. Stat. §§ 144.341 to 144.347, in which case the data may be released only if the failure to inform the parent would seriously jeopardize the health of the minor.

C. Private records not accessible to student.

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

IX. DISCLOSURE OF CONFIDENTIAL RECORDS

A. Confidential records.

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

B. Reports under the Maltreatment of Minors Reporting Act.

Pursuant to Minn. Stat. § ~~260E.356~~~~26.556~~, written copies of reports pertaining to a neglected and/or physically and/or sexually abused child shall be accessible only to the appropriate welfare and law enforcement agencies. In respect to other parties, such data shall be confidential and will not be made available to the parent or the subject individual by the school district. The data subject, however, may obtain a copy of the report from either the local welfare agency, county sheriff or the local police department subject to the provisions of Minn. Stat. § ~~626.556~~260E.35, Subd. ~~443(a)~~.

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

C. Investigative data.

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

1. The school district may make any data classified as protected non-public or confidential pursuant to this subdivision accessible to any person, agency or the public if the school district determines that such access will aid the law enforcement process, promote public health or safety, or dispel widespread rumor or unrest.

2. A complainant has access to a statement provided by the complainant to the school district.

3. Parents or eligible students may have access to investigative data of which the student is the subject, but only to the extent the data is not inextricably intertwined with data about other school district students, school district employees, and/or attorney data as defined in Minn. Stat. § 13.393

34. Once a civil investigation becomes inactive, civil investigative data becomes public unless the release of the data would jeopardize another pending civil legal action, except for those portions of such data that are classified as not public data under state or federal law. Any civil investigative data presented as evidence in court or made part of a court record shall be public. For purposes of this provision, a civil investigation becomes inactive upon the occurrence of any of the following events:

- a. a decision by the school district, or by the chief attorney for the school district, not to pursue the civil legal action. However, such investigation may subsequently become active if the school district or its attorney decides to renew the civil legal action;
- b. the expiration of the time to file a complaint under the statute of limitations or agreement applicable to the civil legal action; or
- c. the exhaustion or expiration of rights of appeal by either party to the civil legal action.

45. A "pending civil legal action" for purposes of this subdivision is defined as including, but not limited to, judicial, administrative or arbitration proceedings.

D. Chemical Abuse Records

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

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

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

XI. LIMITS ON REDISCLOSURE

A. Redisclosure.

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

B. Redisclosure not prohibited.

1. Subdivision-Paragraph A of this Section does not preclude the school district from disclosing personally identifiable information under the DISCLOSURE OF EDUCATION RECORDS section of this policy with the understanding that the party receiving the information may make further disclosures of the information on behalf of the school district provided:
 - a. The disclosures meet the requirements of the DISCLOSURE OF EDUCATION RECORDS section of this policy; and
 - b. The school district has complied with the recordkeeping requirements of the RESPONSIBLE AUTHORITY; RECORD SECURITY; AND RECORD KEEPING section of this policy.
2. Subdivision-Paragraph A of this section does not apply to disclosures made pursuant to court orders, to disclosures of directory information, or

to disclosures to a parent or student or to parents of dependent students, or to disclosures concerning sex offenders and other individuals required to register under 42 U.S.C. § 14071. However, the school district must provide the notification required in Paragraph D of this section if a redisclosure is made based upon a court order.

C. Classification of disclosed data.

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

D. Notification.

The school district shall, except for disclosures made pursuant to court orders, disclosure of directory information under the RELEASE OF DIRECTORY INFORMATION section of this policy, or disclosures to a parent or student, inform the party to whom a disclosure is made of the requirements set forth in this Section. In the event that the Family Policy Compliance Office determines that a third party improperly rediscloses personally identifiable information from education records, the educational agency or institution school district may not allow that third party access to personally identifiable information from education records for at least five years.

XII. RESPONSIBLE AUTHORITY, RECORD SECURITY; AND RECORD KEEPING

A. Responsible authority.

The responsible authority shall be responsible for the maintenance and security of student records.

B. Record security.

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

C. Plan for securing student records.

The building principal shall submit to the responsible authority a written plan for securing students records by September 1 of each school year. The written plan shall contain the following information:

1. A description of records maintained;
2. Titles and addresses of person(s) responsible for the security of student records;
3. Location of student records, by category, in the buildings;

4. Means of securing student records; and

5. Procedures for access and disclosure.

D. Review of written plan for securing student records.

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

E. Recordkeeping.

1. The principal shall, for each request for and each disclosure of personally identifiable information from the education records of a student, maintain a record with the education records of the student which indicates:

a. the parties who have requested or received personally identifiable information from the education records of the student; ~~and~~

b. the legitimate interests these parties had in requesting or obtaining the information; and

c. the names of the state and local educational authorities and federal officials and agencies listed in the DISCLOSURE OF EDUCATION RECORDS section of this policy that may make further disclosures of personally identifiable information from the student's education records without consent.

2. In the event the school district discloses personally identifiable information from an education record of a student pursuant to Paragraph B of the LIMITS ON REDISCLOSURE section of this policy, the record of disclosure required under this Section shall also include:

a. the names of the additional parties to which the receiving party may disclose the information on behalf of the school district; and

b. the legitimate interests under the DISCLOSURE OF EDUCATION RECORDS section of this policy which each of the additional parties has in requesting or obtaining the information.

c. a copy of the record of further disclosures maintained by a state or local educational authority or federal official or agency listed in the DISCLOSURE OF EDUCATION RECORDS section of this policy in accordance with 34 C.F.R. § 99.32 and to whom the school district disclosed information from an education record. The school district shall request a copy of the record of further

disclosures from a state or local educational authority or federal official or agency to whom education records were disclosed upon a request from a parent or eligible student to review the record of requests for disclosure.

3. Paragraph (1) of Recordkeeping does not apply to requests by or disclosure to a parent of a student or an eligible student, disclosures pursuant to the written consent of a parent of a student or an eligible student, requests by or disclosures to other school officials under Paragraph B1 of the DISCLOSURE OF EDUCATION RECORDS section of this policy, to requests for disclosures of directory information under the RELEASE OF DIRECTORY INFORMATION section of this policy.

4. The record of requests of disclosures may be inspected by:

- a. the parent of the student or the eligible student;
- b. the school official or his or her~~their~~ assistants who are responsible for the custody of the records; and
- c. the parties authorized by law to audit the recordkeeping procedures of the school district.

5. The school district shall record the following information when it discloses personally identifiable information from education records under the health or safety emergency exception:

- a. the articulable and significant threat to the health or safety of a student or other individual that formed the basis for the disclosure; and
- b. the parties to whom the school district disclosed the information.

~~56.~~ The record of requests and disclosures shall be maintained with the education records of the student as long as the school district maintains the student's education records.

XIII. RIGHT TO INSPECT AND REVIEW EDUCATION RECORDS

- A. Parent of a student, an eligible student or the parent of an eligible student who is also a dependent student.

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

B. Response to request for access.

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

C. Right to inspect and review.

The right to inspect and review education records under [Subdivision Paragraph A](#) of this Section includes:

1. The right to a response from the school district to reasonable requests for explanations and interpretations of records; and
2. If circumstances effectively prevent the parent or eligible student from exercising the right to inspect and review the education records, the school district shall provide the parent or eligible student with a copy of the records requested, or make other arrangements for the parent or eligible student to inspect and review the requested records.
3. Nothing in this policy shall be construed as limiting the frequency of inspection of the educational records [of a student with a disability by the student's parent or guardian or by the student upon the student reaching the age of majority which identify as precisely as possible the record or records he or she wishes to inspect.](#)

D. Form of request.

Parents or eligible students shall submit to the school district a written request to inspect education records which identify as precisely as possible the record or records [he or she they](#) wishes to inspect.

E. Collection of student records.

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

F. Records containing information on more than one student.

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

G. Authority to inspect or review.

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

H. Fees for copies of records.

1. The school district shall charge a reasonable fee for providing photocopies or printed copies of records unless printing a copy is the only method to provide for the inspection of data. In determining the amount of the reasonable fee, the school district shall consider the following:
 - a. the cost of materials, including paper, used to provide the copies;
 - b. the cost of the labor required to prepare the copies;
 - c. any schedule of standard copying charges established by the school district in its normal course of operations;
 - d. any special costs necessary to produce such copies from machine based recordkeeping systems, including but not limited to computers and microfilm systems; and
 - e. mailing costs.
2. If 100 or fewer pages of black and white, letter or legal size paper copies are requested, actual costs shall not be used, and instead, the charge shall be no more than 25 cents for each page copied.
3. The cost of providing copies shall be borne by the parent or eligible student.
4. The responsible authority, however, may not impose a fee for a copy of an education record made for a parent or eligible student if doing so would effectively prevent the parent or eligible student from exercising their right to inspect or review the student's education records.
5. The school district reserves the right to make a charge for copies such as transcripts it forwards to potential employers or post-secondary institutions for employment or admissions purposes. The fee for such copies and other copies forwarded to third parties with prior consent as a convenience will be the actual search/retrieval and copying costs, as permitted by law, plus postage, if that is involved.

XIV. REQUEST TO AMEND RECORDS; PROCEDURES TO CHALLENGE DATA

A. Request to amend education records.

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

1. The request shall be in writing, shall identify the item the requester believes to be inaccurate, misleading or in violation of the privacy or other rights of the student, shall state the reason for this belief, and shall specify the correction the requester wishes the school district to make. The request shall be signed and dated by the requester.
2. The school district shall decide whether to amend the education records of the student in accordance with the request within a reasonable period of time of receipt of the request.
3. If the school district decides to refuse to amend the education records of the student in accordance with the request, it shall so inform the parent of the student or the eligible student of the refusal and advise the parent or eligible student of the right to a hearing under [Subdivision Paragraph B](#) of this Section.

B. Right to a hearing.

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

1. If, as a result of the hearing, the school district decides that the information is inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student, it shall amend the education records of the student accordingly, so inform the parent of the student or the eligible student in writing.
2. If, as a result of the hearing, the school district decides that the information is not inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student, it shall inform the parent or eligible student of the right to place a statement in the record commenting on the contested information in the record or stating why ~~he or she~~[they](#) disagrees with the decision of the school district, or both.
3. Any statement placed in the education records of the student under [Subdivision Paragraph B](#) of this Section shall:

- a. be maintained by the school district as part of the education records of the student so long as the record or contested portion thereof is maintained by the school district; and
- b. if the education records of the student or the contested portion thereof is disclosed by the school district to any party, the explanation shall also be disclosed to that party.

C. Conduct of hearing.

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

D. Appeal.

The final decision of the designated hearing officer may be appealed in accordance with the applicable provisions of the Minn. Stat. Ch. 14 relating to contested cases.

XV. PROBLEMS ACCESSING DATA

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

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XVI. COMPLAINTS FOR NONCOMPLIANCE

A. Where to file complaints.

Complaints regarding alleged violations of rights accorded parents and eligible students by 20 U.S.C. §1232g, and the rules promulgated thereunder, shall be submitted in writing to the Family Policy Compliance Office, U.S. Department of Education, 400 Maryland Avenue, S.W., Washington, D.C. 20202-4605.

B. Content of complaint.

A complaint filed pursuant to this Section must contain specific allegations of fact giving reasonable cause to believe that a violation of 20 U.S.C. §1232g and the rules promulgated thereunder has occurred.

XVII. WAIVER

A parent or eligible student may waive any of his or her rights provided herein pursuant to 20 U.S.C. §1232g. A waiver shall not be valid unless in writing and signed by the parent or eligible student. The school district may not require such a waiver.

XVIII. ANNUAL NOTIFICATION OF RIGHTS

A. Contents of notice.

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

1. That the parent or eligible student has a right to inspect and review the student's education records and the procedure for inspecting and reviewing education records;
2. That the parent or eligible student has a right to seek amendment of the student's education records to ensure that those records are not inaccurate, misleading, or otherwise in violation of the student's privacy or other rights and the procedure for requesting amendment of records;
3. That the parent or eligible student has a right to consent to disclosures of personally identifiable information contained in the student's education records, except to the extent that federal and state law and the regulations promulgated thereunder authorize disclosure without consent;

4. That the parent or eligible student has a right to file a complaint with the U.S. Department of Education regarding an alleged failure by the school district to comply with the requirements of 20 U.S.C. §1232g, and the rules promulgated thereunder;
 5. The criteria for determining who constitutes a school official and what constitutes a legitimate educational interest for purposes of disclosing education records to other school officials whom the school district has determined to have legitimate educational interests; and
 6. That the school district forwards education records on request to a school in which a student seeks or intends to enroll or is already enrolled as long as the disclosure is for purposes related to the student's enrollment or transfer and that such records may include suspension and expulsion records pursuant to the federal Every Student Succeeds Act and, if applicable, a student's history of violent behavior.
- B. Notification to parents of students having a primary home language other than English.
- The school district shall provide for the need to effectively notify parents of students identified as having a primary or home language other than English.
- C. Notification to parents or eligible students who are disabled.
- The school district shall provide for the need to effectively notify parents or eligible students identified as disabled.

~~XVIII~~**XIX. DESTRUCTION AND RETENTION OF RECORDS**

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

XIX. COPIES OF POLICY

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

Legal References:

Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)
Minn. Stat. § 120A.22 (Compulsory Instruction Dismissal Act)
Minn. Stat. § 144.341-144.347 (Consent of Minors for Health Services)
Minn. Stat. [Ch. § 626.556-260E](#) (Reporting of Maltreatment of Minors)
Minn. Rules Pts. 1205.0100-1205.2000
20 U.S.C. Sec. 1232g et. seq. (Family Educational Rights and Privacy Act)
26 U.S.C. Sec. 1152 (Internal Revenue Code)
34 C.F.R. Secs. 99.1-99.67

Cross-References:

MSBA Service Manual, Chapter 13, School Law Bulletin "I" (School Records-Privacy-Access to Data)
Board Policy ~~Guidelines 541~~ ~~Guidelines for 541~~: Student Behavior [and Administrative Guideline 541.1](#)

~~ADOPTED-RATIFIED~~ BY THE BOARD OF EDUCATION: March 5, 2001

REVISED BY THE BOARD OF EDUCATION: November 19, 2001;³⁷ December 20, 2004;³⁷ July 17, 2006; [February 16, 2021](#)

RICHFIELD PUBLIC SCHOOLS

ADMINISTRATIVE GUIDELINES

ACCESS TO PUPIL RECORDS BY SCHOOL VOLUNTEERS

I. PURPOSE

The purpose of these administrative guidelines is to provide guidance regarding the access to private educational data by volunteers to facilitate their volunteer activities.

II. POLICY REFERENCE

Board Policy 581, Protection and Privacy of Pupil Records, provides in Section VI.B., paragraphs 14 and 22, that the school district may disclose personally identifiable information from student education records without consent of the parent or student if the disclosure is:

To volunteers who are determined to have a legitimate education interest in the data and who are conducting activities and events sponsored by or endorsed by the educational agency or institution for students or former students.

OR

To a contractor, consultant, volunteer, or other party to whom the school district has outsourced institutional services or functions provided that the outside party:

- a. performs an institutional service or function for which the school district would otherwise use employees;
- b. is under the direct control of the school district with respect to the use and maintenance of education records; and
- c. will not disclose the information to any other party without the prior consent of the parent or eligible student and uses the information only for the purposes for which the disclosure was made.

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III. DETERMINATION OF LEGITIMATE EDUCATIONAL INTEREST

- 1 A. The ~~Director of Personnel and Administrative Services~~ Chief HR
2 and Administrative Officer is designated to determine which
3 volunteers have a legitimate education interest in the data.
4
- 5 B. In making the determination, the following factors will be
6 considered:
7
- 8 1. The interest must be a legitimate educational interest, based
9 on the nature of the organization and the nature of the
10 particular volunteer activity.
11
- 12 a. The following volunteer organizations and individuals
13 are deemed to have an educational interest:
14
- 15 • School parent organizations (e.g. PTO, PAG,
16 PSE)
 - 17 • Booster groups (e.g. Band Boosters,
18 interscholastic sports team booster groups)
 - 19 • RHS Senior Party Committee
 - 20 • Elementary room parents
 - 21 • Volunteers for other school-sponsored activities
- 22
- 23 b. Activities that support the school program or provide
24 assistance to the school administration, teachers,
25 coaches, and activity supervisors in carrying out
26 school-related programs and activities are deemed to
27 have an educational interest.
- 28 c. Activities such as assembling a directory for the
29 purpose of parent or student networking are not
30 deemed to have an educational interest.
31
- 32 2. The volunteers must need the private data to assist them in
33 conducting activities and events that are sponsored by or
34 endorsed by the school district.
35
- 36 a. Following are examples of activities involving
37 volunteer organizations and individuals that are
38 sponsored or endorsed by the school district:
39
- 40 • School or classroom field trips
 - 41 • School-wide events such as fun fairs and family nights
 - 42 • Vision and hearing screening
 - 43 • Kindergarten orientation
 - 44 • Curriculum nights, open houses, and parent / student
45 orientations
 - 46 • School-wide testing
 - 47 • Trip to environmental learning center
 - 48 • End-of-season athletic team banquet
- 49

- b. Following are examples of activities that are not sponsored or endorsed by the school district. In some cases, the district does not sponsor or endorse such activities for liability reasons.
- Competition cheerleading
 - Booster-organized activities such as a spring break trip to Florida to play in a baseball tournament
 - Booster-organized parties other than the end-of-season athletic team banquet
 - Global language trips
 - Band / choir tours
- c. Requests for private data by a volunteer organization should be determined on a case by case basis so that the district is able to consider whether the activity is one that is either sponsored or endorsed by the school district.
3. The volunteers must have a legitimate need for the information sought.
- a. The private data sought must be directly relevant and necessary to perform the volunteer activity that has a legitimate educational interest
- b. As an example, a volunteer may be granted access to student health and emergency information in order to help an activity supervisor check and organize student permission slips and health forms in preparation for a student trip.
- c. By contrast, it would be inappropriate to provide health information to an athletic booster club for an unrelated purpose such as ordering athletic jerseys.

IV. RESPONSIBILITIES OF VOLUNTEERS

- A. Volunteers who have access to private data ~~are expected to~~ shall use the data only for the purpose for which it was requested.
- B. The data ~~should must~~ not be discussed with or shown to others unless the other individual also has a legitimate educational interest in the data, or as otherwise permitted or required by law.
- C. Wherever possible, private data ~~should must~~ remain on school premises.

Section 500
Students

Administrative Guidelines 581.1
Page 4

- 1 Dated: May 7, 2001
- 2 Reviewed: December 20, 2004;~~i~~ July 17, 2006
- 3 Revised: November 19, 2001; February 16, 2021

RICHFIELD PUBLIC SCHOOLS
ADMINISTRATIVE GUIDELINES
RELEASE OF STUDENT RECORDS

I. PURPOSE

The purpose of these administrative guidelines is to provide general guidance regarding the release of student records in a variety of circumstances, consistent with Board Policy 581. These guidelines are based on the Family Educational Rights and Privacy Act, 20 U.S.C. 1232g (FERPA) and the Minnesota Government Data Practices Act ("MGDPA"), Minn. Stat. Chapter Ch. 13.

II. STUDENT RECORDS: WHAT TO RELEASE AND TO WHOM?

- A. Appended is a table outlining a variety of situations in which the release of student records may be requested, along with the appropriate response.
- B. The situations listed in the table are often fact dependent and the law changes frequently. Further, both FERPA and ~~Chapter 13~~the MGDPA contain numerous exceptions. Accordingly, questions regarding the application of these guidelines should be directed to the Director of Personnel and Administrative Services, who serves as the district records officer.
- C. The ~~Director of Personnel and Administrative Services~~Chief HR and Administrative Officer may consult with legal counsel prior to taking action on a data request.

Dated: May 7, 2001
Reviewed: December 20, 2004; July 17, 2006
Revised: February 16, 2021

**Independent School District 280
Richfield, Minnesota**

STUDENT RECORDS: WHAT TO RELEASE AND TO WHOM?

The Family Educational Rights and Privacy Act, 20 U.S.C. 1232g ("FERPA") and the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, govern collection, storage, maintenance and dissemination of student data. Overlapping and sometimes supplementary legal protections include the constitutional right of privacy and the state common law right of privacy.

FERPA prohibits the disclosure of personally identifiable information that is contained in the student's record and assures access for the parent or the student. Both FERPA and its Minnesota counterpart, Chapter 13, contain many exceptions. Below are some general guidelines to follow in managing educational records. However, each situation is often fact dependent and the law changes frequently. Please consult with the Director of Personnel and Administrative Services prior to taking action on a data request. The Director may consult with legal counsel prior to determining an appropriate response.

SITUATION RELEASE OF DATA REQUESTED	DATA RELEASE - YES OR NO?
<ul style="list-style-type: none">• To organizations conducting educational studies?	<ul style="list-style-type: none">• Yes, if the purpose of the study is to develop, validate, or administer predictive tests, or to improve instruction. The information must be kept confidential or released only in summary form.
<ul style="list-style-type: none">• To appropriate parties in connection with a health or safety emergency?	<ul style="list-style-type: none">• Yes, if the information is necessary to protect the health or safety of the student or other individuals. This exception is intended to apply to crisis situations only and is very strictly construed.
<ul style="list-style-type: none">• Release of "directory information" to the general public?	<ul style="list-style-type: none">• Yes, if the district has duly designated this information as directory information.
<ul style="list-style-type: none">• To authorized representatives of the Comptroller General of the United States, the U.S. Attorney General, the Secretary of U.S. Department of Education, or the Commissioner of the State Department of Children, Families & Learning?	<ul style="list-style-type: none">• Yes, however, who and what is authorized depends upon the circumstances of the disclosure, such as Mandatory Reporting requirements.

<ul style="list-style-type: none"> To the juvenile justice system? 	<ul style="list-style-type: none"> Yes, specific minimal data may be released prior to adjudication, if the data concern the juvenile justice system and the ability of the system to effectively serve the student. In addition, data on a student who is on probation may be released to the juvenile justice system if the data relates to the student's use of a controlled substance, alcohol, or tobacco; assaultive or threatening conduct that could result in dismissal from schools; possession or use of weapons or look-alike weapons; participation in gang activity; theft; or vandalism or damage to property. In addition, a school district must release to law enforcement the fact that a student brought a firearm to school, although it cannot release details about the incident, such as the school's disciplinary response.
<ul style="list-style-type: none"> To comply with a judicial order or lawfully issued subpoena? 	<ul style="list-style-type: none"> Yes<u>Judicial order yes, subpoena no. Under,</u> under federal law, <u>a school district may disclose data</u> to comply with a subpoena if the district first makes a reasonable effort to notify the parent or eligible student in advance of compliance with the subpoena, or restrictions are placed on re-disclosure. Contrast this with<u>However, under</u> Minnesota state law, under which a school district must release data only pursuant to a court order, not a subpoena. The more stringent state requirement must be followed in Minnesota.
<ul style="list-style-type: none"> To the attorney, insurance representative, or other third parties working for or on behalf of the school district? 	<ul style="list-style-type: none"> Yes, if needed in the course of his or her representation of the district and the person has a legitimate need to know the data to perform his/her function for the district.
<ul style="list-style-type: none"> To the attorney or advocate for the parent'? 	<ul style="list-style-type: none"> No, unless the parent or adult student has signed a prior written consent authorizing release of the data to their attorney or advocate.
<ul style="list-style-type: none"> To accrediting organizations? 	<ul style="list-style-type: none"> Yes, as necessary to carry out accrediting functions.

Dated: May 7, 2001
Revised: February 16, 2021
Reviewed: December 20, 2004

Adopted: _____

MSBA/MASA Model Policy 515

Orig. 1995

Revised: _____

Rev. 2013

515 PROTECTION AND PRIVACY OF PUPIL RECORDS

[Note: School districts are required by statute to have a policy addressing these issues.]

I. PURPOSE

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

II. GENERAL STATEMENT OF POLICY

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

III. DEFINITIONS

A. Authorized Representative

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

B. Biometric Record

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

C. Dates of Attendance

“Dates of attendance,” as referred to in “Directory Information,” means the period of time during which a student attends or attended a school or schools in the school district, including attendance in person or by paper correspondence, satellite, internet or other electronic communication technologies for students who

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

D. Directory Information

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

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

[Note: This definition includes all of the types of information specifically referenced by state and federal law as directory information. A school district may choose not to designate some or all of the enumerated information as directory information. A school district also may add to the list of directory information, as long as the added data is not information that generally would be deemed as an invasion of privacy or information that references the student's religion, race, color, social position, or nationality. Federal law now allows a school district to specify that the disclosure of directory information will be limited to specific parties, for specific purposes, or both. The identity of

those parties and/or purposes should be identified. To the extent a school district adds these restrictions, it must then limit its directory information disclosures to those individuals and/or purposes specified in this public notice. Procedures to address how these restrictions will be enforced by the school district are advised. Designation of directory information is an important policy decision for the local school board which must balance not only the privacy interests of the student against public disclosure but also the additional administrative requirements such restrictions on disclosures will place on the school district.]

E. Education Records

1. What constitutes “education records.” Education records means those records which: (1) are directly related to a student; and (2) are maintained by the school district or by a party acting for the school district.
2. What does not constitute an education record. The term, “education records,” does not include:
 - a. Records of instructional personnel which:
 - (1) are in the sole possession of the maker of the record; and
 - (2) are not accessible or revealed to any other individual except a substitute teacher; and
 - (3) are destroyed at the end of the school year.
 - b. Records of a law enforcement unit of the school district, provided education records maintained by the school district are not disclosed to the unit, and the law enforcement records are:
 - (1) maintained separately from education records;
 - (2) maintained solely for law enforcement purposes; and
 - (3) disclosed only to law enforcement officials of the same jurisdiction.
 - c. Records relating to an individual, including a student, who is employed by the school district which:
 - (1) are made and maintained in the normal course of business;
 - (2) relate exclusively to the individual in that individual’s capacity as an employee; and
 - (3) are not available for use for any other purpose.

However, these provisions shall not apply to records relating to an individual in attendance at the school district who is employed as a result of his or her status as a student.

- d. Records relating to an eligible student, or a student attending an institution of post-secondary education, which are:
 - (1) made or maintained by a physician, psychiatrist, psychologist, or other recognized professional or paraprofessional acting in his or her professional or paraprofessional capacity or assisting in that capacity;
 - (2) made, maintained, or used only in connection with the provision of treatment to the student; and
 - (3) disclosed only to individuals providing the treatment; provided that the records can be personally reviewed by a physician or other appropriate professional of the student's choice. For the purpose of this definition, "treatment" does not include remedial educational activities or activities that are a part of the program of instruction within the school district.
- e. Records that only contain information about an individual after he or she is no longer a student at the school district and that are not directly related to the individual's attendance as a student.

F. Eligible Student

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

G. Juvenile Justice System

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

H. Legitimate Educational Interest

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

- 1. Perform an administrative task required in the school or employee's contract or position description approved by the school board;
- 2. Perform a supervisory or instructional task directly related to the student's

education; or

3. Perform a service or benefit for the student or the student's family such as health care, counseling, student job placement, or student financial aid.
4. Perform a task directly related to responding to a request for data.

I. Parent

"Parent" means a parent of a student and includes a natural parent, a guardian, or an individual acting as a parent of the student in the absence of a parent or guardian. The school district may presume the parent has the authority to exercise the rights provided herein, unless it has been provided with evidence that there is a state law or court order governing such matters as marriage dissolution, separation or child custody, or a legally binding instrument which provides to the contrary.

J. Personally Identifiable

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

K. Record

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

L. Responsible Authority

"Responsible authority" means *[designate title and actual name of individual]*.

M. Student

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

from the school district.

N. School Official

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

[Note: School districts may wish to reference police liaison officers in the definition of a “school official.” Depending on the circumstances of the relationship, this may be added in subpart (d) of the definition or in a new subpart (e). Caution should be used to ensure that police liaison officers are considered “school officials” only when performing duties as a police liaison officer. Consultation with the school district’s legal counsel is recommended.]

O. Summary Data

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

P. Other Terms and Phrases

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

IV. GENERAL CLASSIFICATION

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

V. STATEMENT OF RIGHTS

A. Rights of Parents and Eligible Students

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

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

B. Eligible Students

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

C. Disabled Students

The school district shall follow 34 C.F.R. §§ 300.610-300.617 with regard to the confidentiality of information related to students with a disability.

VI. **DISCLOSURE OF EDUCATION RECORDS**

A. Consent Required for Disclosure

1. The school district shall obtain a signed and dated written informed consent of the parent of a student or the eligible student before disclosing personally identifiable information from the education records of the

student, except as provided herein.

2. The written consent required by this subdivision must be signed and dated by the parent of the student or the eligible student giving the consent and shall include:
 - a. a specification of the records to be disclosed;
 - b. the purpose or purposes of the disclosure;
 - c. the party or class of parties to whom the disclosure may be made;
 - d. the consequences of giving informed consent; and
 - e. if appropriate, a termination date for the consent.
3. When a disclosure is made under this subdivision:
 - a. if the parent or eligible student so requests, the school district shall provide him or her with a copy of the records disclosed; and
 - b. if the parent of a student who is not an eligible student so requests, the school district shall provide the student with a copy of the records disclosed.
4. A signed and dated written consent may include a record and signature in electronic form that:
 - a. identifies and authenticates a particular person as the source of the electronic consent; and
 - b. indicates such person's approval of the information contained in the electronic consent.
5. If the responsible authority seeks an individual's informed consent to the release of private data to an insurer or the authorized representative of an insurer, informed consent shall not be deemed to have been given unless the statement is:
 - a. in plain language;
 - b. dated;
 - c. specific in designating the particular persons or agencies the data subject is authorizing to disclose information about the data subject;
 - d. specific as to the nature of the information the subject is

authorizing to be disclosed;

- e. specific as to the persons or agencies to whom the subject is authorizing information to be disclosed;
- f. specific as to the purpose or purposes for which the information may be used by any of the parties named in Clause e. above, both at the time of the disclosure and at any time in the future; and
- g. specific as to its expiration date which should be within a reasonable time, not to exceed one year except in the case of authorizations given in connection with applications for: (i) life insurance or noncancellable or guaranteed renewable health insurance and identified as such, two years after the date of the policy, or (ii) medical assistance under Minn. Stat. Ch. 256B or Minnesota Care under Minn. Stat. Ch. 256L, which shall be ongoing during all terms of eligibility, for individualized education program health-related services provided by a school district that are subject to third party reimbursement.

6. Eligible Student Consent

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

B. Prior Consent for Disclosure Not Required

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

- 1. To other school officials, including teachers, within the school district whom the school district determines have a legitimate educational interest in such records;
- 2. To a contractor, consultant, volunteer, or other party to whom the school district has outsourced institutional services or functions provided that the outside party:
 - a. performs an institutional service or function for which the school district would otherwise use employees;
 - b. is under the direct control of the school district with respect to the use and maintenance of education records; and

- c. will not disclose the information to any other party without the prior consent of the parent or eligible student and uses the information only for the purposes for which the disclosure was made.
3. To officials of other schools, school districts, or post-secondary educational institutions in which the student seeks or intends to enroll, or is already enrolled, as long as the disclosure is for purposes related to the student's enrollment or transfer. The records shall include information about disciplinary action taken as a result of any incident in which the student possessed or used a dangerous weapon, and with proper annual notice (see Section XIX.), suspension and expulsion information pursuant to section 7917 of the federal Every Student Succeeds Act *[insert the following if the school district has a policy regarding Staff Notification of Violent Behavior by Students]* and, if applicable, data regarding a student's history of violent behavior. The records also shall include a copy of any probable cause notice or any disposition or court order under Minn. Stat. § 260B.171, unless the data are required to be destroyed under Minn. Stat. § 120A.22, Subd. 7(c) or § 121A.75. On request, the school district will provide the parent or eligible student with a copy of the education records which have been transferred and provide an opportunity for a hearing to challenge the content of those records in accordance with Section XV. of this policy;
4. To authorized representatives of the Comptroller General of the United States, the Attorney General of the United States, the Secretary of the U.S. Department of Education, or the Commissioner of the State Department of Education or his or her representative, subject to the conditions relative to such disclosure provided under federal law;
5. In connection with financial aid for which a student has applied or has received, if the information is necessary for such purposes as to:
 - a. determine eligibility for the aid;
 - b. determine the amount of the aid;
 - c. determine conditions for the aid; or
 - d. enforce the terms and conditions of the aid.

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

6. To state and local officials or authorities to whom such information is

specifically allowed to be reported or disclosed pursuant to state statute adopted:

- a. before November 19, 1974, if the allowed reporting or disclosure concerns the juvenile justice system and such system's ability to effectively serve the student whose records are released; or
 - b. after November 19, 1974, if the reporting or disclosure allowed by state statute concerns the juvenile justice system and the system's ability to effectively serve, prior to adjudication, the student whose records are released, provided the officials and authorities to whom the records are disclosed certify in writing to the school district that the data will not be disclosed to any other party, except as provided by state law, without the prior written consent of the parent of the student. At a minimum, the school district shall disclose the following information to the juvenile justice system under this paragraph: a student's full name, home address, telephone number, and date of birth; a student's school schedule, attendance record, and photographs, if any; and parents' names, home addresses, and telephone numbers.
7. To organizations conducting studies for or on behalf of educational agencies or institutions for the purpose of developing, validating, or administering predictive tests, administering student aid programs, or improving instruction; provided that the studies are conducted in a manner which does not permit the personal identification of parents or students by individuals other than representatives of the organization who have a legitimate interest in the information, the information is destroyed when no longer needed for the purposes for which the study was conducted, and the school district enters into a written agreement with the organization that: (a) specifies the purpose, scope, and duration of the study or studies and the information to be disclosed; (b) requires the organization to use personally identifiable information from education records only to meet the purpose or purposes of the study as stated in the written agreement; (c) requires the organization to conduct the study in a manner that does not permit personal identification of parents and students by anyone other than representatives of the organization with legitimate interests; and (d) requires the organization to destroy all personally identifiable information when information is no longer needed for the purposes for which the study was conducted and specifies the time period in which the information must be destroyed. For purposes of this provision, the term, "organizations," includes, but is not limited to, federal, state, and local agencies and independent organizations. In the event the Department of Education determines that a third party outside of the school district to whom information is disclosed violates this provision, the school district may not allow that third party access to personally identifiable information from education records for at least five (5) years;

8. To accrediting organizations in order to carry out their accrediting functions;
9. To parents of a student eighteen (18) years of age or older if the student is a dependent of the parents for income tax purposes;
10. To comply with a judicial order or lawfully issued subpoena, provided, however, that the school district makes a reasonable effort to notify the parent or eligible student of the order or subpoena in advance of compliance therewith so that the parent or eligible student may seek protective action, unless the disclosure is in compliance with a federal grand jury subpoena, or any other subpoena issued for law enforcement purposes, and the court or other issuing agency has ordered that the existence or the contents of the subpoena or the information furnished in response to the subpoena not be disclosed, or the disclosure is in compliance with an ex parte court order obtained by the United States Attorney General (or designee not lower than an Assistant Attorney General) concerning investigations or prosecutions of an offense listed in 18 U.S.C. § 2332b(g)(5)(B), an act of domestic or international terrorism as defined in 18 U.S.C. § 2331, or a parent is a party to a court proceeding involving child abuse and neglect or dependency matters, and the order is issued in the context of the proceeding. If the school district initiates legal action against a parent or student, it may disclose to the court, without a court order or subpoena, the education records of the student that are relevant for the school district to proceed with the legal action as plaintiff. Also, if a parent or eligible student initiates a legal action against the school district, the school district may disclose to the court, without a court order or subpoena, the student's education records that are relevant for the school district to defend itself;
11. To appropriate parties, including parents of an eligible student, in connection with an emergency if knowledge of the information is necessary to protect the health, including the mental health, or safety of the student or other individuals. The decision is to be based upon information available at the time the threat occurs that indicates that there is an articulable and significant threat to the health or safety of a student or other individuals. In making a determination whether to disclose information under this section, the school district may take into account the totality of the circumstances pertaining to a threat and may disclose information from education records to any person whose knowledge of the information is necessary to protect the health or safety of the student or other students. A record of this disclosure must be maintained pursuant to Section XIII.E. of this policy. In addition, an educational agency or institution may include in the education records of a student appropriate information concerning disciplinary action taken against the student for conduct that posed a significant risk to the safety or well-being of that student, other students, or other members of the school community. This information may be disclosed to teachers and school officials within the

school district and/or teachers and school officials in other schools who have legitimate educational interests in the behavior of the student;

12. To the juvenile justice system if information about the behavior of a student who poses a risk of harm is reasonably necessary to protect the health or safety of the student or other individuals;
13. Information the school district has designated as “directory information” pursuant to Section VII. of this policy;
14. To military recruiting officers and post-secondary educational institutions pursuant to Section XI. of this policy;
15. To the parent of a student who is not an eligible student or to the student himself or herself;
16. To appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted;
17. To volunteers who are determined to have a legitimate educational interest in the data and who are conducting activities and events sponsored by or endorsed by the educational agency or institution for students or former students;
18. To the juvenile justice system, on written request that certifies that the information will not be disclosed to any other person except as authorized by law without the written consent of the parent of the student:
 - a. the following information about a student must be disclosed: a student’s full name, home address, telephone number, date of birth; a student’s school schedule, daily attendance record, and photographs, if any; and any parents’ names, home addresses, and telephone numbers;
 - b. the existence of the following information about a student, not the actual data or other information contained in the student’s education record, may be disclosed provided that a request for access must be submitted on the statutory form and it must contain an explanation of why access to the information is necessary to serve the student: (1) use of a controlled substance, alcohol, or tobacco; (2) assaultive or threatening conduct that could result in dismissal from school under the Pupil Fair Dismissal Act; (3) possession or use of weapons or look-alike weapons; (4) theft; or (5) vandalism or other damage to property. Prior to releasing this information, the principal or chief administrative officer of a

school who receives such a request must, to the extent permitted by federal law, notify the student's parent or guardian by certified mail of the request to disclose information. If the student's parent or guardian notifies the school official of an objection to the disclosure within ten (10) days of receiving certified notice, the school official must not disclose the information and instead must inform the requesting member of the juvenile justice system of the objection. If no objection from the parent or guardian is received within fourteen (14) days, the school official must respond to the request for information.

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

19. To the principal where the student attends and to any counselor directly supervising or reporting on the behavior or progress of the student if it is information from a disposition order received by a superintendent under Minn. Stat. § 260B.171, Subd. 3. The principal must notify the counselor immediately and must place the disposition order in the student's permanent education record. The principal also must notify immediately any teacher or administrator who directly supervises or reports on the behavior or progress of the student whom the principal believes needs the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. The principal may also notify other school district employees, substitutes, and volunteers who are in direct contact with the student if the principal determines that these individual need the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. Such notices from the principal must identify the student, outline the offense, and describe any conditions of probation about which the school must provide information if this information is provided in the disposition order. Disposition order information received is private educational data received for the limited purpose of serving the educational needs of the student and protecting students and staff. The information may not be further disseminated by the counselor, teacher, administrator, staff member, substitute, or volunteer except as necessary to serve the student, to protect students and staff, or as otherwise required by law, and only to the student or the student's parent or guardian;
20. To the principal where the student attends if it is information from a peace officer's record of children received by a superintendent under Minn. Stat. § 260B.171, Subd. 5. The principal must place the information in the student's education record. The principal also must notify immediately any teacher, counselor, or administrator directly supervising the student whom the principal believes needs the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. The principal may

also notify other district employees, substitutes, and volunteers who are in direct contact with the student if the principal determines that these individuals need the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. Such notices from the principal must identify the student and describe the alleged offense if this information is provided in the peace officer's notice. Peace officer's record information received is private educational data received for the limited purpose of serving the educational needs of the student and protecting students and staff. The information must not be further disseminated by the counselor, teacher administrator, staff member, substitute, or volunteer except to communicate with the student or the student's parent or guardian as necessary to serve the student, to protect students and staff, or as otherwise required by law.

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

21. To the Secretary of Agriculture, or authorized representative from the Food and Nutrition Service or contractors acting on behalf of the Food and Nutrition Service, for the purposes of conducting program monitoring, evaluations, and performance measurements of state and local educational and other agencies and institutions receiving funding or providing benefits of one or more programs authorized under the National School Lunch Act or the Child Nutrition Act of 1966 for which the results will be reported in an aggregate form that does not identify any individual, on the conditions that: (a) any data collected shall be protected in a manner that will not permit the personal identification of students and their parents by other than the authorized representatives of the Secretary; and (b) any personally identifiable data shall be destroyed when the data are no longer needed for program monitoring, evaluations, and performance measurements.
22. To an agency caseworker or other representative of a State or local child welfare agency, or tribal organization (as defined in 25 U.S.C. § 5304), who has the right to access a student's case plan, as defined and determined by the State or tribal organization, when such agency or organization is legally responsible, in accordance with State or tribal law, for the care and protection of the student, provided that the education records, or the personally identifiable information contained in such records, of the student will not be disclosed by such agency or organization, except to an individual or entity engaged in addressing the student's education needs and authorized by such agency or organization

to receive such disclosure and such disclosure is consistent with the State or tribal laws applicable to protecting the confidentiality of a student's education records.

C. Nonpublic School Students

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

1. Pursuant to a valid court order;
2. Pursuant to a statute specifically authorizing access to the private data; or
3. To appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiological investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted.

VII. RELEASE OF DIRECTORY INFORMATION

A. Classification

Directory information is public except as provided herein.

B. Former Students

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

C. Present Students and Parents

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

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

[Note: Federal law now allows a school district to specify that the disclosure of directory information will be limited to specific parties, for specific purposes, or both. If the school district chooses to impose these limitations, it is advisable to add a new paragraph VII.C.1.d. which specifies that disclosures of directory information will be limited to specific parties and/or for specific purposes and identify those parties and/or purposes. To the extent a school district adds these restrictions, it must then limit its directory information disclosures to those individuals and/or purposes specified in this public notice. Procedures to address how these restrictions will be enforced by the school district are advised. This is an important policy decision for the local school board which must balance not only the privacy interests of the student against public disclosure, but also the additional administrative requirements such restrictions will place on the school district.]

2. Allow a reasonable period of time after such notice has been given for a parent or eligible student to inform the school district in writing that any or all of the information so designated should not be disclosed without the parent's or eligible student's prior written consent, except as provided in Section VI. of this policy.
3. A parent or eligible student may not opt out of the directory information disclosures to:
 - a. prevent the school district from disclosing or requiring the student to disclose the student's name, ID, or school district e-mail address in a class in which the student is enrolled; or
 - b. prevent the school district from requiring a student to wear, to display publicly, or to disclose a student ID card or badge that exhibits information that may be designated as directory information and that has been properly designated by the school district as directory information.

4. The school district shall not disclose or confirm directory information without meeting the written consent requirements contained in Section VI.A. of this policy if a student's social security number or other non-directory information is used alone or in combination with other data elements to identify or help identify the student or the student's records.

D. Procedure for Obtaining Nondisclosure of Directory Information

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

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

E. Duration

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

VIII. DISCLOSURE OF PRIVATE RECORDS

A. Private Records

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

B. Private Records Not Accessible to Parent

In certain cases state law intends, and clearly provides, that certain information contained in the education records of the school district pertaining to a student be

accessible to the student alone, and to the parent only under special circumstances, if at all.

1. The responsible authority may deny access to private data by a parent when a minor student who is the subject of that data requests that the responsible authority deny such access. The minor student's request must be submitted in writing setting forth the reasons for denying access to the parent and must be signed by the minor. Upon receipt of such request the responsible authority shall determine if honoring the request to deny the parent access would be in the best interest of the minor data subject. In making this determination the responsible authority shall consider the following factors:
 - a. whether the minor is of sufficient age and maturity to be able to explain the reasons for and understand the consequences of the request to deny access;
 - b. whether the personal situation of the minor is such that denying parental access may protect the minor data subject from physical or emotional harm;
 - c. whether there are grounds for believing that the minor data subject's reasons for precluding parental access are reasonably accurate;
 - d. whether the data in question is of such a nature that disclosure of it to the parent may lead to physical or emotional harm to the minor data subject; and
 - e. whether the data concerns medical, dental or other health services provided pursuant to Minn. Stat. §§ 144.341-144.347, in which case the data may be released only if the failure to inform the parent would seriously jeopardize the health of the minor.

C. Private Records Not Accessible to Student

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

IX. DISCLOSURE OF CONFIDENTIAL RECORDS

A. Confidential Records

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

B. Reports Under the Maltreatment of Minors Reporting Act

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

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

C. Investigative Data

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

1. The school district may make any data classified as protected non-public or confidential pursuant to this subdivision accessible to any person, agency, or the public if the school district determines that such access will aid the law enforcement process, promote public health or safety, or dispel widespread rumor or unrest.
2. A complainant has access to a statement he or she provided to the school district.
3. Parents or eligible students may have access to investigative data of which the student is the subject, but only to the extent the data is not inextricably intertwined with data about other school district students, school district employees, and/or attorney data as defined in Minn. Stat. § 13.393.
4. Once a civil investigation becomes inactive, civil investigative data becomes public unless the release of the data would jeopardize another pending civil legal action, except for those portions of such data that are classified as not public data under state or federal law. Any civil investigative data presented as evidence in court or made part of a court record shall be public. For purposes of this provision, a civil investigation becomes inactive upon the occurrence of any of the following events:
 - a. a decision by the school district, or by the chief attorney for the

school district, not to pursue the civil legal action. However, such investigation may subsequently become active if the school district or its attorney decides to renew the civil legal action;

- b. the expiration of the time to file a complaint under the statute of limitations or agreement applicable to the civil legal action; or
- c. the exhaustion or expiration of rights of appeal by either party to the civil legal action.

- 5. A “pending civil legal action” for purposes of this subdivision is defined as including, but not limited to, judicial, administrative, or arbitration proceedings.

D. Chemical Abuse Records

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

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

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

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

- A. The school district will release the names, addresses, and home telephone numbers of students in grades 11 and 12 to military recruiting officers and post-secondary educational institutions within sixty (60) days after the date of the request unless a parent or eligible student has refused in writing to release this data pursuant to Paragraph C. below.
- B. Data released to military recruiting officers under this provision:
 - 1. may be used only for the purpose of providing information to students about military service, state and federal veterans’ education benefits, and other career and educational opportunities provided by the military; and
 - 2. cannot be further disseminated to any other person except personnel of the

recruiting services of the armed forces.

