



INDEPENDENT SCHOOL DISTRICT 152

School Board Meeting
Probstfield Center for Education Board Room 224
2410 14th Street South
Moorhead, Minnesota

December 11, 2017
7:00 PM

MISSION STATEMENT: To develop the maximum potential of every learner to thrive in a changing world.

ATTENDANCE:

Mark Altenburg	_____	Scott Steffes	_____
Cassidy Bjorklund	_____	Bill Tomhave	_____
Melissa Burgard	_____	Matt Valan	_____
Kara Gloe	_____	Brandon M. Lunak	_____

AGENDA

1. **CALL TO ORDER**

- A. Call to Order and Roll Call
- B. Pledge of Allegiance
- C. Preview of Agenda - Brandon M. Lunak, Interim Superintendent
- D. Approval of Meeting Agenda

Moved by:
Seconded by:
Comments:

E. **We Are Proud**

We Are Proud of the Moorhead High School girls cross country team for placing first in the Section 8AA meet on Oct. 26 to win the section title for the first time since 2012 and qualify for the state tournament. The team placed 15th at the Class AA state championship on Nov. 4. Team members are Lexi Maddux, Taylor Melton, Riley Polomny, Sofie Overturf, Mikayla Allen, Kate Ludwig, Cassidy O'Meara, Ashley Buegel, and Malery Selberg. Head coach is Jeremy Blake, and assistant coaches are Erik Hanson, Dan Dooher, Ira Bailey, Isaac Lundberg, and Justin Gall.

We Are Proud of Moorhead High School boys cross country team members Zach Johnson and Dawson Strom for qualifying for the 2017 Class AA state

tournament. Cross country coaches are Jeremy Blake, Erik Hanson, Dan Dooher, Ira Bailey, Isaac Lundberg and Justin Gall.

F. Matters Presented by Citizens/Other Communications (Non-Agenda Items)

(Citizens who wish to address a non-agenda item have the opportunity to speak by raising their hand and being recognized by the School Board chair. Speakers must state their name and will be limited to three minutes. Speakers must complete the sign-up form, which outlines the public input process, and submit it to the School Board secretary.)

2. **CONSENT AGENDA**

All items on the Consent Agenda are considered to be routine, and have been made available to the School Board at least two (2) days prior to the meeting; the items will be enacted by one resolution. There will be no separate discussion of these items unless a School Board member so requests, in which event that item will be removed from this agenda and considered under separate resolution. To the extent possible, School Board member inquiries on consent agenda items are to be made directly to the district administration prior to the time of the meeting.

A. SUPERINTENDENT - Dr. Lynne Kovash

(1) November 27, 2017 Meeting Minutes

B. FINANCE AND OPERATIONS - Brandon Lunak

(1) December Claims

(2) Donation

C. LEARNING AND ACCOUNTABILITY - Missy Eidsness

D. HUMAN RESOURCES - Kristin Dehmer

(1) Resignations

(2) Retirement

(3) Other Leave of Absence

(4) Change in Contract

(5) Family/Medical Leave

(6) New Employees

(7) Request for Additional Staffing

E. LEARNER SUPPORT SERVICES - Duane Borgeson

Suggested Resolution: Move to approve the Consent Agenda as presented.

Moved by:

Seconded by:

Comments:

3. **MAJOR MAGNITUDE FIELD TRIP REQUEST - MOORHEAD HIGH SCHOOL ORCHESTRA STUDENTS TO NEW YORK CITY: Missy Eidsness**

Suggested Resolution: Move to approve the Major Magnitude Field Trip request for Moorhead High School students to travel to New York City, New York on March 4-9, 2019.

Moved by:
Seconded by:
Comments:

4. **OVERVIEW OF K-6 SPANISH IMMERSION PROGRAM: Missy Eidsness**

5. **FISCAL YEAR 2017 AUDIT REPORT: Brandon Lunak**

Suggested Resolution: Move to accept the fiscal year 2017 school district audit report as presented by Eide Bailly LLP.

Moved by:
Seconded by:
Comments:

6. **CERTIFICATION OF FINAL 2017 PAYABLE 2018 PROPERTY TAX LEVY: Brandon Lunak**

Suggested Resolution: Move to approve the certification of the final 2017 Payable 2018 Property Tax Levy in the amount of \$18,897,608.09.

Moved by:
Seconded by:
Comments:

7. **RESOLUTION ESTABLISHING COMBINED POLLING PLACES: Brandon Lunak**

Suggested Resolution: Move to approve the Resolution Establishing Combined Polling Places for Multiple Precincts and Designating Hours During Which the Polling Places Will Remain Open for Voting for School District Elections Not Held on the Day of a Statewide Election as presented.

Moved by:
Seconded by:
Comments:

8. **SUPERINTENDENT SEARCH PROCESS: Bill Tomhave**

Suggested Resolution: Move to approve a proposal from the MSBA Executive Search Service to assist in recruiting a superintendent for Moorhead Area Public Schools beginning January 2018 for an estimated professional fee not to exceed \$10,000.

Moved by:
Seconded by:

Comments:

9. **POLICY 731 MAPS ELECTRONIC NETWORK AND SYSTEMS
RESPONSIBLE USE AND SAFETY: Brandon Lunak**

Suggested Resolution: Move to approve the policy, MAPS Electronic Network and Systems Responsible Use and Safety 731, as presented.

Moved by:
Seconded by:
Comments:

10. **POLICY 610 ONLINE LEARNING OPTIONS: Brandon Lunak**

Suggested Resolution: Move to approve the policy, Online Learning Options 610, as presented.

Moved by:
Seconded by:
Comments:

11. **POLICY 640 MAPS GRADUATION POLICY: Brandon Lunak**

Suggested Resolution: Move to approve the policy, MAPS Graduation Policy 640, as presented.

Moved by:
Seconded by:
Comments:

12. **POLICY 102 STATE AND FEDERAL LAW PROHIBITING
DISCRIMINATION: Brandon Lunak**

Suggested Resolution: Move to approve the policy, State and Federal Law Prohibiting Discrimination 102, as presented.

Moved by:
Seconded by:
Comments:

13. **POLICY 232 HEALTH INSURANCE COMMITTEE: Brandon Lunak**

Suggested Resolution: Move to approve the policy, Health Insurance Committee 232, as presented.

Moved by:
Seconded by:
Comments:

14. **POLICY 303 RECORDS RETENTION: Brandon Lunak**

Suggested Resolution: Move to approve the policy, Records Retention 303,

as presented.

Moved by:
Seconded by:
Comments:

15. **POLICY 201 SCHOOL BOARD LEGAL STATUS: Brandon Lunak**

Suggested Resolution: Move to approve the policy, School Board Legal Status 201, as presented.

Moved by:
Seconded by:
Comments:

16. **POLICY 216 OUT-OF-STATE TRAVEL BY SCHOOL BOARD MEMBERS: Brandon Lunak**

Suggested Resolution: Move to approve the policy, Out-of-State Travel by School Board Members 216 , as presented.

Moved by:
Seconded by:
Comments:

17. **POLICY 221 SCHOOL BOARD POLICY DEVELOPMENT, ADOPTION IMPLEMENTATION, AND REVIEW: Brandon Lunak**

Suggested Resolution: Move to approve the policy, School Board Policy Development, Adoption, Implementation, and Review 221, as presented.

Moved by:
Seconded by:
Comments:

18. **POLICY 233 POLICY REVIEW COMMITTEE: Brandon Lunak**

Suggested Resolution: Move to approve the policy, Policy Review Committee 233, as presented.

Moved by:
Seconded by:
Comments:

19. **POLICY 236 ACTIVITIES ADVISORY COUNCIL: Brandon Lunak**

Suggested Resolution: Move to approve the policy, Activities Advisory Council 236, as presented.

Moved by:
Seconded by:
Comments:

20. **POLICY 239 PARENT ORGANIZATIONS/BOOSTER CLUBS: Brandon Lunak**

Suggested Resolution: Move to approve the policy, Parent Organizations/ Booster Clubs 239, as presented.

Moved by:
Seconded by:
Comments:

21. **POLICY 301 SCHOOL DISTRICT ADMINISTRATION: Brandon Lunak**

Suggested Resolution: Move to approve the policy, School District Administration 301, as presented.

Moved by:
Seconded by:
Comments:

22. **COMMITTEE REPORTS**

23. **OTHER PERTINENT ITEMS TO COME BEFORE THE BOARD**

24. **ADJOURNMENT**

CALENDAR OF EVENTS

School Board - December 11, 7 p.m., PCE

Robert Asp PTAC - December 12, 6:30 p.m., Media Center

S.G. Reinertsen PTAC - December 12, 6:30 p.m., Media Center

Moorhead High School Task Force - December 13, 5:30 p.m., Media Center

Instruction and Curriculum Advisory Committee - December 14, 7 a.m., PCE

Health/Safety/Wellness Committee - December 14, 9:30 a.m., PCE

Citizen Finance Advisory Committee - December 14. 6 p.m., PCE

Red River Area Learning Center Family Night/Parent-Teacher Conferences - December 14, 5:30-7:30 p.m., Vista Center for Education

Dorothy Dodds PTAC - December 14, 6:30 p.m., Media Center

Horizon Middle School Campus PTAC - December 19, 6:30 p.m., Horizon West Media Center

Winter Break Begins - December 22

E-12 Classes Resume - January 2

Joint Powers Committee - January 4, 7 a.m., PCE

District Health Insurance Committee - January 4, 4 p.m., PCE

Continuing Education Committee - January 5, 4 p.m., PCE

Indian Education Parent Committee - January 8, 6 p.m., PCE

School Board - January 8, 7 p.m., PCE

Moorhead Schools Legacy Foundation - January 9, 7 a.m., PCE

Ellen Hopkins PTAC - January 9, 6:30 p.m., Media Center

Robert Asp PTAC - January 9, 6:30 p.m., Media Center

S.G. Reinertsen PTAC - January 9, 6:30 p.m., Media Center

Dorothy Dodds PTAC - January 11, 6:30 p.m., Media Center

Policy Review Committee - January 15, 7 p.m., PCE

Horizon Middle School Campus PTAC - January 16, 6:30 p.m., Horizon East Media Center

Coffee with the Mayor and Superintendent - January 17, 10 a.m., Moorhead Center Mall

Instruction and Curriculum Advisory Committee - January 18, 7 a.m., PCE

Early Childhood Family Education Advisory Committee - January 18, 6:30 p.m., PCE

School Board - January 22, 7 p.m., PCE

Activities Advisory Council - January 23, 7:15 a.m., MHS Conf. Room

District Technology Committee - January 23, 3:45 p.m., PCE

Superintendent's Advisory Council - January 25, 7 p.m., PCE



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.039C

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: November 27, 2017 Meeting Minutes

Attached please find the November 27, 2017 meeting minutes for your review.

Suggested Resolution: Move to approve the November 27, 2017 meeting minutes as presented.

BML:mde

ATTACHMENTS:

Description	Type
 112717 Minutes	Cover Memo

**REGULAR MEETING
SCHOOL BOARD
INDEPENDENT SCHOOL DISTRICT 152
PROBSTFIELD CENTER FOR EDUCATION
NOVEMBER 27, 2017
PAGE 1**

CALL TO ORDER AND ROLL CALL: Chair Tomhave called the meeting to order at 7:00 p.m., requested board member roll call, and led everyone in attendance with the Pledge of Allegiance.

Members Present: Mark Altenburg, Cassidy Bjorklund, Melissa Burgard, Kara Gloe, Scott Steffes, Bill Tomhave, Matt Valan, and Brandon Lunak.

Member Absent: Dr. Lynne A. Kovash.

OATH OF OFFICE: Chair Tomhave led the Oath of Office Ceremony for Kara Gloe, who took her seat on the School Board.

PREVIEW OF AGENDA: Acting Superintendent Brandon Lunak recommended approval of the agenda to proceed with a revision to page 1.

APPROVAL OF AGENDA: Bjorklund moved, seconded by Steffes, to approve the agenda as revised. Motion carried 7-0.

WE ARE PROUD: **We Are Proud** of the Moorhead High School volleyball team for placing fourth in the 2017 Class 3A state tournament Nov. 10-12 at Xcel Energy Center in St. Paul. The Spuds beat Champlin Park in five sets to advance to the semifinals before losing to Lakeville North and Prior Lake. Moorhead beat Willmar in five sets to win the Class 3A, Section 8 championship on Nov. 4 to advance to the volleyball state tournament for the third consecutive year. The Spuds ended their season with a record of 22-11.

Team members are Valerie Hernandez, Natalie Cook, Lexi Gilbertson, Callie Ahlgren, Claire Howell, Ayana Blythe, Megan Haugo, Alyssa Knain, Sam Zimmerman, Jalen Ennen, Kortney Carney, Mallory Lee, Brook Carney and Brooke Walthall. Head coach is Char Lien, assistant coaches are Anna Curley, Amy Bjerke, Amber Gunkel and Katy Braaten, and student managers are Andie Kassenborg and Kylie Francis.

COMMITTEE APPOINTMENTS - The board approved the 2017 committee assignments as determined:

DISTRICT-WIDE STANDING COMMITTEES:

Steffes and Valan - Activities Advisory Council

Burgard and Altenburg - Community Education Advisory Council

Steffes and Altenburg - District Health Insurance Committee

Bjorklund and Gloe - Instruction and Curriculum Advisory Committee (ICAC)

Tomhave and Burgard - Policy Review Committee

**REGULAR MEETING
SCHOOL BOARD
INDEPENDENT SCHOOL DISTRICT 152
PROBSTFIELD CENTER FOR EDUCATION
NOVEMBER 27, 2017
PAGE 2**

ADMINISTRATIVE COMMITTEES:

Not Required - Calendar Committee
Tomhave and Bjorklund - Citizen Finance Advisory Committee
Burgard and Steffes - Continuing Education Committee
Gloe and Steffes, Alt. - District Technology Committee
Burgard - Early Childhood Family Education Advisory Committee
Bjorklund and Steffes - Health/Safety/Wellness Committee
Gloe - Indian Education Parent Committee
Valan - Minnesota State High School League
Steffes - Sabbatical Leave Committee
Valan and Altenburg - Safe and Healthy Learners Committee
Valan - Special Education Parent Advisory Committee
Bjorklund and Valan - Staff Development Committee
Members Rotate - Superintendent's Advisory Council (SAC)
Bjorklund - Teacher Evaluation Committee
Altenburg - Title I District Parent Advisory Committee

COMMUNITY COMMITTEES:

Tomhave (Steffes Alternate) - Clay County Joint Powers Collaborative Governance Board
Tomhave and Steffes - Joint Powers Committee
Valan and Altenburg, Alt. - Moorhead Schools Legacy Foundation

ADOPT-A-SCHOOL:

Tomhave - Dorothy Dodds Elementary
Altenburg - Ellen Hopkins Elementary
Burgard - Robert Asp Elementary
Steffes - S.G. Reinertsen Elementary
Bjorklund - Horizon Middle School
Gloe - Moorhead High School
Valan - Red River Area Learning Center

SCHOOL BOARD COMMITTEES:

Tomhave and Bjorklund - Executive Finance Committee
Valan and Tomhave - MSBA Legislative Liaison
Bjorklund and Gloe and Steffes, Alt. - Negotiations and Grievance Committee

MATTERS PRESENTED BY CITIZENS/OTHER COMMUNICATIONS: (Citizens who wish to address a non-agenda item have the opportunity to speak by raising their hand and being recognized by the School Board chair. Speakers must state their name and will be limited to three minutes. Speakers must complete the sign-up form, which outlines the public input process, and submit it to the School Board secretary.)

**REGULAR MEETING
SCHOOL BOARD
INDEPENDENT SCHOOL DISTRICT 152
PROBSTFIELD CENTER FOR EDUCATION
NOVEMBER 27, 2017
PAGE 3**

Rachel Beck, Rachel's Daycare, 1327 12th Ave. S. - Expressed concerns with younger students' safety due to the district's current 1-mile transportation policy and recommended adjusting it to a half- or a quarter-mile.

Angie Dannewitz-Johnson, 3022 32nd Ave. S. - Noted the importance of transportation for Spanish Immersion students who live outside the Hopkins Elementary attendance area.

CONSENT AGENDA: Burgard moved, seconded by Bjorklund, to approve the following items on the Consent Agenda:

Minutes - Approve the November 13, 2017 Meeting Minutes as presented.

Government Accounting Standards Board (GASB) Post Employment Benefit Valuation Reports Under GASB 73, 74 and 75 - Approve both the GASB statement 73 and the GASB statement 74 and 75 for the valuation year beginning July 1, 2016 and ending June 30, 2017 as presented.

Change in Contracts

Bahaa Kadhem - Night Custodian, Dorothy Dodds Elementary, .8 FTE to Night Custodian, Horizon Middle School West Campus, 1.0 FTE effective December 1, 2017 (additional hours per the 2017-2018 staffing plan).

Resignations

Mariah Hoeper - Food Service, Dorothy Dodds Elementary, effective November 13, 2017.

Fadumo Jama - Food Service, Moorhead High School, effective October 6, 2017.

Susan Geist - Food Service, Moorhead High School, effective November 9, 2017.

Ron Halvorson - Custodian, Moorhead High School, effective November 17, 2017.

Sarah Kluck - Bus Driver, District-wide, effective November 21, 2017.

Jarrold Pahl - Hall Monitor, Moorhead High School, effective November 30, 2017.

Family/Medical Leaves

Galen Bare - Food Service, medical leave (non-FMLA) beginning October 18, 2017 for an undetermined amount of time.

Faye Smiley-Aakre - Teacher, Ellen Hopkins Elementary, medical leave (non-FMLA) beginning October 30, 2017 for approximately two months.

Michael Engelke - Custodian, Horizon Middle School East Campus, medical leave (FMLA) beginning December 4, 2017 through approximately February 2, 2018.

Mari Lourdes Shamdas - Teacher, Robert Asp Elementary, family medical leave (FMLA) beginning December 4 2017 through January 19, 2018.

Patricia Schmidt - Teacher, Horizon Middle School West Campus, medical leave (FMLA) beginning December 11, 2017 through approximately February 2, 2018.

**REGULAR MEETING
SCHOOL BOARD
INDEPENDENT SCHOOL DISTRICT 152
PROBSTFIELD CENTER FOR EDUCATION
NOVEMBER 27, 2017
PAGE 4**

Candace Havey - Paraprofessional, Early Intervention Services, medical leave (non-FMLA) beginning December 15, 2017 through January 1, 2018.

Becky Wolford - Teacher, Robert Asp Elementary, medical leave (FMLA) beginning November 10, 2017 through approximately December 21, 2017.

Kelly Iverson - Jump Start Teacher, Probstfield Center for Education, medical leave (non-FMLA) beginning April 2, 2018 for the remainder of the school year.

Other Leave

Linda Pederson - Paraprofessional, Moorhead High School, beginning November 15, 2017 through January 1, 2018.

New Employees

Tanya Steidl - Assistant Cook, Horizon Middle School East Campus, A13 (1) \$16.50 per hour, 6.25 hours per day, effective November 7, 2017 (replaces Debra Ramsett).

Kristine Thompson - Destination Imagination Coordinator, District-wide, .05 (8) \$2579, effective November 14, 2017 (replaces Lauri Johnson).

Christopher Friese - AVID Tutor, Horizon Middle School East Campus, \$12.00 per hour, 2 hours per day, effective November 16, 2017 (new position).

Darius Razi - Night Custodian, Horizon Middle School East Campus, A12 (0-3) \$16.21 per hour, 8 hours per day, effective December 1, 2017 (replaces Robert Haugen).

Dassiah Boyer - Night Custodian, Horizon Middle School West Campus, A12 (0-3) \$16.21 per hour, 8 hours per day, effective December 1, 2017 (new position per the 2017-18 staffing plan).

Luis Lopez - Night Custodian, Horizon Middle School West Campus, A12 (0-3) \$16.21 per hour, 8 hours per day, effective December 1, 2017 (new position per the 2017-18 staffing plan).

Motion carried 7-0.

FISCAL YEAR 2017 AUDIT REPORT: Derek Flanagan, Eide Bailly LLP, presented the executive summary of the district's audit report for the fiscal year ending June 30, 2017. The report provides an overview of the district's finances and demonstrates the district's accountability for the money it receives and spends.

The board reviewed the draft audit report and will be asked to accept the report at the December board meeting. Completion of the audit was delayed until approval of the GASB Post Employment Benefit Valuation Reports, which were approved earlier in the meeting. Total revenues budgeted were \$74.4 million and actual revenue was \$79.4 million with a difference of 6.8 percent. For expenditures the district had budgeted \$76.9 million. Actual expenditures were higher at \$81.4 million for a difference of about negative 5.8 percent. The higher than usual variance from the budgeted amount was due in part to a nearly \$2 million adjustment made to

**REGULAR MEETING
SCHOOL BOARD
INDEPENDENT SCHOOL DISTRICT 152
PROBSTFIELD CENTER FOR EDUCATION
NOVEMBER 27, 2017
PAGE 5**

both revenues and expenditures to record pension support received and expended from the state related to pension funding. The district's unassigned fund balance is at 16.8 percent of general fund operating expenditures, which is just under the 17 percent minimum required according to School Board policy.

TRANSPORTATION REVIEW AND EVALUATION: Brandon Lunak, acting superintendent, explained that in May he was tasked with a review of the district's transportation system throughout the course of the 2017-18 school year. This is the first of two or three presentations that will come to the board.

Dan Bacon, director of transportation and safety, provided information related to Minnesota Statutes 123B.86 and 123B.88, other Minnesota school district transportation policies, impact (schools, affected students, current routes, average load and additional routes) related to changing from 1 mile to .5 mile routes, and the cost of that change. The current minimum cost per contracted route is approximately \$50,000. With a load of 45 students per bus the district would expect an annual cost increase of \$850,000 to add transportation for students who live between .5 and 1 mile. If the district increased the target load to 60 students, the expected annual cost increase is \$700,000. Any additional program changes would increase this cost to over \$1 million annually.

Bacon said as programs are added or changed, there are frequently unforeseen and unaccounted impacts on transportation costs. The upfront cost of adding buses to the fleet are approximately \$100,000 per bus. Buses last approximately 12 years before needing to be replaced. As buses are added to the fleet, additional storage space will increase, which will add construction costs. In the past 32 years the district has contemplated moving to a 2-mile radius due to budget constraints on at least three occasions including as recently as five years ago.

Jonathan Atkins, City of Moorhead traffic engineer, provided information regarding the last three year's standard practice of sidewalk infill, which is geared toward more walkability. He also provided information related to roadway safety and signs. Visibility and consistency of signing and pavement marking is important to public safety, especially where children need to get to school. Fluorescent yellow green signs are used at schools and libraries, and standard yellow are used in other places.

Lt. Derek Swenson, Moorhead Police Department, provided information from a law enforcement perspective and offered to provide additional information if the board or district have specific concerns.

Valan thanked Dan Bacon for his many years of service and expertise to the school district.

**REGULAR MEETING
SCHOOL BOARD
INDEPENDENT SCHOOL DISTRICT 152
PROBSTFIELD CENTER FOR EDUCATION
NOVEMBER 27, 2017
PAGE 6**

INTERIM SUPERINTENDENT: Chair Tomhave noted Brandon Lunak was appointed acting superintendent on September 11, 2017. Due to the early resignation of Dr. Lynne Kovash on November 30, 2017, the district is required to name an interim superintendent until such time as the School Board commences the search and hires a new superintendent.

Tomhave recommended that Brandon Lunak be named the interim superintendent of Moorhead Area Public Schools effective December 1, 2017 through June 30, 2018. Mr. Lunak will retain the benefits of the Administrator's Master Agreement and will be compensated based on a pro-rated annual amount of \$154,715.

Tomhave moved, seconded by Steffes, to approve Brandon Lunak as interim superintendent of Moorhead Area Public Schools effective December 1, 2017 through June 30, 2018 or earlier if a permanent superintendent is able to assume the position. Motion carried 7-0.

2016-17 WORLD'S BEST WORKFORCE REPORT SUMMARY: Missy Eidsness presented information regarding the 2016-17 World's Best Workforce Report Summary and the Minnesota Department of Education's Rubric for the 2016-17 World's Best Workforce Report Summary. Information for this summary was compiled from the district's World's Best Workforce 2016-17 Annual Report on Curriculum, Instruction and Student Achievement. The summary report addresses stakeholder engagement; goals and results; identified needs based on data; systems, strategies and support for students, teachers, principals and the district; and equitable access to excellent teachers.

The district is required to submit the 2016-17 report summary to the Minnesota Department of Education by December 15, 2017.

Steffes moved, seconded by Valan, to approve the 2016-17 World's Best Workforce Report Summary and submit to Minnesota Department of Education before December 15, 2017. Motion carried 7-0.

FIRST READING OF POLICIES: The board conducted a first reading of the policies, MAPS Electronic Network and Systems Responsible Use and Safety 731, Online Learning Options 610, MAPS Graduation Policy 640, State and Federal Law Prohibiting Discrimination 102, Health Insurance Committee 232, Records Retention 303, School Board Legal Status 201, Out of State Travel by School Board Members 216, School Board Policy Development, Adoption, Implementation, and Review 221, Policy Review Committee 233, Activities Advisory Council 236, Parent Organizations/Booster Clubs 239, and School District Administration 301.

COMMITTEE REPORTS: Brief reports were heard related to the Robert Asp PTAC, Policy Review Committee, Moorhead Schools Legacy Foundation, District Staff Development Committee, Activities Advisory Council, Executive Finance Committee, Safe and Healthy Learners Committee, and Community Education Advisory Council meetings and the Moorhead High School play *Aida*, state volleyball semifinal game, and section girls swim meet.

**REGULAR MEETING
SCHOOL BOARD
INDEPENDENT SCHOOL DISTRICT 152
PROBSTFIELD CENTER FOR EDUCATION
NOVEMBER 27, 2017
PAGE 7**

OTHER PERTINENT ITEMS TO COME BEFORE THE BOARD: Chair Tomhave requested board members to turn in the Lakes Country Service Cooperative Board of Directors election ballots to Michelle prior to the end of the month.

ADJOURNMENT: Hearing no objections, the Chair adjourned the meeting at 9:26 p.m.

Matt Valan, Clerk



MOORHEAD
AREA PUBLIC SCHOOLS

**Assistant
Superintendent of
Finance and Operations**
Memo
OASFO.18.036C

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: December Claims

The December claims are as follows:

General Fund	\$1,482,771.61
Food Service Fund	\$172,857.87
Community Service Fund	\$36,702.68
Post Employment Irrevocable Trust Fund	\$7,700.00
Construction Fund	\$1,819,836.74
TOTAL:	\$3,519,868.90

The November wire payments are as follows:

General Fund	\$1,964,258.46
Post Employment Irrevocable Trust	\$484.00
TOTAL:	\$1,964,742.46

Suggested Resolution: Move to approve the December claims, subject to audit, in the amount of \$3,519,868.90 and the November wire payments, subject to audit, in the amount of \$1,964,742.46.

BML: dmb



MOORHEAD
AREA PUBLIC SCHOOLS

**Assistant
Superintendent of
Finance and Operations**
Memo
OASFO.18.038C

TO: School Board

FROM: Brandon Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Donation

Moorhead Area Public Schools has received the following donations:

- Clay County Sheriff's Office has donated \$362.00 to purchase winter clothing for students in need this winter season.
- Clay County Social Services has donated \$345.00 to Food for Thought to cover snack break for elementary students K-4.

Suggested Resolution: Move to approve the donation from the Clay County Sheriff's Office in the amount of \$362.00 and Clay County Social Services in the amount of \$345.00.

BML:dmb



MOORHEAD
AREA PUBLIC SCHOOLS

Human Resources
Memo HR.18.053C

TO: Brandon Lunak, Interim Superintendent

FROM: Kristin Dehmer, Executive Director of Human Resources

DATE: 12/4/2017

RE: Resignations

The administration requests approval of resignations of the following people:

Grisalda Cervantes

Food and Nutrition Server, Dorothy Dodds Elementary, effective November 15, 2017.

Lorena Sanchez

Food and Nutrition Server, Dorothy Dodds Elementary, effective November 28, 2017.

Bahia Sarki

Lunchroom Supervisor/Crossing Guard, Dorothy Dodds Elementary, effective December 1, 2017.

Jessica Kvanvig

Administrative Assistant, Community Education, effective December 13, 2017.

Michael Broadland

Night Custodian, Horizon Middle School East Campus, effective December 15, 2017.

Suggested Resolution: Move to approve the resignations of Grisalda Cervantes, Lorena Sanchez, Bahia Sarki, Jessica Kvanvig and Michael Broadland as presented.



MOORHEAD
AREA PUBLIC SCHOOLS

Human Resources
Memo HR.18.055C

TO: Brandon Lunak, Interim Superintendent
FROM: Kristin Dehmer, Executive Director of Human Resources
DATE: 12/4/2017
RE: Retirement

The administration requests approval of retirement for the following person:

Michael Dahlberg

Teacher on Leave of Absence, effective December 4, 2017.

Suggested Resolution: Move to approve the retirement of Michael Dahlberg as presented.

KLD:smw



MOORHEAD
AREA PUBLIC SCHOOLS

Human Resources
Memo HR.18.056C

TO: Brandon Lunak, Interim Superintendent
FROM: Kristin Dehmer, Executive Director of Human Resources
DATE: 12/4/2017
RE: Other Leave of Absence

The administration requests approval of the Other Leave of Absence for the following person:

Shana Sharp

Sign Language Interpreter, Horizon East and West Campus/Moorhead High School, effective December 18, 2017 through June 6, 2018.

Suggested Resolution: Move to approve the Other Leave of Absence for Shana Sharp as presented.

KLD:smw



MOORHEAD
AREA PUBLIC SCHOOLS

Human Resources
Memo HR.18.057C

TO: Brandon Lunak, Interim Superintendent

FROM: Kristin Dehmer, Executive Director of Human Resources

DATE: 12/4/2017

RE: Change in Contract

The administration requests approval of the Change in Contract for the following person:

Deb Hannestad

Paraprofessional, Adult Basic Education, Vista Center for Education, 58.5 hours per month to 38.25 hours per month, effective January 1, 2018.

Suggested Resolution: Move to approve the Change in Contract for Deb Hannestad as presented.

KLD:smw



MOORHEAD
AREA PUBLIC SCHOOLS

Human Resources
Memo HR.18.059C

TO: Brandon Lunak, Interim Superintendent

FROM: Kristin Dehmer, Executive Director of Human Resources

DATE: 12/5/2017

RE: Family/Medical Leave

The administration requests approval of the Family/Medical Leave for the following people:

Jayde Schiltz

Paraprofessional, Horizon Middle School East Campus, medical leave (FMLA) beginning November 22, 2017 through December 11, 2017.

Lisa Seljevold

Teacher, Ellen Hopkins Elementary, medical leave (non-FMLA) effective November 28, 2017 through June 6, 2018.

Abbra Olson

Paraprofessional, Horizon Middle School West Campus, medical leave (FMLA) beginning December 28, 2017 through January 19, 2018.

Suggested Resolution: Move to approve the medical leave for Jayde Schiltz, Lisa Seljevold and Abbra Olson as presented.

KLD:jal



MOORHEAD
AREA PUBLIC SCHOOLS

Human Resources
Memo HR.18.054C

TO: Brandon Lunak, Interim Superintendent

FROM: Kristin Dehmer, Executive Director of Human Resources

DATE: 11/30/2017

RE: New Employees

The administration requests the approval of the following new employees subject to satisfactory completion of federal, state and school statute and requirements:

Travis Schenck

Bus Driver, Transportation, \$16.10 per hour, 5 hours per day, effective December 4, 2017. (Replaces Joseph Larosier)

Maria Tamez

Bus Assistant, Transportation, A12 (0) \$14.63 per hour, 5 hours per day, effective December 4, 2017. (Replaces Katrina Koesterman)

Fatima Abdalla

Paraprofessional, Horizon Middle School East Campus, 1.0 FTE, B21 (3) \$17.01 per hour, 6.75 hours per day, effective December 11, 2017. (Replaces Alixandra Johnson)

Suggested Resolution: Move to approve the employment of Travis Schenck, Maria Tamez and Fatima Abdalla as presented.

KLD:smw



MOORHEAD
AREA PUBLIC SCHOOLS

Human Resources
Memo HR.18.058C

TO: Brandon Lunak, Interim Superintendent

FROM: Kristin Dehmer, Executive Director of Human Resources

DATE: 12/5/2017

RE: Request for Additional Staffing

The administration requests the following staffing additions to the priorities for staffing including class sizes, equity and building support in schools:

Horizon West

[Paraprofessional](#) +1.0 FTE

The addition of +1.0 FTE has been designated to assist during the art, music, and physical education classes which have high student numbers to provide instructional support.

Early Intervention Services +1.0 FTE

[Early Childhood Special Education Teacher](#)

The addition of +1.0 FTE has been designated to provide case management and special education service to students who qualify for preschool services.

Suggested Resolution: Move to approve additional staffing for the 2017-18 school year for 1.0 FTE for Paraprofessional staff at Horizon West and 1.0 FTE for Early Intervention Services as presented.

KLD:jal

ATTACHMENTS:

Description	Type
☐ Horizon Middle School West Additional Staffing Proposal	Backup Material
☐ ECSEAdditional Staffing Proposal	Backup Material



Instructions:

1. Must be complete for all positions requested after the approval of the annual staffing plan.
2. Make a copy for each position requested.
3. Administrative approval required.
4. Approved Proposals will be presented to the School Board for review.

Name of the Building	Horizon Middle School West
Topic of Proposal	Additional general education paraprofessional
Submitted By:	Carla Smith
Date:	11-15-2017
Date to be Implemented	ASAP
Person Responsible to Recommend to Superintendent:	Carl Smith
Recommendation by person responsible:	

District Mission Statement: *To develop the maximum potential of every learner to thrive in a changing world.*

Complete a description of your program proposal. All six (6) areas must be addressed and support the proposal. The proposal should be as comprehensive as possible and must support the district philosophy.

1. **Describe the proposal for funding:** We are requesting a general education paraprofessional to assist during the art, music, and physical education classes that have student numbers about 30. There are 23 sections that currently have student numbers between 33 and 39. The para would work to be an additional instructional support in the large sections, helping with student management, classroom routines, materials and other assigned duties.
2. **Explain in detail the rationale or purpose of the proposal. (Please relate, if possible, the rationale to the previously identified high priority needs):** We are seeing a large number of our office discipline referrals coming out of the sections where there are large student populations. Extra adult support and supervision will provide consistent support for all students.
3. **State the negative implications if the proposal is not approved. We will continue to see office discipline referrals and disruption to instruction due to large class sizes.**



4. List alternative actions if this proposal is not approved. It is assumed that any alternative listed is less desirable than the proposal.

5. Estimate the cost implications of this proposal on the following chart:

PROPOSAL BUDGET

PERSONNEL	Number Requested	Estimated Cost	Reimbursement	Net Cost
Paraprofessional:	1. 0 FTE			
Benefits:				
Subtotal:				
OTHER COSTS	NA	Estimated Cost	Reimbursement	Net Cost
Supplies:				
Capital Outlay:				
Other Expenses:				
Subtotal:				
NET COST				
Code				

6. Comments on budgetary items:

a. Equipment, remodeling, site improvement, etc:	
b. Review by Business Office before Superintendent's approval:	
c. Space implications (short/long range):	
d. Equity implications:	
e. Technology implications:	



f. Suggested timelines for implementations:	
g. Who has been involved in this decision? Other comments:	

Approve:	_____	Disapprove:	_____	Hold:	_____	Date:	_____
----------	-------	-------------	-------	-------	-------	-------	-------

Form must be routed to Human Resources and the Finance and Operations for review.



Instructions:

1. Must be complete for all positions requested after the approval of the annual staffing plan.
2. Make a copy for each position requested.
3. Administrative approval required.
4. Approved Proposals will be presented to the School Board for review.

Name of the Building: Probstfield Center for Education - Early Intervention Services	
Topic of Proposal: Early Childhood Special Education Teacher	
Submitted By: Duane Borgeson, Director of Learner Support Services; Ashley Nelson, Early Learning Program Manager	
Date: 11/29/17	
Date to be Implemented: December 2017	
Person Responsible to Recommend to Superintendent: Duane Borgeson	
Recommendation by person responsible:	

District Mission Statement: *To develop the maximum potential of every learner to thrive in a changing world.*

Complete a description of your program proposal. All six (6) areas must be addressed and support the proposal. The proposal should be as comprehensive as possible and must support the district philosophy.

Describe the proposal for funding:

Propose to add 1.0 FTE Early Childhood Special Education teacher to provide case management and special education service to students who qualify for preschool services.

Explain in detail the rationale or purpose of the proposal. (Please relate, if possible, the rationale to the previously identified high priority needs):

Moorhead Area Public School partners with Lakes and Prairies Community Head Start preschool to provide special education services to students who have met MN eligibility criteria. Head Start has expanded their program to include a second location; and full day programming. As a result, student referrals and student eligibility have increased. The proposal is to address the need for increased special education service time as a result of the students identified on an Individual Education Plan (IEP).



State the negative implications if the proposal is not approved.

Student IEP's will not be implemented as written, and services may be provided in a more restricted schedule or setting due to increased case load numbers. Currently, 21 students at Head Start South are on an active IEP; with 13 students at Head Start North.

Transporting students from Head Start, to Probstfield, was considered to provide services outside of the Head Start setting; however the student's time outside of Head Start puts them at risk of losing their placement due to federal requirements.

4. List alternative actions if this proposal is not approved. It is assumed that any alternative listed is less desirable than the proposal.

Special Education staff needing to be re-assigned to cover student service time at Head Start; resulting in a decrease of service for other students.

5. Estimate the cost implications of this proposal on the following chart:

PROPOSAL BUDGET

PERSONNEL	Number Requested	Estimated Cost	Reimbursement	Net Cost
Teachers:	1.0	\$50,000	\$25,000	\$25,000
Benefits:		\$15,000	\$7500	\$7500
Subtotal:		\$65,000	\$32,500	\$32,500
OTHER COSTS	NA	Estimated Cost	Reimbursement	Net Cost
Supplies:	Chromebook	\$450	\$225	\$225
Capital Outlay:				
Other Expenses:				
Subtotal:				

NET COST				
Code				

6. Comments on budgetary items:

a. Equipment, remodeling, site improvement, etc:	
--	--



b. Review by Business Office before Superintendent's approval:	
c. Space implications (short/long range):	Will fit in existing space
d. Equity implications:	
e. Technology implications:	
f. Suggested timelines for implementations:	1/1/2018
g. Who has been involved in this decision? Other comments:	Duane Borgeson, Ashley Nelson, Brandon Lunak, COT

Approve:	_____	Disapprove:	_____	Hold:	_____	Date:	_____
----------	-------	-------------	-------	-------	-------	-------	-------

Form must be routed to Human Resources and the Finance and Operations for review.



MOORHEAD
AREA PUBLIC SCHOOLS

**Assistant
Superintendent of
Learning and
Accountability
Memo ASLA18.19R**

TO: Brandon Lunak, Interim Superintendent/Assistant Superintendent of Finance and Operations
FROM: Missy Eidsness, Assistant Superintendent of Learning and Accountability
DATE: 12/11/2017
RE: Major Magnitude Field Trip Request - Moorhead High School Orchestra Students to New York City

Attached please find information related to a proposed Major Magnitude Field Trip for Moorhead High School orchestra students during the 2018-19 school year. The performing trip to New York City will be Monday, March 4 through Saturday, March 9, 2019. The orchestras will perform a Moorhead Orchestra Concert at Carnegie Hall. This trip is several days long and includes performances, clinic session, rehearsals, a Broadway show, and visits to historical landmarks. Students will be funding the trip using their own resources. The anticipated cost per person is \$1,990, which covers transportation (anticipated airline cost), hotel, admission to attractions, and many meals. Jon Larson and Anthony Eddleston, Moorhead School orchestra teachers, will be in attendance at the Dec.12, 2017, School Board meeting to present the request to the board.

Suggested Resolution: Move to approve the Major Magnitude Field Trip request for Moorhead High School students to travel to New York City, New York on March 4-9, 2019.

Moved by:
Seconded by:
Comments:

MOE: tro

ATTACHMENTS:

Description	Type
 MMFT MHS Orchestra Florida	Cover Memo

Major Magnitude Field Trip Request Form

Administrative Procedure: 632.2

Section: 600 EDUCATION PROGRAMS

Date Adopted: 1/8/2001

Date Revised:

Dates Reviewed:

Administrative Policy of the Moorhead Public Schools

District Code: 632.2 Major Magnitude

Date Adopted: 01/08/01 Field Trip
Revised: Request Form

Section I

Preliminary Approval

Field Trip Request Name: High School Orchestra Trip Type of Trip: Curricular Co-curricular

Date of Request: 10-30-2017 School Board Presentation Date: _____

Staff/Advisor Requesting Jon Larson, MHS Orchestra Director Phone/Extension: 2432

Purpose of the Trip: The purpose of this trip is to provide a venue in which our Orchestra students will work side-by-side and be critiqued by nationally recognized music professionals and to expose the Orchestra students to a variety of new performing situations. The students will have the opportunity to rehearse and perform at the world-famous Carnegie Hall. They will attend lecture sessions by nationally recognized music professionals who will also critique our Orchestra in clinic sessions. The students will observe and learn performing techniques and be able to apply learned techniques in several performance situations. The students will also have the opportunity to attend a performance by professional musicians. During this trip, the students will be immersed in historical culture of New York City including visits to Ground Zero and the Statue of Liberty. The ultimate purpose of this trip is to help our students become better musicians and life-long learners.

Please explain the educational value of this trip and how this trip is related to the course content and graduation standards: The High School Orchestras are arranging for an All-Moorhead Orchestra Concert at Carnegie Hall, New York City. Carnegie Hall is a world-famous concert hall that has had top musicians from around the globe in performance. For our students, this is a once-in-a-lifetime experience that only a handful of students have ever had. The students will also have the opportunity to attend a professional concert, a Broadway show, and visit historical sites. The students will attend a clinic session with nationally recognized string professionals. During the clinic session, the students

will be critiqued on their performance with suggestions for improvement in playing technique. These performances and observations partially fulfill the Minnesota graduation standards embedded in this course: Music 9 - 12, Strand I: Artistic Foundations - Standard 1, 2, and 3; Strand III: Artistic Process-Perform - Standard 1; Strand IV: Artistic Process-Respond/Critique - Standard 1.