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

XII. LIMITS ON REDISCLOSURE

- A. Redisclosure

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

B. Redisclosure Not Prohibited

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

[Note: 42 U.S.C. § 14071 was repealed. School districts should retain this statutory reference, however, as it remains a reference in FERPA and the Minnesota Government Data Practices Act and still may apply to individuals required to register prior to the repeal of this law.]

C. Classification of Disclosed Data

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

D. Notification

The school district shall inform the party to whom a disclosure is made of the requirements set forth in this section, except for disclosures made pursuant to court orders or lawfully issued subpoenas, disclosure of directory information

under Section VII. of this policy, disclosures to a parent or student, or disclosures to parents of a dependent student. In the event that the Family Policy Compliance Office determines that a state or local educational authority, a federal agency headed by an official listed in 34 C.F.R. § 99.31(a)(3), or an authorized representative of a state or local educational authority or a federal agency headed by an official listed in § 99.31(a)(3), or a third party outside of the school district improperly rediscloses personally identifiable information from education records or fails to provide notification required under this section of this policy, the school district may not allow that third party access to personally identifiable information from education records for at least five (5) years.

XIII. RESPONSIBLE AUTHORITY; RECORD SECURITY; AND RECORD KEEPING

A. Responsible Authority

The responsible authority shall be responsible for the maintenance and security of student records.

B. Record Security

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

C. Plan for Securing Student Records

The building principal shall submit to the responsible authority a written plan for securing students records by September 1 of each school year. The written plan shall contain the following information:

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

D. Review of Written Plan for Securing Student Records

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

attached to and become a part of this policy.

E. Record Keeping

1. The principal shall, for each request for and each disclosure of personally identifiable information from the education records of a student, maintain a record with the education records of the student which indicates:
 - a. the parties who have requested or received personally identifiable information from the education records of the student;
 - b. the legitimate interests these parties had in requesting or obtaining the information; and
 - c. the names of the state and local educational authorities and federal officials and agencies listed in Section VI.B.4. of this policy that may make further disclosures of personally identifiable information from the student's education records without consent.
2. In the event the school district discloses personally identifiable information from an education record of a student pursuant to Section XII.B. of this policy, the record of disclosure required under this section shall also include:
 - a. the names of the additional parties to which the receiving party may disclose the information on behalf of the school district;
 - b. the legitimate interests under Section VI. of this policy which each of the additional parties has in requesting or obtaining the information; and
 - c. a copy of the record of further disclosures maintained by a state or local educational authority or federal official or agency listed in Section VI.B.4. of this policy in accordance with 34 C.F.R. § 99.32 and to whom the school district disclosed information from an education record. The school district shall request a copy of the record of further disclosures from a state or local educational authority or federal official or agency to whom education records were disclosed upon a request from a parent or eligible student to review the record of requests for disclosure.
3. Section XIII.E.1. does not apply to requests by or disclosure to a parent of a student or an eligible student, disclosures pursuant to the written consent of a parent of a student or an eligible student, requests by or disclosures to other school officials under Section VI.B.1. of this policy, to requests for disclosures of directory information under Section VII. of this policy, or to a party seeking or receiving the records as directed by a federal grand jury or other law enforcement subpoena and the issuing court or agency has

ordered that the existence or the contents of the subpoena or the information provided in response to the subpoena not be disclosed or as directed by an ex parte court order obtained by the United States Attorney General (or designee not lower than an Assistant Attorney General) concerning investigations or prosecutions of an offense listed in 18. U.S.C. § 2332b(g)(5)(B) or an act of domestic or international terrorism.

[Note: While Section XIII.E.1. does not apply to requests for or disclosures of directory information under Section VII. of this policy, to the extent the school district chooses to limit the disclosure of directory information to specific parties, for specific purposes, or both, it is advisable that records be kept to identify the party to whom the disclosure was made and/or purpose for the disclosure.]

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

XIV. RIGHT TO INSPECT AND REVIEW EDUCATION RECORDS

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

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

B. Response to Request for Access

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

C. Right to Inspect and Review

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

1. The right to a response from the school district to reasonable requests for explanations and interpretations of records; and
2. If circumstances effectively prevent the parent or eligible student from exercising the right to inspect and review the education records, the school district shall provide the parent or eligible student with a copy of the records requested or make other arrangements for the parent or eligible student to inspect and review the requested records.
3. Nothing in this policy shall be construed as limiting the frequency of inspection of the education records of a student with a disability by the student's parent or guardian or by the student upon the student reaching the age of majority.

D. Form of Request

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

E. Collection of Student Records

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

F. Records Containing Information on More Than One Student

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

G. Authority to Inspect or Review

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

H. Fees for Copies of Records

1. The school district shall charge a reasonable fee for providing photocopies or printed copies of records unless printing a copy is the only method to provide for the inspection of data. In determining the amount of the reasonable fee, the school district shall consider the following:
 - a. the cost of materials, including paper, used to provide the copies;
 - b. the cost of the labor required to prepare the copies;
 - c. any schedule of standard copying charges established by the school district in its normal course of operations;
 - d. any special costs necessary to produce such copies from machine based record-keeping systems, including but not limited to computers and microfilm systems; and
 - e. mailing costs.
2. If 100 or fewer pages of black and white, letter or legal size paper copies are requested, actual costs shall not be used, and, instead, the charge shall be no more than 25 cents for each page copied.
3. The cost of providing copies shall be borne by the parent or eligible student.
4. The responsible authority, however, may not impose a fee for a copy of an education record made for a parent or eligible student if doing so would effectively prevent or, in the case of a student with a disability, impair the parent or eligible student from exercising their right to inspect or review the student's education records.

XV. REQUEST TO AMEND RECORDS; PROCEDURES TO CHALLENGE DATA

A. Request to Amend Education Records

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

amend those records.

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

B. Right to a Hearing

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

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

thereof is disclosed by the school district to any party, the explanation shall also be disclosed to that party.

C. Conduct of Hearing

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

D. Appeal

The final decision of the designated hearing officer may be appealed in accordance with the applicable provisions of Minn. Stat. Ch. 14 relating to contested cases.

XVI. PROBLEMS ACCESSING DATA

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

XVII. COMPLAINTS FOR NONCOMPLIANCE WITH FERPA

A. Where to File Complaints

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

B. Content of Complaint

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

XVIII. WAIVER

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

XIX. ANNUAL NOTIFICATION OF RIGHTS

A. Contents of Notice

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

1. That the parent or eligible student has a right to inspect and review the student's education records and the procedure for inspecting and reviewing education records;
2. That the parent or eligible student has a right to seek amendment of the student's education records to ensure that those records are not inaccurate, misleading, or otherwise in violation of the student's privacy or other rights and the procedure for requesting amendment of records;
3. That the parent or eligible student has a right to consent to disclosures of personally identifiable information contained in the student's education records, except to the extent that federal and state law and the regulations promulgated thereunder authorize disclosure without consent;
4. That the parent or eligible student has a right to file a complaint with the U.S. Department of Education regarding an alleged failure by the school district to comply with the requirements of FERPA and the rules promulgated thereunder;
5. The criteria for determining who constitutes a school official and what constitutes a legitimate educational interest for purposes of disclosing

education records to other school officials whom the school district has determined to have legitimate educational interests; and

6. That the school district forwards education records on request to a school in which a student seeks or intends to enroll or is already enrolled as long as the disclosure is for purposes related to the student's enrollment or transfer and that such records may include suspension and expulsion records pursuant to the federal Every Student Succeeds Act and, if applicable, a student's history of violent behavior.

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

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

C. Notification to Parents or Eligible Students Who are Disabled

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

XX. DESTRUCTION AND RETENTION OF RECORDS

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

XXI. COPIES OF POLICY

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

Legal References: Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)
Minn. Stat. Ch. 14 (Administrative Procedures Act)
Minn. Stat. § 120A.22 (Compulsory Instruction)
Minn. Stat. § 121A.40-121A.56 (The Pupil Fair Dismissal Act)
Minn. Stat. § 121A.75 (Sharing Disposition Order and Peace Officer Records)
Minn. Stat. § 127A.852 (Military-Connected Youth Identifier)
Minn. Stat. § 144.341-144.347 (Consent of Minors for Health Services)
Minn. Stat. § 260B.171, Subds. 3 and 5 (Disposition Order and Peace Officer Records of Children)
Minn. Stat. § 363A.42 (Public Records; Accessibility)
Minn. Stat. § 626.556 (Reporting of Maltreatment of Minors)
Minn. Rules Parts 1205.0100-1205.2000 (Data Practices)
10 U.S.C. § 503(b) and (c) (Enlistments: Recruiting Campaigns; Compilation of Directory Information)
18 U.S.C. § 2331 (Definitions)

18 U.S.C. § 2332b (Acts of Terrorism Transcending National Boundaries)
20 U.S.C. § 1232g *et seq.* (Family Educational Rights and Privacy Act)
20 U.S.C. § 6301 *et seq.* (Every Student Succeeds Act)
20 U.S.C. § 7908 (Armed Forces Recruiting Information)
26 U.S.C. §§ 151 and 152 (Internal Revenue Code)
34 C.F.R. §§ 99.1-99.67 (Family Educational Rights and Privacy)
34 C.F.R. § 300.610-300.627 (Confidentiality of Information)
42 C.F.R. § 2.1 *et seq.* (Confidentiality of Drug Abuse Patient Records)
Gonzaga University v. Doe, 536 U.S. 273, 122 S.Ct. 2268, 153 L.Ed. 2d 309 (2002)

Cross References: MSBA/MASA Model Policy 414 (Mandated Reporting of Child Neglect or Physical or Sexual Abuse)
MSBA/MASA Model Policy 417 (Chemical Use and Abuse)
MSBA/MASA Model Policy 506 (Student Discipline)
MSBA/MASA Model Policy 519 (Interviews of Students by Outside Agencies)
MSBA/MASA Model Policy 520 (Student Surveys)
MSBA/MASA Model Policy 711 (Video Recording on School Buses)
MSBA/MASA Model Policy 906 (Community Notification of Predatory Offenders)
MSBA Service Manual, Chapter 13, School Law Bulletin “T” (School Records – Privacy – Access to Data)

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: Student Activity Fund and Other Organizations

(Recommended by the Superintendent)

A second read of Policy 703: Student Activity Fund and Other Organizations and the accompanying guideline. The policy and guideline have been updated for clarity and to reflect current best practices.

Attachments:

Policy 703: Student Activity Fund and Other Organizations - redlined

Administrative Guideline 703.1 – redlined

Appendix to Administrative Guideline 703.1

MSBA Model Policy 713: Student Activity Accounting

RICHFIELD PUBLIC SCHOOLS

STUDENT ACTIVITY FUND AND OTHER ORGANIZATIONS

I. PURPOSE

~~This policy is a confirmation that t~~The Board of Education, by the authority of Minnesota Statute 123B.49, must assumes the direction and control of the student activity funds.

~~Private-Outside~~ organizations, such as PTAs, Parent Booster Clubs, Staff related accounts, Foundations etc. are independent entities that perform their own financial accounting, and cannot ~~have a school district account be managed, accounted or reported by the district.~~

II. GENERAL STATEMENT OF POLICY

The use of student activity fund accounts shall be in compliance with the Manual for Uniform Financial Accounting and Reporting Standards (UFARS) for Minnesota Schools.

A. The Board must receive, disburse, and account for all funds of such activities in the same manner as all other revenues and expenditures of the district as directed by district policy and UFARS.

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AB. The supervision and control of student activity accounts shall be the responsibility of the school principal or designee.

C. The financial accounting and reporting as directed by GASB 84 and UFARS shall be the responsibility of the Director of Finance or designee.

BD. The student activity accounts shall be separate and identifiable in the School District's UFARS chart of accounts.

Commented [JG1]: There is no way to separate activities using UFARS numbers. We can only use internal unique numbers that crosswalk to a common UFARS number.

CE. The student activity accounts shall be included in the annual school district audit with periodic reporting to the School Board.

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~~D. All gifts and donations made to or originating from the student activity accounts' require School Board approval.~~

~~E. All contracts must be approved by the School Board.~~

Commented [JG2]: Not needed. Covered with the new A. language

III. INACTIVE ACCOUNTS

- 1 A. The School Board or designee may terminate, at any time, a program or
2 activity as long as such action does not violate any other statute. In general
3 the Board will dissolve a student activity account after two years of inactivity
4 and the balances shall be transferred or donated to another student activity.
5 B. Activity accounts of a graduated class will be terminated prior to the start of
6 the school year following graduation. Any residual money from a graduating
7 class activity fund may be reallocated by the school principal or designee to
8 the remaining student activity accounts, existing or newly created.

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15 **IV. OTHER ORGANIZATIONS**

16
17 The School Board shall not maintain or account for funds generated by non-
18 students, including but not limited to, convenience funds for staff members,
19 Parent Booster Clubs, or parent-teacher organizations or association funds.
20 Such organizations must maintain bank accounts separate from school
21 district accounts and separate disbursement and accounting mechanisms.

- 22
23 A. In order to maintain proper separation of disbursement and accounting
24 mechanisms, school district employees are not permitted to make
25 deposits into a bank account maintained by such an organization, or be
26 an authorized check signer to write checks against ~~such account~~, or
27 reconcile such an account. School district employees must not direct
28 or influence the activities of nor A school employee shall not act as the
29 treasurer for one of these organizations. For purposes of this policy, a
30 school employee does not include a school board member or temporary
31 or seasonal employee (working fewer than 67 days in a calendar year).
32
33 B. Such organizations shall not use the District's letterhead, insignia, tax
34 exemption ~~status-I.D.~~, tax identification numbers, and shall not hold
35 themselves out in any manner as to be viewed as or mistaken to be a
36 branch of the school without prior approval from the Board or its
37 designee.
38
39 C. The School District encourages external fundraising groups to follow
40 appropriate accounting practices and conduct annual audits of financial
41 records by an independent source.
42
43 D. The School District's business office ~~shall~~ may provide guidance on
44 compliance with this policy upon request of the individual organizations.
45
46
47

48 **Legal References:** Minn. Stat. 123B.76-77 - Uniform Financial Reporting and
49 Accounting Standards (UFARS)

Cross References: UFARS Manual, Chapter 14, Manual on Activity Fund Accounting (MAFA)

ADOPTED BY THE BOARD OF EDUCATION: April 2, 2001

REVISED BY THE BOARD OF EDUCATION: February 6, 2006, November 20, 2006

RICHFIELD PUBLIC SCHOOLS

ADMINISTRATIVE GUIDELINES

STUDENT ACTIVITY FUND AND OTHER ORGANIZATIONS

I. INTRODUCTION

The purpose of this guideline is to assist in the implementation of Policy 703, pertaining to the School Board's ~~assuming the~~ direction and control of the student activity accounts.

II. DEFINITION

Whenever it is beneficial and in the best interest of the district ~~and the for~~ students to participate ~~on in a school~~ sports or educational ~~activity activities~~ connected with their studies and outside of the territorial limits of the district, the board ~~or designee~~ may authorize such activity. The board or designee must determine if the student activity is co-curricular or extracurricular prior to the granting authority for the activity.

A. **Extracurricular activities** are defined as all direct and personal services for students, including home school students, for their enjoyment, that are managed and operated under the guidance of a school advisor. Extracurricular Student activities have all of the following characteristics:

1. The activity is not offered for school credit or required for graduation.
2. The activity is conducted outside schools hours, or if partly, during school hours, at times agreed by the participants, and approved by the school principal.
3. The activity **content is determined primarily by the student** participants under the guidance of a school advisor.
4. ~~The activity is self-sustaining. All expenses, except advisor salary and indirect costs incurred by the use of school facilities, are paid by the activity.~~

B. **Co-Curricular Activities (Non-Athletics)** are defined as school sponsored and directed activities designed to provide opportunities for students to participate, on an individual or group basis, in school and public events for the improvement of skills. Co-Curricular activities are not offered for school credit, cannot be counted toward graduation an have one or more of the following characteristics:

1. The activity is conducted at regular and uniform times during school hours, or at times established by the principal.

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2. The activity is directed by an instructional staff advisor in a learning environment similar to that found in courses offered for credit.
3. The activity is partially funded by public funds for general instructional purposes under the direction and control of the board.

CB. Private-Outside organizations, such as PTAs, Parent Booster Clubs, Staff related convenience accounts, Foundations etc., are independent entities that perform their own accounting functions, and must not be managed, accounted or reported by the district can not have a student activity account.

1. In order to maintain proper separation of disbursement and accounting mechanisms, school district employees are not permitted to make deposits into a bank account maintained by such an organization, or write checks against such account, or be an authorized check signer to write checks against, or reconcile such an account. School district employees must not direct or influence the activities of nor A school employee shall not act as the treasurer for one of these organizations. For purposes of this policy, a school employee does not include a school board member or temporary or seasonal employee (working fewer than 67 days in a calendar year).
2. Such organizations shall not use the District's letterhead, insignia, tax exemption status, tax I.D. numbers, and shall not hold themselves out in any manner as to be viewed as or mistaken to be a branch of the school without prior approval from the Board or its designee.

CD. A student activity account is not to be used by the schools to receive commission sales from vending machines, and school picture sales.

III. **ACTIVITY PURPOSE**

An **Activity Purpose Summary** form, see Appendix A, or equivalent must be completed for each student activity on an annual basis, signed by the advisor, principal or designee, and maintained on file in the Business Office.

The completed form must include the following elements:

- Date
- Name of activity
- Purpose of activity
- Grade of students who will benefit from the activity
- Acknowledgement that the advisor has received a copy of the UFARS Manual for Activity Fund Accounting (or District equivalent) and responsibilities related to the activity
- Instructions for disposal of the balance of the activity's funds upon termination
- Name of Advisor – printed, signature and date
- Name of Building Principal or designee – printed, signature or similar acknowledgement and date

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Note: An email confirmation is acceptable in lieu of signatures if it contains an acknowledgment that the summary has been reviewed by the responsible parties (i.e., advisor, building principal or designee).

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IV. EXPENDITURES

A student activity account must serve a specific group of students and is not to be used to circumvent the district's standard purchasing and accounting practices. Expenditures must follow public purpose. Public purpose means an activity that meets all of the following:

- will benefit the community as a whole
- is directly related to the functions of the district
- does not have as its primary objective the benefit of a private interest.

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A. Acceptable activity account expenditures include, but are not limited to:

1. 4. Expendable supplies spent on the operation of the activity.
2. Admission and participation fees for the entire group, not specific individuals within the group
3. Entertainment for specific student activity events, including contracted services (i.e., disc jockey for prom)
4. Food, lodging, transportation
5. Travel expenditures
6. Clothing for students participating in the student activity
7. Donations that meet the mission and vision, Activity Purpose, of the student activity as determined by the students.

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~~2. Contracted services, and equipment purchases require School Board Approval before the actual expenditure is made.~~

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B. Unacceptable activity account expenditures include, but are not limited to:

1. Salaries of advisors and/or any incidental expenses arising from the use of school property.
2. Employee Compensation, Gifts, Awards or personal items. ~~Payments for services performed by an employee of the district.~~
3. Gift cards or gifts certificates or any other cash like medium.
4. Faculty meetings or events
5. Costs not representative of the student activity purpose

53. Faculty Advisor and/or other district staff travels expense, unless such travel expense is clearly in connection with the student activity purposeoperation of the student activity.
 6. Library books, office supplies, furniture, textbooks or other supplies for general instructional use.
 7. Field trips that are curricular in nature.
 8. Donations or gifts made to individuals, religious entities or organizations such as a booster club, PTO, school foundation.
 9. Scholarships
 10. Sales tax except airfare, hotel, auto rental and prepared meal costs not served on district property.
- C. ~~Certain expenditures may be authorized by the principal using a student activity check request form.~~
1. ~~Supplies and materials for the operation of the activity.~~
 2. ~~Customary expenses of student activities, such as travel, food, lodging, registration fees, tickets for admissions, refreshments, and entertainment.~~
- CD. All transportation needs should be coordinated with the transportation office.

IV. RECEIPTS

- A. Revenue should include any donations, membership fees, admissions, or proceeds of any activity sponsored by the Boardfund raisers. Gifts and donations must be ~~approved~~accepted by the school board ~~for activities~~. Gifts may require governing board approval for acceptance.
- B. Deposits ~~in the designated activity fund bank account~~ are to be made promptly.
- C. All revenue collected from vending machines or school pictures are district revenues, and ~~are to be deposited in the district's bank account~~cannot be deposited in any student activity account.

VI. ~~PAYMENTS~~ DISBURSEMENTS

- A. ~~A check will be issued on the basis of properly approved check request form~~Disbursements should follow normal district purchasing procedures and policies. The request shall provide the following information:
 1. Name of Organization
 2. Explanation of Disbursement

3. Name of Vendor(s)
 4. Date Requested
 5. Account Code
 6. Appropriate Documentation (i.e., original itemized invoice, itemized sales slip)
- B. Disbursement must be approved by:
1. Individual Activity Fund Student Treasurer (when applicable)
 2. Activity Advisor and/or
 3. ~~Administrator~~Principal or designee
- C. No individual student activity account can have a negative balance at the end of the fiscal year. Deficit financing, or writing a check against an account which has an insufficient cash balance is not an acceptable practice.
- D. The student activity "petty cash-~~envelop~~" is maintained in a discrete, locked location in the principal's school office and ~~should can~~ be used to reduce the number of check requests and expedite reimbursements. Disbursements must not be paid directly with petty cash. As a general rule, petty cash should only be used for reimbursable expenses less than \$100 ~~and as often as possible.~~ Proper, dated and detailed documentation including approval as outlined in V.B. above must be supplied in order to receive reimbursement.
- E. The use of personal checking accounts by employees, such as advisors or principals, to support student activity expenses is prohibited by law.
- F. Contracted services, and equipment purchases must be made by following normal district processes. However, Student Activity accounts cannot advertise, solicit and award bids.

VII. INACTIVE/DISCONTINUED ACTIVITY ACCOUNTS WITH REMAINING CASH BALANCES

For either inactive or discontinued accounts, follow the instructions on the Activity Purpose Summary or equivalent, which provides instructions for disposition of an activity and the related funds upon termination.

Any student activity account, which has been inactive for a maximum of one fiscal year, must be disposed of, unless the advisor submits a plan to the Business Office, indicating why the activity has been inactive and why it should not be terminated.

For student activity accounts related to a graduated class, any funds remaining in the account after graduation must be disposed of as indicated on the Activity Purpose Summary or equivalent, in a timely manner. For transactions occurring

after graduation, it is acceptable for the advisor and principal, or designee, to approve transactions. Student signatures are not required after graduation as long as the remaining account balance is being disposed of in accordance with the termination instructions on the Activity Purpose Summary.

~~An activity fund balance should be disposed of when the original purpose of the fund no longer exists. The principles dealing with the liquidation of a nonprofit corporation, contained in M.S. 317.57, 1974 are applied.~~

~~A. First, all liabilities and obligations should be paid.~~

~~B. Second, any money that was received subject to a special limitation, if the condition or limitation occurs because of the liquidation of the account, it should be returned to the donor.~~

~~C. If any funds were donated with a specific purpose, which purpose could be fulfilled by donating the funds to another organization, then the funds should be so donated.~~

~~D. In the absence of any restrictions, money remaining after the above distributions may be distributed, subject to the exception listed below.~~

~~1. One restriction on the distribution is: Student activity funds shall not be used for any purpose which represents an accommodation, loan, or credit to any individual.~~

~~2. A student activity may be dissolved by the members whenever entire membership graduates (i.e. class funds) or when the organization cannot be advised or maintained by a district employee.~~

~~3. Balances shall be transferred or donated to another organization prior to being dissolved.~~

VIII. FISCAL REQUIREMENTS

A. Any changes, termination or addition of an activity account shall be documented by the school principal and coordinated with the business office.

B. The school principal shall insure that all accounts are in compliance with the Manual on Activity Fund Accounting (MAFA). The principal shall be responsible for providing each activity advisor with the manual and supervising their compliance.

C. The account records shall be reconciled monthly by the activity treasurer and the school district business office.

D. An annual student activities summary statement of receipts, disbursements and current balances for each student activity account~~budget~~ shall be prepared for approval by the School Board.

- E. Activity account reporting shall routinely be provided to the School Board and included in the annual financial audit report.

VIII. ENTERING INTO CONTRACTS

All contracts must be approved by the School Board. Any other contract arrangement is considered null and void by the school district, and may become the personal liability of school personnel.

The contracts for vending machines, year book and school picture sales must be approved by the School Board.

Cross References: Uniform Financial Accounting and Reporting Standards (UFARS)
Policy 653 – Field Trips
Policy 744 – Co-Curricular & Athletic Transportation

Legal References: Minn. Stat. 123B.76.77, UFARS
Minn. Stat. 123B.76-77, Chapter 14 – MAFA Manual
Minn. Stat. 123B.49 - Co-Extracurricular
Minn. Rule 3500.1050 - Co-Extracurricular
Minn. Stat. 123B.35-38 - Pupil Fees
Minn. Stat. 123B.09 & .52 - Contracts
Minn. Stat. 123B.02, subd. 6 - Gifts
Minn. Stat. 471.345 - MN Bid Law

Dated: May 7, 2001

Reviewed:

Revised: February 6, 2006, November 20, 2006

Appendix A – Forms

Activity Purpose Summary

Student Activity Purpose Summary

Richfield Public Schools

Date: _____ Name of Activity: _____

Purpose of Activity:

Grade of Students who will benefit from Activity: _____

Student Activity Guidance

Student activities are in nature by the students and for the students. The Advisor role is limited to advising only. The students should be making the decisions regarding the allocation of funds.

Student activities are not permitted to pay staff or contracted staff related costs. The student activity cannot donate funds to the district that will then be used to pay for staff-related costs.

All expenditures must benefit the students participating in the student activity who are currently enrolled. *(Districts should customize this list based on local policies and procedures, if more restrictive)*

Appropriate expenditures for student activity accounts include, but are not limited to, the following:

- Admission and participation fees for the entire group, not specific individuals within the group
- Entertainment for specific student activity events, including contracted services (i.e., Disc Jockey for prom)
- Food
- Lodging
- Supplies and materials
- Clothing for students participating in the student activity
- Transportation
- Travel expenditures

Inappropriate expenditures for student activity accounts include, but are not limited to, the following:

- Assemblies not representative of the student activity purpose
 - Employee compensation, gifts or awards
 - Faculty meetings or events
 - Labor or service payments (staff salaries or independent contractors acting as staff)
 - Library books
 - Office supplies
 - Office or school furniture (for instructional use)
 - Textbooks
 - Gift cards
 - Gift certificates
 - Field trips which are curricular in nature
 - Personal items for coaches, advisors or other staff members
 - Scholarships
-

Appropriate donations should meet the mission and vision of the student activity as determined by the students and may include, but are not limited to, the following:

- Donations that the student activity determines after the students have realized a surplus fund balance should be recorded in the General Fund 01 with Finance Code 301.
- Donations that the students have pre-determined to raise funds for a non-profit organization (i.e., culinary club does a Second Harvest food drive or the Spanish club does a fundraiser for Puerto Rico Hurricane Relief) should be recorded in the Custodial Fund 18.

Inappropriate donations from the student activity accounts include, but are not limited to, the following:

- Donations to individuals
- Donations for religious activities
- Donations to booster clubs
- Donations to parent teachers organizations
- Donations to staff related accounts
- Donations to school foundations
- Donations to scholarship fund

I, _____ (advisor) have read and understand the attached rules and policies. I acknowledge my responsibilities for assuring proper procedures are followed.

Advisor's Name (printed)

Advisor's Signature

Date of Submission

Building Principal's name (printed)

Principal's Signature

Date of Approval

Upon termination of the above named activity, any unobligated funds that remain in the account will be transferred to:

Advisor's Name (printed)

Advisor's Signature

Date of Submission

Activity Student Representative
Name (printed)

Principal's Signature

Date of Approval

Business Office Use Only

Restricted Fund Balance Code: _____

Course Code Assigned (if used): _____

Adopted: _____

MSBA/MASA Model Policy 713

Orig. 2004

Revised: _____

Rev. 2019

713 STUDENT ACTIVITY ACCOUNTING

I. PURPOSE

The school board recognizes the need to provide alternative paths to learning, skill development for its students, and activities for student enjoyment. It also understands its commitment to and obligation for assuring maximum accountability for public funds and student activity funds. For these reasons, the school board will assume control over and/or oversee funds for student activities as set forth in this policy.

II. GENERAL STATEMENT OF POLICY

A. Curricular and Cocurricular Activities

The school board shall take charge of, control over, and account for all student activity funds that relate to curricular and cocurricular activities.

[Note: The school board is required by Minn. Stat. § 123B.49, Subd. 2, to take charge of and control over all cocurricular activities, including all money received for such activities.]

B. Extracurricular Activities

The school board shall take charge of and control over all student activity accounting that relates to extracurricular activities.

[Note: The school board is required by Minn. Stat. § 123B.49, Subd. 4, to take charge of and control over all extracurricular activities, including all money received for such activities.]

C. Non-Student Activities

In overseeing student activity accounts under this policy, the school board shall not maintain or account for funds generated by non-students including, but not limited to, convenience funds of staff members, booster club funds, parent-teacher organization or association funds, or funds donated to the school district for specified purposes other than student activities.

III. DEFINITIONS

A. Cocurricular Activity

A “cocurricular activity” means those portions of the school-sponsored and directed activities designed to provide opportunities for students to participate in such experiences on an individual basis or in groups, at school and at public events, for improvement of skills (i.e., interscholastic sports, band, etc.). Cocurricular activities are not offered for school credit, cannot be counted toward graduation, and have *one or more* of the following characteristics:

1. They are conducted at regular and uniform times during school hours, or at times established by school authorities;
2. They are directed or supervised by instructional staff in a learning environment similar to that found in courses offered for credit; and
3. They are partially, primarily, or totally funded by public moneys for general instructional purposes under direction and control of the school board.

B. Curricular Activity

A “curricular activity” means those portions of the school program for which credit is granted, whether the activity is part of a required or elective program.

C. Extracurricular (Noncurricular/Supplementary) Activity

An “extracurricular (noncurricular/supplementary) activity” means all direct and personal services for students for their enjoyment that are managed and operated under the guidance of an adult or staff member. Extracurricular activities have *all* of the following characteristics:

1. They are not offered for school credit nor required for graduation;
2. They generally are conducted outside school hours or, if partly during school hours, at times agreed by the participants and approved by school authorities;
3. The content of the activities is determined primarily by the student participants under the guidance of a staff member or other adult.

D. Public Purpose Expenditure

A “public purpose expenditure” is one which benefits the community as a whole, is directly related to the functions of the school district, and does not have as its primary objective the benefit of private interest.

IV. **MANAGEMENT AND CONTROL OF ACTIVITY FUNDS**

A. Curricular and Cocurricular Activities

1. All money received on account of cocurricular activities shall be turned over to the treasurer, who shall deposit such funds in the general fund, to be disbursed for expenses and salaries connected with the activities, or otherwise, by the school board upon properly allowed itemized claims.
2. The treasurer shall account for all revenues and expenditures related to curricular and cocurricular activities in accordance with the Uniform Financial Accounting and Reporting Standards (UFARS) and school district policies and procedures.

B. Extracurricular Activities

1. Any and all costs of extracurricular activities may be provided from school revenues.
2. All money received or expended for extracurricular activities shall be recorded in the same manner as other revenues and expenditures of the school district and shall be turned over to the treasurer, who shall deposit such funds in the general fund, to be disbursed for expenses and salaries connected with the activities, or otherwise, by the school board upon properly allowed itemized claims.
3. The treasurer shall account for all revenues and expenditures related to extracurricular activities in accordance with UFARS and school district policies and procedures.
4. All student activity funds will be collected and expended:
 - a. in compliance with school district policies and procedures;
 - b. under the general direction of the principal and with the participation of students and faculty members who are responsible for generating the revenue;
 - c. in a manner which does not produce a deficit or an unreasonably large accumulation of money to a particular student activity fund;
 - d. for activities which directly benefit the majority of those students making the contributions in the year the contributions were made whenever possible; and
 - e. in a manner which meets a public purpose.
5. Activity accounts of a graduated class will be terminated prior to the start of the school year following graduation. Any residual money from a graduating class activity fund will remain in the general fund and may be used for any school district purpose. Prior to depositing such accounts, all donations or gifts accepted for the specific purpose of the student activity

account shall be administered in accordance with the terms of the gift or donation and school district policy.

V. DEMONSTRATION OF ACCOUNTABILITY

A. Annual External Audit

The school board shall direct its independent certified public accountants to audit, examine, and report upon student activity accounts as part of its annual school district audit in accordance with state law.

B. Fundraiser Report

The administration will prepare a fundraising report semi-annually which will be reviewed by the school board in May and November. The report will list the activity, type of fundraisers, timing, purpose, and results.

[Note: The school board should conduct periodic reviews of student fundraising. The manner in which such reviews are conducted is in the discretion of the school board.]

Legal References: Minn. Stat. § 123B.02, Subd. 6 (General Powers of Independent School Districts)
Minn. Stat. § 123B.09 (Boards of Independent School Districts)
Minn. Stat. § 123B.15, Subd. 7 (Officers of Independent School Districts)
Minn. Stat. § 123B.35 (General Policy)
Minn. Stat. § 123B.36 (Authorized Fees)
Minn. Stat. § 123B.37 (Prohibited Fees)
Minn. Stat. § 123B.38 (Hearing)
Minn. Stat. § 123B.49 (Extracurricular Activities; Insurance)
Minn. Stat. § 123B.52 (Contracts)
Minn. Stat. § 123B.76 (Expenditures; Reporting)
Minn. Stat. § 123B.77 (Accounting, Budgeting, and Reporting Requirement)
Minn. Rules Part 3500.1050 (Definitions for Pupil Fees)
Visina v. Freeman, 252 Minn. 177, 89 N.W.2d 635 (1958)
Minn. Op. Atty. Gen. 159a-16 (May 10, 1966)

Cross References: Uniform Financial Accounting and Reporting Standards (UFARS)
MSBA/MASA Model Policy 510 (School Activities)
MSBA/MASA Model Policy 511 (Student Fundraising)
MSBA/MASA Model Policy 701 (Establishment and Adoption of School District Budget)
MSBA/MASA Model Policy 701.1 (Modification of School District Budget)
MSBA/MASA Model Policy 702 (Accounting)
MSBA/MASA Model Policy 703 (Annual Audit)

MSBA/MASA Model Policy 704 (Development and Maintenance of an
Inventory of Fixed Assets and a Fixed Asset Accounting System)
MSBA/MASA Model Policy 706 (Acceptance of Gifts)

NEW BUSINESS – FOR REVIEW

Agenda Item VI.A.

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: Investments

(Recommended by the Superintendent)

A first read of Policy 702: Investments and the accompanying guideline.

Attachments:

Policy 702: Investments

Administrative Guideline 702.1

MSBA Model Policy 705: Investments

RICHFIELD PUBLIC SCHOOLS
POLICY ON INVESTMENTS

I. PURPOSE

The purpose of this policy is to establish guidelines for the investment of school district funds.

II. GENERAL STATEMENT OF POLICY

It is the policy of this school district to comply with all state laws relating to investments and to guarantee that investments meet certain primary criteria.

III. SCOPE

This policy applies to all investments of the surplus funds of the school district regardless of the fund accounts in which they are maintained, unless certain investments are specifically exempted by the school board through formal action.

IV. AUTHORITY; OBJECTIVES

A. The funds of the school district shall be deposited or invested in accordance with this policy, Minn. Stat. Chapter 118A and any other applicable law or written administrative procedures.

B. The primary criteria for the investment of the funds of the school district, in priority order, are as follows:

1. **SAFETY AND SECURITY** - Safety of principal is the first priority. The investments of the school district shall be undertaken in a manner that seeks to ensure the preservation of the capital in the overall investment portfolio.
2. **LIQUIDITY** - The funds shall be invested to assure that funds are available to meet immediate payment requirements, including payroll, accounts payable and debt service.
3. **RETURN AND YIELD** - The investments shall be managed in a manner to attain a market rate of return through various economic and budgetary cycles, while preserving and protecting the capital in the investment portfolio and taking into account constraints on risk and cash flow requirements.

V. DELEGATION OF AUTHORITY

- A. The Business Manager of the school district is designated as the investment officer of the school district and is responsible for investment decisions and activities under the direction of the school board. The investment officer shall operate the school district's investment program consistent with this policy. The investment officer may delegate certain duties to a designee or designees, but shall remain responsible for the operation of the program.
- B. All officials and employees that are a part of the investment process shall act professionally and responsibly as custodians of the public trust, and shall refrain from personal business activity that could conflict with the investment program or which could reasonably cause others to question the process and integrity of the investment program. The investment officer shall avoid any transaction that could impair public confidence in the school district.

VI. STANDARD OF CONDUCT

The standard of conduct regarding school district investments to be applied by the investment officer shall be the "prudent person standard." Under this standard, the investment officer shall exercise that degree of judgment and care, under the circumstances then prevailing, that persons of prudence, discretion and intelligence would exercise in the management of their own affairs, investing not for speculation and considering the probable safety of their capital as well as the probable investment return to be derived from their assets. The prudent person standard shall be applied in the context of managing the overall investment portfolio of the school district. The investment officer, acting in accordance with this policy and exercising due diligence, judgment and care commensurate with the risk, shall not be held personally responsible for a specific security's performance or for market price changes. Deviations from expectations shall be reported in a timely manner and appropriate actions shall be taken to control adverse developments.

VII. MONITORING AND ADJUSTING INVESTMENTS

The investment officer shall routinely monitor existing investments and the contents of the school district's investment portfolio, the available markets and the relative value of competing investment instruments.

VIII. INTERNAL CONTROLS

The investment officer shall establish a system of internal controls which shall be documented in the Administrative Guideline. The internal controls shall be reviewed by the school board and shall be annually reviewed for compliance by the school district's independent auditors. The internal controls shall be designed to prevent and control losses of public funds due to fraud, error, misrepresentation, unanticipated market

changes or imprudent actions by officers, employees or others. The internal controls may include, but shall not be limited to, provisions relating to controlling collusion, separating functions, separating transaction authority from accounting and record keeping, custodial safekeeping, avoiding bearer form securities, clearly delegating authority to applicable staff members, limiting securities losses and remedial actions, confirming telephone transactions, supervising and controlling employee actions, minimizing the number of authorized investment officials, and documenting transactions and strategies.

IX. PERMISSIBLE INVESTMENT INSTRUMENTS

The school district may invest its available funds in those instruments specified in Minn. Stat. 118A.04 and 118A.05, as these sections may be amended from time to time, or any other law governing the investment of school district funds.

X. PORTFOLIO DIVERSIFICATION; MATURITIES

A. Limitations on instruments, diversification and maturity scheduling shall depend on whether the funds being invested are considered short-term or long-term funds. All funds shall normally be considered short-term except those reserved for building construction projects or specific future projects and any unreserved funds used to provide financial-related managerial flexibility for future fiscal years.

B. The school district shall diversity its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.

1. The following list specifies the maximum percentage of the school district's investment portfolio that may be invested in a single type of investment instrument.

For example, a maximum of 100% of the portfolio could be invested in U.S. Treasury Obligations; a maximum of 25% of the portfolio could be invested in Repurchase Agreements.

- a. U. S. Treasury Obligations (Bills, notes and bonds) – 100%.
- b. U.S. Government Agency Securities and Instrumentalities of Government Sponsored Corporations – 100%.
- c. Bankers' Acceptances (BAs) – 25%.
- d. Commercial Paper – Prime Double Rated (CP) – 85%.
- e. Repurchase Agreements (Repos) – 25%.
- f. Certificates of Deposit (CDs) Commercial Banks (Government Collateral above \$250,000 F.D.I.C. insurance level) – 85%.

- g. Certificates of Deposit (CDs) Savings and Loan Associations (not to exceed \$250,000 F.S.L.I.C. insurance level) – 85%.
- h. Local Government Investment Pool – 75%.
- i. Money Market Funds – 100%.

- 2. The school district shall diversify its investments by using several financial institutions so that no more than 66 percent of the total portfolio is with any one financial institution when the total portfolio exceeds \$1,000,000. When the total portfolio is \$1,000,000 or less, diversification may not be necessary or possible.
- 3. Investment maturities shall be scheduled to coincide with projected school district cash flow needs, taking into account large routine or scheduled expenditures, as well as anticipated receipt dates of anticipated revenues. Maturities for short-term and long-term investments shall be timed according to anticipated need. Within these parameters, portfolio maturities shall be staggered to avoid undue concentration of assets and a specific maturity sector. The maturities selected shall provide for stability of income and reasonable liquidity.

XI. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

Before the school district invests any surplus funds in a specific investment instrument, a competitive bid or quotation process shall be utilized. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, quotations or bids shall be requested for instruments which meet the maturity requirement. Quotations or bids shall be requested for various options with regard to term and instrument. The school district will accept the quotation or bid which provides the highest rate of return within the maturity required and within the limits of this policy. Generally all quotations or bids will be computed on a consistent basis, i.e., a 360-day or a 365-day yield. Records will be kept of the quotations or bids received, the quotations or bids accepted and a brief explanation of the decision that was made regarding the investment. If the school district contracts with an investment advisor, bids are not required in those circumstances specified in the contract with the advisor.

XII. QUALIFIED INSTITUTIONS AND BROKER-DEALERS

- A. The school district shall maintain a list of the financial institutions that are approved for investment purposes.
- B. Prior to completing an initial transaction with a broker, the school district shall provide to the broker a written statement of investment restrictions which shall include a provision that all future investments are to be made in accordance with Minnesota Statutes

governing the investment of public funds. The broker must annually acknowledge receipt of the statement of investment restrictions and agree to handle the school district's account in accordance with these restrictions. The school district may not enter into a transaction with a broker until the broker has provided this annual written agreement to the school district. The notification form to be used shall be that prepared by the State Auditor. A copy of this investment policy, including any amendments thereto, shall be provided to each such broker.

XIII. SAFEKEEPING AND COLLATERALIZATION

- A. All investment securities purchased by the school district shall be held in third-party safekeeping by an institution designated as custodial agent. The custodial agent may be any federal reserve bank, and bank authorized under the laws of the United States or any state to exercise corporate trust powers, a primary reporting dealer in United States Government securities to the Federal Reserve Bank of New York, or a securities broker-dealer defined in Minn. Stat. 118A.06. The institution or dealer shall issue a safekeeping receipt to the school district listing the specific instrument, the name of the issuer, the name in which the security is held, the rate, the maturity, serial numbers and other distinguishing marks, and other pertinent information.
- B. Deposit-type securities shall be collateralized as required by Minn. Stat. 118A.03 for any amount exceeding FDIC, SAIF, BIF, FCUA, or other federal deposit coverage.
- C. Repurchase agreements shall be secured by the physical delivery or transfer against payment of the collateral securities to a third party or custodial agent for safekeeping. The school district may accept a safekeeping receipt instead of requiring physical delivery or third-party safekeeping of collateral on overnight repurchase agreements of less than \$1,000,000.

XIV. REPORTING REQUIREMENTS

- A. The investment officer shall generate monthly transaction reports for management purposes. In addition, the school board shall be provided a monthly report that shall include data on investment instruments being held as well as any narrative necessary for clarification.
- B. If necessary, the investment officer shall establish systems and procedures to comply with applicable federal laws and regulations governing the investment of bond proceeds and funds in a debt service account for a bond issue. The record keeping system shall be reviewed annually by the independent auditor or by another

party contracted or designated to review investments for arbitrage rebate or penalty calculation purposes.

XV. DEPOSITORIES

The school board shall annually designate one or more official depositories for school district funds. The treasurer or the chief financial officer of the school district may also exercise the power of the school board to designate a depository. The school board shall be provided notice of any such designation by its next regular meeting. The school district and the depository shall each comply with the provisions of Minn. Stat. 118A.03 and any other applicable law, including any provisions relating to designation of a depository, qualifying institutions, depository bonds, and approval, deposit, assignment, substitution, addition and withdrawal of collateral.

XVI. ELECTRONIC FUNDS TRANSFER OF FUNDS FOR INVESTMENT

The school district may make electronic fund transfers for investments of excess funds upon compliance with Minn. Stat. 471.38.

Legal References: Minn. Stat. 118.A.01 (Public Funds; Depositories and Investments)
Minn. Stat. 118A.02 (Authorization for Deposit and Investment)
Minn. Stat. 118A.03 (Depositories and Collateral)
Minn. Stat. 118A.04 (Investments)
Minn. Stat. 118A.05 (Contracts and Agreements)
Minn. Stat. 118A.06 (Delivery and Safekeeping)

Cross References: Board Policy 704 – Annual Audit
MSBA Service Manual, Chapter Finance 7, Education Funding
Minnesota Legal Compliance Audit Guide prepared by the Office of the State Auditor

ADOPTED BY THE BOARD OF EDUCATION: November 17, 1997

REVISED BY THE BOARD OF EDUCATION: February 22, 2005, June 16, 2009

RICHFIELD PUBLIC SCHOOLS

ADMINISTRATIVE GUIDELINES ON INVESTMENTS

The Business Manager and/or designee shall be responsible for investing District funds according to the following procedures:

1. A cash flow analysis will be used to project future District cash needs.
2. Funds which exceed anticipated current need will be invested as provided in the investment policy for periods of time which coincide with needs projected in the cash flow analysis.
3. Competitive bids will be requested from approved depositories by telephone.
4. When deemed reasonable the investment will be awarded to the bidder responding with the highest yield that meets the criteria established in the investment policy and this guideline. Tied bids will be resolved at the discretion of the Business Manager and/or designee.
5. Since investment decisions must be made within a narrow time framework, bids, which are not received in a timely manner, may be excluded from consideration in the awarding process.
6. District investments in any one institution shall be kept to a maximum of 66 percent of the total portfolio when the portfolio exceeds \$1,000,000. Implementation of these guidelines may require rejections, in total or in part, of bids with the greatest yield.
7. Possession of the investment document will not be requested unless appropriate safekeeping arrangements cannot be made.
8. Investment decisions will be made in a manner consistent with the Board of Education policy and these guidelines understanding that the Business Manager or designee shall have the authority to act with discretion in interpreting policy or addressing questions not specified in the policy.

Dated: November 17, 1997
Reviewed: September 7, 2010
Revised: February 22, 2005

Adopted: _____

MSBA/MASA Model Policy 705

Orig. 1995

Revised: _____

Rev. 2009

705 INVESTMENTS

[Note: The provisions of this policy substantially reflect legal requirements.]

I. PURPOSE

The purpose of this policy is to establish guidelines for the investment of school district funds.

II. GENERAL STATEMENT OF POLICY

The policy of this school district is to comply with all state laws relating to investments and to guarantee that investments meet certain primary criteria.

III. SCOPE

This policy applies to all investments of the surplus funds of the school district, regardless of the fund accounts in which they are maintained, unless certain investments are specifically exempted by the school board through formal action.

IV. AUTHORITY; OBJECTIVES

- A. The funds of the school district shall be deposited or invested in accordance with this policy, Minn. Stat. Ch. 118A and any other applicable law or written administrative procedures.
- B. The primary criteria for the investment of the funds of the school district, in priority order, are as follows
 - 1. Safety and Security. Safety of principal is the first priority. The investments of the school district shall be undertaken in a manner that seeks to ensure the preservation of the capital in the overall investment portfolio.
 - 2. Liquidity. The funds shall be invested to assure that funds are available to meet immediate payment requirements, including payroll, accounts payable, and debt service.
 - 3. Return and Yield. The investments shall be managed in a manner to attain a market rate of return through various economic and budgetary cycles, while preserving and protecting the capital in the investment portfolio and taking into account constraints on risk and cash flow requirements.

V. DELEGATION OF AUTHORITY

- A. The _____ of the school district is designated as the investment officer of the school district and is responsible for investment decisions and activities under the direction of the school board. The investment officer shall operate the school district's investment program consistent with this policy. The investment officer may delegate certain duties to a designee or designees but shall remain responsible for the operation of the program.
- B. All officials and employees that are a part of the investment process shall act professionally and responsibly as custodians of the public trust and shall refrain from personal business activity that could conflict with the investment program or which could reasonably cause others to question the process and integrity of the investment program. The investment officer shall avoid any transaction that could impair public confidence in the school district.

VI. STANDARD OF CONDUCT

The standard of conduct regarding school district investments to be applied by the investment officer shall be the "prudent person standard." Under this standard, the investment officer shall exercise that degree of judgment and care, under the circumstances then prevailing, that persons of prudence, discretion, and intelligence would exercise in the management of their own affairs, investing not for speculation and considering the probable safety of their capital as well as the probable investment return to be derived from their assets. The prudent person standard shall be applied in the context of managing the overall investment portfolio of the school district. The investment officer, acting in accordance with this policy and exercising due diligence, judgment, and care commensurate with the risk, shall not be held personally responsible for a specific security's performance or for market price changes. Deviations from expectations shall be reported in a timely manner and appropriate actions shall be taken to control adverse developments.

VII. MONITORING AND ADJUSTING INVESTMENTS

The investment officer shall routinely monitor existing investments and the contents of the school district's investment portfolio, the available markets, and the relative value of competing investment instruments.

VIII. INTERNAL CONTROLS

The investment officer shall establish a system of internal controls which shall be documented in writing. The internal controls shall be reviewed by the school board and shall be annually reviewed for compliance by the school district's independent auditors. The internal controls shall be designed to prevent and control losses of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions by officers, employees, or others. The internal controls may include, but shall not be limited to, provisions relating to controlling collusion, separating functions, separating transaction authority from accounting and record keeping, custodial safekeeping,

avoiding bearer form securities, clearly delegating authority to applicable staff members, limiting securities losses and remedial action, confirming telephone transactions in writing, supervising and controlling employee actions, minimizing the number of authorized investment officials, and documenting transactions and strategies.

IX. PERMISSIBLE INVESTMENT INSTRUMENTS

The school district may invest its available funds in those instruments specified in Minn. Stat. §§ 118A.04 and 118A.05, as these sections may be amended from time to time, or any other law governing the investment of school district funds. The assets of an other postemployment benefits (OPEB) trust or trust account established pursuant to Minn. Stat. § 471.6175 to pay postemployment benefits to employees or officers after their termination of service, with a trust administrator other than the Public Employees Retirement Association, may be invested in instruments authorized under Minn. Stat. Ch. 118A or § 356A.06, Subd. 7. Investment of funds in an OPEB trust account under Minn. Stat. § 356A.06, Subd. 7, as well as the overall asset allocation strategy for OPEB investments, shall be governed by an OPEB Investment Policy Statement (IPS) developed between the investment officer, as designed herein, and the trust administrator.

X. PORTFOLIO DIVERSIFICATION; MATURITIES

- A. Limitations on instruments, diversification, and maturity scheduling shall depend on whether the funds being invested are considered short-term or long-term funds. All funds shall normally be considered short-term except those reserved for building construction projects or specific future projects and any unreserved funds used to provide financial-related managerial flexibility for future fiscal years.
- B. The school district shall diversify its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.
 - 1. The investment officer shall prepare and present a table to the school board for review and approval. The table shall specify the maximum percentage of the school district's investment portfolio that may be invested in a single type of investment instrument, such as U.S. Treasury Obligations, certificates of deposit, repurchase agreements, banker's acceptances, commercial paper, etc. The approved table shall be attached as an exhibit to this policy and shall be incorporated herein by reference.
 - 2. The investment officer shall prepare and present to the school board for its review and approval a recommendation as to the maximum percentage of the total investment portfolio that may be held in any one depository. The approved recommendation shall be attached as an exhibit or part of an exhibit to this policy and shall be incorporated herein by reference.
 - 3. Investment maturities shall be scheduled to coincide with projected school district cash flow needs, taking into account large routine or scheduled expenditures, as well as anticipated receipt dates of anticipated revenues.

Maturities for short-term and long-term investments shall be timed according to anticipated need. Within these parameters, portfolio maturities shall be staggered to avoid undue concentration of assets and a specific maturity sector. The maturities selected shall provide for stability of income and reasonable liquidity.

XI. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

Before the school district invests any surplus funds in a specific investment instrument, a competitive bid or quotation process shall be utilized. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, quotations or bids shall be requested for instruments which meet the maturity requirement. If no specific maturity is required, a market trend analysis, which includes a yield curve, will normally be used to determine which maturities would be most advantageous. Quotations or bids shall be requested for various options with regard to term and instrument. The school district will accept the quotation or bid which provides the highest rate of return within the maturity required and within the limits of this policy. Generally all quotations or bids will be computed on a consistent basis, i.e., a 360-day or a 365-day yield. Records will be kept of the quotations or bids received, the quotations or bids accepted, and a brief explanation of the decision that was made regarding the investment. If the school district contracts with an investment advisor, bids are not required in those circumstances specified in the contract with the advisor.

XII. QUALIFIED INSTITUTIONS AND BROKER-DEALERS

- A. The school district shall maintain a list of the financial institutions that are approved for investment purposes.
- B. Prior to completing an initial transaction with a broker, the school district shall provide to the broker a written statement of investment restrictions which shall include a provision that all future investments are to be made in accordance with Minnesota statutes governing the investment of public funds. The broker must annually acknowledge receipt of the statement of investment restrictions and agree to handle the school district's account in accordance with these restrictions. The school district may not enter into a transaction with a broker until the broker has provided this annual written agreement to the school district. The notification form to be used shall be that prepared by the State Auditor. A copy of this investment policy, including any amendments thereto, shall be provided to each such broker.

XIII. SAFEKEEPING AND COLLATERALIZATION

- A. All investment securities purchased by the school district shall be held in third-party safekeeping by an institution designated as custodial agent. The custodial agent may be any Federal Reserve Bank, any bank authorized under the laws of the United States or any state to exercise corporate trust powers, a primary reporting dealer in United States Government securities to the Federal Reserve Bank of New York, or a securities broker-dealer defined in Minn. Stat. §

118A.06. The institution or dealer shall issue a safekeeping receipt to the school district listing the specific instrument, the name of the issuer, the name in which the security is held, the rate, the maturity, serial numbers and other distinguishing marks, and other pertinent information.

- B. Deposit-type securities shall be collateralized as required by Minn. Stat. § 118A.03 for any amount exceeding FDIC, SAIF, BIF, FCUA, or other federal deposit coverage.
- C. Repurchase agreements shall be secured by the physical delivery or transfer against payment of the collateral securities to a third party or custodial agent for safekeeping. The school district may accept a safekeeping receipt instead of requiring physical delivery or third-party safekeeping of collateral on overnight repurchase agreements of less than \$1,000,000.

XIV. REPORTING REQUIREMENTS

- A. The investment officer shall generate daily and monthly transaction reports for management purposes. In addition, the school board shall be provided a monthly report that shall include data on investment instruments being held as well as any narrative necessary for clarification.
- B. The investment officer shall prepare and submit to the school board a quarterly investment report that summarizes recent market conditions, economic developments, and anticipated investment conditions. The report shall summarize the investment strategies employed in the most recent quarter and describe the investment portfolio in terms of investment securities, maturities, risk characteristics, and other features. The report shall summarize changes in investment instruments and asset allocation strategy approved by the investment officer for an OPEB trust in the most recent quarter. The report shall explain the quarter's total investment return and compare the return with budgetary expectations. The report shall include an appendix that discloses all transactions during the past quarter. Each quarterly report shall indicate any areas of policy concern and suggested or planned revisions of investment strategies. Copies of the report shall be provided to the school district's auditor.
- C. Within ninety (90) days after the end of each fiscal year of the school district, the investment officer shall prepare and submit to the school board a comprehensive annual report on the investment program and investment activity of the school district for that fiscal year. The annual report shall include 12-month and separate quarterly comparisons of return and shall suggest revisions and improvements that might be made in the investment program.
- D. If necessary, the investment officer shall establish systems and procedures to comply with applicable federal laws and regulations governing the investment of bond proceeds and funds in a debt service account for a bond issue. The record keeping system shall be reviewed annually by the independent auditor or by another party contracted or designated to review investments for arbitrage rebate

or penalty calculation purposes.

XV. DEPOSITORIES

The school board shall annually designate one or more official depositories for school district funds. The treasurer or the chief financial officer of the school district may also exercise the power of the school board to designate a depository. The school board shall be provided notice of any such designation by its next regular meeting. The school district and the depository shall each comply with the provisions of Minn. Stat. § 118A.03 and any other applicable law, including any provisions relating to designation of a depository, qualifying institutions, depository bonds, and approval, deposit, assignment, substitution, addition, and withdrawal of collateral.

XVI. ELECTRONIC FUNDS TRANSFER OF FUNDS FOR INVESTMENT

The school district may make electronic fund transfers for investments of excess funds upon compliance with Minn. Stat. § 471.38.

Legal References: Minn. Stat. § 118A.01 (Public Funds; Depositories and Investments)
Minn. Stat. § 118A.02 (Authorization for Deposit and Investment)
Minn. Stat. § 118A.03 (Depositories and Collateral)
Minn. Stat. § 118A.04 (Investments)
Minn. Stat. § 118A.05 (Contracts and Agreements)
Minn. Stat. § 118A.06 (Delivery and Safekeeping)
Minn. Stat. § 356A.06, Subd. 7 (Authorized Investment Securities)
Minn. Stat. § 471.38 (Claims)
Minn. Stat. § 471.6175 (Trust for Postemployment Benefits)

Cross References: MSBA/MASA Model Policy 703 (Annual Audit)
MSBA Service Manual, Chapter 7, Education Funding
Minnesota Legal Compliance Audit Guide Prepared by the Office of the State Auditor

NEW BUSINESS – FOR REVIEW

Agenda Item VI.B.

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: Budget and Fund Reserves

(Recommended by the Superintendent)

A first read of Policy 701: Budget and Fund Reserves

Attachments:

Policy 701: Budget and Fund Reserves

MSBA Model Policy 701: Establishment and Adoption of a School District Budget

RICHFIELD PUBLIC SCHOOLS
BUDGET AND FUND RESERVES

I. GENERAL STATEMENT OF POLICY

The Board will provide direction regarding school district budget and financial affairs which reflects the general philosophy and goals of the community and which provides a framework within which the school system's administrative team can operate.

The budget and finance processes will conform to all state and local requirements as set forth by State statutes, State Department of Children, Families and Learning and Board policies.

II. PURPOSE AND GOALS

- A. The purpose of district budget and finance policies will be to provide direction for a systematized procedure such that continuity is maintained from year to year, and the public is kept informed regarding the educational and financial operations of the school district.
- B. In the district's fiscal management, the Board will seek to achieve the following goals:
 1. To establish levels of funding which will provide quality education for the district's students.
 2. To develop budgets and to guide expenditures so that the greatest educational returns and the greatest contributions to the educational program in relation to dollars expended may be achieved.
 3. To use the best available techniques of long-range planning, budget development, and budget administration, and to establish efficient procedures for accounting, reporting, purchasing, contracting, payments, auditing, and all other areas of fiscal management.
 4. To maintain adequate fund reserves so that the district remains debt free and avoids the negative financial impact associated with borrowing for normal operational needs.

III. PREPARATION OF THE BUDGET

Preparation of the budget shall include the following phases:

A. Preliminary Budget

The preliminary budget is a rough estimate of total revenues and expenditures in each fund. It will be prepared in May of each year.

B. Adopted Budget

The adopted budget will be approved in June of each year and will include the following:

1. Current and projected year-end balances
2. Statements of estimated revenues by fund and source
3. Statements of estimated expenditures by fund and program.

C. Revised Budget

The revised budget will incorporate itemized amendments to the adopted budget. Said amendments, insofar as possible shall reflect changes in enrollment, legislation, negotiations, and other circumstances having a material impact on the district's finances. Typically, the revised budget will be approved in March; however, budget amendments may be submitted for Board approval whenever material deviations are recognized and quantified.

Upon acceptance by the Board, the budget represents the granting of authority to the administration for all expenditures, which are to be made during the fiscal year.

IV. BUDGET RESERVE POLICIES

In preparing budgets, the administration shall be guided by the following budget reserve policies:

- A.** It is desirable to have an unassigned balance in each of the district's operating funds in order to:
1. provide a positive cash position at all times,
 2. provide a cushion to smooth out revenue and expenditure variances,
 3. cover appropriation deficiencies,
 4. retain credit worthiness and a high bond rating, and
 5. provide for unexpected or emergency expenditures.

B. Therefore, the Board of Education desires to maintain an unassigned balance in each operating fund in the range of 4% to 8% of the annual expenditure budget.

1. When a fund balance is at or below 8% but greater than 4% of projected annual expenditures, the superintendent shall specifically alert the Board to this condition and propose options for the Board to consider. Options might include actions such as:

- limiting new program proposals
- reductions in per-pupil allocations for non-personnel expenses
- adjustments in staffing ratios
- other economy measures which do not materially degrade quality of program offerings or services

2. When a fund balance is at or below 4% of projected annual expenditures, the superintendent shall specifically alert the Board to this condition and shall propose measures to improve the balance. Such measures could include:

- eliminating new program proposals
- reductions in program offerings or services
- increases in student/staff ratios
- seeking additional revenues through referendum or other means

3. Annually, the Board will consider the superintendent's recommendation, review economic conditions and financial prospects and decide if the 4-8% reserve is realistic.

V. FUND BALANCE CLASSIFICATIONS

The Governmental Accounting Standards Board (GASB) issued Statement No. 54 to enhance the usefulness and to achieve more consistent fund balance reporting.

A. DEFINITIONS

Fund Equity – A fund's equity is generally the difference between its assets and its liabilities.

Fund Balance – An accounting distinction is made between the portions of fund equity that are spendable and nonspendable. These are broken into five categories:

1. “Assigned” fund balance amounts are comprised of unrestricted funds constrained by the school district’s intent that they be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. In funds other than the general fund, the assigned fund balance represents the remaining amount that is not restricted or committed. The assigned fund balance category will cover the portion of a fund balance that reflects the school district’s intended use of those resources. The action to assign a fund balance may be taken after the end of the fiscal year. An assigned fund balance cannot be a negative number.
2. “Committed” fund balance amounts are comprised of unrestricted funds used for specific purposes pursuant to constraints imposed by formal action of the school board and that remain binding unless removed by the school board by subsequent formal action. The formal action to commit a fund balance must occur prior to fiscal year end; however, the specific amounts actually committed can be determined in the subsequent fiscal year. A committed fund balance cannot be a negative number.
3. “Nonspendable” fund balance amounts are comprised of funds that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. They include items that are inherently unspendable, such as, but not limited to, inventories, prepaid items, long-term receivables, non-financial assets held for resale, or the permanent principal of endowment funds.
4. “Restricted” fund balance amounts are comprised of funds that have legally enforceable constraints placed on their use that either are externally imposed by resource providers or creditors (such as through debt covenants), grantors, contributors, voters, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.
5. “Unassigned” fund balance amounts are the residual amounts in the general fund not reported in any other classification. Unassigned amounts in the general fund are technically available for expenditures for any purpose. The general fund is the only fund that can report a positive unassigned fund balance. Other funds would report negative unassigned fund balance should the total of nonspendable, restricted, and committed fund balances exceed the total net resources of that fund.

B. CLASSIFICATION OF FUND BALANCES

The school district shall classify its fund balances in its various funds in one or more of the following five classifications: nonspendable, restricted, committed, assigned, and unassigned.

C. ORDER OF RESOURCE USE

If resources from more than one fund balance classification could be spent, the school district will strive to spend resources from fund balance classifications in the following order: restricted, committed, assigned, and unassigned.

D. COMMITTING FUND BALANCE

A majority vote of the school board is required to commit a fund balance to a specific purpose and subsequently to remove or change any constraint so adopted by the board.

E. ASSIGNING FUND BALANCE

The school board, by majority vote, may assign fund balances to be used for the specific purposes when appropriate. The board also delegates the power to assign fund balances to the superintendent and business manager. All assigned fund balances shall be reported to the board on an annual basis.

VI. POLICIES REGARDING EXPENDITURES AND EXPENDITURE REDUCTIONS

The following guidelines have been adopted by the Board of Education for consideration when making budgetary decisions regarding expenditures and expenditure reduction.

A. General Considerations Impacting More Than One Fund

1. Budgetary decisions should be focused on meeting student and community needs and supporting the school district's mission and goals.
2. Budgeting should be based on a comprehensive needs assessment that considers:
 - a. Current and emerging instructional needs and trends
 - b. Research and best practices that support student learning
 - c. Demographic changes
 - d. Enrollment fluctuations
 - e. Programmatic changes
 - f. Community values and needs
3. Additional factors to be considered when making decisions regarding expenditure reductions include:
 - a. Services which other governmental agencies, private groups, or families themselves can assume (at least potentially) should be given extra consideration when making budget reductions.

- b. Apply budget modifications objectively across all buildings in the district.
- c. Where possible, make personnel cuts through attrition as opposed to layoffs.
- d. Do not restore or add programs/services/personnel unless they can be sustained on a long-term basis.
- e. Uphold Federal and State laws and regulations, policies and administrative regulations of the Richfield Board of Education, and contractual obligations with employees.
- f. Consolidate programs or operate on a reduced basis in order to retain programs, eliminating them only when program funding is so minimal that public expectations cannot be met.

B. Budgetary Considerations Regarding Education-Related Items (General Fund)

1. Educational priorities and use of education resources should be grounded in the District's Strategic Plan, including the district's mission, beliefs, strategic policies, objectives and strategies.
2. Factors to be considered when making decisions regarding education-related expenditure reductions include:
 - a. Despite budget reductions, the educational system should remain progressive and dedicated to quality, serving the various capabilities and interests of all students. Efforts to promote student learning, advance administrative and instructional uses of technology, promote professional development, and improve programs should persist.
 - b. Maintain the integrity of basic programs. If programs need to be reduced or eliminated, use the District's Mission, Beliefs, and Strategic Policies as a guide in establishing priorities.
 - c. Within the General Fund, seek methods of cutting expenses that minimize the impact on the educational program.
 - d. Consider budget reductions, which adversely impact the fewest pupils.
 - e. Consider expanding class sizes to avoid total elimination of specialized programs such as art, music, technology education, and enrichment activities.

- f. Consolidate programs or operate on a reduced basis, rather than totally eliminating programs.
- g. Rather than funding a program at a very minimal level, eliminate the program altogether to avoid misconceptions and misplaced expectations.
- h. Where possible, allow desired services to remain on a "pay-as-you-go" basis or via user fees; regularly update fees and rental rates to reflect market conditions and reasonably reflect actual costs.
- i. Make cuts in services that might be subsidized by other groups such as parent/teacher organizations and booster groups.

C. Budget Considerations Regarding Facilities, Operations and Maintenance and other Capital Expenses

1. Facility changes should reflect comprehensive facility planning that reflects the following goals and criteria:
 - a. Criteria such as enrollment and deferred maintenance thresholds will trigger facility changes.
 - b. Facilities will be designed and used in ways that make Richfield Public Schools exciting, attractive, and productive, while maximizing efficiency.
 - c. Facilities will meet building and life safety codes and protect the safety and well being of students, staff, and occupants.
 - d. Proposals for facility change will have reasonable cost implications.
 - e. The community will have a sense of ownership of the comprehensive facility plan.
2. Additional factors to be considered when considering capital expenditure reductions or revenue increases include:
 - a. Avoid cutbacks in areas such as preventative maintenance which, if not conducted on a timely basis may lead to greater costs over the long term.
 - b. Reduce the use of purchased or contracted services, using existing personnel wherever possible.

- c. If cutbacks are made in the area of housekeeping, attempt to spread the reductions in service such that the impact of the reductions is as minimal as possible.
- d. Revise building user fees and rents to reflect actual costs of operating the buildings.

D. Budgetary Considerations Regarding Transportation Services

1. Transportation resources should be used efficiently meet legal requirements and facilitate student participation in school programs and activities.
2. Additional factors to be considered when considering transportation expenditure reductions or revenue increases include:
 - a. Consider eliminating or consolidating services where possible.
 - b. Review all transportation services not required by law.
 - c. Consider providing some services on a fee for service basis.

E. Considerations Regarding the Process for Budgetary Decision-making

1. Each recommended adjustment will be accompanied by an impact statement for consideration prior to making budgetary decisions.
2. Recommendations may take several forms, including but not limited to elimination, consolidation, delay, increasing revenues, and alternative methods of delivery of service. The impact statement will address implications of the type of reduction.
3. The judgments of employees relative to consequences and likely impact of proposed budgetary reductions are to be considered.
4. When budget cuts are site-specific, implications of the cut on other sites and on programs and services across the district are to be considered.
5. Community expectations regarding types and quantity of educational services needed are to be considered; that is, budgetary decisions ultimately are to recognize community values and priorities as expressed through individual citizens, organized groups, employees, and elected school officials. Whenever possible, opportunities for communication and consultation with multiple stakeholders will be provided prior to making budgetary decisions.

F. Communicating Regarding School Finance Concerns

1. Lobby for adequate funding of public schools.

2. Work to increase public awareness of Richfield Public Schools financial concerns.

ADOPTED BY THE BOARD OF EDUCATION: August 6, 1990

AMENDED BY THE BOARD OF EDUCATION: July 10, 2000, January 8, 2001, October 15, 2007, April 7, 2008. May 16, 2011

REAFFIRMED BY THE BOARD OF EDUCATION: November 19, 2001, June 24, 2003

Adopted: _____

MSBA/MASA Model Policy 701

Orig. 1995

Revised: _____

Rev. 2011

701 ESTABLISHMENT AND ADOPTION OF SCHOOL DISTRICT BUDGET

[Note: The provisions of this policy substantially reflect the requirements of Minnesota Statutes.]

I. PURPOSE

The purpose of this policy is to establish lines of authority and procedures for the establishment of the school district's revenue and expenditure budgets.

II. GENERAL STATEMENT OF POLICY

The policy of the school district is to establish its revenue and expenditure budgets in accordance with the applicable provisions of law. Budget planning is an integral part of program planning so that the annual budget will effectively express and implement school board goals and the priorities of the school district.

III. REQUIREMENT

- A. The superintendent or such other school official as designated by the superintendent or the school board shall each year prepare preliminary revenue and expenditure budgets for review by the school board or its designated committee or committees. The preliminary budgets shall be accompanied by such written commentary as may be necessary for them to be clearly understood by the members of the school board and the public. The school board shall review the projected revenues and expenditures for the school district for the next fiscal year and make such adjustments in the expenditure budget as necessary to carry out the education program within the revenues projected.
- B. The school district must maintain separate accounts to identify revenues and expenditures for each building. Expenditures shall be reported in compliance with Minn. Stat. § 123B.76.
- C. Prior to July 1 of each year, the school board shall approve and adopt its initial revenue and expenditure budgets for the next school year. The adopted expenditure budget document shall be considered the school board's expenditure authorization for that school year. No funds may be expended for any purpose in any school year prior to the adoption of the budget document which authorizes that expenditure for that year, or prior to the adoption of an amendment to that budget document by the school board to authorize that expenditure for that year.
- D. Each year, the school district shall publish its adopted revenue and expenditure budgets for the current year, the actual revenues, expenditures, and fund balances

for the prior year, and the projected fund balances for the current year in the form prescribed by the Commissioner within one week of the acceptance of the final audit by the school board, or November 30, whichever is earlier. A statement shall be included in the publication that the complete budget in detail may be inspected by any resident of the school district upon request to the superintendent. A summary of this information and the address of the school district's official website where the information can be found must be published in a newspaper of general circulation in the school district. At the same time as this publication, the school district shall publish the other information required by Minn. Stat. § 123B.10.

- E. At the public hearing on the adoption of the school district's proposed property tax levy, the school board shall review its current budget and the proposed property taxes payable in the following calendar year.
- F. The school district must also post the materials specified in Paragraph III.D. above on the school district's official website, including a link to the school district's school report card on the Minnesota Department of Education's website, and publish a summary of information and the address of the school district's website where the information can be found in a qualified newspaper of general circulation in the district.

IV. IMPLEMENTATION

- A. The school board places the responsibility for administering the adopted budget with the superintendent. The superintendent may delegate duties related thereto to other school officials, but maintains the ultimate responsibility for this function.
- B. The program-oriented budgeting system will be supported by a program-oriented accounting structure organized and operated on a fund basis as provided for in Minnesota statutes through the Uniform Financial Accounting and Reporting Standards for Minnesota School Districts (UFARS).
- C. The superintendent or the superintendent's designee is authorized to make payments of claims or salaries authorized by the adopted or amended budget prior to school board approval.
- D. Supplies and capital equipment can be ordered prior to budget adoption only by authority of the school board. If additional personnel are provided in the proposed budget, actual hiring may not occur until the budget is adopted unless otherwise approved by the school board. Other funds to be expended in a subsequent school year may not be encumbered prior to budget adoption unless specifically approved by the school board.
- E. The school district shall make such reports to the Commissioner as required relating to initial allocations of revenue, reallocations of revenue, and expenditures of funds.

- Legal References:*** Minn. Stat. § 123B.10 (Publication of Financial Information)
Minn. Stat. § 123B.76 (Expenditures; Reporting)
Minn. Stat. § 123B.77 (Accounting, Budgeting, and Reporting Requirements)
- Cross References:*** MSBA/MASA Model Policy 701.1 (Modification of School District Budget)
MSBA/MASA Model Policy 702 (Accounting)
MSBA Service Manual, Chapter 7, Education Funding

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

SUBJECT: Acceptance of the 2019-20 Final Audit Report

Recommended by the Superintendent that the Board of Education accept the attached resolution for acceptance of the 2019-2020 audit report.

Background Information

Board Policy 704 requires the school board to accept the audit report by resolution. The audit report was presented earlier in the evening by Bill Lauer with the auditing firm of Malloy, Montague, Karnowski & Radosevich & Company (MMKR).

Attachments

Resolution

Audit documentation provided by MMKR

RESOLUTION AUTHORIZING ACCEPTANCE OF 2020 ANNUAL AUDIT REPORT

Pursuant to due call and notice thereof, a regular meeting of the Board of Education of Independent School District No. 280, State of Minnesota, was duly held on February 16, 2021, at 7:00 p.m.

MEMBERS PRESENT:

MEMBERS ABSENT:

Member _____ introduced the following resolution and moved its adoption:

BE IT RESOLVED, by the Board of Education of Independent School District No. 280, the acceptance of the Fiscal Year 2020 annual financial audit report as prepared and presented by the auditing firm of Malloy, Montague, Karnowski & Radosevich & Company.

The motion for 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:

Whereupon, the resolution, having received the affirmative votes of a majority of the members, was declared duly passed and adopted.

WITNESS MY HAND officially as such recording officer this 16th day of February, 2021.

School District Clerk

Management Report

for

Independent School District No. 280
Richfield, Minnesota

June 30, 2020



PRINCIPALS

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

To the School Board and Management of
Independent School District No. 280
Richfield, Minnesota

We have prepared this management report in conjunction with our audit of Independent School District No. 280, Richfield, Minnesota's (the District) financial statements for the year ended June 30, 2020. We have organized this report into the following sections:

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

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

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

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

Minneapolis, Minnesota
December 28, 2020

AUDIT SUMMARY

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

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you verbally and in our audit engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

PLANNED SCOPE AND TIMING OF THE AUDIT

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

It was anticipated that a Single Audit of the District's federal awards expenditures for the year ended June 30, 2020, under Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) would be completed by December 31, 2020. However, the completion of the Single Audit was delayed, due to the District utilizing new Education Stabilization Fund federal grant entitlements during the year, for which updated federal audit requirements were not available to complete the audit on a timely basis. The Single Audit will be completed and issued separately from the District's basic financial statements after the applicable federal guidance is issued.

AUDIT OPINION AND FINDINGS

Based on our audit of the District's financial statements for the year ended June 30, 2020:

- We have issued an unmodified opinion on the District's basic financial statements. Our report included a paragraph emphasizing the District's implementation of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, during the year. Our opinion was not modified with respect to this matter.
- We reported no deficiencies in the District's internal control over financial reporting that we considered to be material weaknesses.
- The results of our testing disclosed no instances of noncompliance required to be reported under *Government Auditing Standards*.
- We reported no findings based on our testing of the District's compliance with Minnesota laws and regulations.

OTHER OBSERVATIONS AND RECOMMENDATIONS

Impact of Novel Coronavirus (COVID-19)

Starting in March 2020, the onset of the novel coronavirus (COVID-19) pandemic caused substantial volatility in economic conditions and tremendous disruption in the way schools, governments, businesses, and individuals function. Minnesota school districts may experience the impact of this pandemic in a myriad of financial areas, such as: declines in investment rates of return, cash flow issues, significant increases in the number and frequency of employees working remotely, challenges in processing general and payroll disbursements, disruption of prescribed internal control procedures, delays in internal and external financial reporting, and new compliance requirements attached to current and potential federal relief subsidies. As your District continues to adapt to the new normal of operating in a post-COVID-19 world, the assessment of and responses to new risks that may accompany operational changes will be critical to the safeguarding of resources and sound financial stewardship. We encourage management and governance to include a robust financial risk assessment process when planning responses to these challenges, and to reassess and adapt internal controls over financial transactions and reporting to align with significant changes made to daily operations, even those intended to be temporary.

Cash Reconciliation Process

During our audit, we noted the District's monthly cash reconciliation process was not being fully completed in a timely manner. The process was delayed in the latter half of the year, due to the COVID-19 pandemic, which interrupted the training of business office staff to whom these duties were being transitioned. Based on our inquiry and observation, it appeared that the majority of the steps in this process were being completed each month, enough to provide reasonable assurance that cash transactions were being accurately recorded in the proper periods, and to enable periodic financial data to be provided to the School Board and management in a timely manner. In addition, the full reconciliation process was completed shortly after year-end, facilitating the normal year-end financial closing process and audit preparation. We do not believe this delay created a significant deficiency in the District's internal controls over financial reporting. However, we encourage the District to allocate adequate resources to ensure this critical internal control procedure is being performed fully and regularly going forward.

Electronic Funds Transfer Fraud

As the use of electronic funds transfers and payment methods has become more prevalent, we have seen increases in both the incidences of fraud related to these transactions and the dollar amounts involved. Unfortunately, operational changes related to the COVID-19 pandemic, including greater reliance on technology and more employees working remotely, tend to increase risk in this area. We urge districts to carefully review controls over these transactions, and consider best practices to address this risk, such as:

- Ensuring segregation of duties over these transactions by involving more than one employee in the process.
- Requiring multi-factor authentication of requests for electronic payments from new vendors or for changes in wiring instructions for existing vendors. It is recommended that changes for existing vendors be verified with the vendor through trusted contact information used previously for that vendor, not as provided in the change request, to verify the accuracy of the change.
- Educate employees on the controls in place to protect the organization's financial assets and ensure management is supportive and accepting of the processes in place. These scams are often initiated using the profile of a supervisor. Employees must be comfortable questioning unusual transactions or requests, and instructed not to circumvent internal control procedures regardless of whom they believe initiated the transaction.
- Recommended cyber security measures, such as limiting network access and requiring robust passwords that are changed regularly, should be implemented and followed by all district employees, not just those directly involved with financial transactions.
- Review insurance policies to understand the coverage provided for financial losses due to cybersecurity risks, and evaluate whether they provide adequate coverage based on management's assessment of these risks.

SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 of the notes to basic financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2020. However, the District implemented the following governmental accounting standard during the fiscal year ending June 30, 2020:

- GASB Statement No. 84, *Fiduciary Activities*, which established criteria for identifying fiduciary activities of local governments. The focus of the criteria is generally on (1) whether a government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and post-employment benefit arrangements that are fiduciary activities.

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

ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS

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

General education revenue and certain other revenues are computed by applying an allowance per student to the number of students served by the District. Student attendance is accumulated in a state-wide database—MARSS. Because of the complexity of student accounting and because of certain enrollment options, student information is input by other school districts and the MARSS data for the current fiscal year is not finalized until after the District has closed its financial records. General education revenue and certain other revenues are computed using preliminary information on the number of students served in the resident district and also utilizing some estimates, particularly in the area of enrollment options.

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

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

The District has recorded activity for other post-employment benefits (OPEB) and pension benefits. These obligations are calculated using actuarial methodologies primarily described in GASB Statement Nos. 68, 73, 74, and 75. These actuarial calculations include significant assumptions, including projected changes, healthcare insurance costs, investment returns, retirement ages, proportionate share, and employee turnover.

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

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

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

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

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

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

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

CORRECTED AND UNCORRECTED MISSTATEMENTS

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

DISAGREEMENTS WITH MANAGEMENT

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

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter dated December 28, 2020.

MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

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

OTHER AUDIT FINDINGS OR ISSUES

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

OTHER MATTERS

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

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

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

FUNDING PUBLIC EDUCATION IN MINNESOTA

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

BASIC GENERAL EDUCATION REVENUE

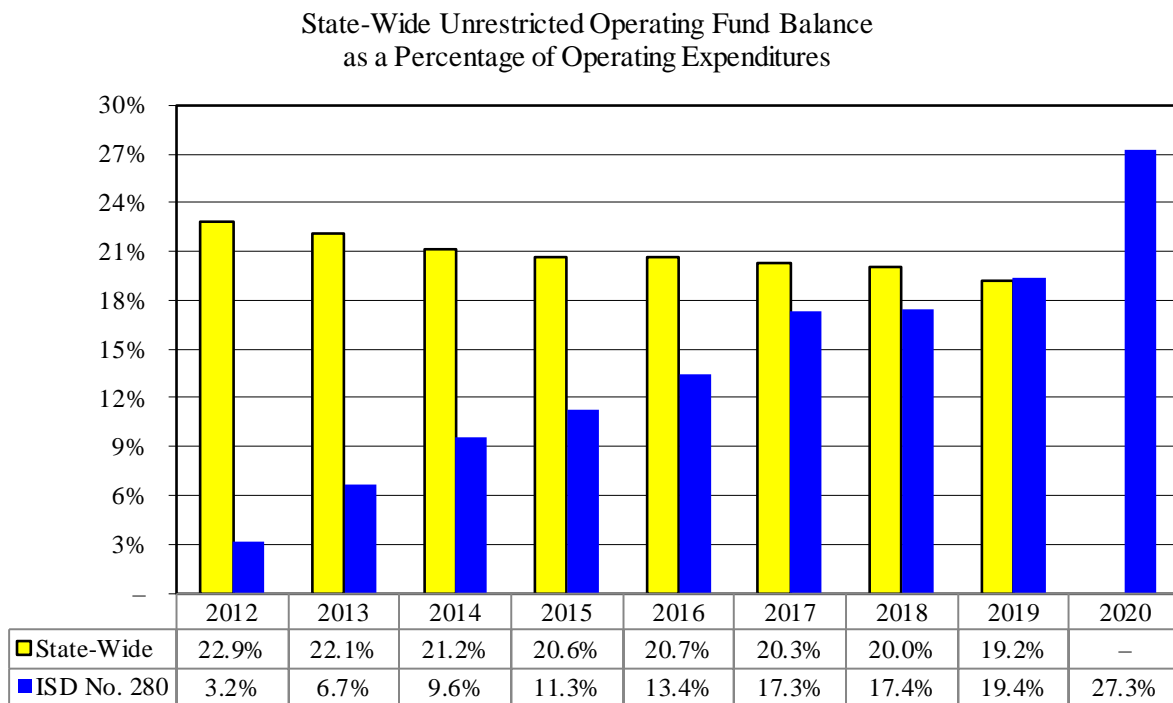
The largest single funding source for Minnesota school districts is basic general education aid. Each year, the Legislature sets a basic formula allowance. Total basic general education revenue is calculated by multiplying the formula allowance by the number of pupil units for which a district is entitled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

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

Fiscal Year Ended June 30,	Formula Allowance	
	Amount	Percent Increase
2011	\$ 5,124	— %
2012	\$ 5,174	1.0 %
2013	\$ 5,224	1.0 %
2014	\$ 5,302	1.5 %
2015	\$ 5,831	2.0 %
2016	\$ 5,948	2.0 %
2017	\$ 6,067	2.0 %
2018	\$ 6,188	2.0 %
2019	\$ 6,312	2.0 %
2020	\$ 6,438	2.0 %
2021	\$ 6,567	2.0 %

STATE-WIDE SCHOOL DISTRICT FINANCIAL TRENDS

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



Note: State-wide information is not available for fiscal 2020.

The calculation above reflects only the unrestricted fund balance of the General Fund, and the corresponding expenditures, which is the same method the state uses for the calculation of statutory operating debt. We have also included the comparable percentages for your district.

During the economic downturn that began in 2008, the average unrestricted fund balance as a percentage of operating expenditures maintained by Minnesota school districts increased, peaking at 22.9 percent at the end of fiscal 2012. This trend reflected districts' efforts to limit budget cuts, retain educational programs, and maintain adequate operating cash flow during a period of uncertain funding. As the state's economic condition improved and funding stabilized in subsequent years, this ratio decreased gradually to 19.9 percent at the end of fiscal 2019.

The District's unrestricted operating fund balance as a percentage of operating expenditures was 27.3 percent at the end of the current year, continuing a trend of steady improvement.

The table below shows a comparison of governmental fund revenue per ADM received by Minnesota school districts and your district. Revenues for all governmental funds are included, except for the Capital Projects – Building Construction and Post-Employment Benefits Debt Service Funds. Other financing sources, such as proceeds from sales of capital assets, insurance recoveries, bond sales, loans, and interfund transfers, are also excluded.

Governmental Funds Revenue per Student (ADM) Served								
	State-Wide		Metro Area		ISD No. 280 – Richfield			
	2018	2019	2018	2019	2018	2019	2020	
General Fund								
Property taxes	\$ 2,024	\$ 2,140	\$ 2,638	\$ 2,796	\$ 2,920	\$ 3,818	\$ 4,205	
Other local sources	520	556	433	454	342	353	324	
State	9,614	9,883	9,625	9,885	10,286	10,671	10,659	
Federal	450	475	474	499	502	485	661	
Total General Fund	12,608	13,054	13,170	13,634	14,050	15,327	15,849	
Special revenue funds								
Food Service	559	559	554	556	617	656	627	
Community Service	642	676	752	797	480	449	457	
Debt Service Fund	1,128	1,229	1,120	1,287	924	2,013	1,977	
Total revenue	<u>\$ 14,937</u>	<u>\$ 15,518</u>	<u>\$ 15,596</u>	<u>\$ 16,274</u>	<u>\$ 16,071</u>	<u>\$ 18,445</u>	<u>\$ 18,910</u>	
ADM served per MDE School District Profiles Report (current year estimated)					<u>4,486</u>	<u>4,328</u>	<u>4,285</u>	
Note: Excludes the Capital Projects – Building Construction and Post-Employment Benefits Debt Service Funds.								
Source of state-wide and metro area data: School District Profiles Report published by the MDE								

ADM used in the table above is based on enrollments consistent with those used in the MDE School District Profiles Report, which include extended time ADM, and may differ from ADM reported in other tables.

The mix of local and state revenues vary from year to year primarily based on funding formulas and the state's financial condition. The mix of revenue components from district to district varies, due to factors such as the strength of property values, mix of property types, operating and bond referendums, enrollment trends, density of population, types of programs offered, and countless other criteria.

Changes in enrollment also impact comparisons in the table above and on the next page when revenue and expenditures are based on fixed costs, such as debt levies and principal and interest on outstanding indebtedness.

The District earned approximately \$81.0 million in the governmental funds reflected above in fiscal 2020, an increase of \$1.2 million (1.5 percent), or \$465 per ADM, from the prior year. General Fund tax revenue increased \$387 per ADM, due to an increase in the voter-approved property tax levy. Federal revenue in the General Fund increased \$176 per ADM from last year, due to the District's use of Education Stabilization Fund entitlements provided through the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

The following table reflects similar comparative data available from the MDE for all governmental fund expenditures, excluding the Capital Projects – Building Construction and Post-Employment Benefits Debt Service Funds. Other financing uses, such as bond refundings and transfers, are also excluded.

Governmental Funds Expenditures per Student (ADM) Served							
	State-Wide		Metro Area		ISD No. 280 – Richfield		
	2018	2019	2018	2019	2018	2019	2020
General Fund							
Administration and district support	\$ 1,031	\$ 1,065	\$ 1,045	\$ 1,078	\$ 1,109	\$ 1,116	\$ 1,164
Elementary and secondary regular instruction	5,646	5,787	5,976	6,112	5,944	6,731	6,566
Vocational education instruction	170	180	154	165	98	110	104
Special education instruction	2,298	2,380	2,418	2,505	2,632	2,803	2,844
Instructional support services	658	669	748	751	656	747	802
Pupil support services	1,118	1,178	1,209	1,282	1,293	1,378	1,429
Sites and buildings and other	936	960	896	907	1,741	1,659	1,638
Total General Fund – noncapital	11,857	12,219	12,446	12,800	13,473	14,544	14,547
General Fund capital expenditures	658	721	636	675	347	382	261
Total General Fund	12,515	12,940	13,082	13,475	13,820	14,926	14,808
Special revenue funds							
Food Service	553	561	545	556	601	632	695
Community Service	640	675	750	799	377	436	453
Debt Service Fund	1,308	1,313	1,230	1,308	935	1,841	1,892
Total expenditures	<u>\$ 15,016</u>	<u>\$ 15,489</u>	<u>\$ 15,607</u>	<u>\$ 16,138</u>	<u>\$ 15,733</u>	<u>\$ 17,835</u>	<u>\$ 17,848</u>
ADM served per MDE School District Profiles Report (current year estimated)					<u>4,486</u>	<u>4,328</u>	<u>4,285</u>
Note: Excludes the Capital Projects – Building Construction and Post-Employment Benefits Debt Service Funds.							
Source of state-wide and metro area data: School District Profiles Report published by the MDE							

Expenditure patterns also vary from district to district for various reasons. Factors affecting the comparison include the growth cycle or maturity of the District, average employee experience, availability of funding, population density, and even methods of allocating costs.

The District spent approximately \$76.5 million in the governmental funds reflected above in fiscal 2020, a decrease of \$701,975 (0.8 percent) from the prior year, which due to declining enrollment converts to an increase of \$13 per ADM. General Fund expenditures decreased by \$118 per ADM, mainly due to district cost-containment measures and the delay of some long-term facilities maintenance projects. Debt Service Fund expenditures increased by \$51 per ADM, due to the new debt issued in fiscal 2018.

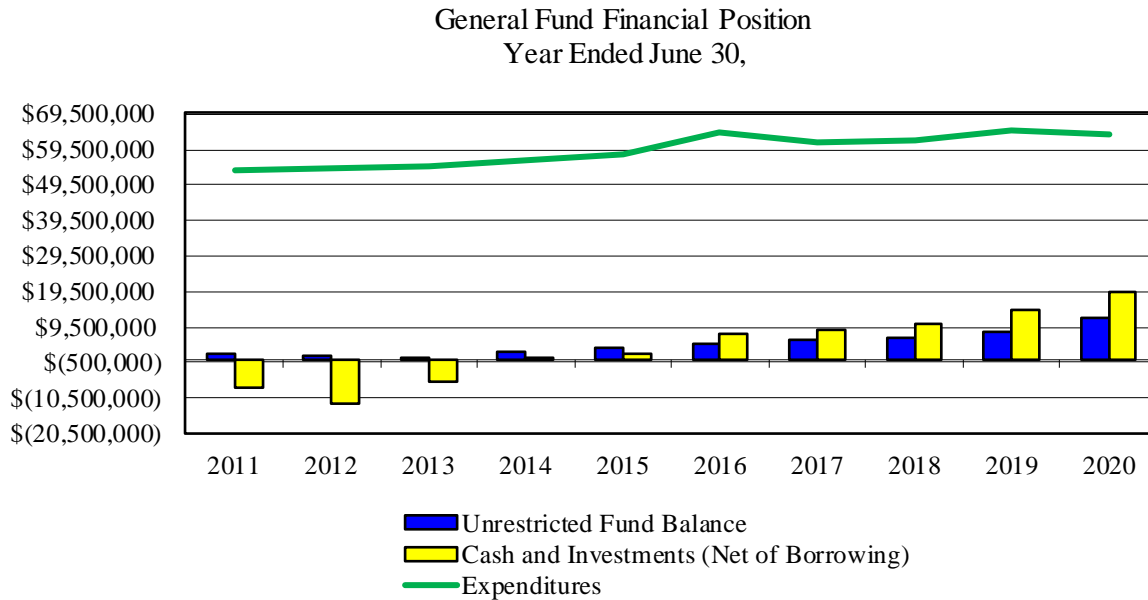
SUMMARY

Funding for Minnesota school districts generally has not kept pace with inflation and an increasing need for services, despite recent enhancements to the basic general education state aid formula and other categorical aids. This has increased reliance on local revenue sources like voter-approved operating referenda and user fees to maintain district programs. The recent COVID-19 pandemic has and will continue to create additional financial challenges, as districts struggle to provide a safe and effective learning experience for their students under unprecedented circumstances.

FINANCIAL TRENDS OF YOUR DISTRICT

GENERAL FUND FINANCIAL POSITION

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



The District's General Fund ended fiscal year 2020 with a total fund balance of \$16,197,751. Excluding the \$430,840 change in accounting principle, total fund balance increased \$4,482,197 during the 2020 fiscal year, compared to a budgeted increase of \$1,590,441. General Fund cash and investments at year-end (net of interfund borrowing) were \$19,177,715, an improvement of \$4,919,432 from last year.