The **Minnesota Standards for Music 9 - 12** which will be addressed by the trip include:

Strand I includes **Artistic Foundations** with sub-topics of student demonstration of musical knowledge, technical skills and musical understanding in personal, social, cultural, historical contexts which influence music. The orchestra students will perform in a variety of situations to demonstrate their musical knowledge and technical skills. They will be evaluated by top orchestra professionals in their musical knowledge and technical skills. The students will be in workshop sessions with professional musicians and composers who will share the importance of understanding personal, social, cultural and historical aspects of music composition and performance in their own experiences.

Strand III includes **Artistic Process: Perform/Present** in which students rehearse and perform complex works or multiple works of music from a variety of contexts and styles, revise performance based on artistic intent using multiple sources of critique and feedback, and develop an artistic intent including how audience and occasion affect artistic choices. The orchestra students will prepare multiple musical works from a variety of contexts and styles to perform at the festival and public concerts. They will receive feedback from professional clinicians, other student groups and recordings by evaluators. They will then have the opportunity to make adjustments and improvements in their presentation for future performances.

Strand IV includes **Artistic Process: Respond/Critique** where students analyze, interpret and evaluate a variety of musical works and performances applying self-selected criteria within the traditions of the art form. The orchestra students will attend performances by other student and professional musicians where they will analyze interpret and evaluate these performances. The students will also hear and evaluate professional performances. The criteria for concert evaluation will be created by the students prior to the trip.

Trip Destination: New York City, New York

Date of Trip Departure: 3 - 4 - 2019 Return Date: 3 - 9 - 2019

Number of School Days Involved: 1 Number of Students Involved: 280
(coincides with typical March break on our school calendar)

X Attached trip itinerary (activities planned, approximate time lines, accommodations, transportation plans);

 X Attached accommodation plans for any student with IEP/504 plan;

~~All accommodation plans will be presented for any student with IEP/504 plans.
These students are unknown at this time.~~

 X Attached funding plans (trip anticipated expenses, approximate cost to the district, student's individual costs, and fund raising plans);

-Approximate cost per student: \$1,990. Includes all transportation, hotel, event admissions, most meals.

-Funding Plan: Trip will be completely funded by the students: Fundraisers (brochure sale, coupon book, Scheels Holiday Worker program, annual fundraisers, etc.) and out-of-pocket by students.

-No cost to the district

 X Attached plans for parental notification and approval;

 X Attached list of accompanying staff. Number of Chaperones needed for the trip 20 to 25

Authorization Signature of Building Principal: _____

Wade Kaur

Signature of Superintendent/Assistant Superintendent - Teaching Learning _____

Melissa O'Neil

Dec. 1, 2017

Board Approval Date: _____

Section II

Final Trip Information

This is to be received by Superintendent/Assistant Superintendent - Teaching/Learning and Building Principal at least TWO (2) weeks prior to the date of departure. (Failure to provide this assurance will result in immediate cancellation of the trip. School Board Policy: 632).

- _____ 1. Copy of the Major Magnitude Field Trip Request Form Section I with authorized signatures and school board approval;
- _____ 2. Roster of students going on the trip with signed parental approval;
- _____ 3. List of staff and adult chaperones going on the trip;
- _____ 4. A detailed trip itinerary: transportation plans at destination, hotel/motel accommodations, addresses, phone numbers, places and timelines of activities/events planned;
- _____ 5. An accommodation plan for students with an IEP or 504 plan;
- _____ 6. Trip expenses, district costs, fund raising, and cost of the trip for individual students;
- _____ 7. List of emergency phone numbers where staff/chaperones can be reached in case of an emergency;
- _____ 8. Transportation plans to and from destination: (company, flights, times, costs, schedule, chaperoning, approved district Transportation Request Form (Administrative Form 632.1) if needed.

Section III

Field Trip Evaluation

Please complete within 3 weeks after returning from trip with information based on the statement of educational value and reason for the trip. Send a copy to the Building Principal & Superintendent/Assistant Superintendent - Teaching/Learning Date: 3 -30 - 2019

Moorhead High School Orchestra

2300 Fourth Avenue South
Moorhead, Minnesota 56560
(218) 284-2632
(218) 284-2432

Anthony Eddleston & Jonathan D. Larson
Directors
aeddleston@moorheadschoools.org
jonlarson@moorheadschoools.org

December 15, 2017

Dear High School Orchestra Parents:

We want to inform you of an exciting event for the next school year. Plans for a 2019 Orchestra Tour are under way. The proposal for an orchestra trip to New York City, New York to perform at Carnegie Hall has been approved by the school board.

The dates of the performing trip are Monday, March 4 through Saturday, March 9, 2019. The orchestra will fly to New York City. Flight arrangements and instrument travel will be carefully made. The orchestras are going to perform in the Moorhead Orchestra Concert at Carnegie Hall, one of the most famous and historically significant concert halls in the world. The trip is several days long and includes performances, clinic session, rehearsals, a Broadway show, and visits to historical landmarks. **There will be an parent informational meeting Monday evening January 9, 2018 regarding the trip. The meeting will be in the High School Orchestra Room at 7:00 pm.**

The cost of the trip will be about \$1,990.00 which covers transportation (anticipated airline cost), hotel, admissions to attractions, and many meals. Gateway Music Tours is the touring company handling all the arrangements. When the flight arrangements have been set, you will be notified of the exact cost. **A \$200 down payment and the attached form will be needed from each student and parent chaperone by February 1, 2018.** The deposit is refundable up to September 15, 2018. The Orchestra will conduct several fundraisers to offset the cost of the trip.

There is a need for at least twenty parent chaperones to travel with us. The cost for each chaperone will be the same as the student's cost.

I am very excited about traveling and performing with these students. Thank you for supporting your son or daughter's involvement in orchestra and music education at Moorhead High School.

Sincerely,

Jon Larson
MHS Orchestra Director
284-2432
jonlarson@moorheadschoools.org

Anthony Eddleston
MHS Orchestra Director
284-2632
aeddleston@moorheadschoools.org

Moorhead High School Orchestra

STUDENT PERMISSION SLIP

_____ has my permission to travel with the Moorhead High
(name of student)

School Orchestra to New York City, New York, March 4 - 9, 2019.

Parent/Guardian Signature _____

Date _____ Phone _____

Email Address _____

Please return this form along with a \$200 down payment for each student to Mr. Larson or Mr. Eddleston by March 1, 2018.

Checks should be made payable to **MHS Orchestra**

FLORIDA ORCHESTRA TRIP - PAYMENT SCHEDULE

March 3	\$200 deposit and permission slip
April 1	\$200 second payment due
May 1	\$200 third payment due
June 2	\$200 fourth payment due
Sept 30	\$230 fifth payment due
Oct 31	\$230 sixth payment due
Nov 30	\$230 seventh payment due
Jan 30	\$200 eighth payment due
Feb 27	Final balance due \$300
TOTAL COST:	\$1,990.00



Moorhead High School Orchestra

Performance Tour of New York City

March 4 – 9, 2019

Proposed Itinerary

Day One – Monday, March 4, 2019

4:00 pm Depart Meet at Moorhead High School to travel to the Minneapolis.
Supper stop on our way

9:00 pm Arrive at Holiday Inn Bloomington

Day Two – Tuesday, March 5, 2019

Breakfast Provided at hotel

Depart Meet at Moorhead High School to travel to the Minneapolis Airport. (Transportation to and from airport is not included.) It is recommended that groups arrive at least three hours prior to departure. Government issued photo identification is required of all passengers 18 years of age or older.

Arrival Welcome to New York City! Upon arrival, head to the baggage claim where your Gateway Tour Managers and motorcoaches will meet you.

Hotel Your Gateway Tour Managers will assist with hotel check-in.

Dinner Naples 45

Observation Deck Choose between the **Empire State Building**, the **Top of the Rock** or the new **One World Observatory**. All of these attractions provide amazing views of New York City.



Day Three – Wednesday, March 6, 2019

Breakfast	Included
Morning Show	Get up early today for a chance to catch a glimpse of the outdoor taping of the “Today Show” or the CBS Morning Show.
City Tour	Licensed New York City guides will join you on your motorcoaches and narrate your tour as you explore the different neighborhoods and sights of this amazing city. Some sights you are sure to see include St. Patrick’s Cathedral, Little Italy, Chinatown and Battery Park.
Brooklyn Bridge	Walk across the Brooklyn Bridge. The bridge is one of the oldest suspension bridges in the United States. Completed in 1883, it connects the boroughs of Manhattan and Brooklyn by spanning the East River.
🎵 Clinic Session	Clinic Session with Dr. Robert Gillespie, internationally known string music educator
Dinner	Dallas Barbeque

Day Four – Thursday, March 7, 2019

Breakfast	Included
Statue of Liberty/ Ellis Island	Transfer to Liberty Park in New Jersey this morning where you will take the Ferry to Liberty Island. The Statue of Liberty was a gift from France, dedicated on October 28, 1886, was designated as a National Monument in 1924 and restored for her centennial on July 4, 1986. The self-guided audio tour is included for both Liberty Island and Ellis Island.
Times Square/ Central Park	Enjoy free time in Times Square. Take a walk to Central Park and see many of the popular sights, such as Strawberry Fields, the statue of Balto, the famous sled dog, the many bridges and scenic ponds, or take a horse carriage tour through the park (carriage fee not included).
🎵 Carnegie Hall Rehearsal	½ day Rehearsal at Carnegie Hall
Dinner	Carmine’s
Broadway Show	Attend a Broadway show. From musicals and comedies to dramas and mysteries, Broadway has a show for everyone (based on a \$75.00 ticket value).



Day Five – Friday, March 8, 2019

Breakfast	Included
911 Memorial	Visit the site of the September 11, 2001 terrorist attacks on the United States. The names of the nearly 3,000 victims of the September 11, 2001 and February 26, 1993 terrorist attacks are inscribed on bronze panels lining the two pools. Waterfalls cascade down all four sides of each pool, creating a special place for remembrance and reflection. The surrounding plaza is filled with oak trees and a callery pear known as the Survivor Tree, which was nursed back to health after surviving the 9/11 attacks.
911 Museum	The Memorial Museum, located at the World Trade Center site, is to bear solemn witness to the terrorist attacks of September 11, 2001 and February 26, 1993. The museum honors the nearly 3,000 victims of these attacks and all those who risked their lives to save others.
St. Paul's Chapel	Visit the chapel where President George Washington worshiped. Located across the street from Ground Zero, St. Paul's Chapel played the role as a relief site for emergency workers. It's a wonder that not a pane of glass broke, nor a headstone damaged in the tragedy.
Shopping or Exploring	Enjoy free time to shop around Chinatown and Little Italy.
Dinner	Hard Rock Cafe
♪ Carnegie Hall Performance	Perform your evening concert tonight at Carnegie Hall

Day Six – Saturday, March 9, 2019

Breakfast	Included
Check Out	Check out of your hotel. Your Gateway Tour Managers will assist with check out logistics.
Depart	Travel to the airport for return flight.
Arrive	Arrive back at Moorhead High School early this evening.

This is a sample itinerary and is subject to change.



MOORHEAD
AREA PUBLIC SCHOOLS

**Assistant
Superintendent of
Learning and
Accountability
Memo ASLA18.20**

TO: Brandon Lunak, Interim Superintendent

FROM: Missy Eidsness, Assistant Superintendent of Learning and Accountability

DATE: 12/4/2017

RE: Overview of K-6 Spanish Immersion Program

Jessica Rieniets, instructional and data coach, will provide an overview of Moorhead Area Public Schools' Spanish Immersion Program. In the fall of 2017, the district opened two new buildings and reconfigured the elementary and middle school grade levels. This reconfiguration has provided the opportunity to offer the Spanish Immersion Program to grade 6. Current enrollment in Spanish Immersion is 357 students. This is the fourth year in row that kindergarten has begun with three sections (Fall 2013 kindergarten started at 57 students; Fall 2017 kindergarten started at 70 students).

MOE: tro

ATTACHMENTS:

Description	Type
 Spanish Immersion Update	Cover Memo

SPANISH IMMERSION UPDATE

Jessica Rieniets- SI Coach

PROGRAMMING

- Moved to a K-6 program this year!
- Open to all students in Moorhead
- Transportation provided to Ellen Hopkins area K-4
- Transportation provided to Horizon West

Beyond SI...

- Advanced Spanish in grade 7 (1 quarter)
- Spanish 8 in place of Chinese (1 quarter)
- Traditional Spanish classes grades 9-12
- Middle School Spanish Club through Community Education

CURRICULUM & INSTRUCTION

- Follow Minnesota Academic Standards
- Curriculum mirrors the curriculum used in English classroom
- Follow [district assessment plan](#)
- All Spanish instruction grades K-2
- English introduced in grades 3-4 (Word Study & some Writing projects)
- One English class in grades 5 & 6 (Social Studies)
- Multi-age classes in grades 5 & 6

CELEBRATIONS

- Addition of grade 6 programming
 - Multiage class with grade 5 to maintain consistent programming
 - Spanish at all grade levels
- Addition of SI Academic Coach
 - Part-time position (other .5 District Data Coach)
 - Instructional Coaching for SI teachers
 - Helping design Literacy PD for district
 - Researching best practice for immersion classrooms

ENROLLMENT

Grade	Sections	Students
K	3	70
1	3	57
2	3	69
3	2 1/2	56
4	1 1/2	40
5/6	3	63
All	16	357

43% (294) of students at Ellen Hopkins are enrolled in SI

6% (63) of students in Horizon West are enrolled in SI

DEMOGRAPHICS

	District	Spanish Immersion
American Indian/Alaskan Native	2.8%	1.7%
Asian	0.9%	1.7%
Black/African American	7.6%	5.3%
Hispanic/Latino	8.5%	7.6%
Native Hawaiian/Pacific Islander	0.1%	0.3%
White	73.6%	96.9%
Free or Reduced Lunch	39.9%	16.8%
English Learner	7.2%	1.4%
Special Education Services	17.3%	9.2%

MCA SCORES

Test	Spanish Immersion	District	State
Reading- 3rd	77.5%	48.0%	56.5%
Reading- 4th	84.6%	52.1%	56.8%
Reading- 5th	90.9%	67.3%	67.5%
TOTAL Reading	83.9% (3-5 only)	56.4%	60.1%
Math- 3rd	87.5%	61.0%	68.1%
Math- 4th	89.7%	63.8%	66.7%
Math- 5th	66.7%	43.2%	57.1%
TOTAL Math	82.1% (3-5 only)	52.9%	58.6%

FUTURE PLANS/GOALS

- Continue to grow the program
 - Continue trend of 3 (or more) sections per grade level
 - More accessible to all students
 - Match district demographics
 - K-12 plan- Strengthen Spanish in grades 7-12
 - Recruit highly-qualified teachers
- Intervention in Spanish
 - Trying out pull out in Spanish for one group in K
 - Trying out some EXCEL curriculum in Spanish
- Education of all district staff
 - Learn what Spanish Immersion is
 - Study research
 - Apply best practices in classroom instruction
 - Plan for struggling students

QUESTIONS?



MOORHEAD
AREA PUBLIC SCHOOLS

**Assistant
Superintendent of
Finance and Operations**
Memo OASFO.18.39R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Fiscal Year 2017 Audit Report

At the November 27, 2017 School Board meeting, a representative from Eide Bailly LLP, presented a draft of the district's audit report for the fiscal year ending June 30, 2017. Attached please find the audit and executive summary from Eide Bailly LLP.

Suggested Resolution: Move to accept the fiscal year 2017 school district audit report as presented by Eide Bailly LLP.

Moved by:
Seconded by:
Comments:

BML:dmb

ATTACHMENTS:

Description		Type
<input type="checkbox"/> Exec Summary		Cover Memo
<input type="checkbox"/> Audit		Cover Memo



Executive Summary
June 30, 2017

**Independent School District No. 152
Moorhead Area Public Schools**

DRAFT

Purpose of the Executive Summary

The District receives audited financial statements each year, however the document is long and users may find it difficult to read and understand. In an effort to help facilitate understanding we have put together an executive summary containing summarized information from the audited financial statements, as well as graphs and ratios. We believe the School Board, management, and citizens of the District will have a clearer picture of the financial condition of the District by reading this summary. This is not a required report and we offer no opinion on the executive summary.

We hope this executive summary encourages discussion of the District's financial condition and to:

- Alert the School Board and management to financial condition trends, both favorable and unfavorable.
- Put the District's financial condition in perspective by compiling data for several years.

We obtained the idea of an executive summary format based on a review of the Comprehensive Annual Financial Report (CAFR) of the City of Sioux Falls, South Dakota, done by the Internal Audit department of the City in May 2009.

Audit Opinion

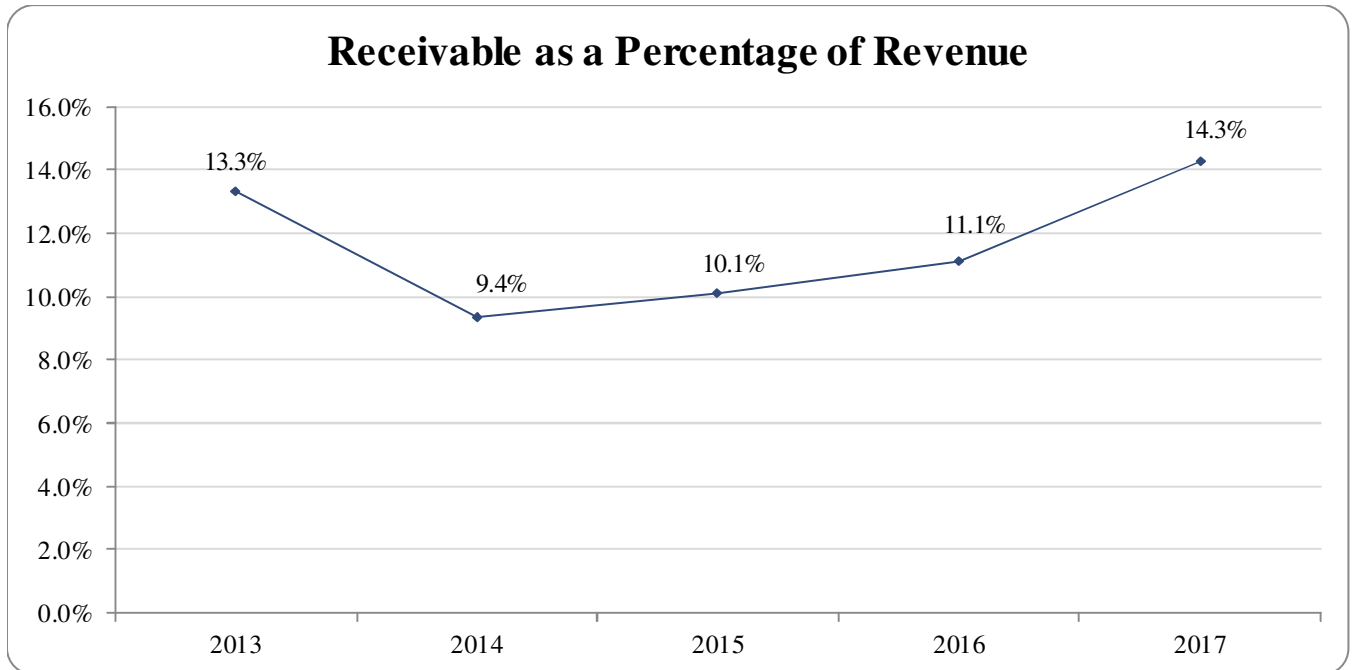
The District received a "clean" audit opinion. What does that really mean? The audit opinion is a brief report that appears with the financial statements. A clean audit opinion is more precisely referred to as an unmodified opinion. An *unmodified opinion* means that the financial statements have been prepared using accounting principles generally accepted in the United States of America (GAAP), do not contain material misstatements, and are fairly presented.

Some readers of financial statements with an unmodified (clean) audit opinion believe that the auditors are signifying that the organization has a financial clean bill of health. They may believe the auditors are indicating that there is no fraud, that the organization is using its resources effectively and efficiently, and that the organization is in compliance with all laws and regulations. The auditor's report (audit opinion) on a financial statement audit is merely the auditor's professional opinion, based on audit work, on whether the financial statements were prepared in accordance with GAAP and are free from material misstatement.

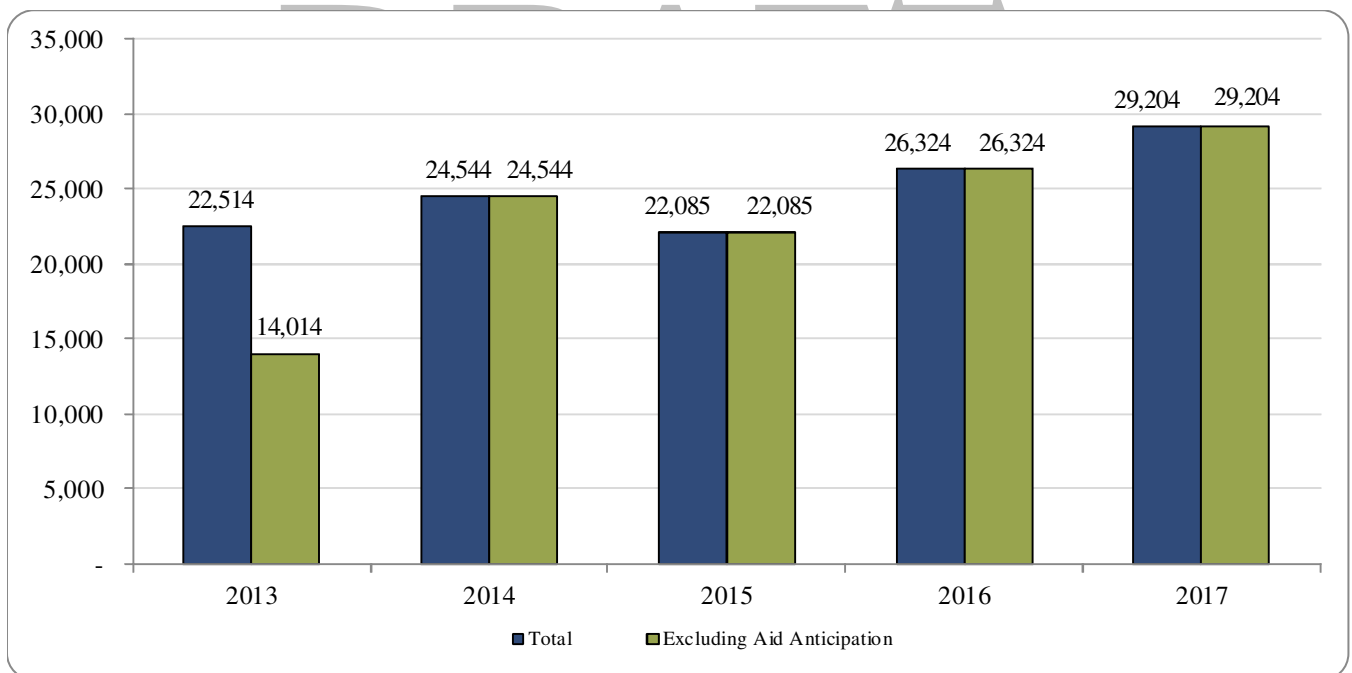
Audit of Federal Funds

All non-Federal entities that expend \$750,000 or more of Federal awards in a year are required to obtain an annual audit in accordance with the Single Audit Act. A single audit is intended to provide a cost-effective audit in that one audit is conducted in lieu of multiple audits of individual programs. During 2017, the District expended approximately \$5,336,000 in Federal awards.

The District received an unmodified opinion on compliance for the major federal award programs report.



Cash and investments is most significantly affected by the aid payment structure. Below is the cash and investment balances (in thousands) of the District for the past five years.



*The above amounts do not include cash and investments in the Building Construction Fund.

Independent School District No. 152
Moorhead Area Public Schools
Revenues, Expenditures, and Changes in Fund Balances
Budget to Actual – General Fund
Year Ended June 30, 2017

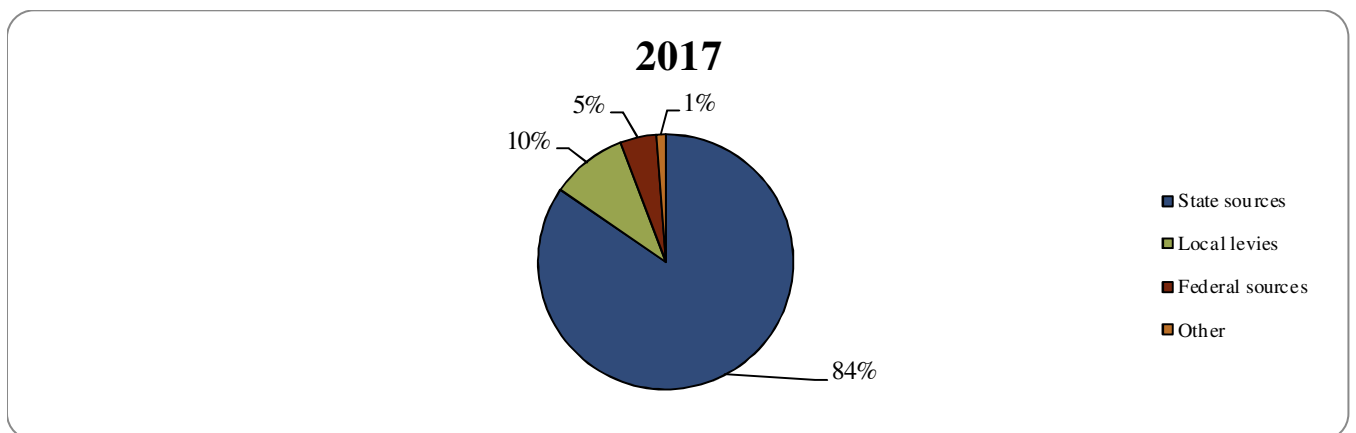
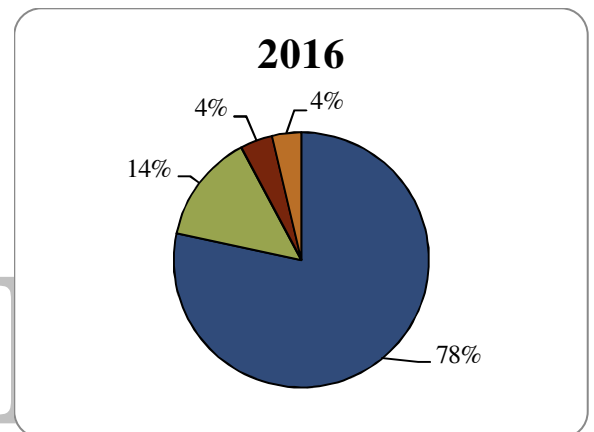
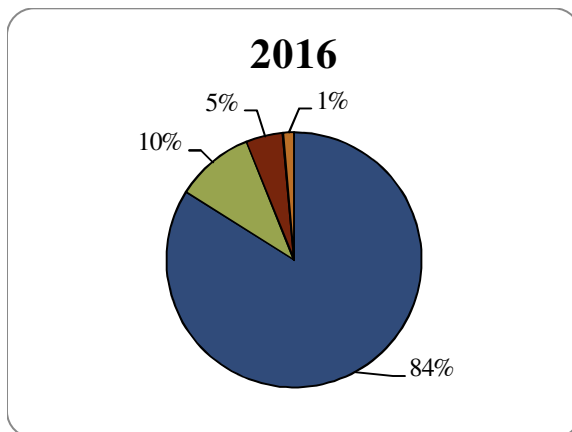
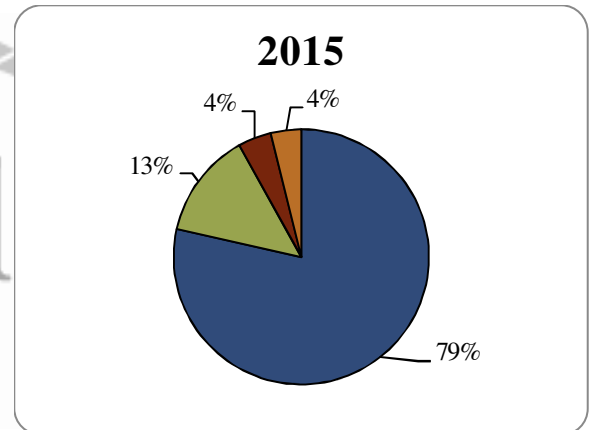
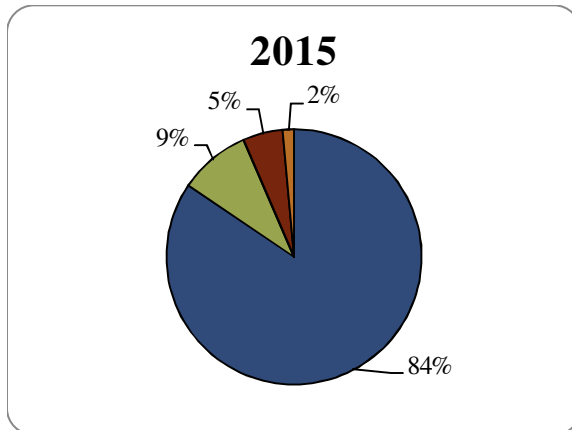
	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
State sources***	\$ 61,359,216	\$ 61,996,918	\$ 67,142,931	\$ 5,146,013
Local levies	7,935,098	8,067,835	7,653,211	(414,624)
Federal sources	3,291,909	3,365,172	3,638,691	273,519
Other	879,268	934,270	962,021	27,751
	<u>73,465,491</u>	<u>74,364,195</u>	<u>79,396,854</u>	<u>5,032,659</u>
				6.8%
				Positive
Expenditures				
Regular instruction***	32,687,194	31,776,353	32,624,069	(847,716)
Administration and district support services	4,777,075	4,777,256	4,572,062	205,194
Special education instruction	16,217,740	17,144,860	17,827,344	(682,484)
Instructional and pupil support services	9,976,790	10,352,755	10,389,276	(36,521)
Sites and buildings	9,458,551	12,043,966	15,138,108	(3,094,142)
Other	835,281	835,281	865,996	(30,715)
	<u>73,952,631</u>	<u>76,930,471</u>	<u>81,416,855</u>	<u>(4,486,384)</u>
				-5.8%
				Negative
Revenues under Expenditures	(487,140)	(2,566,276)	(2,020,001)	546,275
Other Financing Sources				
Capital lease proceeds	-	-	4,354,142	4,354,142
Net Change in Fund Balance	<u>\$ (487,140)</u>	<u>\$ (2,566,276)</u>	2,334,141	<u>\$ 4,900,417</u>
Fund Balance, Beginning of Year			<u>16,846,283</u>	
Fund Balance, End of Year			<u>\$ 19,180,424</u>	

***The revenues for state sources and the expenditures for regular instruction each contain an additional \$1,995,590. These amounts in both revenues and expenditures represent a non-cash transaction to record the additional pension support received and expense related to the support received from the State of Minnesota (as a nonemployer contribution entity) for TRA and PERA special funding situations per GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. This transaction has a net effect of zero and was not considered during the budget process because of the non-cash nature.

Independent School District No. 152
Moorhead Area Public Schools
General Fund Revenues by Source
Years Ended June 30, 2015 through June 30, 2017

District Actual

Statewide Average¹

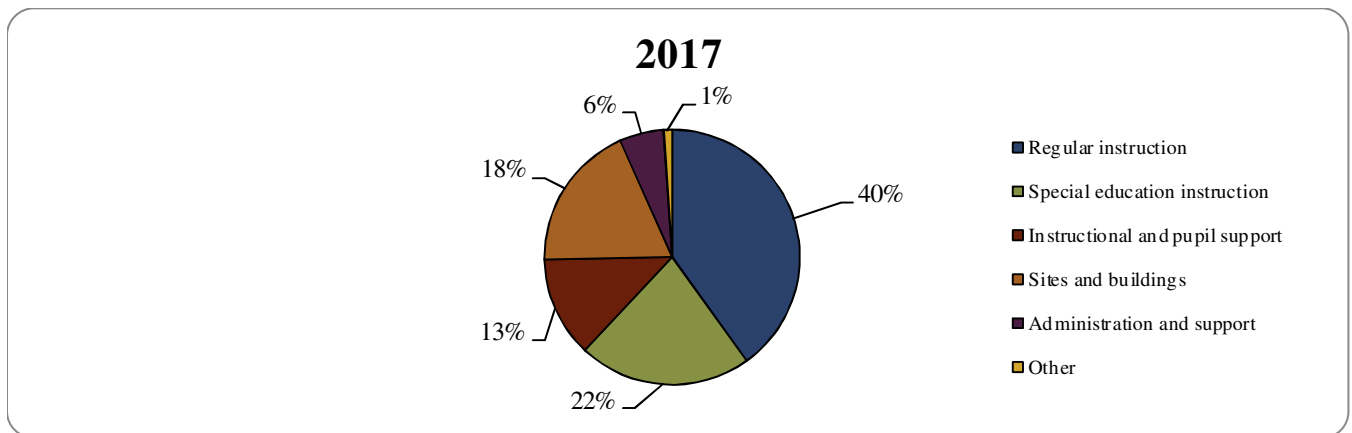
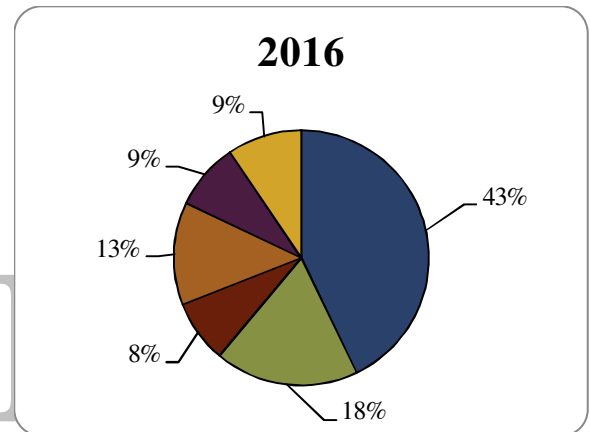
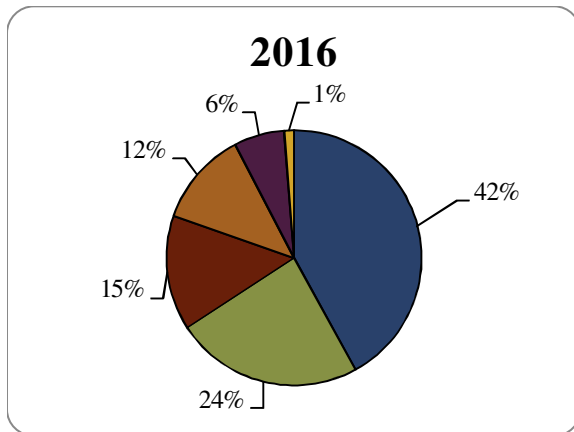
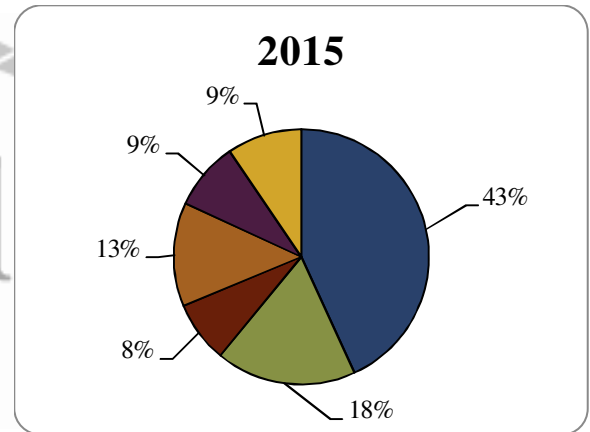
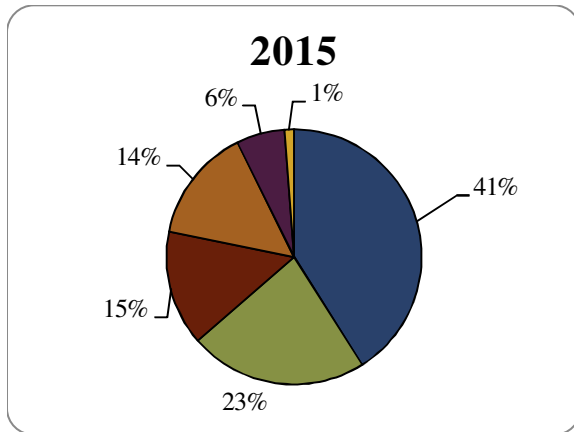


¹Statewide Averages per Minnesota Department of Education's Data Information

Independent School District No. 152
Moorhead Area Public Schools
General Fund Expenditures by Program
Years Ended June 30, 2015 through June 30, 2017

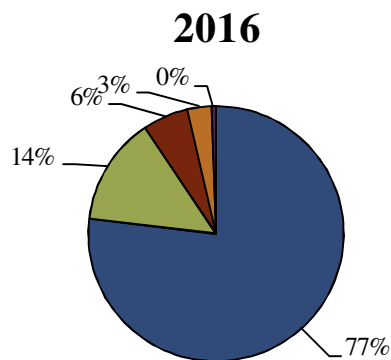
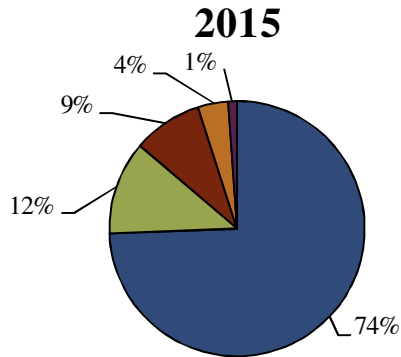
District Actual

Statewide Average²



²Statewide Averages per Minnesota Department of Education's Data Information

Independent School District No. 152
Moorhead Area Public Schools
General Fund Expenditures by Object
Years Ended June 30, 2015 through June 30, 2017



Independent School District No. 152
Moorhead Area Public Schools
Changes in Fund Balances – General Fund
Year Ended June 30, 2017

	Fund Balance (Deficit) Beginning of Year	Net Change in Fund Balance	Fund Balance (Deficit) End of Year
Nonspendable	\$ 85,913	\$ (25,310)	\$ 60,603
Restricted for deferred maintenance	677,693	(677,693)	-
Restricted for health and safety	(692,088)	275,719	(416,369)
Restricted for operating capital	200,000	(26,445)	173,555
Restricted for safe schools	195,202	(5,553)	189,649
Restricted for staff development	-	60,775	60,775
Restricted for long-term facilities maintenance	-	704,196	704,196
Committed for severance obligation	1,200,000	-	1,200,000
Assigned for health insurance and affordable care act	500,000	-	500,000
Assigned for capital projects	3,000,000	-	3,000,000
Unassigned	11,679,563	2,028,452	13,708,015
	<u>\$ 16,846,283</u>	<u>\$ 2,334,141</u>	<u>\$ 19,180,424</u>

The General Fund is used to account for all revenue and expenditures of the school district not accounted for elsewhere. It is used to account for educational activities, district instructional and student support programs, expenditures for the superintendent, district administration, normal operations and maintenance, pupil transportation, capital expenditures, and legal school district expenditures not specifically designated to be accounted for in any other fund.

Fund balance is the cumulative difference between fund assets and fund liabilities. Fund balance is further divided into nonspendable, restricted, committed, assigned, and unassigned categories. Nonspendable fund balance represents amounts that cannot be spent because they are not in spendable form, such as inventory and prepaid expenses. Restricted fund balance is legally restricted and cannot be appropriated for other spending. Committed fund balance is intended for a specific activity and imposed by formal action of the school board but is not legally restricted. Assigned fund balance is also intended for a specific activity by school board designated individuals, but is also not legally restricted. Unassigned fund balance can be thought of as reserves or a “rainy day” fund.