Legislatively-approved changes in the metering of the state aid payments to school districts and in the tax shift significantly impacted cash and investment balances in certain years presented in the above graph.

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

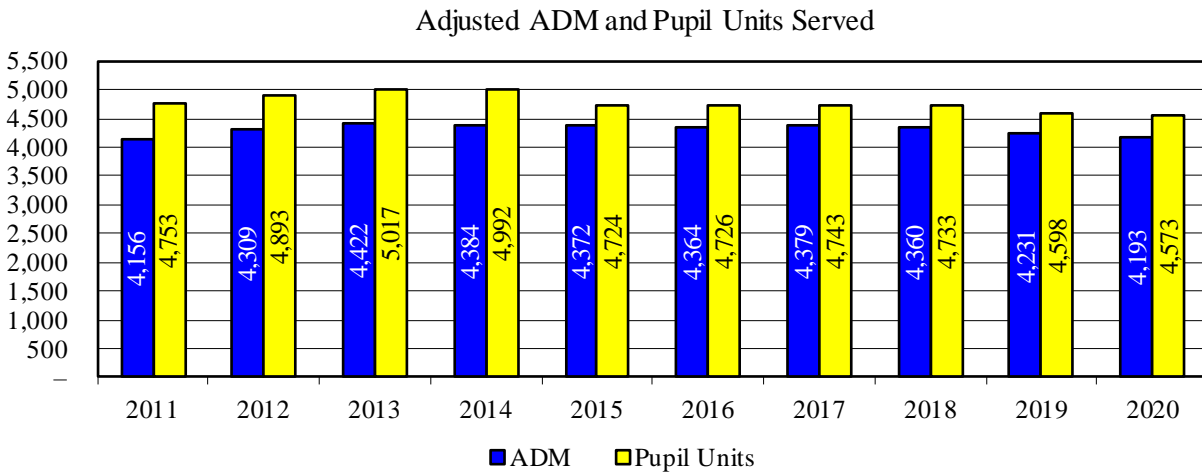
	June 30,				
	2016	2017	2018	2019	2020
Nonspendable fund balances	\$ 103,118	\$ 38,225	\$ 1,103,097	\$ 931,474	\$ 33,813
Restricted fund balances (1)	939,658	1,625,505	1,617,120	2,482,106	3,964,677
Unrestricted fund balances					
Assigned	2,029,882	3,046,457	3,039,788	3,326,097	5,278,307
Unassigned	2,792,188	2,843,928	3,392,874	4,545,037	6,920,954
Total fund balance	<u>\$ 5,864,846</u>	<u>\$ 7,554,115</u>	<u>\$ 9,152,879</u>	<u>\$ 11,284,714</u>	<u>\$ 16,197,751</u>
Unrestricted fund balances as a percentage of expenditures	<u>7.5%</u>	<u>9.5%</u>	<u>10.4%</u>	<u>12.2%</u>	<u>19.2%</u>
Unassigned fund balances as a percentage of expenditures	<u>4.4%</u>	<u>4.6%</u>	<u>5.5%</u>	<u>7.0%</u>	<u>10.9%</u>
(1) Includes deficits in restricted fund balance accounts allowed to accumulate deficits under UFARS, which are part of unassigned fund balance on the accounting principles generally accepted in the United States of America-based financial statements.					

The table above reflects the total General Fund unrestricted fund balance and percentages, which differs from those used in the previous discussion of state-wide fund balances, which are based on a state formula. The resources represented by this fund balance are critical to a district's ability to maintain adequate cash flow throughout the year, to retain its programs, and to cushion against the impact of unexpected costs or funding shortfalls.

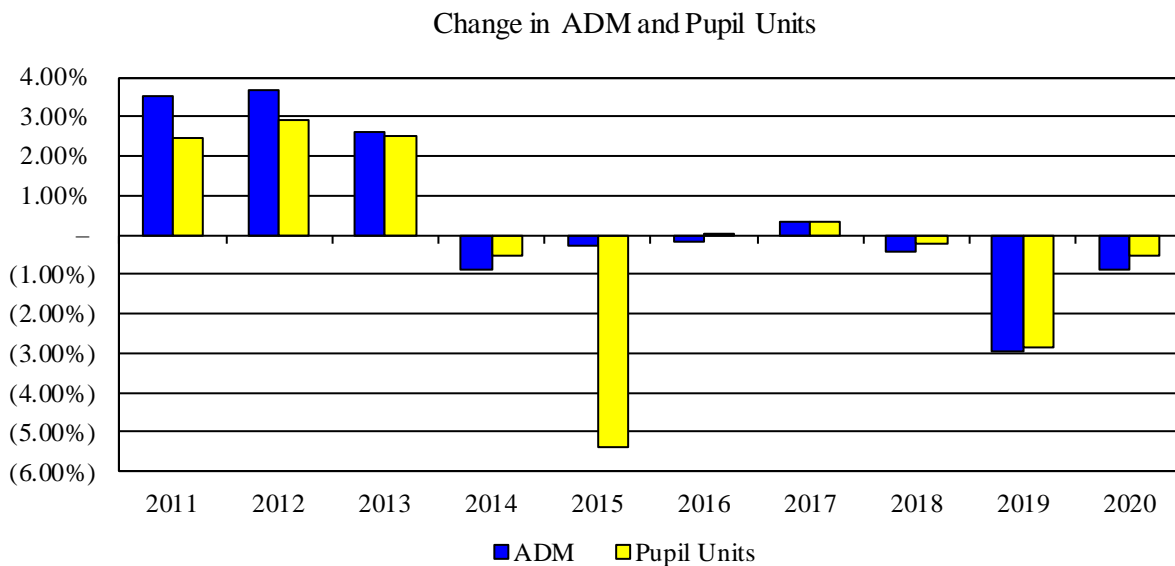
General Fund unassigned fund balance as a percentage of expenditures is one key measure of a school district's financial health. At June 30, 2020, the unassigned fund balance in the General Fund represented 10.9 percent of annual expenditures, or about six weeks of operations assuming level spending throughout the year.

AVERAGE DAILY MEMBERSHIP (ADM) AND PUPIL UNITS

The following graph presents the District's adjusted ADM and pupil units served for the past 10 years:



The following graph shows the rate of change in ADM served by the District from year-to-year, along with the change in the resulting pupil units:



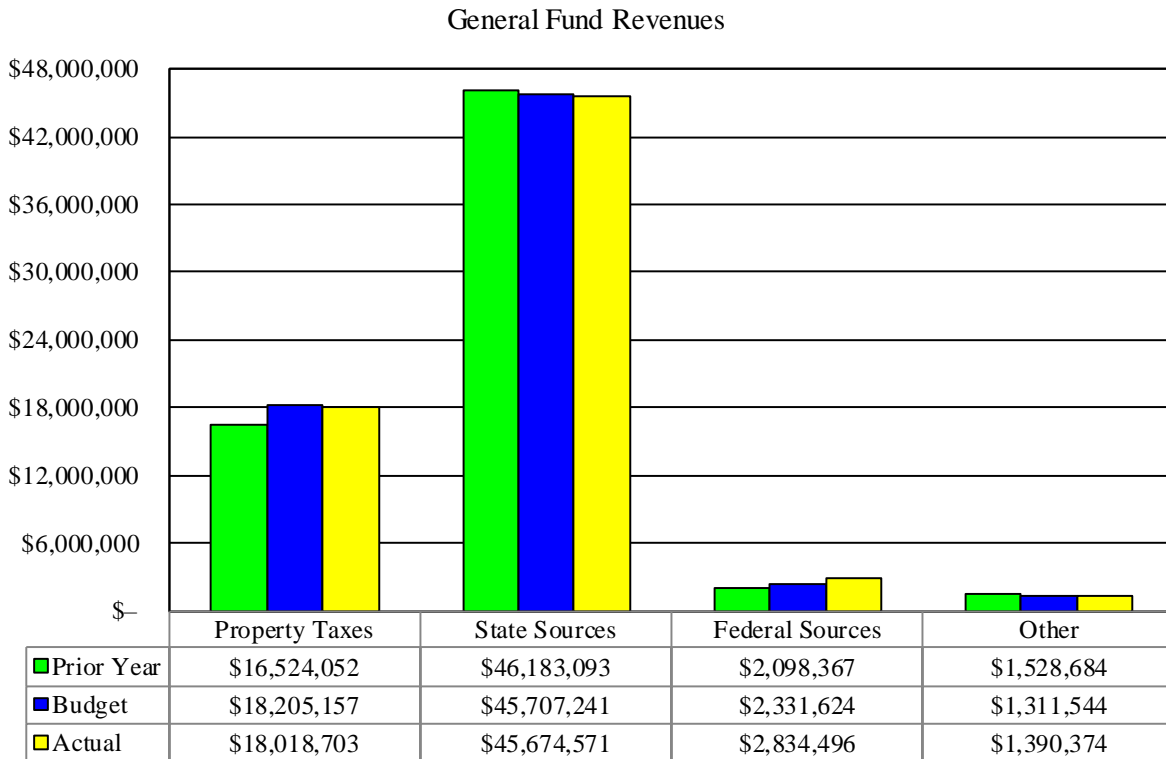
The change in pupil units for 2015 includes the effect of legislative reductions to pupil units.

ADM is a measure of students attending class, which is then converted to pupil units (the base for determining revenue) using a statutory formula. Not only is the original budget based on ADM estimates, the final audited financial statements are based on updated, but still estimated, ADM since the counts are not finalized until around January of the following year. When viewing revenue budget variances, one needs to consider these ADM changes, the impact of the prior year final adjustments which affect this year's revenue, and also the final adjustments caused by open enrollment gains and losses.

The ADM served by the District for 2020 is estimated to be 4,193, a decrease of about 38 from the prior year. The pupil units generated from this ADM were 4,573, a decrease of about 25 pupil units from the prior year.

GENERAL FUND REVENUES

The following graph summarizes the District's General Fund revenues for 2020:

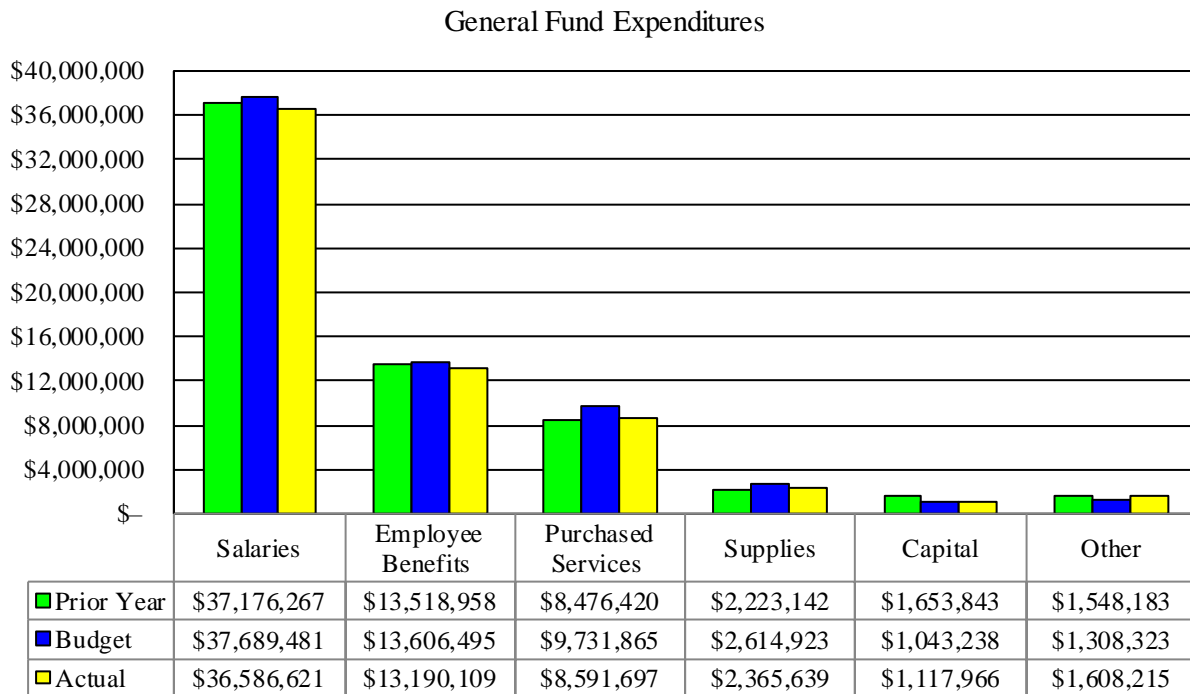


Total General Fund revenues were \$67,918,144 for the year ended June 30, 2020, which was \$362,578 (0.5 percent) over the final budget. Property tax revenue was under budget by \$186,454, due to higher abatements and adjustments than anticipated. Revenue from state sources was under budget by \$32,670, a variance of only 0.1 percent. Federal revenue was over budget by \$502,872, due to the District's use of federal Education Stabilization Fund grant dollars, which were awarded after the budget was adopted. Revenues from other local sources as shown above (including gifts, bequests, tuition, rental, and investment income) were \$78,830 over budget, due to conservative budgeting for these unpredictable revenue sources.

General Fund total revenues were \$1,538,948 (2.4 percent) higher than the previous year. Property taxes were \$1,494,651 higher than last year, due to an increase in the voter-approved levy. Revenue from state sources was \$508,522 less than last year, mainly in general education and special education state aids. Revenue from federal sources was \$736,129 higher than last year, due to the new Education Stabilization Fund grant award. Other revenues were down \$138,310 from the prior year, due in part, to reduced activity fees and admissions, due to COVID-19 restrictions.

GENERAL FUND EXPENDITURE

The following graph presents the District's General Fund expenditures for 2020:

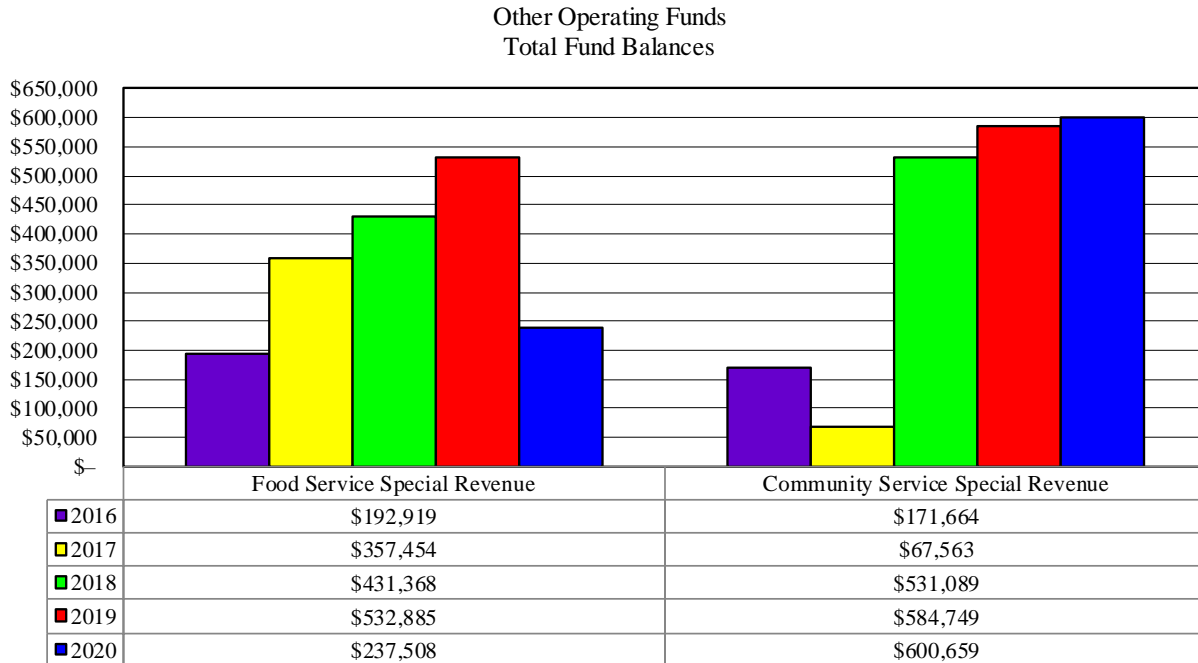


Total General Fund expenditures were \$63,460,247 for the year ended June 30, 2020, which was \$2,534,078 (3.8 percent) under the final budget. Salaries and benefits were \$1,519,246 under budget, mainly in elementary and secondary regular instruction. Cost-containment efforts and delays in planned maintenance projects resulted in cost savings in purchased services (\$1,140,168) and supplies (\$249,284) compared to budget.

Total General Fund expenditures were \$1,136,566 (1.8 percent) less than the prior year. Salaries and benefits were \$918,495 lower than the previous year, mainly in elementary and secondary regular instruction, due to school closures related to COVID-19 restrictions. Capital expenditures were also \$535,877 lower than the prior year, due to the delay of some planned maintenance projects until fiscal 2021.

OTHER FUNDS OF THE DISTRICT

The following graph shows what is referred to as the other operating funds. The remaining nonoperating funds are only included in narrative form below, since their level of fund balance can fluctuate significantly, due to such things as issuing and spending the proceeds of refunding or building bonds and, therefore, the trend of fund balance levels is not necessarily a key indicator of financial health. It does not mean that these funds cannot experience financial trouble or that their fund balances are unimportant.



Food Service Special Revenue Fund

The District's Food Service Special Revenue Fund ended fiscal 2020 with a fund balance decrease of \$295,377, compared to a budgeted increase of \$15,412. Food service revenue was \$2,684,621, which was under budget by \$169,379, mainly in full-price and ala carte meal sales. Expenditures were \$2,980,090, over budget by \$141,502. Salaries were over budget by \$229,054, due to the requirement for the District to provide meals to the community, due to COVID-19. The ending fund balance of \$237,508 represents 8.0 percent of current year expenditures.

Community Service Special Revenue Fund

The District's Community Service Special Revenue Fund ended fiscal 2020 with a fund balance increase of \$15,910, compared to a budgeted increase of \$148,299. Revenues were \$1,957,665, which was under budget by \$152,612, due to COVID-19 restrictions on programs. Expenditures were \$1,941,755, under budget by \$20,223, mainly in supplies and materials. The ending fund balance of \$600,659 in this fund represents 30.9 percent of current year expenditures.

Over the years, we have emphasized to our clients that food service and community service operations should be self-sustaining, and should not become an additional burden on general education funds.

Capital Projects – Building Construction Fund

The Capital Projects – Building Construction Fund ended the year with a fund balance decrease of \$62,881,643, compared to a projected decrease of \$51,939,030. The variance was due to the timing of capital projects. The District issued \$116.2 million of general obligation school building and facilities maintenance bonds in fiscal 2018, to finance a number of improvement projects. At year-end, \$32,744,076 of fund balance is restricted for capital projects, and an additional \$11,186,480 is restricted for projects under the long-term facilities maintenance program.

Debt Service Fund

The funding of debt service is controlled in accordance with each outstanding debt issue's financing plan. At June 30, 2020, the Debt Service Fund had a fund balance of \$1,515,119, an increase of \$391,813 from the prior year.

Internal Service Funds

The District maintains two internal service funds to account for and finance the uninsured risk of loss for its employee medical and dental insurance plans. At June 30, 2020, the District has a net position of \$5,967,601 accumulated to finance future medical and dental benefits for participating employees, an increase of \$675,014 from the previous year-end.

Post-Employment Benefits Trust Fund

The District's Post-Employment Benefits Trust Fund is used to account for an irrevocable trust account established to finance the District's liability for post-employment healthcare benefits. During the year, this fund paid out \$816,085 for benefits that would have otherwise been paid from the District's governmental funds. At year-end, the trust's net position of \$8,886,190 is available for future OPEB payments.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

	June 30,		
	2020	2019	Change
Net position – governmental activities			
Total fund balances – governmental funds	\$ 62,481,593	\$ 120,337,853	\$ (57,856,260)
Capital assets, less accumulated depreciation	121,596,280	59,243,864	62,352,416
Bonds and capital leases	(147,224,587)	(152,390,013)	5,165,426
Pension liabilities, net of deferments	(59,641,006)	(55,950,747)	(3,690,259)
OPEB liability, net of deferments	(12,463,338)	(13,348,172)	884,834
Other	1,833,242	1,540,435	292,807
Total net position – governmental activities	<u>\$ (33,417,816)</u>	<u>\$ (40,566,780)</u>	<u>\$ 7,148,964</u>
Net position			
Net investment in capital assets	\$ 26,263,596	\$ 24,223,635	\$ 2,039,961
Restricted	10,384,473	6,910,435	3,474,038
Unrestricted	<u>(70,065,885)</u>	<u>(71,700,850)</u>	<u>1,634,965</u>
Total net position	<u>\$ (33,417,816)</u>	<u>\$ (40,566,780)</u>	<u>\$ 7,148,964</u>

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

Total net position increased by \$6,718,124 during fiscal 2020, excluding the \$430,840 change in accounting principle previously discussed.

The District's net investment in capital assets increased \$2,039,961 this year. The change in this category of net position typically depends on the relationship between the rate at which the District is adding additional capital assets, the rate capital assets are being depreciated, and how that compares to the rate at which the District is repaying the debt issued to purchase or construct those assets. Restricted net position increased \$3,474,038 from the prior year, mainly in resources restricted for capital assets acquisition and construction. Unrestricted net position improved by \$1,634,964, due primarily to positive operating results in the General Fund.

LEGISLATIVE SUMMARY

The 2020 Minnesota Legislature session was expected to be short and focused on making tweaks to the biennial budget. By early March, it became clear the session would unfold differently than anyone could have predicted. As the novel coronavirus (COVID-19) spread reached Minnesota, Governor Walz issued an Executive Order declaring a peacetime emergency. The declaration was enacted, which allowed his administration to quickly impose measures aimed at mitigating the COVID-19 health threat. These measures, which were issued through dozens of executive orders over the months that would follow, included: closing schools and requiring instruction be provided through distance learning; allowing schools to offer summer programs and extended school year services through distance learning or a hybrid model; requiring districts to deliver meals and instructional materials; requiring districts to provide childcare for essential workers, and authorizing fund transfers and flexibility in the use of revenues for districts to cover school-age care, transportation, and other COVID-19 related costs.

The following is a brief summary of specific legislative changes from the 2020 regular and special sessions or previous legislative sessions impacting Minnesota school districts in future years.

Coronavirus Aid, Relief, and Economic Security (CARES) Act – The CARES Act provides federal economic relief to protect the American people from the public health and economic impacts of COVID-19.

This CARES funding includes an Education Stabilization Fund, which in turn contains two major sources of funding for schools that may be used for expenditures incurred from March 13, 2020 through September 30, 2022:

1. Governor's Emergency Education Relief (GEER) Fund

These funds were allocated to support efforts in getting children back to school in the fall, while prioritizing the safety of students and staff. These funds support operational costs, such as: cleaning supplies and disinfectant sprayers, screening supplies, personal protective equipment, and increased transportation costs associated with transporting students in a socially distant manner. These funds also support student, family, and educator needs, such as technology devices and internet access, technology training, tutors or mentors to address learning loss, translation services, school-age care for essential workers, and professional development focused on learning models. To spend funds from this source, an expenditure must be a reasonably necessary expense that is directly related to the COVID-19 pandemic, and the expenditure must not be one that was planned for in the current school year budget.

2. Elementary and Secondary School Emergency Relief (ESSER) Fund

These funds are divided into two streams: a formula-based allocation and state-directed grants. The formula-based allocation to districts and charter schools is based on their allocations under Title I, Part A of the Elementary and Secondary Education Act (ESEA). These funds can be used for a wide range of expenses to meet local needs.

State-directed grants, provided to districts and charter schools that do not receive a formula-based allocation, districts and charter schools that receive less than \$10,000 from their formula-based allocation, and districts and charter schools whose share of students from historically underserved populations is more than their share of other ESSER funds, can be used for a combination of supplementing GEER funds for summer school programming, supporting mental health, and meeting the needs of historically underserved populations.

The CARES Act also provided funding through the Coronavirus Relief Fund (CRF). These funds were allocated to districts and charter schools based on a two-part formula: 1) 60 percent for operating costs based on average daily membership (ADM) as reported for the 2018–2019 school year, and 2) 40 percent for student, family and staff support costs allocated based 40 percent on ADM and 60 percent on the historically underserved population of students each district or charter school serves. The expenditure of these funds is not required to match the 60 percent/40 percent allocation breakdown, and may be used for costs incurred between July 1, 2020 and December 31, 2020.

General Education Revenue – The Legislature had previously approved annual increases of 2 percent to the basic general education formula allowance for the fiscal year (FY) 2020–2021 biennium. The per pupil allowance will increase \$129 to \$6,567 for FY 2021.

Compensatory Revenue – The requirement to reserve a portion of compensatory revenue for extended time programming is eliminated beginning in FY 2021.

Special Education Revenue – The Legislature had previously approved enhancements to special education funding designed to hold the state average cross subsidy per pupil constant at the FY 2019 level of \$82 per ADM for FY 2021. The changes included:

1. Establishing a new component of the state special education funding formula, known as cross subsidy reduction aid. Cross subsidy reduction aid will equal a percentage of each district's "initial cross subsidy" for the prior fiscal year, with the percentages set at 6.43 percent for 2021. Initial cross subsidy is defined as the district's nonfederal special education costs, including transportation, less state special education aid after tuition adjustments and general education aid attributable to students receiving special education services outside of the regular classroom for at least 60.00 percent of the school day. Charter schools are not eligible for cross subsidy reduction aid.
2. Updating the pupil-driven portion of the initial special education aid formula to use FY 2018 data beginning in FY 2021, rather than continuing to use 2011 data adjusted for inflation.
3. Phasing out the special education aid cap over two years, with the cap eliminated for FY 2021 and beyond.
4. Reducing the tuition rate paid by the resident school district for open enrolled special education students served by another district or charter school from 90.00 percent of unfunded costs to 80.00 percent for FY 2021 and later. Charter schools will be eligible for additional special education aid from the state to fully offset the impact of the tuition rate change.
5. Reducing the hold harmless guarantee by changing the formula to reduce reliance on the FY 2016 base year so that schools where special education expenditures have fallen or grown slowly since FY 2016 do not benefit disproportionately from the hold harmless guarantee compared to other schools. The percentage of FY 2019 regular program costs used to calculate the hold harmless will decrease to 85.00 percent for FY 2021, 80.00 percent for FY 2022, and 75.00 percent for FY 2023. In addition, the annual inflation adjustment used to calculate the hold harmless will be reduced by 0.20 percent annually from the 4.60 percent factor used in FY 2019 until the adjustment reaches 2.00 percent.
6. The 2020 Legislature added that for FY 2020, expenditures for employees and contracted services that would have been eligible for state aid in the absence of school closure due to COVID-19 must be included as eligible expenditures for calculation of aid and for tuition billing, regardless of whether special education services were actually provided during the closure.

Achievement and Integration Revenue – School districts are authorized to carry over any unspent balance of their approved achievement and integration budget from FY 2020 into FY 2021. If spent for approved purposes in FY 2021, the districts would generate additional FY 2021 revenue over and above the regular formula limitations.

Operating Referendum/Local Optional Revenue – Effective for the tax levy payable in FY 2021, the operating referendum and local optional revenue (LOR) levies were simplified by transferring \$300 per pupil unit (PU) of referendum revenue to LOR, thereby eliminating the board-approved referendum levy and increasing the LOR levy authority to \$724 per PU. The referendum cap is reduced by the \$300 per PU transferred to LOR. The annual recalculation of referendum allowances approved prior to FY 2014 based on the amount of LOR a district opts to receive is also eliminated. Inflation adjusted referendum authority transferred to LOR will continue to be adjusted for the life of the referendum. This change is revenue neutral for all districts.

Operating Referendum Equalization – Effective for the tax levy payable in FY 2021, the equalizing factor for Tier 2 of the referendum (New Tier 1) is increased from \$510,000 to \$567,000. This is expected to provide \$9.4 million of property tax relief to taxpayers, and result in \$600,000 of additional referendum state aid for charter schools.

Fund Transfers – For fiscal years 2020 and 2021 only, a school district, charter school, or a cooperative unit may transfer any funds not already assigned or encumbered by staff salary and benefits, or otherwise encumbered by federal law, from any accounts or operating fund to the undesignated balance in any other operating fund. A fund transfer is allowed if the transfer meets the following criteria from Minnesota Laws 2020, Chapter 116/House File 4415 Article 3 Section 8:

1. The transfer does not increase state aid obligations to the district or school or result in additional property tax authority for the district.
2. A transfer is limited to the operating funds of a school district, charter school, or cooperative unit.
3. A school board must approve any fund or account transfer before the reporting deadline for the respective fiscal year.
4. A school district, charter school, or cooperative unit must maintain accounting records for the purposes of this section that are sufficient to document both the specific funds transferred and use of those funds. The accounting records are subject to auditor review.
5. Any execution of this flexibility must not interfere with or jeopardize funding per federal requirements.
6. Any transfer must not interfere with the equitable delivery of distance learning or social distancing models.

Debt Service Payments – For FY 2021 only, a school district unable to make a required debt service payment due to a delay in property tax receipts may apply for modified cash flow payments from the state under Minnesota Statutes, Section 127A.45.

Pension Benefit Reforms – The 2018 pension bill included a number of reforms to the various defined benefit pension plans across the state. Employer contribution rates were increased for the Teachers Retirement Association (TRA) plan (a total increase of 1.25 percent phased in over a 6-year period beginning in FY 2019) and the St. Paul Teachers Retirement Fund Association (SPTRFA) plan (a total increase of 2.50 percent phased in over a 6-year period beginning in FY 2019). Employee contribution rates were also increased by 0.25 percent beginning in FY 2024 for the TRA plan and beginning in FY 2023 for the SPTRFA plan. The pension adjustment component of the general education aid formula was increased by an amount equal to the product of the salaries paid to members of these two plans times the district's pension adjustment rate for the fiscal year to help offset the cost of the employer contribution increases.

Workers' Compensation Claims – COVID-19 Presumption – The Legislature added several provisions to state unemployment statutes related to COVID-19, including a presumption that an employee who contracts COVID-19 has an occupational disease arising out of and in the course of employment if the employee works in one of the specified occupations and has a confirmed case of COVID-19. Covered occupations include nurses, healthcare workers, and workers required to provide childcare for first responders and healthcare workers under Executive Orders 20-02 and 20-19.

ACCOUNTING AND AUDITING UPDATES

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

GASB STATEMENT NO. 87, *LEASES*

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

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

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

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

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

GASB STATEMENT NO. 92, *OMNIBUS 2020*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

INDEPENDENT SCHOOL DISTRICT NO. 280
RICHFIELD AREA SCHOOLS
RICHFIELD, MINNESOTA

Single Audit Reports

Year Ended
June 30, 2020

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INDEPENDENT SCHOOL DISTRICT NO. 280

Single Audit Reports
Year Ended June 30, 2020

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INDEPENDENT SCHOOL DISTRICT NO. 280

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures	Noncash Assistance
U.S. Department of Agriculture			
Passed through Minnesota Department of Education			
Child nutrition cluster			
School Breakfast Program	10.553	\$ 355,400	
National School Lunch Program	10.555	992,394	\$ 162,233
COVID-19 – Summer Food Service Program for Children	10.559	\$ 645,939	
Summer Food Service Program for Children	10.559	43,666	
Subtotal CFDA 10.559		689,605	
Total child nutrition cluster			\$ 2,037,399
Child and Adult Care Food Program	10.558		63,612
Fresh Fruit and Vegetable Program	10.582		41,729
U.S. Department of Education			
Direct			
Indian Education Grants to Local Educational Agencies	84.060		8,972
Passed through Minnesota Department of Education			
Title I Grants to Local Educational Agencies	84.010		940,950
Special education cluster			
Special Education Grants to States	84.027	835,818	
Special Education Preschool Grants	84.173	21,700	
Total special education cluster			857,518
Special Education – Grants for Infants and Families	84.181		51,881
English Language Acquisition State Grants	84.365		128,071
Supporting Effective Instruction State Grants	84.367		115,683
COVID-19 – Education Stabilization Fund	84.425D		614,891
Passed through SouthWest Metro Intermediate District No. 288			
Career and Technical Education – Basic Grants to States	84.048		11,555
Passed through Bloomington Independent School District No. 271			
Education for Homeless Children and Youth	84.196		14,996
Passed through YMCA of the Greater Twin Cities Area			
Twenty-First Century Community Learning Centers	84.287		58,403
U.S. Department of Transportation			
Passed through Minnesota Department of Transportation			
Highway Planning and Construction	20.205		31,145
U.S. Environmental Protection Agency			
Passed through Minnesota Pollution Control Agency			
Performance Partnership Grants	66.605		200
Total expenditures of federal awards			<u>\$ 4,977,005</u>

Note 1: The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from the amounts presented in, or used in the preparation of, the District's basic financial statements.

Note 2: All pass-through entities listed above use the same CFDA numbers as the federal grantors to identify these grants, and have not assigned any additional identifying numbers.

Note 3: The District did not elect to use the 10 percent de minimis indirect cost rate.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL
OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the School Board and Management of
Independent School District No. 280
Richfield, Minnesota

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited Independent School District No. 280, Richfield Area Schools' (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the Summary of Audit Results section of the accompanying Schedule of Findings and Questioned Costs.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

(continued)

BASIS FOR QUALIFIED OPINION ON TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES – CFDA No. 84.010

As described in the accompanying Schedule of Findings and Questioned Costs in finding 2020-001, the District did not comply with requirements regarding allowable costs for Title I Grants to Local Educational Agencies – CFDA No. 84.010. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to that program.

QUALIFIED OPINION ON TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES – CFDA No. 84.010

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the District complied, in all material respects, with the types of compliance requirements referred to on the previous page that could have a direct and material effect on Title I Grants to Local Educational Agencies – CFDA No. 84.010 for the year ended June 30, 2020.

UNMODIFIED OPINION ON EACH OF THE OTHER MAJOR FEDERAL PROGRAMS

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to previously that could have a direct and material effect on each of its other major federal programs identified in the Summary of Audit Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2020.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed in the following paragraphs, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as finding 2020-001 to be a material weakness.

(continued)

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as findings 2020-002 and 2020-003 to be significant deficiencies.

DISTRICT'S RESPONSES TO FINDINGS

The District's responses to the internal control over compliance and noncompliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

PURPOSE OF THIS REPORT

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 28, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Minneapolis, Minnesota
January 26, 2021

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INDEPENDENT SCHOOL DISTRICT NO. 280

Schedule of Findings and Questioned Costs
Year Ended June 30, 2020

A. SUMMARY OF AUDIT RESULTS

This summary is formatted to provide federal granting agencies and pass-through agencies answers to specific questions regarding the audit of federal awards.

Financial Statements

What type of auditor's report is issued? X Unmodified
 Qualified
 Adverse
 Disclaimer

Internal control over financial reporting:

Material weakness(es) identified? Yes X No

Significant deficiencies identified? Yes X None reported

Noncompliance material to the financial statements noted? Yes X No

Federal Awards

Internal controls over major federal award programs:

Material weakness(es) identified? X Yes No

Significant deficiencies identified? X Yes None reported

Type of auditor's report issued on compliance for major programs?

The U.S. Department of Education – Title I Grants to Local Educational Agencies	Qualified
The U.S. Department of Education – Education Stabilization Fund	Unmodified
The U.S. Department of Agriculture – child nutrition cluster	Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X Yes No

Programs tested as major programs:

Program or Cluster	CFDA No.
The U.S. Department of Education	
– Title I Grants to Local Educational Agencies	84.010
– COVID-19 – Education Stabilization Fund	84.425D
The U.S. Department of Agriculture – child nutrition cluster consisting of:	
– School Breakfast Program	10.553
– National School Lunch Program	10.555
– COVID-19 – Summer Food Service Program for Children	10.559
– Summer Food Service Program for Children	10.559

Threshold for distinguishing between type A and B programs. \$ 750,000

Does the auditee qualify as a low-risk auditee? Yes X No

INDEPENDENT SCHOOL DISTRICT NO. 280

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2020

B. FINANCIAL STATEMENT FINDINGS

None.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

MATERIAL WEAKNESS IN INTERNAL CONTROL OVER COMPLIANCE AND MATERIAL NONCOMPLIANCE – U.S. DEPARTMENT OF EDUCATION, PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION, TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES – CFDA NO. 84.010

2020-001 Internal Control Over Compliance and Noncompliance With Federal Allowable Cost Requirements

Criteria – 2 CFR § 200.430 requires Independent School District No. 280 (the District) to maintain records that adequately and accurately identify the source and application of funds for federally-funded activities to ensure the proper determination of allowable costs in accordance with 2 CFR 200 Subpart E – Cost Principles.

Condition – During our audit, we noted that the District did not have sufficient controls to ensure proper determination of allowable costs charged to federal programs and compliance with the U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) allowable costs standards, which resulted in noncompliance.

Questioned Costs – \$83,841.

Context – The District did not properly determine that salary costs for 1 of 10 employees sampled and \$1,732 in contracted interpreter fees charged to the Title I federal program were not allowable costs, as they did not relate to the delivery of Title I program services. This was not a statistically valid sample.

Repeat Finding – This is a current year and prior year finding.

Cause – This was an oversight by district personnel.

Effect – This could be viewed as a violation of the award agreement.

Recommendation – We recommend that the District review its internal control procedures relating to documentation and determination of allowable costs for its Title I federal program.

View of Responsible Official and Planned Corrective Actions – The District agrees with the finding. The District will review and update its policies and procedures relating to documentation and determination of allowable costs for its federal programs to ensure compliance with the Uniform Guidance in the future. The District has separately issued a Corrective Action Plan related to this finding.

INDEPENDENT SCHOOL DISTRICT NO. 280

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2020

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL OVER COMPLIANCE – U.S. DEPARTMENT OF EDUCATION, PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION, TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES – CFDA No. 84.010

2020-002 Internal Control Over Compliance With Federal Level of Effort Requirements

Criteria – 34 CFR § 299.5 requires the District to maintain a combined fiscal effort per student for the preceding fiscal year that was not less than 90 percent of the combined fiscal effort per student for the second preceding fiscal year.

Condition – During our audit, we noted that the District did not have sufficient controls to ensure compliance with the maintenance of effort fiscal requirements under the Elementary and Secondary Education Act of 1965.

Questioned Costs – Not applicable.

Context – Although no noncompliance was noted, the District did not have adequately designed or implemented controls to ensure compliance with maintenance of effort fiscal requirements. This was not a statistically valid sample.

Repeat Finding – This is a current year finding only.

Cause – This was an oversight by district personnel.

Effect – The District's combined fiscal effort per student, when compared to the preceding fiscal year, could fall below minimum maintenance of effort requirements, resulting in loss of funding. This could be viewed as a violation of the award agreement.

Recommendation – We recommend that the District review its internal control procedures relating to level of effort, specifically maintenance of effort, for its Title I federal program.

View of Responsible Official and Planned Corrective Actions – The District agrees with the finding. The District will review and update its policies and procedures relating to level of effort for its federal programs to ensure compliance with the Uniform Guidance in the future. The District has separately issued a Corrective Action Plan related to this finding.

INDEPENDENT SCHOOL DISTRICT NO. 280

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2020

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL OVER COMPLIANCE – U.S. DEPARTMENT OF AGRICULTURE, PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION, CHILD NUTRITION CLUSTER – CFDA NOS. 10.553, 10.555, AND 10.559

2020-003 Internal Control Over Compliance With Federal Allowable Activities Requirements

Criteria – 7 CFR § 210.8, 220.11, and 225.9 requires the District to establish and maintain effective internal control over compliance with requirements applicable to federal program allowable activities, including accurate meal count requirements applicable to the child nutrition cluster federal programs.

Condition – During our audit, we noted the District did not have sufficient controls in place within its child nutrition cluster federal programs to assure accuracy of meal counts prior to the submission of the monthly claim for reimbursement.

Questioned Costs – None.

Context – The District did not have sufficient documentation to support 5,056 of the 220,977 meal counts tested. This was not a statistically valid sample.

Repeat Finding – This is a current year finding only.

Cause – This was an oversight by district personnel.

Effect – Noncompliance with the allowable activities requirements could result in the District receiving federal reimbursement for meal counts in excess of the number of eligible meals served, which could be viewed as a violation of the award agreement.

Recommendation – We recommend that the District review its internal control procedures relating to allowable activities to ensure accurate meal counts for the child nutrition cluster federal program. Internal controls over compliance for this area should include an on-site review of the meal counting and claiming system and comparisons of daily free, reduced-price, and paid meal counts against supporting records to ensure the accuracy of the monthly claim for reimbursement.

View of Responsible Official and Planned Corrective Actions – The District agrees with the finding. The District intends to review its procedures relating to allowable activities for its federal programs, and will ensure that monthly claim reimbursements are supported by complete and accurate meal counts of eligible meals. The District has separately issued a Corrective Action Plan related to this finding.

D. MINNESOTA LEGAL COMPLIANCE FINDINGS

None.

INDEPENDENT SCHOOL DISTRICT NO. 280
RICHFIELD, MINNESOTA

Financial Statements and
Supplemental Information

Year Ended
June 30, 2020

INDEPENDENT SCHOOL DISTRICT NO. 280

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INDEPENDENT SCHOOL DISTRICT NO. 280

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INTRODUCTORY SECTION

INDEPENDENT SCHOOL DISTRICT NO. 280

School Board and Administration
Year Ended June 30, 2020

SCHOOL BOARD

	<u>Position</u>
Crystal Brakke	Chairperson
Timothy Pollis	Vice Chairperson
Paula Cole	Treasurer
Christine Maleck	Clerk
Allegra Smisek	Director
Peter Toensing	Director

ADMINISTRATION

Steven Unowsky	Superintendent
Leadriane Roby	Assistant Superintendent
Craig Holje	Chief Administrative Officer
Mary Clarkson	Executive Director of Special Programs
Jim Gilligan	Director of Finance

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the School Board and Management of
Independent School District No. 280
Richfield, Minnesota

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Independent School District No. 280 (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

(continued)

OPINIONS

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

EMPHASIS OF MATTER

As described in Note 1 of the notes to basic financial statements, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, during the year ended June 30, 2020. Our opinion is not modified with respect to this matter.

OTHER MATTERS

Required Supplementary Information

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

Other Information

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

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

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

(continued)

Prior Year Comparative Information

We have previously audited the District's 2019 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 12, 2019. In our opinion, the partial comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Minneapolis, Minnesota
December 28, 2020

INDEPENDENT SCHOOL DISTRICT NO. 280

Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

As management of Independent School District No. 280 (the District), we have provided readers of the District's financial statements with this narrative overview and analysis of the District's financial activities during the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the other components of the District's financial statements.

FINANCIAL HIGHLIGHTS

- The District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at June 30, 2020 by \$33,417,816 (deficit net position). Government-wide revenues totaled \$84,059,155, and expenses were \$77,341,031. As a result, the District's total net position increased by \$6,718,124 during the fiscal year, excluding the change in accounting principle discussed below.
- The District recorded a change in accounting principle in the current year with the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, which changed the way the District reports certain fiduciary activities. The implementation of this standard increased both beginning governmental activities net position and beginning fund balance in the General Fund by \$430,840.
- The District's General Fund, its primary operating fund, ended the most recent fiscal year with a total fund balance of \$16,197,751, an increase of \$4,482,197 from the prior year, excluding the change in accounting principle. The unrestricted portion of the year-end fund balance (assigned and unassigned) was \$12,199,261, which represents 19.2 percent of annual General Fund expenditures based on fiscal 2020 expenditure levels. The unassigned fund balance was \$6,920,954, which represents 10.9 percent of General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- Independent Auditor's Report;
- Management's discussion and analysis;
- Basic financial statements, including the government-wide financial statements, fund financial statements, and the notes to basic financial statements;
- Required supplementary information; and
- Supplemental information consisting of combining and individual fund statements and schedules.

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

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

FUND FINANCIAL STATEMENTS

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

Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. For Minnesota schools, funds are established in accordance with Uniform Financial Accounting and Reporting Standards in accordance with Minnesota statutory requirements and accounting principles generally accepted in the United States of America. Some funds are required by state law and by bond covenants. The District can establish other funds to control and manage money for particular purposes or to show that it is properly using certain revenues.

The District maintains the following types of funds:

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

Proprietary Funds – The District maintains one type of proprietary fund. Internal service funds are used as an accounting device to accumulate and allocate costs internally among the District’s various functions. The District uses its internal service funds to account for its medical and dental self-insurance programs. These services have been included within governmental activities in the government-wide financial statements. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds – The District is the trustee, or fiduciary, for assets that belong to other organizations. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. We exclude these activities from the government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

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

Table 1 Summary of Net Position as of June 30, 2020 and 2019		
	2020	2019
Assets		
Current and other assets	\$ 107,683,801	\$ 160,671,962
Capital assets, net of depreciation	121,596,280	59,243,864
Total assets	<u>\$ 229,280,081</u>	<u>\$ 219,915,826</u>
Deferred outflows of resources		
Pension plan deferments	\$ 32,547,496	\$ 47,111,706
OPEB Plan deferments	432,669	548,325
Deferred charges on refunding	451,784	519,978
Total deferred outflows of resources	<u>\$ 33,431,949</u>	<u>\$ 48,180,009</u>
Liabilities		
Current and other liabilities	\$ 14,997,650	\$ 10,443,844
Long-term liabilities, including due within one year	199,202,927	204,086,187
Total liabilities	<u>\$ 214,200,577</u>	<u>\$ 214,530,031</u>
Deferred inflows of resources		
Property taxes levied for subsequent year	\$ 26,286,641	\$ 26,301,162
Pension plan deferments	51,088,679	63,598,941
OPEB Plan deferments	4,553,949	4,232,481
Total deferred inflows of resources	<u>\$ 81,929,269</u>	<u>\$ 94,132,584</u>
Net position		
Net investment in capital assets	\$ 26,263,596	\$ 24,223,635
Restricted	10,384,473	6,910,435
Unrestricted	<u>(70,065,885)</u>	<u>(71,700,850)</u>
Total net position	<u>\$ (33,417,816)</u>	<u>\$ (40,566,780)</u>

The District's financial position is the product of many factors. For example, the determination of the District's net investment in capital assets involves many assumptions and estimates, such as depreciation estimates and capitalization policies. Another major factor in determining net position is the inclusion of liabilities for long-term severance, other post-employment benefits (OPEB), and pension benefits, which are not included in fund balances.

Total net position increased by \$6,718,124 in 2020, excluding the change in accounting principle discussed earlier. The decrease in current assets and increase in capital assets was a result of construction related to bonds issued in a previous year. Changes in the District's proportionate share of two state-wide pension plans administered by the Public Employees Retirement Association (PERA) and the Teachers Retirement Association (TRA) contributed to the changes in deferred inflows/outflows of resources and long-term liabilities. Increases in resources restricted for capital asset acquisition, community service, and other state restrictions resulted in the increase in restricted net position.

Table 2 presents a condensed version of the change in net position of the District:

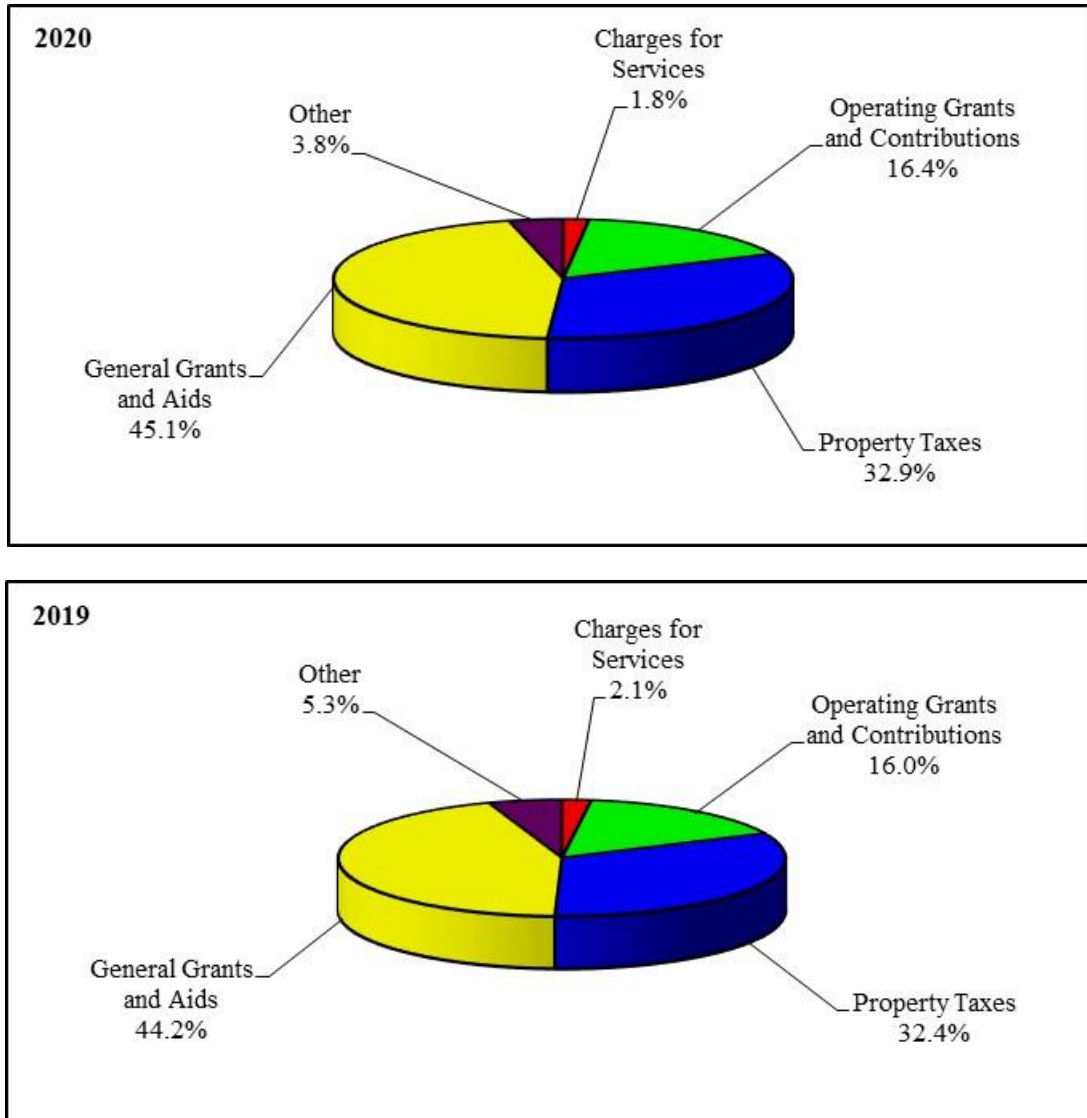
Table 2 Change in Net Position for the Years Ended June 30, 2020 and 2019		
	2020	2019
Revenues		
Program revenues		
Charges for services	\$ 1,492,769	\$ 1,731,697
Operating grants and contributions	13,785,794	13,055,457
General revenues		
Property taxes	27,653,830	26,504,457
General grants and aids	37,922,927	36,127,245
Other	3,203,835	4,320,055
Total revenues	84,059,155	81,738,911
Expenses		
Administration	2,926,141	1,921,888
District support services	2,157,245	2,038,601
Elementary and secondary regular instruction	29,846,895	18,949,610
Vocational education instruction	466,338	333,061
Special education instruction	12,729,667	8,264,835
Instructional support services	3,858,263	2,987,518
Pupil support services	6,280,289	5,556,435
Sites and buildings	8,695,645	5,757,551
Fiscal and other fixed cost programs	271,303	223,275
Food service	2,887,952	2,657,883
Community service	1,938,043	1,454,964
Unallocated depreciation	–	3,284,068
Interest and fiscal charges	5,283,250	4,687,319
Total expenses	77,341,031	58,117,008
Change in net position	6,718,124	23,621,903
Net position – beginning, as previously reported	(40,566,780)	(64,188,683)
Change in accounting principle	430,840	–
Net position – beginning, as restated	(40,135,940)	(64,188,683)
Net position – ending	\$ (33,417,816)	\$ (40,566,780)

This table is presented on an accrual basis of accounting, and includes all governmental activities of the District. This statement includes depreciation expense, but excludes capital asset purchase costs, debt proceeds, and the repayment of debt principal.

Total revenues and expenditures for fiscal year 2020 were \$2,320,244 and \$19,224,023 higher than last year, respectively. Property tax revenues increased from the prior year, consistent with the approved property tax levy. The increase in general grants and aids, and significant increase in expenses, primarily reflect changes in District's proportionate share of the PERA and the TRA state-wide pension plans.

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

Figure A – Sources of Revenue for Fiscal Years 2020 and 2019

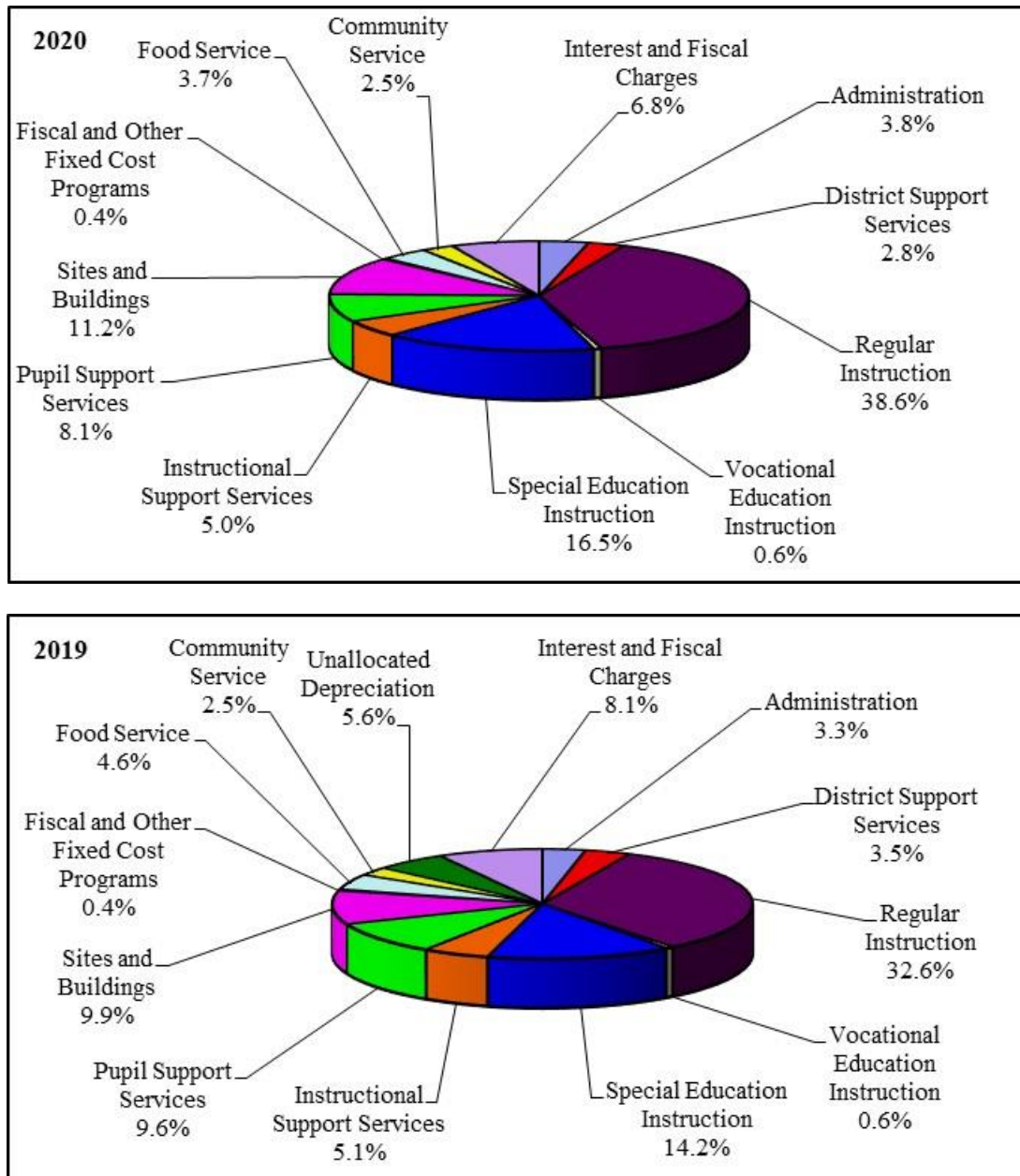


The largest share of the District’s revenue is received from the state, including the general education aid formula and most of the operating grants. This significant reliance on the state for funding has placed pressure on local school districts as a result of limited funding increases in recent years.

Property taxes are generally the next largest source of funding. The level of revenue property tax sources provide is not only dependent on district taxpayers by way of operating and building referenda, but also by decisions made by the Legislature in the mix of state aid and local effort in a variety of funding formulas.

Charges for services decreased, due to the effects of the COVID-19 pandemic, which reduced activity fees and admissions. The drop in the “other” revenue category in fiscal 2020, was due to a decrease in investment income, due to the District spending down bond proceeds for its construction projects.

Figure B – Expenses for Fiscal Years 2020 and 2019



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

The significant year-to-year change in the percentage of expenses incurred in several program areas shown above, was attributable to the change in expenses related to the two state-wide pension plans, which caused greater fluctuations in program areas, with a higher proportion of salaries.

The District began allocating all depreciation to the applicable programs in fiscal 2020, eliminating the unallocated depreciation reported in previous years.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is also reflected in its governmental funds. Table 3 shows the change in total fund balances of each of the District's governmental funds:

Table 3 Governmental Fund Balances as of June 30, 2020 and 2019			
	2020	2019	Change
Major funds			
General	\$ 16,197,751	\$ 11,284,714	\$ 4,913,037
Capital Projects – Building Construction	43,930,556	106,812,199	(62,881,643)
Debt Service	1,515,119	1,123,306	391,813
Nonmajor funds			
Food Service Special Revenue	237,508	532,885	(295,377)
Community Service Special Revenue	600,659	584,749	15,910
Total governmental funds	<u>\$ 62,481,593</u>	<u>\$ 120,337,853</u>	<u>\$ (57,856,260)</u>

The General Fund balance increased \$4,913,037 in fiscal 2020, including the \$430,840 change in accounting principle. The increase was mainly due to conservative budgeting, and cost-containment measures that resulted in expenditures being held \$2,534,078 under budget.

The Capital Projects – Building Construction Fund decreased \$62,881,643, due to spending on a number of significant capital projects financed by school building bonds and facilities maintenance bonds issued during fiscal 2018.

The Debt Service Fund increased \$391,813, which was due to debt service property tax levies exceeding scheduled debt service expenditures.

The decrease in the Food Service Special Revenue Fund of \$295,377, was due to a combination of meal sales revenue being under budget, due to the COVID-19 pandemic, and related costs coming in over budget.

The Community Service Special Revenue Fund increased \$15,910 in the current year, despite a COVID-19-related decrease in program fees, due to lower than projected program costs.

Analysis of the General Fund

Table 4 summarizes the amendments to the General Fund budget:

Table 4 General Fund Budget				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Change</u>	<u>Percent Change</u>
Revenue	<u>\$ 66,623,022</u>	<u>\$ 67,555,566</u>	<u>\$ 932,544</u>	<u>1.4%</u>
Expenditures	<u>\$ 66,412,671</u>	<u>\$ 65,994,325</u>	<u>\$ (418,346)</u>	<u>(0.6%)</u>
Other financing sources	<u>\$ 20,000</u>	<u>\$ 29,200</u>	<u>\$ 9,200</u>	<u>46.0%</u>

The District was required to adopt an operating budget prior to the beginning of its fiscal year, referred to above as the original budget. It is the District's practice to amend the General Fund budget during the year for known significant changes in circumstances.

The changes from the original budget to the final budget are due to additional grant awards, salary and benefit adjustments based on negotiated contract settlements, and recalculations of state aid and levy, using updated enrollment numbers.

Table 5 summarizes the operating results of the General Fund:

Table 5 General Fund Operating Results					
	<u>2020 Actual</u>	<u>Over (Under) Final Budget</u>		<u>Over (Under) Prior Year</u>	
		<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Revenue	\$ 67,918,144	\$ 362,578	0.5%	\$ 1,583,948	2.4%
Expenditures	63,460,247	\$ (2,534,078)	(3.8%)	\$ (1,136,566)	(1.8%)
Other financing sources	<u>24,300</u>	\$ (4,900)	(16.8%)	\$ (370,152)	(93.8%)
Net change in fund balances	<u>\$ 4,482,197</u>				

The increase in 2020 actual revenue is largely due to increases in voter-approved property tax revenue and federal Coronavirus Aid, Relief, and Economic Security (CARES) Act grant funding. Federal revenues exceeded budget by \$502,872, due to the use of unbudgeted CARES Act entitlements, which caused the overall variance of \$362,578. The decrease in expenditures from the prior year and underspending compared to budget, were both due to conservative budgeting and cost-containment measures, along with the delay of some scheduled long-term facilities maintenance projects until the 2021 fiscal year.

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital Assets

Table 6 shows the District's capital assets, together with changes from the previous year. The table also shows the total depreciation expense for fiscal years ended June 30, 2020 and 2019:

Table 6 Capital Assets			
	2020	2019	Change
Land	\$ 349,265	\$ 349,265	\$ —
Construction in process	80,363,921	15,297,653	65,066,268
Land improvements	6,607,884	6,573,702	34,182
Buildings	90,021,281	89,980,021	41,260
Equipment	9,442,831	9,081,873	360,958
Less accumulated depreciation	(65,188,902)	(62,038,650)	(3,150,252)
Total	<u>\$ 121,596,280</u>	<u>\$ 59,243,864</u>	<u>\$ 62,352,416</u>
Depreciation expense	<u>\$ 3,462,203</u>	<u>\$ 3,640,108</u>	<u>\$ (177,905)</u>

The increase in construction in progress reflects the improvement projects activity in the Capital Projects – Building Construction Fund. The increase in equipment is primarily due to a number of SMART Board and kitchen equipment purchases.

Long-Term Liabilities

Table 7 shows the components of the District's long-term liabilities and the change from the prior year:

Table 7 Outstanding Long-Term Liabilities			
	2020	2019	Change
General obligation bonds	\$ 141,475,000	\$ 145,055,000	\$ (3,580,000)
Premiums	4,620,889	5,066,767	(445,878)
Capital leases	1,128,698	2,268,246	(1,139,548)
Net pension liability	41,099,823	39,463,512	1,636,311
Net OPEB liability	8,342,058	9,664,016	(1,321,958)
Compensated absences	481,868	408,993	72,875
Severance benefits	2,054,591	2,159,653	(105,062)
Total	<u>\$ 199,202,927</u>	<u>\$ 204,086,187</u>	<u>\$ (4,883,260)</u>

The decreases in general obligation bonds as shown in Table 7 are due to scheduled principal payments, with no new bonds issued in fiscal 2020. The change in capital leases is based on the planned repayment schedules.

The differences in the net pension liability reflects the change in the District's proportionate share of the state-wide pension obligations for the PERA and the TRA. The change in the net OPEB liability reflects the change in the District's estimated liability for OPEB.

The state limits the amount of general obligation debt the District can issue to 15.0 percent of the market value of all taxable property within the District's corporate limits (see Table 8).

Table 8 Limitations on Debt	
District's market value	\$ 5,294,557,675
Limit rate	<u>15.0%</u>
Legal debt limit	<u><u>\$ 794,183,651</u></u>

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

FACTORS BEARING ON THE DISTRICT'S FUTURE

With the exception of the voter-approved operating referendum, the District is dependent on the state of Minnesota for a majority of its revenue authority. The general education program is the method by which school districts receive the majority of their financial support. This source of funding is primarily state aid and, as such, school districts rely heavily on the state of Minnesota for educational resources. The Legislature has added \$129, or 2 percent, per pupil to the formula for fiscal year 2021.

In November 2017, voters approved authorization to increase the excess operating referendum by \$450, revoking the previous authority of \$964.60, plus inflationary increases, and replacing it with a level \$1,414.60. With the additional funding, the District targeted reducing class sizes, improving course offerings, and stabilizing educational programming beginning in the 2018–2019 school year. In addition, voters approved a bond issue for \$84,615,000 to provide facility improvements focused on deferred maintenance, safety, and improved instructional facilities. This is being combined with \$31,545,000 in School Board-authorized bond projects for indoor air quality improvements as part of a multi-year improvement project. Construction related to the issued bonds in 2018 began in the spring of 2019, and is expected to continue through December 2021.

In August 2016, the District was one of 74 districts in the state to receive funding for a Voluntary Pre-Kindergarten Program. This funding provided the District the opportunity to offer an additional 126 4-year-old students to participate in pre-school programming. Funding for these students is provided as part of the general education student formula allocation. In 2017, the District received approval for an additional 20 students at Richfield Dual Language School, expanding the program to all of the elementary schools in Richfield.

The Voluntary Pre-Kindergarten Program has continued to grow, currently serving 193 students in 2019–2020. Based on state legislation, in the fall of 2021, this funding is anticipated to return to the original level received in 2016–2017, reducing programming in Richfield.

In November 2013, the community approved a renewal and increase to the capital projects referendum that initially provided the District, with approximately \$2.2 million annually over the following 10 years for technology purchases. The District has upgraded its technology infrastructure to provide for a robust Wi-Fi system. The District installed the new system in all seven buildings during the summer of 2015. In the fall of 2018, the District provided increased access by students to technology devices through a program that provides devices at a 1:1 ratio for secondary students and a 2:1 ratio for elementary students. Because this funding is based on the net tax capacity of the District, in 2020, this referendum provided \$3.2 million in funding and is anticipated to continue to increase incrementally, with property value increases during the term of the referendum. This funding is based on the net tax capacity of the District, which has been increasing over the past few years, as a result of the expiration of existing tax increment financing districts, as well as increased redevelopment within the community. This increase in net tax capacity in the District is expected to continue through the term of this referendum, resulting in additional access to financial resources for this capital project.

The District has continued its efforts to develop and implement a more transparent budgeting system, which is aligned with the District's new Strategic Plan and priorities. The District continues to expand its enrichment opportunities for all students and is enhancing its gifted and talented programs, as well as dual-credit programs, which provide opportunities for students to receive college credits while attending Richfield High School. In total, 260 students participated in College in the Schools programming, earning 2,260 credits from the University of Minnesota worth \$1,250,524 in 2019–2020.

The District's community appears to be engaged in a period of redevelopment, which includes factors of increased development and property values, as well as transitions of residential developments. While the long-term net financial impact of this redevelopment is anticipated to be positive, the transitional timeline around this is anticipated to have a mixed impact on district enrollment and resources, which the administration is actively reviewing and accounting for in planning activities.

The COVID-19 pandemic has impacted how the District provides instruction. The District completed the 2019–2020 school year with distance learning. Increased expenditures for personal protective equipment, sanitation supplies, and technology are expected in the upcoming fiscal year.

The amount of funding a district receives is also dependent on the number of students it serves, meaning attracting and retaining students is critical to the District's financial well-being. The COVID-19 pandemic may impact the District's enrollment. Students choosing to enroll in alternative online programs or private school options, and kindergarten families choosing to wait a year, could impact district revenues.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These financial statements are designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about these statements or need additional financial information, contact the Business Office, Independent School District No. 280, 7001 Harriet Avenue South, Richfield, Minnesota 55423.

BASIC FINANCIAL STATEMENTS

INDEPENDENT SCHOOL DISTRICT NO. 280

Statement of Net Position
as of June 30, 2020
(With Partial Comparative Information as of June 30, 2019)

	Governmental Activities	
	2020	2019
Assets		
Cash and temporary investments	\$ 85,650,632	\$ 138,085,216
Receivables		
Current taxes	14,205,334	13,733,426
Delinquent taxes	212,457	219,575
Accounts and interest	1,502,441	1,677,275
Due from fiduciary fund	816,085	498,893
Due from other governmental units	5,243,363	5,504,202
Inventory	35,613	42,778
Prepaid items	17,876	910,597
Capital assets		
Not depreciated	80,713,186	15,646,918
Depreciated, net of accumulated depreciation	40,883,094	43,596,946
Total capital assets, net of accumulated depreciation	121,596,280	59,243,864
Total assets	229,280,081	219,915,826
Deferred outflows of resources		
Pension plan deferments	32,547,496	47,111,706
OPEB Plan deferments	432,669	548,325
Deferred charges on refunding	451,784	519,978
Total deferred outflows of resources	33,431,949	48,180,009
Total assets and deferred outflows of resources	\$ 262,712,030	\$ 268,095,835
Liabilities		
Salaries payable	\$ 335,208	\$ 506,200
Accounts and contracts payable	10,382,385	5,595,468
Accrued interest payable	2,192,130	1,896,159
Due to other governmental units	612,713	986,225
Unearned revenue	955,714	950,949
Claims incurred, but not reported	519,500	508,843
Long-term liabilities		
Due within one year	5,023,641	5,254,544
Due in more than one year	194,179,286	198,831,643
Total long-term liabilities	199,202,927	204,086,187
Total liabilities	214,200,577	214,530,031
Deferred inflows of resources		
Property taxes levied for subsequent year	26,286,641	26,301,162
Pension plan deferments	51,088,679	63,598,941
OPEB Plan deferments	4,553,949	4,232,481
Total deferred inflows of resources	81,929,269	94,132,584
Net position		
Net investment in capital assets	26,263,596	24,223,635
Restricted for		
Capital asset acquisition	8,052,268	5,043,752
Food service	237,508	532,885
Community service	691,075	588,856
Other state restrictions	1,403,622	744,942
Unrestricted	(70,065,885)	(71,700,850)
Total net position	(33,417,816)	(40,566,780)
Total liabilities, deferred inflows of resources, and net position	\$ 262,712,030	\$ 268,095,835

INDEPENDENT SCHOOL DISTRICT NO. 280

Statement of Activities
Year Ended June 30, 2020
(With Partial Comparative Information for the Year Ended June 30, 2019)

Functions/Programs	2020			2019	
	Expenses	Program Revenues		Net (Expense)	Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position	Revenue and Changes in Net Position
				Governmental Activities	Governmental Activities
Governmental activities					
Administration	\$ 2,926,141	\$ 201,276	\$ 50,735	\$ (2,674,130)	\$ (1,600,057)
District support services	2,157,245	—	—	(2,157,245)	(2,038,601)
Elementary and secondary regular instruction	29,846,895	136,189	3,262,610	(26,448,096)	(16,064,030)
Vocational education instruction	466,338	—	11,555	(454,783)	(318,435)
Special education instruction	12,729,667	269,488	6,941,418	(5,518,761)	(908,658)
Instructional support services	3,858,263	—	8,400	(3,849,863)	(2,987,518)
Pupil support services	6,280,289	128,885	330,245	(5,821,159)	(5,421,447)
Sites and buildings	8,695,645	—	—	(8,695,645)	(5,757,551)
Fiscal and other fixed cost programs	271,303	—	—	(271,303)	(223,275)
Food service	2,887,952	346,424	2,322,092	(219,436)	156,072
Community service	1,938,043	410,507	858,739	(668,797)	(194,967)
Unallocated depreciation	—	—	—	—	(3,284,068)
Interest and fiscal charges	5,283,250	—	—	(5,283,250)	(4,687,319)
Total governmental activities	\$ 77,341,031	\$ 1,492,769	\$ 13,785,794	(62,062,468)	(43,329,854)
General revenues					
Taxes					
Property taxes, levied for general purposes				17,990,103	16,566,234
Property taxes, levied for community service				441,383	460,408
Property taxes, levied for debt service				9,222,344	9,477,815
General grants and aids				37,922,927	36,127,245
Other general revenues				671,646	744,563
Gain on sale of capital assets				—	38,588
Investment earnings				2,532,189	3,536,904
Total general revenues				68,780,592	66,951,757
Change in net position				6,718,124	23,621,903
Net position – beginning, as previously reported				(40,566,780)	(64,188,683)
Change in accounting principle				430,840	—
Net position – beginning, as restated				(40,135,940)	(64,188,683)
Net position – ending				\$ (33,417,816)	\$ (40,566,780)

INDEPENDENT SCHOOL DISTRICT NO. 280

Balance Sheet
Governmental Funds
as of June 30, 2020
(With Partial Comparative Information as of June 30, 2019)

	General Fund	Capital Projects – Building Construction Fund	Debt Service Fund
Assets			
Cash and temporary investments	\$ 18,361,630	\$ 52,689,430	\$ 6,288,836
Receivables			
Current taxes	8,953,645	–	5,009,641
Delinquent taxes	139,017	–	69,588
Accounts and interest	213,924	1,278,999	–
Due from other governmental units	4,939,385	–	–
Due from Fiduciary Fund	816,085	–	–
Inventory	15,937	–	–
Prepaid items	17,876	–	–
Total assets	<u>\$ 33,457,499</u>	<u>\$ 53,968,429</u>	<u>\$ 11,368,065</u>
Liabilities			
Salaries payable	\$ 246,576	\$ 324	\$ –
Accounts and contracts payable	311,858	10,037,549	–
Due to other governmental units	601,583	–	–
Unearned revenue	–	–	–
Total liabilities	<u>1,160,017</u>	<u>10,037,873</u>	<u>–</u>
Deferred inflows of resources			
Property taxes levied for subsequent year	16,006,569	–	9,806,268
Unavailable revenue – delinquent taxes	93,162	–	46,678
Total deferred inflows of resources	<u>16,099,731</u>	<u>–</u>	<u>9,852,946</u>
Fund balances (deficit)			
Nonspendable	33,813	–	–
Restricted	3,964,677	43,930,556	1,515,119
Assigned	5,278,307	–	–
Unassigned	6,920,954	–	–
Total fund balances	<u>16,197,751</u>	<u>43,930,556</u>	<u>1,515,119</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 33,457,499</u>	<u>\$ 53,968,429</u>	<u>\$ 11,368,065</u>

Nonmajor Funds	Total Governmental Funds	
	2020	2019
\$ 911,507	\$ 78,251,403	\$ 131,357,670
242,048	14,205,334	13,733,426
3,852	212,457	219,575
27	1,492,950	1,667,951
303,978	5,243,363	5,504,202
—	816,085	498,893
19,676	35,613	42,778
—	17,876	910,597
<u>\$ 1,481,088</u>	<u>\$ 100,275,081</u>	<u>\$ 153,935,092</u>
\$ 88,308	\$ 335,208	\$ 506,200
32,978	10,382,385	5,595,468
11,130	612,713	986,225
34,095	34,095	15,509
<u>166,511</u>	<u>11,364,401</u>	<u>7,103,402</u>
473,804	26,286,641	26,301,162
2,606	142,446	192,675
<u>476,410</u>	<u>26,429,087</u>	<u>26,493,837</u>
19,676	53,489	953,375
906,301	50,316,653	111,513,344
—	5,278,307	3,326,097
(87,810)	6,833,144	4,545,037
<u>838,167</u>	<u>62,481,593</u>	<u>120,337,853</u>
<u>\$ 1,481,088</u>	<u>\$ 100,275,081</u>	<u>\$ 153,935,092</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Reconciliation of the Balance Sheet to the
Statement of Net Position
Governmental Funds
as of June 30, 2020
(With Partial Comparative Information as of June 30, 2019)

	2020	2019
Total fund balances – governmental funds	\$ 62,481,593	\$ 120,337,853
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets are included in net position, but are excluded from fund balances because they do not represent financial resources.		
Cost of capital assets	186,785,182	121,282,514
Accumulated depreciation	(65,188,902)	(62,038,650)
Long-term liabilities are included in net position, but are excluded from fund balances until due and payable. Debt issuance premiums and discounts are excluded from net position until amortized, but are included in fund balances upon issuance.		
General obligation bonds	(141,475,000)	(145,055,000)
Unamortized premium	(4,620,889)	(5,066,767)
Capital leases	(1,128,698)	(2,268,246)
Net pension liability	(41,099,823)	(39,463,512)
Net OPEB liability	(8,342,058)	(9,664,016)
Compensated absences	(481,868)	(408,993)
Severance benefits	(2,054,591)	(2,159,653)
Accrued interest payable on long-term debt is included in net position, but is excluded from fund balances until due and payable.	(2,192,130)	(1,896,159)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	5,967,601	5,292,587
The recognition of certain revenues and expenses/expenditures differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.		
Deferred outflows of resources – pension plan deferments	32,547,496	47,111,706
Deferred outflows of resources – OPEB Plan deferments	432,669	548,325
Deferred outflows of resources – deferred charges on refunding	451,784	519,978
Deferred inflows of resources – pension plan deferments	(51,088,679)	(63,598,941)
Deferred inflows of resources – OPEB Plan deferments	(4,553,949)	(4,232,481)
Deferred inflows of resources – unavailable revenue – delinquent taxes	142,446	192,675
Total net position – governmental activities	<u>\$ (33,417,816)</u>	<u>\$ (40,566,780)</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Statement of Revenue, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2020
(With Partial Comparative Information for the Year Ended June 30, 2019)

	General Fund	Capital Projects – Building Construction Fund	Debt Service Fund
Revenue			
Local sources			
Property taxes	\$ 18,018,703	\$ –	\$ 9,223,845
Investment earnings	273,021	2,084,625	56,981
Other	1,117,353	100,000	–
State sources	45,674,571	–	–
Federal sources	2,834,496	–	–
Total revenue	67,918,144	2,184,625	9,280,826
Expenditures			
Current			
Administration	2,773,580	–	–
District support services	2,214,339	–	–
Elementary and secondary regular instruction	28,172,567	–	–
Vocational education instruction	446,106	–	–
Special education instruction	12,252,919	–	–
Instructional support services	3,983,311	–	–
Pupil support services	6,341,124	–	–
Sites and buildings	5,809,500	–	–
Fiscal and other fixed cost programs	271,303	–	–
Food service	–	–	–
Community service	–	–	–
Capital outlay	–	65,066,268	–
Debt service			
Principal	1,139,548	–	3,580,000
Interest and fiscal charges	55,950	–	5,309,013
Total expenditures	63,460,247	65,066,268	8,889,013
Excess (deficiency) of revenue over expenditures	4,457,897	(62,881,643)	391,813
Other financing sources			
Capital leases	–	–	–
Sale of capital assets	24,300	–	–
Total other financing sources (uses)	24,300	–	–
Net change in fund balances	4,482,197	(62,881,643)	391,813
Fund balances			
Beginning of year, as previously reported	11,284,714	106,812,199	1,123,306
Change in accounting principle	430,840	–	–
Beginning of year, as restated	11,715,554	106,812,199	1,123,306
End of year	\$ 16,197,751	\$ 43,930,556	\$ 1,515,119

See notes to basic financial statements

Nonmajor Funds	Total Governmental Funds	
	2020	2019
\$ 461,511	\$ 27,704,059	\$ 26,426,399
16,462	2,431,089	3,416,548
980,700	2,198,053	2,476,260
1,045,179	46,719,750	47,126,480
2,138,434	4,972,930	4,213,992
<u>4,642,286</u>	<u>84,025,881</u>	<u>83,659,679</u>
—	2,773,580	2,689,891
—	2,214,339	2,138,021
—	28,172,567	29,180,561
—	446,106	473,959
—	12,252,919	12,129,556
—	3,983,311	3,756,365
—	6,341,124	6,313,381
—	5,809,500	6,458,926
—	271,303	223,275
2,932,950	2,932,950	2,725,535
1,941,557	1,941,557	1,888,155
47,338	65,113,606	13,662,970
—	4,719,548	4,857,933
—	5,364,963	5,131,511
<u>4,921,845</u>	<u>142,337,373</u>	<u>91,630,039</u>
(279,559)	(58,311,492)	(7,970,360)
—	—	305,149
92	24,392	89,303
<u>92</u>	<u>24,392</u>	<u>394,452</u>
(279,467)	(58,287,100)	(7,575,908)
1,117,634	120,337,853	127,913,761
—	430,840	—
<u>1,117,634</u>	<u>120,768,693</u>	<u>127,913,761</u>
<u>\$ 838,167</u>	<u>\$ 62,481,593</u>	<u>\$ 120,337,853</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Reconciliation of the Statement of
Revenue, Expenditures, and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
Year Ended June 30, 2020
(With Partial Comparative Information for the Year Ended June 30, 2019)

	2020	2019
Total net change in fund balances – governmental funds	\$ (58,287,100)	\$ (7,575,908)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are recorded as net position and the cost is allocated over their estimated useful lives as depreciation expense. However, fund balances are reduced for the full cost of capital outlays at the time of purchase.		
Capital outlays	65,872,649	14,815,558
Depreciation expense	(3,462,203)	(3,640,108)
A gain or loss on the disposal of capital assets, including the difference between the carrying value and any related sale proceeds, is included in the change in net position. However, only the sale proceeds are included in the change in fund balances.		
	(58,030)	(50,715)
The amount of debt issued is reported in the governmental funds as a source of financing. Debt obligations are not revenues in the Statement of Activities, but rather constitute long-term liabilities.		
	–	(305,149)
Repayment of long-term debt does not affect the change in net position. However, it reduces fund balances. Debt issuance premiums and discounts are included in the change in net position as they are amortized over the life of the debt. However, they are included in the change in fund balances upon issuance.		
General obligation bonds	3,580,000	3,670,000
Unamortized premium	445,878	445,877
Capital leases	1,139,548	1,187,933
Certain expenses are included in the change in net position, but do not require the use of current funds, and are not included in the change in fund balances.		
Net pension liability	(1,636,311)	69,645,247
Net OPEB liability	1,321,958	(550,600)
Compensated absences	(72,875)	19,509
Severance benefits	105,062	17,364
Interest on long-term debt is included in the change in net position as it accrues, regardless of when payment is due. However, it is included in the change in fund balances when due.		
	(295,971)	66,509
Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the Internal Service Fund is included in the governmental activities on the Statement of Activities.		
	675,014	377,955
The recognition of certain revenues and expenses/expenditures differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.		
Deferred outflows of resources – pension plan deferments	(14,564,210)	(15,385,720)
Deferred outflows of resources – OPEB Plan deferments	(115,656)	360,868
Deferred outflows of resources – deferred charges on refunding	(68,194)	(68,194)
Deferred inflows of resources – pension plan deferments	12,510,262	(40,544,703)
Deferred inflows of resources – OPEB Plan deferments	(321,468)	1,058,122
Deferred inflows of resources – unavailable revenue – delinquent taxes	(50,229)	78,058
Change in net position – governmental activities	<u>\$ 6,718,124</u>	<u>\$ 23,621,903</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Statement of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual
General Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
Revenue				
Local sources				
Property taxes	\$ 18,205,157	\$ 18,205,157	\$ 18,018,703	\$ (186,454)
Investment earnings	50,000	175,000	273,021	98,021
Other	1,243,443	1,136,544	1,117,353	(19,191)
State sources	44,607,274	45,707,241	45,674,571	(32,670)
Federal sources	2,517,148	2,331,624	2,834,496	502,872
Total revenue	66,623,022	67,555,566	67,918,144	362,578
Expenditures				
Current				
Administration	2,775,175	2,911,521	2,773,580	(137,941)
District support services	2,048,377	1,979,507	2,214,339	234,832
Elementary and secondary regular instruction	29,381,163	29,470,297	28,172,567	(1,297,730)
Vocational education instruction	452,315	431,526	446,106	14,580
Special education instruction	12,813,521	12,337,814	12,252,919	(84,895)
Instructional support services	4,268,012	4,181,466	3,983,311	(198,155)
Pupil support services	6,347,578	6,407,093	6,341,124	(65,969)
Sites and buildings	6,902,027	6,893,598	5,809,500	(1,084,098)
Fiscal and other fixed cost programs	275,000	232,000	271,303	39,303
Debt service				
Principal	1,095,299	1,095,299	1,139,548	44,249
Interest and fiscal charges	54,204	54,204	55,950	1,746
Total expenditures	66,412,671	65,994,325	63,460,247	(2,534,078)
Excess of revenue over expenditures	210,351	1,561,241	4,457,897	2,896,656
Other financing sources				
Sale of capital assets	20,000	29,200	24,300	(4,900)
Net change in fund balances	\$ 230,351	\$ 1,590,441	4,482,197	\$ 2,891,756
Fund balances				
Beginning of year, as previously reported			11,284,714	
Change in accounting principle			430,840	
Beginning of year, as restated			11,715,554	
End of year			\$ 16,197,751	

INDEPENDENT SCHOOL DISTRICT NO. 280

Statement of Net Position
 Proprietary Fund
 Internal Service Fund
 as of June 30, 2020
 (With Partial Comparative Information as of June 30, 2019)

	<u>2020</u>	<u>2019</u>
Assets		
Current assets		
Cash and temporary investments	\$ 7,399,229	\$ 6,727,546
Receivables		
Accounts	<u>9,491</u>	<u>9,324</u>
Total current assets	<u>7,408,720</u>	<u>6,736,870</u>
Liabilities		
Current liabilities		
Claims payable	519,500	508,843
Unearned revenue	<u>921,619</u>	<u>935,440</u>
Total current liabilities	<u>1,441,119</u>	<u>1,444,283</u>
Net position		
Unrestricted	<u>\$ 5,967,601</u>	<u>\$ 5,292,587</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Statement of Revenue, Expenses, and Changes in Net Position
 Proprietary Fund
 Internal Service Fund
 Year Ended June 30, 2020
 (With Partial Comparative Information for the Year Ended June 30, 2019)

	<u>2020</u>	<u>2019</u>
Operating revenue		
Contributions from governmental funds	\$ 7,621,648	\$ 7,728,687
Operating expenses		
Medical benefit claims	6,590,943	6,941,794
Dental benefit claims	456,791	529,294
Total operating expenses	<u>7,047,734</u>	<u>7,471,088</u>
Operating income	573,914	257,599
Nonoperating revenue		
Investment earnings	<u>101,100</u>	<u>120,356</u>
Change in net position	675,014	377,955
Net position		
Beginning of year	<u>5,292,587</u>	<u>4,914,632</u>
End of year	<u>\$ 5,967,601</u>	<u>\$ 5,292,587</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Statement of Cash Flows
 Proprietary Fund
 Internal Service Fund
 Year Ended June 30, 2020
 (With Partial Comparative Information for the Year Ended June 30, 2019)

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Contributions from governmental funds	\$ 7,607,660	\$ 7,781,927
Payments for medical claims	(6,564,152)	(6,867,447)
Payments for dental claims	(472,925)	(526,660)
Net cash flows from operating activities	<u>570,583</u>	<u>387,820</u>
Cash flows from investing activities		
Investment income received	<u>101,100</u>	<u>120,356</u>
Net change in cash and cash equivalents	671,683	508,176
Cash and cash equivalents		
Beginning of year	<u>6,727,546</u>	<u>6,219,370</u>
End of year	<u><u>\$ 7,399,229</u></u>	<u><u>\$ 6,727,546</u></u>
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$ 573,914	\$ 257,599
Adjustments to reconcile operating income to cash provided by operating activities		
Changes in assets and liabilities		
Accounts receivable	(167)	1,189
Claims payable	10,657	76,981
Unearned revenue	<u>(13,821)</u>	<u>52,051</u>
Net cash flows from operating activities	<u><u>\$ 570,583</u></u>	<u><u>\$ 387,820</u></u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Statement of Fiduciary Net Position
Fiduciary Funds
as of June 30, 2020

	Private-Purpose Trust Fund	Custodial Fund	Post-Employment Benefits Trust Fund
Assets			
Deposits	\$ —	20,953	\$ 2,652,300
Investments held by trustee, at fair value			
State and local obligations	—	—	5,279,280
MNTrust Investment Shares Portfolio	—	—	1,635,285
Accounts and interest receivable	—	—	135,410
Total assets	—	20,953	9,702,275
Liabilities			
Due to district	—	—	816,085
Net position			
Restricted for OPEB and scholarships	\$ —	\$ 20,953	\$ 8,886,190

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2020

	Private-Purpose Trust Fund	Custodial Fund	Post-Employment Benefits Trust Fund
Additions			
Contributions			
Private donations	\$ —	\$ 8,730	\$ —
Investment earnings	—	178	247,052
Total additions	—	8,908	247,052
Deductions			
Benefits	—	—	816,085
Scholarships	—	13,551	—
Total deductions	—	13,551	816,085
Change in net position	—	(4,643)	(569,033)
Net position			
Beginning of year, as previously reported	456,436	—	9,455,223
Change in accounting principle	(456,436)	25,596	—
Beginning of year, as restated	—	25,596	9,455,223
End of year	\$ —	\$ 20,953	\$ 8,886,190

See notes to basic financial statements

INDEPENDENT SCHOOL DISTRICT NO. 280

Notes to Basic Financial Statements June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

Independent School District No. 280 (the District) was formed and operates pursuant to applicable Minnesota laws and statutes. The District is governed by a six-member School Board elected by the voters of the District. The District's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

The accompanying financial statements include all funds, departments, agencies, boards, commissions, and other organizations that comprise the District, along with any component units.

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

C. Government-Wide Financial Statement Presentation

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are generally recognized as revenues in the fiscal year for which they are levied, except for amounts advance recognized in accordance with a statutory tax shift described later in these notes. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For capital assets that can be specifically identified with, or allocated to functional areas, depreciation expense is included as a direct expense in the functional areas that utilize the related capital assets. For capital assets that essentially serve all functional areas, depreciation expense is reported as “unallocated depreciation.” The District began allocating all depreciation to the programs in fiscal 2020. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Fund Financial Statement Presentation

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

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

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

Internal service funds are presented in the proprietary fund financial statements. Internal service funds account for the financing of goods or services provided by one department to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. Because the principal users of the internal services are the District’s governmental activities, the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

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

Fiduciary funds, such as Custodial and Post-Employment Benefits Trust Funds, are presented in the fiduciary fund financial statements by type. Since, by definition, fiduciary fund assets are being held for the benefit of a third party and cannot be used for activities or obligations of the District, these funds are excluded from the government-wide financial statements.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Description of Funds

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

Major Governmental Funds

General Fund – The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

Capital Projects – Building Construction Fund – The Capital Projects – Building Construction Fund is used to account for financial resources used for the acquisition or construction of major capital facilities authorized by bond issue or the long-term facilities maintenance program.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general obligation debt principal, interest, and related costs.

Nonmajor Governmental Funds

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

Community Service Special Revenue Fund – The Community Service Special Revenue Fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, adult or early childhood programs, or other similar services.

Proprietary Funds

Internal Service Funds – The District has established internal service funds to account for medical and dental benefits provided to employees as self-insured plans.

Fiduciary Funds

Private-Purpose Trust Fund – The Private-Purpose Trust Fund was used to account for scholarship activity in previous years, which was moved to the General Fund and Custodial Fund through a change in accounting principle in the current year.

Custodial Fund – The Custodial Fund is used to account for scholarship activity administered by outside parties.

Post-Employment Benefits Trust Fund – The Post-Employment Benefits Trust Fund is used to administer assets held in an irrevocable trust to fund other post-employment benefits (OPEB) for eligible employees.

E. Budgetary Information

The School Board adopts an annual budget for all governmental funds on the same basis of accounting as the fund financial statements. Legal budgetary control is at the fund level. Budgeted expenditure appropriations lapse at year-end. Expenditures for the current year exceeded budget in the Food Service Special Revenue expenditures by \$141,502, the Building Construction Fund by \$12,027,238, and the Debt Service Fund by \$975.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash and Temporary Investments

Cash and temporary investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund. Bond proceeds recorded in the Capital Projects – Building Construction Fund are not pooled, and earnings on these proceeds are allocated directly to the fund.

Cash and investments held by trustee include balances held in segregated accounts established for specific purposes. In the Post-Employment Benefits Trust Fund, these assets represent amounts contributed to an irrevocable trust established to finance the District's liability for post-employment insurance benefits. Earnings from all trust fund investments are allocated directly to the respective funds.

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

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

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

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

G. Receivables

When necessary, the District utilizes an allowance for uncollectible accounts to value its receivables. However, the District considers all of its current receivables to be collectible. The only receivables not expected to be fully collected within one year are property taxes receivable.

H. Inventories

Inventories are recorded using the consumption method of accounting and consist of purchased food, supplies, and surplus commodities received from the federal government. Food and supply purchases are recorded at invoice cost, computed on a first-in, first-out basis. Surplus commodities are stated at standardized costs, as determined by the U.S. Department of Agriculture.

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are recorded as expenditures/expenses when consumed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Property Taxes

The majority of district revenue is determined annually by statutory funding formulas. The total revenue allowed by these formulas is allocated between property taxes and state aids by the Minnesota Legislature based on education funding priorities.