A positive fund balance:

- Contributes to a favorable bond rating
- Produces investment income
- Provides a source of working capital to meet cash flow needs
- Offers a cushion for unexpected expenditures or revenue shortfalls

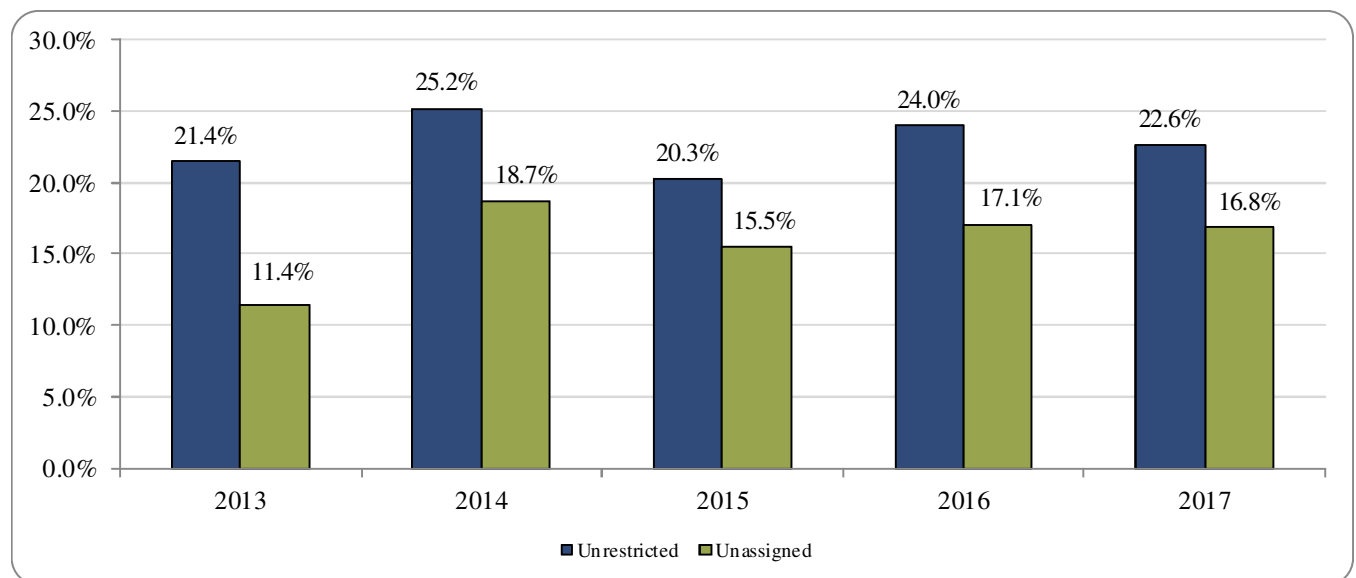
Independent School District No. 152
Moorhead Area Public Schools
Changes in Fund Balances – General Fund (Continued)
Year Ended June 30, 2017

The Government Finance Officers Association (GFOA) recommends, at a minimum, that governments maintain unrestricted fund balance in their general fund of no less than two months (16.67 percent) of regular general fund operating expenditures.³

The State of Minnesota Office of the State Auditor (OSA) recommends that at year-end local governments maintain an unrestricted fund balance in their general fund and special revenue funds of approximately 35 to 50 percent of fund operating revenues or no less than five months of operating expenditures. Minnesota school districts experience a more reliable flow of cash to fund operations therefore, a recommended unrestricted fund balance for school districts may be less than the amounts recommended for other local governments.⁴

The School Board will endeavor to maintain a minimum unassigned General Fund balance of at least 25% of the district's General Fund operating budget, and not to fall below 17%.⁵

The District's unrestricted fund balance (committed, assigned, and unassigned) and unassigned fund balance as a percentage of expenditures in the General Fund for the last five years is as follows:



		Fund Balance as of June 30,					
		2013	2014	2015	2016	2017	
Unrestricted	\$	12,134,977	\$ 15,104,305	\$ 13,553,165	\$ 16,379,563	\$ 18,408,015	
Unassigned		6,442,627	11,222,675	10,353,165	11,679,563	13,708,015	

The following are some fund balance amounts for various benchmarking levels:

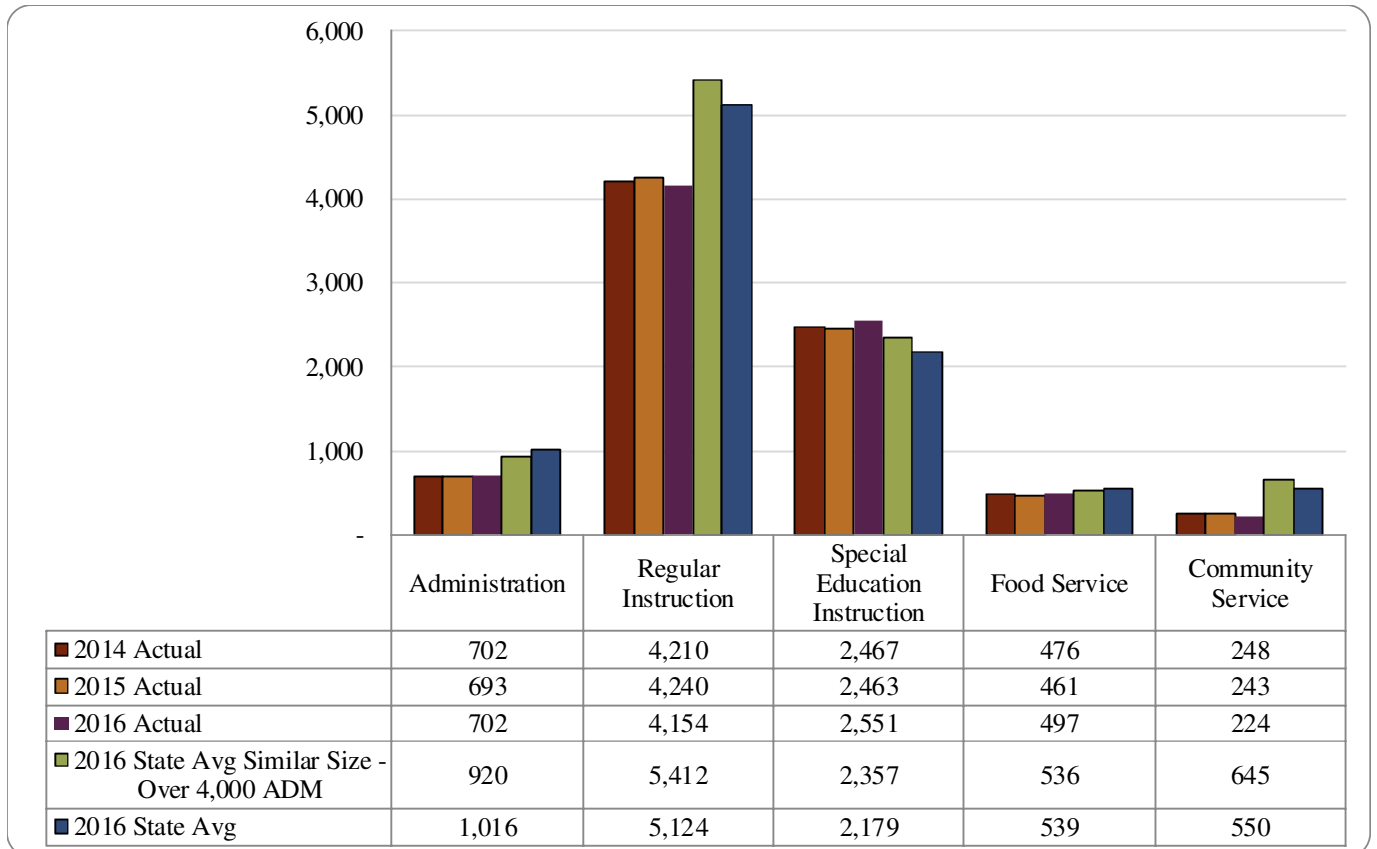
Where would you like to be?	
1 month of expenditures (8%)	\$ 6,784,738
2 months of expenditures (17%)	13,569,476
3 months of expenditures (25%)	20,354,214
4 months of expenditures (33%)	27,138,952
5 months of expenditures (42%)	33,923,690

³ Fund Balance Guidelines for the General Fund, GFOA Best Practice, September 2015

⁴ Statement of Position, Fund Balance for Local Governments, OSA recommended practice, February 2014

⁵ ISD No. 152 Fund Balances Policy, approved June 27, 2011

Independent School District No. 152
Moorhead Area Public Schools
Cost per ADM Served
Years Ended June 30, 2014 through June 30, 2016



DRAFT

Financial Statements
June 30, 2017

**Independent School District No. 152
Moorhead Area Public Schools**

Draft

Independent School District No. 152
Moorhead Area Public Schools
Table of Contents
June 30, 2017

School Board and Administration List (Unaudited).....	1
Independent Auditor's Report.....	2
Management's Discussion and Analysis	5
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	12
Statement of Activities	13
Fund Financial Statements	
Governmental Funds	
Balance Sheet	14
Reconciliation of the Balance Sheet to the Statement of Net Position	15
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	17
General Funds	
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual.....	18
Statement of Net Position Proprietary Fund	19
Proprietary Fund	
Statement of Changes in Net Position Proprietary Fund	20
Statement of Cash Flows Proprietary Fund.....	21
Fiduciary Fund	
Statement of Net Position	22
Statement of Changes in Fiduciary Net Position.....	23
Notes to Financial Statements.....	24
Required Supplementary Information	
Schedule of Changes in the District's Net OBEB Liability and Related Ratios	63
Schedule of District's OBEP Contributions	65
Schedule of Changes in Pension-Related Benefits Liability and Pension-Related Benefits Liability	66
Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions.....	67
Combining and Individual Fund Schedules	
General Fund	
Schedule of Changes in UFARS Fund Balances	68
Nonmajor Governmental Funds	
Combining Balance Sheet	69
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance	70
Other Supplementary Information	
Changes in Student Activity Cash Balances	71
Uniform Accounting and Reporting Standards Compliance Table.....	74
Schedule of Expenditures of Federal Awards.....	75

Notes to Schedule of Expenditures of Federal Awards	76
---	----

Additional 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 <i>Government Auditing Standards</i>	77
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance	79
Report on Compliance over Financial Reporting of the Student Activity Accounts	81
Report on <i>Minnesota Legal Compliance</i>	82
Schedule of Findings and Questioned Costs	83

Draft

Independent School District No. 152
Moorhead Area Public Schools
School Board and Administration List (Unaudited)
June 30, 2017

School Board		
<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Bill Tomhave	Chairperson	2017
Scott Steffes	Vice Chairperson	2019
Cassidy Bjorklund	Treasurer	2017
Matt Valan	Clerk	2019
Melissa Burgard	Director	2017
Mark Altenburg	Director	2017
Cindy Fagerlie	Director	2019

Administration	
Lynne Kovash	Superintendent
Brandon Lunak	Assistant Superintendent
Denice Sinner	District Accountant

Independent Auditor's Report

The School Board of
Independent School District No. 152
Moorhead Area Public Schools
Moorhead, 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 Independent School District No. 152, Moorhead Area Public Schools, as of and for the year ended June 30, 2017, 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 an opinion on these financial statements based on our audits. We conducted our audits 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 of America. 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 entity'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 entity'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.

Opinion

In our opinion, the financial statements referred to above 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, 2017, and the respective changes in financial position and the respective 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 Matters

Implementation of GASB No. 73 and GASB No. 74 and No. 75

As discussed in Notes 1 and 15 to the financial statements, the District has adopted the provisions of GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets*, GASB Statement No. 74 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which has resulted in a restatement of the net position as of July 1, 2016. Our opinions are not modified with respect to these matters.

Prior Period Adjustment

As discussed in Note 15 to the financial statement, the District determined that the construction in progress and capital assets for three building projects were inaccurately reported as of June 30, 2016 by \$6,725,232. This resulted in a restatement of beginning of year construction in progress, buildings, and net position as of July 1, 2016. Our opinions are 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, schedule of changes in the District's net OPEB liability and related ratios, schedule of District OPEB contributions, schedule of employer's share of net pension liability and schedule of employer's contributions, and schedule of changes in supplemental benefits liability as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information 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 as a whole. The School Board and Administration list, combining and individual fund schedules, and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund schedules, uniform accounting and reporting compliance table, schedule of changes of the student activity cash balances, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 financial statements taken as a whole. In addition, in our opinion, the schedule of changes in student activity cash balances presents fairly the changes in the cash balances of the student activity funds for the year ended June 30, 2017.

The School Board and administration list 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated [DATE] on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and 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.

Fargo, North Dakota

[DATE]

This section of Independent School District No. 152 – Moorhead Area Public Schools' annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2017. Please read it in conjunction with the District's financial statements, which immediately follow this section.

Financial Highlights

Key financial highlights for the 2016-2017 fiscal year include the following:

- *General Fund 01* – The overall revenues were approximately \$79.4 million while the overall expenditures were approximately \$81.4 million. These, along with other financing sources of \$4.3 million, increased the fund balance by approximately \$2.3 million.
- *Food Service Fund 02* – The revenues were approximately \$3.2 million and the expenditures were approximately \$2.8 million increasing the fund balance by approximately \$372,000.
- *Community Service Fund 04* – The revenues were approximately \$1.9 million while the expenditures were approximately \$1.7 million increasing the fund balance by approximately \$191,000.
- *Building Construction Fund 06* – The revenues were approximately \$564,000 and the expenditures were approximately \$43.3 million decreasing fund balance by approximately \$42.7 million.
- *Debt Service Fund 07* – The revenues were approximately \$7.3 million and expenditures of approximately \$7.0 million increasing fund balance by approximately \$360,000.
- *OPEB Debt Service Fund 47* – The revenues were approximately \$1.5 million and expenditures of approximately \$1.5 million decreasing the fund balance by approximately \$41,000.

Overview of the Financial Statements

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements, report the District's net position and how they have 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 is an indicator of whether its financial position is improving or deteriorating, respectively.

- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statement the District's activities are shown in one category:

- *Governmental Activities* – All of the District's basic services are included here, such as regular and special education, transportation, administration, food service, and community education. Property taxes and state aids finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds—focusing on its most significant or “major” funds—not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using revenues (e.g., federal grants).

The District has three kinds of funds:

- *Governmental Funds* – All of 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 at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer 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 district-wide statements, we provide additional information following the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary Fund* – The District has a self-insured health plan designed as an internal service fund. The fund is used to record the premiums received, and claims paid related to the participants employed by the District's governmental funds.
- *Fiduciary Funds* – The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only by those to whom the assets belong.

Financial Analysis of the District as a Whole

Net Position

The District's approximate combined net position was approximately \$5,058,508 as of June 30, 2017.

Statement of Net Position June 30, 2017 and 2016

	2017	2016
Assets		
Current assets	\$ 85,280,758	\$ 124,868,651
Capital assets	135,167,864	93,274,210
Total assets	220,448,622	218,142,861
Deferred outflows of Resources	95,319,741	13,210,258
Liabilities		
Other liabilities	16,931,940	11,185,206
Long-term liabilities	274,835,118	163,597,124
Total liabilities	291,767,058	174,782,330
Deferred Inflows of Resources	18,942,797	25,360,603
Net Position		
Net investment in capital assets	23,404,273	(19,408,997)
Restricted for specific purposes	33,821,586	75,575,229
Unrestricted	(52,167,351)	(24,956,046)
Total net position	\$ 5,058,508	\$ 31,210,186

Independent School District No. 152
Moorhead Area Public Schools
Management's Discussion and Analysis
Year Ended June 30, 2017

Statement of Revenues, Expenses and Changes in Net Position
June 30, 2017 and 2016

	2017	2016
Revenues		
Program revenues		
Charges for service	\$ 8,317,500	\$ 7,664,781
Operating grants and contributions	5,983,029	5,358,441
General		
Property taxes	15,446,214	13,116,430
Aids and payments from state and other	69,659,397	61,416,279
Miscellaneous revenues	515,364	351,168
Total revenues	<u>99,921,504</u>	<u>87,907,099</u>
Expenses		
Administration	3,079,011	2,893,723
District support services	1,499,384	1,457,155
Regular instruction	42,024,458	27,472,945
Vocational instruction	667,976	674,022
Special education instruction	17,794,268	16,247,246
Community education and services	1,732,013	1,441,298
Instructional support services	4,110,019	3,813,883
Pupil support services	9,332,499	9,525,087
Sites and buildings	8,910,606	5,596,922
Fiscal and other fixed-cost programs	13,585,933	2,818,125
Health self-insurance	5,325,861	5,231,845
Total expenses	<u>108,062,028</u>	<u>77,172,251</u>
Change in Net Position	(8,140,524)	10,734,848
Net Position - Beginning, as restated in 2017	<u>13,199,032</u>	<u>20,475,338</u>
Net Position - Ending	<u>\$ 5,058,508</u>	<u>\$ 31,210,186</u>

Changes in Net Position – The District's total revenues were approximately \$99.9 million for the year ended June 30, 2017. Property taxes and state formula aid accounted for 85% of total revenue for the year. Another 15% came from other program revenues.

The total cost of all programs and services was approximately \$108.1 million. The District's expenses are predominantly related to educating and caring for students. The purely administrative activities of the District accounted for just 4% of total costs.

The total expenses exceeded revenues, reducing the net position by approximately \$8.1 million for fiscal year 2017. In 2017, there was a restatement described in Note 15. This restatement decreased net position by approximately \$18 million.

Independent School District No. 152
Moorhead Area Public Schools
Management's Discussion and Analysis
Year Ended June 30, 2017

General Fund

The General Fund includes the primary operations of the District in providing educational services to students from kindergarten through grade 12, including pupil transportation activities, buildings and grounds, and capital outlay projects.

The following schedule presents a summary of General Fund Revenues.

	Year Ended June 30,		Amount of	Percent
	2017	2016	Increase (Decrease)	Increase (Decrease)
Local property taxes	\$ 7,653,211	\$ 7,078,894	\$ 574,317	8.1%
Other local sources	911,675	939,374	(27,699)	-2.9%
State sources	67,142,931	59,521,661	7,621,270	12.8%
Federal sources	3,638,691	3,326,878	311,813	9.4%
Miscellaneous	50,346	60,493	(10,147)	-16.8%
Total General Fund revenues	<u>\$ 79,396,854</u>	<u>\$ 70,927,300</u>	<u>\$ 8,469,554</u>	11.9%

Total General Fund revenue increased by approximately \$8,470,000 or 11.9% from the previous year. Basic general education revenue is determined by a state per student funding formula and consists of an equalized mix of property tax and state aid revenue. The mix of property tax and state aid can change significantly from year to year without any net change on revenue. During the current year there was also an increase in state sources which was driven by a required entry under GASB statement No. 68 whereby the District had to record revenue from the State of Minnesota for special funding situations related to TRA and PERA in the amount of \$1,995,590. The majority of the increase in revenue for 2017 was due primarily to an increase in enrollment and the increase in the local property taxes due to the issuance of school building bonds in 2016.

The following schedule presents a summary of General Fund expenditures.

	Year Ended June 30,		Amount of	Percent
	2017	2016	Increase (Decrease)	Increase (Decrease)
Salaries and benefits	\$ 58,543,180	\$ 52,544,803	\$ 5,998,377	11.4%
Purchased services	9,316,074	9,404,474	(88,400)	-0.9%
Supplies and materials	2,443,002	2,136,656	306,346	14.3%
Capital expenditures	10,721,706	6,312,783	4,408,923	69.8%
Other expenditures	392,893	357,001	35,892	10.1%
Total General Fund expenditures	<u>\$ 81,416,855</u>	<u>\$ 70,755,717</u>	<u>\$ 10,661,138</u>	15.1%

Total General Fund expenditures increased by \$10,661,000 or 15.1% from the previous year. The overall increase in the current fiscal year resulted from the increase in personnel and the purchase of the operation center building. The required entry under GSAB statement No. 68 also effected the salary and benefits grouping by \$1,995,590 for expenses related to PERA and TRA.

General Fund Budgetary Highlights

The District's general fund results when compared to the final budget are:

- Actual revenues were approximately \$5 million *more than* budget. The revenue in excess of budget resulted primarily from increased enrollment and the local property tax increases for bonds issued in fiscal year 2016. Also, the GASB 68 entry for TRA and PERA increased revenues by approximately \$2 million.
- Actual expenditures were approximately \$4.5 *more than* budget due to the timing of construction costs. Also, the GASB 68 entry for TRA and PERA increased expenditures by approximately \$2 million.

Building Construction Fund

The Building Construction Fund revenues were approximately \$564,000 and expenditures were approximately \$43.3 million. Fund balance decreased by approximately \$42.7 million as expenditures exceeded revenues. The decrease is a result of paying for the construction that was completed.

Debt Service Fund

The Debt Service Fund revenues were approximately \$7.3 million and expenditures were approximately \$7.0 million, thereby increasing fund balance by approximately \$360,000 as revenues exceeded expenditures. The increase is a result of being able to levying for 5% more than the bond payments.

Other Non-Major Funds

The Food Service Fund incurred an increase in the fund balance of approximately \$372,000. The increase is a result of more student meals served. The Community Service Fund incurred an increase in the fund balance of approximately 191,000. The increase is a result of the increase in the census. The OPEB Debt Service fund incurred current year expenditures in excess of revenues of approximately \$41,000, decreasing fund balance. The decrease is a result of using the funds to pay the debt.

Capital Assets and Debt Administration

Capital Assets

By the end of 2017, the District had invested approximately \$172 million in a broad range of capital assets, including school buildings, athletic facilities, school vehicles, and computer and audio-visual equipment. Total depreciation expense for the year was \$2,431,737. Note 5 presents the detail of the District's capital assets.

Capital Assets Governmental Activities June 30, 2017 and 2016

	2017	2016
Land	\$ 1,499,572	\$ 1,499,572
Construction in progress	50,362,709	6,848,309
Buildings	112,326,894	104,986,893
Improvements	4,206,221	4,200,241
Vehicles	2,024,928	2,024,928
Equipment	1,725,980	1,666,165
Accumulated Depreciation	<u>(36,978,440)</u>	<u>(34,677,130)</u>
Total capital assets	<u>\$ 135,167,864</u>	<u>\$ 86,548,978</u>

Long-Term Debt

At year end the District had \$118,182,879 of long term debt consisting of bonded indebtedness of \$106,225,297 capital lease payable of \$11,568,591, and vacation payable of \$388,991. Note 8 presents the detail of the District's long-term debt.

The District has \$152,222,623 in net pension liability at June 30, 2017. See Note 10 for further information.

The District has \$3,553,842 in net OPEB liability and \$875,774 in pension-related benefits liability at June 30, 2017. See Note 6 and 7 for further information.

Factors Bearing on the District's Future

Minnesota school districts are paid based on pupil units served. Increases in enrollment this year over last year has given us increased revenue for operations. We are anticipating the school district's enrollment to increase over the next couple of years.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers 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 any questions about this report or would like additional information, contact Brandon Lunak, Assistant Superintendent, at the District offices at 2410 14th Street South, Moorhead, MN 56560.

Independent School District No. 152
Moorhead Area Public Schools
Statement of Net Position
June 30, 2017

Assets	
Cash and investments	\$ 29,204,215
Restricted cash and cash equivalents	35,156,821
Receivables	
Current property taxes	9,578,107
Delinquent property taxes	143,713
Accounts	14,848
Due from other governmental units	11,094,642
Prepaid items	63,074
Inventory	25,338
	<u>85,280,758</u>
Capital assets	
Non-depreciable	
Land	1,499,572
Construction in progress	50,362,709
Depreciable	
Buildings	112,326,894
Improvements	4,206,221
Vehicles	2,024,928
Equipment	1,725,980
Less accumulated depreciation	(36,978,440)
Total capital assets, net of depreciation	<u>135,167,864</u>
Total assets	<u>220,448,622</u>
Deferred Outflows of Resources	
Pension plans	<u>95,319,741</u>
Liabilities	
Accounts payable	7,982,550
Salaries payable	5,788,273
Accrued interest payable	1,506,236
Unearned revenue	992,318
Claims incurred but not reported	662,563
Long-term liabilities	
Due within one year - bonds, capital leases, and vacation pay	6,806,279
Due in more than one year - bonds, capital leases, and vacation pay	111,376,600
Due in more than one year - pension-related retirement benefits	875,774
Due in more than one year - other postemployment benefits	3,553,842
Due in more than one year - net pension liability	152,222,623
Total liabilities	<u>291,767,058</u>
Deferred Inflows of Resources	
Unavailable revenue-property taxes	17,257,708
Other postemployment benefits plan	247,206
Pension plans	1,437,883
Total deferred inflows of resources	<u>18,942,797</u>
Net Position	
Net investment in capital assets	23,404,273
Restricted for specific purposes	33,821,586
Unrestricted	(52,167,351)
Total net position	<u>\$ 5,058,508</u>

The Notes to Financial Statements are an integral part of this statement.

Independent School District No. 152
Moorhead Area Public Schools
Statement of Activities
Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Administration	\$ 3,079,011	\$ -	\$ -	\$ (3,079,011)
District support services	1,499,384	-	-	(1,499,384)
Regular instruction	42,024,458	153,296	1,584,892	(40,286,270)
Vocational instruction	667,976	-	-	(667,976)
Special education instruction	17,794,268	557,243	1,469,376	(15,767,649)
Community education and services	1,732,013	384,026	85,260	(1,262,727)
Instructional support services	4,110,019	-	-	(4,110,019)
Pupil support services	9,332,499	1,188,461	2,279,860	(5,864,178)
Sites and buildings	8,910,606	11,855	-	(8,898,751)
Fiscal and other fixed-cost programs	13,585,933	-	-	(13,585,933)
Health self-insurance	5,325,861	6,022,619	563,641	1,260,399
Total governmental activities	<u>\$ 108,062,028</u>	<u>\$ 8,317,500</u>	<u>\$ 5,983,029</u>	<u>\$ (93,761,499)</u>
General Revenues				
Property taxes, levied for general purposes				9,115,238
Property taxes, levied for community education and services				384,883
Property taxes, levied for debt service				5,946,093
Aids and payments from the state				69,525,054
County apportionment				134,343
Loss on disposal of property and equipment				6,208
Miscellaneous revenues				509,156
Total general revenues				<u>85,620,975</u>
Changes in Net Position				(8,140,524)
Net Position - beginning, as restated (Note 15)				<u>13,199,032</u>
Net Position - Ending				<u>\$ 5,058,508</u>

Independent School District No. 152
Moorhead Area Public Schools
Governmental Funds
Balance Sheet
June 30, 2017

	General	Building Construction	Debt Service	Other Governmental Funds	Totals
Assets					
Cash and investments	\$ 19,503,135	\$ -	\$ 4,573,981	\$ 3,142,626	\$ 27,219,742
Restricted cash and cash equivalents	-	35,156,821	-	-	35,156,821
Receivables					
Current property taxes	4,490,073	-	3,960,494	1,127,540	9,578,107
Delinquent property taxes	67,758	-	60,537	15,418	143,713
Accounts	14,848	-	-	-	14,848
Due from other governmental units	10,671,550	-	154,885	268,207	11,094,642
Prepaid items	60,603	-	-	2,471	63,074
Inventories	-	-	-	25,338	25,338
Total assets	<u>\$ 34,807,967</u>	<u>\$ 35,156,821</u>	<u>\$ 8,749,897</u>	<u>\$ 4,581,600</u>	<u>\$ 83,296,285</u>
Liabilities					
Accounts payable	\$ 1,401,664	\$ 6,560,875	\$ -	\$ 20,011	\$ 7,982,550
Salaries payable	5,639,667	-	-	148,606	5,788,273
Unearned revenue	141,852	-	-	80,545	222,397
Total liabilities	<u>7,183,183</u>	<u>6,560,875</u>	<u>-</u>	<u>249,162</u>	<u>13,993,220</u>
Deferred Inflows of Resources					
Unavailable revenue-property taxes	8,444,360	-	6,973,532	1,983,529	17,401,421
Fund Balance					
Nonspendable	60,603	-	-	27,809	88,412
Restricted	1,128,175	28,595,946	1,776,365	2,321,100	33,821,586
Committed	1,200,000	-	-	-	1,200,000
Assigned	3,500,000	-	-	-	3,500,000
Unassigned	13,291,646	-	-	-	13,291,646
Total fund balance	<u>19,180,424</u>	<u>28,595,946</u>	<u>1,776,365</u>	<u>2,348,909</u>	<u>51,901,644</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 34,807,967</u>	<u>\$ 35,156,821</u>	<u>\$ 8,749,897</u>	<u>\$ 4,581,600</u>	<u>\$ 83,296,285</u>

The Notes to Financial Statements are an integral part of this statement.

Independent School District No. 152
Moorhead Area Public Schools
Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Position
June 30, 2017

Total Fund Balances - Governmental Funds	\$ 51,901,644
Amounts reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	135,167,864
Accrued interest payable for long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(1,506,236)
Delinquent property taxes are not considered available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	143,713
Vacation payable is not due and payable in the current period and therefore is not reported as liabilities in the funds.	(388,991)
Deferred outflows and inflows of resources related to pensions and OPEB plans are applicable to future periods and, therefore, are not reported in the funds.	93,634,652
Internal service funds are used by the District to charge the costs of the self-insured health insurance plan. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	551,989
Long-term liabilities, including bonds payable, net pension liability, and capital lease payable, pension-related retirement benefits, other post-employment benefits, and pension liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(274,446,127)</u>
Total Net Position - Governmental Activities	<u>\$ 5,058,508</u>

Independent School District No. 152
Moorhead Area Public Schools
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2017

	General	Building Construction	Debt Service	Other Governmental Funds	Totals
Revenues					
Local property tax levies	\$ 7,653,211	\$ -	\$ 5,946,093	\$ 1,521,499	\$ 15,120,803
Other local and county sources	911,675	-	-	520,669	1,432,344
State sources	67,142,931	-	1,384,318	1,268,487	69,795,736
Federal sources	3,638,691	-	-	1,847,826	5,486,517
Sales and other conversion of assets	-	-	-	1,188,394	1,188,394
Miscellaneous	50,346	563,641	-	214,343	828,330
Total revenues	<u>79,396,854</u>	<u>563,641</u>	<u>7,330,411</u>	<u>6,561,218</u>	<u>93,852,124</u>
Expenditures					
Administration	3,070,992	-	-	-	3,070,992
District support services	1,501,070	-	-	-	1,501,070
Regular instruction	32,624,069	-	-	-	32,624,069
Vocational instruction	667,976	-	-	-	667,976
Special education instruction	17,827,344	-	-	-	17,827,344
Community education and service	-	-	-	1,718,849	1,718,849
Instructional support services	4,016,282	-	-	-	4,016,282
Pupil support services	6,372,994	-	-	2,828,801	9,201,795
Sites and buildings	15,138,108	-	-	-	15,138,108
Fiscal and other fixed cost programs	198,020	43,262,665	6,970,752	1,491,950	51,923,387
Total expenditures	<u>81,416,855</u>	<u>43,262,665</u>	<u>6,970,752</u>	<u>6,039,600</u>	<u>137,689,872</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,020,001)	(42,699,024)	359,659	521,618	(43,837,748)
Other Financing Sources					
Capital lease proceeds	<u>4,354,142</u>	-	-	-	<u>4,354,142</u>
Net Change in Fund Balance	2,334,141	(42,699,024)	359,659	521,618	(39,483,606)
Fund Balance, Beginning of Year	<u>16,846,283</u>	<u>71,294,970</u>	<u>1,416,706</u>	<u>1,827,291</u>	<u>91,385,250</u>
Fund Balance, End of Year	<u>\$ 19,180,424</u>	<u>\$ 28,595,946</u>	<u>\$ 1,776,365</u>	<u>\$ 2,348,909</u>	<u>\$ 51,901,644</u>

The Notes to Financial Statements are an integral part of this statement.

Independent School District No. 152
Moorhead Area Public Schools
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities
Year Ended June 30, 2017

Net Change in Fund Balances - Total Governmental Funds \$ (39,483,606)

Amounts reported for governmental activities in the
statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense and net disposals in the current period. 48,618,886

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 11,143

In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. (31,459)

In the statement of activities OPEB and Supplemental Benefit assets are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. (39,432)

In the statement of activities the cost of pension benefits earned net of employee contributions is reported as pension expense. In the governmental funds, however, the contributions are reported as expense. (19,686,658)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principle of long-term debt consumes the current financial resources of governmental funds. Neither transactions, however, has any effect on net position. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 1,773,844

Internal service funds are used by the District to charge the costs of the self-insured health insurance pool. The net revenue of the internal service fund is reported in governmental activities. 696,758

Change in Net Position of Governmental Activities \$ (8,140,524)

Independent School District No. 152
Moorhead Area Public Schools

General Funds

Statement of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Local property tax levies	\$ 7,935,098	\$ 8,067,835	\$ 7,653,211	\$ (414,624)
Other local and county sources	879,268	934,270	911,675	(22,595)
State sources	61,359,216	61,996,918	67,142,931	5,146,013
Federal sources	3,291,909	3,365,172	3,638,691	273,519
Miscellaneous	-	-	50,346	50,346
Total revenues	<u>73,465,491</u>	<u>74,364,195</u>	<u>79,396,854</u>	<u>5,032,659</u>
Expenditures				
Administration	3,158,576	3,155,956	3,070,992	84,964
District support services	1,618,499	1,621,300	1,501,070	120,230
Regular instruction	32,687,194	31,776,353	32,624,069	(847,716)
Vocational instruction	654,851	654,851	667,976	(13,125)
Special education instruction	16,217,740	17,144,860	17,827,344	(682,484)
Instructional support services	3,802,541	3,917,815	4,016,282	(98,467)
Pupil support services	6,174,249	6,434,940	6,372,994	61,946
Sites and buildings	9,458,551	12,043,966	15,138,108	(3,094,142)
Fiscal and other fixed cost programs	180,430	180,430	198,020	(17,590)
Total expenditures	<u>73,952,631</u>	<u>76,930,471</u>	<u>81,416,855</u>	<u>(4,486,384)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(487,140)	(2,566,276)	(2,020,001)	546,275
Other Financing Sources				
Capital lease proceeds	-	-	4,354,142	4,354,142
Net Change in Fund Balance	<u>\$ (487,140)</u>	<u>\$ (2,566,276)</u>	2,334,141	<u>\$ 4,900,417</u>
Fund Balance, Beginning of Year			<u>16,846,283</u>	
Fund Balance, End of Year			<u>\$ 19,180,424</u>	

Independent School District No. 152
Moorhead Area Public Schools
Statement of Net Position
Proprietary Fund
June 30, 2017

	Governmental Activities - Internal Service Fund
	<u> </u>
Assets	
Cash and investments	<u>\$ 1,984,473</u>
Liabilities and Net Position	
Liabilities	
Claims incurred but not reported	662,563
Unearned revenue	<u>769,921</u>
Total liabilities	<u>1,432,484</u>
Net position	
Unrestricted	<u><u>\$ 551,989</u></u>

Independent School District No. 152
Moorhead Area Public Schools
Statement of Changes in Net Position
Proprietary Fund
Year Ended June 30, 2017

	Governmental Activities - Internal Service Fund
	<u> </u>
Revenues	
Health revenue	\$ 6,022,619
	<u> </u>
Expenses	
Health claims	5,092,928
Admin fees	232,933
Total expenses	<u>5,325,861</u>
Change in Net Position	696,758
Net Position, Beginning of Year	<u>(144,769)</u>
Net Position, End of Year	<u><u>\$ 551,989</u></u>

Independent School District No. 152
Moorhead Area Public Schools
Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2017

	Governmental Activities - Internal Service Fund
Operating Activities	
Receipts from participants	\$ 6,022,619
Payments for insurance claims and administration	(5,154,840)
Net cash from operating activities	<u>867,779</u>
Cash and Investments, July 1	<u>1,116,694</u>
Cash and Investments, June 30	<u>\$ 1,984,473</u>
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating income	\$ 696,758
Adjustments to reconcile operating income to net cash from operating activities	
Changes in assets and liabilities	
Claims incurred but not reported	72,098
Unearned revenue	<u>98,923</u>
Net cash from operating activities	<u>\$ 867,779</u>

Independent School District No. 152
Moorhead Area Public Schools
Fiduciary Fund
Statement of Net Position
June 30, 2017

	<u>Agency</u>	<u>Trust Funds</u>
Assets		
Cash and investments	<u>\$ 379,880</u>	<u>\$ 4,844,973</u>
Liabilities and Net Position		
Liabilities		
Due to other organizations	<u>379,880</u>	<u>-</u>
Net position		
Unrestricted	<u><u>\$ -</u></u>	<u><u>\$ 4,844,973</u></u>

Independent School District No. 152
Moorhead Area Public Schools
Fiduciary Fund
Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2017

	<u>Trust Funds</u>
Additions	
Interest	\$ 548,843
Scholarships	<u>5</u>
Total additions	<u>548,848</u>
Deductions	
OPEB health insurance	<u>723,496</u>
Net Change in Net Position	(174,648)
Net Position, Beginning of Year	<u>5,019,621</u>
Net Position, End of Year	<u><u>\$ 4,844,973</u></u>

Note 1 - Summary of Significant Accounting Policies

A. Organization

Independent School District No. 152, Moorhead Area Public Schools, Moorhead, Minnesota (the District) was formed and operates pursuant to applicable Minnesota laws and statutes. The District is governed by a School Board elected by voters of the District. The financial statements of the District 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 include 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 burden or benefit 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.

Extracurricular student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside of school hours. In accordance with Minnesota Statutes, the District's School Board has elected not to control or be otherwise financially accountable with respect to the underlying extracurricular activities. Accordingly, the extracurricular student activity accounts are included in these financial statements as an agency fund.

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. The fiduciary funds are reported in the Statement of Fiduciary Net Position at the fund financial statement level. Generally, the effect of 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 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 the 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.

The District applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available. 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. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Fund Financial Statement Presentation

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.

Fiduciary funds are presented in the fiduciary fund financial statements by type: pension (or other benefit) trust, private-purpose trust, and agency. 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 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 items are recognized when all eligibility requirements imposed by the provider have been met. State revenue is recognized in the year to which it applies according to Minnesota Statutes. Federal revenue is recorded in the year in which the related expenditure is made. 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, severance and healthcare benefits, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are included within the applicable functional areas.

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

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 fund is receipts from participants. Operating expenses for the internal service fund includes payments for insurance claims and administration. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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. A description 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. It includes the general operations and pupil transportation activities of the District, as well as the capital related activities such as maintenance of facilities, equipment purchases, and health and safety projects.
- *Building Construction Fund* – The building construction fund is used to account for construction projects within the District.
- *Debt Service Fund* – The debt service fund is used to account for the accumulation of resources for, and payment of, general obligation bond principal, interest, and related costs.

Nonmajor Governmental Funds

- *Food Service Fund* – The food service fund is used to account for food service revenues and expenditures.
- *Community Service Fund* – The community service fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, adult or early childhood programs, extended day programs, or other similar services.
- *OPEB Debt Service Fund* – The OPEB debt service fund is used to account for the accumulation of resources for, and payment of, general obligation OPEB bond principal, interest, and related costs.

Proprietary Fund

- *Internal Service Fund* – The Internal Service Fund is used to account for the activities of the District's self-insured health plan.

Fiduciary Funds

- *Scholarship Trust Fund* – The scholarship fund is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the donor imposed restrictions.

- *OPEB Trust Fund* – The Other Post-Employment Benefit (OPEB) trust fund is used to account for the accumulation of resources to be used for the District’s portion of the premium cost for providing health insurance to the District’s retired employees.
- *Agency Fund* – The agency fund is used to account for the extracurricular student activities, not under board control. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations.

With respect to proprietary activities, the District has adopted GASB Statement No. 62 “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.”

Amounts reported as program revenues include the following: amounts received from those who purchase, use, or directly benefit from a program; amounts received from parties outside the District that are restricted to one or more specific programs; and earnings on investments that are legally restricted for a specific program. Revenues that do not meet the previous criteria are reported as general revenues.

Proprietary funds report operating revenues and expenses separately from nonoperating items. Operating revenues and expenses generally result from providing services or producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the District’s proprietary fund are charges to participants for health insurance plans. Operating expenses for proprietary funds include the cost of health insurance and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

E. Other Significant Accounting Policies

Budgeting

An operating budget is adopted by July 1 of each fiscal year for all governmental funds on the same modified accrual basis used to reflect actual revenues and expenditures. The superintendent is authorized to transfer budget amounts within line items; however, supplemental appropriations that amend total appropriations of any fund require a board resolution. Reported budgeted amounts are as originally adopted or as amended by board resolution. Unencumbered appropriations lapse at year-end.

Cash and Investments

Cash balances for all district funds are pooled and invested to the extent possible. Interest earned from such investments is allocated to each of the funds based on the fund’s average monthly cash and investments balance. Funds that incur a deficit balance in pooled cash and investments during the year are charged interest.

Deposits and investments consist of certificates of deposit and monies deposited with the Minnesota School District Liquid Asset Fund (MSDLAF) and are stated at market.

Restricted Cash

In the General Fund, the capital lease proceeds are used to fund expenses related to ongoing construction projects in the Building Construction Fund. These funds will be held as restricted cash until they are used for the completion of these restricted construction projects.

Receivables

All receivables are shown net of any allowance for uncollectibles. No allowances for uncollectibles have been recorded. The only receivables not expected to be collected within one year are property taxes receivable.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are reported using the consumption method and recorded as an expense or expenditure at the time of consumption.

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 method. Surplus commodities are stated at standardized costs, as determined by the U.S. Department of Agriculture.

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 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. The remaining portion of the taxes collectible in 2016 is recorded as deferred inflows of resources (property taxes levied for subsequent years).

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 general remits taxes to the District at periodic intervals as they are collected. A portion of the property taxes levied is paid by the State of Minnesota through various tax credits, which are included in revenue from state sources in the financial statements.

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 deferred in the fund financial statements because it is not known to be available to finance the operations of the District in the current year. No allowance for uncollectible taxes is considered necessary.

Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historic cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$5,000 or more for capitalizing capital assets. 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 surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 3 to 50 years.

Capital assets not being depreciated include land and construction in progress.

The District does not possess any material amounts of infrastructure capital assets. Items such as sidewalks and other land improvements are considered to be part of the cost of buildings or other improvable property.

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, if material, 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, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures and expensed when incurred.

Vacation Payable

The District compensates substantially all full-time noncertified employees for unused vacation upon termination; however, no employee is allowed to accumulate more than a one-year vacation allowance. The expenditure for vacation pay is recognized when payment is made. As of June 30, 2017, this amount did not exceed a normal year's accumulation.

Unearned Revenue

The District receives donations from several organizations and the amount that is not spent in the fiscal year is reported as unearned revenue. The donations will be spent in the subsequent fiscal year for miscellaneous projects throughout the District.

Pensions

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 PERA's and TRA's fiduciary net position have been determined on the same basis as they are reported by PERA and TRA.

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis and Minneapolis School District. The direct aid is a result of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association (DTRFA) in 2015. Additional information can be found in Note 10.

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.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. They are the contributions made to pension plans after the measurement date and prior to the fiscal year-end, and changes in the net pension liability not included in pension expense reported in the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has two types of items that qualify for reporting in this category. The District reports unavailable revenues from property taxes on the government-wide statement of net position and the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other item are changes in the net other post-employment benefits liability and net position liability not included in OPEB and pension expense reported in the government-wide statement of net position.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measure the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Implementation of GASB Statement No. 73, GASB Statement No. 74, and GASB Statement No. 75

As of June 30, 2017, the District adopted GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That are not within the Scope of GASB 68*, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of these standards improves the usefulness of information about and improves accounting and financial reporting for postemployment benefits other than pensions (other postemployment benefits or OPEB). The effect of the implementation of these standards on net position is disclosed in Note 15 and the additional disclosures required by these standards are included in Note 6 and 7.

Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reductions in the District's insurance coverage in fiscal year 2017.

Net Position

Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources in the District's financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any long-term debt attributable to the acquisition, construction, or improvement of those assets. Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Fund Balance

The following classifications describe the relative strength of spending constraints:

- 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.
- Restricted fund balance amounts are comprised of funds that have legally enforceable constraints placed on their use that 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.

- 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. 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.
- 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. A School Board, by majority vote, may assign fund balances to be used for specific purposes when appropriate. The board also delegates the power to assign fund balances to the following: Superintendent and Assistant Superintendent. Assignments so made shall be reported to the School Board on a monthly basis, either separately or as part of ongoing reporting by the assigning party if other than the School Board.
- Unassigned 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.

The first priority is to utilize the balance as restricted fund balance. Committed funds will be considered second with assigned fund balance third when expenditures is incurred for purposes for which amounts in any of those unrestricted fund balance classification could be used like assigned or unassigned.

The School Board will endeavor to maintain a minimum unassigned General Fund balance of at least 25% of the district's General Fund operating budget. When the unassigned General Fund balance is projected to decrease below 17% of the General Fund budget, the district shall initiate one or more measures listed in the fund balance policy to ensure that the year-end General Fund unassigned balance for the budget year in question does not fall below 17%.