Generally, property taxes are recognized as revenue by the District in the fiscal year that begins midway through the calendar year in which the tax levy is collectible. To help balance the state budget, the Minnesota Legislature utilizes a tool referred to as the “tax shift,” which periodically changes the District’s recognition of property tax revenue. The tax shift advance recognizes cash collected for the subsequent year’s levy as current year revenue, allowing the state to reduce the amount of aid paid to the District. Currently, the mandated tax shift recognizes \$1,418,693 of the property tax levy collectible in 2020 as revenue to the District in fiscal year 2019–2020. The remaining portion of the taxes collectible in 2020 is recorded as a deferred inflow of resources (property taxes levied for subsequent year).

Property tax levies are certified to the County Auditor in December of each year for collection from taxpayers in May and October of the following calendar year. In Minnesota, counties act as collection agents for all property taxes. The county spreads all levies over taxable property. Such taxes become a lien on property on the following January 1. The county generally remits taxes to the District at periodic intervals as they are collected.

Taxes which remain unpaid are classified as delinquent taxes receivable. Revenue from these delinquent property taxes that is not collected within 60 days of year-end is reported as a deferred inflow of resources (unavailable revenue) in the fund financial statements because it is not known to be available to finance the operations of the District in the current year.

K. Capital Assets

Capital assets are capitalized at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. Generally, the District defines capital assets as those with an initial, individual cost of \$3,000 or more, which benefit more than one fiscal year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since assets are generally sold for an immaterial amount or scrapped when declared as no longer fit or needed for public school purposes by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment. Land and construction in progress are not depreciated.

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

L. Interfund Balances

At June 30, 2020, the General Fund had a receivable of \$816,085 due from the Post-Employment Benefits Trust Fund to reimburse OPEB costs paid from the General Fund.

Interfund balances reported in the fund financial statements are eliminated to the extent possible in the government-wide financial statements. However, balances due between the governmental funds and fiduciary funds are not eliminated.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums or discounts on debt issuances are reported as other financing sources or uses, respectively.

N. Compensated Absences

Eligible employees accrue vacation and sick leave at varying rates as specified by contract, portions of which may be carried over to future years. Employees are reimbursed for any unused accrued vacation upon termination. Unused sick leave enters into the calculation of severance benefits for some employees upon termination. Compensated absences are accrued in the governmental fund financial statements only to the extent they have been used or otherwise matured prior to year-end. Unused vacation is accrued as it is earned in the government-wide financial statements.

O. Severance Benefits

The District provides lump sum severance benefits to eligible employees in accordance with provisions of certain collectively bargained contracts, calculated by converting a portion of an eligible employee's unused accumulated sick leave. Eligibility for these benefits is based on years of service and/or minimum age requirements. No individual can receive severance benefits that exceed one year's salary.

Severance pay based on convertible sick leave is recorded as a liability in the government-wide financial statements as it is earned and it becomes probable that it will vest at some point in the future. Severance pay is accrued in the governmental fund financial statements as the liability matures prior to year-end.

P. State-Wide Pension Plans

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

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

The PERA has a special funding situation created by a direct aid contribution made by the state of Minnesota. The direct aid is a result of the merger of the Minneapolis Employees Retirement Fund into the PERA on January 1, 2015.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Other Post-Employment Benefits (OPEB) Plan

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan and additions to/deductions from the District's fiduciary net position have been determined on the same basis as they are reported by the District. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and certain investments that have a maturity at the time of purchase of one year or less, which are reported at amortized cost.

R. Deferred Outflows/Inflows of Resources

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

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

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

Property taxes levied for subsequent years, which represents property taxes received or reported as a receivable before the period for which the taxes are levied, are reported as a deferred inflow of resources in both the government-wide Statement of Net Position and the governmental funds Balance Sheet. Property taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied, and in the governmental fund financial statements during the year for which they are levied, if available.

Unavailable revenue from property taxes arises under a modified accrual basis of accounting and is reported only in the governmental funds Balance Sheet. Delinquent property taxes not collected within 60 days of year-end are deferred and recognized as an inflow of resources in the governmental funds in the period the amounts become available.

S. Use of Estimates

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Risk Management

- 1. General Insurance** – The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for which it carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reductions in the District's insurance coverage in the current fiscal year.
- 2. Self-Insurance** – The District has established internal service funds to account for and finance its uninsured risk of loss for its employee medical and dental insurance plans. Under these plans, the internal service funds provide coverage to participating employees and their dependents for various healthcare and dental costs as described in the plans. The District makes premium payments to the internal service funds on behalf of program participants based on provisional rates determined by insurance company estimates of monthly claims paid for each coverage class, plus the stop-loss health and dental insurance premium costs and administrative service charges.

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

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

Fiscal Year Ended June 30,	Claims Payable Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Claims Payable End of Year
2019	\$ 402,200	\$ 6,941,794	\$ 6,867,447	\$ 476,547
2020	\$ 476,547	\$ 6,590,943	\$ 6,564,152	\$ 503,338

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

Fiscal Year Ended June 30,	Claims Payable Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Claims Payable End of Year
2019	\$ 29,662	\$ 529,294	\$ 526,660	\$ 32,296
2020	\$ 32,296	\$ 456,791	\$ 472,925	\$ 16,162

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Net Position

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

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

The District applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

V. Fund Balance Classifications

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

W. Prior Period Comparative Financial Information/Reclassification

The basic financial statements include certain prior year partial comparative information in total, but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2019, from which the summarized information was derived. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

X. Change in Accounting Principle

During the year ended June 30, 2020, the District adopted new accounting guidance by implementing the provisions of GASB Statement No. 84, *Fiduciary Activities*, which establishes new criteria for identifying and reporting fiduciary activities. The implementation of this statement resulted in changing the presentation of certain scholarship activity previously reported in a Private-Purpose Trust (Fiduciary) Fund, to being reported either within the District's General Fund and governmental activities, or in a Custodial (Fiduciary) Fund. The standard required retroactive implementation, which resulted in an increase of \$430,840 to the beginning fund balance of the General Fund and beginning net position of governmental activities, an increase of \$25,596 to the beginning net position of the Custodial Fund, and a decrease in the beginning net position of the previously reported Private-Purpose Trust Fund of \$456,436.

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Components of Cash and Investments

Cash and investments at year-end consist of the following:

Deposits	\$ 40,025,639
Investments	55,212,461
Cash on hand	<u>350</u>
Total	<u><u>\$ 95,238,450</u></u>

Cash and investments are presented in the financial statements as follows:

Government-Wide Statement of Net Position	
Cash and temporary investments	\$ 85,650,632
Statement of Fiduciary Net Position	
Custodial Fund	20,953
Post-Employment Benefits Trust Fund	<u>9,566,865</u>
Total	<u><u>\$ 95,238,450</u></u>

B. Deposits

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

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

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

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

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

At year-end, the carrying amount of the District’s deposits was \$40,025,639, while the balance on the bank records was \$40,022,661. At June 30, 2020, all deposits were fully covered by federal deposit insurance, surety bonds, or by collateral held by the District’s agent in the District’s name.

C. Investments

The District has the following investments at year-end:

Investment Type	Credit Risk		Fair Value Measurements Using	Investment Risk – Maturity Duration in Years		Total
	Rating	Agency		Less Than 1	1 to 5	
State and local bonds	AAA	S&P	Level 2	\$ 760,445	\$ 792,453	\$ 1,552,898
State and local bonds	AA	S&P	Level 2	\$ 5,710,451	\$ 1,602,027	7,312,478
State and local bonds	Aa	Moody’s	Level 2	\$ 1,916,923	\$ 2,078,602	3,995,525
State and local bonds	A	Moody’s	Level 2	\$ –	\$ 310,497	310,497
State and local bonds	AA	Fitch	Level 2	\$ –	\$ 358,005	358,005
Negotiable certificates of deposit	Not rated		Level 2	\$ 493,305	\$ 160,000	653,305
U.S. agency securities	AA	S&P	Level 2	\$ –	\$ 2,022,120	2,022,120
U.S. treasuries	AA	S&P	Level 2	\$ 2,030,685	\$ 510,606	2,541,291
Investment pools/mutual funds						
MSDLAF Liquid Class	AAA	S&P	Not applicable	No maturity date		68,170
MNTrust Investment Shares Portfolio	AAA	S&P	Not applicable	No maturity date		22,398,172
MNTrust Term Series	Not rated		Not applicable	\$ 14,000,000	\$ –	14,000,000
Total investments						<u>\$ 55,212,461</u>

The Minnesota School District Liquid Asset Fund (MSDLAF), Minnesota Trust (MNTrust) Investment Shares Portfolio, and MNTrust Term Series are external investment pools regulated by Minnesota Statutes not registered with the Securities and Exchange Commission (SEC) that follow the regulatory rules of the SEC. The District’s investment in these pools is measured at the net asset value per share provided by the pool, which is based on an amortized cost method that approximates fair value. For these investment pools there are no unfunded commitments, redemption frequency is daily, and there is no redemption notice, with the exception of the MNTrust Term Series, which has a seven-day redemption notice requirement.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

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

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

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the District's investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated "A" or better; revenue obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000; that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; or certain Minnesota securities broker-dealers. For assets held in the Post-Employment Benefits Trust Fund, the investment options available to the District are expanded to include the investment types specified in Minnesota Statutes § 356A.06, Subd. 7. The District's investment policies do not further restrict investing in specific financial instruments.

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

Concentration Risk – This is the risk associated with investing a significant portion of the District's investments (considered 5.0 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The District's investment policy limits the percentage of its total portfolio invested in certain instruments as follows: bankers' acceptances (25.0 percent), commercial paper (85.0 percent), repurchase agreements (25.0 percent), certificates of deposit (50.0 percent from commercial banks and 50.0 percent from savings and loan associations), and local government investment pools (75.0 percent).

NOTE 3 – CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2020 is as follows:

	Balance – Beginning of Year	Additions	Deletions	Balance – End of Year
Capital assets, not depreciated				
Land	\$ 349,265	\$ –	\$ –	\$ 349,265
Construction in progress	15,297,653	65,066,268	–	80,363,921
Total capital assets, not depreciated	15,646,918	65,066,268	–	80,713,186
Capital assets, depreciated				
Land improvements	6,573,702	34,182	–	6,607,884
Buildings	89,980,021	41,260	–	90,021,281
Equipment	9,081,873	730,939	(369,981)	9,442,831
Total capital assets, depreciated	105,635,596	806,381	(369,981)	106,071,996
Less accumulated depreciation for				
Land improvements	(4,380,888)	(343,160)	–	(4,724,048)
Buildings	(51,486,989)	(2,572,595)	–	(54,059,584)
Equipment	(6,170,773)	(546,448)	311,951	(6,405,270)
Total accumulated depreciation	(62,038,650)	(3,462,203)	311,951	(65,188,902)
Net capital assets, depreciated	43,596,946	(2,655,822)	(58,030)	40,883,094
Total capital assets, net	\$ 59,243,864	\$ 62,410,446	\$ (58,030)	\$ 121,596,280

Depreciation expense was charged to the following governmental functions:

Administration	\$ 393
District support services	1,058
Elementary and secondary regular instruction	11,724
Vocational education instruction	120
Special education instruction	8,046
Instructional support services	5,905
Pupil support services	161,814
Sites and buildings	3,240,616
Food service	32,527
Total depreciation expense	\$ 3,462,203

NOTE 4 – LONG-TERM LIABILITIES

A. General Obligation Bonds

The District currently has the following general obligation bonds outstanding:

Issue	Issue Date	Interest Rate	Face/Par Value	Final Maturity	Principal Outstanding
2013A Refunding Bonds	11/14/2013	3.00–4.00%	\$ 16,765,000	02/01/2025	\$ 3,870,000
2016A Refunding Bonds	01/13/2016	2.00–5.00%	\$ 4,880,000	02/01/2025	4,150,000
2017A Taxable OPEB Refunding Bonds	02/09/2017	3.00%	\$ 14,290,000	02/01/2027	13,210,000
2017B Alternative Facilities Refunding Bonds	02/09/2017	3.00%	\$ 6,130,000	02/01/2025	5,185,000
2018A School Building Bonds	03/01/2018	3.50–5.00%	\$ 84,615,000	02/01/2043	83,515,000
2018B Facilities Maintenance Bonds	03/01/2018	2.00–5.00%	\$ 31,545,000	02/01/2036	31,545,000
Total general obligation bonds					<u>\$ 141,475,000</u>

These bonds were issued to finance the acquisition or construction of capital facilities, to finance the retirement (refunding) of prior general obligation bond issues, to finance OPEB, or to finance the retirement (refunding) of prior bond issues. Assets of the Debt Service Fund, together with future ad valorem tax levies, are dedicated for the retirement of these bonds. Future annual debt service levies authorized are equal to 105 percent of the principal and interest due each year. These levies are subject to reduction if fund balance amounts exceed limitations imposed by Minnesota law.

B. Capital Leases

The District has entered into a number of capital leases for the purchase of various capital assets. At the end of each agreement, the District owns the assets or has the right to purchase them for \$1. If the values of the individual assets acquired through the lease agreements exceed the District's capitalization threshold, the assets are reported in equipment at the values noted below, and the amortization of the lease cost is included in depreciation. All lease agreements are being paid by the General Fund. Capital lease agreements outstanding at year-end are as follows:

Asset Leased	Asset Value Capitalized	Interest Rate	Lease Date	Final Maturity	Principal Outstanding
Buses, computers, and energy improvements	\$ 1,234,000	4.86%	07/16/2007	07/16/2021	\$ 133,614
Solar panels – Middle School	\$ 33,490	4.00%	09/01/2012	09/01/2022	8,857
Solar panels – High School	\$ 33,600	4.00%	11/01/2012	11/01/2022	9,502
Solar panels – STEM School	\$ 34,220	4.00%	08/01/2013	08/01/2023	11,250
Buses	\$ 266,862	1.91%	07/01/2013	07/01/2020	40,189
Buses	\$ 197,094	2.11%	07/01/2014	07/01/2021	59,276
Buses	\$ 197,022	2.19%	07/15/2015	07/15/2022	43,075
Buses	\$ 314,901	2.29%	07/12/2016	07/12/2023	193,114
Buses	\$ 503,592	1.65%	11/01/2017	07/01/2025	363,601
Buses	\$ 305,149	3.75%	07/15/2018	07/15/2025	266,220
Total capital leases					<u>\$ 1,128,698</u>

NOTE 4 – LONG-TERM LIABILITIES (CONTINUED)

C. Other Long-Term Liabilities

The District offers various benefits to its employees, including severance benefits, compensated absences, pension benefits, and OPEB. The details of these various benefit liabilities are discussed elsewhere in these notes. Such benefits are paid from the General Fund and the Food Service and Community Service Special Revenue Funds.

District employees participate in three defined benefit pension plans, including two state-wide, cost-sharing, multiple-employer plans administered by the PERA and the TRA, and a single-employer plan administered by the District. The following is a summary of the pension liabilities, deferred outflows and inflows of resources, and pension expense reported for these plans in the current year:

Pension Plans	Net/Total Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
State-wide, multiple-employer – PERA	\$ 7,491,491	\$ 1,167,668	\$ 1,389,087	\$ 820,813
State-wide, multiple-employer – TRA	32,265,294	31,360,117	48,990,263	6,127,703
Single-employer – District	1,343,038	19,711	709,329	97,252
Total	<u>\$ 41,099,823</u>	<u>\$ 32,547,496</u>	<u>\$ 51,088,679</u>	<u>\$ 7,045,768</u>

D. Minimum Debt Payments

Future principal and interest payments for general obligation bonds and capital leases are as follows:

Year Ending June 30,	General Obligation Bonds		Capital Leases	
	Principal	Interest	Principal	Interest
2021	\$ 4,075,000	\$ 5,187,288	\$ 317,413	\$ 31,044
2022	4,235,000	5,042,588	299,546	21,794
2023	4,385,000	4,892,037	171,589	12,955
2024	4,520,000	4,761,187	169,683	8,873
2025	4,640,000	4,634,188	121,916	4,815
2026–2030	26,730,000	20,312,188	48,551	1,821
2031–2035	32,355,000	14,799,175	–	–
2036–2040	35,935,000	8,553,012	–	–
2041–2043	24,600,000	1,741,775	–	–
	<u>\$ 141,475,000</u>	<u>\$ 69,923,438</u>	<u>\$ 1,128,698</u>	<u>\$ 81,302</u>

E. Changes in Long-Term Liabilities

	June 30, 2019	Additions	Retirements	June 30, 2020	Due Within One Year
General obligation bonds	\$ 145,055,000	\$ –	\$ 3,580,000	\$ 141,475,000	\$ 4,075,000
Premiums	5,066,767	–	445,878	4,620,889	–
Capital leases	2,268,246	–	1,139,548	1,128,698	317,413
Net pension liability	39,463,512	4,887,490	3,251,179	41,099,823	–
Net OPEB liability	9,664,016	207,918	1,529,876	8,342,058	–
Compensated absences	408,993	481,868	408,993	481,868	481,868
Severance benefits	2,159,653	131,891	236,953	2,054,591	149,360
	<u>\$ 204,086,187</u>	<u>\$ 5,709,167</u>	<u>\$ 10,592,427</u>	<u>\$ 199,202,927</u>	<u>\$ 5,023,641</u>

NOTE 5 – FUND BALANCES

The following is a breakdown of equity components of governmental funds defined earlier in this report. Any such restrictions, which have an accumulated deficit balance at June 30, are included in unassigned fund balance in the District's financial statements in accordance with accounting principles generally accepted in the United States of America. However, a description of these deficit balance restrictions is included herein since the District has specific authority to use future resources for such deficits.

A. Classifications

At June 30, 2020, a summary of the District's governmental fund balance classifications are as follows:

	General Fund	Capital Projects – Building Construction Fund	Debt Service Fund	Nonmajor Funds	Total
Nonspendable					
Inventory	\$ 15,937	\$ –	\$ –	\$ 19,676	\$ 35,613
Prepays	17,876	–	–	–	17,876
Total nonspendable	33,813	–	–	19,676	53,489
Restricted					
Student activities	85,533	–	–	–	85,533
Scholarships	434,691	–	–	–	434,691
Capital projects levy	81,208	–	–	–	81,208
Operating capital	887,203	–	–	–	887,203
Area learning center	108,151	–	–	–	108,151
Achievement and integration	39,185	–	–	–	39,185
Basic skills extended time	558,710	–	–	–	558,710
Long-term facilities maintenance	1,592,644	11,186,480	–	–	12,779,124
Medical Assistance	177,352	–	–	–	177,352
Food service	–	–	–	217,832	217,832
Early childhood family education	–	–	–	201,523	201,523
School readiness	–	–	–	395,272	395,272
Community service	–	–	–	91,674	91,674
Capital projects	–	32,744,076	–	–	32,744,076
Debt service	–	–	1,515,119	–	1,515,119
Total restricted	3,964,677	43,930,556	1,515,119	906,301	50,316,653
Assigned					
Third party special education	335,054	–	–	–	335,054
Synthetic turf	362,271	–	–	–	362,271
Carryover spending	258,424	–	–	–	258,424
School specific carryover	141,501	–	–	–	141,501
Program initiative	905,027	–	–	–	905,027
Enrollment	600,000	–	–	–	600,000
Future retirement	638,422	–	–	–	638,422
COVID-19	499,303	–	–	–	499,303
Subsequent year budget	1,538,305	–	–	–	1,538,305
Total assigned	5,278,307	–	–	–	5,278,307
Unassigned					
Community education restricted account deficit	–	–	–	(87,810)	(87,810)
General Fund	6,920,954	–	–	–	6,920,954
Total unassigned	6,920,954	–	–	(87,810)	6,833,144
Total	<u>\$ 16,197,751</u>	<u>\$ 43,930,556</u>	<u>\$ 1,515,119</u>	<u>\$ 838,167</u>	<u>\$ 62,481,593</u>

B. Minimum Unassigned Fund Balance Policy

The School Board has formally adopted a fund balance policy that establishes a desired unassigned General Fund balance goal of between 4–8 percent of annual projected expenditures.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE

A. Plan Descriptions

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

1. General Employees Retirement Fund (GERF)

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

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

2. Teachers Retirement Association (TRA)

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

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

B. Benefits Provided

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

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

1. GERF Benefits

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

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

Annuities, disability benefits, and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the post-retirement increase will be equal to 50.0 percent of the cost of living adjustment announced by the Social Security Administration, with the minimum increase of at least 1.0 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase, will receive the full increase. For recipients receiving the annuity or benefit at least one month but less than a full year as of the June 30 before the effective date of the increase, will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under the Rule of 90 are exempt from the delay to normal retirement.

2. TRA Benefits

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

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

Tier I Benefits

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

With these provisions:

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

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

Tier II Benefits

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

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

Six different types of annuities are available to members upon retirement. The No Refund Life Plan is a lifetime annuity that ceases upon the death of the retiree—no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans that have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is eligible for a refund of their employee contributions plus interest.

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

C. Contributions

Minnesota Statutes set the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

1. GERF Contributions

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Coordinated Plan members were required to contribute 6.5 percent of their annual covered salary in fiscal year 2020 and the District was required to contribute 7.5 percent for Coordinated Plan members. The District's contributions to the GERF for the year ended June 30, 2020, were \$729,901. The District's contributions were equal to the required contributions as set by state statutes.

2. TRA Contributions

Minnesota Statutes, Chapter 354 sets the rates for employer and employee contributions. Rates for each fiscal year were:

	Year Ended June 30,					
	2018		2019		2020	
	Employee	Employer	Employee	Employer	Employee	Employer
Basic Plan	11.00 %	11.50 %	11.00 %	11.71 %	11.00 %	11.92 %
Coordinated Plan	7.50 %	7.50 %	7.50 %	7.71 %	7.50 %	7.92 %

The District's contributions to the TRA for the plan's fiscal year ended June 30, 2020, were \$2,236,945. The District's contributions were equal to the required contributions for each year as set by state statutes.

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

The following is a reconciliation of employer contributions in the TRA’s Comprehensive Annual Financial Report (CAFR) Statement of Changes in Fiduciary Net Position to the employer contributions used in the Schedule of Employer and Nonemployer Pension Allocations:

	<i>in thousands</i>
Employer contributions reported in the TRA’s CAFR Statement of Changes in Fiduciary Net Position	\$ 403,300
Add employer contributions not related to future contribution efforts	(688)
Deduct the TRA’s contributions not included in allocation	<u>(486)</u>
Total employer contributions	402,126
Total nonemployer contributions	<u>35,588</u>
Total contributions reported in the Schedule of Employer and Nonemployer Pension Allocations	<u>\$ 437,714</u>

Amounts reported in the allocation schedules may not precisely agree with financial statement amounts or actuarial valuations, due to the number of decimal places used in the allocations. The TRA has rounded percentage amounts to the nearest ten thousandths.

D. Pension Costs

1. GERS Pension Costs

At June 30, 2020, the District reported a liability of \$7,491,491 for its proportionate share of the GERS’s net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportion of the net pension liability was based on the District’s contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2018, through June 30, 2019, relative to the total employer contributions received from all of the PERA’s participating employers. The District’s proportionate share was 0.1355 percent at the end of the measurement period and 0.1330 percent for the beginning of the period.

The District’s net pension liability reflected a reduction, due to the state of Minnesota’s contribution of \$16.0 million. The state of Minnesota is considered a non-employer contributing entity and the state’s contribution meets the definition of a special funding situation. The amounts recognized by the District as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the District were as follows:

District’s proportionate share of the net pension liability	\$ 7,491,491
State’s proportionate share of the net pension liability associated with the District	\$ 232,823

For the year ended June 30, 2020, the District recognized pension expense of \$803,377 for its proportionate share of the GERS’s pension expense. In addition, the District recognized an additional \$17,436 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota’s contribution of \$16.0 million to the GERS.

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

At June 30, 2020, the District reported its proportionate share of the GERF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 202,879	\$ –
Changes in actuarial assumptions	–	571,477
Difference between projected and actual investment earnings	–	720,176
Changes in proportion	234,888	97,434
District's contributions to the GERF subsequent to the measurement date	729,901	–
Total	<u>\$ 1,167,668</u>	<u>\$ 1,389,087</u>

A total of \$729,901 reported as deferred outflows of resources related to pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to the GERF pensions will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2021	\$ (370,434)
2022	\$ (480,550)
2023	\$ (112,408)
2024	\$ 12,072

2. TRA Pension Costs

At June 30, 2020, the District reported a liability of \$32,265,294 for its proportionate share of the TRA's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to the TRA in relation to total system contributions, including direct aid from the state of Minnesota, City of Minneapolis, and Special School District No. 1, Minneapolis Public Schools. The District's proportionate share was 0.5062 percent at the end of the measurement period and 0.4863 percent for the beginning of the period.

The pension liability amount reflected a reduction, due to direct aid provided to the TRA. The amount recognized by the District as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 32,265,294
State's proportionate share of the net pension liability associated with the District	\$ 2,855,396

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

For the year ended June 30, 2020, the District recognized pension expense of \$5,910,659. It also recognized \$217,044 as an increase to pension expense (and grant revenue) for the support provided by direct aid.

At June 30, 2020, the District reported its proportionate share of the TRA's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ –	\$ 774,491
Changes in actuarial assumptions	27,601,138	41,321,023
Difference between projected and actual investment earnings	–	2,508,456
Changes in proportion	1,522,034	4,386,293
District's contributions to the TRA subsequent to the measurement date	2,236,945	–
Total	<u>\$ 31,360,117</u>	<u>\$ 48,990,263</u>

A total of \$2,236,945 reported as deferred outflows of resources related to pensions resulting from district contributions to the TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to the TRA pensions will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2021	\$ 1,503,863
2022	\$ (186,662)
2023	\$ (12,890,249)
2024	\$ (8,442,546)
2025	\$ 148,503

E. Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Assumptions	GERF	TRA
Inflation	2.50%	2.50%
Wage growth rate		2.85% for 10 years, and 3.25% thereafter
Active member payroll	3.25%	2.85% to 8.85% for 10 years, and 3.25% to 9.25% thereafter
Investment rate of return	7.50%	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on RP-2014 tables for males or females, as appropriate, with slight adjustments. Cost of living benefit increases after retirement for retirees are assumed to be 1.25 percent per year for the GERF and 1.00 percent for January 2019 through January 2023, then increasing by 0.10 percent each year, up to 1.50 percent annually for the TRA.

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

Actuarial assumptions used in the June 30, 2019 valuations were based on the results of actuarial experience studies. The most recent four-year experience study in the GERP plan was completed in 2019. Economic assumptions were updated in 2018, based on a review of inflation and investment return assumptions. The most recent experience study in the TRA plan was completed in 2015, with economic assumptions updated in 2017.

The following changes in actuarial assumptions and plan provisions occurred in 2019:

1. GERP

CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2017 to MP-2018.

CHANGES IN PLAN PROVISIONS

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2. TRA

CHANGES IN ACTUARIAL ASSUMPTIONS

- None.

The Minnesota State Board of Investment, which manages the investments of the PERA and the TRA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages.

The target allocation and best-estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	35.50 %	5.10 %
Private markets	25.00	5.90 %
Fixed income	20.00	0.75 %
International equity	17.50	5.30/5.90 %
Cash equivalents	2.00	– %
Total	100.00 %	

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

F. Discount Rate

1. GERF

The discount rate used to measure the total pension liability in 2019 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the GERF was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

2. TRA

The discount rate used to measure the total pension liability was 7.50 percent. There was no change since the prior measurement. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2019 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate.

G. Pension Liability Sensitivity

The following table presents the District's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
GERF discount rate	6.50%	7.50%	8.50%
District's proportionate share of the GERF net pension liability	\$ 12,315,609	\$ 7,491,491	\$ 3,508,224
TRA discount rate	6.50%	7.50%	8.50%
District's proportionate share of the TRA net pension liability	\$ 51,438,768	\$ 32,265,294	\$ 16,457,048

H. Pension Plan Fiduciary Net Position

Detailed information about the GERF's fiduciary net position is available in a separately issued PERA financial report. That report may be obtained on the PERA's website at www.mnpera.org; by writing to the PERA at 60 Empire Drive, Suite 200, St. Paul, Minnesota 55103; or by calling (651) 296-7460 or (800) 652-9026.

Detailed information about the TRA's fiduciary net position is available in a separately issued TRA financial report. That report can be obtained on the TRA website at www.minnesotatra.org; by writing to the TRA at 60 Empire Drive, Suite 400, St. Paul, Minnesota 55103; or by calling (651) 296-2409 or (800) 657-3669.

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

I. Subsequent Events and the COVID-19 Pandemic Subsequent to Year-End

The United States and global markets experienced declines in values, resulting from uncertainty caused by COVID-19. The resulting declines are expected to have a negative impact on the PERA's and the TRA's discount rate, as well as the value of each plan's investments. Any impact caused by the resulting declines have not been included in the schedules as of June 30, 2019.

NOTE 7 – DEFINED BENEFIT PENSION PLAN – DISTRICT

A. Plan Description

The District provides pension benefits to certain eligible employees through its Pension Benefits Plan, a single-employer defined benefit plan administered by the District. All pension benefits are based on contractual agreements with employee groups, with eligibility based on years of service and/or minimum age requirements. These contractual agreements do not include any specific contribution or funding requirements. The plan does not issue a publicly available financial report. These benefits are as follows:

Teacher Pension Benefits – For eligible teachers (with at least 15 years of continuous service and at least 55 years of age), the District pays a lump sum pension benefit that ranges from \$7,500 to \$10,000, based on years of service at retirement. Eligible teachers can earn an additional lump sum benefit of \$5,000 if they have unused sick leave of more than 150 days at retirement.

Other Pension Benefits – The District offers pension benefits to several other employee groups. Eligible employees (with at least 15 years of continuous service and at least 55 years of age) can earn a lump sum pension benefit that differs by bargaining unit, ranging from \$3,500 up to 50 percent of their annual salary.

B. Contributions and Funding Policy

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the District. The District's pay-as-you-go contributions for the benefits described above were \$152,476 during the current year. The District has not established a trust fund to finance these pension benefits.

C. Membership

Membership in the plan consisted of the following as of the latest actuarial valuation:

Active plan members	<u><u>627</u></u>
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D. Actuarial Methods and Assumptions

The total pension liability was determined by an actuarial valuation date of July 1, 2019 and a measurement date as of June 30, 2020, using the entry-age method, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.40%
20-year municipal bond yield	2.40%
Inflation rate	2.50%
Salary increases	Service graded table

NOTE 7 – DEFINED BENEFIT PENSION PLAN – DISTRICT (CONTINUED)

Mortality rates were based on the PUB-2010 Public Retirement Plans Headcount-Weighted Mortality Tables with MP-2018 Generational Improvement Scale. The actuarial assumptions used in the latest valuation were based on those used to value pension liabilities for Minnesota school district employees. The state pension plans base their assumptions on periodic experience studies.

Assumption changes since the prior measurement date include:

- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2016 Generational Improvement Scale to the PUB-2010 Public Retirement Plans Headcount-Weighted Mortality Tables with MP-2018 Generational Improvement Scale.
- The salary increase rates were changed from a flat 3.00 percent per year for all employees, to rates which vary by service and contract group.
- The discount rate was changed from 3.10 percent to 2.40 percent.

E. Discount Rate

The discount rate used to measure the pension liability was 2.40 percent. Since the plan is not funded, the discount rate is equal to the 20-year municipal bond rate, which was set by considering published rate information for 20-year high quality, tax-exempt, general obligation municipal bonds as of the measurement date.

F. Changes in the Total Pension Liability

	<u>Total Pension Liability</u>
Beginning balance – July 1, 2019	\$ 1,541,025
Changes for the year	
Service cost	117,330
Interest	49,064
Assumption changes	(26,634)
Differences between expected and actual experience	(185,271)
Benefit payments – employer-financed	(152,476)
Total net changes	<u>(197,987)</u>
Ending balance – June 30, 2020	<u>\$ 1,343,038</u>

G. Total Pension Liability Sensitivity to Discount Rate Changes

The following presents the total pension liability of the District, as well as what the District's total pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Pension discount rate	1.40%	2.40%	3.40%
Total pension liability	\$ 1,420,660	\$ 1,343,038	\$ 1,265,783

NOTE 7 – DEFINED BENEFIT PENSION PLAN – DISTRICT (CONTINUED)

H. Pension Expense and Related Deferred Outflows and Deferred Inflows of Resources

For the current year ended, the District recognized pension expense of \$97,252, and at year-end reported the following deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ —	\$ 683,199
Changes in actuarial assumptions	19,711	26,130
Total	<u>\$ 19,711</u>	<u>\$ 709,329</u>

These amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2021	\$ (69,142)
2022	\$ (69,142)
2023	\$ (69,142)
2024	\$ (69,142)
2025	\$ (69,142)
Thereafter	\$ (343,908)

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

A. Plan Description

The District provides post-employment insurance benefits to certain eligible employees through its OPEB Plan, a single-employer defined benefit plan administered by the District. Management of the plan is vested with the School Board of the District. All post-employment benefits are based on contractual agreements with employee groups. Eligibility for these benefits is based on years of service and/or minimum age requirements. These contractual agreements do not include any specific contribution or funding requirements.

The District administers a defined benefit Post-Employment Benefits Trust Fund. The assets of the plan are reported in the District's financial report in the Post-Employment Benefits Trust Fund, established by the District to finance these obligations. The plan assets may be used only for the payment of benefits of the plan, in accordance with the terms of the plan. The plan does not issue a publicly available financial report.

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

B. Benefits Provided

All retirees of the District have the option under state law to continue their medical insurance coverage through the District from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of certain employee groups hired before January 1, 2011, the District pays the eligible retiree's premiums for medical (single or family coverage premium at active employee rates), dental (single or family coverage premium at active employee rates), and/or life insurance (coverage to 2–3 times their basic annual salary to a maximum of \$300,000), for some period after retirement. The length of the benefits to be paid by the District differ by bargaining unit, with some contracts specifying a number of months of coverage based on years of service (ranging from 48–120 months coverage for 15–30 years of continuous service), and some covering premium costs from the time of retirement until the employee reaches the age of eligibility for Medicare.

The District is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees, whether the premiums are paid by the District or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an "implicit rate subsidy." This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the District's younger and statistically healthier active employees.

C. Contributions

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the District. The District's pay-as-you-go contributions for the benefits described on the previous page were \$713,791 during the current year.

D. Membership

Membership in the plan consisted of the following as of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	108
Active plan members	<u>642</u>
Total members	<u><u>750</u></u>

E. Net OPEB Liability of the District

The District's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2019. The components of the net OPEB liability of the District at year-end were as follows:

Total OPEB liability	\$ 17,228,248
Plan fiduciary net position	<u>(8,886,190)</u>
District's net OPEB liability	<u><u>\$ 8,342,058</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u><u>51.6%</u></u>

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

F. Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial study with a valuation date as of July 1, 2019 and measurement date as of June 30, 2020, using the entry-age method, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.50%
Expected long-term investment return	2.90% (net of investment expenses)
20-year municipal bond yield	2.40%
Inflation rate	2.50%
Salary increases	Service graded table
Medical trend rate	6.50% grading to 5.00% over 6 years
Dental trend rate	4.00%

Mortality rates were based on the PUB-2010 Public Retirement Plans Headcount-Weighted Mortality Tables with MP-2018 Generational Improvement Scale. The actuarial assumptions used in the latest valuation were based on those used to value pension liabilities for Minnesota school district employees. The state pension plans base their assumptions on periodic experience studies.

Assumption changes since the prior measurement date include:

- Healthcare trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2016 Generational Improvement Scale to the PUB-2010 Public Retirement Plans Headcount-Weighted Mortality Tables with MP-2018 Generational Improvement Scale.
- The salary increase rates were changed from a flat 3.00 percent per year for all employees, to rates which vary by service and contract group.
- The discount rate was changed from 2.90 percent to 2.50 percent.

The District's policy in regard to the allocation of invested assets is established and may be amended by the School Board by a majority vote of its members. It is the policy of the School Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes allowable under state statutes.

The long-term expected rate of return on OPEB Plan investments was set based on the plan's target investment allocation described below, along with long-term return expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered.

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	5.00 %	1.00 %
Fixed income	95.00	3.00 %
Total	100.00 %	2.90 %

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

G. Rate of Return

For the current year ended, the annual money-weighted rate of return on investments, net of investment expense, was 2.60 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

H. Discount Rate

The discount rate used to measure the total OPEB liability was 2.50 percent. The projection of cash flows used to determine the discount rate was determined by projecting forward the fiduciary net position (assets) as of the valuation date, increasing by the investment return assumption, and reducing by benefit payments in each period until assets are exhausted. Expected benefit payments by year were discounted using the expected asset return assumptions for the years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the Trust Fund is exhausted are discounted at the 20-year municipal bond rate. The equivalent single rate is the discount rate. The contribution and benefit payment history, as well as the funding policy, have also been taken into account.

I. Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a-b)
Beginning balance – July 1, 2019	\$ 19,119,239	\$ 9,455,223	\$ 9,664,016
Changes for the year			
Service cost	740,487	–	740,487
Interest	553,907	–	553,907
Assumption changes	(1,180,205)	–	(1,180,205)
Contributions – paid through governmental funds	–	713,791	(713,791)
Net investment income	–	274,201	(274,201)
Difference between expected and actual experience	(475,304)	(27,149)	(448,155)
Benefit payments – paid through trust	(816,085)	(816,085)	–
Benefit payments – paid through governmental funds	(713,791)	(713,791)	–
Total net changes	(1,890,991)	(569,033)	(1,321,958)
Ending balance – June 30, 2020	<u>\$ 17,228,248</u>	<u>\$ 8,886,190</u>	<u>\$ 8,342,058</u>

J. Net OPEB Liability Sensitivity to Discount and Healthcare Cost Trend Rate Changes

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Discount rate	1.50%	2.50%	3.50%
Net OPEB liability	\$ 9,880,543	\$ 8,342,058	\$ 6,978,882

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease in Healthcare Cost Trend Rates	Healthcare Cost Trend Rates	1% Increase in Healthcare Cost Trend Rates
Medical trend rate	5.50% decreasing to 4.00% over 6 years	6.50% decreasing to 5.00% over 6 years	7.50% decreasing to 6.00% over 6 years
Dental trend rate	3.00%	4.00%	5.00%
Net OPEB liability	\$ 6,353,989	\$ 8,342,058	\$ 10,724,443

K. OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the current year ended, the District recognized negative OPEB expense of \$171,791. As of year-end, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability gains	\$ –	\$ 3,318,953
Changes in actuarial assumptions	311,672	1,234,996
Difference between projected and actual investment earnings	120,997	–
Total	<u>\$ 432,669</u>	<u>\$ 4,553,949</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	OPEB Expense Amount
2021	\$ (1,191,238)
2022	\$ (1,217,017)
2023	\$ (1,244,539)
2024	\$ (192,572)
2025	\$ (275,914)

NOTE 9 – FLEXIBLE BENEFIT PLAN

The District has established the Richfield Employees' Flex-Benefits Plan (the Plan). The Plan is a flexible benefit plan classified as a "cafeteria plan" under § 125 of the IRC. Eligible employees can elect to participate by contributing pretax dollars withheld from payroll checks to the Plan for health insurance, healthcare, and dependent care benefits. Payments are made from the Plan to participating employees upon submitting a request for reimbursement of eligible expenses actually incurred by the participant.

Before the beginning of the Plan year, which is from July 1 to June 30, each participant designates a total amount of pretax dollars to be contributed to the Plan during the year. At June 30, the District is contingently liable for claims against the total amount of participants' annual medical expense contributions to the Plan, whether or not such contributions have been made.

The employee portion of insurance premiums (health, dental, and disability) are withheld and paid by the District directly to the designated insurance companies. The dependent care and medical expense reimbursement portions of the Plan are administered by an independent contract administrator. All plan activity is accounted for in the General Fund and special revenue funds. All property of the Plan and income attributable to that property is solely the property of the District, subject to the claims of the District's general creditors. Participants' rights under the Plan are equal to those of general creditors of the District in an amount equal to the eligible healthcare and dependent care expenses incurred by the participants. The District believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

A. Legal Claims

The District has the usual and customary types of miscellaneous legal claims pending at year-end, mostly of a minor nature and usually covered by insurance carried for that purpose.

B. Federal and State Receivables

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

C. Construction Contracts

At June 30, 2020, the District had commitments totaling \$29,775,000 under construction contracts for which the work was not yet completed.

D. COVID-19 Impact

The COVID-19 pandemic has caused economic and financial market volatility in the United States and around the world, along with significant business and operational disruptions for many organizations. Due to the unknown breadth and duration of this pandemic, any potential impact it may have on the District's future operations and financial condition cannot be determined at this time and has not been reflected in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

INDEPENDENT SCHOOL DISTRICT NO. 280

Public Employees Retirement Association Pension Benefits Plan
Schedule of District's and Nonemployer Proportionate Share of Net Pension Liability
Year Ended June 30, 2020

District Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the District's Share of the State of Minnesota's Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/2015	06/30/2014	0.1533%	\$ 7,201,266	\$ —	\$ 7,201,266	\$ 8,045,286	89.51%	78.70%
06/30/2016	06/30/2015	0.1454%	\$ 7,535,384	\$ —	\$ 7,535,384	\$ 8,532,242	88.32%	78.20%
06/30/2017	06/30/2016	0.1337%	\$ 10,855,777	\$ 141,837	\$ 10,997,614	\$ 8,274,425	131.20%	68.90%
06/30/2018	06/30/2017	0.1289%	\$ 8,228,891	\$ 103,489	\$ 8,332,380	\$ 8,303,816	99.10%	75.90%
06/30/2019	06/30/2018	0.1330%	\$ 7,378,295	\$ 241,911	\$ 7,620,206	\$ 8,932,562	82.60%	79.50%
06/30/2020	06/30/2019	0.1355%	\$ 7,491,491	\$ 232,823	\$ 7,724,314	\$ 9,521,362	78.68%	80.20%

Public Employees Retirement Association Pension Benefits Plan
Schedule of District Contributions
Year Ended June 30, 2020

District Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
06/30/2015	\$ 630,341	\$ 630,341	\$ —	\$ 8,532,242	7.39%
06/30/2016	\$ 620,582	\$ 620,582	\$ —	\$ 8,274,425	7.50%
06/30/2017	\$ 622,899	\$ 622,899	\$ —	\$ 8,303,816	7.50%
06/30/2018	\$ 670,214	\$ 670,214	\$ —	\$ 8,932,562	7.50%
06/30/2019	\$ 715,561	\$ 715,561	\$ —	\$ 9,521,362	7.52%
06/30/2020	\$ 729,901	\$ 729,901	\$ —	\$ 9,731,816	7.50%

Note: The District implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2014 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 280

Teachers Retirement Association Pension Benefits Plan
Schedule of District's and Nonemployer Proportionate Share of Net Pension Liability
Year Ended June 30, 2020

District Fiscal Year-End Date	TRA Fiscal Year-End Date (Measurement Date)	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the State of Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the District's Share of the State of Minnesota's Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/2015	06/30/2014	0.5182%	\$ 23,878,283	\$ 1,679,943	\$ 25,558,226	\$ 23,658,854	100.93%	81.50%
06/30/2016	06/30/2015	0.4984%	\$ 30,830,969	\$ 3,781,486	\$ 34,612,455	\$ 25,326,686	121.73%	76.80%
06/30/2017	06/30/2016	0.5217%	\$ 124,437,898	\$ 12,491,078	\$ 136,928,976	\$ 27,134,182	458.60%	44.88%
06/30/2018	06/30/2017	0.4982%	\$ 99,449,757	\$ 9,614,203	\$ 109,063,960	\$ 26,824,890	370.74%	51.57%
06/30/2019	06/30/2018	0.4863%	\$ 30,544,192	\$ 2,869,778	\$ 33,413,970	\$ 26,855,892	113.73%	78.07%
06/30/2020	06/30/2019	0.5062%	\$ 32,265,294	\$ 2,855,396	\$ 35,120,690	\$ 28,743,799	112.25%	78.21%

Teachers Retirement Association Pension Benefits Plan
Schedule of District Contributions
Year Ended June 30, 2020

District Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
06/30/2015	\$ 1,899,501	\$ 1,899,501	\$ —	\$ 25,326,686	7.50%
06/30/2016	\$ 2,035,062	\$ 2,035,062	\$ —	\$ 27,134,182	7.50%
06/30/2017	\$ 2,010,864	\$ 2,010,864	\$ —	\$ 26,824,890	7.50%
06/30/2018	\$ 2,014,735	\$ 2,014,735	\$ —	\$ 26,855,892	7.50%
06/30/2019	\$ 2,222,026	\$ 2,222,026	\$ —	\$ 28,743,799	7.73%
06/30/2020	\$ 2,236,945	\$ 2,236,945	\$ —	\$ 28,250,668	7.92%

Note: The District implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2014 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 280

Pension Benefits Plan
Schedule of Changes in the District's Total
Pension Liability and Related Ratios
Year Ended June 30, 2020

	2017	2018	2019	2020
Total pension liability				
Service cost	\$ 132,145	\$ 88,783	\$ 95,865	\$ 117,330
Interest	72,669	71,782	50,886	49,064
Assumption changes	—	(2,494)	23,297	(26,634)
Plan changes	—	36,550	—	—
Difference between expected and actual experience	—	(669,205)	—	(185,271)
Benefit payments	(142,256)	(233,568)	(59,134)	(152,476)
Net change in total pension liability	62,558	(708,152)	110,914	(197,987)
Total pension liability – beginning of year	2,075,705	2,138,263	1,430,111	1,541,025
Total pension liability – end of year	<u>\$ 2,138,263</u>	<u>\$ 1,430,111</u>	<u>\$ 1,541,025</u>	<u>\$ 1,343,038</u>
Covered-employee payroll	<u>\$ 32,571,794</u>	<u>\$ 30,214,468</u>	<u>\$ 31,120,902</u>	<u>\$ 36,284,075</u>
Total pension liability as a percentage of covered-employee payroll	<u>6.56%</u>	<u>4.73%</u>	<u>4.95%</u>	<u>3.70%</u>

Note 1: The District has not established a trust fund to finance its single-employer-related benefits.

Note 2: The District implemented GASB Statement No. 73 for the year ended June 30, 2017. The schedules within the RSI section require a 10-year presentation. Additional years will be added as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 280

Other Post-Employment Benefits Plan
Schedule of Changes in the District's Net
OPEB Liability and Related Ratios
Year Ended June 30, 2020

	2017	2018	2019	2020
Total OPEB liability				
Service cost	\$ 1,037,067	\$ 715,483	\$ 778,052	\$ 740,487
Interest	790,623	803,777	603,253	553,907
Assumption changes	—	(502,988)	467,508	(1,180,205)
Difference between expected and actual experience	—	(5,845,737)	—	(475,304)
Benefit payments	(788,391)	(1,406,567)	(1,593,821)	(1,529,876)
Net change in total OPEB liability	1,039,299	(6,236,032)	254,992	(1,890,991)
Total OPEB liability – beginning of year	24,060,980	25,100,279	18,864,247	19,119,239
Total OPEB liability – end of year	25,100,279	18,864,247	19,119,239	17,228,248
Plan fiduciary net position				
Contributions	475,081	489,232	1,094,928	713,791
Investment earnings	128,792	115,612	203,285	247,052
Benefit payments	(788,391)	(1,406,567)	(1,593,821)	(1,529,876)
Net change in plan fiduciary net position	(184,518)	(801,723)	(295,608)	(569,033)
Plan fiduciary net position				
Beginning of year	10,737,072	10,552,554	9,750,831	9,455,223
End of year	10,552,554	9,750,831	9,455,223	8,886,190
Net OPEB liability	\$ 14,547,725	\$ 9,113,416	\$ 9,664,016	\$ 8,342,058
Plan fiduciary net position as a percentage of the total OPEB liability	42.04%	51.69%	49.45%	51.58%
Covered-employee payroll	\$ 32,754,693	\$ 30,401,080	\$ 31,313,113	\$ 36,975,971
Net OPEB liability as a percentage of covered-employee payroll	44.41%	29.98%	30.86%	22.56%

Note: The District implemented GASB Statement Nos. 74 and 75 in fiscal 2017. This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 280

Other Post-Employment Benefits Plan
Schedule of Investment Returns
Year Ended June 30, 2020

Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2017	1.20 %
2018	1.10 %
2019	2.10 %
2020	2.60 %

Note: The District implemented GASB Statement Nos. 74 and 75 in fiscal 2017. This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 280

Notes to Required Supplementary Information
June 30, 2020

PERA – GENERAL EMPLOYEES RETIREMENT FUND

2019 CHANGES IN PLAN PROVISIONS

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2017 to MP-2018.

2018 CHANGES IN PLAN PROVISIONS

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to zero percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.00 percent per year, with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio, to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age. Does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044, and 2.50 percent per year thereafter, to 1.25 percent per year.

INDEPENDENT SCHOOL DISTRICT NO. 280

Notes to Required Supplementary Information (continued)
June 30, 2020

PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)

2017 CHANGES IN PLAN PROVISIONS

- The state's contribution for the Minneapolis Employees Retirement Fund equals \$16.0 million in 2017 and 2018, and \$6.0 million thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21.0 million to \$31.0 million in calendar years 2019 to 2031. The state's contribution changed from \$16.0 million to \$6.0 million in calendar years 2019 to 2031.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year for all years, to 1.00 percent per year through 2044, and 2.50 percent per year thereafter.

2016 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035, and 2.50 percent per year thereafter, to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

2015 CHANGES IN PLAN PROVISIONS

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Retirement Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892.0 million. Upon consolidation, state and employer contributions were revised; the state's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

2015 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030, and 2.50 percent per year thereafter, to 1.00 percent per year through 2035, and 2.50 percent per year thereafter.

INDEPENDENT SCHOOL DISTRICT NO. 280

Notes to Required Supplementary Information (continued) June 30, 2020

TEACHERS RETIREMENT ASSOCIATION (TRA)

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The cost of living adjustment (COLA) was reduced from 2.00 percent each January 1 to 1.00 percent, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.10 percent each year until reaching the ultimate rate of 1.50 percent on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit, are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.50 percent if the funded ratio was at least 90.00 percent for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.00 percent to 3.00 percent, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.50 percent to 7.50 percent, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next six years, (7.71 percent in 2018, 7.92 percent in 2019, 8.13 percent in 2020, 8.34 percent in 2021, 8.55 percent in 2022, and 8.75 percent in 2023). In addition, the employee contribution rate will increase from 7.50 percent to 7.75 percent on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.
- The single discount rate changed from 5.12 percent to 7.50 percent.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The COLA was assumed to increase from 2.00 percent annually to 2.50 percent annually on July 1, 2045.
- The COLA was not assumed to increase to 2.50 percent, but remain at 2.00 percent for all future years.
- Adjustments were made to the CSA loads. The active load was reduced from 1.40 percent to zero percent, the vested inactive load increased from 4.00 percent to 7.00 percent, and the nonvested inactive load increased from 4.00 percent to 9.00 percent.
- The investment return assumption was changed from 8.00 percent to 7.50 percent.
- The price inflation assumption was lowered from 2.75 percent to 2.50 percent.
- The payroll growth assumption was lowered from 3.50 percent to 3.00 percent.

INDEPENDENT SCHOOL DISTRICT NO. 280

Notes to Required Supplementary Information (continued)
June 30, 2020

TEACHERS RETIREMENT ASSOCIATION (TRA) (CONTINUED)

2017 CHANGES IN ACTUARIAL ASSUMPTIONS (CONTINUED)

- The general wage growth assumption was lowered from 3.50 percent to 2.85 percent for 10 years, followed by 3.25 percent thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.
- The single discount rate changed from 4.66 percent to 5.12 percent.

2016 CHANGES IN ACTUARIAL ASSUMPTIONS

- The single discount rate was changed from 8.00 percent to 4.66 percent.

2015 CHANGES IN PLAN PROVISIONS

- The Duluth Teachers Retirement Fund Association was merged into the TRA on June 30, 2015.

2015 CHANGES IN ACTUARIAL ASSUMPTIONS

- The annual COLA for the June 30, 2015 valuation assumed 2.00 percent. The prior year valuation used 2.00 percent, with an increase to 2.50 percent commencing in 2034.
- The discount rate used to measure the total pension liability was 8.00 percent. This is a decrease from the discount rate at the prior measurement date of 8.25 percent.

INDEPENDENT SCHOOL DISTRICT NO. 280

Notes to Required Supplementary Information (continued)
June 30, 2020

PENSION BENEFITS PLAN

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2016 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2018 Generational Improvement Scale.
- The salary increase rates were changed from a flat 3.00 percent per year for all employees, to rates which vary by service and contract group.
- The discount rate was changed from 3.10 percent to 2.40 percent.

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.40 percent to 3.10 percent.

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale to the RP-2014 White Collar Mortality Tables with MP-2016 Generational Improvement Scale.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.50 percent to 3.40 percent.
- Retirement rates were changed to all start at age 55, regardless of whether the participant is eligible for a benefit.

INDEPENDENT SCHOOL DISTRICT NO. 280

Notes to Required Supplementary Information (continued)
June 30, 2020

OTHER POST-EMPLOYMENT BENEFITS PLAN

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- Healthcare trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2016 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2018 Generational Improvement Scale.
- The salary increase rates were changed from a flat 3.00 percent per year for all employees, to rates which vary by service and contract group.
- The discount rate was changed from 2.90 percent to 2.50 percent.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.20 percent to 2.90 percent.

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The healthcare trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Headcount Mortality Tables with MP-2015 Generational Improvement Scale to the RP-2014 White Collar Headcount Mortality Tables with MP-2016 Generational Improvement Scale.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.50 percent to 3.20 percent.

SUPPLEMENTAL INFORMATION

INDEPENDENT SCHOOL DISTRICT NO. 280

Nonmajor Governmental Funds
Combining Balance Sheet
as of June 30, 2020

	Special Revenue Funds		
	Food Service	Community Service	Total
Assets			
Cash and temporary investments	\$ 126,253	\$ 785,254	\$ 911,507
Receivables			
Current taxes	—	242,048	242,048
Delinquent taxes	—	3,852	3,852
Accounts and interest	—	27	27
Due from other governmental units	217,506	86,472	303,978
Inventory	19,676	—	19,676
Total assets	<u>\$ 363,435</u>	<u>\$ 1,117,653</u>	<u>\$ 1,481,088</u>
Liabilities			
Salaries payable	\$ 65,241	\$ 23,067	\$ 88,308
Accounts and contracts payable	22,721	10,257	32,978
Due to other governmental units	3,870	7,260	11,130
Unearned revenue	34,095	—	34,095
Total liabilities	<u>125,927</u>	<u>40,584</u>	<u>166,511</u>
Deferred inflows of resources			
Property taxes levied for subsequent year	—	473,804	473,804
Unavailable revenue – delinquent taxes	—	2,606	2,606
Total deferred inflows of resources	<u>—</u>	<u>476,410</u>	<u>476,410</u>
Fund balances (deficit)			
Nonspendable	19,676	—	19,676
Restricted	217,832	688,469	906,301
Unassigned	—	(87,810)	(87,810)
Total fund balances	<u>237,508</u>	<u>600,659</u>	<u>838,167</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 363,435</u>	<u>\$ 1,117,653</u>	<u>\$ 1,481,088</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Nonmajor Governmental Funds
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2020

	Special Revenue Funds		
	Food Service	Community Service	Total
Revenue			
Local sources			
Property taxes	\$ —	\$ 461,511	\$ 461,511
Investment earnings	3,819	12,643	16,462
Other	358,710	621,990	980,700
State sources	183,658	861,521	1,045,179
Federal sources	2,138,434	—	2,138,434
Total revenue	2,684,621	1,957,665	4,642,286
Expenditures			
Current			
Food service	2,932,950	—	2,932,950
Community service	—	1,941,557	1,941,557
Capital outlay	47,140	198	47,338
Total expenditures	2,980,090	1,941,755	4,921,845
Excess (deficiency) of revenue over expenditures	(295,469)	15,910	(279,559)
Other financing sources			
Sale of capital assets	92	—	92
Net change in fund balances	(295,377)	15,910	(279,467)
Fund balances			
Beginning of year	532,885	584,749	1,117,634
End of year	\$ 237,508	\$ 600,659	\$ 838,167

INDEPENDENT SCHOOL DISTRICT NO. 280

General Fund
Comparative Balance Sheet
as of June 30, 2020 and 2019

	2020	2019
Assets		
Cash and temporary investments	\$ 18,361,630	\$ 13,759,390
Receivables		
Current taxes	8,953,645	8,904,650
Delinquent taxes	139,017	142,241
Accounts and interest	213,924	176,046
Due from other governmental units	4,939,385	5,432,890
Due from OPEB trust	816,085	498,893
Inventory	15,937	22,487
Prepaid items	17,876	908,987
Total assets	\$ 33,457,499	\$ 29,845,584
Liabilities		
Salaries payable	\$ 246,576	\$ 456,200
Accounts and contracts payable	311,858	485,183
Due to other governmental units	601,583	983,622
Total liabilities	1,160,017	1,925,005
Deferred inflows of resources		
Property taxes levied for subsequent year	16,006,569	16,514,103
Unavailable revenue – delinquent taxes	93,162	121,762
Total deferred inflows of resources	16,099,731	16,635,865
Fund balances (deficits)		
Nonspendable for inventory	15,937	22,487
Nonspendable for prepaids	17,876	908,987
Restricted for student activities	85,533	–
Restricted for scholarships	434,691	–
Restricted for capital projects levy	81,208	274,886
Restricted for operating capital	887,203	1,024,918
Restricted for area learning center	108,151	–
Restricted for achievement and integration	39,185	–
Restricted for basic skills extended time	558,710	291,407
Restricted for long-term facilities maintenance	1,592,644	437,360
Restricted for Medical Assistance	177,352	453,535
Assigned for third party special education	335,054	335,053
Assigned for synthetic turf	362,271	346,992
Assigned for carryover spending	258,424	258,424
Assigned for school specific carryover	141,501	140,600
Assigned for program initiative	905,027	905,027
Assigned for enrollment	600,000	600,000
Assigned for future retirement	638,422	638,422
Assigned for student activities	–	101,579
Assigned for COVID-19	499,303	–
Assigned for subsequent year budget	1,538,305	–
Unassigned	6,920,954	4,545,037
Total fund balances	16,197,751	11,284,714
Total liabilities, deferred inflows of resources, and fund balances	\$ 33,457,499	\$ 29,845,584

INDEPENDENT SCHOOL DISTRICT NO. 280

General Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2020
(With Comparative Actual Amounts for the Year Ended June 30, 2019)

	2020			2019
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Property taxes	\$ 18,205,157	\$ 18,018,703	\$ (186,454)	\$ 16,524,052
Investment earnings	175,000	273,021	98,021	293,948
Other	1,136,544	1,117,353	(19,191)	1,234,736
State sources	45,707,241	45,674,571	(32,670)	46,183,093
Federal sources	2,331,624	2,834,496	502,872	2,098,367
Total revenue	67,555,566	67,918,144	362,578	66,334,196
Expenditures				
Current				
Administration				
Salaries	2,013,310	1,973,342	(39,968)	1,865,518
Employee benefits	661,612	604,956	(56,656)	612,012
Purchased services	84,578	47,934	(36,644)	45,325
Supplies and materials	84,913	92,663	7,750	96,940
Capital expenditures	1,000	—	(1,000)	—
Other expenditures	66,108	54,685	(11,423)	70,096
Total administration	2,911,521	2,773,580	(137,941)	2,689,891
District support services				
Salaries	955,240	935,215	(20,025)	951,990
Employee benefits	411,121	395,325	(15,796)	398,467
Purchased services	520,558	544,147	23,589	470,769
Supplies and materials	66,186	330,426	264,240	339,416
Other expenditures	26,402	9,226	(17,176)	(22,621)
Total district support services	1,979,507	2,214,339	234,832	2,138,021
Elementary and secondary regular instruction				
Salaries	19,654,427	18,944,392	(710,035)	19,536,593
Employee benefits	7,036,069	6,686,735	(349,334)	7,114,950
Purchased services	1,858,286	1,618,470	(239,816)	1,526,453
Supplies and materials	832,342	721,906	(110,436)	773,917
Capital expenditures	55,000	35,131	(19,869)	47,383
Other expenditures	34,173	165,933	131,760	181,265
Total elementary and secondary regular instruction	29,470,297	28,172,567	(1,297,730)	29,180,561

INDEPENDENT SCHOOL DISTRICT NO. 280

General Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual (continued)
Year Ended June 30, 2020
(With Comparative Actual Amounts for the Year Ended June 30, 2019)

	2020			2019
	Budget	Actual	Over (Under) Budget	Actual
Expenditures (continued)				
Current (continued)				
Vocational education instruction				
Salaries	278,157	280,846	2,689	307,721
Employee benefits	101,677	104,151	2,474	91,696
Purchased services	34,192	38,501	4,309	53,203
Supplies and materials	17,500	20,490	2,990	19,654
Other expenditures	—	2,118	2,118	1,685
Total vocational education instruction	431,526	446,106	14,580	473,959
Special education instruction				
Salaries	8,282,940	8,242,424	(40,516)	8,239,776
Employee benefits	3,026,597	3,013,624	(12,973)	2,925,180
Purchased services	948,247	784,306	(163,941)	789,580
Supplies and materials	77,030	94,682	17,652	122,034
Capital expenditures	—	64,841	64,841	—
Other expenditures	3,000	53,042	50,042	52,986
Total special education instruction	12,337,814	12,252,919	(84,895)	12,129,556
Instructional support services				
Salaries	1,956,401	1,839,392	(117,009)	1,907,796
Employee benefits	639,386	619,222	(20,164)	642,382
Purchased services	375,795	354,053	(21,742)	382,114
Supplies and materials	917,157	598,955	(318,202)	285,925
Capital expenditures	255,000	545,429	290,429	522,395
Other expenditures	37,727	26,260	(11,467)	15,753
Total instructional support services	4,181,466	3,983,311	(198,155)	3,756,365
Pupil support services				
Salaries	2,700,807	2,579,125	(121,682)	2,572,828
Employee benefits	968,936	1,038,497	69,561	991,303
Purchased services	2,058,306	2,278,157	219,851	2,158,772
Supplies and materials	221,996	177,992	(44,004)	229,582
Capital expenditures	456,318	216,549	(239,769)	350,365
Other expenditures	730	50,804	50,074	10,531
Total pupil support services	6,407,093	6,341,124	(65,969)	6,313,381

INDEPENDENT SCHOOL DISTRICT NO. 280

General Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual (continued)
Year Ended June 30, 2020
(With Comparative Actual Amounts for the Year Ended June 30, 2019)

	2020			2019
	Budget	Actual	Over (Under) Budget	Actual
Expenditures (continued)				
Current (continued)				
Sites and buildings				
Salaries	1,848,199	1,791,885	(56,314)	1,794,045
Employee benefits	761,097	727,599	(33,498)	742,968
Purchased services	3,619,903	2,698,475	(921,428)	2,826,929
Supplies and materials	397,799	328,525	(69,274)	355,674
Capital expenditures	260,000	256,016	(3,984)	733,700
Other expenditures	6,600	7,000	400	5,610
Total sites and buildings	6,893,598	5,809,500	(1,084,098)	6,458,926
Fiscal and other fixed cost programs				
Purchased services	232,000	227,654	(4,346)	223,275
Other expenditures	—	43,649	43,649	—
Total fiscal and other fixed cost programs	232,000	271,303	39,303	223,275
Debt service				
Principal	1,095,299	1,139,548	44,249	1,187,933
Interest and fiscal charges	54,204	55,950	1,746	44,945
Total debt service	1,149,503	1,195,498	45,995	1,232,878
Total expenditures	65,994,325	63,460,247	(2,534,078)	64,596,813
Excess of revenue over expenditures	1,561,241	4,457,897	2,896,656	1,737,383
Other financing sources				
Capital leases	—	—	—	305,149
Sale of capital assets	29,200	24,300	(4,900)	89,303
Total other financing sources	29,200	24,300	(4,900)	394,452
Net change in fund balances	\$ 1,590,441	4,482,197	\$ 2,891,756	2,131,835
Fund balances				
Beginning of year, as previously reported		11,284,714		9,152,879
Change in accounting principle		430,840		—
Beginning of year, as restated		11,715,554		9,152,879
End of year		\$ 16,197,751		\$ 11,284,714

INDEPENDENT SCHOOL DISTRICT NO. 280

Food Service Special Revenue Fund
Comparative Balance Sheet
as of June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and temporary investments	\$ 126,253	\$ 507,528
Receivables		
Due from other governmental units	217,506	35,451
Inventory	19,676	20,291
Prepaid items	<u>—</u>	<u>1,610</u>
Total assets	<u>\$ 363,435</u>	<u>\$ 564,880</u>
Liabilities		
Salaries payable	\$ 65,241	\$ 12,692
Accounts and contracts payable	22,721	3,179
Due to other governmental units	3,870	615
Unearned revenue	<u>34,095</u>	<u>15,509</u>
Total liabilities	125,927	31,995
Fund balances		
Nonspendable for inventory	19,676	20,291
Nonspendable for prepaids	—	1,610
Restricted for food service	<u>217,832</u>	<u>510,984</u>
Total fund balances	<u>237,508</u>	<u>532,885</u>
Total liabilities and fund balances	<u>\$ 363,435</u>	<u>\$ 564,880</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Food Service Special Revenue Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2020
(With Comparative Actual Amounts for the Year Ended June 30, 2019)

	2020			2019
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Investment earnings	\$ —	\$ 3,819	\$ 3,819	\$ 7,682
Other – primarily meal sales	492,000	358,710	(133,290)	517,973
State sources	175,000	183,658	8,658	197,054
Federal sources	2,187,000	2,138,434	(48,566)	2,115,625
Total revenue	<u>2,854,000</u>	<u>2,684,621</u>	<u>(169,379)</u>	<u>2,838,334</u>
Expenditures				
Current				
Salaries	884,428	1,113,482	229,054	877,235
Employee benefits	452,105	457,354	5,249	410,306
Purchased services	80,445	70,216	(10,229)	80,846
Supplies and materials	1,358,750	1,278,286	(80,464)	1,353,377
Other expenditures	11,000	13,612	2,612	3,771
Capital outlay	51,860	47,140	(4,720)	11,282
Total expenditures	<u>2,838,588</u>	<u>2,980,090</u>	<u>141,502</u>	<u>2,736,817</u>
Excess (deficiency) of revenue over expenditures	15,412	(295,469)	(310,881)	101,517
Other financing sources				
Sale of capital assets	<u>—</u>	<u>92</u>	<u>92</u>	<u>—</u>
Net change in fund balances	<u>\$ 15,412</u>	<u>(295,377)</u>	<u>\$ (310,789)</u>	<u>101,517</u>
Fund balances				
Beginning of year		<u>532,885</u>		<u>431,368</u>
End of year		<u>\$ 237,508</u>		<u>\$ 532,885</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Community Service Special Revenue Fund
Comparative Balance Sheet
as of June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and temporary investments	\$ 785,254	\$ 839,390
Receivables		
Current taxes	242,048	229,910
Delinquent taxes	3,852	4,220
Accounts and interest	27	—
Due from other governmental units	<u>86,472</u>	<u>35,271</u>
Total assets	<u><u>\$ 1,117,653</u></u>	<u><u>\$ 1,108,791</u></u>
Liabilities		
Salaries payable	\$ 23,067	\$ 37,308
Accounts and contracts payable	10,257	14,653
Due to other governmental units	<u>7,260</u>	<u>1,988</u>
Total liabilities	40,584	53,949
Deferred inflows of resources		
Property taxes levied for subsequent year	473,804	465,986
Deferred revenue – delinquent taxes	<u>2,606</u>	<u>4,107</u>
Total deferred inflows of resources	476,410	470,093
Fund balances		
Restricted for community education	—	3,933
Restricted for early childhood family education	201,523	162,537
Restricted for school readiness	395,272	334,054
Restricted for community service	91,674	84,225
Unassigned – community education restricted account deficit	<u>(87,810)</u>	<u>—</u>
Total fund balances	<u><u>600,659</u></u>	<u><u>584,749</u></u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 1,117,653</u></u>	<u><u>\$ 1,108,791</u></u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Community Service Special Revenue Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2020
(With Comparative Actual Amounts for the Year Ended June 30, 2019)

	2020			2019
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Property taxes	\$ 518,545	\$ 461,511	\$ (57,034)	\$ 459,070
Investment earnings	10,000	12,643	2,643	13,690
Other – primarily tuition and fees	706,425	621,990	(84,435)	723,551
State sources	875,307	861,521	(13,786)	746,333
Total revenue	2,110,277	1,957,665	(152,612)	1,942,644
Expenditures				
Current				
Salaries	1,098,192	1,114,083	15,891	1,059,340
Employee benefits	365,151	382,590	17,439	367,209
Purchased services	336,653	361,771	25,118	332,240
Supplies and materials	147,686	82,803	(64,883)	123,470
Other expenditures	10,496	310	(10,186)	5,896
Capital outlay	3,800	198	(3,602)	829
Total expenditures	1,961,978	1,941,755	(20,223)	1,888,984
Net change in fund balances	\$ 148,299	15,910	\$ (132,389)	53,660
Fund balances				
Beginning of year		584,749		531,089
End of year		\$ 600,659		\$ 584,749

INDEPENDENT SCHOOL DISTRICT NO. 280

Capital Projects – Building Construction Fund
Balance Sheet
as of June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and temporary investments	\$ 52,689,430	\$ 110,412,747
Receivables		
Accounts and interest	<u>1,278,999</u>	<u>1,491,905</u>
Total assets	<u><u>\$ 53,968,429</u></u>	<u><u>\$ 111,904,652</u></u>
Liabilities		
Salaries payable	\$ 324	\$ –
Accounts and contracts payable	<u>10,037,549</u>	<u>5,092,453</u>
Total liabilities	<u>10,037,873</u>	<u>5,092,453</u>
Fund balances		
Restricted for long-term facilities maintenance	11,186,480	28,269,208
Restricted for capital projects	<u>32,744,076</u>	<u>78,542,991</u>
Total fund balances	<u><u>43,930,556</u></u>	<u><u>106,812,199</u></u>
Total liabilities and fund balances	<u><u>\$ 53,968,429</u></u>	<u><u>\$ 111,904,652</u></u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Capital Projects – Building Construction Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2020
(With Comparative Actual Amounts for the Year Ended June 30, 2019)

	2020		2019	
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Investment earnings	\$ 1,000,000	\$ 2,084,625	\$ 1,084,625	\$ 3,044,448
Other	100,000	100,000	–	–
Total revenue	1,100,000	2,184,625	1,084,625	3,044,448
Expenditures				
Capital outlay				
Salaries	41,667	65,323	23,656	–
Employee benefits	14,108	18,314	4,206	–
Purchased services	–	3,832,925	3,832,925	4,883,004
Capital expenditures	52,983,255	61,149,706	8,166,451	8,767,855
Total expenditures	53,039,030	65,066,268	12,027,238	13,650,859
Net change in fund balances	<u>\$ (51,939,030)</u>	(62,881,643)	<u>\$ (10,942,613)</u>	(10,606,411)
Fund balances				
Beginning of year		106,812,199		117,418,610
End of year		<u>\$ 43,930,556</u>		<u>\$ 106,812,199</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Debt Service Fund
Comparative Balance Sheet
as of June 30, 2020
(With Comparative Totals as of June 30, 2019)

	Regular Debt Service Account	OPEB Debt Service Account	Totals	
			2020	2019
Assets				
Cash and temporary investments	\$ 5,039,392	\$ 1,249,444	\$ 6,288,836	\$ 5,838,615
Receivables				
Current taxes	3,917,270	1,092,371	5,009,641	4,598,866
Delinquent taxes	62,313	7,275	69,588	73,114
Due from other governmental units	—	—	—	590
Total assets	<u>\$ 9,018,975</u>	<u>\$ 2,349,090</u>	<u>\$ 11,368,065</u>	<u>\$ 10,511,185</u>
Deferred inflows of resources				
Property taxes levied for subsequent year	\$ 7,667,975	\$ 2,138,293	\$ 9,806,268	\$ 9,321,073
Deferred revenue – delinquent taxes	41,750	4,928	46,678	66,806
Total deferred inflows of resources	<u>7,709,725</u>	<u>2,143,221</u>	<u>9,852,946</u>	<u>9,387,879</u>
Fund balances				
Restricted for debt service	<u>1,309,250</u>	<u>205,869</u>	<u>1,515,119</u>	<u>1,123,306</u>
Total deferred inflows of resources and fund balances	<u>\$ 9,018,975</u>	<u>\$ 2,349,090</u>	<u>\$ 11,368,065</u>	<u>\$ 10,511,185</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Debt Service Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2020
(With Comparative Actual Amounts for the Year Ended June 30, 2019)

	2020				2019	
	Actual					
		Regular	OPEB		Over (Under)	
	Budget	Debt Service	Debt Service	Total	Budget	Actual
		Account	Account			
Revenue						
Local sources						
Property taxes	\$ 9,320,607	\$ 8,412,568	\$ 811,277	\$ 9,223,845	\$ (96,762)	\$ 9,443,277
Investment earnings	—	56,981	—	56,981	56,981	56,780
Total revenue	<u>9,320,607</u>	<u>8,469,549</u>	<u>811,277</u>	<u>9,280,826</u>	<u>(39,781)</u>	<u>9,500,057</u>
Expenditures						
Debt service						
Principal	3,580,000	3,205,000	375,000	3,580,000	—	3,670,000
Interest	5,302,588	4,895,038	407,550	5,302,588	—	5,079,943
Fiscal charges and other	5,450	5,950	475	6,425	975	6,623
Total expenditures	<u>8,888,038</u>	<u>8,105,988</u>	<u>783,025</u>	<u>8,889,013</u>	<u>975</u>	<u>8,756,566</u>
Net change in fund balances	<u>\$ 432,569</u>	363,561	28,252	391,813	<u>\$ (40,756)</u>	743,491
Fund balances						
Beginning of year		<u>945,689</u>	<u>177,617</u>	<u>1,123,306</u>		<u>379,815</u>
End of year		<u>\$ 1,309,250</u>	<u>\$ 205,869</u>	<u>\$ 1,515,119</u>		<u>\$ 1,123,306</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Internal Service Funds
Combining Statement of Net Position
as of June 30, 2020
(With Comparative Totals as of June 30, 2019)

	Medical Benefits Self-Insurance	Dental Benefits Self-Insurance	Totals	
			2020	2019
Assets				
Current assets				
Cash and temporary investments	\$ 7,240,039	\$ 159,190	\$ 7,399,229	\$ 6,727,546
Receivables				
Accounts	4,380	5,111	9,491	9,324
Total current assets	<u>7,244,419</u>	<u>164,301</u>	<u>7,408,720</u>	<u>6,736,870</u>
Liabilities				
Current liabilities				
Claims payable	503,338	16,162	519,500	508,843
Unearned revenue	863,903	57,716	921,619	935,440
Total current liabilities	<u>1,367,241</u>	<u>73,878</u>	<u>1,441,119</u>	<u>1,444,283</u>
Net position				
Unrestricted	<u>\$ 5,877,178</u>	<u>\$ 90,423</u>	<u>\$ 5,967,601</u>	<u>\$ 5,292,587</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Internal Service Funds
Combining Statement of Revenue, Expenses, and Changes in Net Position
Year Ended June 30, 2020
(With Comparative Totals for the Year Ended June 30, 2019)

	Medical Benefits Self-Insurance	Dental Benefits Self-Insurance	Totals	
			2020	2019
Operating revenue				
Contributions from governmental funds	\$ 7,120,405	\$ 501,243	\$ 7,621,648	\$ 7,728,687
Operating expenses				
Medical benefit claims	6,590,943	—	6,590,943	6,941,794
Dental benefit claims	—	456,791	456,791	529,294
Total operating expenses	<u>6,590,943</u>	<u>456,791</u>	<u>7,047,734</u>	<u>7,471,088</u>
Operating income	529,462	44,452	573,914	257,599
Nonoperating revenue				
Investment earnings	<u>99,915</u>	<u>1,185</u>	<u>101,100</u>	<u>120,356</u>
Change in net position	629,377	45,637	675,014	377,955
Net position				
Beginning of year	<u>5,247,801</u>	<u>44,786</u>	<u>5,292,587</u>	<u>4,914,632</u>
End of year	<u>\$ 5,877,178</u>	<u>\$ 90,423</u>	<u>\$ 5,967,601</u>	<u>\$ 5,292,587</u>

INDEPENDENT SCHOOL DISTRICT NO. 280

Internal Service Funds
Combining Statement of Cash Flows
Year Ended June 30, 2020
(With Comparative Totals for the Year Ended June 30, 2019)

	Medical Benefits Self-Insurance	Dental Benefits Self-Insurance	Totals	
			2020	2019
Cash flows from operating activities				
Contributions from governmental funds	\$ 7,096,163	\$ 511,497	\$ 7,607,660	\$ 7,781,927
Payments for medical claims	(6,564,152)	—	(6,564,152)	(6,867,447)
Payments for dental claims	—	(472,925)	(472,925)	(526,660)
Net cash flows from operating activities	532,011	38,572	570,583	387,820
Cash flows from investing activities				
Investment income received	99,915	1,185	101,100	120,356
Net change in cash and cash equivalents	631,926	39,757	671,683	508,176
Cash and cash equivalents				
Beginning of year	6,608,113	119,433	6,727,546	6,219,370
End of year	<u>\$ 7,240,039</u>	<u>\$ 159,190</u>	<u>\$ 7,399,229</u>	<u>\$ 6,727,546</u>
Reconciliation of operating income to net cash flows from operating activities				
Operating income	\$ 529,462	\$ 44,452	\$ 573,914	\$ 257,599
Adjustments to reconcile operating income to net cash flows from operating activities				
Changes in assets and liabilities				
Accounts receivable	670	(837)	(167)	1,189
Claims payable	26,791	(16,134)	10,657	76,981
Unearned revenue	(24,912)	11,091	(13,821)	52,051
Net cash flows from operating activities	<u>\$ 532,011</u>	<u>\$ 38,572</u>	<u>\$ 570,583</u>	<u>\$ 387,820</u>

OTHER DISTRICT INFORMATION

(UNAUDITED)

INDEPENDENT SCHOOL DISTRICT NO. 280

Government-Wide Revenue by Type
Last Ten Fiscal Years

Year Ended June 30,	Program Revenues		General Revenues			Total
	Charges for Services	Operating Grants and Contributions	Property Taxes	General Grants and Aids	Investment Earnings and Other	
2011	\$ 1,351,240 2.3%	\$ 10,298,601 17.2%	\$ 20,230,069 33.7%	\$ 27,076,258 45.1%	\$ 1,021,567 1.7%	\$ 59,977,735 100.0%
2012	1,323,815 2.2%	9,293,298 15.5%	15,535,989 25.9%	32,608,548 54.4%	1,140,976 2.0%	59,902,626 100.0%
2013	1,424,268 2.3%	9,746,687 15.6%	16,830,692 26.9%	33,166,877 53.1%	1,332,852 2.1%	62,501,376 100.0%
2014	1,583,759 2.4%	10,968,097 16.6%	13,361,381 20.2%	39,261,648 59.3%	1,060,054 1.5%	66,234,939 100.0%
2015	1,381,895 2.0%	10,858,507 15.8%	18,478,774 26.9%	36,866,254 53.8%	987,311 1.5%	68,572,741 100.0%
2016	1,584,189 2.2%	12,316,562 17.3%	18,231,651 25.6%	37,777,017 53.1%	1,245,057 1.8%	71,154,476 100.0%
2017	1,560,266 2.1%	12,880,552 17.4%	18,795,154 25.5%	39,625,932 53.7%	932,227 1.3%	73,794,131 100.0%
2018	1,833,335 2.5%	12,985,765 17.7%	18,537,869 25.3%	38,449,108 52.4%	1,538,817 2.1%	73,344,894 100.0%
2019	1,731,697 2.1%	13,055,457 16.0%	26,504,457 32.4%	36,127,245 44.2%	4,320,055 5.3%	81,738,911 100.0%
2020	1,492,769 1.8%	13,785,794 16.4%	27,653,830 32.9%	37,922,927 45.1%	3,203,835 3.8%	84,059,155 100.0%

Note: The impact of legislative changes to the “tax shift” on the amount of tax revenue recognized were particularly significant in fiscal years 2011 and 2014. These changes were offset by equal adjustments to state aid payments.

INDEPENDENT SCHOOL DISTRICT NO. 280

Government-Wide Expenses by Program
Last Ten Fiscal Years

Year Ended June 30,	Administration	District Support Services	Elementary and Secondary Regular Instruction	Vocational Education Instruction	Special Education Instruction	Instructional Support Services	Pupil Support Services
2011	\$ 2,364,391 3.9%	\$ 1,365,550 2.2%	\$ 25,498,288 41.8%	\$ 752,047 1.2%	\$ 9,275,816 15.2%	\$ 1,439,697 2.4%	\$ 4,514,682 7.4%
2012	2,469,933 3.9%	1,427,634 2.3%	26,191,779 41.5%	725,344 1.1%	9,935,410 15.7%	1,442,920 2.3%	4,942,630 7.8%
2013	2,463,144 3.9%	1,344,273 2.1%	26,204,800 41.5%	552,076 0.9%	10,325,009 16.3%	1,315,674 2.1%	5,014,798 7.9%
2014	2,704,943 4.2%	1,367,285 2.1%	26,209,555 40.5%	523,544 0.8%	10,709,470 16.5%	2,665,280 4.1%	5,612,101 8.7%
2015	2,780,256 4.2%	1,350,886 2.0%	27,446,721 41.0%	439,443 0.7%	11,177,578 16.7%	2,855,239 4.3%	5,511,201 8.2%
2016	2,441,557 3.4%	1,879,857 2.6%	28,500,351 39.3%	499,839 0.7%	12,410,065 17.1%	5,673,182 7.8%	5,619,303 7.7%
2017	3,205,654 3.7%	1,941,718 2.2%	40,383,383 46.1%	453,790 0.5%	15,977,707 18.2%	3,615,236 4.1%	6,640,241 7.6%
2018	3,226,510 3.8%	2,209,014 2.6%	35,798,892 42.2%	537,777 0.6%	15,041,531 17.7%	3,927,678 4.6%	6,395,379 7.6%
2019	1,921,888 3.3%	2,038,601 3.5%	18,949,610 32.6%	333,061 0.6%	8,264,835 14.2%	2,987,518 5.1%	5,556,435 9.6%
2020	2,926,141 3.8%	2,157,245 2.8%	29,846,895 38.6%	466,338 0.6%	12,729,667 16.5%	3,858,263 5.0%	6,280,289 8.1%

Note: The District began allocating all depreciation to the applicable program areas in 2020, thereby eliminating unallocated depreciation.

Sites and Buildings	Fiscal and Other Fixed Cost Programs	Food Service	Community Service	Unallocated Depreciation	Interest and Fiscal Charges	Total
\$ 6,732,002 11.0%	\$ 220,807 0.4%	\$ 1,809,824 3.0%	\$ 1,320,500 2.2%	\$ 3,066,722 5.0%	\$ 2,675,391 4.3%	\$ 61,035,717 100.0%
6,635,565 10.5%	233,039 0.4%	1,985,798 3.1%	1,307,059 2.1%	3,216,881 5.1%	2,613,772 4.2%	63,127,764 100.0%
6,654,356 10.5%	251,815 0.4%	2,086,777 3.3%	1,245,474 2.0%	3,219,889 5.1%	2,483,173 4.0%	63,161,258 100.0%
5,136,435 7.9%	279,042 0.4%	2,372,816 3.7%	1,335,512 2.1%	3,296,138 5.1%	2,577,800 3.9%	64,789,921 100.0%
6,124,862 9.1%	318,428 0.5%	2,390,570 3.6%	1,344,766 2.0%	3,246,459 4.8%	1,957,346 2.9%	66,943,755 100.0%
5,901,471 8.1%	268,482 0.4%	2,675,729 3.7%	1,519,388 2.1%	3,234,815 4.5%	1,903,059 2.6%	72,527,098 100.0%
5,733,901 6.5%	248,327 0.3%	2,771,245 3.2%	1,668,349 1.9%	3,235,338 3.7%	1,766,334 2.0%	87,641,223 100.0%
7,243,559 8.6%	233,841 0.3%	2,645,759 3.1%	1,703,165 2.0%	3,253,593 3.8%	2,578,471 3.1%	84,795,169 100.0%
5,757,551 9.9%	223,275 0.4%	2,657,883 4.6%	1,454,964 2.5%	3,284,068 5.6%	4,687,319 8.1%	58,117,008 100.0%
8,695,645 11.2%	271,303 0.4%	2,887,952 3.7%	1,938,043 2.5%	— —	5,283,250 6.8%	77,341,031 100.0%

INDEPENDENT SCHOOL DISTRICT NO. 280

General Fund Revenue by Source
Last Ten Fiscal Years

Year Ended June 30,	Local Property Tax Levies	State Revenue	Federal Revenue	Other Local and Miscellaneous	Total
2011	\$ 14,917,502 28.6%	\$ 31,958,208 61.4%	\$ 3,358,156 6.4%	\$ 1,845,918 3.6%	\$ 52,079,784 100.0%
2012	10,587,151 20.4%	37,026,885 71.3%	2,497,377 4.8%	1,819,060 3.5%	51,930,473 100.0%
2013	11,353,435 21.0%	38,123,440 70.7%	2,391,684 4.4%	2,088,697 3.9%	53,957,256 100.0%
2014	7,594,508 13.3%	44,992,848 78.8%	2,671,161 4.7%	1,837,042 3.2%	57,095,559 100.0%
2015	12,429,665 21.0%	42,796,472 72.3%	2,268,868 3.8%	1,667,896 2.9%	59,162,901 100.0%
2016	12,969,947 20.9%	45,073,735 72.5%	2,051,552 3.3%	2,048,208 3.3%	62,143,442 100.0%
2017	13,422,904 21.4%	45,677,476 72.8%	2,083,704 3.3%	1,592,465 2.5%	62,776,549 100.0%
2018	13,100,376 20.8%	46,142,115 73.2%	2,251,487 3.6%	1,533,633 2.4%	63,027,611 100.0%
2019	16,524,052 24.9%	46,183,093 69.6%	2,098,367 3.2%	1,528,684 2.3%	66,334,196 100.0%
2020	18,018,703 26.5%	45,674,571 67.3%	2,834,496 4.2%	1,390,374 2.0%	67,918,144 100.0%

Note: The impact of legislative changes to the “tax shift” on the amount of tax revenue recognized were particularly significant in fiscal years 2011 and 2014. These changes were offset by equal adjustments to state aid payments.

INDEPENDENT SCHOOL DISTRICT NO. 280

General Fund Expenditures by Program
Last Ten Fiscal Years

Year Ended June 30,	Administration	District Support Services	Elementary and Secondary Regular Instruction	Vocational Education Instruction	Special Education Instruction
2011	\$ 2,371,106 4.4%	\$ 1,339,401 2.5%	\$ 25,134,023 47.0%	\$ 731,005 1.4%	\$ 9,100,333 17.0%
2012	2,353,857 4.3%	1,365,761 2.5%	25,066,366 46.1%	695,800 1.3%	9,548,848 17.5%
2013	2,352,202 4.3%	1,333,360 2.4%	25,418,747 46.3%	531,952 1.0%	10,195,144 18.6%
2014	2,485,240 4.4%	1,322,189 2.4%	25,989,323 46.3%	506,708 0.9%	10,657,828 19.0%
2015	2,562,193 4.4%	1,307,061 2.3%	27,005,565 46.6%	417,657 0.7%	11,046,981 19.1%
2016	2,531,424 3.9%	1,868,531 2.9%	27,838,034 43.4%	484,356 0.8%	12,232,161 19.1%
2017	2,472,656 4.0%	1,890,917 3.1%	28,685,536 46.5%	295,009 0.5%	11,519,037 18.7%
2018	2,690,786 4.3%	2,282,534 3.7%	26,702,012 43.1%	439,099 0.7%	11,823,370 19.1%
2019	2,689,891 4.2%	2,138,021 3.3%	29,180,561 45.2%	473,959 0.7%	12,129,556 18.8%
2020	2,773,580 4.4%	2,214,339 3.5%	28,172,567 44.4%	446,106 0.7%	12,252,919 19.3%

Instructional Support Services		Pupil Support Services		Sites and Buildings		Other		Total	
\$	1,324,449	\$	4,565,045	\$	7,979,702	\$	907,385	\$	53,452,449
	2.5%		8.5%		14.9%		1.8%		100.0%
	1,312,859		4,880,377		8,306,378		894,205		54,424,451
	2.4%		9.0%		15.3%		1.6%		100.0%
	1,255,126		5,096,974		7,905,507		847,840		54,936,852
	2.3%		9.3%		14.4%		1.4%		100.0%
	2,633,320		5,470,787		6,160,962		935,255		56,161,612
	4.7%		9.7%		11.0%		1.6%		100.0%
	2,816,864		5,537,272		6,402,196		886,727		57,982,516
	4.9%		9.5%		11.0%		1.5%		100.0%
	5,628,717		5,650,890		6,396,910		1,557,185		64,188,208
	8.8%		8.8%		10.0%		2.3%		100.0%
	2,935,556		6,107,461		6,221,688		1,555,329		61,683,189
	4.8%		9.9%		10.1%		2.4%		100.0%
	3,349,715		6,333,655		6,872,773		1,498,822		61,992,766
	5.4%		10.2%		11.1%		2.4%		100.0%
	3,756,365		6,313,381		6,458,926		1,456,153		64,596,813
	5.8%		9.8%		10.0%		2.2%		100.0%
	3,983,311		6,341,124		5,809,500		1,466,801		63,460,247
	6.3%		10.0%		9.2%		2.2%		100.0%

INDEPENDENT SCHOOL DISTRICT NO. 280

School Tax Levies and Tax Capacity Rates by Fund
Last Ten Fiscal Years

	Year Collectible	General Fund	Community Service Special Revenue Fund	Debt Service Fund	Total All Funds
Levies					
	2011	\$ 10,915,132	\$ 437,571	\$ 5,016,610	\$ 16,369,313
	2012	10,894,520	443,325	5,195,929	16,533,774
	2013	11,681,439	448,603	5,517,081	17,647,123
	2014	12,413,561	440,121	5,510,138	18,363,820
	2015	12,781,122	423,798	4,848,050	18,052,970
	2016	13,591,717	433,925	5,125,866	19,151,508
	2017	13,295,212	454,869	5,191,980	18,942,061
	2018	16,506,195	465,023	9,556,851	26,528,069
	2019	18,046,456	465,989	9,321,120	27,833,565
	2020	17,525,262	473,804	9,806,268	27,805,334
Tax capacity rates					
	2011	12.251	1.164	13.344	26.759
	2012	12.690	1.274	14.930	28.894
	2013	13.710	1.301	16.000	31.011
	2014	16.834	1.280	16.024	34.138
	2015	14.207	1.001	11.451	26.659
	2016	15.664	1.023	12.084	28.771
	2017	14.988	0.972	11.094	27.054
	2018	16.168	0.969	19.913	37.050
	2019	15.586	0.845	16.900	33.331
	2020	14.846	0.821	16.991	32.658

Source: State of Minnesota School Tax Report

INDEPENDENT SCHOOL DISTRICT NO. 280

Tax Capacities
Last Ten Fiscal Years

For Taxes Collectible	Nonagricultural	Fiscal Disparities		Tax Increment	Total Tax Capacity
		Contribution	Distribution		
2011	\$ 47,080,701	\$ (7,864,995)	\$ 5,837,868	\$ (7,011,033)	\$ 38,042,541
2012	43,229,608	(6,938,495)	6,030,051	(7,016,169)	35,304,995
2013	41,734,658	(5,994,792)	5,395,576	(6,266,994)	34,868,448
2014	42,259,288	(6,684,990)	5,690,941	(6,640,874)	34,624,365
2015	46,463,214	(6,982,700)	5,553,498	(4,097,780)	40,936,232
2016	49,828,563	(7,775,655)	5,480,389	(4,809,613)	42,723,684
2017	53,877,113	(8,342,402)	6,063,378	(5,498,277)	46,099,812
2018	57,728,286	(8,277,082)	6,000,883	(5,852,405)	49,599,682
2019	62,741,676	(8,212,926)	6,544,357	(6,559,348)	54,513,759
2020	66,716,919	(9,279,808)	6,730,399	(6,770,124)	57,397,386

Source: State of Minnesota School Tax Report

INDEPENDENT SCHOOL DISTRICT NO. 280

Property Tax Levies and Receivables
Last Ten Fiscal Years

For Taxes Collectible	Original Levy			
	Local Spread	Fiscal Disparities	Property Tax Credits	Total Spread
2011	\$ 13,543,572	\$ 2,346,823	\$ 478,918	\$ 16,369,313
2012	13,908,410	2,625,364	—	16,533,774
2013	15,083,955	2,563,168	—	17,647,123
2014	15,451,538	2,912,282	—	18,363,820
2015	15,087,402	2,965,568	—	18,052,970
2016	16,814,889	2,336,619	—	19,151,508
2017	16,204,749	2,737,312	—	18,942,061
2018	24,099,392	2,428,677	—	26,528,069
2019	24,207,991	3,625,574	—	27,833,565
2020	24,410,184	3,395,150	—	27,805,334

Note 1: Delinquent taxes receivable are written off after seven years.