Note 2 - Stewardship, Compliance, and Accountability

Excess of Expenditures over Budget

Budget control for the funds is established by its total appropriations.

The General Fund had expenditures exceeding appropriations of \$4,486,384 for the year ended June 30, 2017. These over expenditures were funded by revenues exceeding budget and existing fund balance. During 2017, all school districts were required to record the additional pension expense related to the support received from the State of Minnesota for TRA and PERA special funding situations per GASB Statement No. 68. During 2017, the District's additional pension expense totaled \$1,995,590. Therefore, the District's General Fund actual expenditures did exceed budgeted expenditures by \$2,490,794 prior to this additional expense being recorded.

Note 3 - Deposits and Investments

Deposits

In accordance with applicable Minnesota Statutes, the District maintains deposits at depository banks authorized by the District's School Board. All such depositories are members of the Federal Reserve System.

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% 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.

At June 30, 2017, all deposits were not insured or collateralized by securities held by the District's agent in the District's name.

Investments

Credit Risk – Investments

Minnesota Statutes authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, bankers' acceptances, certain repurchase agreements and commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record.

Custodial Credit Risk – Investments

The investment in the Minnesota School District Liquid Asset Fund is not subject to the credit risk classifications as noted in paragraph 9 of GASB Statement No. 40.

Interest Rate Risk – Investments

The District does not have a formal policy that limits investment maturities.

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

Independent School District No. 152
Moorhead Area Public Schools
Notes to Financial Statements
June 30, 2017

The District has the following recurring fair value measurements as of June 30, 2017:

- Equities of \$3,290,483 and fixed income investments of \$5,351 are valued using quoted market prices (Level 2 inputs)

The following table presents the District's deposit and investment balances at June 30, 2017:

Type	Fair Value	Investment Maturities (in Years)	
		N/A	< 1
Cash and cash equivalents			
Minnesota School			
District Liquid Asset Fund	\$ 60,136,606	\$ 60,136,606	\$ -
Deposits	6,153,449	6,153,449	-
Investments			
Fixed income	5,351	-	5,351
Equities	3,290,483	3,290,483	-
	<u>\$ 69,585,889</u>	<u>\$ 69,580,538</u>	<u>\$ 5,351</u>

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

Cash and Investments - Statement of Net Position	\$ 29,204,215
Restricted Cash and Cash Equivalents - Statement of Net Position	35,156,821
Cash and Investments - Statement of Fiduciary Net Position	<u>5,224,853</u>
	<u>\$ 69,585,889</u>

The Minnesota School District Liquid Asset Fund is an external investment pool not registered with the Securities and Exchange Commission (SEC) that follows the same regulatory rules of the SEC under rule 2a7. The fair value of the position in the pool is the same as the value of the pools shares.

Note 4 - Due from Other Governmental Units

Amounts receivable from other governments as of June 30, 2017, include:

Fund	Federal	State	Other	Total
Major funds				
General	\$ 1,708,050	\$ 8,895,305	\$ 68,195	\$ 10,671,550
Debt service	-	154,885	-	154,885
Non-major funds	<u>27,360</u>	<u>240,847</u>	<u>-</u>	<u>268,207</u>
	<u>\$ 1,735,410</u>	<u>\$ 9,291,037</u>	<u>\$ 68,195</u>	<u>\$ 11,094,642</u>

Note 5 - Capital Assets

Capital asset activity for the year ended June 30, 2017 is as follows:

	Balance July 1, 2016 (Restated)	Additions	Deletions	Balance June 30, 2017
Capital assets not being depreciated:				
Land	\$ 1,499,572	\$ -	\$ -	\$ 1,499,572
Construction in progress	6,848,309	43,514,400	-	50,362,709
Total capital assets, not being depreciated	<u>8,347,881</u>	<u>43,514,400</u>	<u>-</u>	<u>51,862,281</u>
Capital assets being depreciated:				
Buildings	104,986,893	7,340,001	-	112,326,894
Improvements	4,200,241	5,980	-	4,206,221
Vehicles	2,024,928	126,325	(126,325)	2,024,928
Equipment	1,666,165	121,369	(61,554)	1,725,980
Total capital assets being depreciated	<u>112,878,227</u>	<u>7,593,675</u>	<u>(187,879)</u>	<u>120,284,023</u>
Less accumulated depreciation for:				
Buildings	31,731,893	1,907,061	-	33,638,954
Improvements	1,210,664	210,162	-	1,420,826
Vehicles	1,263,463	144,856	(126,325)	1,281,994
Equipment	471,110	169,658	(4,102)	636,666
Total accumulated depreciation	<u>34,677,130</u>	<u>2,431,737</u>	<u>(130,427)</u>	<u>36,978,440</u>
Net capital assets, depreciated	<u>78,201,097</u>	<u>5,161,938</u>	<u>(57,452)</u>	<u>83,305,583</u>
Total capital assets, net	<u>\$ 86,548,978</u>	<u>\$ 48,676,338</u>	<u>\$ (57,452)</u>	<u>\$ 135,167,864</u>

Depreciation expense for the year ended June 30, 2017 was charged to the following functions/programs:

Regular instruction	\$ 1,843
Community education	13,166
Instructional support	93,737
Pupil support services	130,704
Sites and buildings	<u>2,188,948</u>
Total depreciation expense	<u>\$ 2,431,737</u>

Construction in progress is for the remodeling of Robert Asp Elementary, Ellen Hopkins Elementary, S.G. Reinertsen Elementary (SGR), Probstfield Center for Education (PCE), an addition to Horizon Middle School, and the building of a new elementary school that are being completed. These projects are anticipated to be completed over the course of fiscal years 2018 and 2019.

Note 6 - Other Post-Employment Benefits

A. Plan Description

Plan Description – All employees are allowed upon meeting the eligibility requirements under Minn. Stat. 471.61 subd. 2b, to participate in the District's health insurance plan after retirement. This plan covers active and retired employees. Benefit provisions are established through negotiations between the District and the union representing District employees and are renegotiated at the end of each contract period. Contract groups receive other post-retirement benefits as follows:

- *Superintendent* – For retirees reaching age 55 with 3 years of service, the District will pay the full premium for the \$10 copay medical insurance plan for 7 years or until Medicare eligibility, whichever is earlier.
- *Administrators* – For retirees reaching age 55, the District will pay the full premium of a \$100,000 life insurance policy until age 65. The percentage paid by the District reduces to 80% at age 61, 60% at age 62 and 40% at age 63.
- *Principals* – For retirees reaching age 55 with 8 years of service and hired on or before July 1, 2000 (10 years of service by July 1, 2010) and who retire before July 1, 2013, the District will pay the full premium for the \$10 copay medical insurance plan for 7 years or until Medicare eligibility, whichever is earlier. For retirees reaching age 55 with 8 years of service and hired on or before July 1, 2000 (10 years of service by July 1, 2010) and who retire before July 1, 2015, the District will pay \$9,300 per year with the excess toward HSA/VEBA deductibles, if applicable, for 7 years or until Medicare eligibility, whichever is earlier. For retirees reaching age 55 with 10 years of service, the District will pay the full life insurance premium of a \$100,000 policy until age 65. The percentage paid by the District reduces to 80% at age 61, 60% at age 62, and 40% at age 63.
- *Teachers* – For retirees reaching age 55 with 10 years of service and hired before July 1, 2010 and retired before July 1, 2011, the District will pay the full premium for the \$10 copay medical insurance plan (\$500 Deductible plan if returned after June 30, 2011) until Medicare eligibility. For retirees reaching age 55 with 10 years of service and hired before July 1, 2010 and retired before July 1, 2012, the District will pay the full premium for the \$500 deductible medical insurance plan until Medicare eligibility. For retirees reaching age 55 with 10 years of service and hired before July 1, 2010 and retired on or after July 1, 2012, the District will pay \$653 per month with the excess toward HSA/VEBA deductibles, if applicable, until Medicare eligibility. For retirees reaching age 55 with 3 years of service, the District will pay the full premium for a \$25,000 life insurance policy until age 65.
- *Supervisors* – For retirees reaching age 55 with 10 years of service and hired on or before July 1, 2001 (9 years of service by July 1, 2010), and who retire before July 1, 2013, the District will pay the full premium for the \$10 copay medical insurance plan for 7 years or until Medicare eligibility, whichever is earlier. For retirees reaching age 55 with 10 years of service and hired on or before July 1, 2001 (9 years of service by July 1, 2010), and who retire on or after July 1, 2013, the District will pay \$9,300 per month with the excess toward HSA/VEBA deductibles, if applicable, for 7 years or until Medicare eligibility, whichever is earlier. For retirees reaching age 55 with 10 years of service, the District will pay 100% of the premium of a \$100,000 life insurance policy until the age of 65. The percentage paid by the District reduces to 80% at age 61, 60% at age 62, and 40% at age 63.

The retiree health plan does not issue a publicly available financial report.

B. Benefits Provided

The plan provides medical, dental, and life insurance benefits provided to terminated or retired employees and their dependents and beneficiaries. Benefits are provided through a third-party insurer, and the cost of the benefits covered by the plan are described above.

C. Employees Covered by Benefit Terms

At the valuation date of July 1, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	72
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>819</u>
	<u><u>891</u></u>

D. Contributions

For the year ended June 30, 2017, the District's contribution rate was 9.60 percent of covered employee payroll. Employees are not required to contribute to the plan.

E. Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

F. Actuarial Assumptions

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 percent
Salary increases	3.00 percent
Investment rate of return	4.90 percent, net of OPEB plan investment expense,
Healthcare cost trend rates	6.75 percent for 2016 grading to 5.00% over 7 years

Mortality rates were based on the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study as of June 30, 2017.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocations	Long-Term Expected Real Rate of Return
Domestic equity	33%	6.50%
Fixed income	50%	3.20%
International equity	17%	6.80%
	100%	

G. Discount Rate

The discount rate used to measure the total OPEB liability was 3.10 percent. The projection of cash flows used to determine the discount rate assumed that the District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

H. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2016	\$ 8,492,157	\$ 5,009,306	\$ 3,482,851
Changes from the Prior Year:			
Service Cost	358,297	-	358,297
Interest Cost	263,235	-	263,235
Employer Contributions	-	-	-
Projected Investment Return	-	245,456	(245,456)
Differences between Expected and Actual Experience	-	309,008	(309,008)
Benefit Payments	(723,495)	(723,495)	-
Administrative Expenses	-	(3,923)	3,923
Total Net Changes	(101,963)	(172,954)	70,991
Balances at June 30, 2017	\$ 8,390,194	\$ 4,836,352	\$ 3,553,842

The measurement date of the net OPEB liability was June 30, 2017; the date of the actuarial valuation on which the total OPEB liability is based was July 1, 2016. Update procedures were used to roll forward the total OPEB liability to the measurement date.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of changes in the District's net OPEB liability and related ratios, presented as required supplementary information following the notes to the financial statements, presents multiple year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits will be displayed.

I. Sensitivity of the Net OPEB Liability to Changes in Discount Rate and the Healthcare Cost Trend Rates

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 1 percentage point lower and 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>
Discount rate	2.10%	3.10%	4.10%
Net OPEB Liability	\$ 3,971,028	\$ 3,553,842	\$ 3,141,580

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 healthcare cost trend rate 1 percentage point lower and 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease in Healthcare Trend Rate</u>	<u>Selected Healthcare Trend Rate</u>	<u>1% Increase in Healthcare Trend Rate</u>
Net OPEB Liability	\$ 2,913,163	\$ 3,553,842	\$ 4,288,730
Medical trend rate	5.75% decreasing to 4% over 7 years	6.75% decreasing to 5% over 7 years	7.75% decreasing to 6% over 7 years
Dental trend rate	N/A	N/A	N/A

J. OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in a separately issued OPEB financial report.

K. OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended June 30, 2017, the District recognized OPEB expense of \$318,197. At June 30, 2017, 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
Difference between projected and actual investment earnings	\$ -	\$ 247,206

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ended June 30,	Pension Expense Amount
2018	\$ (61,802)
2019	(61,802)
2020	(61,802)
2021	(61,800)
2022	-

Note 7 - Pension-Related Retirement Benefits

A. Plan Description

Plan Description – The District provides a defined contribution severance benefit to certain eligible employees and report them following the guidance of GASB Statement No. 73. All of the severance benefits are based on contractual agreements with employee groups. Contract groups receive other severance benefits as follows:

Supervisors – For retirees reaching age 55 with 10 years of service hired before July 1, 1996, the District will pay a percentage of the highest annual salary of the last 5 years at the following rates:

With 15 years of service	75%
With 13-14 years of service	60%
With 12 years of service	50%
With 11 years of service	40%
With 10 years of service	30%
With 9 years of service	20%

The benefit is payable in one lump sum to a 403(b).

Secretarial & Clerical Employees and Custodians – For retirees reaching age 55 with 10 years of service and hired before July 1, 2000, the District will pay a percentage of the highest annual salary of the last 5 years at the following rates:

With 15 years of service	60%
With 14 years of service	50%
With 13 years of service	40%
With 12 years of service	30%
With 11 years of service	20%
With 10 years of service	10%

The benefit is payable in one lump sum to a 403(b).

Paraprofessionals and TCI Employees – For retirees reaching age 55 with 10 years of service and hired before July 1, 2002, the District will pay a percentage of the highest annual salary of the last 5 years at the following rates:

With 15 years of service	60%
With 14 years of service	50%
With 13 years of service	40%
With 12 years of service	30%
With 11 years of service	20%
With 10 years of service	10%

The benefit is payable in one lump sum to a 403(b).

Teachers – For retirees reaching age 55 with 8 years of service and hired before September 1, 1999, the District will pay a percentage of the calculation 100 days less the number of sick leave days used in the last 2 years of employment at the following rates:

With 26+ years of service	121%
With 21-25 years of service	114%
With 16-20 years of service	107%
With 15 years of service	100%
With 14 years of service	93%
With 13 years of service	86%
With 12 years of service	79%
With 11 years of service	72%
With 10 years of service	65%
With 9 years of service	58%
With 8 years of service	50%

The benefit is payable in one lump sum to a 403(b).

B. Employees Covered by Benefit Terms

At June 30, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	-
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	48
	<u>48</u>

D. Contributions

For the year ended June 30, 2017, the District's contribution rate was 0 percent of covered employee payroll. Employees are not required to contribute to the plan.

E. Pension-Related Benefits Liability

The District's pension-related retirement benefits liability was measured as of June 30, 2017.

F. Actuarial Assumptions

The pension-related benefits liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 percent
Salary increases	3.00 percent
Discount Rate	2.90 percent
20-Year Municipal Bond Yield	2.90 percent

Mortality rates were based on the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study as of July 1, 2016.

G. Discount Rate

The discount rate used to measure the pension-related benefits liability was 2.90 percent. Since the plan is not funded (has no assets), the discount rate was developed by estimating the long term investment yield on the employer funds that will be used to pay benefits as they come due.

H. Changes in the Pension-Related Benefits Liability

Service cost	\$ 34,826
Interest cost	29,552
Pension-related benefits cost	<u>64,378</u>
Benefit payments	<u>(343,143)</u>
Change in pension-related benefits obligation	(278,765)
Pension-related benefits liability, beginning of year, as restated	<u>1,154,539</u>
Pension-related benefits liability, end of year	<u><u>\$ 875,774</u></u>

I. Sensitivity of the Pension-Related Benefits Liability to Changes in Discount Rate

The following presents the pension-related benefits liability of the District, as well as what the District's supplemental benefits liability would be if it were calculated using a discount rate 1 percentage point lower and 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>
Discount rate	1.90%	2.90%	3.90%
Pension-Related Benefits Liability	\$ 895,884	\$ 875,774	\$ 854,801

Note 8 - Long-Term Liabilities

Changes in long-term liabilities during the year ended June 30, 2017 are as follows:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Due Within One Year
Bonds payable	\$ 104,865,000	\$ -	\$ 4,670,000	\$ 100,195,000	\$ 4,910,000
Unamortized premium on bond issuance	6,949,737	-	919,440	6,030,297	919,440
Capital lease	7,818,207	4,354,142	603,758	11,568,591	626,747
Vacation payable	357,532	476,846	445,387	388,991	350,092
	<u>\$ 119,990,476</u>	<u>\$ 4,830,988</u>	<u>\$ 6,638,585</u>	<u>\$ 118,182,879</u>	<u>\$ 6,806,279</u>

Capital leases payable are to account for items that the District has entered into leases that are considered capital assets to the District. There are four separate capital leases. The first is for financing an addition to the S.G. Reinertsen Elementary School that was completed previously. The lease calls for semiannual principal and interest payments commencing in November 2011 through November 2026.

There are two leases are for additions to the Robert Asp Elementary School, the Probstfield Elementary School, and SGR Elementary School. The District received cash from this debt issuance, which is held in cash with fiscal agent on the financial statements. As of June 30, 2017, all proceeds received from debt issuance were spent. Funding not yet utilized for construction expenses will be recognized as revenue and new debt when the expenditures are incurred. The projects related to these capital leases are in progress as of June 30, 2017, and are anticipated to be completed during fiscal year 2018. The lease for Asp and PCE additions calls for semiannual principal and interest payments commencing in April 2014 through February 2029. The lease for the second addition to SGR Elementary School calls for semiannual principal and interest payments commencing in May 2015 through February 2030.

The fourth capital lease is for the financing of the Vista building which was completed and capitalized as of June 30, 2017, in the amount of \$4,226,751. The lease calls for semiannual principal and interest payments commencing in February 2017 through February 2042.

Total cost of the completed capital leased assets as of June 30, 2017 was \$11,248,022 and had \$222,353 in accumulated depreciation. The capital lease payments are made from the general fund.

Vacation payable consists of vested vacation as discussed in Note 1. These expenses are paid out of the general fund.

Independent School District No. 152
Moorhead Area Public Schools
Notes to Financial Statements
June 30, 2017

Following is a summary of bonds payable as of June 30, 2017:

Bond Description	Final	Interest Rate	Original Principal	Outstanding Balance
General Obligation School Building Bonds, Series 2016A	2/36	3.00% - 4.00%	\$ 74,560,000	74,560,000
General Obligation School Building Refunding Bonds, Series 2014A	4/22	3.00% - 5.00%	30,785,000	\$ 20,375,000
General Obligation School Taxable OPEB Bonds, Series 2009A	2/21	4.00% - 5.00%	10,300,000	5,260,000
				<u>\$ 100,195,000</u>

Bonds payable – These are for the acquisition and betterment of school sites and facilities, as well as facility improvements. Payments are made out of the debt service and building construction funds.

Bond principal and interest payments for the School Building Refunding Bonds of 2014 are made by the debt service fund. Bond principal and interest payments for the School Taxable OPEB Bonds of 2009 are made by the OPEB debt service fund. Bond principal and interest payments for the School Building Bonds of 2016 are made by the debt service fund.

Remaining principal and interest payments on long-term debt are as follows:

Years Ending June 30,	Bonds Payable		Capital Lease Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 4,910,000	\$ 3,665,900	\$ 626,747	\$ 346,193	\$ 5,536,747	\$ 4,012,093
2019	5,155,000	3,420,400	646,264	326,676	5,801,264	3,747,076
2020	5,410,000	3,162,650	666,409	306,531	6,076,409	3,469,181
2021	5,690,000	2,892,150	687,202	285,738	6,377,202	3,177,888
2022	4,470,000	2,607,650	708,665	264,275	5,178,665	2,871,925
2023 - 2027	22,850,000	10,517,950	3,863,141	974,380	26,713,141	11,492,330
2028 - 2032	26,905,000	6,463,850	2,374,537	422,894	29,279,537	6,886,744
2033 - 2037	24,805,000	1,887,900	926,164	230,368	25,731,164	2,118,268
2038 - 2042	-	-	1,069,462	87,069	1,069,462	87,069
	<u>\$ 100,195,000</u>	<u>\$ 34,618,450</u>	<u>\$ 11,568,591</u>	<u>\$ 3,244,124</u>	<u>\$ 111,763,591</u>	<u>\$ 37,862,574</u>

Note 9 - Fund Balance

Certain portions of fund balances are restricted based on state requirements to track special program funding, to provide for funding on certain long-term liabilities, or as required by other outside parties.

The following is a summary of fund balances as of June 30, 2017:

	General	Building Construction	Debt Service	Other Government Funds	Totals
Nonspendable					
Inventory	\$ -	\$ -	\$ -	\$ 25,338	\$ 25,338
Prepays	60,603	-	-	2,471	63,074
Total nonspendable	<u>60,603</u>	<u>-</u>	<u>-</u>	<u>27,809</u>	<u>88,412</u>
Restricted					
Operating capital	173,555	-	-	-	173,555
Safe school - crime levy	189,649	-	-	-	189,649
Satff development	60,775	-	-	-	60,775
LT facilities maintenance	704,196	-	-	-	704,196
Building construction	-	28,595,946	-	-	28,595,946
Debt service	-	-	1,776,365	-	1,776,365
OPEB debt service	-	-	-	346,505	346,505
Food service	-	-	-	1,048,324	1,048,324
Community education	-	-	-	258,217	258,217
Early childhood and family education	-	-	-	269,346	269,346
School readiness	-	-	-	274,875	274,875
Community service	-	-	-	123,833	123,833
Total restricted	<u>1,128,175</u>	<u>28,595,946</u>	<u>1,776,365</u>	<u>2,321,100</u>	<u>33,821,586</u>
Committed					
Severance obligation	<u>1,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,200,000</u>
Assigned					
Health insurance and affordable care act	500,000	-	-	-	500,000
Capital projects	3,000,000	-	-	-	3,000,000
Total assigned	<u>3,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,500,000</u>
Unassigned	<u>13,291,646</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,291,646</u>
Total fund balance	<u>\$ 19,180,424</u>	<u>\$ 28,595,946</u>	<u>\$ 1,776,365</u>	<u>\$ 2,348,909</u>	<u>\$ 51,901,644</u>

Independent School District No. 152
Moorhead Area Public Schools
Notes to Financial Statements
June 30, 2017

The UFARS fund balance reporting standards are slightly different than the reporting standards under GASB 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. Below is reconciliation between the fund balance reporting under GASB 54 and UFARS reporting standards:

	GASB Balance	Reconciling Items	UFARS Balance
Nonspendable			
Inventory	\$ 25,338	\$ -	\$ 25,338
Prepays	63,074	-	63,074
Total nonspendable	<u>88,412</u>	<u>-</u>	<u>88,412</u>
Restricted			
Health and safety	-	(416,369)	(416,369)
Operating capital	173,555	-	173,555
Safe school - crime levy	189,649	-	189,649
Satff development	60,775	-	60,775
LT facilities maintenance	704,196	-	704,196
Building construction	28,595,946	-	28,595,946
Debt service	1,776,365	-	1,776,365
OPEB debt service	346,505	-	346,505
Food service	1,048,324	-	1,048,324
Community education	258,217	-	258,217
Early childhood and family education	269,346	-	269,346
School readiness	274,875	-	274,875
Community service	123,833	-	123,833
Total restricted	<u>33,821,586</u>	<u>(416,369)</u>	<u>33,405,217</u>
Committed			
Severance obligation	<u>1,200,000</u>	<u>-</u>	<u>1,200,000</u>
Assigned			
Health insurance and affordable care act	500,000	-	500,000
Capital projects	3,000,000	-	3,000,000
Total assigned	<u>3,500,000</u>	<u>-</u>	<u>3,500,000</u>
Unassigned	<u>13,291,646</u>	<u>416,369</u>	<u>13,708,015</u>
Total fund balance	<u>\$ 51,901,644</u>	<u>\$ -</u>	<u>\$ 51,901,644</u>

Note 10 - Defined Benefit Pension Plans

Substantially all employees of the District are required by state law to belong to defined benefit, multi-employer, cost-sharing pension plans administered by the Public Employees' Retirement Association (PERA) or the Teachers' Retirement Association (TRA), all of which are administered on a state-wide basis. Disclosures relating to these plans are as follows:

Public Employees Retirement Association (PERA)

A. Plan Descriptions

The District participates in the following cost-sharing multiple employer defined benefit pension plans administered by PERA. PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

All full-time and certain part-time employees of the District, other than teachers, are covered by General Employees Retirement Fund (GERF). GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90% funded for two consecutive years are given 2.5% increases. Members in plans that have not exceeded 90% funded, or have fallen below 80%, are given 1% increases.

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.

GERF 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 PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year 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 66.

C. Contribution Rate

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature. Basic Plan members and Coordinated Plan members were required to contribute 9.1% and 6.5% of pay, respectively of their annual covered salary in calendar year 2016. The District was required to contribute 11.78% of pay for Basic Plan members and 7.5% for Coordinated Plan members in calendar year 2016. The District's contributions to the GERP for the year ended June 30, 2017, were \$854,196. The District's contributions were equal to the required contributions for each year as set by state statute.

D. Actuarial Assumptions

The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions:

Assumptions	GERP
Inflation	2.50% per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.50% per year

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2014 tables for males or females, as appropriate, with slight adjustments. Cost of living benefit increases for retirees are assumed to be one percent per year for all future years.

Actuarial assumptions used in the June 30, 2016, valuation were based on the results of actuarial experience studies. The most recent four-year experience study for GERP was completed in 2015, but assumptions are reviewed annually.

The following changes in actuarial assumptions occurred in 2016:

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- 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% to 3.25% for payroll growth and 2.50% for inflation.

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis 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 arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocations	Long-Term Expected Real Rate of Return
Domestic Stocks	45%	5.50%
International Stocks	15%	6.00%
Bonds	18%	1.45%
Alternative Assets	20%	6.40%
Cash	2%	0.50%
	100%	

E. Discount Rate

The discount rate used to measure the total pension liability in 2016 was 7.50%, a reduction from the 7.9% used in 2015. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the GERS was projected to be available to make all projected future benefit payments of current active 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.

F. Pension Costs

At June 30, 2017, the District reported a liability of \$13,616,408 for its proportionate share of the GERS's net pension liability. The District's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$6 million to the fund in 2016. 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 State of Minnesota's proportionate share of the net pension liability associated with the District totaled \$177,846. The net pension liability was measured as of June 30, 2016 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 PERA during the measurement period for employer payroll paid dates from July 1, 2015, through June 30, 2016, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2016, the District's proportion was 0.1677%, which was an increase of 0.0008% from June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$1,897,647 for its proportionate share of GERS's pension expense. In addition, the District recognized an additional \$53,029 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$6 million to the GERS.

Independent School District No. 152
Moorhead Area Public Schools
Notes to Financial Statements
June 30, 2017

At June 30, 2017, the District reported its proportionate share of GERF's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 40,299	\$ 1,106,131
Changes in actuarial assumptions	2,936,730	-
Difference between projected and actual investment earnings	1,520,178	-
Change in proportion and differences between contributions made and District's proportionate share of contributions	31,095	252,522
District's contributions to GERF subsequent to the measurement date	854,196	-
Total	<u>\$ 5,382,498</u>	<u>\$ 1,358,653</u>

\$854,196 reported as deferred outflows of resources related to pensions resulting from District contributions to GERF subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to GERF pensions will be recognized in pension expense as follows:

<u>Years Ended June 30,</u>	<u>Pension Expense Amount</u>
2018	\$ 831,734
2019	520,806
2020	1,325,267
2021	491,842
2022	-

G. Pension Liability Sensitivity

The following presents the District's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
GERF discount rate	6.50%	7.50%	8.50%
District's proportionate share of the GERF net pension liability	\$ 19,339,335	\$ 13,616,408	\$ 8,902,274

H. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

Teachers Retirement Association (TRA)

A. Plan Descriptions

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. 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. TRA is a separate statutory entity and administered by a Board of Trustees. The Board consists of four active members, one retired member and three statutory officials.

Teachers employed in Minnesota's public elementary and secondary school, charter schools, and certain educational institutions maintained by the state (except those teachers employed by the cities of Duluth and St. Paul, and by the University of Minnesota system) are required to be TRA members. State university, community college, and technical college teachers first employed by Minnesota State may elect TRA coverage within one year of eligible employment. Alternatively, these teachers may elect coverage through the Defined Contribution Retirement Plan (DCR) administered by MnSCU.

B. Benefits Provided

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 Statute 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 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

Tier 1:	Step Rate Formula	Percentage
Basic	First ten years	2.2% per year
	All years after	2.7% per year
Coordinated	First ten years if service years are up to July 1, 2006	1.2% per year
	First ten years if service years are July 1, 2006 or after	1.4% per year
	All other years of service if service years are up to July 1, 2006	1.7% per year
	All other years of service if service years are July 1, 2006 or after	1.9% per year

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) 3 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).

or

Tier II Benefits

For years of service prior to July 1, 2006, a level formula of 1.7 percent per year for coordinated members and 2.7 percent per year for basic members is applied. For years of service July 1, 2006 and after, a level formula of 1.9 percent per year for Coordinated members and 2.7 for Basic members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under Minnesota Statute. 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 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. Contribution Rate

Per Minnesota Statutes, Chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year ending June 30, 2015, June 30, 2016, and June 30, 2017 were:

	Employees	<u>Employers</u>
Basic	11.00%	11.50%
Coordinated	7.50%	7.50%

The following is a reconciliation of employer contributions in TRA's CAFR "Statement of Changes in Fiduciary Net Position" to the employer contributions used in Schedule of Employer and Non-Employer Pension Allocations.

Employer contributions reported in TRA's CAFR, Statement of Changes in Fiduciary Net Position	\$ 354,961,140
Add employer contributions not related to future contribution efforts	26,356
Deduct TRA's contributions not included in allocation	<u>(442,978)</u>
Total employer contributions	354,544,518
Total non-employer contributions	<u>35,587,410</u>
Total contributions reported in <i>Schedule of Employer and Non-Employer Allocations</i>	<u><u>\$ 390,131,928</u></u>

Amounts reported in the allocation schedules may not precisely agree with financial statement amounts or actuarial valuations due to the number of decimal places used in the allocations. TRA has rounded percentage amounts to the nearest ten thousandths.

D. Actuarial Assumptions

The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Key Methods and Assumptions Used in Valuation of Total Pension Liability

Actuarial Information

Valuation date	July 1, 2016
Experience study	June 5, 2015
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	4.66, from the Single Equivalent Interest Rate calculation
Price inflation	2.75%
Wage growth rate	3.50%
Projected salary increase	3.50 - 9.50%
Cost of living adjustment	2.00%

Mortality assumptions

Pre-retirement:	RP-2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP-2015 scale.
Post-retirement:	RP-2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP-2015 scale.
Post-disability:	RP-2014 disabled retiree mortality table, without adjustment.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocations	Long-Term Expected Real Rate of Return
Domestic Stocks	45%	5.50%
International Stocks	15%	6.00%
Bonds	18%	1.45%
Alternative Assets	20%	6.40%
Cash	2%	0.50%
	100%	

The TRA actuary has determined the average of the expected remaining service lives of all members for fiscal year 2016 is 6 years. The “Difference Between Expected and Actual Experience,” “Changes of Assumptions,” and “Changes in Proportion” use the amortization period of 6 years in the schedule presented. The amortization period for “Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments” is over a period of 5 years as required by GASB 68.

E. Discount Rate

The discount rate used to measure the total pension liability was 4.66 percent. This is a decrease from the discount rate at the prior measurement date of 8.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal 2017 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 projected to be depleted in 2052 and, as a result, the Municipal Bond Index Rate was used in the determination of the Single Equivalent Interest Rate (SEIR). The long-term expected rate of return was applied to periods before 2052 and the Municipal Bond Index Rate of 3.01 percent was applied to periods on and after 2052, resulting in a SEIR of 4.66 percent. Based on Fiduciary Net Position at prior year measurement date, the discount rate of 8.00 percent was used and it was not necessary to calculate the SEIR.

F. Net Pension Liability

At June 30, 2017, the District reported a liability of \$138,606,215 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, 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 TRA in relation to total system contributions including direct aid from the State of Minnesota. The District’s proportionate share was 0.5811% at the end of the measurement period and 0.5651% for the beginning of the year.

The pension liability amount reflected a reduction due to direct aid provided to 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 net pension liability	<u>\$ 138,606,215</u>
State's proportionate share of the net pension liability associated with the district	<u>\$ 13,911,854</u>

There was a change in actuarial assumptions that affected the measurement of the total pension liability since the prior measurement date. Power-retirement benefit adjustments are now assumed to remain level at 2.0% annually. While in the previous measurement the COLA increased to 2.5% in 2034.

For the year ended June 30, 2017, the District recognized pension expense of \$20,703,884. It also recognized \$1,942,561 as an increase to pension expense for the support provided by direct aid.

At June 30, 2017, the District reported its proportionate share of the TRA's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,357,707	\$ 3,864
Changes in actuarial assumptions	79,038,540	-
Difference between projected and actual investment earnings	5,996,201	-
Change in proportion and differences between contributions made and District's proportionate share of contributions	1,114,029	75,366
District's contributions to TRA subsequent to the measurement date	<u>2,430,766</u>	<u>-</u>
Total	<u>\$ 89,937,243</u>	<u>\$ 79,230</u>

\$2,430,766 was reported as deferred outflows of resources related to pensions resulting from District contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017.

Other amounts reported as deferred outflows and inflows of resources related to TRA pensions will be recognized in pension expense as follows:

<u>Years Ended June 30,</u>	<u>Pension Expense Amount</u>
2018	\$ 17,357,487
2019	17,357,497
2020	19,340,128
2021	17,836,081
2022	15,536,054

G. Net Pension Liability

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 4.66% as well as the liability measured using one percent lower and one percent higher:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
TRA discount rate	3.66%	4.66%	5.66%
District's proportionate share of the TRA net pension liability	\$ 178,559,449	\$ 138,606,215	\$ 106,065,609

The District's proportion of the net pension liability was based on the employer contributions to TRA in relation to TRA's total employer contributions including direct aid contributions from the State of Minnesota, City of Minneapolis and Minneapolis School District.

H. Pension Plan Fiduciary Net Position

Detailed information about TRA's fiduciary net position is available in a separately-issued TRA financial report. That report can be obtained at www.MinnesotaTRA.org, by writing to TRA at 60 Empire Drive, Suite 400, St. Paul, MN, 55103-4000; or by calling 651-296-2409 or 800-657-3669.

Note 11 - Flexible Benefit Plan

The District has a flexible benefit plan which is classified as a "cafeteria plan" (the Plan) under section 125 of the Internal Revenue Code. All employee groups of the District are eligible if and when the collective bargaining agreement or contract with their group allows eligibility. Eligible employees can elect to participate by contributing pre-tax dollars withheld from payroll checks to the Plan for healthcare and dependent care benefits.

Before the beginning of the Plan year, which is from September 1 to August 31, each participant designates a total amount of pre-tax dollars to be contributed to the Plan during the year. At June 30, the District is contingently liable for claims against the total amount of participants' annual contributions to the medical reimbursement portion of the Plan, whether or not such contributions have been made.

Payment of insurance premiums (health, dental, life, and disability) are made by the District directly to the designated insurance companies. These payments are made on a monthly basis and are accounted for in the General Fund and special revenue funds.

Amounts withheld for medical reimbursement and dependent care are paid by the District to an outside administrator upon an employee submitting a request for reimbursement. Payments are made by the outside administrator to participating employees upon submitting a request for reimbursement of eligible expenses actually incurred by the employee.

All property of the Plan and income attributable to that property is solely the property of the District, subject to the claims of the District's general creditors. Participants' rights under the plan are equal to those of general creditors of the District in an amount equal to eligible healthcare and dependent care expenses incurred by the participants. The District believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Note 12 - Employee Benefit Plan 403(B)

All teachers having completed their fifth year of teaching in the District are eligible to participate in the matching 403(b) program. The District will match the employees' deferral up to the following annual maximums:

<u>Years of Service</u>	<u>Maximum Match</u>
6 - 10	\$1,000
11+	\$1,500

The maximum career matching contribution by the District will not exceed \$20,000 per teacher.

Note 13 - Commitments and Contingencies

Federal Revenue

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.

Contingencies

The District has the usual and customary legal claims pending at year-end. Although the outcomes of these lawsuits are not presently determinable, the District believes that the resolution of these matters will not have a material adverse effect on its financial position.

Commitment

The District entered into commitments during the year ended June 30, 2017 for the building of a new elementary school, additions to Horizon Middle School, remodeling projects at S.G. Reinertsen and Probstfield Center for Education, and an addition to the Robert Asp Elementary School as well as an addition to the Probstfield Elementary School. The total amount of these contracts committed to is \$77,823,958 with the work completed on these projects as of year ended June 30, 2017 totaling \$50,362,709, leaving construction commitments at year end totaling \$27,461,249.

Operating Lease

The District is obligated under certain leases accounted for as operating leases. These leases are generally cancelable on an annual basis by the District. Operating leases do not give rise to property rights or lease obligations and, therefore, the results of the lease agreements are not reflected as a liability in the District's financial statements. The District has several operating leases for various purposes. Lease expense for all leases of the District for the current year was \$327,226.

The following is a summary of operating lease payments for the next year:

<u>Years Ending June 30,</u>	<u>Payment</u>
2018	<u>\$ 285,151</u>

Note 14 - Health Self-Insurance

The District is self-insured with respect to health insurance costs. The District implemented the self-insurance medical plan on January 1, 2014. Terms of the plan include a stop-loss prevention of \$150,000, which limits the District's liability. The following is the activity for the year ended June 30, 2017:

Claims incurred but not reported at beginning of year	590,465
Claims incurred	5,088,736
Claims paid	<u>(5,016,638)</u>
Claims incurred but not reported at end of year	<u>\$ 662,563</u>

Note 15 - Restatement of Beginning Net Position and Prior Period Adjustment

As of July 1, 2016, the District adopted GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the scope of GASB 68*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of these standards requires governments calculate and report the cost and obligations associated with these benefit plans in their financial statements, including additional note disclosures and required supplementary information. Beginning net position was restated to retroactively report the beginning liability.

In 2017, the District determined the construction in progress was overstated, capital assets categorized as buildings were understated, and net position was overstated due to an oversite of three building projects that were completed as of June 30, 2016. The net position was overstated because amounts were capitalized in buildings and the District failed to remove them from construction in progress when the assets were placed in service. Beginning construction in progress, capital assets – buildings, and net position were restated to report the correct classification of assets and net position.

Net Position - June 30, 2016, as previously reported	\$ 31,210,186
Restatement due to implementation of GASB Statement No. 73	(1,854,213)
Restatement due to implementation of GASB Statement No. 75	(9,431,709)
Restatement due to inaccurate reporting of construction in progress and capital assets	<u>(6,725,232)</u>
Net Position - July 1, 2016, as restated	<u><u>\$ 13,199,032</u></u>

Note 16 - Issued But Non-Effective Accounting Pronouncements

The first statement issued but not yet implemented that will significantly affect the District is statement No. 80, *Blending Requirements for Certain Component Units—an Amendment of GASB Statement No. 14*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The requirements of this Statement enhance the comparability of financial statements among governments. This statement will be implemented at the District in the year ended June 30, 2018.

The second statement issued but not yet implemented that will significantly affect the District is statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. This statement will be implemented at the District in the year ended June 30, 2020.

The third statement issued but not yet implemented that will significantly affect the District is statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement will enhance consistency in the application of accounting and financial reporting requirements. Consistent reporting will improve the usefulness of information for users of state and local government financial statements. This statement will be implemented at the District in the year ended June 30, 2018.

The final statement issued but not yet implemented that will significantly affect the District is statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements. This statement will be implemented at the District in the year ended June 30, 2021.

Management has not yet determined the effect these pronouncements will have on the District's financial statements.

Required Supplementary Information
June 30, 2017

**Independent School District No. 152
Moorhead Area Public Schools**

Draft

Independent School District No. 152
Moorhead Area Public Schools
Schedule of Changes in the District's Net OPEB Liability and Related Ratios
June 30, 2017

Schedule of Total OPEB Liability and Related Ratios, Last 10 Fiscal Years *

	<u>2017</u>
Service cost	\$ 358,297
Interest	263,235
Benefit payments	<u>(723,495)</u>
Net change in total OPEB liability	(101,963)
Total OPEB liability - beginning	<u>8,492,157</u>
Total OPEB liability - ending (a)	<u><u>\$ 8,390,194</u></u>
Plan fiduciary net position	
Projected investment return	\$ 245,456
Differences between expected and actual experience	309,008
Benefit payments	(723,495)
Administrative expense	<u>(3,923)</u>
Net change in plan fiduciary net position	(172,954)
Total fiduciary net position - beginning	<u>5,009,306</u>
Total fiduciary net position - ending (b)	<u><u>\$ 4,836,352</u></u>
District's net OPEB liability - ending (a) - (b)	<u><u>\$ 3,553,842</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	57.64%
Covered-employee payroll	\$37,021,968
District's net OPEB liability as a percentage of covered-employee payroll	9.60%

*GASB Statements No. 74/75 require ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Note to the Schedule of Changes in the District's Net OPEB Liability and Related Ratios

The District implemented the standard as of June 30, 2017, and as such there has been one valuation performed. The valuation date was July 1, 2016, and the measurement date was June 30, 2017. There have been no changes to plan provisions, assumptions, or methods since the prior report except for the following:

Changes of assumptions since prior measurement date:

- The discount rate was changed from 5.50% to 3.10%.
- The health care trends were changed to better anticipate short term and long term medical increases.
- The mortality table was updated from RP 2000 projected to 2014 with Scale BB to the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale.

Change in actuarial funding method from the prior measurement date:

- The actuarial cost method was changed from projected unit credit to entry age as prescribed by GASB 74/75.

Draft

Independent School District No. 152
Moorhead Area Public Schools
Schedule of District's OPEB Contributions
June 30, 2017

Schedule of District OPEB Contributions, Last 10 Fiscal Years *

	<u>2017</u>
Actuarially determined contribution	\$ -
Contributions in relation to the actuarially determined contribution	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	\$37,021,968
Contributions as a percentage of covered-employee payroll	0.00%

*GASB Statements No. 74/75 require ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Note to the Schedule of District Contributions

Valuation date:	Actuarially determined contribution rates are calculated as of June 30, 2017.
Actuarial cost method	Entry Age, level percentage of pay
Amortization method	Average of expected remaining service on a closed basis for differences between expected and actual experience and assumption changes. Closed five-year period for differences between expected and actual asset returns.
Amortization period	20 years
Asset valuation method	Closed five-year period
Inflation	2.50 percent
Healthcare cost trend rates	6.75 percent in 2016 grading to 5.00 percent over 7 years
Salary increases	3.00 percent
Investment rate of return	4.90 percent (net of investment expenses)
Retirement age	In the June 30, 2017 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actual experience.
Mortality	RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale

Independent School District No. 152
Moorhead Area Public Schools

Schedule of Changes in Pension-Related Benefits Liability and Pension-Related Benefits Liability

June 30, 2017

Schedule of Changes in Supplemental Benefits Liability, Last 10 Fiscal Years *

	<u>2017</u>
Pension-related benefits liability, beginning of year	1,154,539
Service cost	34,826
Interest cost	29,552
Assumption changes	-
Plan changes	-
Employer contributions	-
Projected investment return	-
Differences between expected and actual experience	-
Benefit payments	(343,143)
Administrative expenses	-
Other changes	-
	<u> </u>
Pension-related benefits liability, end of year	<u><u>\$ 875,774</u></u>

* GASB Statement No. 73 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Schedule of Supplemental Benefits Liability, Last 10 Fiscal Years *

	<u>2017</u>
Pension-related benefits liability	<u><u>\$ 875,774</u></u>
Covered-employee payroll	<u><u>\$ 2,539,218</u></u>
Pension-related benefits liability as a percentage of covered-employee payroll	34.49%

There are no assets accumulated in an irrevocable trust to pay plan benefits.

* GASB Statement No. 73 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Independent School District No. 152
Moorhead Area Public Schools

Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions
June 30, 2017

**Schedule of Employer's Share of Net Pension Liability
Last 10 Fiscal Years***

Pension Plan	Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Proportionate Share (Amount) of the Net Pension Liability Associated With District (b)	Total (d) (a+b)	Employer's Covered-Employee Payroll (c)**	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Payroll (a/c)**	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
PERA	6/30/2016	0.1677%	\$ 13,616,408	N/A	\$ 13,616,408	\$ 10,447,075	130.3%	68.9%
PERA	6/30/2015	0.1669%	\$ 8,649,624	N/A	\$ 8,649,624	\$ 9,880,221	87.5%	78.2%
PERA	6/30/2014	0.1776%	\$ 8,342,758	N/A	\$ 8,342,758	\$ 9,367,394	89.1%	78.8%
TRA	6/30/2016	0.5811%	\$ 138,606,215	\$ 13,911,854	\$ 152,518,069	\$ 30,784,935	450.2%	44.9%
TRA	6/30/2015	0.5651%	\$ 34,957,024	\$ 4,287,712	\$ 39,244,736	\$ 29,133,620	120.0%	76.8%
TRA	6/30/2014	0.5887%	\$ 27,126,872	\$ 1,908,296	\$ 29,035,168	\$ 27,272,769	99.5%	81.5%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

**Schedule of Employer's Contributions
Last 10 Fiscal Years***

Pension Plan	Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered-Employee Payroll (d) **	Contributions as a Percentage of Covered-Employee Payroll (b/d) **
PERA	6/30/2017	\$ 854,196	\$ 854,196	\$ -	\$ 11,492,596	7.4%
PERA	6/30/2016	\$ 782,398	\$ 782,398	\$ -	\$ 10,447,075	7.5%
PERA	6/30/2015	\$ 727,148	\$ 727,148	\$ -	\$ 9,880,221	7.4%
TRA	6/30/2017	\$ 2,430,765	\$ 2,430,765	\$ -	\$ 32,686,882	7.4%
TRA	6/30/2016	\$ 2,286,341	\$ 2,286,341	\$ -	\$ 30,784,935	7.4%
TRA	6/30/2015	\$ 2,168,081	\$ 2,168,081	\$ -	\$ 29,133,620	7.4%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Notes to the Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions

Since the last actuarial valuation as of June 30, 2015, the following have been changed:

- PERA's CAFR may be obtained on the PERA's website at www.mnpera.org for notes to the Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions.
- TRA's CAFR may be obtained on the TRA's website at www.MinnesotaTRA.org for notes to the Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions.
- Covered payroll has been retrospectively restated for all years presented to conform to the definition of covered payroll as clarified in GASB Statement No. 82, *Pension Issues*.

**Covered payroll as restated to conform to GASB Statement No. 82.

Combining and Individual Fund Schedules
June 30, 2017

**Independent School District No. 152
Moorhead Area Public Schools**

Draft

Independent School District No. 152
Moorhead Area Public Schools
General Fund
Schedule of Changes in UFARS Fund Balances
Year Ended June 30, 2017

	Fund Balance (Deficit) Beginning of Year	Net Change in Fund Balance	Fund Balance (Deficit) End of Year
Nonspendable	\$ 85,913	\$ (25,310)	\$ 60,603
Restricted for deferred maintenance	677,693	(677,693)	-
Restricted for health and safety	(692,088)	275,719	(416,369)
Restricted for operating capital	200,000	(26,445)	173,555
Restricted for safe schools	195,202	(5,553)	189,649
Restricted for staff development	-	60,775	60,775
Restricted for long-term facilities maintenance	-	704,196	704,196
Committed for severance obligation	1,200,000	-	1,200,000
Assigned for health insurance and affordable care act	500,000	-	500,000
Assigned for capital projects	3,000,000	-	3,000,000
Unassigned	<u>11,679,563</u>	<u>2,028,452</u>	<u>13,708,015</u>
	<u>\$ 16,846,283</u>	<u>\$ 2,334,141</u>	<u>\$ 19,180,424</u>

Independent School District No. 152
Moorhead Area Public Schools
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2017

	Food Service	Community Service	OPEB Debt Service Fund	Totals
Assets				
Cash and investments	\$ 1,175,454	\$ 1,118,812	\$ 848,360	\$ 3,142,626
Receivables				
Current property taxes	-	266,496	861,044	1,127,540
Delinquent property taxes	-	2,889	12,529	15,418
Due from other governmental units	-	128,161	140,046	268,207
Prepaid expenditures	221	2,250	-	2,471
Inventories	25,338	-	-	25,338
	<u>\$ 1,201,013</u>	<u>\$ 1,518,608</u>	<u>\$ 1,861,979</u>	<u>\$ 4,581,600</u>
Liabilities				
Accounts payable	\$ 2,598	\$ 17,413	\$ -	\$ 20,011
Salaries payable	64,213	84,393	-	148,606
Unearned revenue	60,319	20,226	-	80,545
Total liabilities	<u>127,130</u>	<u>122,032</u>	<u>-</u>	<u>249,162</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	<u>-</u>	<u>468,055</u>	<u>1,515,474</u>	<u>1,983,529</u>
Fund Balance				
Nonspendable	25,559	2,250	-	27,809
Restricted	1,048,324	926,271	346,505	2,321,100
Total fund balance	<u>1,073,883</u>	<u>928,521</u>	<u>346,505</u>	<u>2,348,909</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,201,013</u>	<u>\$ 1,518,608</u>	<u>\$ 1,861,979</u>	<u>\$ 4,581,600</u>

Independent School District No. 152
Moorhead Area Public Schools
Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2017

	Food Service	Community Service	OPEB Debt Service Fund	Totals
Revenues				
Local property tax levies	\$ -	\$ 284,883	\$ 1,236,616	\$ 1,521,499
Other local and county sources	21,329	499,340	-	520,669
State sources	170,682	1,097,805	-	1,268,487
Federal sources	1,820,465	27,361	-	1,847,826
Sales and other conversion of assets	1,188,394	-	-	1,188,394
Miscellaneous	-	-	214,343	214,343
Total revenues	<u>3,200,870</u>	<u>1,909,389</u>	<u>1,450,959</u>	<u>6,561,218</u>
Expenditures				
Community education and service	-	1,718,849	-	1,718,849
Pupil support services	2,828,801	-	-	2,828,801
Fiscal and other fixed cost programs	-	-	1,491,950	1,491,950
Total expenditures	<u>2,828,801</u>	<u>1,718,849</u>	<u>1,491,950</u>	<u>6,039,600</u>
Net Change in Fund Balance	372,069	190,540	(40,991)	521,618
Fund Balance, Beginning of Year	<u>701,814</u>	<u>737,981</u>	<u>387,496</u>	<u>1,827,291</u>
Fund Balance, End of Year	<u>\$ 1,073,883</u>	<u>\$ 928,521</u>	<u>\$ 346,505</u>	<u>\$ 2,348,909</u>

Other Supplementary Information
June 30, 2017

**Independent School District No. 152
Moorhead Area Public Schools**

Draft

Independent School District No. 152
Moorhead Area Public Schools
Changes in Student Activity Cash Balances
Year Ended June 30, 2017

Activity	Balance 7/1/16	Receipts and and Transfers	Disbursements and Transfers	Balance 6/30/17
6th Grade Activities (A)	\$ 286	\$ 1,317	\$ 1,603	\$ -
6th Grade Activities (B)	556	773	1,329	-
6th Grade Activities (C)	361	735	1,064	32
7th Grade Activities (A)	143	873	857	159
7th Grade Activities (B)	786	1,175	1,173	788
7th Grade Activities (C)	386	675	523	538
8th Grade Activities (A)	817	125	478	464
8th Grade Activities (B)	-	796	502	294
8th Grade Activities (C)	-	6,569	1,655	4,914
Adapted Bowling	-	125	67	58
APL Project	8,561	5,203	4,863	8,901
APL Project - Sr. High	431	1,425	1,707	149
Apollo Strings	151,778	207,877	308,953	50,702
Auditorium Technology	2,837	-	2,837	-
Band - Jr. High	7,761	16,075	13,742	10,094
Band - Sr. High	48,458	98,151	118,588	28,021
Baseball Club	5,210	35,058	36,988	3,280
Basketball - Boys	1,988	45,400	35,177	12,211
Basketball - Girls	6,889	40,812	33,971	13,730
Caps & Gowns	1,116	1,032	2,148	-
Choir - Sr. High	2,043	12,038	11,336	2,745
Chokio	413	16,219	16,632	-
Clay Targets	-	12,223	10,946	1,277
Cross Country	3,581	9,340	11,816	1,105
CTIC Activity Fund	-	140	-	140
Danceline	1,859	9,847	10,189	1,517
Destination Imagination	574	25	4	595
DI Globals	1,045	180	812	413
DW Students in Need	-	15,272	15,222	50
DW Special Events	-	3,000	3,000	-
Fine Arts - Sr. High	331	3	334	-
First Lego League	-	284	284	-
Football Club	25,605	54,781	77,134	3,252
Golf - Boys Sr. High	3,909	9,731	9,398	4,242
Golf - Girls Sr. High	18	500	79	439
Gymnastics Club	5,084	4,729	3,609	6,204
Hall of Honor	-	3,285	3,298	(13)
Hockey - Boys	999	47,083	39,645	8,437
Honor Choir - Jr. High	13,125	27,609	22,899	17,835
Hopkins Safety Patrol	2,383	-	13	2,370
Hopkins Ptac	172	3,987	3,859	300
Hopkins Ptac 188	29	1,476	1,466	39

Independent School District No. 152
Moorhead Area Public Schools
Changes in Student Activity Cash Balances
Year Ended June 30, 2017

Activity	Balance 7/1/16	Receipts and and Transfers	Disbursements and Transfers	Balance 6/30/17
Horizon Art Club	43	-	-	43
Horizon Grade 6 Dean	314	75	122	267
Horizon Grade 7 Dean	297	75	106	266
Horizon Grade 8 Dean	93	99	192	-
Horizon KIVA Service Learning	-	2,498	2,498	-
Horizon Project Success	1	-	-	1
Horizon Science Olympiad	-	78	78	-
Horizon Visiting Auth	17	550	560	7
Horizon West Yearbook	-	90	-	90
Interest	-	2,109	2,109	-
Intramurals	2,422	243	-	2,665
Journalism	7,298	4,596	2,871	9,023
Knowledge Bowl	2,972	2,881	58	5,795
Media - Jr. High	220	167	2	385
MHS Store	421	-	2	419
MHS Literacy Committee	264	-	4	260
MHS Pride	1,543	350	1,305	588
MHS Robotics	1,225	5,484	6,709	-
Nordic Skiing	-	2,874	171	2,703
Orchestra - Jr. High	127	33,808	26,762	7,173
Orchestra - Horizon Donations	-	16,470	7,978	8,492
PBIS - Horizon	2,906	5,530	8,436	-
PCE PTAC	-	557	489	68
Physical Education Uniforms	680	6,278	6,958	-
Plays - Sr. High	3,823	61,580	64,361	1,042
Plays - Sr. High Spring	541	5,958	5,446	1,053
Positive Incentives - Jr. High	1	-	-	1
Power Club	83	5,255	3,930	1,408
Robert Asp Ptac	153	1,341	1,494	-
Robert Asp Safety Patrol	2,244	-	520	1,724
Robert Asp Yearbook	-	5,057	13	5,044
RRALC Pay	199	-	1	198
RRALC Store	4,408	487	23	4,872
SADD	1,381	1,000	484	1,897
Skills USA	2,776	4,750	890	6,636
Service Enhancement Club	2,499	1,200	526	3,173
Service Learning	3,320	4,311	28	7,603
SGR PTAC 189	1,188	3,221	3,461	948
SGR Safety Patrol	2,631	-	14	2,617
Soccer - Boys	1,533	3,097	3,642	988
Soccer - Girls	1,209	3,315	3,565	959
Softball	1,807	2,084	3,049	842
Spanish Club	4,605	-	4,457	148
Spanish Club - Jr. High	488	-	2	486
Speech	-	40,803	27,822	12,981

Independent School District No. 152
Moorhead Area Public Schools
Changes in Student Activity Cash Balances
Year Ended June 30, 2017

Activity	Balance 7/1/16	Receipts and and Transfers	Disbursements and Transfers	Balance 6/30/17
Stadium Celebration	201	-	201	-
STEP - Jr. High	429	-	2	427
Student Council - Jr. High	12,109	4,831	13,338	3,602
Student Council - Sr. High	15,633	7,525	8,029	15,129
Swimming - Boys	1,417	7,333	8,750	-
Swimming - Girls	-	27,460	25,180	2,280
Theatre Arts - Jr. High	37,381	46,665	38,761	45,285
Theatre Trips	10,501	45,069	55,570	-
Track - Boys	206	125	10	321
Track - Girls	1,732	550	18	2,264
Volleyball	1,662	17,030	18,692	-
Wrestling Club	11,363	11,772	19,810	3,325
Yearbook - PCE	3,489	2,275	5,275	489
Yearbook - Jr. High	24,055	16,414	11,858	28,611
	<u>\$ 475,444</u>	<u>\$ 1,111,268</u>	<u>\$ 1,206,832</u>	<u>\$ 379,880</u>

Independent School District No. 152
Moorhead Area Public Schools
Uniform Accounting and Reporting Standards Compliance Table
Year Ended June 30, 2017

Fiscal Compliance Report - 6/30/2017

[Help](#)

[Logoff](#)

District: MOORHEAD (152-1) [Back](#) [Print](#)

	Audit	UFARS	Audit - UFARS		Audit	UFARS	Audit - UFARS
01 GENERAL FUND				06 BUILDING CONSTRUCTION			
Total Revenue	\$79,396,854	<u>\$79,396,857</u>	(\$3)	Total Revenue	\$563,641	<u>\$563,641</u>	\$0
Total Expenditures	\$81,416,855	<u>\$81,416,859</u>	(\$4)	Total Expenditures	\$43,262,665	<u>\$43,262,665</u>	\$0
Non Spendable:				Non Spendable:			
4.60 Non Spendable Fund Balance	\$60,603	<u>\$60,603</u>	\$0	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
Restricted / Reserved:				Restricted / Reserved:			
4.03 Staff Development	\$60,775	<u>\$60,775</u>	\$0	4.07 Capital Projects Levy	\$0	<u>\$0</u>	\$0
4.06 Health and Safety	(\$416,369)	<u>(\$416,369)</u>	\$0	4.13 Project Funded by COP	\$0	<u>\$0</u>	\$0
4.07 Capital Projects Levy	\$0	<u>\$0</u>	\$0	4.67 LTFM	\$0	<u>\$0</u>	\$0
4.08 Cooperative Revenue	\$0	<u>\$0</u>	\$0	Restricted:			
4.13 Project Funded by COP	\$0	<u>\$0</u>	\$0	4.64 Restricted Fund Balance	\$28,595,946	<u>\$28,595,946</u>	\$0
4.14 Operating Debt	\$0	<u>\$0</u>	\$0	Unassigned:			
4.16 Levy Reduction	\$0	<u>\$0</u>	\$0	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0
4.17 Taconite Building Maint	\$0	<u>\$0</u>	\$0				
4.24 Operating Capital	\$173,555	<u>\$173,555</u>	\$0	07 DEBT SERVICE			
4.26 \$25 Taconite	\$0	<u>\$0</u>	\$0	Total Revenue	\$7,330,411	<u>\$7,330,411</u>	\$0
4.27 Disabled Accessibility	\$0	<u>\$0</u>	\$0	Total Expenditures	\$6,970,752	<u>\$6,970,751</u>	\$1
4.28 Learning & Development	\$0	<u>\$0</u>	\$0	Non Spendable:			
4.34 Area Learning Center	\$0	<u>\$0</u>	\$0	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
4.35 Contracted Alt. Programs	\$0	<u>\$0</u>	\$0	Restricted / Reserved:			
4.36 State Approved Alt. Program	\$0	<u>\$0</u>	\$0	4.25 Bond Refundings	\$0	<u>\$0</u>	\$0
4.38 Gifted & Talented	\$0	<u>\$0</u>	\$0	4.51 QZAB Payments	\$0	<u>\$0</u>	\$0
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	\$0	Restricted:			
4.41 Basic Skills Programs	\$0	<u>\$0</u>	\$0	4.64 Restricted Fund Balance	\$1,776,365	<u>\$1,776,365</u>	\$0
4.45 Career Tech Programs	\$0	<u>\$0</u>	\$0	Unassigned:			
4.48 Achievement and Integration	\$0	<u>\$0</u>	\$0	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0
4.49 Safe School Crime - Crime Levy	\$189,649	<u>\$189,649</u>	\$0				
4.50 Pre-Kindergarten	\$0	<u>\$0</u>	\$0	08 TRUST			
4.51 QZAB Payments	\$0	<u>\$0</u>	\$0	Total Revenue	\$5	<u>\$5</u>	\$0
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0	Total Expenditures	\$0	<u>\$0</u>	\$0
4.53 Unfunded Sev & Retirement Levy	\$0	<u>\$0</u>	\$0	4.22 Unassigned Fund Balance (Net Assets)	\$10,320	<u>\$10,320</u>	\$0
4.67 LTFM	\$704,196	<u>\$704,196</u>	\$0				
4.72 Medical Assistance	\$0	<u>\$0</u>	\$0	20 INTERNAL SERVICE			
Restricted:				Total Revenue	\$6,022,619	<u>\$6,022,619</u>	\$0
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0	Total Expenditures	\$5,325,861	<u>\$5,325,861</u>	\$0
Committed:				4.22 Unassigned Fund Balance (Net Assets)	\$551,989	<u>\$551,988</u>	\$1
4.18 Committed for Separation	\$1,200,000	<u>\$1,200,000</u>	\$0				
4.61 Committed Fund Balance	\$0	<u>\$0</u>	\$0	25 OPEB REVOCABLE TRUST			
Assigned:				Total Revenue	\$0	<u>\$0</u>	\$0
4.62 Assigned Fund Balance	\$3,500,000	<u>\$3,500,000</u>	\$0	Total Expenditures	\$0	<u>\$0</u>	\$0
Unassigned:				4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	\$0
4.22 Unassigned Fund Balance	\$13,708,015	<u>\$13,708,014</u>	\$1				
				45 OPEB IRREVOCABLE TRUST			
02 FOOD SERVICES				Total Revenue	\$548,843	<u>\$548,843</u>	\$0
Total Revenue	\$3,200,870	<u>\$3,200,869</u>	\$1	Total Expenditures	\$723,496	<u>\$723,496</u>	\$0
Total Expenditures	\$2,828,801	<u>\$2,828,800</u>	\$1	4.22 Unassigned Fund Balance (Net Assets)	\$4,834,653	<u>\$4,834,653</u>	\$0
Non Spendable:							
4.60 Non Spendable Fund Balance	\$25,559	<u>\$25,559</u>	\$0	47 OPEB DEBT SERVICE			
Restricted / Reserved:				Total Revenue	\$1,450,959	<u>\$1,450,959</u>	\$0
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0	Total Expenditures	\$1,491,950	<u>\$1,491,950</u>	\$0
Restricted:				Non Spendable:			
4.64 Restricted Fund Balance	\$1,048,324	<u>\$1,048,324</u>	\$0	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
Unassigned:				Restricted:			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0	4.25 Bond Refundings	\$0	<u>\$0</u>	\$0
				4.64 Restricted Fund Balance	\$346,505	<u>\$346,505</u>	\$0
04 COMMUNITY SERVICE				Unassigned:			
Total Revenue	\$1,909,389	<u>\$1,909,389</u>	\$0	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0
Total Expenditures	\$1,718,849	<u>\$1,718,849</u>	\$0				
Non Spendable:							
4.60 Non Spendable Fund Balance	\$2,250	<u>\$2,250</u>	\$0				
Restricted / Reserved:							
4.26 \$25 Taconite	\$0	<u>\$0</u>	\$0				
4.31 Community Education	\$258,217	<u>\$258,217</u>	\$0				
4.32 E.C.F.E	\$269,346	<u>\$269,346</u>	\$0				
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	\$0				
4.44 School Readiness	\$274,875	<u>\$274,875</u>	\$0				
4.47 Adult Basic Education	\$0	<u>\$0</u>	\$0				
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0				
Restricted:							
4.64 Restricted Fund Balance	\$123,833	<u>\$123,831</u>	\$2				
Unassigned:							
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0				

Independent School District No. 152
Moorhead Area Public Schools
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2017

Federal Grantor/Program Title	Federal CFDA Number	Pass Through Number	Expenditures
Department of Agriculture			
<i>Passed through Minnesota Department of Education</i>			
Non-Cash Assistance (Commodities):			
Food Distribution	10.553	0152-01-000	\$ 43,240
Cash Assistance:			
School Breakfast Program	10.553	0152-01-000 FIN 705	302,283
National School Lunch Program	10.555	0152-01-000 FIN 701	257,312
National School Lunch Program - Snack Program	10.555	0152-01-000 FIN 702	5,333
National School Lunch Program - Free/Reduced	10.555	0152-01-000 FIN 701	968,852
Summer Food Service Program for Children	10.559	0152-01-000 FIN 709	71,948
Total Child Nutrition Cluster			<u>\$ 1,648,968</u>
Total Department of Agriculture			\$ 1,648,968
Department of Education			
<i>Direct</i>			
Indian Education - Grants to Local Educational Agencies	84.060	N/A	52,460
<i>Passed through Minnesota Department of Education</i>			
Adult Education - Basic Grants to States	84.002	0152-01-000 FIN 438	27,361
Title I Grants to Local Educational Agencies	84.010	0152-01-000 FIN 401	1,050,671
Title I Grants to Local Educational Agencies	84.010	0152-01-000 FIN 406	<u>43,013</u>
Total Title I Cluster			1,093,684
Special Education - Grants to States	84.027	0152-01-000 FIN 419	1,441,256
Special Education - Preschool Grants	84.173	0152-01-000 FIN 420	<u>28,120</u>
Total Special Education Cluster			1,469,376
Special Education - Grants for Infants and Families	84.181	0152-01-000 FIN 422	162,183
English Language Acquisition State Grants	84.365	0152-01-000 FIN 417	37,258
Improving Teacher Quality State Grants	84.367	0152-01-000 FIN 414	204,171
Migrant Education - State Grant Program	84.011	0152-01-000 FIN 863	<u>56,108</u>
Total Department of Education			3,102,601
Department of Health and Human Resources			
<i>Passed through Minnesota Department of Education</i>			
Medical Assistance Program	93.778	0152-01-000 FIN 372	<u>584,423</u>
Total expenditures of federal awards			<u>\$ 5,335,992</u>

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. The District received federal awards indirectly through pass-through entities. Federal financial assistance provided to a subrecipient is treated as an expenditure when it is paid to the subrecipient.

Note B – Significant Accounting Policies

Governmental fund types account for the District's federal grant activity. Therefore, expenditures in the schedule of expenditures of federal awards are recognized on the modified accrual basis – when they become a demand on current available financial resources. The District's summary of significant accounting policies is presented in Note 1 in the District's basis financial statements.

The District has not elected to use the 10% de minimis cost rate.

Note C – Food Distribution

Non-monetary assistance is reported in the schedule of expenditures of federal awards at the fair market value of commodities received and disbursed. At June 30, 2017, the district had food commodities totaling \$25,338 in inventory.

Additional Reports
June 30, 2017

**Independent School District No. 152
Moorhead Area Public Schools**

Draft

**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***

The School Board of
Independent School District No. 152
Moorhead Area Public Schools
Moorhead, 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. 152, Moorhead Area Public Schools (The District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated [DATE].

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) to determine the 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs items, 2017-A, 2017-B, 2017-C, and 2017-D to be material weaknesses.

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.

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 determination of financial statement amounts. 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*.

Response to Findings

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs and in the District's Corrective Action Plan, which is in a separate document. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fargo, North Dakota

[DATE]

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance

The School Board of
Independent School District No. 152
Moorhead Area Public Schools
Moorhead, Minnesota

Report on Compliance for Each Major Federal Program

We have audited the District's compliance with the types of compliance requirements described in the *OMB 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, 2017. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for the District's major federal program 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 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 the major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major Federal program for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the 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.

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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. *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.

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 that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2017-001 that we consider to be a material weakness.

The District's response to the internal control over compliance finding identified in our audit are described in the accompanying schedule of findings and questioned costs and in the District's Corrective Action Plan, which is in a separate document. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Fargo, North Dakota

[DATE]

Report on Compliance over Financial Reporting of the Student Activity Accounts

The School Board of
Independent School District No. 152
Moorhead Area Public Schools
Moorhead, 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 and the provisions of the *Manual for Activity Fund Accounting (MAFA)*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 152, Moorhead Area Public Schools, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated [DATE].

Compliance

As part of obtaining reasonable assurance about whether the District's student activity accounts are free of material misstatement, we performed tests of the district's compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of student activity amounts. 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. Finding 2017-E in the attached Schedule of Findings and Questioned Costs was noted to be in noncompliance through testing of these requirements.

Response to Finding

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs and in the District's Corrective Action Plan. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Education, the Minnesota Department of Education, and other state agencies and is not intended to be and should not be used by anyone other than those specified parties.

Fargo, North Dakota
[DATE]

Report on *Minnesota Legal Compliance*

The School Board of
Independent School District No. 152
Moorhead Area Public Schools
Moorhead, 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 as of Independent School District No. 152 Moorhead Area Public Schools as of and for the year ended June 30, 2017, and the related notes to the financial statements, and have issued our report thereon dated [DATE].

The *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, contains seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards for school districts. Our audit considered all of the listed categories.

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 *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, except as described in the Schedule of Findings and Questioned Costs as item 2017-F. 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.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs and in the District's Corrective Action Plan, which is in a separate document. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 communication is not suitable for any other purpose.

Fargo, North Dakota
[DATE]

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	Yes

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Title 1	84.010
Child Nutrition Cluster	10.553, 10.555, 10.559
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

Material Weakness

2017-A Preparation of Financial Statements

Condition – The District does not have an internal control system designed to provide for the preparation of the financial statements being audited. The auditors were requested to, and did, draft the financial statements and accompanying notes to the financial statements.

Criteria – A good system of internal accounting control contemplates an adequate system for internally preparing the District's financial statements.

Effect – The disclosures in the financial statements could be incomplete.

Cause – The District does not have an internal control system designed to provide for the preparation of the financial statements being audited.

Recommendation – It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Views of Responsible Officials – There is no disagreement with the audit finding.

Material Weakness

2017-B Significant Journal Entries

Condition – During the course of our engagement, we proposed material audit adjustments that were not identified as a result of the District's existing internal controls, and therefore could have resulted in a material misstatement of the District's financial statements.

Criteria – A good system of internal accounting control contemplates an adequate system for recording and processing entries material to the financial statements.

Effect – This deficiency could result in a misstatement to the financial statements that would not be prevented or detected.

Cause – The District does not have an internal control system designed to identify all necessary adjustments.

Recommendation – A thorough review and reconciliation of accounts in each fund should take place prior to the beginning of the audit. This review should be performed at both the accounting staff and accounting supervisor levels.

Views of Responsible Officials – There is no disagreement with the audit finding.

Material Weakness

2017-C Segregation of Duties

Condition – The District does not adequately separate duties when posting journal entries.

Criteria – A good system of internal control requires an adequate segregation of duties so that no one individual has incompatible responsibilities. No one person should have more than one duty relating to the authorization (approval), custody of assets (check signers), record keeping, and reconciliation functions.

Effect – Inadequate segregation of duties could adversely affect the District's ability to detect misstatements in amounts that would be material in relation to the financial statements in a timely period by employees in the normal course of performing their assigned functions.

Cause – Journal entries are prepared and posted by the same individual with no review of these entries.

Recommendation – The accounting functions should be reviewed to determine if additional segregation of duties is feasible and to improve the efficiency and effectiveness of financial management and financial statement accuracy for the District. Segregation of authorization, custody of assets, record keeping and reconciliation functions would assist in mitigating the risk of fraud or misstatements to the financial statements.

Views of Responsible Officials – There is no disagreement with the audit finding.

Material Weakness

2017-D Prior Period Adjustment

Condition – A good system of internal accounting control contemplates an adequate system for calculating and reviewing manual journal entries related to implicit rate subsidy payments.

Criteria – During the course of our engagement, an adjustment to beginning of the year net position, construction in progress, and capital assets categorized as buildings due to the District inaccurately reporting three building projects.

Effect – This deficiency could result in a misstatement to the financial statements that would not be prevented or detected.

Cause – The District does not have an internal control system designed to identify all necessary adjustments.

Recommendation – A thorough review and reconciliation of accounts and calculated entries in each fund should take place prior to the beginning of the audit. This review should be done at both the accounting staff and accounting supervisor levels.

Views of Responsible Officials – There is no disagreement with the audit finding.

Section III – Federal Award Findings and Questioned Costs

Material Weakness in Internal Control over Compliance

2017-001 Eligibility

Federal program information:

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Program Title</u>	<u>Contract Number</u>	<u>Award Year</u>
Department of Agriculture	10.553	Child Nutrition Cluster	0152-01-000 FIN 473	2017
			0152-01-000 FIN 701	
	10.555		0152-01-000 FIN 702	
			0152-01-000 FIN 705	
	10.559		0152-01-000 FIN 709	

Criteria – Uniform Single Audit guidance requires recipients of federal funds to have appropriate internal controls to ensure all free and reduced applications meet the income eligibility guidelines provided by the USDA.

Condition – During the course of the year ended June 30, 2017, the District did not have a process in place to provide evidence of a review function for the online applications and electronic calculations submitted for free and reduced meals.

Cause – The District’s controls are not adequate to ensure that all applications are reviewed to confirm that they are eligible based upon approved income guidelines.

Effect – Lacking controls could lead to noncompliance with the requirements of this programs could require the return of grant funds to the grantor agency.

Questioned Costs – None

Context/Sampling – A nonstatistical sample of 40 participants out of 2,900 participants were selected for eligibility testing.

Repeat Finding from Prior Years – No

Recommendation – We recommend the District design and implement internal controls and provide evidence of that review to ensure all free and reduced applications are accurately calculated to ensure the income entered is within the USDA income eligibility guideline for the effective year.

Views of Responsible Officials – There is no disagreement with the audit finding.

Section IV – Student Activities

2017-E Negative Student Activity Account Balance

Condition – During the course of our engagement, we discovered a student activity account that had a negative balance at year-end.

Criteria – A good system of internal accounting control contemplates an adequate system for compliance with the MAFA guidelines of requiring that no individual activity accounts operate with a negative balance at the end of the fiscal year without a signed written plan prior to year-end. Page 19 of the MAFA guidelines describes the requirements for activity balances.

Effect – The finding could result in student activity funding being misused.

Cause – The District did not follow procedures to prevent individual accounts from having negative balances at the end of the fiscal year.

Recommendation – A thorough policy requiring the review of individual activity accounts ensuring that no account have a negative balance at the end of the year should be adopted and followed. A written plan which provides assurance the student activity fund has future funding should be prepared and signed prior to year-end.

Views of Responsible Officials – There is no disagreement with the audit finding.

Section V – Minnesota Legal Compliance Findings

2017-F Inadequate Pledged Collateral

Condition – 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% of the deposits not covered by federal deposit insurance or corporate security bonds. The District's pledged collateral did not meet this requirement at June 30, 2017 for US Bank. The District's deposits were under collateralized at US Bank by approximately \$191,400 at June 30, 2017.

Criteria – A good system of internal accounting control contemplates an adequate system for monitoring the requirements of pledged collateral.

Effect – The District was not in compliance with Minnesota statutes. Additionally, noncompliance increases the custodial risk of the District.

Cause – The District does not have an internal control system designed to properly monitor the requirements of pledged collateral.

Recommendation – The District needs to periodically review its pledged collateral to ensure compliance.

Views of Responsible Officials – There is no disagreement with the audit finding.



MOORHEAD
AREA PUBLIC SCHOOLS

**Assistant
Superintendent of
Finance and Operations**
Memo
OASFO.18.037R

TO: Brandon M. Lunak, Interim Superintendent/Assistant Superintendent of Finance and Operations
FROM: Office of Finance and Operations
DATE: 12/4/2017
RE: Certification of Final 2017 Payable 2018 Property Tax Levy

School districts are no longer required to hold a separate Truth in Taxation hearing or continuation hearing. Districts are required to discuss the levy and the current year's budget at a regularly scheduled board meeting and allow public to speak; this will occur at the upcoming meeting on December 11, 2017 at 7:00 pm. The final levy certification will be adopted at the same meeting.

The School Board approved the preliminary tax levy on September 19, 2017. The next step in the levy certification process requires the School Board to certify the district's final 2017 Payable 2018 Property Tax Levy by December 31, 2017. Attached please find the Levy Limitation and Certification Report provided by the Minnesota Department of Education. The amount that will be levied for each of the categories and the total levy are listed below:

General - RMV Voter Exemp	\$1,500,666.40
General - RMV Other Exemp	\$4,639,695.21
General - NTC Other GENED	\$0.00
General - NTC Other Exemp	\$3,995,402.73
Community Service - Other Exemp	\$478,304.33
Debt - Voter Noexemp	\$6,933,006.85
<u>OPEB/Pension - Other Noexempt</u>	<u>\$1,350,532.57</u>
Total Levy	\$18,897,608.09

Suggested Resolution: Move to approve the certification of the final 2017 Payable 2018 Property Tax Levy in the amount of \$18,897,608.09.

Moved by:
Seconded by:
Comments:

BML:dmb

ATTACHMENTS:

Description	Type
📎 Moorhead Pay 2018 TNT Presentation	Cover Memo
📎 MDE: Levy Limitation and Certification 2017 Payable 2018	Cover Memo
📎 MDE: Levy Limitation and Certification Signature sheet	Cover Memo



Moorhead Area Public Schools

Public Hearing for Taxes Payable in 2018

DECEMBER 11, 2017

PRESENTED BY: BRANDON LUNAK, ASSISTANT SUPERINTENDENT OF
FINANCE & OPERATIONS

Tax Hearing Presentation

State Law Requires Public Meeting:

- Between November 24th and December 28th
- After 6:00 PM
- May be part of regularly scheduled meeting
- May adopt final levy at same meeting

State Law Requires Presentation of:

- Current year budget
- Prior year actual revenue & expenditures
- Proposed property tax levy including % increase
- Specific purposes & reasons taxes are being increased

**State Law also requires the district allow for public comment*

Agenda for Hearing

- A. Background on School Funding, Property Tax Levies, and Budgets
- B. Information on District Budget
- C. Information on District's Proposed Tax Levy for Taxes Payable in 2018
- D. Public Comments and Questions



Background Information



Minnesota Public Education is Strong

- State law requires all juniors and seniors be offered the ACT at no cost, but test is no longer mandatory
- In 2017, 90% of Minnesota graduates took the ACT with an average composite score of 21.5, highest score among 17 states where every eligible student takes exam
- National composite score for 2017 is 21.0 based on 60% of 2017 graduating seniors taking the ACT

Minnesota Public Education is Strong

- State law requires all juniors and seniors be offered the ACT at no cost, but test is no longer mandatory
- In 2017, 90% of Minnesota graduates took the ACT with an average composite score of 21.5, highest score among 17 states where every eligible student takes exam
- National composite score for 2017 is 21.0 based on 60% of 2017 graduating seniors taking the ACT

Public Schools Established by Minnesota Constitution

ARTICLE XIII

MISCELLANEOUS SUBJECTS

Section 1

“**UNIFORM SYSTEM OF PUBLIC SCHOOLS.** The stability of a republican form of government depending mainly upon the intelligence of the people, *it is the duty of the legislature to establish a general and uniform system of public schools.* The legislature shall make such provisions by taxation or otherwise as will secure a thorough and efficient system of public schools throughout the state.”

As a result...

School funding is highly regulated by the state

State Sets:

- Formulas which determine revenue; most revenue based on specified amounts per pupil
- Tax policy for local schools
- Maximum authorized property tax levy (districts can levy less but not more than amount authorized by state, unless approved by voters)

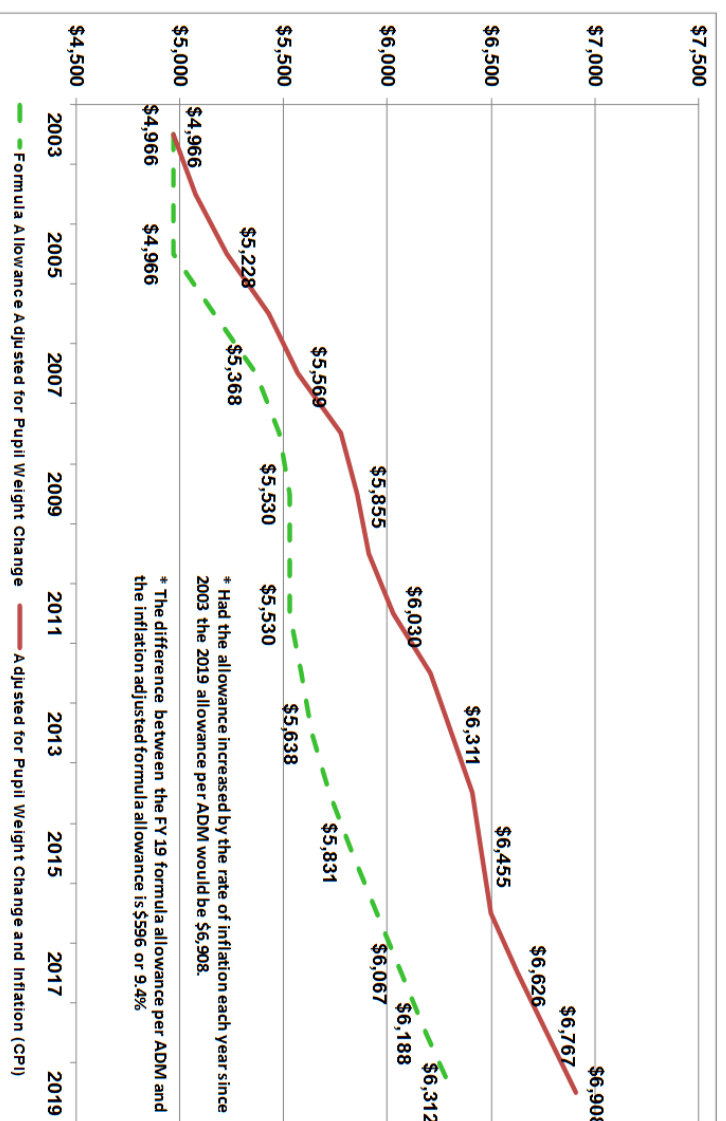
State also authorizes school board to submit referendums for operating and capital needs to voters for approval

Challenge: State Set Basic General Education Formula Lags Inflation

- Since 2003, state is General Education Revenue formula has not kept pace with inflation
- For FY 2018 and FY 2019, Legislature approved an increase of 2% per year
 - \$121 per pupil unit in FY 2018
 - An additional \$124 for FY 2019
- Per-pupil allowance for Fiscal Year 2019 would need to increase by another \$596 (9.4%) to have kept pace with inflation since 2003

Basic General Education Formula Lags Inflation

General Education Formula Allowance, 2003-2019
Adjusted for Pupil Weight Change and Inflation (CPI)



Source: MDE January 2017 Inflation Estimates

Underfunding of Special Education

- MDE reports cost of providing special education programs was underfunded by \$697 million, or an average of 40% underfunded
- Translating into a statewide average funding shortfall of \$5,783 per special education student
- Underfunding of special education costs necessitates a transfer from regular program resources to support an underfunded program mandated by state and federal law
- Primary options to bridge special education funding gap are to cut regular program budgets or increase referendum revenue, most districts have done both

Result: Growing Dependence on Referendum Revenue

- In 1993, 65% of districts had operating referendum revenue averaging \$332 per pupil
- For 2017-18, all Minnesota districts have referendum revenue and/or local optional revenue levy authority averaging \$1,296 per pupil
 - 20.5% of general education formula allowance
 - Of this amount, \$879 is board approved or voter approved operating referendum, and \$417 is Local Optional Revenue

Change in Tax Levy Does not Determine Change in Budget

- Tax levy is based on many state-determined formulas plus voter approved referendums
- Some increases in tax levies are revenue neutral, offset by reductions in state aid
- *Expenditure budget is limited* by state-set revenue formulas, voter-approved levies, and fund balance
- An increase in school taxes does not always correlate to an equal increase in budget

School District Levy Cycle Differs from City/County Levy Cycle

City/County:

- Budget Year same as calendar year
- 2018 taxes provide revenue for 2018 calendar year budget

Schools:

- Budget year begins July 1st and coincides with school year
- 2018 taxes provide revenue for 2018-2019 school fiscal year
- Budget will be adopted in June 2018

Budget Information

Because approval of school district budget lags certification of tax levy by six months, state requires only current year budget information and prior year actual financial results be presented at this hearing.