Note 2: Through 2011, a portion of the total spread levy was paid through tax credits for residential homestead properties, which were paid through state aids. Homestead tax credits were discontinued by the State Legislature beginning in 2012.

Source: State of Minnesota School Tax Report

Uncollected Taxes Receivable as of June 30, 2020

Delinquent		Current	
Amount	Percent	Amount	Percent
\$ —	— %	\$ —	— %
—	—	—	—
—	—	—	—
(7,675)	(0.04)	—	—
9,970	0.06	—	—
19,395	0.10	—	—
17,971	0.09	—	—
48,263	0.18	—	—
124,533	0.45	—	—
—	—	14,205,334	51.09
<u>\$ 212,457</u>		<u>\$ 14,205,334</u>	

INDEPENDENT SCHOOL DISTRICT NO. 280

Student Enrollment
Last Ten Fiscal Years

Year Ended June 30,	Average Daily Membership (ADM) (for Students Served and Tuition Paid)					Total Pupil Units
	Handicapped and Pre-Kindergarten	Kindergarten	Elementary	Secondary	Total	
2011	81.61	354.20	1,861.51	1,858.49	4,155.81	4,753.31
2012	82.28	403.87	1,978.34	1,844.21	4,308.70	4,893.13
2013	97.00	407.88	2,063.44	1,853.72	4,422.04	5,017.11
2014	78.03	373.05	2,094.56	1,838.06	4,383.70	4,991.76
2015	90.27	369.00	2,151.30	1,761.09	4,371.66	4,723.88
2016	84.62	329.47	2,136.43	1,813.32	4,363.84	4,726.49
2017	153.83	292.39	2,110.31	1,822.44	4,378.97	4,743.47
2018	186.40	300.31	2,006.61	1,866.58	4,359.90	4,733.18
2019	210.28	269.91	1,916.25	1,834.58	4,231.02	4,597.92
2020	225.71	242.17	1,826.65	1,898.63	4,193.16	4,572.90

Note 1: Student enrollment for the most recent year is an estimate.

Note 2: ADM is weighted as follows in computing pupil units:

	Early Childhood and Kindergarten – Handicapped	Part-Time/ All-Day Kindergarten	Elementary 1–3	Elementary 4–6	Secondary
Fiscal 2011 through 2014	Various	0.612	1.115	1.060	1.300
Fiscal 2015 through 2020	1.000	0.550/1.000	1.000	1.000	1.200

OTHER REQUIRED REPORTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the School Board and Management of
Independent School District No. 280
Richfield, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 280 (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon date December 28, 2020.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(continued)

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

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

Minneapolis, Minnesota
December 28, 2020



PRINCIPALS

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Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE

To the School Board and Management of
Independent School District No. 280
Richfield, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 280 (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 28, 2020.

MINNESOTA LEGAL COMPLIANCE

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards sections of the *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minnesota Statutes § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

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

Minneapolis, Minnesota
December 28, 2020

INDEPENDENT SCHOOL DISTRICT NO. 280

Uniform Financial Accounting and Reporting Standards
Compliance Table
June 30, 2020

		Audit	UFARS	Audit – UFARS
General Fund				
Total revenue		\$ 67,918,144	\$ 67,918,144	\$ –
Total expenditures		\$ 63,460,247	\$ 63,460,246	\$ 1
Nonspendable				
460	Nonspendable fund balance	\$ 33,813	\$ 33,813	\$ –
Restricted				
401	Student activities	\$ 85,533	\$ 85,533	\$ –
402	Scholarships	\$ 434,691	\$ 434,691	\$ –
403	Staff development	\$ –	\$ –	\$ –
407	Capital projects levy	\$ 81,208	\$ 81,208	\$ –
408	Cooperative revenue	\$ –	\$ –	\$ –
413	Projects funded by COP	\$ –	\$ –	\$ –
414	Operating debt	\$ –	\$ –	\$ –
416	Levy reduction	\$ –	\$ –	\$ –
417	Taconite building maintenance	\$ –	\$ –	\$ –
424	Operating capital	\$ 887,203	\$ 887,203	\$ –
426	\$25 taconite	\$ –	\$ –	\$ –
427	Disabled accessibility	\$ –	\$ –	\$ –
428	Learning and development	\$ –	\$ –	\$ –
434	Area learning center	\$ 108,151	\$ 108,151	\$ –
435	Contracted alternative programs	\$ –	\$ –	\$ –
436	State approved alternative program	\$ –	\$ –	\$ –
438	Gifted and talented	\$ –	\$ –	\$ –
440	Teacher development and evaluation	\$ –	\$ –	\$ –
441	Basic skills programs	\$ –	\$ –	\$ –
448	Achievement and integration	\$ 39,185	\$ 39,185	\$ –
449	Safe schools levy	\$ –	\$ –	\$ –
451	QZAB payments	\$ –	\$ –	\$ –
452	OPEB liability not in trust	\$ –	\$ –	\$ –
453	Unfunded severance and retirement levy	\$ –	\$ –	\$ –
459	Basic skills extended time	\$ 558,710	\$ 558,710	\$ –
467	Long-term facilities maintenance	\$ 1,592,644	\$ 1,592,644	\$ –
472	Medical Assistance	\$ 177,352	\$ 177,352	\$ –
473	PPP loans	\$ –	\$ –	\$ –
474	EIDL loans	\$ –	\$ –	\$ –
464	Restricted fund balance	\$ –	\$ –	\$ –
475	Title VII – Impact Aid	\$ –	\$ –	\$ –
476	PILT	\$ –	\$ –	\$ –
Committed				
418	Committed for separation	\$ –	\$ –	\$ –
461	Committed fund balance	\$ –	\$ –	\$ –
Assigned				
462	Assigned fund balance	\$ 5,278,307	\$ 5,278,307	\$ –
Unassigned				
422	Unassigned fund balance	\$ 6,920,954	\$ 6,920,954	\$ –
Food Service				
Total revenue		\$ 2,684,621	\$ 2,684,621	\$ –
Total expenditures		\$ 2,980,090	\$ 2,980,090	\$ –
Nonspendable				
460	Nonspendable fund balance	\$ 19,676	\$ 19,676	\$ –
Restricted				
452	OPEB liability not in trust	\$ –	\$ –	\$ –
474	EIDL loans	\$ –	\$ –	\$ –
464	Restricted fund balance	\$ 217,832	\$ 217,832	\$ –
Unassigned				
463	Unassigned fund balance	\$ –	\$ –	\$ –
Community Service				
Total revenue		\$ 1,957,665	\$ 1,957,664	\$ 1
Total expenditures		\$ 1,941,755	\$ 1,941,755	\$ –
Nonspendable				
460	Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted				
426	\$25 taconite	\$ –	\$ –	\$ –
431	Community education	\$ (87,810)	\$ (87,810)	\$ –
432	ECFE	\$ 201,523	\$ 201,523	\$ –
440	Teacher development and evaluation	\$ –	\$ –	\$ –
444	School readiness	\$ 395,272	\$ 395,272	\$ –
447	Adult basic education	\$ –	\$ –	\$ –
452	OPEB liability not in trust	\$ –	\$ –	\$ –
473	PPP loans	\$ –	\$ –	\$ –
474	EIDL loans	\$ –	\$ –	\$ –
464	Restricted fund balance	\$ 91,674	\$ 91,675	\$ (1)
Unassigned				
463	Unassigned fund balance	\$ –	\$ –	\$ –

INDEPENDENT SCHOOL DISTRICT NO. 280

Uniform Financial Accounting and Reporting Standards
Compliance Table (continued)
June 30, 2020

		Audit	UFARS	Audit – UFARS
Building Construction				
Total revenue		\$ 2,184,625	\$ 2,184,625	\$ –
Total expenditures		\$ 65,066,268	\$ 65,066,268	\$ –
Nonspendable				
460	Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted				
407	Capital projects levy	\$ –	\$ –	\$ –
413	Projects funded by COP	\$ –	\$ –	\$ –
467	Long-term facilities maintenance	\$ 11,186,480	\$ 11,186,480	\$ –
464	Restricted fund balance	\$ 32,744,076	\$ 32,744,076	\$ –
Unassigned				
463	Unassigned fund balance	\$ –	\$ –	\$ –
Debt Service				
Total revenue		\$ 8,469,549	\$ 8,469,549	\$ –
Total expenditures		\$ 8,105,988	\$ 8,105,988	\$ –
Nonspendable				
460	Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted				
425	Bond refundings	\$ –	\$ –	\$ –
433	Maximum effort loan	\$ –	\$ –	\$ –
451	QZAB payments	\$ –	\$ –	\$ –
467	Long-term facilities maintenance	\$ –	\$ –	\$ –
464	Restricted fund balance	\$ 1,309,250	\$ 1,309,250	\$ –
Unassigned				
463	Unassigned fund balance	\$ –	\$ –	\$ –
Trust				
Total revenue		\$ –	\$ –	\$ –
Total expenditures		\$ –	\$ –	\$ –
401	Student activities	\$ –	\$ –	\$ –
402	Scholarships	\$ –	\$ –	\$ –
422	Net position	\$ –	\$ –	\$ –
Custodial				
Total revenue		\$ 8,908	\$ 8,908	\$ –
Total expenditures		\$ 13,551	\$ 13,551	\$ –
401	Student activities	\$ –	\$ –	\$ –
402	Scholarships	\$ 20,953	\$ 20,953	\$ –
448	Achievement and integration	\$ –	\$ –	\$ –
464	Restricted fund balance	\$ –	\$ –	\$ –
Internal Service				
Total revenue		\$ 7,722,748	\$ 7,722,748	\$ –
Total expenditures		\$ 7,047,734	\$ 7,047,734	\$ –
422	Net position	\$ 5,967,601	\$ 5,967,601	\$ –
OPEB Revocable Trust Fund				
Total revenue		\$ –	\$ –	\$ –
Total expenditures		\$ –	\$ –	\$ –
422	Net position	\$ –	\$ –	\$ –
OPEB Irrevocable Trust Fund				
Total revenue		\$ 247,052	\$ 247,051	\$ 1
Total expenditures		\$ 816,085	\$ 816,085	\$ –
422	Net position	\$ 8,886,190	\$ 8,886,190	\$ –
OPEB Debt Service Fund				
Total revenue		\$ 811,277	\$ 811,277	\$ –
Total expenditures		\$ 783,025	\$ 783,025	\$ –
Nonspendable				
460	Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted				
425	Bond refundings	\$ –	\$ –	\$ –
464	Restricted fund balance	\$ 205,869	\$ 205,869	\$ –
Unassigned				
463	Unassigned fund balance	\$ –	\$ –	\$ –

Note: Statutory restricted deficits, if any, are reported in unassigned fund balances in the financial statements in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT SCHOOL DISTRICT NO. 280

Corrective Action Plans and Summary Schedule of Prior Audit Findings Year Ended June 30, 2020

A. FINANCIAL STATEMENT FINDINGS

None.

B. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

MATERIAL WEAKNESS IN INTERNAL CONTROL OVER COMPLIANCE AND MATERIAL NONCOMPLIANCE – U.S. DEPARTMENT OF EDUCATION, PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION, TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES – CFDA NO. 84.010

2020-001 Internal Control Over Compliance and Noncompliance With Federal Allowable Cost Requirements

Finding Summary

2 CFR § 200.430 requires Independent School District No. 280 (the District) to maintain records that adequately and accurately identify the source and application of funds for federally-funded activities in accordance with 2 CFR 200 Subpart E – Cost Principles. The District did not have sufficient controls to ensure proper determination of allowable costs charged to the Title I program, which resulted in reportable instances of noncompliance.

Corrective Action Plan

Actions Planned – The District will review policies and procedures relating to allowable costs for all federal programs to ensure compliance with the Uniform Guidance in the future.

Official Responsible – The District's Executive Director of Special Programs, Mary Clarkson.

Planned Completion Date – March 31, 2021.

Disagreement With or Explanation of Finding – The District agrees with this finding.

Plan to Monitor – The District's Executive Director of Special Programs, Mary Clarkson, will assure appropriate internal controls and procedures are updated and in place to ensure compliance with allowable cost requirements for future federal awards expenditures.

INDEPENDENT SCHOOL DISTRICT NO. 280

Corrective Action Plans and
Summary Schedule of Prior Audit Findings (continued)
Year Ended June 30, 2020

B. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL OVER COMPLIANCE – U.S. DEPARTMENT OF EDUCATION, PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION, TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES – CFDA No. 84.010

2020-002 Internal Control Over Compliance With Federal Level of Effort Requirements

Finding Summary

34 CFR § 299.5 requires the District to maintain a combined fiscal effort per student for the preceding fiscal year that was not less than 90 percent of the combined fiscal effort per student for the second preceding fiscal year. The District did not have sufficient controls to ensure compliance with the maintenance of effort fiscal requirements under the Elementary and Secondary Education Act of 1965 (ESEA).

Corrective Action Plan

Actions Planned – The District will review policies and procedures relating to level of effort fiscal requirements for all federal ESEA programs to ensure compliance with the Uniform Guidance in the future.

Official Responsible – The District’s Director of Finance, Jim Gilligan.

Planned Completion Date – March 31, 2021.

Disagreement With or Explanation of Finding – The District agrees with this finding.

Plan to Monitor – The District’s Director of Finance, Jim Gilligan, will assure appropriate internal controls and procedures are updated and in place to ensure compliance with level of effort requirements for future federal awards expenditures.

INDEPENDENT SCHOOL DISTRICT NO. 280

Corrective Action Plans and
Summary Schedule of Prior Audit Findings (continued)
Year Ended June 30, 2020

B. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL OVER COMPLIANCE – U.S. DEPARTMENT OF AGRICULTURE, PASSED THROUGH MINNESOTA DEPARTMENT OF EDUCATION, CHILD NUTRITION CLUSTER – CFDA NOS. 10.553, 10.555, AND 10.559

2020-003 Internal Control Over Compliance With Federal Allowable Activities Requirements

Finding Summary

7 CFR § 210.8, 220.11, and 225.9 requires the District to establish and maintain effective internal control over compliance with requirements applicable to federal program allowable activities, including accurate meal count requirements applicable to the child nutrition cluster federal program. The District did not have sufficient controls in place within its child nutrition cluster federal programs to assure accuracy of meal counts prior to the submission of the monthly claim for reimbursement.

Corrective Action Plan

Actions Planned – The District will review policies and procedures relating to allowable activity requirements for its child nutrition cluster federal programs to ensure compliance with the Uniform Guidance in the future.

Official Responsible – The District’s Director of Nutrition Services, Michael Manning.

Planned Completion Date – March 31, 2021.

Disagreement With or Explanation of Finding – The District agrees with this finding.

Plan to Monitor – The District’s Director of Nutrition Services, Michael Manning, will assure appropriate internal controls and procedures are updated and in place for future federal awards expenditures.

C. MINNESOTA LEGAL COMPLIANCE FINDINGS

None.

INDEPENDENT SCHOOL DISTRICT NO. 280

Corrective Action Plans and
Summary Schedule of Prior Audit Findings (continued)
Year Ended June 30, 2020

D. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

MATERIAL WEAKNESS IN INTERNAL CONTROL OVER COMPLIANCE AND MATERIAL NONCOMPLIANCE

2019-001 Internal Control Over Compliance and Noncompliance With Federal Allowable Cost Requirements

Repeat Finding – 2 CFR § 200.302(b)(3) requires the District to maintain records that adequately identify the source and application of funds for federally-funded activities in accordance with 2 CFR 200 Subpart E – Cost Principles. The District did not have sufficient controls to ensure adequate documentation of time and effort was created and retained to support salary costs charged to its Title I federal program, which resulted in reportable instances of noncompliance.

Current Status – The District maintained appropriate time and effort documentation in the current year. However, reportable noncompliance with allowable cost requirements for Title I federal program expenditures recurred. See current year finding 2020-001.

NEW BUSINESS - FOR ACTION

Agenda Item VI.D.

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: SHERIDAN HILLS Facilities Project Change Order #020

(Recommended by the Superintendent)

That the Board of Education approve SHERIDAN HILLS Facilities Project Change Order #020 for a net increase of \$16,291.00.

Background Information

- An addition of \$16,291.00 for an added exterior stair out of the gym, modifications to the chilled water equipment layout and a credit for dimensional signage which is being provided under a separate contract districtwide.

The original (Contract Sum)	\$9,582,000.00
Net Change by previously authorized Change Orders	\$361,183.00
The contract sum prior to these Change Orders	\$9,943,183.00
The contract sum will be increased by these Change Orders in the amount of	\$16,291.00
The new contract sum including all Change Orders will be	\$9,959,474.00



ICS
1331 Tyler Street NE, Suite 101
Minneapolis, Minnesota 55413
Phone: (763) 354-2670
Fax: (763) 780-2866

Project: S180064 - SHRDN - ISD #280, Richfield Sheridan Hills
Elementary 2019 Additions & Renovations
6400 Sheridan Avenue South
Richfield, Minnesota 55423

Contract Change Order #020: Corval CO 020

CONTRACT COMPANY:	Corval Group 1633 Eustis Street St. Paul, Minnesota 55108	CONTRACT FOR:	SC-S180064 - SHRDN-001:Corval Group Single Prime Contract
DATE CREATED:	2/04/2021	CREATED BY:	Raeann Wynn (ICS - Minneapolis, MN)
CONTRACT STATUS:	Approved	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION	
DESIGNATED REVIEWER:		REVIEWED BY:	
DUE DATE:		REVIEW DATE:	02/04/2021
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	Client Request Design Development
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	0 days
FIELD CHANGE:	No	TOTAL AMOUNT:	\$16,291.00

DESCRIPTION:

Included in this change order are costs to construct a set of exterior concrete stairs with handrails and additional labor and materials to install VFDs in a revised location. Also included in this change order is a deduct for dimensional letter signage that was removed from the contractor's scope. Also included in the change order are (2) no cost changes regarding dimension clarifications on the chiller enclosure and Kitchen addition as well as clarifications regarding the special education area swing hook.

CE #063 - SI 012 - Chiller Enclosure & Kitchen Addition Dimensions: No cost impact \$0.00
SI 012 - Chiller Enclosure & Kitchen Addition Dimensions

CE #064 - RFCO - Dimensional Letter Signage Credit: (\$1,083.00)
RFCO - Dimensional Letter Signage Credit

CE #069 - SI 013 - Hook Assembly Changes: No cost impact \$0.00
SI 013 - Hook Assembly Changes

CE #089 - PR 039 - Exterior Stair at Gymnasium: \$16,249.00
PR 039 - Exterior Stair at Gymnasium

CE #091 - PR 038 - Chilled Water Equipment Layout: \$1,125.00
PR 038 - Chilled Water Equipment Layout

ATTACHMENTS:

[PR#38 - Pricing \(4\).pdf](#) [GCPR#46 - Dimensional Letter Signage Credit.pdf](#) [SI013 - Pricing for Approval.pdf](#) [PR 038 - Chilled Water Equipment Layout.pdf](#) [PR#39 - Pricing for Approval.pdf](#) [PR 039 - Exterior Stair at Gymnasium.pdf](#) [SI 013 - Hook Assembly Changes.pdf](#) [SI 012 Chiller Enclosure & Kitchen Addition Dimensions.pdf](#)

CHANGE ORDER LINE ITEMS:



The original (Contract Sum)	\$ 9,582,000.00
Net change by previously authorized Change Orders	\$ 361,183.00
The contract sum prior to this Change Order was	\$ 9,943,183.00
The contract sum will be increased by this Change Order in the amount of	\$ 16,291.00
The new contract sum including this Change Order will be	\$ 9,959,474.00
The contract time will not be changed by this Change Order by 0 days	

Corval Group
1633 Eustis Street
St. Paul Minnesota 55108

Wold Architects & Engineers
332 Minnesota Street, Suite W2000
St. Paul Minnesota 55101

Independent School District #280
7001 Harriet Avenue S.
Richfield Minnesota 55423

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Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: RMS Facilities Project Change Orders #013 & #014

(Recommended by the Superintendent)

That the Board of Education approve RMS Facilities Project Change Orders #013 and #014 for a net increase of \$419,296.39.

Background Information

- RMS Change Order #013 – An addition of \$ 433,419.63 for replacement of the Pool HVAC Unit originally planned to remain. This will be funded through LTFM budgets allocated for this work.
- RMS Change Order #014 – A credit of \$14,123.24 for the elimination and reduction in Rated mechanical shafts, fire smoke dampers and electrical concrete casement determined not to be needed. Also included are various adds for modifications to existing finishes necessary after demolition.

The original (Contract Sum)	\$16,701,000.00
Net Change by previously authorized Change Orders	\$178,107.39
The contract sum prior to this Change Order	\$16,879,107.39
The contract sum will be increased by this Change Order in the amount of	\$419,296.39
The new contract sum including all Change Orders will be	\$17,298,403.78



ICS
1331 Tyler Street NE, Suite 101
Minneapolis, Minnesota 55413
Phone: (763) 354-2670
Fax: (763) 780-2866

Project: S180064 - RMS - ISD #280, Richfield Middle School
7461 Oliver Avenue South
Richfield, Minnesota 55423

Contract Change Order #013: Shaw-Lundquist CO 013

CONTRACT COMPANY:	Shaw-Lundquist Associates, Inc. 2757 West Service Road St. Paul, Minnesota 55121	CONTRACT FOR:	SC-S180064 - RMS-001:Shaw-Lundquist Single Prime Contract
DATE CREATED:	2/08/2021	CREATED BY:	Raeann Wynn (ICS - Minneapolis, MN)
CONTRACT STATUS:	Approved	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION	
DESIGNATED REVIEWER:		REVIEWED BY:	
DUE DATE:		REVIEW DATE:	02/08/2021
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	0 days
FIELD CHANGE:	No	TOTAL AMOUNT:	\$433,419.63

DESCRIPTION:
Replace existing pool rooftop HVAC unit with new unit.

CE #095 - PR #029 - Packaged Pool Unit Replacement: \$433,419.63

ATTACHMENTS:
[PR 29 - Thelen.pdf](#) [PR#029.pdf](#) [PR #029 - Packaged Pool Unit Replacement.pdf](#)

CHANGE ORDER LINE ITEMS:

The original (Contract Sum)	\$ 16,701,000.00
Net change by previously authorized Change Orders	\$ 178,107.39
The contract sum prior to this Change Order was	\$ 16,879,107.39
The contract sum will be increased by this Change Order in the amount of	\$ 433,419.63
The new contract sum including this Change Order will be	\$ 17,312,527.02
The contract time will not be changed by this Change Order by 0 days	

Shaw-Lundquist Associates, Inc.
2757 West Service Road
St. Paul Minnesota 55121

Wold Architects & Engineers
332 Minnesota Street, Suite W2000
St. Paul Minnesota 55101

Independent School District #280
7001 Harriet Avenue S.
Richfield Minnesota 55423

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ICS
1331 Tyler Street NE, Suite 101
Minneapolis, Minnesota 55413
Phone: (763) 354-2670
Fax: (763) 780-2866

Project: S180064 - RMS - ISD #280, Richfield Middle School
7461 Oliver Avenue South
Richfield, Minnesota 55423

Contract Change Order #014: Shaw-Lundquist CO 014

CONTRACT COMPANY:	Shaw-Lundquist Associates, Inc. 2757 West Service Road St. Paul, Minnesota 55121	CONTRACT FOR:	SC-S180064 - RMS-001:Shaw-Lundquist Single Prime Contract
DATE CREATED:	2/08/2021	CREATED BY:	Raeann Wynn (ICS - Minneapolis, MN)
CONTRACT STATUS:	Approved	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION	
DESIGNATED REVIEWER:		REVIEWED BY:	
DUE DATE:		REVIEW DATE:	02/08/2021
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	0 days
FIELD CHANGE:	No	TOTAL AMOUNT:	(\$14,123.24)

DESCRIPTION:

Credits for electrical concrete casement, mechanical fire dampers and mechanical shaft enclosures. Other small costs include minor modifications including removal of existing lights in the wood shop, changes in wall and ceiling finishes due to existing conditions after demolition.

CE #053 - PR #021 - Shaft Enclosures.: (\$4,501.00)

CE #074 - SI #007 - Room Numbering Plans: No cost impact \$0.00

CE #079 - #175: Room C-210 existing plaster soffit: \$853.60

CE #091 - PR #027 - Area 'A' Fire Smoke Damper Removal: (\$3,941.08)

CE #093 - #185: Clay tile 3rd floor area b bathroom: \$3,055.50

CE #100 - #197: Lights in woods room: \$2,180.64

CE #101 - #202: Control Valves and piping in 2nd Floor A Mechanical room.: \$870.45

CE #102 - PR #10 Credit: (\$16,180.50)

CE #104 - #206: Room 118/120 Plaster Wall: \$1,067.00

CE #105 - SI #010 - Cafeteria Ceiling Detail: \$745.50

CE #109 - #217: Main floor bathrooms glazed block wall: \$1,280.40

CE #110 - Room C208A Add ACT: \$446.25



Per RFI 52, existing plaster ceiling was removed. A PR never came out to update new ceiling to be installed.

ATTACHMENTS:

[ICS CE #110 Pricing for Approval RMS 2021-01-28.pdf](#) [ICS CE #101 Pricing for Approval RMS 2021-01-28.pdf](#) [ICS CE #104 Pricing for Approval RMS 2021-01-20.pdf](#) [ICS CE #079 Pricing for Approval RMS 20020-10-07.pdf](#) [ICS CE #109 Pricing for Approval RMS 2021-01-27.pdf](#) [SI #010 Pricing for Approval RMS 2021-01-25.pdf](#) [ICS CE #093 Pricing for Approval RMS 2021-01-25.pdf](#) [SI #010 - Cafeteria Ceiling Detail.pdf](#) [PR #021 Revised Pricing RMS 2020-12-22.pdf](#) [ICS CE #100 Pricing for Approval RMS 2021-01-11.pdf](#) [ICS CE #102 Credit for Approval RMS 2021-01-06.pdf](#) [ISD #280 - Richfield Middle School Change Event #091.msg](#) [SI #007 - Room Numbering Plans.pdf](#)

CHANGE ORDER LINE ITEMS:

The original (Contract Sum)	\$ 16,701,000.00
Net change by previously authorized Change Orders	\$ 611,527.02
The contract sum prior to this Change Order was	\$ 17,312,527.02
The contract sum will be decreased by this Change Order in the amount of	(\$14,123.24)
The new contract sum including this Change Order will be	\$ 17,298,403.78
The contract time will not be changed by this Change Order by 0 days	

Shaw-Lundquist Associates, Inc.
2757 West Service Road
St. Paul Minnesota 55121

Wold Architects & Engineers
332 Minnesota Street, Suite W2000
St. Paul Minnesota 55101

Independent School District #280
7001 Harriet Avenue S.
Richfield Minnesota 55423

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NEW BUSINESS - FOR ACTION

Agenda Item VI.F.

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: RHS Facilities Project Change Orders #048 - #052

(Recommended by the Superintendent)

That the Board of Education approve RHS Facilities Project Change Orders #048 - #052 for a net increase of \$128,284.52.

Background Information

- RHS Change Order #048 – An addition of \$22,102.07 for revisions to Doors, Windows and access requirements due to existing conditions as well as an added Fire Smoke Damper required at the new athletic corridor elevator.
- RHS Change Order #049 – An addition of \$32,369.80 for modifications to the ductwork in the athletic lobby area, added floor prep in the lower level, additional new wrestling wall pads as the original pads were able to be removed and reinstalled and rewiring of main gym microphone systems.
- RHS Change Order #050 – An addition of \$24,821.00 for added work in the boiler room as well as a rerouted gas meter connection.
- RHS Change Order #051 – An addition of \$23,871.67 for work associated with the underground mechanical ductwork required to be rerouted due to existing electrical equipment conflicts as well as adding access panels to gas valve boxes in Science rooms
- RHS Change Order #052 – An addition of \$25,119.98 for added work primarily associated with adding plywood to existing risers in a classroom where substrate was found to be deteriorated, as well as masonry infills at Cabinet Unit Heater locations throughout the building.

The original (Contract Sum)	\$35,430,000.00
Net Change by previously authorized Change Orders	\$2,250,062.02
The contract sum prior to these Change Orders	\$37,680,062.02
The contract sum will be increased by these Change Orders in the amount of	\$128,284.52
The new contract sum including all Change Orders will be	\$37,808,346.54



ICS
1331 Tyler Street NE, Suite 101
Minneapolis, Minnesota 55413
Phone: (763) 354-2670
Fax: (763) 780-2866

Project: S180064 - RHS - ISD #280, Richfield High School
7001 Harriet Avenue South
Richfield, Minnesota 55423

Contract Change Order #048: L.S. Black CO 048

CONTRACT COMPANY:	L.S. Black Constructors, Inc. 1959 Sloan Place, Suite 220 St. Paul, Minnesota 55117	CONTRACT FOR:	SC-S180064 - RHS-001:L.S. Black Single Prime Contract
DATE CREATED:	2/08/2021	CREATED BY:	Raeann Wynn (ICS - Minneapolis, MN)
CONTRACT STATUS:	Approved	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION	
DESIGNATED REVIEWER:		REVIEWED BY:	
DUE DATE:		REVIEW DATE:	02/08/2021
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	Inspector/Code Required
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	0 days
FIELD CHANGE:	No	TOTAL AMOUNT:	\$22,102.07

DESCRIPTION:

Door, window, and opening revisions due to existing conditions. Also included is adding a new fire smoke damper in the new athletic corridor elevator due to code requirements.

CE #205 - #281: Proposed Opening for Sump Pump Access: \$4,272.18

CE #241 - #311: Detail for CW5 & CW 15: \$8,477.29

CE #278 - PR #118 - CW Interior Panels Revision and Ommittance: (\$2,175.00)

CE #323 - Relocate Existing VAV TB-H4: \$829.45

CE #324 - Additional door frame preparation: \$4,956.11

CE #327 - #676: Fire/Smoke Damper for Elevator Shaft: \$5,742.04

ATTACHMENTS:

[CE #278 - PR #118 - CW Interior Panels Revision and Ommittance Pricing Complete 01-13-21.pdf](#) [CE #327 - #676 FireSmoke Damper for Elevator Shaft Pricing Complete 01-07-21.pdf](#) [CE #323 - Relocate Existing VAV TB-H4 Pricing Complete 01-04-21.pdf](#) [CE #324 - Additional door frame preparation Pricing Complete 1-4-21.pdf](#) [CE #205 - #281 Proposed Opening for Sump Pump Access Pricing Complete Rev 1 12-16-20.pdf](#) [PR #118 - CW Interior Panels Revision and Ommittance.pdf](#) [CE #241 - #311 Detail for CW5 & CW 15 Pricing Complete 08-02-20.pdf](#)

CHANGE ORDER LINE ITEMS:



The original (Contract Sum)	\$ 35,430,000.00
Net change by previously authorized Change Orders	\$ 2,250,062.02
The contract sum prior to this Change Order was	\$ 37,680,062.02
The contract sum will be increased by this Change Order in the amount of	\$ 22,102.07
The new contract sum including this Change Order will be	\$ 37,702,164.09
The contract time will not be changed by this Change Order by 0 days	

L.S. Black Constructors, Inc.
1959 Sloan Place, Suite 220
St. Paul Minnesota 55117

Wold Architects & Engineers
332 Minnesota Street, Suite W2000
St. Paul Minnesota 55101

Independent School District #280
7001 Harriet Avenue S.
Richfield Minnesota 55423

SIGNATURE

DATE

SIGNATURE

DATE

SIGNATURE

DATE



ICS
1331 Tyler Street NE, Suite 101
Minneapolis, Minnesota 55413
Phone: (763) 354-2670
Fax: (763) 780-2866

Project: S180064 - RHS - ISD #280, Richfield High School
7001 Harriet Avenue South
Richfield, Minnesota 55423

Contract Change Order #049: L.S. Black CO 049

CONTRACT COMPANY:	L.S. Black Constructors, Inc. 1959 Sloan Place, Suite 220 St. Paul, Minnesota 55117	CONTRACT FOR:	SC-S180064 - RHS-001:L.S. Black Single Prime Contract
DATE CREATED:	2/08/2021	CREATED BY:	Raeann Wynn (ICS - Minneapolis, MN)
CONTRACT STATUS:	Approved	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION	
DESIGNATED REVIEWER:		REVIEWED BY:	
DUE DATE:		REVIEW DATE:	02/08/2021
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	0 days
FIELD CHANGE:	No	TOTAL AMOUNT:	\$32,369.80

DESCRIPTION:

Added scope to the athletic area including modifications to ductwork in the lobby area, additional floor preparation in the new weight room, new wrestling wall pads, microphone and volleyball modifications in main gym.

CE #275 - #547: Gym E116 Control Dampers: \$451.50

CE #284 - Elimination of the volleyball sleeves main gym: (\$1,200.00)

CE #290 - PR #119 Area 'F' Corridor Modifications: \$13,794.14

CE #316 - #456: Main gym microphones - Area E: \$1,643.25

CE #317 - Provide additional athletic wall pads: \$15,044.30

CE #320 - Weight Room Floor Prep: \$2,636.61

ATTACHMENTS:

[CE #284 - Elimination of the volleyball sleeves main gym Pricing Complete 01-27-21.pdf](#) [CE #317 - Provide additional athletic wall pads Pricing Complete 12-14-20.pdf](#) [CE #320 - Weight Room Floor Prep Pricing Complete 12-14-20.pdf](#) [FW RHS Cost Reviews CE 217_311_312_314_316 Approval 11-24-20.msg](#) [CE #275 - #547 Gym E116 Control Dampers Pricing Complete 11-3-20.pdf](#) [CE #290 - PR #119 Area 'F' Corridor Modifications Pricing Complete 11-2-20.pdf](#) [PR #119 Area 'F' Corridor Modifications.pdf](#)

CHANGE ORDER LINE ITEMS:



The original (Contract Sum)	\$ 35,430,000.00
Net change by previously authorized Change Orders	\$ 2,272,164.09
The contract sum prior to this Change Order was	\$ 37,702,164.09
The contract sum will be increased by this Change Order in the amount of	\$ 32,369.80
The new contract sum including this Change Order will be	\$ 37,734,533.89
The contract time will not be changed by this Change Order by 0 days	

L.S. Black Constructors, Inc.
1959 Sloan Place, Suite 220
St. Paul Minnesota 55117

Wold Architects & Engineers
332 Minnesota Street, Suite W2000
St. Paul Minnesota 55101

Independent School District #280
7001 Harriet Avenue S.
Richfield Minnesota 55423

SIGNATURE

DATE

SIGNATURE

DATE

SIGNATURE

DATE



ICS
1331 Tyler Street NE, Suite 101
Minneapolis, Minnesota 55413
Phone: (763) 354-2670
Fax: (763) 780-2866

Project: S180064 - RHS - ISD #280, Richfield High School
7001 Harriet Avenue South
Richfield, Minnesota 55423

Contract Change Order #050: L.S. Black CO 050

CONTRACT COMPANY:	L.S. Black Constructors, Inc. 1959 Sloan Place, Suite 220 St. Paul, Minnesota 55117	CONTRACT FOR:	SC-S180064 - RHS-001:L.S. Black Single Prime Contract
DATE CREATED:	2/08/2021	CREATED BY:	Raeann Wynn (ICS - Minneapolis, MN)
CONTRACT STATUS:	Approved	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION	
DESIGNATED REVIEWER:		REVIEWED BY:	
DUE DATE:		REVIEW DATE:	02/08/2021
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	0 days
FIELD CHANGE:	No	TOTAL AMOUNT:	\$24,821.00

DESCRIPTION:

Modifications to the mechanical boiler room for revised gas piping and new gas meter connections.

CE #263 - PR #114 - Water Heater Gas Pipe Modifications #613: Natural Gas for Water Heaters: \$18,222.45

CE #270 - #596: Boiler Room Sink Piping: \$2,537.91

CE #322 - #164: Boiler Room Air Compressor: \$1,894.49

CE #330 - Valves for new firm gas meter: \$2,166.15

ATTACHMENTS:

[CE #330 - Valves for new firm gas meter Pricing Complete 02-02-21.pdf](#) [CE #263 - PR #114 - Water Heater Gas Pipe Modifications #613 Natural Gas for Water Heaters Rev 3 Pricing Complete 12-16-20.pdf](#) [CE #270 - #596 Boiler Room Sink Piping Pricing Complete 09-01-20.pdf](#) [CE #322 - #164 Boiler Room Air Compressor Pricing Complete 12-14-20.pdf](#) [PR #114 - Water Heater Gas Pipe Modifications.pdf](#)

CHANGE ORDER LINE ITEMS:

The original (Contract Sum)	\$ 35,430,000.00
Net change by previously authorized Change Orders	\$ 2,304,533.89
The contract sum prior to this Change Order was	\$ 37,734,533.89
The contract sum will be increased by this Change Order in the amount of	\$ 24,821.00
The new contract sum including this Change Order will be	\$ 37,759,354.89
The contract time will not be changed by this Change Order by 0 days	



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Richfield Minnesota 55423

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ICS
1331 Tyler Street NE, Suite 101
Minneapolis, Minnesota 55413
Phone: (763) 354-2670
Fax: (763) 780-2866

Project: S180064 - RHS - ISD #280, Richfield High School
7001 Harriet Avenue South
Richfield, Minnesota 55423

Contract Change Order #051: L.S. Black CO 051

CONTRACT COMPANY:	L.S. Black Constructors, Inc. 1959 Sloan Place, Suite 220 St. Paul, Minnesota 55117	CONTRACT FOR:	SC-S180064 - RHS-001:L.S. Black Single Prime Contract
DATE CREATED:	2/08/2021	CREATED BY:	Raeann Wynn (ICS - Minneapolis, MN)
CONTRACT STATUS:	Approved	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION	
DESIGNATED REVIEWER:		REVIEWED BY:	
DUE DATE:		REVIEW DATE:	02/08/2021
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	0 days
FIELD CHANGE:	No	TOTAL AMOUNT:	\$23,871.67

DESCRIPTION:

Area C (North Third Level Tower) mechanical underground ductwork adjustments due to existing electrical equipment.

CE #223 - #196: Area C Underground Ductwork: \$23,187.07

CE #326 - #541: Hydronic Piping Keyed Note 9 in Areas H and C: \$684.60

ATTACHMENTS:

[CE #223 - #196 Area C Underground Ductwork Pricing Complete 07-20-20.pdf](#) [CE #326 - #541 Hydronic Piping Keyed Note 9 in Areas H and C Pricing Complete 01-04-21.pdf](#)

CHANGE ORDER LINE ITEMS:

The original (Contract Sum)	\$ 35,430,000.00
Net change by previously authorized Change Orders	\$ 2,329,354.89
The contract sum prior to this Change Order was	\$ 37,759,354.89
The contract sum will be increased by this Change Order in the amount of	\$ 23,871.67
The new contract sum including this Change Order will be	\$ 37,783,226.56
The contract time will not be changed by this Change Order by 0 days	

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Project: S180064 - RHS - ISD #280, Richfield High School
7001 Harriet Avenue South
Richfield, Minnesota 55423

Contract Change Order #052: L.S. Black CO 052

CONTRACT COMPANY:	L.S. Black Constructors, Inc. 1959 Sloan Place, Suite 220 St. Paul, Minnesota 55117	CONTRACT FOR:	SC-S180064 - RHS-001:L.S. Black Single Prime Contract
DATE CREATED:	2/08/2021	CREATED BY:	Raeann Wynn (ICS - Minneapolis, MN)
CONTRACT STATUS:	Approved	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION	
DESIGNATED REVIEWER:		REVIEWED BY:	
DUE DATE:		REVIEW DATE:	02/08/2021
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	0 days
FIELD CHANGE:	No	TOTAL AMOUNT:	\$25,119.98

DESCRIPTION:

Majority of the cost is various concrete wall patching where old cabinet unit heaters were removed and adding plywood to the floors of the science tiered room. Other minor costs include changes in Area P (new link) sprinkler and card readers. Also on this change order are some credits which is back charging the contract for owner supplied invoices.

CE #165 - Plywood on existing risers Area C310: \$10,375.59

Addition of plywood to existing riser decks that were in too poor of condition to accept new LVT.

CE #273 - Additional Irrigation Work (Credit): (\$1,061.50)

CE #283 - PR #117 - CMU Infills at CUH: \$13,618.91

CE #294 - PR #122 Door P104B Card Reader: \$3,305.90

CE #306 - #651: New sprinkler valve assembly - Basement Area P: \$1,738.86

CE #321 - Area P Delays and Furniture Storage Costs Credit: (\$2,857.78)

ATTACHMENTS:

[CE #294 - PR #122 Door P104B Card Reader Pricing Complete 1-28-21.pdf](#) [CE #283 - PR #117 - CMU Infills at CUH Pricing Complete Rev 2 01-14-21.pdf](#) [CE #165 - Plywood on existing risers Area C310 Pricing Complete Rev 1 01-14-20.pdf](#) [IOS Storage Invoice.pdf](#) [Aqua Engineering P2000777.pdf](#) [CE #306 - #651 New sprinkler valve assembly - Basement Area P Pricing Complete 11-10-20.pdf](#) [PR #122 Door P104B Card Reader.pdf](#) [PR #117 - CMU Infills at CUH.pdf](#)

CHANGE ORDER LINE ITEMS:



The original (Contract Sum)	\$ 35,430,000.00
Net change by previously authorized Change Orders	\$ 2,353,226.56
The contract sum prior to this Change Order was	\$ 37,783,226.56
The contract sum will be increased by this Change Order in the amount of	\$ 25,119.98
The new contract sum including this Change Order will be	\$ 37,808,346.54
The contract time will not be changed by this Change Order by 0 days	

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Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: SHERIDAN HILLS Facilities Project Abatement Change Order #002

(Recommended by the Superintendent)

That the Board of Education approve SHERIDAN HILLS Facilities Project Abatement Change Order #002 for a net decrease of \$4,160.00.

Background Information

- Sheridan Hills Abatement Change Order #002 – A credit of \$4,160 for expediting a portion of the work prior to the originally scheduled start date of June 8th, 2020.

The original (Contract Sum)	\$94,800.00
Net Change by previously authorized Change Orders	\$35,712.00
The contract sum prior to these Change Orders	\$130,512.00
The contract sum will be increased by these Change Orders in the amount of	(\$4,160.00)
The new contract sum including all Change Orders will be	\$126,352.00



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Change Order

PROJECT: <i>(Name and address)</i> Sheridan Hills Elementary School - Spring/Summer 2020 Asbestos Removal 6400 Sheridan Avenue South Richfield, MN 55423	CONTRACT INFORMATION: Contract For: Asbestos Removal Date: April 15, 2020	CHANGE ORDER INFORMATION: Change Order Number: 002 Date: September 22, 2020
OWNER: <i>(Name and address)</i> Richfield ISD #280 7001 Harriet Avenue South Richfield, MN 55423	ARCHITECT: <i>(Name and address)</i> Institute for Environmental Assessment 9201 West Broadway North, Suite 600 Brooklyn Park, MN 55445- 1926	CONTRACTOR: <i>(Name and address)</i> Dennis Environmental Operations 551 Topping Street St. Paul, MN 55103

THE CONTRACT IS CHANGED AS FOLLOWS:

(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

Deductions from Contract Sum

Discount for completing scope of work prior to June 8, 2020. <\$5,200.00>

Completed 80% of scope of work prior to June 8, 2020. \$1,040.00
 \$5,200 x 0.20

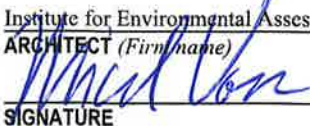

Total Change to Contract Sum <\$4,160.00>

The original Contract Sum was	\$	94,800.00
The net change by previously authorized Change Orders	\$	35,712.00
The Contract Sum prior to this Change Order was	\$	130,512.00
The Contract Sum will be decreased by this Change Order in the amount of	\$	4,160.00
The new Contract Sum including this Change Order will be	\$	126,352.00

The Contract Time will be unchanged by Zero (0) days.
 The new date of Substantial Completion will be July 2, 2020.

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

Institute for Environmental Assessment ARCHITECT <i>(Firm name)</i>  SIGNATURE Michael Voss, Project Manager PRINTED NAME AND TITLE 9/23/2020 DATE	Dennis Environmental Operations CONTRACTOR <i>(Firm name)</i>  SIGNATURE Denise Zaske, President PRINTED NAME AND TITLE DATE	Richfield ISD #280 OWNER <i>(Firm name)</i> SIGNATURE Craig Holje, Chief H/R & Admin Officer PRINTED NAME AND TITLE DATE
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NEW BUSINESS - FOR ACTION

Agenda Item VI.H.

Board of Education
Independent School District 280
Richfield, Minnesota

Regular Meeting, February 16, 2021

Subject: Donations

(Recommended by the Superintendent)

That the Board of Education accept the following donations with gratitude.

The RPS General Fund received a donation of \$60.33 from William Yunker.

The RPS Special Education Department received a donation of 92 books valued at a total of \$1,656.00 from Megan Beyerl.

Specific RPS schools received a total of \$4,159.00 in grant funding from the Assistance League of Minneapolis/St. Paul. A full report of the specific amounts allocated to each program is attached.

The RPS Sunshine Fund received 32 donations totaling \$3,507.50 in memory of Gabe London. A full report of the specific donations is attached.

Assistance League of Minneapolis/St. Paul 2019-2020 Grant Awards

Project Name	\$ Request	Contact Person	School Administrator	School Name
Grab and Go Art Packages	\$750	Jennifer Sjosten	Kasya Willhite	Richfield College Experience Program
Building Friendship and Increasing Socialization	\$750	Joe Blum	Stacy Theien-Collins	Richfield High School
Unplugging and Reconnecting with Board Games	\$560	Barbara Berdahl	Nancy Stachel	Sheridan Hills Elementary
Together From a Distance: Take-Home SEL Kits for Building Community	\$750	Meg Hoehn	Kasya Willhite	Richfield College Experience Program
Music & Dance Therapy	\$599	Jenna Ssemujju	Daina Stanley	Centennial Elementary School
Attendance and Engagement Incentives	\$750	Cassie Acostacano	Kasya Willhite	Richfield College Experience Program

[illegible]