All school districts' budgets are divided into separate funds based on purposes of revenue, as required by law.

Our District's Funds:

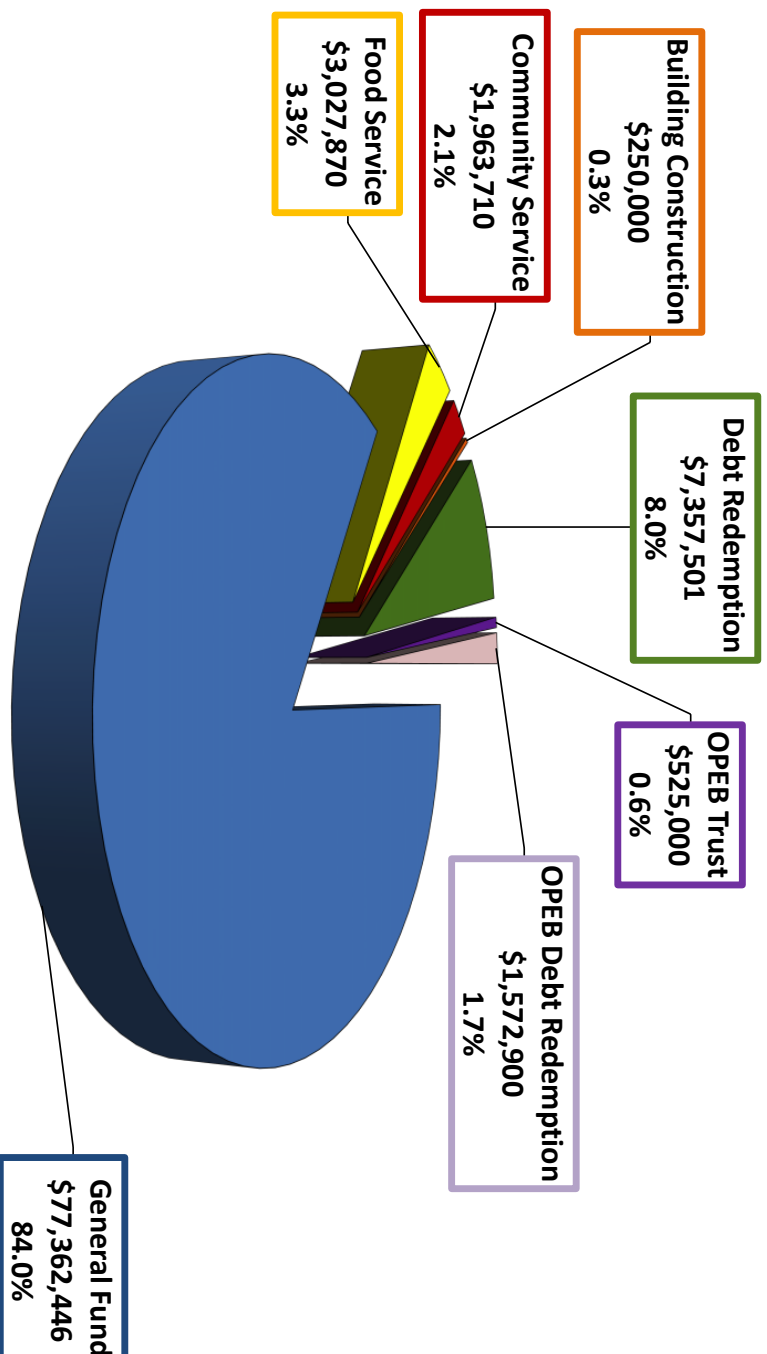
- General
- Food Service
- Community Service
- Building Construction
- Debt Service
- Internal Service *
- OPEB Trust Fund *
- OPEB Debt Fund

**Annual budgets are not prepared for these funds*

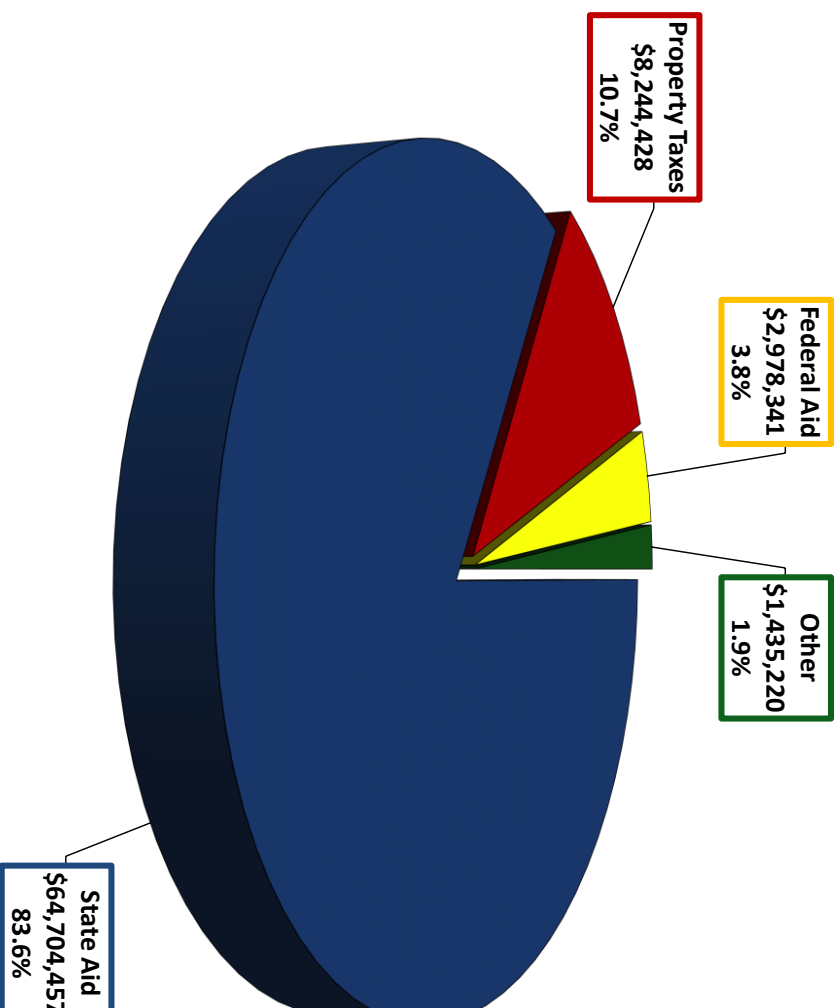
Moorhead Area Public Schools
District Revenues and Expenditures
Actual for FY 2017, Budget for FY 2018

FUND	FISCAL 2017 BEGINNING FUND BALANCES	2016-17 ACTUAL REVENUES AND TRANSFERS IN	2016-17 ACTUAL EXPENDITURES & TRANSFERS OUT	JUNE 30, 2017 ACTUAL FUND BALANCE	2017-18 BUDGET REVENUES AND TRANSFERS IN	2017-18 BUDGET EXPENDITURES & TRANSFERS OUT	JUNE 30, 2018 PROJECTED FUND BALANCE
General Fund/Restricted	\$3,380,807	\$5,418,370	\$8,066,449	\$732,728	\$4,090,478	\$4,139,521	\$683,685
General Fund/Other	13,465,476	73,978,487	68,996,267	18,447,696	73,271,968	76,467,960	15,251,704
Food Service Fund	701,814	3,200,869	2,828,800	1,073,883	3,027,870	3,013,420	1,088,333
Community Service Fund	737,979	2,009,389	1,818,849	928,519	1,963,710	1,936,270	955,959
Building Construction Fund	71,294,970	563,641	43,262,665	28,595,946	250,000	27,000,000	1,845,946
Debt Service Fund	1,416,705	7,330,411	6,970,751	1,776,365	7,357,501	7,078,800	2,055,066
Internal Service Fund	(144,769)			551,988			600,000
OPEB Irrevocable Trust Fund	5,009,306	548,843	723,496	4,834,653	525,000	600,000	4,759,653
OPEB Debt Service Fund	387,495	1,450,959	1,491,950	346,504	1,572,900	1,498,500	420,904
Total All Funds	\$96,260,098	\$94,500,974	\$134,159,226	\$57,298,603	\$92,059,432	\$121,734,471	\$27,671,576

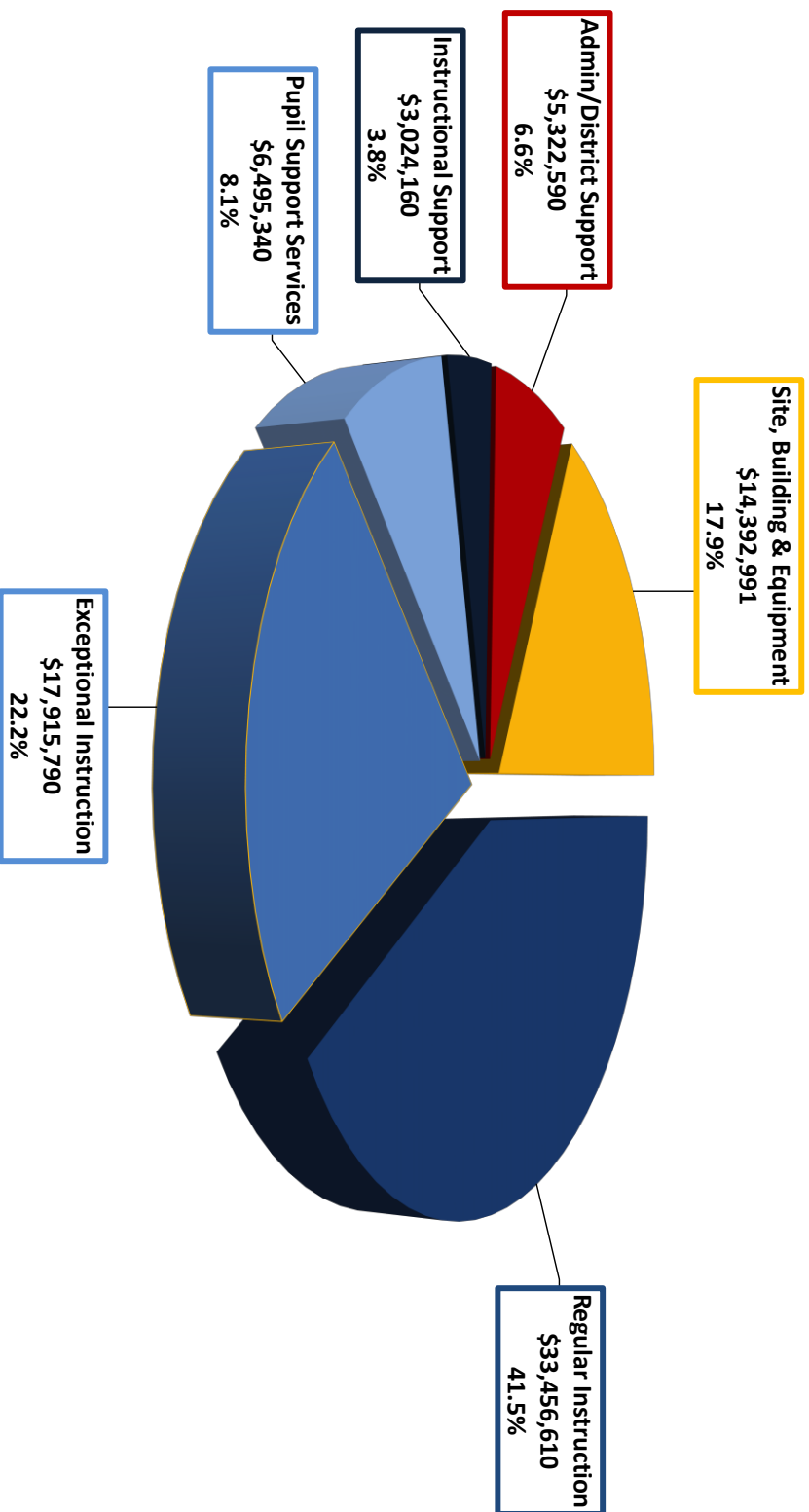
Moorhead Area Public Schools Revenue all Funds 2017-18 Budget \$92,059,432



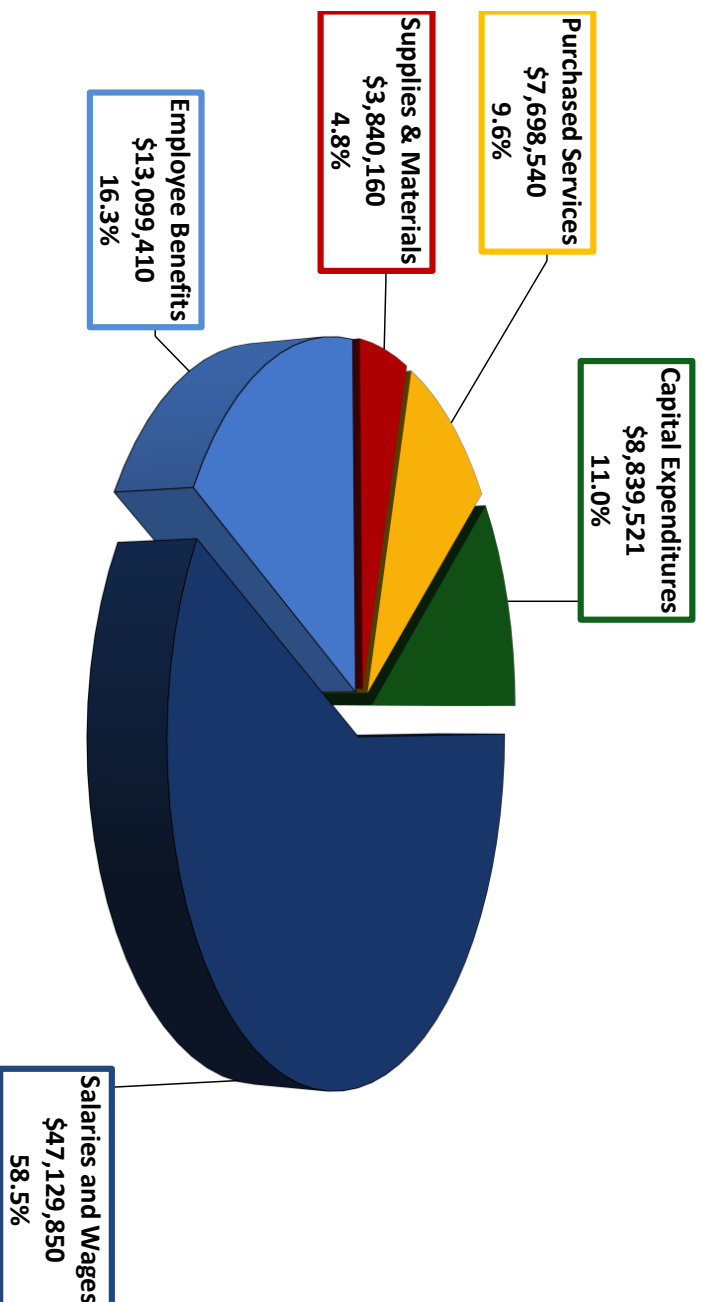
**Moorhead Area Public Schools
General Fund Revenue
2017-18 Budget \$77,362,446**



Moorhead Area Public Schools General Fund Expenditures by Program 2017-18 Budget \$80,607,481



Moorhead Area Public Schools General Fund Expenditure by Object 2017-18 Budget \$80,607,481



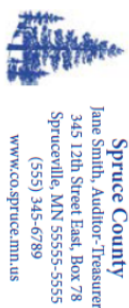
Payable 2018 Property Tax Levy



- Determination of levy
- Comparison of 2017 to 2018 levies
- Specific reasons for changes in tax levy
- Impact on taxpayers

Property Tax Background

- Every owner of taxable property pays property taxes to various “taxing jurisdictions” (county, city/township, school district, special districts) in which property is located
- Each taxing jurisdiction sets own tax levy, often based on limits in state law
- County sends bills, collects taxes from property owners, and distributes funds back to other taxing jurisdictions



Spruce County
 Jane Smith, Auditor-Treasurer
 345 12th Street East, Box 78
 Spruceville, MN 55555-5555
 (555) 345-6789
 www.co.spruce.mn.us

TAXPAYER(S):

John and Mary Johnson
 123 Pine Rd S
 Spruceville, MN 55555-5555

Property Information

PIN Number: 0123456789 R1
Property Address: 789 Pine Rd S
 Spruceville, MN 55555

Property Description:
 Lot 1, Block 1, Spruce Acres Subdivision

PROPOSED TAXES 2018				
THIS IS NOT A BILL. DO NOT PAY.				
Step	VALUES AND CLASSIFICATION			
1	Taxes Payable Year	2017	2018	
	Estimated Market Value	\$125,000	\$150,000	
	Homestead Exclusion	\$	\$23,800	
	Taxable Market Value	\$125,000	\$126,200	
	Class	Res Homestead	Res Homestead	
PROPOSED TAX				
2	Property Taxes before credits		\$1,562.46	
	School building bond credit		\$ 12.00	
	Agricultural market value credit			
	Other credits			
	Property Taxes after credits		<u>\$1,550.46</u>	
Step	PROPERTY TAX STATEMENT			
3	Coming in 2018			
The time to provide feedback on PROPOSED LEVIES is NOW				

Proposed Property Taxes and Meetings by Jurisdiction for Your Property				
Contact Information	Meeting Information	Actual 2017	Proposed 2018	
State General Tax	No public meeting	\$0	\$0	
County of Spruce	December 7, 7:00 PM	\$48.06	\$484.18	
Spruce County Courthouse				
123 Spruce St				
Spruceville, MN 55555				
www.co.spruce.mn.us				
(555) 123-4567				
City of Spruceville	December 4, 6:30 PM	\$273.79	\$312.06	
123 Spruce St				
456 Spruce St				
Spruceville, MN 55555				
www.ci.spruceville.mn.us				
(555) 123-7654				
Spruceville School District 999	December 5, 7:00 PM			
1301 1st St N				
Spruceville, MN 55555				
www.spruceville.k12.mn.us				
(555) 123-6789				
Voter Approved Levies:				
Other Levies:				
		\$289.35	\$296.68	
		\$340.11	\$374.60	
Your school district was scheduled to hold a referendum at the November general election. If the referendum was approved by the voters, the school district's voter approved property tax for 2018 may be higher than the proposed amount shown on this notice.				
Metro Special Taxing Districts		\$57.76	\$58.70	
Spruceville Metropolitan Council	December 8, 7:30 PM			
www.spruce.metrocouncil.org				
(555) 555-5555				
Spruceville, MN 55055				
Other Special Taxing Districts	No public meeting	\$12.80	\$13.02	
Tax Increment Tax	No public meeting	\$10.15	\$11.22	
Total excluding any special assessments		\$1,410.02	\$1,450.46	9.0%

School District Property Taxes

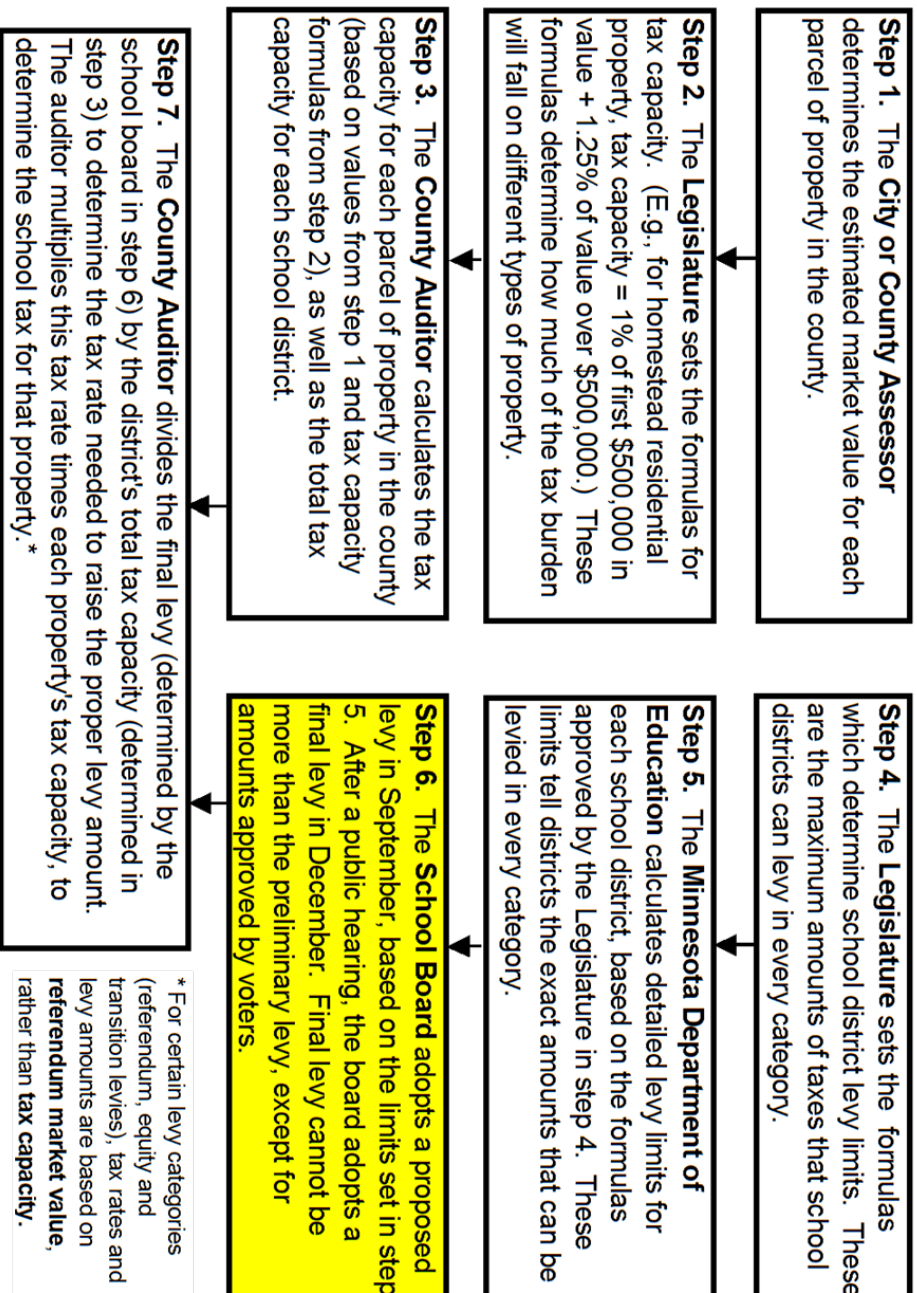
- Each school district may levy taxes in over 30 different categories
- “Levy limits” (maximum levy amounts) for each category are set by:
 - State law
 - Voter approval
- Minnesota Department of Education (MDE) calculates detailed levy limits for each district

Property Tax Background

School District Property Taxes

- Key steps in process are summarized on next slide
- Any of these steps may affect the taxes on a parcel of property, but district has control over only 1 of the 7 steps

Minnesota School District Property Taxes - Key Steps in the Process



Schedule of Events in Approval of District's 2017 (Payable 2018) Tax Levy

- September 8: MDE prepared and distributed first draft of levy limit report setting maximum authorized levy
- September 18: School board approved proposed levy amounts
- Mid-November: County mailed “Proposed Property Tax Statements” to all property owners
- December 11: Public hearing on proposed levy at regular meeting
- Following hearing, School Board will certify final levy amounts

Overview of Proposed Levy Payable in 2018

- The total 2018 proposed property tax levy will increase from 2017 by \$1,235,938, or 7.0%
- State law requires that we explain the reasons for the major increases in the levy
- Some decreases in specific levies will also be explained

Moorhead Area Public Schools

Comparison of Proposed Tax Levy Payable in 2018 to Actual Levy Payable in 2017

Fund	Levy Category	Actual Levy Payable in 2017	Proposed Levy Payable in 2018	\$ Change	% Change
General Fund	Voter Approved Referendum	\$2,232,563	\$1,365,862	(\$866,702)	
	Board Approved Referendum	0	1,061,762	1,061,762	
	Local Optional Levy	2,381,259	2,589,311	208,052	
	Equity	810,329	859,309	48,980	
	Student Achievement Levy	53,930	0	(53,930)	
	Operating Capital	413,130	382,890	(30,240)	
	Long Term Facilities Maintenance	757,534	1,256,941	499,407	
	Instructional Lease Levy	1,197,461	1,225,400	27,940	
	Safe Schools	249,502	269,906	20,405	
	Other	435,471	781,214	345,743	
	Levy Adjustments and Abatements	249,384	343,168	93,784	
	Total, General Fund	\$8,780,564	\$10,135,764	\$1,355,201	15.4%
Community Service Fund	Basic Community Education	\$328,649	\$331,465	\$2,815	
	Early Childhood Family Education	126,199	130,708	4,509	
	Other	15,412	15,420	8	
	Levy Adjustments and Abatements	(5,094)	712	5,806	
	Total, Community Service Fund	\$465,166	\$478,304	\$13,138	2.8%
Debt Service Funds	Voter Approved Debt Service	\$7,214,703	\$7,469,858	\$255,155	
	Other Post Employment Benefits	1,572,900	1,534,313	(38,587)	
	Reduction for Debt Excess	(371,663)	(768,581)	(396,918)	
	Levy Adjustments and Abatements	-	47,949	47,949	
	Total, Debt Service Fund	\$8,415,940	\$8,283,539	(\$132,401)	-1.6%
	Total Levy, All Funds	\$17,661,670	\$18,897,608	\$1,235,938	7.0%
Subtotal by Truth in Taxation Categories:					
	Voter Approved Levies	\$9,366,670	\$8,433,673	(\$932,997)	
	Other Levies	\$8,295,000	\$10,463,935	\$2,168,935	
	Total	\$17,661,670	\$18,897,608	\$1,235,938	7.0%

Explanation of Levy Changes

Category: Voter approved operating referendum, Board approved referendum levy and Local Optional Revenue

Change: \$403,113

Use of Funds: General operating expenses

Reason for Increase:

- Estimated increase of 567 pupil units
- No change in authorized levy per pupil

Explanation of Levy Changes

OPERATING CAPITAL	STUDENT ACHIEVEMENT
<u>Change</u> : -\$30,240	<u>Change</u> : -\$53,930
<u>Use of Funds</u> : Technology, facility maintenance, other capital expenses	<u>Use of Funds</u> : General operating expenses
<u>Reason for Decrease</u> : <ul style="list-style-type: none">• Revenue neutral – offset by increase in state aid• Decrease will in part offset levy increase for long term maintenance	<u>Reason for Decrease</u> : <ul style="list-style-type: none">• Legislature phased out levy for 2018• Decrease will in part offset levy increase for long term maintenance

Explanation of Levy Changes

Category: General Fund – Long Term Facility Maintenance (LTFM)

Change: \$499,400

Use of Funds: Deferred Facility Maintenance

Reason for Increase:

- Replaces Alternative Facility Levy, Health and Safety Levy, and Deferred Maintenance Levy
- Levy based on ten year maintenance program approved by district and MDE
- Levy is for “pay as you go” maintenance expenses
- Allowance increased from \$292 to \$380 per pupil unit
- Increase offset by reduction in Student Achievement and Operating Capital levies

Explanation of Levy Changes

Category: General Fund – Other

Change: \$105,259

Use of Funds: General Fund Operating Expenses

Material Reasons for Increase:

- Consolidation of changes in eleven levies
- Abatement levy increased by \$81,467
- Transition and safe schools levies increased as a result of increased enrollment

Explanation of Levy Changes

Category: Adjustments for Prior Years – General Fund

Change: \$334,267

Use of Funds: Various purposes

Reason for Increase

- Each year, initial levies are based on estimates of enrollment, values, and expenditures for future years
- In three subsequent years, estimates are updated and levies are retroactively adjusted
- \$325,739 of the current adjustment is for update of a prior year levy for Long Term Facility Maintenance

Explanation of Levy Changes

Category: Debt Service

Change: -\$132,401

Use of Funds: Annual required payment of principal and interest on bonded debt

Reason for Decrease:

- A \$306,845 reduction in principal and interest based on the debt retirement schedule
- Reduction in use of carryover fund balance by \$157,914

Factors Impacting Individual Taxpayers School Taxes

Many factors can cause the tax bill for an individual property to increase or decrease from year to year:

- Changes in value of the individual property
- Changes in the total value of all property in the district
- Increases or decreases in levy amounts caused by changes in state funding formulas, local needs and costs, voter-approved referendums, and other factors

Four Year School Levy Comparison

The following are tables and graphs showing examples of changes in the school district portion of property taxes from 2015 to 2018

Examples include school district taxes only

All examples are based on a 20.7% increase in property value over this period

- Actual changes in value may be more or less than this for any parcel of property
- Figures are intended to provide a fair representation of what has happened to school district property taxes over this period for typical properties

Impact on Taxpayers

- Examples are for property in the City of Moorhead
- Figures for 2018 are preliminary estimates, based on best available data – final figures could change slightly
- Estimates prepared by Ehlers, district's municipal financial advisors

Moorhead Area Public Schools

Estimated Changes in School Property Taxes, 2015 to 2018
Based on 20.7% Cumulative Changes in Property Value from 2015 to 2018 Taxes

Type of Property	Estimated Market Value for 2015 Taxes	Actual Taxes Payable in 2015	Estimated Market Value for 2016 Taxes	Actual Taxes Payable in 2016	Estimated Market Value for 2017 Taxes	Actual Taxes Payable in 2017	Estimated Market Value for 2018 Taxes	Estimated Taxes Payable Total	Change in Taxes 2015 to 2018	Change in Taxes 2017 to 2018
Residential Homestead	\$82,836	\$282	\$89,878	\$360	\$96,618	\$382	\$100,000	\$411	\$129	\$29
	144,964	567	157,286	725	169,082	754	175,000	808	241	54
	207,091	852	224,694	1,090	241,546	1,125	250,000	1,205	353	80
	248,509	1,042	269,633	1,333	289,855	1,373	300,000	1,469	427	96
	310,637	1,328	337,041	1,699	362,319	1,745	375,000	1,866	538	121
	372,764	1,613	404,449	2,064	434,783	2,111	450,000	2,253	640	142
	434,891	1,893	471,857	2,411	507,246	2,468	525,000	2,648	755	180
	497,019	2,164	539,265	2,789	579,710	2,875	600,000	3,083	919	208
	559,146	2,473	606,673	3,191	652,174	3,282	675,000	3,518	1,045	236
	621,273	2,785	674,082	3,593	724,638	3,689	750,000	3,952	1,167	263
Commercial/ Industrial #	\$82,836	\$470	\$89,878	\$613	\$96,618	\$616	\$100,000	\$659	\$189	\$43
	621,273	4,151	674,082	5,488	724,638	5,495	750,000	5,893	1,742	398
	1,035,456	7,051	1,123,469	9,317	1,207,729	9,311	1,250,000	9,980	2,929	669
	1,406,220	9,660	1,527,918	12,763	1,642,512	12,745	1,700,000	13,658	3,998	913
Agricultural Homestead (average value per acre of land and buildings)	1,656,729	11,400	1,797,551	15,061	1,932,367	15,035	2,000,000	16,110	4,710	1,075
	\$2,485	\$3.29	\$2,696	\$4.60	\$2,899	\$4.41	\$3,000	\$3.72	\$0.43	-\$0.69
	5,799	7.68	6,291	10.73	6,763	10.29	7,000	8.68	1.00	-1.61
	7,041	9.32	7,640	13.03	8,213	12.50	8,500	10.53	1.21	-1.97
Agricultural Nonhomestead (average value per acre of land and buildings)	8,284	10.97	8,988	15.33	9,662	14.70	10,000	12.40	1.43	-2.30
	\$2,485	\$6.58	\$2,696	\$9.20	\$2,899	\$8.82	\$3,000	\$7.43	\$0.85	-\$1.39
	5,799	15.35	6,291	21.46	6,763	20.59	7,000	17.36	2.01	-3.23
	7,041	18.64	7,640	26.06	8,213	25.00	8,500	21.08	2.44	-3.92
Apartments and Res. Non-Homestead (2 or more units)	8,284	21.93	8,988	30.66	9,662	29.41	10,000	24.79	2.86	-4.62
	\$103,546	\$519	\$112,347	\$670	\$120,773	\$678	\$125,000	\$725	\$206	\$47
	828,364	4,154	898,775	5,359	966,184	5,426	1,000,000	5,798	1,644	372
	1,656,729	8,309	1,797,551	10,718	1,932,367	10,851	2,000,000	11,596	3,287	745
Tax Rates										
Tax Capacity Rate 26.476 34.112 30.439 31.682										
Referendum Market Value Rate 0.17058 0.16985 0.18107 0.18376										

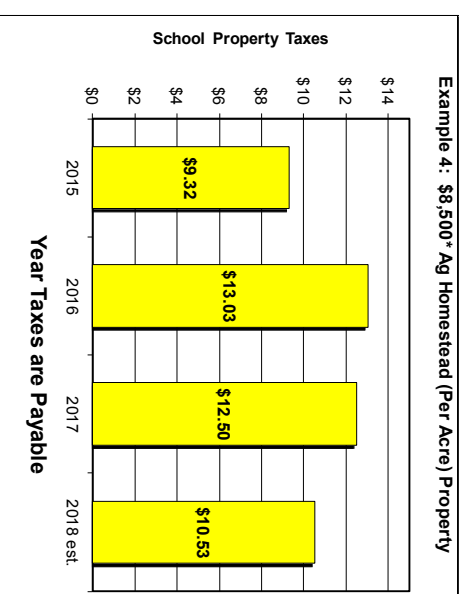
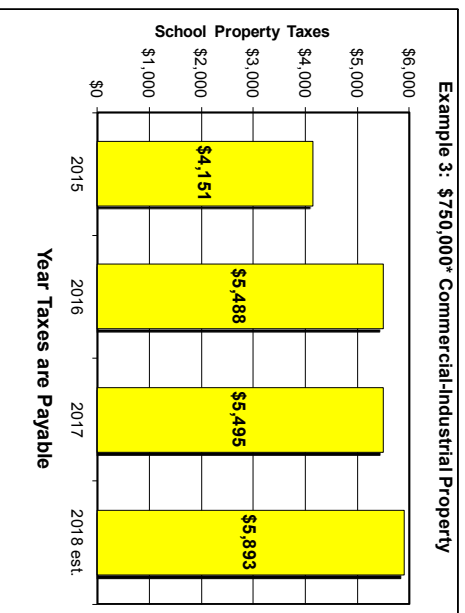
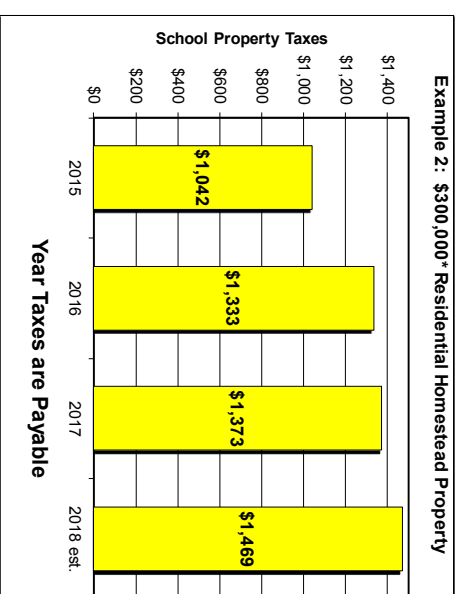
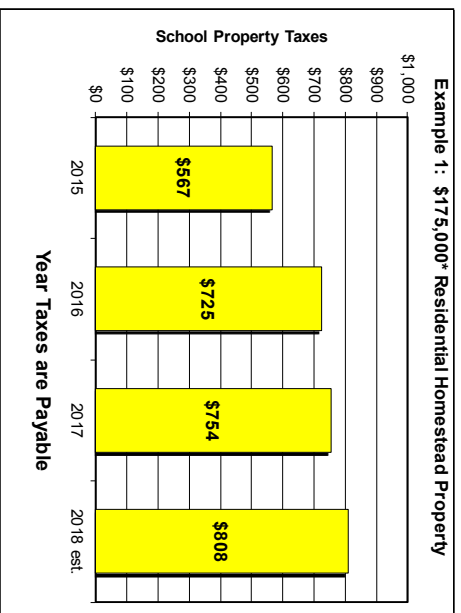
For commercial-industrial property, figures above are for property in the City of Moorhead. Taxes for commercial-industrial property in other municipalities may be slightly different, due to the impact of the Fiscal Disparities Program.

General Notes

- The figures in the table are based on school district taxes only, and do not include taxes for the city or township, county, state, or other taxing jurisdictions.
- Estimates of taxes payable in 2018 are preliminary, based on the best data available as of the date above.
- For all examples of properties, taxes are based on changes in taxable market value of 8.5% from 2015 to 2016 taxes, 7.5% from 2016 to 2017, and 3.5% from 2017 to 2018.

Moorhead Area Public Schools

Estimated Changes in School Property Taxes, 2015 to 2018
Based on 20.7% Cumulative Changes in Property Value from 2015 to 2018 Taxes



* For all four examples of properties, the value shown in the title of the chart is the estimated market value for taxes payable in 2018. Taxes are calculated based on changes in market value of 8.5% from 2015 to 2016 taxes, 7.5% from 2016 to 2017, and 3.5% from 2017 to 2018.

Minnesota Homestead Credit Refund

“Circuit Breaker”

- Has existed since 1970s
- Available each year to owners of homestead property
(applies to taxes paid on house, garage and one acre for ag homestead property)
- Annual income must be approximately \$108,660 or less
(income limit is higher if you have dependents)
- Sliding scale - refund based on income and total property taxes
- Maximum refund for homeowners is \$2,660
- Average refund was \$847 for property tax in year 2015
- Also available to renters

Minnesota Special Property Tax Refund

- Available each year to owners of homestead properties with a gross tax increase of at least 12% and \$100 over prior year
- Helpful in first year after referendum
- Refund is 60% of amount by which tax increase exceeds greater of 12% or \$100, up to a maximum of \$1,000
- No income limits
- Complete state tax form M-1PR (www.revenue.state.mn.us)

Senior Citizen Property Tax Deferral

- Allows people age 65 and older with household income of \$60,000 or less to defer a portion of property taxes on their home
- Limits maximum amount of property tax paid to 3% of household income
- Additional taxes are deferred, not forgiven
- Provides predictability; amount of tax you pay will not change for as long as you participate in the program
- Deferred property taxes plus accrued interest must be paid when home is sold or homeowner(s) dies

Make Moorhead Home Property Tax Rebate Program

2015 New Construction Residences (198): Year 2 of 2-Year Exemption

[illegible]

2015 Remodeled Residences (9): Year 2 of 2-Year Exemption

Property Addresses: 4220 39 St S, 425 6 St S, 2150 38 St S, 2056 33 St S, 1802 32 St S, 310 37 Ave S, 1512 4 Ave S, 906 11 St S, 2201 11 St N

2016 New Construction Residences (142): Year 1 of 2-Year Exemption

[illegible]

2016 Remodeled Residences (23): Year 1 of 2-Year Exemption

Property Addresses: 1620 4 St S, 1503 18 Ave S, 518 4 St S, 3819 41 Ave S, 4001 3 St S, 222 11 St S, 822 Rensvold Blvd, 1021 9 Ave S, 1503 36 St S, 3408 23 St S, 1411 46 Ave S, 1540 Johnson Dr, 1548 Johnson Dr, 1009 63 Ave N, 4308 Rivershore Dr S, 4856 2 St SW, 3720 40 St S, 1591 Johnson Dr, 3926 10 Ave S, 1722 7 St S, 617 33 St N, 6507 1 St N, 3106 Village Green Dr

Next Steps

- Board will accept public comments and questions on proposed levy
- Board will certify the 2018 property tax levy



Public Comments & Questions?

I. COMPUTATION OF 2017 PAYABLE 2018 LEVY LIMITATION BY FUND (BEFORE COUNTY AUDITOR ADJUSTMENTS):

FUND	INITIAL LEVY LIMITATION	LIMITATION ADJUSTMENTS	ABATEMENT ADJUSTMENTS	OFFSET ADJUSTMENTS	TAC/MAX EFF ADJUSTMENT	MAXIMUM LEVY LIMITATION
GEN-RMV VOTER-EXEMP	1,365,861.73	134,804.67	N/A			1,500,666.40
GEN-RMV OTHER-EXEMP	4,830,138.21	190,443.00-	N/A			4,639,695.21
GEN-NTC VOTER-EXEMP		N/A	N/A			N/A
GEN-NTC OTHER-GENED	3,596,595.99	363,689.27	35,117.47		N/A	3,995,402.73
GEN-NTC OTHER-EXEMP						10,135,764.34
TOTAL GENERAL	9,792,595.93	308,050.94	35,117.47			478,304.33
COM SERV-EXEMP	477,592.29	117.87-	829.91			6,933,006.85
DEBT-VOTER-NONEXEMP	7,469,858.00	572,639.31-	35,788.16			6,933,006.85
DEBT-OTHER-NONEXEMP						6,933,006.85
TOTAL DEBT SERV	7,469,858.00	572,639.31-	35,788.16			1,350,532.57
OPEB-VOTER-NONEXEMP						1,350,532.57
OPEB-OTHER-NONEXEMP	1,534,313.00	195,941.73-	12,161.30			1,350,532.57
TOTAL OPEB/PENSION	1,534,313.00	195,941.73-	12,161.30			18,897,608.09
TOTAL	19,274,359.22	460,647.97-	83,896.84			

II. COMPARISON OF 2016 PAYABLE 2017 LEVY LIMITATION WITH 2017 PAYABLE 2018 LEVY LIMITATION (BEFORE COUNTY AUDITOR ADJUSTMENTS):

FUND	2016 PAY 2017 LIMITATION	2017 PAY 2018 LIMITATION	INCREASE (DECREASE)	PERCENT CHANGE
GENERAL	8,780,563.69	10,135,764.34	1,355,200.65	15.43
COMMUNITY SERVICE	465,166.09	478,304.33	13,138.24	2.82
GENERAL DEBT SERVICE	6,912,994.65	6,933,006.85	20,012.20	.29
OPEB DEBT SERVICE	1,502,945.53	1,350,532.57	152,412.96-	10.14-
TOTAL	17,661,669.96	18,897,608.09	1,235,938.13	7.00

III. COMPARISON OF 2016 PAYABLE 2017 CERTIFIED LEVY PLUS COUNTY AUDITOR ADJUSTMENTS WITH 2017 PAYABLE 2018 CERTIFIED LEVY PLUS COUNTY AUDITOR ADJUSTMENTS:

FUND	2016 PAY 2017 CERTIFIED LEVY + ADJUSTMENTS	2017 PAY 2018 CERTIFIED LEVY + ADJUSTMENTS	INCREASE (DECREASE)	PERCENT CHANGE
GENERAL	8,780,563.69			
COMMUNITY SERVICE	465,166.09			
GENERAL DEBT SERVICE	6,912,994.65			
OPEB DEBT SERVICE	1,502,945.53			
TOTAL AFTER ADJUSTMENTS	17,661,669.96			

Minnesota Department of Education
Levy Limitation and Certification Report
2017 Payable 2018

District Number-Type: 0152-01
District Name: MOORHEAD PUBLIC SCHOOL DISTRICT
Home County: CLAY

Date Printed: 11/28/17
Limits Updated: 11/27/17
Certified Submitted: 11/28/17

	LIMIT	PROPOSED	CERTIFIED
SUBTOTALS BY LEVY CATEGORY			
GENERAL - RMV VOTER - JOBZ EXEMPT	1,500,666.40	1,500,666.40	1,500,666.40
GENERAL - RMV OTHER - JOBZ EXEMPT	4,639,695.21	4,639,695.21	4,639,695.21
GENERAL - NTC VOTER - JOBZ EXEMPT	0.00	0.00	0.00
GENERAL - NTC OTHER GENED - EXEMPT	0.00	0.00	0.00
GENERAL - NTC OTHER - JOBZ EXEMPT	3,995,402.73	3,995,402.73	3,995,402.73
COMMUNITY SERVICE - NTC OTHER - JOBZ EXEMPT	478,304.33	478,304.33	478,304.33
GENERAL DEBT - NTC VOTER - JOBZ NONEXEMPT	6,933,006.85	6,933,006.85	6,933,006.85
GENERAL DEBT - NTC OTHER - JOBZ NONEXEMPT	0.00	0.00	0.00
OPEB DEBT - NTC VOTER - JOBZ NONEXEMPT	0.00	0.00	0.00
OPEB DEBT - NTC OTHER - JOBZ NONEXEMPT	1,350,532.57	1,350,532.57	1,350,532.57
SUBTOTALS BY FUND			
GENERAL FUND	10,135,764.34	10,135,764.34	10,135,764.34
COMMUNITY SERVICES FUND	478,304.33	478,304.33	478,304.33
GENERAL DEBT SERVICE FUND	6,933,006.85	6,933,006.85	6,933,006.85
OPEB/PENSION DEBT SERVICE FUND	1,350,532.57	1,350,532.57	1,350,532.57
SUBTOTALS BY TAX BASE			
REFERENDUM MARKET VALUE	6,140,361.61	6,140,361.61	6,140,361.61
NET TAX CAPACITY	12,757,246.48	12,757,246.48	12,757,246.48
SUBTOTALS BY TRUTH IN TAXATION CATEGORY			
VOTER APPROVED	8,433,673.25	8,433,673.25	8,433,673.25
OTHER	10,463,934.84	10,463,934.84	10,463,934.84
TOTAL LEVY			
TOTAL LEVY	18,897,608.09	18,897,608.09	18,897,608.09

The school district must submit the completed original of this form to the home county auditor by December 28, 2017. A duplicate form must be submitted to Minnesota Department of Education, School Finance Division, 1500 Highway 36 West, Roseville, MN 55113, by January 7, 2018.

The certified levy listed above is the levy voted by the school board for taxes payable in 2018.

Signature of School Board Clerk

Date of Certification



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.040R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Resolution Establishing Combined Polling Places

School districts have authority to establish combined polling places for those elections in which no other election is being held within the school district. Amendments to Minnesota Statutes Section 205A.11 require school boards to annually designate, by resolution, combined polling places for stand-alone school district elections held in the following calendar year. The locations of combined polling places have been limited to those locations designated for use as a polling place by a county or municipality. When determining the locations of one or more combined polling places throughout the school district, both geographical distribution and population distribution must be considered.

Attached please find the Resolution Establishing Combined Polling Places for Multiple Precincts and Designating Hours During Which the Polling Places Will Remain Open for Voting for School District Elections Not Held on the Day of a Statewide Election.

Suggested Resolution: Move to approve the Resolution Establishing Combined Polling Places for Multiple Precincts and Designating Hours During Which the Polling Places Will Remain Open for Voting for School District Elections Not Held on the Day of a Statewide Election as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

Description	Type
□ Resolution	Cover Memo

RESOLUTION ESTABLISHING COMBINED POLLING PLACES
FOR MULTIPLE PRECINCTS AND
DESIGNATING HOURS DURING WHICH THE POLLING
PLACES WILL REMAIN OPEN FOR VOTING
FOR SCHOOL DISTRICT ELECTIONS NOT HELD
ON THE DAY OF A STATEWIDE ELECTION

BE IT RESOLVED by the School Board of Independent School District No. 152, State of Minnesota, as follows:

1. Pursuant to Minnesota Statutes, Section 205A.11, the precincts and polling places for school district elections are those precincts or parts of precincts located within the boundaries of the school district which have been established by the cities or towns located in whole or in part within the school district. The board hereby confirms those precincts and polling places so established by those municipalities.

2. Pursuant to Minnesota Statutes, Section 205A.11, the board may establish a combined polling place for several precincts for school district elections not held on the day of a statewide election. Each combined polling place must be a polling place that has been designated by a county or municipality. The following combined polling places are established to serve the precincts specified for all school district special and general elections not held on the same day as a statewide election:

COMBINED POLLING PLACE 1:	Clay County Courthouse 807 11th Street North Moorhead, MN 56560
---------------------------	---

This combined polling place serves all territory in Independent School District No. 152 located in Moorhead City Ward 1 (Precincts 1 and 2), Georgetown City, Georgetown Township, Kragnes Township, Moland Township, Morken Township and Oakport Township; Clay County, Minnesota.

COMBINED POLLING PLACE 2:	Grace United Methodist Church 1120 17th Street South Moorhead, MN 56560
---------------------------	---

This combined polling place serves all territory in Independent School District No. 152 located in Moorhead City Ward 2 (Precincts 3, 4, 5a and 5b) and Glyndon Township; Clay County, Minnesota.

COMBINED POLLING PLACE 3:	Valley Christian Church 611 37th Avenue South Moorhead, MN 56560
---------------------------	--

This combined polling place serves all territory in Independent School District No. 152 located in Moorhead City Ward 3 (Precincts 6a, 6b, 7 and 8), Holy Cross Township, Kurtz Township and Moorhead Township; Clay County, Minnesota.

COMBINED POLLING PLACE 4: Calvary Church at Village Green
2801 Village Green Boulevard
Moorhead, MN 56560

This combined polling place serves all territory in Independent School District No. 152 located in Moorhead City Ward 4 (Precincts 9, 10, 11 and 12), Elmwood Township, Sabin City and Alliance Township; Clay County, Minnesota.

3. Pursuant to Minnesota Statutes, Section 205A.09, the polling places will remain open for voting for school district elections not held on the same day as a statewide election between the hours of 7:00 o'clock a.m. and 8:00 o'clock p.m.

4. The clerk is directed to file a certified copy of this resolution with the county auditors of each of the counties in which the school district is located, in whole or in part, within thirty (30) days after its adoption.

5. As required by Minnesota Statutes, Section 204B.16, Subdivision 1a, the clerk is hereby authorized and directed to give written notice of new polling place locations to each affected household with at least one registered voter in the school district whose school district polling place location has been changed. The notice must be a nonforwardable notice mailed at least twenty-five (25) days before the date of the first election to which it will apply. A notice that is returned as undeliverable must be forwarded immediately to the appropriate county auditor, who shall change the registrant's status to "challenged" in the statewide registration system.



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo SB.18.054R

TO: School Board

FROM: Bill Tomhave, Chair

DATE: 12/5/2017

RE: Superintendent Search Process

Dr. Lynne Kovash retired as superintendent of Moorhead Area Public Schools on November 30, 2017, which will require the School Board to begin a search for a new superintendent of schools. Brandon Lunak is currently serving as the interim superintendent through June 30, 2018, or at such time that a new superintendent has been hired.

It is recommended that the School Board utilize the Minnesota School Boards Association (MSBA) Executive Search Service to provide leadership and support in the superintendent search to begin January 2018. MSBA's Executive Search Service's mission and philosophy are:

MISSION: The mission of the MSBA Executive Search Service is to assist school boards in recruiting and employing superintendents or other district-level administrators utilizing best practices in keeping with MSBA's mission to support, promote, and enhance the work of public school boards and public education.

PHILOSOPHY: The MSBA Executive Search Service is grounded in its commitment to provide a collaborative, highly professional, and efficient search process that supports school boards in fulfilling one of their most important school board responsibilities — hiring a superintendent. The MSBA Executive Search Service approaches the search process from a school board perspective, and the school board maintains control of all search-related decisions. MSBA's search consultants partner with the school board and provide assistance to ease the onus of the search process from start to finish — coordinating the search tasks, collecting information, etc.

MSBA has provided a proposal with an estimated professional fee not to exceed \$10,000, which includes the MSBA search consultant(s)' time, travel and mileage. This proposal also includes MSBA's in-district superintendent search workshop. Additional costs may occur if the school district requires additional advertising services, interviewee expenses, or site visits. The level of services and fee included in this proposal are negotiable based on the School Board's needs.

Suggested Resolution: Move to approve a proposal from the MSBA Executive Search Service to assist in recruiting a superintendent for Moorhead Area Public Schools beginning January 2018 for an estimated professional fee not to exceed \$10,000.

Moved by:
Seconded by:
Comments:

BKT:mde

ATTACHMENTS:

Description	Type
 Search Proposal	Cover Memo

Proposal for Executive Search Services

Moorhead Area Public Schools



Where School Boards Learn to Lead

Minnesota School Boards Association Executive Search Service

1900 West Jefferson Avenue, St. Peter, MN 56082

www.mnmsba.org/ExecutiveSearchService

Table of Contents

PROPOSAL FOR MOORHEAD AREA PUBLIC SCHOOLS

INTRODUCTION	1
PLANNING, HIRING CRITERIA, AND STAKEHOLDER INPUT	2
ADVERTISING AND RECRUITMENT	3
INTERVIEW PREPARATION	4
SCREENING, INTERVIEWS AND REFERENCES	5
CONTRACT AND FOLLOW-UP	5
SEARCH SERVICE AND ESTIMATED FEE	6
CHOOSING AN MSBA-LED SEARCH	7
TENTATIVE TIMELINE	8

MSBA SEARCH TEAM

SANDY GUNDLACH	9
AMY FULLENKAMP-TAYLOR	10
GARY LEE	11
JEFF OLSON and STEVE NIKLAUS	12
HAROLD REMME	13
DAVE THOMPSON and RENAE TOSTENSON	14
TERRY QUIST and SANDI NOVAK	15
ADMINISTRATIVE SUPPORT	16
CURRENT AND PREVIOUS MSBA-LED SEARCHES	17

Minnesota School Boards Association Executive Search Service

1900 West Jefferson Avenue, St. Peter, MN 56082

Phone: 800-324-4459 | Fax: 507-931-1515 | www.mnmsba.org/ExecutiveSearchService
sgundlach@mnmsba.org

Date: December 7, 2017	
Prepared for: Kristin Dehmer Executive Director of Human Resources	Prepared by: Sandy Gundlach and MSBA Search Team

Introduction

The most important decision a school board will probably ever make is to choose a new superintendent. As the school district's chief executive officer, the superintendent is responsible for providing leadership and implementing the school board's policies and ensuring the school board's priorities are met. Effective superintendents ensure that all students are learning at high levels. Ultimately, hiring the right superintendent — someone who possesses the skills and attributes needed to help achieve the school district's vision and strategic priorities — requires time, thoughtful planning, and a sound recruitment and employment process and procedure.

The Minnesota School Boards Association (MSBA) is pleased to present the School Board of Moorhead Area Public Schools with a proposal for executive search services (search). MSBA has been serving Minnesota school boards for more than 95 years, and, as a result, MSBA search consultants bring a strong school board perspective to the search. MSBA wants to help the School Board find and hire the best person for its superintendent.

MSBA-led searches are based on one clear premise: the School Board is in charge of all decisions. With the assistance of other MSBA staff, the MSBA search consultant(s) will professionally handle the details of the search and guide the School Board through the search process. The MSBA search consultant(s) will customize the search to meet the needs of the school district and community, allowing the School Board to concentrate on the most important aspects of the search — interviewing the most qualified candidates and selecting the next superintendent.



Planning, Hiring Criteria and Stakeholder Input

INITIAL PLANNING MEETING

An MSBA search begins with an initial planning meeting between the School Board and the MSBA search consultant(s). At the planning meeting, the MSBA search consultant(s) will work with the School Board to establish the best possible search timeline and procedures for conducting the search.

DETERMINING HIRING CRITERIA

The MSBA search consultant(s) will help the School Board determine the personal and professional skills and attributes it most desires in a superintendent, which, in turn, will provide the basis for the position leadership profile and hiring criteria.

STAKEHOLDER INPUT

Five stakeholder involvement-related opportunities are included in the search package. The opportunities include:

- completion of an online survey,
- facilitated community/school district staff listening sessions held over a three-day period,
- facilitated one-on-one interviews with school board members and up to twenty school district staff members and/or community leaders,
- facilitated community/school district staff question-and-answer forums with finalists in conjunction with the second round of interviews, and
- training of community and/or school district staff interview committees, if any.

MSBA search consultant(s) will work with the School Board and its designee(s) to schedule and promote the stakeholder input sessions and will provide a brief summary of the key findings.

Advertising and Recruitment

ADVERTISE AND RECRUIT

MSBA will work with the School Board to develop a one-page brochure to advertise the position.

In addition, the vacancy announcement will be posted on MSBA's website and in MSBA's *The Leader* newsletter; will be posted on the Minnesota Association of School Administrators' website; and will be sent to Minnesota school districts and select college and university departments of education administration. The vacancy announcement will also be posted on St. Cloud State University's EdPost website and on similar websites for universities in North Dakota and South Dakota.

In addition, MSBA's reach extends nationally to other states through the National Affiliation of Superintendent Searchers (NASS). The NASS is comprised of more than 60 superintendent search consultants representing 40 state school boards associations who assist search consultants in other states by providing access to nationwide job postings and vital reference and work-history verification concerning out-of-state applicants. Ultimately, when a school board hires MSBA to conduct its superintendent search, the school district taps into NASS — one of the most experienced, qualified networks of search consultants in the United States.

At the direction of the School Board, other advertising beyond the methods noted above may be utilized to promote the position and recruit applicants, in which case, the advertising fees must be approved by the School Board and be borne by the school district.

MSBA search consultant(s) will directly contact superintendents and administrators to inform them of the vacancy and application procedures.

MSBA search consultant(s) will develop application procedures, handle all applicants' calls and correspondences concerning the vacancy, collect applicants' files, and develop a pool of applicants.

Interview Preparation

INTERVIEW TRAINING AND PREPARATION

Prior to the application deadline, the MSBA search consultant(s) will meet with the School Board to help it prepare for and conduct the first and second rounds of interviews, reference checks, and site visit(s). Interview training will include information which will help the School Board members conduct interviews in open sessions as required by state law and in a professional manner. This training may be conducted by the MSBA search consultant(s) from a remote location via Skype.

The MSBA search consultant(s) will also help the School Board develop interview questions that fit the leadership profile and hiring criteria, that do not violate the law, either directly or indirectly, and that standardize the interview process. The MSBA search consultant(s) will assist the School Board with planning second interview, reference check, and site visit(s) questions and help the School Board plan a site visit(s). The MSBA search consultant(s) will be on-site during the first and second rounds of interviews.

Because hiring the superintendent is the School Board's role, MSBA recommends that only its members participate in the interviews. If the School Board decides to involve non-school board members in the interview process, MSBA search consultant(s) will help the School Board develop a process that makes clear the advisory nature of the non-school board members' roles. MSBA search consultant(s) will also provide interview training for the non-school board members, review and approve the interview questions, and be on-site during the interviews. By following these recommendations, the School Board is able to standardize the interview questions and format, to provide more control over the selection decision, and to reduce the school district's risk of liability.

If desired, the School Board may decide to invite community and school district staff to participate in an MSBA search consultant(s) facilitated question-and-answer forum in conjunction with the second round of interviews.

Screening, Interviews and References

SCREEN APPLICATIONS AND SELECT FINALISTS

After the application deadline has passed, the MSBA search consultant(s) and MSBA screener(s) will review the applicants' files in relationship to the position leadership profile and the hiring criteria that were established by the School Board in order to identify the applicants who best meet the School Board's hiring criteria. The MSBA search consultant(s) will then conduct preliminary verification of references and pre-interviews of the applicants who best meet the School Board's hiring criteria.

Following MSBA's review of the applications, a copy of all completed applications will be sent to the school district for the School Board members to review prior to the finalists' determination meeting noted below, if requested.

Once the screening, preliminary verification of references, and pre-interviews have been conducted, the MSBA search consultant(s) will meet with the School Board to determine the finalists.

The MSBA search consultant(s) will prepare a communication piece to send to the media, school district staff, and community including the names of the finalists who will be interviewed as well as the schedule of remaining search-related activities.

Contract and Follow-up

DECISIONS, CONTRACT, AND ANNOUNCEMENT

The MSBA search consultant(s) will guide the School Board through the process of contacting the lone finalist to offer the position. The MSBA search consultant(s) will recommend the School Board use the MSBA/MASA Model Superintendent Contract as the basis for negotiating the superintendent's contract. MSBA search consultant(s) will not negotiate the contract for the School Board. The MSBA search consultant(s) will draft a communication piece for the media, school district staff, and community introducing the new superintendent.

MSBA search consultant(s) will also personally contact the non-selected finalists.

FOLLOW-UP

Once the search is concluded and the parties have a signed contract, the MSBA search consultant(s) will continue to provide support for the School Board and superintendent.

To assist the School Board's and superintendent's working relationship and provide support to the new superintendent, the MSBA search consultant(s) will:

- facilitate an in-district, post-hiring, workshop dealing with goals and/or expectations for the School Board and superintendent after the new superintendent begins work in the school district.
- visit the new superintendent during the new superintendent's first year of school district employment.
- be available to answer the new superintendent's and the School Board's questions during the transition and beyond via phone, email, in-district workshop, etc.

Search Service and Estimated Fee

The proposed search for the Moorhead Area Public Schools includes the services outlined below.

MSBA search consultant(s):

- Conduct an initial meeting with the School Board for purposes of developing the search timeline, preliminary discussion of the hiring criteria, advertising venues, etc.*
- Conduct community/school district staff online survey — created and summarized by MSBA
- Conduct community/school district staff activities — hold community/school district staff listening sessions and conduct one-on-one interviews of school board members and school district staff/community members over a three-day time frame as determined by the School Board*
- Develop a 1-page (2-sided) vacancy announcement and post vacancy via various sources
- Handle applicants' calls and correspondence and receive applicants' credentials
- Conduct a meeting with the School Board for purposes of interview training, developing interview questions, and clarifying remaining steps of the search process* (MSBA search consultant(s) may join the meeting from a remote location via Skype)
- Screen the applicant pool against the School Board's established hiring criteria
- Conduct preliminary verification of references and pre-interviews of applicants who best meet the School Board's hiring criteria as determined by MSBA's screening team
- Conduct a meeting with the School Board to present applicants so it can take action to select "finalists" for interviews and finalize first round of interview questions*
- Conduct a meeting with non-school board member committees for purposes of training and be on-site during the interviews, if requested*
- Be on-site during the first and second rounds of interviews*
- Prepare a communication piece to send to the media, school district staff, and community including the names of the finalists who will be interviewed
- Assist with developing second round of interview, reference check, and site visit questions
- Facilitate a community/school district staff question-and-answer forum with finalists in conjunction with the second round of interviews, if requested*
- Prepare a communication piece to send to the media, school district staff, and community introducing the new superintendent
- Conduct an in-district, post hiring workshop after the new superintendent begins work.*
- Visit the new superintendent during the new superintendent's first year of school district employment*

***In-district meeting with School Board and/or community/school district staff groups.**

ESTIMATED FEE FOR SERVICE

The estimated professional fee for this search proposal shall not exceed \$10,000, which includes the MSBA search consultant(s)' time, travel, and mileage. Additional fees the school district may incur above the professional fee include advertising beyond the venues noted on Page 3, expenses associated with finalists' interviews, and School Board members' site visits. This proposal also includes MSBA's in-district superintendent search workshop. The level of services and fee included in this proposal are negotiable based on the School Board's needs.

Choosing an MSBA-led Search

SATISFACTION GUARANTEE

MSBA will conduct the superintendent search from a strong school board perspective and with impartiality and professionalism while focusing on the School Board's identified hiring criteria. If, at any time within one year after the conclusion of the MSBA-led search, the School Board has released the superintendent and the hiring School Board members have not changed, MSBA will conduct a second superintendent search for no additional professional fee for services; however, the School Board will be responsible for expenses incurred by MSBA for the second search.

BENEFITS OF MSBA EXECUTIVE SEARCH SERVICES

- **The school board is in charge.** MSBA search consultants focus on the School Board's critical role in performing a superintendent search.
- **MSBA is your organization.** MSBA is a school board-oriented organization, committed to working in partnership with the School Board to identify individuals who meet the School Board's hiring criteria.
- **MSBA has knowledgeable staff.** MSBA has more than 95 years of experience serving Minnesota school boards and superintendents. MSBA's staff is competent, experienced, helpful, and dedicated to the principle of serving local school boards.
- **MSBA staff work as a team.** The School Board gets the entire MSBA staff and their experience working for its benefit, not just a single search consultant.
- **MSBA has a national reach.** MSBA staff bring extensive state and national contacts to each search.
- **MSBA has high standards.** MSBA staff strive to maintain the highest personal, professional, and ethical standards in all aspects of service delivery.
- **MSBA provides on-going support.** MSBA is committed to the long-term success of school board and superintendent teams, and MSBA will continue to provide support for member school boards and superintendents well after the search is over.

Tentative Timeline*

■ Late December 2017 to Late January 2018

- School Board holds initial planning meeting with the MSBA search consultant(s) to plan the search, including develop a timeline, search procedures**
- MSBA search consultant(s) conducts online survey and holds community/school district staff forums for public input, if applicable**
- School Board holds a meeting to approve advertising materials, including hiring criteria

■ Early January 2018 to Early March 2018

- MSBA search consultant(s) finalizes application procedures and advertises
- MSBA search consultant(s) receives applications
- MSBA search consultant(s) conducts online survey and holds community/school district staff forums for public input, if applicable**
- MSBA search consultant(s) meets with the School Board to conduct interview training**
- MSBA search consultant(s) conducts initial screening of applicants
- MSBA search consultant(s) conducts preliminary verification of references and pre-interviews of applicants

■ Early March 2018

- MSBA search consultant(s) facilitates applicant screening conducted by the School Board to select finalists for interviews and conducts training of non-school board member committees, if requested**

■ Mid-March 2018 to Mid-April 2018

- School Board conducts first round of interviews and MSBA search consultant(s) on-site for interviews, if requested**
- School Board conducts reference checks
- School Board conducts second round of interviews and MSBA search consultant(s) on-site for interviews**
- School Board conducts site visit, if applicable
- School Board selects lone finalist

■ Mid-April 2018 to Late April 2018

- School Board negotiates terms and conditions of superintendent's contract
- School Board meets to approve the superintendent's employment contract

■ July 1, 2018

- Superintendent reports to work

** This timeline provides a starting point for considering and adopting a superintendent search timeline.*

MSBA Search Team

MSBA search consultants understand that selecting a superintendent is one of the Board's most important duties and have a vested interest in the success of your search. Below are brief résumés of MSBA's search team.

■ **SANDY GUNDLACH, Ed.S.**

Sandy brings more than 25 years of experience working with school boards and superintendents, including being a local school board member (St. Peter School Board, 1992-1999), a member of the MSBA Board of Directors (1995-1999), and a superintendent search consultant. Sandy is a member of the National Affiliation of Superintendent Searchers and has conducted 60 superintendent searches in Minnesota and Illinois. Sandy joined MSBA in 2005. Below is a summary of Sandy's work history and relevant work experience.

WORK HISTORY

- Illinois Association of School Boards (IASB): Field Services Director
- South Central Service Cooperative: Education Consultant
- Brown-Nicollet Human Services Board: Nurse
- Sibley County Public Health Nursing Service: Nurse
- St. Peter Community Hospital: Nurse

RELEVANT WORK EXPERIENCE

- Individual school board in-services: Superintendent Search, School Board-Superintendent Relationship, Mutual Expectations, School Board Self-Evaluations
- Presenter — MSBA workshops, seminars, and conferences:
 - o Superintendent Evaluation
 - o Area Negotiations
 - o Strategic Planning
 - o Phase I: School Board Governance/Roles and Responsibilities
 - o Various Other Topics
- Analyze superintendent employment contracts
- Contributor to MSBA *The Leader*
- Daily telephone/email/facsimile responses to MSBA school board member questions
- Presenter — IASB workshops, seminars, and conferences
 - o Targeting Student Learning
 - o School Boards in a Democracy
 - o Strategic Planning

MSBA Search Team

■ **AMY FULLENKAMP-TAYLOR, S.P.H.R., SHRM-SCP**

Amy has more than 20 years of extensive experience in human resources including recruitment, retention, training, employee relations, benefit administration, and employment and labor law compliance, and she is a member of the National Affiliation of Superintendent Searchers. Amy joined MSBA in 2007. Below is a summary of Amy's work history and relevant work experience.

WORK HISTORY

- Jones Metal Products: Director of Human Resources
- Midwest Wireless: Human Resources Specialist
- Sears Roebuck & Company: Human Resources Specialist
- Argosy V Belle of Sioux City: Director of Human Resources

RELEVANT WORK EXPERIENCE

- Individual school board in-services: Superintendent Search
- Presenter — MSBA workshops, seminars, and conferences:
 - Superintendent Evaluation
 - Teacher Development and Evaluation
 - Area Negotiations
 - Strategic Planning
 - Phase II: Employment; Contracts; Termination and Public Employment Labor Relations Act
 - Various Other Topics
- Analyze superintendent employment contracts and licensed and nonlicensed master agreements
- Contributor to MSBA *The Leader*
- Daily telephone/email/facsimile responses to MSBA school board member questions
- Presenter — other employer trainings
 - Americans with Disabilities Act
 - Family and Medical Leave Act
 - Harassment
 - Violence
- Author of policies and procedures for at-will employees pertaining to compensation, employee relations, leaves of absence, and performance management

MSBA Search Team

■ GARY LEE

Gary has 29 years of experience in private business — both in a large corporate setting and as an owner/president of small rural businesses. Gary is a former member of the Fertile-Beltrami School Board. Gary also served on the MSBA Board of Directors, the Northwest Service Cooperative Board of Directors, the Minnesota Service Cooperatives Board of Directors, the MSBA Insurance Trust Board of Directors, and the Big Three working group. Gary joined MSBA in 2009.

WORK HISTORY

- Lee Nursery, Inc.: Owner and President
- Lee Nursery Supplies, Inc.: Owner and President
- Sondreli Business Services: Owner
- UNISYS (formerly Sperry) Defense Systems: IT Manager

RELEVANT WORK EXPERIENCE

- Individual school board in-services: Superintendent Search and School Board-Superintendent Relationship
- MSBA workshops, seminars, and conferences:
 - o Teacher Development and Evaluation
 - o Area Negotiations
 - o Board Treasurers
 - o Strategic Planning
 - o Various Other Financial and Data Trainings
- Analyze superintendent employment contracts and nonlicensed master agreements
- Contributor to MSBA *The Leader*
- Daily telephone/email/facsimile responses to MSBA school board member questions

MSBA Search Team

■ JEFF OLSON, Ph.D.

Jeff has 40 years of experience in education including serving as superintendent (St. Peter Public Schools, 2003-2014) and high school principal (St. Peter High School, 1993-2003). Jeff has also served on the Board of Directors of the Minnesota Association of School Administrators (MASA) (President, 2010-2011) and the Minnesota State High School League (President, 2002-2003). In 2013, Jeff was named the Minnesota Superintendent of the Year by the MASA. Below is a summary of Jeff's work history and relevant work experience.

WORK HISTORY

- St. Peter Public Schools: Superintendent
- St. Peter Public Schools: Principal
- St. Peter Public Schools: Curriculum Director
- St. Peter Public Schools: Teacher/Coach

RELEVANT WORK EXPERIENCE

- Led the process for the recruitment and selection for a new MASA Executive Director
- Presenter at MSBA and MASA conferences and workshops
 - Superintendent Search
 - Strategic Planning

■ STEVE NIKLAUS

Steve Niklaus brings 43 years of experience in education including serving as superintendent (Annandale Public Schools, 1992-2007) and principal (Annandale High School, 1986-1992, and Atwater-Grove City High Schools, 1980-1986). Steve has served on several state and regional professional boards and committees. Steve has worked in both Minnesota and North Dakota school districts. Below is a summary of Steve's work history and relevant work experience.

WORK HISTORY

- Annandale Public Schools: Superintendent
- Annandale Public Schools: Principal
- Atwater-Grove City High Schools: Principal
- Welcome High School: Principal
- Oakes High School, Oakes, N.D.: High School Teacher

RELEVANT WORK EXPERIENCE

- Led six successful operating levy elections and four successful building bond elections
- Experience facilitating with superintendent searches

MSBA Search Team

■ HAROLD REMME, Ed. S.

Harold has 45 years of experience in public schools in Minnesota and Wisconsin. His classroom experience was as an elementary teacher in grades 4, 5, and 6. His administrative experience included Elementary Principal, Curriculum Director, and Superintendent. Harold has served on the Minnesota Association of School Administrators (MASA) Board of Directors and the MASA Foundation. He also was one of the founders of the Minnesota Rural Education Association, and he served as a Board of Directors member and one term as resident. Harold has also served on the Minnesota State High School League Region 2 AA Committee.

WORK HISTORY

- New Ulm Public Schools: Superintendent
- Tracy Public Schools: Superintendent
- Trimont Public Schools: Superintendent
- Winona Public Schools: Principal and Curriculum Director
- Winona Public Schools: Teacher
- Cochrane-Fountain City Public Schools: Teacher

RELEVANT WORK EXPERIENCE

- Facilitated discussions for combination and sharing services in two school districts
- Experience facilitating school district and community committees in the South Central Service Cooperative Area
 - o Superintendent Search
 - o Strategic Planning

MSBA Search Team

■ DAVE THOMPSON, Ed.D.

Dave has more than 40 years of experience in education including serving as superintendent (Stewartville Public Schools, 2000-2017), Director of Secondary Education and Middle School Principal (Farmington Public Schools, 1993-2000), High School Principal (Stewartville Public Schools, 1986-1993), High School Principal (Goodhue Public Schools, 1984-1986), Athletic Director, teacher and coach (Elgin-Millville Public Schools, 1977-1984). Dave has served on several local and regional organizational committees. Dave has served on the Minnesota Association of School Administrators Board of Directors, the MASSP Board of Directors and the Minnesota High School League Delegate Assembly. Dave has been a presenter at MASA and MSBA state conferences. Dave was selected as the National NAEOP Superintendent of the Year in 2011. Below is a summary of Dave's work history and work experience.

WORK HISTORY

- Stewartville Public Schools: Superintendent
- Farmington Public Schools: Director of Secondary Education & Middle School Principal
- Stewartville Public Schools: High School Principal
- Goodhue Public Schools: High School Principal
- Elgin-Millville Public Schools: Athletic Director/ Teacher / Coach

RELEVANT WORK EXPERIENCE

- Led four successful operating levy campaigns and two successful bond levy campaigns.
- Led Baldrige Continuous Improvement and Strategic Planning processes.
- Presenter at MSBA and MASA Conferences
- Led and implemented district's long range facility plan
- Coordinated and participated as a mentor in the SEMASA Superintendent's Mentor/Mentee program.

■ RENAE TOSTENSON, Ed.S.

Renae has nearly 40 years of experience in education. She has served as superintendent (Lac qui Parle Valley School District, 2011-2017), principal (Appleton Elementary School, 2007-2011), and teacher coach (Lac qui Parle Valley Schools, 2005-2007). Below is a summary of Renae's work history and relevant work experience.

WORK HISTORY

- Lac qui Parle Valley School District: Superintendent
- Lac qui Parle Valley School District: Principal
- Lac qui Parle Valley School District: Teacher coach

RELEVANT WORK EXPERIENCE

- Presenter at MASA and MSBA conferences and workshops

MSBA Search Team

■ **TERRY QUIST, Ph.D.**

Terry has nearly 40 years of experience in education including serving as superintendent (Alexandria Public Schools, 2006-2012), assistant superintendent (Alexandria Public Schools, 1999-2006), director of teaching and learning (Alexandria Public Schools, 1987-1999) and administrative assistant (Apple Valley High School, 1983-1987). Below is a summary of Terry's work history and relevant work experience.

WORK HISTORY

- Alexandria Public Schools: Superintendent
- Alexandria Public Schools: Assistant Superintendent
- Alexandria Public Schools: Director of Teaching and Learning
- Apple Valley High School: Administrative Assistant
- Hastings High School: Teacher/Coach
- Dodge Center Public Schools: Teacher/Coach

RELEVANT WORK EXPERIENCE

- Facilitated strategic planning processes in several Minnesota school districts.
- Led and implemented district's long-range facility plan, including the construction of a new elementary, a new high school and several building renovations and air quality upgrades.

SANDI NOVAK, Ed. S.

Sandi has 40 years of experience as a teacher, principal, curriculum director, assistant superintendent, acting superintendent, education consultant and author. Specifically, she served as the acting superintendent in Butterfield-Odin School District (February-June 2016), as assistant superintendent in the Burnsville-Eagan-Savage Schools (2004-2010), and has served on the Board of Minnesota ASCD.

WORK HISTORY

- Butterfield-Odin Schools Acting Superintendent
- Burnsville-Eagan-Savage Schools Assistant Superintendent
- Burnsville-Eagan-Savage Schools Curriculum/Professional Development Director
- Burnsville-Eagan-Savage Schools Principal
- Owatonna Schools Interim Principal
- Burnsville-Eagan-Savage Schools Teacher/Coach
- Mazeppa Elementary School Teacher

RELEVANT WORK EXPERIENCE

- Presenter at NSBA, MSBA, ASCD and other national conferences
- Coached leadership teams across the country on effective literacy instructional practices
- Served as a consultant with Scholastic Book Fairs to assist in their goal of improving independent reading in schools across the country

MSBA Search Team Administrative Support

■ SUE MUNSTERMAN

Sue has more than 15 years of experience providing a full range of administrative support services. Sue joined MSBA in 2000.

RELEVANT WORK EXPERIENCE

- Answer and direct phone calls to appropriate parties
- Arrange conference calls
- Assist in the planning and organizing of trade shows, conferences, and in-district trainings
- Collaborate with staff and printers on the design and printing of MSBA's Journal magazine, brochures, flyers, etc.
- Coordinate and schedule meetings
- Handle information requests
- Post job openings on MSBA's website
- Interact with a wide range of staff, business partners, and members
- Prepare reports, memos, letters, and other documents, using word processing, spreadsheet, database, etc.

■ SUE HONETSCHLAGER

Sue has over 30 years of experience providing a full range of administrative support services. Sue joined MSBA in 1985.

RELEVANT WORK EXPERIENCE

- Answer and direct phone calls to appropriate parties
- Arrange conference calls
- Conduct research and compile data
- Coordinate and schedule meetings
- Handle information requests
- Interact with a wide range of staff, business partners, and members
- Prepare reports, memos, letters, and other documents, using word processing, spreadsheet, database, etc.

Current MSBA-Led Searches

- Crookston Public Schools

Previous MSBA-Led Searches

- Annandale Independent School District
- Atwater-Cosmos-Grove City Public Schools
- Blackduck Independent School District
- Brooklyn Center School District
- Butterfield-Odin Public School
- Canby Public School District
- College Prep Elementary Charter School
- Cook County Schools
- Grand Rapids Area Schools
- Hermantown Community Schools
- Hibbing Public Schools
- La Crescent-Hokah Public Schools
- Lac Qui Parle Valley Area Schools
- Moose Lake Community Schools
- Monticello Public School District
- Morris Area Schools
- Nashwauk-Keewatin School District
- Northland Community Schools
- Odyssey Academy Charter School
- Pelican Rapids School District
- Pillager School District
- Pine River-Backus Schools
- Red Lake Public School District
- St. Louis County School District
- South Koochicing-Rainy River School District
- Tri-County Public Schools
- Ulen-Hitterdal Public School District
- Warroad Public Schools
- Willmar Public Schools
- Winona Area Public Schools
- Wright Technical Center

Notes

[illegible]

Minnesota
School Boards
Association

1900 West Jefferson Avenue
St. Peter, MN 56082

Proposal
MSBA Executive
Search Services



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.041R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 731 MAPS Electronic Network and Systems Responsible Use and Safety

Attached please find the policy, MAPS Electronic Network and Systems Responsible Use and Safety 731, and Administrative Procedures, Responsible Use of MAPS Electronic Network 731.1, Notification of Network Use 731.2 and Use of Moorhead Area Public Schools Electronic Network Violation Report 731.3, for your review.

Suggested Resolution: Move to approve the policy, MAPS Electronic Network and Systems Responsible Use and Safety 731, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

Description	Type
 731	Cover Memo

Moorhead Area Public Schools Electronic Network and Systems Responsible Use and Safety

Type:	School Board Policy
Section:	700 NON-INSTRUCTIONAL OPERATIONS AND BUSINESS SERVICES
Code:	731
Adopted Date:	2/8/1999
Revised Date(s):	12/12/2005, 06/13/2011, 05/14/2012, 02/25/2013, 02/23/2015, 12/14/2015, 04/10/2017
Reviewed Date(s):	03/08/2004, 12/12/2005, 06/13/2011, 05/14/2012, 02/25/2013, 02/23/2015, 12/14/2015, 04/10/2017
Attached Files:	No Documents Found.

I. PURPOSE

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

II. GENERAL STATEMENT

A. The Moorhead Area Public Schools shall operate an electronic network and systems to support its educational mission. The Moorhead School Board recognizes the need for its employees and students to have access to a global electronic network. Part of the district's responsibility in preparing students for the future is to provide them access to the tools they will be using as adults. The Moorhead Area Public Schools electronic network and systems is defined as computer systems owned by the district as well as other electronic systems to which the district provides intentional or unintentional access.

B. An orientation session and ongoing education on appropriate use of the Moorhead Area Public Schools computer network and systems shall be provided for each user. The use of this network and systems shall be consistent with the district's educational mission, district policy, state laws, and federal laws. In accordance with the requirements of the Child Internet Protection Act the district will monitor the online activities of minors and employ technology protection measures during any use of the electronic network by minors and adults.

III. LIMITATION ON SCHOOL DISTRICT LIABILITY

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

IV. USE OF NETWORK AND SYSTEMS ARE A PRIVILEGE

The use of the school district network and systems and access to use of the Internet are a privilege, not a right. Depending on the nature and degree of the violation and the number of previous violations, unacceptable use of the school district system or the Internet may result in one or more of the following consequences: suspension or cancellation of use or access privileges; payments for damages and repairs;

discipline under other appropriate school district policies, including suspension, expulsion, exclusion or termination of employment; or civil or criminal liability under other applicable laws. Refer to Administrative Procedures 731.1: Responsible Use of Moorhead Area Public Schools Electronic Network, 731.2: Notification of Network Use and 731.3: Use of Moorhead Area Public Schools Electronic Network Violation Report for additional guidelines regarding responsible use.

V. LIMITED EXPECTATION OF PRIVACY

A. By authorizing use of the school district system, the school district does not relinquish control over materials on the system or contained in files on the system. Users should expect only limited privacy in the contents of personal files on the school district system.

B. Routine maintenance and monitoring of the school district system may lead to a discovery that a user has violated this policy, another school district policy, or the law.

C. An individual investigation or search will be conducted if school authorities have a reasonable suspicion that the search will uncover a violation of law or school district policy.

D. Parents/guardians have the right at any time to investigate or review the contents of their child's files and e-mail files. Parents/guardians have the right to request the termination of their child's individual account at any time. The request will be reviewed by the appropriate administration.

E. School district employees should be aware that the school district retains the right at any time to investigate or review the contents of their files and e-mail files. In addition, school district employees should be aware that data and other materials in files maintained on the school district system may be subject to review, disclosure or discovery under Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act).

F. The school district will cooperate fully with local, state and federal authorities in any investigation concerning or related to any illegal activities or activities not in compliance with school district policies conducted through the school district system.

V. REGULATIONS

The Superintendent shall establish regulations for student and employee use of the Moorhead Area Public Schools electronic network and systems. This policy will be reviewed annually for compliance with state law.

VI. NOTIFICATION

All users shall be notified of the school district policies relating to Internet use in employee and student handbooks and the website (www.moorheadschoools.org).

Legal References:

- 15 U.S.C. 6501 *et seq.* (Children's Online Privacy Protection Act)
- 17 U.S.C. 101 *et seq.* (Copyrights)
- 20 U.S.C. 6751 *et seq.* (Enhancing Education through Technology Act of 2001)
- 47 U.S.C. 254 (Children's Internet Protection Act of 2000 (CIPA))
- 47 C.F.R. 54.520 (FCC Rules Implementing CIPA)
- Minn. Stat. 121A.0695 (School Board Policy; Prohibiting Intimidation and Bullying)
- Minn. Stat. 125B.15 (Internet Access for Students)
- Minn. Stat. 125B.26 (Telecommunications/Internet Access Equity Act)

Cross References:

MSBA/MASA Model Policy 524 (Internet Acceptable Use and Safety Policy)
Moorhead School Board Policy 414: Employee Public and Private Personnel Data
Moorhead School Board Policy 447: Employee Responsible Use of Social Media
Moorhead School Board Policy 448: Electronic Communication Between Employees and Students
Moorhead School Board Policy 502: Student Disability Nondiscrimination
Moorhead School Board Policy 503: Student Parental, Family and Marital Status
Nondiscrimination
Moorhead School Board Policy 504: Protection and Privacy of Student Records
Moorhead School Board Policy 551: Student Discipline
Moorhead School Board Policy 570: Prohibition of Harassment and Violence
Moorhead School Board Policy 571: Hazing Prohibition
Moorhead School Board Policy 578: Bullying Prohibition
Moorhead School Board Policy 601: Instructional Goals of Moorhead Area Public Schools
Moorhead School Board Policy 620: Curricular Selection and Review, Alternative
Instruction and Instructional Resource Reevaluation
Moorhead School Board Policy 710: School District Crisis Management
Moorhead School Board Policy 730: School District Copyright
Moorhead School Board Policy 906: Public Solicitation in Moorhead Area Public Schools

Responsible Use of Moorhead Area Public Schools Electronic Network

Type:	Administrative Procedure
Section:	700 NON-INSTRUCTIONAL OPERATIONS AND BUSINESS SERVICES
Code:	731.1
Adopted Date:	2/8/1999
Revised Date(s):	07/10/2006, 05/14/2012, 12/14/2015, 04/10/2017
Reviewed Date(s):	07/10/2006, 05/14/2012, 02/23/2015, 12/14/2015, 04/10/2017
Attached Files:	No Documents Found.

I. NETWORK CONDUCT

A. The individual in whose name a system account is issued is responsible at all times for its proper use. The district's system shall be used for all educational purposes consistent with the district's mission and goals. The district reserves the right to inspect files to assure compliance.

B. Teachers are responsible for teaching and supervising proper techniques and standards for participation, for guiding student access to appropriate sections of the Internet, and for assuring that students understand that if they misuse the network they will lose their privilege to access the network in the school environment. Paraprofessionals and other support employees will monitor and report inappropriate behavior.

C. System users will not evade, change or exceed resource quotas or disk usage quotas or disk usage quotas as set by the network manager. A user who remains in noncompliance may have their files removed. Such quotas may be exceeded only by permission of the network manager.

D. Users will make responsible use of all network resources including but not limited to bandwidth, paper, printer toner printing supplies and server space.

II. USER ACCOUNT INFORMATION

A. User account information will be maintained in accordance with applicable education records law and district policy and administrative regulations.

B. All employees, including substitute teachers and temporary employees, will be issued network accounts for the duration of their employment.

C. All students will be issued network accounts for the duration of their enrollment.

D. The district will provide access to the system through the establishment of a system account. The system account is established by the issuance of authorized and unique passwords for each user. This account will include a personal folder/subdirectory. The use of this password constitutes acceptance of the account and an agreement by the user to abide by the following rules of conduct and assume responsibility for the content of the folder/subdirectory. Continual age appropriate training on appropriate use of Moorhead Public Schools Electronic Network shall be provided for each user.

E. The school district system has a limited educational purpose, which includes use of the system for classroom activities, educational research, and professional and career development activities. Users are expected to use network and Internet access through the district system to further educational and personal goals consistent with the mission of the school district and school policies. Uses which might

be acceptable on a user's private personal account on another system may not be acceptable on this limited-purpose network.

III. UNACCEPTABLE USES

A. The following uses of the school district system and Internet resources or accounts are considered unacceptable:

1. Users will not use the school district system to access, review, upload, download, store, print, receive, transmit or distribute:
 - a. pornographic, obscene or sexually explicit material or other visual depictions that are harmful to minors;
 - b. obscene, abusive, profane, lewd, vulgar, rude, inflammatory, threatening, disrespectful, or sexually explicit language;
 - c. materials that use language or images that are inappropriate in the education setting or disruptive to the educational process;
 - d. information or materials that could cause damage or danger of disruption to the educational process;
 - e. materials that use language or images that advocate violence or discrimination toward other people (for example: hate literature) or that may constitute harassment or discrimination except in the course of the instructional program under the supervision of a teacher.
2. Users will not use the school district system to gain unauthorized access to information resources or to access another persons materials, information or files without the direct permission of that person.
3. Users will not write to system accounts other than their own as identified and issued by the district.
4. Users will not attempt to gain unauthorized access to the school district system or any other system through the school district system, attempt to log in through another person's account, or use computer accounts, access codes or network identification other than those assigned to the user. Messages and records on the school district system may not be encrypted without the permission of appropriate school authorities.
5. Users will not use the school district system to knowingly or recklessly post, transmit or distribute false or defamatory information about a person or organization, or to harass another person, or to engage in personal attacks, including prejudicial or discriminatory attacks.
6. Users will not use the school district system to engage in any illegal act or violate any local, state or federal statute or law.
7. Users will not use the school district system to vandalize, damage or disable the property of another person or organization, will not make deliberate attempts to degrade or disrupt equipment, software or system performance by spreading computer viruses or by any other means, will not tamper with, modify or change the school district system software, hardware or wiring or take any action to violate the school district's security system, and will not use the school district system in such a way as to disrupt the use of the system by other users.
8. Users will not use the school district system to post private information about another person, personal contact information about themselves or other persons, or other personally identifiable information, including, but not limited to, addresses, telephone numbers, school addresses, work addresses, identification numbers, account numbers, access codes or passwords, labeled photographs or other

information that would make the individual's identity easily traceable, and will not repost a message that was sent to the user privately without permission of the person who sent the message.

9. Users will not use the school district system to violate copyright laws or usage licensing agreements, or otherwise to use another person's property without the persons prior approval or proper citation, including the downloading or exchanging of pirated software or copying software to or from any school computer, and will not plagiarize works they find on the Internet.

10. Users will not use the school district system for conducting business, for unauthorized commercial purposes or for financial gain unrelated to the mission of the school district. Users will not use the school district system to offer or provide goods or services or for product advertisement. Users will not use the school district system to purchase goods or services for personal use without authorization from the appropriate school district official.

11. Users will not use the school district system to engage in bullying or cyberbullying in violation of the school district's Bullying Prohibition Policy 578. This prohibition includes using any technology or other electronic communication off school premises to the extent that student learning or the school environment is substantially and materially disrupted.

IV. INTERNET CONTENT FILTER

A. With respect to any of its computers with Internet access, the school district will monitor the online activities of minors and adults. The school district will employ technology protection measures during any use of such computers by minors and adults. The technology protection measures utilized will block or filter Internet access to any visual depictions that are:

1. Obscene;
2. Child pornography; or
3. Harmful to minors.

B. The term "harmful to minors" means any picture, image, graphic image file, or other visual depiction that:

1. Taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion; or
2. Depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and
3. Taken as a whole, lacks serious literary, artistic, political, or scientific value as to minors.

C. An administrator, supervisor or other person authorized by the Superintendent may disable the technology protection measure, during use by an adult, to enable access for bona fide research or other lawful purposes.

V. USER EDUCATION

A. All users shall be notified of the school district policies relating to Internet use.

B. This notification/training shall include the following:

1. Notification that Internet use is subject to compliance with school district policies.

2. Disclaimers limiting the school district's liability relative to:

- a) Information stored on school district media.
 - b) Information retrieved through school district computers, networks or online resources.
 - c) Personal property used to access school district computers, networks or online resources.
 - d) Unauthorized financial obligations resulting from use of school district resources/accounts to access the Internet.
- ## 3. A description of the privacy rights and limitations of school sponsored/managed Internet accounts.
- ## 4. Notification that, even though the school district may use technical means to limit students Internet access, these limits do not provide a foolproof means for enforcing the provisions of this acceptable use policy.
- ## 5. Notification that goods and services can be purchased over the Internet that could potentially result in unwanted financial obligations and that any financial obligation incurred by the user through the Internet is the sole responsibility of the student and/or the student's parents.
- ## 6. Notification that the collection, creation, reception, maintenance, and dissemination of data via the Internet, including electronic communications, is governed by Moorhead School Board Policy 414: Employee Public and Private Personnel Data, and Moorhead School Board Policy 504: Protection and Privacy of Student Records.
- ## 7. Notification that, should the user violate the school district's acceptable use policy, the user's access privileges may be revoked, school disciplinary action may be taken and /or appropriate legal action may be taken.
- ## 8. Notification that all provisions of the acceptable use policy are subordinate to local, state and federal laws.

VI. PARENT/GUARDIAN RESPONSIBILITY; NOTIFICATION OF STUDENT INTERNET USE

A. Outside of school, parents/guardians bear responsibility for the same guidance of Internet use as they exercise with information sources such as television, telephones, radio, movies and other possibly offensive media. Parents/guardians are responsible for monitoring their students use of the school district system and of the Internet if the student is accessing the school district system from home or a remote location.

B. Parents/guardians should understand that their students will be using school district resources/accounts to access the Internet and that the school district will provide parents/guardians the option to request alternative activities not requiring Internet access. Parent/guardian options include:

1. Overview of training provided to the student user.
2. Description of parent/guardian responsibilities.
3. A notification that the parents/guardians have the option to request alternative educational activities not requiring Internet access and the material to exercise this option.
4. Statement that the school district's acceptable use policy is available for parental review.

VII. TERMINATION/REVOCATION OF SYSTEM USER ACCOUNT

A. A guest user's account may be established to accomplish specific educational training or tasks by the network manager or designee. These accounts will be terminated upon completion of the educational training task. Termination may take place without notice given to the guest system user.

B. The district may suspend or revoke a system user's access to the district's system upon any violation of district policy and/or administrative regulation according to the following guidelines:

1. Violations considered minor would include violation of computer lab rules, going to an inappropriate site, harassing e-mail, etc.

a) Consequences will be determined by building administrators in collaboration with teachers and district administration in accordance with building behavior policies.

2. Violations considered major would include impersonating school officials, obtaining e-mail accounts through misrepresentation, life-threatening e-mail, accessing accounts or folders of others, etc.

a) Consequences will be determined by building administrators in collaboration with teachers and district administrators in accordance with district behavior policies. Consequences may include legal prosecution and suspension or expulsion in accordance with district policies.

b) Prior to a suspension or revocation of system service or as soon as practicable, the building administrator will inform the system user of the suspected violation and give the system user an opportunity to present an explanation. If the decision of the building administrator is to suspend or revoke network privileges, Administrative Procedure 731.3 will be completed.

VIII. USE OF E-MAIL SYSTEMS

A. All employees have access to an e-mail account provided by the district. E-mail sent and received over this system is subject to the Open Records Laws of Minnesota, the confidentiality provided for in the Family Educational Rights and Privacy Act (FERPA) and other local, state or federal laws that may apply.

B. Student e-mail accounts will be provided by the district. Access to these accounts will require registration and verification of student status and agreement to appropriate use of the account.

C. The district reserves the right to require termination of individual accounts if used for inappropriate purposes as defined in this policy.

D. It is the responsibility of system users to save e-mail correspondence they wish to retain in their personal folders.

IX. PUBLICATION OF MATERIALS ON THE NETWORK

A. General Responsibility/Liability

1. The publisher (Moorhead Area Public Schools) assumes general liability for the content of material. As such, the publisher retains the right to control the content of the publication.

2. The creator (employees, students and parent support groups) is obligated to observe copyright (refer to Moorhead School Board Policy 730: School District Copyright Policy) and other rights to intellectual property. The creator is required to provide the publisher with evidence of compliance with intellectual property rights involved in the creation.

B. Classrooms, Activities, Departments & Building Webpages

1. Publication of classrooms, departments, buildings or any other organizational elements of the district are considered to be publications of the Moorhead Area Public Schools. As such, the district has a right to control the content. Exercising this right may include deletion of these materials from these publications as well as other editorial rights.
2. Publications containing information about classrooms, departments, buildings or any other organizational elements of the district must reside on the servers of Moorhead Area Public Schools or their approved agents.
3. The creator of these publications is responsible for observing copyright and other intellectual property rights. The publisher at its sole discretion, may refuse to publish such material if compliance with intellectual property rights is suspect, if the publisher suspects publication of such material will jeopardize the confidentiality of staff or student information or for any other reason the publisher (Moorhead Area Public Schools) deems appropriate.
4. The creator is responsible for the appropriateness of all links to other sites on the Internet.
5. Links contained may not include links to a personal (staff or student) Web page.
6. All materials included in the publication must be appropriate as defined in other sections of this document.

X. INFORMATION CONTENT/THIRD PARTY SUPPLIED INFORMATION

- A. System users and parents/guardians of system users are advised that the use of the district's system may provide access to other electronic communication systems that may contain inaccurate and/or objectionable material. The district does not condone the use of objectionable materials. Such materials are prohibited in the school environment. Parents/guardians of students with accounts on the district's system should be aware of the existence of such materials and monitor their student's home usage of the district's resources accordingly.
- B. Students knowingly bringing prohibited materials into the school environment may be subject to suspension and/or revocation of their privileges on the district's system and will be subject to discipline in accordance with the district's policy and applicable administrative regulations.
- C. Staff knowingly bringing prohibited materials into the school will be subject to disciplinary action in accordance with district policy and contractual agreements for discipline and dismissal.
- D. Opinions, advice, services and all other information expressed by system users, information providers, service providers or other third party individuals in the system are those of the information providers and not the district.

XI. LIMITED EXPECTATION OF PRIVACY

- A. By authorizing use of the school district system, the school district does not relinquish control over materials on the system or contained in files on the system. Users should expect only limited privacy in the contents of personal files on the school district system.
- B. Routine maintenance and monitoring of the school district system may lead to a discovery that a user has violated this policy, another school district policy, or the law.
- C. An individual investigation or search will be conducted if school activities have a reasonable suspicion that the search will uncover a violation of law or school district policy.
- D. Parents have the right at any time to investigate or review the contents of their child's files and e-mail files. Parents have the right to request the termination of their child's individual account at any time.

E. All users should be aware that the school district retains the right at any time to investigate or review the contents of their files and e-mail files. In addition, users should be aware that data and other materials in files maintained on the school district system may be subject to review, disclosure or discovery under Minn. Stat. Ch. 13 (the Minnesota Government Data Practices Act).

F. The school district will cooperate fully with local, state and federal authorities in any investigation concerning or related to any illegal activities or activities not in compliance with school district policies conducted through the school district system.

XII. LIMITATION OF SCHOOL DISTRICT LIABILITY

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

XIII. CONSISTENCY WITH OTHER SCHOOL POLICIES

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

Notification of Network Use

Type:	Administrative Procedure
Section:	700 NON-INSTRUCTIONAL OPERATIONS AND BUSINESS SERVICES
Code:	731.2
Adopted Date:	2/8/1999
Revised Date(s):	07/12/2006, 05/14/2012, 04/10/2017
Reviewed Date(s):	07/12/2006, 05/14/2012, 02/23/2015, 12/14/2015, 04/10/2017
Attached Files:	No Documents Found.

The Moorhead Area Public Schools provides users access to our electronic information network. Students and employees will be given a unique login and password which will provide them with a variety of resources including access to the Internet and an online directory to store documents. In addition, software applications and online subscriptions are available to students and employees to support instructional activities.

The district's electronic resources network has a limited educational purpose, which includes use of the system for classroom activities and educational research. Uses which might be acceptable on a user's private account outside of the school district may not be acceptable on this limited purpose network. With this focus in mind, the district complies with all regulations in the Children's Internet Protection Act (CIPA).

Training and Responsible Use

Students and employees will receive ongoing, age-appropriate training on the appropriate use of electronic network resources. Training will include responsible use of resources including Internet protocol, printing supplies and online network storage.

User Account Information

Each student and employee will be assigned electronic storage of his/her electronic documents. Students and employees are responsible for the contents of their electronic directory. The school district retains the right at any time to review the contents of any student or employee directory. Parents also have the right to review the contents of their student's online network storage drive.

Internet Access

The Internet is a worldwide electronic network providing access to millions of resources. Many reference materials are available online. The Moorhead Area Public Schools media center catalogs are accessible on the district's website (www.moorheadsschools.org).

Parent/Guardian Responsibilities

Outside of school, parents and guardians assume the obligation to monitor their student's use of the school district electronic resources and of the Internet.

As the world continues to demand immediate and accurate information, the school district curriculum continues to become more dependent on electronic resources. Parents/guardians may request alternative educational activities that do not require Internet access.

E-mail Access

Students will have access to a district assigned email account.

Acceptable Use Policy

Moorhead Area Public Schools has adopted the Responsible Use of Moorhead Area Public Schools Electronic Resources Network, Administrative Procedure 731.1. This administrative procedure is available on the district's website (www.moorheadschoools.org) or you may request copies from the school office.

Violation of Policies or Procedures

The use of this resource is a privilege and not a right. The district may suspend or revoke a student's access to the electronic resources network if district policies or procedures have been violated. Consequences for violations will be determined by the building administrator in collaboration with teachers and administrators in accordance with building behavior policies. Administrative Procedure 731.3 will be completed and provided to the parent/guardian if the violation warrants.

Moorhead Area Public Schools provides students with access to electronic resources worldwide. Part of the district's responsibility in preparing students for the future is to provide them the tools they will be using as adults. We believe the responsible use of these resources is important.

Use of Moorhead Area Public Schools Electronic Network Violation Report

Type: Administrative Procedure
Section: 700 NON-INSTRUCTIONAL OPERATIONS AND BUSINESS SERVICES
Code: 731.3
Adopted Date: 2/8/1999
Revised Date(s): 07/12/2006, 05/14/2012
Reviewed Date(s): 07/12/2006, 05/14/2012, 02/23/2015, 12/14/2015, 04/10/2017
Attached Files: No Documents Found.

Below is an example of a form that may be used for parent/guardian notification of a student violation of the network policy:

Student name: _____

Violation reported by: _____

Violation date: _____

Circle the violation(s) of Moorhead Area Public Schools Electronic Network Policy and return to the building administrator:

1. Use of the district's system for commercial transactions. This is related to purchasing goods and services over the Internet. If violations occur, the user and/or the parent/guardian assumes full responsibility for any liabilities or costs generated by such activities.

2. The use of the system to submit, publish or display inaccurate information is inappropriate.

3. The use of the system to submit, publish, store or display objectionable materials is prohibited. Objectionable material includes:

a) Information that encourages the use of tobacco, alcohol or controlled substances or otherwise promotes associated activities.

b) Information or software which is in violation of the copyright or license agreements.

c) Information which encourages the toleration or promotion of discrimination against individuals or groups.

d) Information or software that is pornographic or sexually explicit in nature.

e) Information that is disruptive to appropriate classroom demeanor.

4. Use of another individual's account or folder.

5. Writing or saving files to an account other than their own.

6. Forgery or tampering with electronic mail.

7. Excessive electronic mail on server.
8. Exceeding space quotas.
9. System vandalism which includes uploading or creation of computer viruses is prohibited.
10. Copyrighted materials placed on the system without author's permission.
11. Any action of the user which results in a compromise of the system security.
12. Violation of classroom computer use policy rules:
 - * Use of computers without permission.
 - * Abuse or misuse of computer equipment.
 - * Use of chat lines, email systems or games during class time.
 - * Eating or drinking while using computers.

Consequence will be determined by the building administrator in collaboration with teachers and district administrators in accordance with district discipline policies.

Student Signature

Date

Parent/Guardian Signature

Date

Principal/Building Administrator Signature

Date



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.042R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 610 Online Learning Options

Attached please find the policy, Online Learning Options 610, and Administrative Procedure, Online Learning Supplemental Notice of Student Registration 610.1, for your review.

Suggested Resolution: Move to approve the policy, Online Learning Options 610, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

Description	Type
□ 610	Cover Memo

Online Learning Options

Type:	School Board Policy
Section:	600 EDUCATION PROGRAMS
Code:	610
Adopted Date:	6/9/2008
Revised Date(s):	05/14/2012
Reviewed Date(s):	05/14/2012
Attached Files:	No Documents Found.

I. PURPOSE

The purpose of this policy is to recognize and govern online learning options of students enrolled in the school district for purposes of compulsory attendance and address enrollment of students with an online learning provider for supplemental or full-time online learning.

II. GENERAL STATEMENT

- A. The school district shall not prohibit an enrolled student from applying to enroll in online learning.
- B. The school district shall grant academic credit for completing the requirements of an approved online learning course or program.
- C. The school district shall allow online learning students to have the same access to the computer hardware and education software available in the school as all other students in the school district.
- D. The school district shall continue to provide non-academic services to online learning students.
- E. Online learning students may participate in the extracurricular activities of the school district on the same basis as other enrolled students.

III. DEFINITIONS

- A. "Enrolling district" means the school district or charter school in which a student is enrolled under Minn. Stat. 120A.22, Subd. 4, for purposes of compulsory education.
- B. "Full-time online provider" means an enrolling school authorized by the Minnesota Department of Education (MDE) to deliver comprehensive public education at any or all of the elementary, middle, or high school levels.
- C. "Online course syllabus" is a written document that an online learning provider transmits to the enrolling school district using a format prescribed by the Commissioner of MDE (Commissioner) to identify the state academic standards embedded in an online course, the course content outline, required course assessments, expectations for actual teacher contact time, and other student-to-teacher communications, and the academic support available to the online learning student.
- D. "Online learning" is an interactive course or program that delivers instruction from a teacher to a student by computer, is combined with other traditional delivery methods that include frequent student assessment and may include actual teacher contact time, and meets or exceeds state academic standards.

E. "Online learning student" is a student enrolled in an online learning course or program delivered by an authorized online learning provider.

F. "Online learning provider" is another school district, an intermediate school district, or an organization of two or more school districts operating under a joint powers agreement, or a charter school located in Minnesota that provides online learning to students.

G. "Student" is a Minnesota resident enrolled in a public school, a nonpublic school, church or religious organization, or home school in which a child is provided instruction in compliance with Minn. Stats. 120A.22 and 120A.24.

H. "Supplemental online learning" means an online course taken in place of a course period during the regular school day at a local district school.

IV. PROCEDURES

A. Dissemination and Receipt of Information

1. The building administration and counselors shall make available information about online learning to all interested people. The school district will utilize the list of approved online learning providers and online learning courses and programs developed, published, and maintained by MDE. Information regarding online courses will be maintained by the building administration and counselors.
2. The school district will receive and maintain information provided to it by online learning providers.
3. The online learning provider must report or make available information on an individual student's progress and accumulated credit to the student, the student's parent, and the enrolling district in a manner specified by the Commissioner unless the enrolling district and the online learning provider agree to a different form of notice and notify the Commissioner.
4. The enrolling district must designate a contact person to help facilitate and monitor the student's academic progress and accumulated credits toward graduation.

B. Student Enrollment

1. A student may apply for full-time enrollment in an approved online learning program. The student must have the written consent of a parent/guardian to do so if the student is under eighteen (18) years of age.
2. The student and the student's parents/guardians must submit an application to the online learning provider and identify the student's reason for enrolling. An online learning provider that accepts a student under this section must notify the student and the enrolling school district in writing within 10 days if the enrolling district is not the online learning provider. The student and the student's parent/guardian must notify the online learning provider of the student's intent to enroll within 10 days of being accepted, at which time the student and the student's parent/guardian must sign a statement of assurance (Administrative Procedure 610.1) indicating the course and online learning expectations have been reviewed and understood.
3. The supplemental online learning notice (Administrative Procedure 610.1) to the enrolling district when a student applies to the online learning provider will include the courses or program, credits to be awarded, and the start date of the online course or program. An online learning provider must make available the supplemental online course syllabus to the enrolling district. Within 15 days after the online learning provider makes information in this paragraph available to the enrolling district, the enrolling district must notify the online provider whether the student, the student's parent/guardian, and the enrolling district agree or disagree that the course meets the enrolling district's graduation requirements.

A student may enroll in a supplemental online learning course up to the midpoint of the school district's term. The school district may waive this requirement for special circumstances with the agreement of the online learning provider.

4. An online learning course or program that meets or exceeds a graduation standard or the grade progression requirement of the enrolling district as described in the provider's online course syllabus meets the corresponding graduation requirements applicable to the student in the enrolling district. If the enrolling district does not agree that the course or program meets its graduation requirements, then the enrolling district must make available an explanation of its decision to the student, the student's parent, and the online provider; and the online provider may make available a response to the enrolling district, showing how the course or program meets the graduation requirements of the enrolling district.

5. An online learning student may enroll in supplemental online learning courses during a single school year to a maximum of 50 percent of the student's full schedule of courses per term. A student may exceed the supplemental online learning registration limit if the school district grants permission for supplemental online learning enrollment above the limit, or if an agreement is made between the school district and the online learning provider for instructional services. To enroll in more than 50 percent of the student's full schedule of courses per term in online learning, the student must qualify to exceed the supplemental online learning registration limit or apply for enrollment to an approved full-time online learning program following appropriate procedures in Paragraph IV.B.2. above. Full-time online learning students may enroll in classes at a local school per contract for instructional services between the online learning provider and the school district.

6. An online learning student may complete course work at a grade level that is different from the student's current grade level.

7. An online learning student may enroll in additional courses with the online learning provider under a separate agreement that includes terms for payment of any tuition or course fees.

C. Classroom Membership and Teacher Contact Time

1. The school district may reduce an online learning student's regular classroom instructional membership in proportion to the student's membership in online learning courses.

2. The school district may reduce the course schedule of an online learning student in proportion to the number of online learning courses the student takes from an online learning provider other than the school district.

3. A teacher with a Minnesota license must assemble and deliver instruction to enrolled students receiving online learning from an enrolling district. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher with a Minnesota license.

4. The online provider must give the Commissioner written assurance that all courses meet state academic standards and the online learning curriculum, instruction, and assessment expectations for actual teacher contact time or other student-teacher communications and academic support meet nationally recognized standards and are described as such in an online syllabus that meets the Commissioner's requirements.

D. Academic Credit; Graduation Standards or Requirements

1. The school district shall apply the same graduation requirements to all students, including online learning students.

2. The school district shall use the same criteria for accepting online learning credits or courses as it does for accepting credits or courses for nonresident transfer students under Minnesota law.
3. The school district may challenge the validity of a course offered by an online learning provider. Such a challenge will be filed with MDE.
4. The school district shall count secondary credits granted to an online learning student toward its graduation and credit requirements.
5. If a student completes an online learning course or program that meets or exceeds a graduation standard or grade progression requirement at the school district, that standard or requirement will be met.
6. Online learning may be provided by Moorhead Area Public Schools to provide the following options:
 - a. Credit Recovery
 - b. Alternative Learning Options
 - c. Homeschool Option
 - d. Courses not offered by Moorhead Area Public Schools sites
 - e. Scheduling conflicts
 - f. Independent Study Options
7. Moorhead School Board policies will apply to students participating in online courses.

Legal References:

Minn. Stat. 120A.22 (Compulsory Instruction)
Minn. Stat. 120A.24 (Reporting)
Minn. Stat. 123B.42, Subd. 1 (Curriculum; Electronic Components)
Minn. Stat. 124D.03 (Enrollment Options Program)
Minn. Stat. 124D.09 (Post-Secondary Enrollment Options Act)
Minn. Stat. 124D.095 (Online Learning Option Act)

Cross References:

MSBA/MASA Model Policy 624 (Online Learning Options)
Moorhead School Board Policy 511: Enrollment of Nonresident Students
Moorhead School Board Policy 551: Student Discipline
Moorhead School Board Policy 602: Special Education Programs
Moorhead School Board Policy 640: Moorhead Area Public Schools Graduation Policy
Moorhead School Board Policy 653: Credit for Learning of Minnesota Graduation Standards
Moorhead School Board Policy 731: Moorhead Area Public Schools Electronic Network Responsible Use and Safety

INSTRUCTIONS: The online learning supplemental notice of student registration is used to register for a supplemental online learning course from an approved public school online learning provider. Supplemental online learning means an online course taken in place of a course period during the regular school day at a local district.

SUBMIT the completed form to the online learning provider listed in section II. One form per student per term is required. This form can be printed and completed by hand or by completing the applicable form fields. **Electronic completion:** Save this form to your computer using a different name, complete the applicable information, print and sign the application and submit.

Section I: To be completed by the parents and student after they have had initial meetings with the enrolling district and online learning provider. Please sign only after you have reviewed the online course and program and understand the expectations of enrolling in online learning.

Section II: To be completed by the online learning provider and enrolling district online contact person. Each school should keep a copy of this form when all signatures have been secured. The enrolling district has 15 days to review the attached course syllabus and sign and submit the form to the online learning provider.

SECTION I: IDENTIFICATION INFORMATION TO BE COMPLETED BY THE STUDENT AND PARENT OR GUARDIAN

Student Name (Last, First, M.I.): _____		Date of Birth: _____	Gender: _____
Student's e-mail: _____		Student's home phone: _____	Student's cell phone: _____
Address: _____		City, State Zip code: _____	Current Grade Level: _____
Enrolling School: _____		Student MARSS Number: _____	Last Grade Completed: _____

Mother/Guardian Name (Last, First, M.I.): _____		Home phone: _____	Mother's work phone: _____
Mother/Guardian Address: _____		City, State, Zip Code: _____	
Mother/Guardian's E-mail Address (if different from student): _____		Mother's cell phone: _____	
Father/Guardian Name (Last, First, M.I.): _____		Home phone: _____	Father's work phone: _____
Father/Guardian Address: _____		City, State, Zip Code: _____	
Father/Guardian's E-mail Address (if different from student): _____		Father's cell phone: _____	

Student reason for enrolling in online learning	Type(s) of internet connection you will be using to access your course
Enter X or check one of the following: <input type="checkbox"/> Course not offered at school <input type="checkbox"/> Schedule conflict <input type="checkbox"/> Enrichment / Advanced learning opportunity <input type="checkbox"/> Credit recovery If so, is the course(s) being taken in addition to a full-time schedule? Yes or No: _____ <input type="checkbox"/> Other: _____	Enter X or check one of the following: <input type="checkbox"/> Dial-up modem <input type="checkbox"/> Cable/DSL <input type="checkbox"/> High Speed Home Connection <input type="checkbox"/> High Speed School Connection <input type="checkbox"/> No internet access – I plan to participate in this course at: _____

<p><i>I have discussed enrollment in online learning with my enrolling school representative and the online learning program representative.</i></p> <p><i>I have reviewed the online course(s) and program listed on page 2 and understand the expectations of enrolling in online learning</i></p>	
<p>Student Signature (required): _____ Date: _____</p>	
<p>Parent's signature required for students under 18 years old.</p>	
<p>Parent Signature: _____ Print name and relationship: _____</p>	

SECTION II: OLL PROGRAM PLAN**TO BE COMPLETED BY OLL PROGRAM PROVIDER AND ENROLLING SCHOOL CONTACT PERSON Online Learning (OLL)**

Program: _____	Telephone: _____	Fax: _____	
Online Learning Program Coordinator: _____		E-mail address: _____	
Online Learning Program Mailing Address: _____		City, State, Zip Code: _____	
Enrolling School: _____	District Number: _____	District Type: _____	School Number: _____
Telephone: _____	Fax: _____		
Enrolling School Contact Person or Counselor: _____		E-mail address: _____	
Enrolling School Mailing Address: _____		City, State, Zip Code: _____	
OLL proposed plan for _____		Student name: _____	Student MARSS # _____

OLL Courses (courses may not exceed 50 percent of student's full schedule)	Credit Recovery	Start Date	Sem/Tri/Qtr.	Credits	Proposed completion date	*Meets enrolling district's graduation requirements. Please Enter X and initial

To be completed by the enrolling district:**Enter X or check one of the following:**

- ☐ This coursework will substitute for other course work in the enrolling district and will be funded by the normal funding formula for online learning.
- ☐ This coursework will substitute for other course work in the enrolling district and will be funded by a contractual agreement with the enrolling district.
- ☐ This coursework is being taken in addition to the regular district course work and the tuition will be paid by the student.
- ☐ I am a private or homeschool student and will pay tuition for which I will be billed

Enter X or check one of the following:

- ☐ Accepts credits based on MN Statue 124D.095
- ☐ Enrolling district waives 50% online learning credit limit
- ☐ A separate agreement has been made for exceeding 50% registration limit between the OLL provider and the enrolling district.

Enter X or check one of the following:

- ☐ The student has notified the enrolling district before the midpoint of the current term. Midpoint Date: _____
- ☐ The student has NOT notified the enrolling district before the midpoint of the current term, but we have elected to waive this requirement.
- ☐ The student has NOT notified our district before the midpoint of the current term, and the student is responsible for the paying of tuition

Enter X or check if it applies:

- ☐ The student has an active IEP on file If student has an active IEP please provide the following information:
- Special Education Case Manager Name: _____ E-mail address: _____ Phone: _____
- ☐ The student is receiving ELL services

I have shared the online learning course(s) syllabus with the enrolling district contact person.

Signature of OLL provider contact person: _____

Print name and title: _____ Date: _____

Please submit to enrolling district contact person**I have reviewed the course syllabus and the course(s) checked meet the enrolling district's graduation requirements.**

Signature of enrolling district online learning contact person: _____

Print name and title: _____ Date notification received: _____

Date signed and returned to OLL Provider: _____

Schedule changes may not be made after the midpoint of enrolling district's term unless waived by both schools.**ATTN: Upon completion submit this form to the online learning provider in section II.**



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.043R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 640 MAPS Graduation Policy

Attached please find the policy, MAPS Graduation Policy 640, and Administrative Procedure, Middle and High School Completion 640.1, for your review.

Suggested Resolution: Move to approve the policy, MAPS Graduation Policy 640, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

Description	Type
□ 640	Cover Memo

Moorhead Area Public Schools Graduation Policy

Type:	School Board Policy
Section:	600 EDUCATION PROGRAMS
Code:	640
Adopted Date:	7/30/1985
Revised Date(s):	02/11/2008, 06/14/2010, 11/12/2013
Reviewed Date(s):	04/01/1990, 04/14/1994, 06/08/1998, 05/09/2005, 04/10/2006, 02/11/2008, 06/14/2010, 11/12/2013
Attached Files:	No Documents Found.

I. PURPOSE

The purpose of this policy is to set forth requirements for graduation from Moorhead Area Public Schools.

II. GENERAL STATEMENT

Moorhead High School is a comprehensive high school. Diplomas are awarded to all graduates who meet the requirements established by the Moorhead School Board and the Minnesota Department of Education.

It is the policy of the Moorhead Area Public Schools that all students entering grade 9 in the 2012-13 school year and earlier must satisfactorily complete all credit requirements, all state and local academic standards and successfully pass graduation examinations as established by the School Board in order to graduate.

For students entering grade 9 in the 2013-2014 school year and later, the school district's policy is that students must demonstrate, as determined by the school district, their satisfactory completion of the credit requirements and their understanding of academic standards on a nationally normed college entrance exam. The school district must adopt graduation requirements that meet or exceed state graduation requirements established in law or rule.

III. DEFINITIONS

A. "Academic standard" means: (1) a statewide adopted expectation for student learning in the content areas of language arts, mathematics, science, social studies, physical education, or the arts, or (2) a locally adopted expectation for student learning in health, career and technical education, or world languages.

B. "Credit" means a student's successful completion of an academic year of study or a student's mastery of the applicable subject matter, as determined by the school district.

C. "Section 504 Accommodation" means the defined appropriate accommodations or modifications that must be made in the school environment to address the needs of an individual student with disabilities.

D. "Individualized Education Program," or "IEP," means a written statement developed for a student eligible by law for special education and services.

E. "Limited English Proficient" or "EL" students means an individual whose first language is not English and whose test performance may be negatively impacted by lack of English language proficiency.

F. "GRAD" means the graduation-required assessment for diploma that measures the reading, writing, and mathematics proficiency of high school students.

IV. TEST ADMINISTRATOR

The ~~Director~~ Assistant Superintendent of School Improvement Learning and Accountability shall be named the school district test administrator. Said person shall be in charge of all test procedures and shall bring recommendations to the School Board annually for approval.

V. GRADUATION ASSESSMENT REQUIREMENTS

A. ~~Students enrolled in grade 8 through the 2009-2010 school year are eligible to be assessed under:~~

~~1. the graduation-required assessment for diploma (GRAD) in reading, mathematics, or writing under Minn. Stat. 120B.30, Subd. 1(e)(1) and (2) and Subd. 1(d) (2012) as follows:~~

~~a. for reading and mathematics:~~

~~i. obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the Minnesota comprehensive assessments in grade 10 for reading and grade 11 for mathematics or achieving a passing score as determined through a standard setting process on the GRAD in grade 10 for reading and grade 11 for mathematics or subsequent retests;~~

~~ii. achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in reading and the mathematics test for English language learners or the GRAD equivalent of those assessments for students designated as English language learners;~~

~~iii. achieving an individual passing score on the GRAD as determined by appropriate state guidelines for students with an individualized education program (IEP) or Section 504 (504) plan;~~

~~iv. obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the state-identified alternate assessment or assessments in grade 10 for reading and grade 11 for mathematics for students with an IEP; or~~

~~v. achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an IEP; and~~

~~b. for writing:~~

~~i. achieving a passing score on the GRAD;~~

~~ii. achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in writing for students designated as English language learners;~~

~~iii. achieving an individual passing score on the GRAD as determined by appropriate state guidelines for students with an IEP or 504 plan; or~~

~~iv. achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an IEP.~~

~~e. Students enrolled in grade 8 in any school year from the 2005-2006 school year to the 2009-2010 school year who do not pass the mathematics GRAD under Section V.A.1. are eligible to receive a high school diploma if they:~~

~~i. complete with a passing score or grade all state and local coursework and credits required for graduation by the school board granting the students their diploma;~~

~~ii. participate in district-prescribed academic remediation in mathematics; and~~

~~iii. fully participate in at least two retests of the mathematics GRAD test or until they pass the mathematics GRAD test, whichever comes first.~~

~~2. the WorkKeys job skills assessment;~~

~~3. the Compass college placement test;~~

~~4. the ACT assessment for college admission;~~

~~5. a nationally recognized armed services vocational aptitude test; or~~

~~6. the school district may also substitute a score from the Accuplacer (comprehensive) or the Scholastic Aptitude Test (SAT) to satisfy the requirements of this paragraph.~~

B. Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year are eligible to be assessed under:

1. the GRAD in reading, mathematics, or writing under Minn. Stat. 120B.30, Subd. 1(c)(1) and (2) (2012) as follows:

a. for reading and mathematics:

i. obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the Minnesota comprehensive assessments in grade 10 for reading and grade 11 for mathematics or achieving a passing score as determined through a standard setting process on the GRAD in grade 10 for reading and grade 11 for mathematics or subsequent retests;

ii. achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in reading and the mathematics test for English language learners or the GRAD equivalent of those assessments for students designated as English language learners;

iii. achieving an individual passing score on the GRAD as determined by appropriate state guidelines for students with an IEP or 504 plan;

iv. obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the state-identified alternate assessment or assessments in grade 10 for reading and grade 11 for mathematics for students with an IEP; or

v. achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an IEP; and

b. for writing:

i. achieving a passing score on the GRAD;

ii. achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in writing for students designated as English language learners;

iii. achieving an individual passing score on the GRAD as determined by appropriate state guidelines for students with an IEP or 504 plan; or

iv. achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an IEP.

2. the WorkKeys job skills assessment;
3. the Compass college placement test;
4. the ACT assessment for college admission;
5. a nationally recognized armed services vocational aptitude test; or
6. the school district may also substitute a score from the Accuplacer (comprehensive) or the Scholastic Aptitude Test (SAT) to satisfy the requirements of this paragraph.

EB. For students enrolled in grade 8 in the 2012-2013 school year and later, students' state graduation requirements, based on a longitudinal, systematic approach to student education and career planning, assessment, instructional support, and evaluation, include the following:

~~1. demonstrate understanding of required academic standards on a nationally normed college entrance exam; an opportunity to participate in a nationally normed college entrance exam in grade 11 or grade 12;~~

2. achievement and career and college readiness tests in mathematics, reading, and writing. The tests must have a continuum of empirically derived, clearly defined benchmarks focused on students' attainment of knowledge and skills so that students, their parents, and teachers know how well students must perform to have a reasonable chance to succeed in a career or college without the need for postsecondary remediation. In addition, the tests must ensure that the foundational knowledge and skills for students' successful performance in postsecondary employment or education and articulated series of possible targeted interventions are clearly identified and satisfy Minnesota's postsecondary admission requirements. To the extent available, the tests should:

a. monitor students' continuous development of and growth in requisite knowledge and skills; analyze students' progress and performance levels, identifying students' academic strengths and diagnosing areas where students require curriculum or instructional adjustments, targeted interventions, or remediation; and

b. based on analysis of students' progress and performance data, determine students' learning and instructional needs and the instructional tools and best practices that support academic rigor for the student; and

3. consistent with this paragraph and Minn. Stat. 120B.125, age-appropriate exploration and planning activities and career assessments to encourage students to identify personally relevant career interests and aptitudes and help students and their families develop a regularly reexamined transition plan for postsecondary education or employment without need for postsecondary remediation.

4. Based on appropriate state guidelines, students with an IEP may satisfy state graduation requirements by achieving an individual score on the state-identified alternative assessments.

5. Students meeting the state graduation requirements under this section must receive targeted, relevant, academically rigorous, and resourced instruction which may include a targeted instruction and intervention plan focused on improving the student's knowledge and skills in core subjects so that the student has a reasonable chance to succeed in a career or college without need for postsecondary remediation.

6. Students meeting the state graduation requirements under this section and who are students in grade 11 or 12 and who are identified as academically ready for a career or college must be actively encouraged by the school district to participate in courses and programs awarding college credit to high school

students. Students are not required to achieve a specified score or level of proficiency on an assessment under this subdivision to graduate from high school.

7. A student's progress toward career and college readiness must be recorded on the student's high school transcript.

~~D. Students enrolled in grade 8 through the 2011-2012 school year who have not yet demonstrated proficiency on the Minnesota comprehensive assessments, the GRAD, or the basic skills testing requirements prior to high school graduation may satisfy state high school graduation requirements for assessments in reading, mathematics, and writing by taking:~~

~~1. the GRAD in reading, mathematics, or writing Minn. Stat. 120B.30, Subd. 1(c)(1) and (2) (2012) as follows:~~

~~a. for reading and mathematics:~~

~~i. obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the Minnesota comprehensive assessments in grade 10 for reading and grade 11 for mathematics or achieving a passing score as determined through a standard setting process on the GRAD in grade 10 for reading and grade 11 for mathematics or subsequent retests;~~

~~ii. achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in reading and the mathematics test for English language learners or the GRAD equivalent of those assessments for students designated as English language learners;~~

~~iii. achieving an individual passing score on the GRAD as determined by appropriate state guidelines for students with an IEP or 504 plan;~~

~~iv. obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the state-identified alternate assessment or assessments in grade 10 for reading and grade 11 for mathematics for students with an IEP; or~~

~~v. achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an IEP; and~~

~~b. for writing:~~

~~i. achieving a passing score on the GRAD;~~

~~ii. achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in writing for students designated as English language learners;~~

~~iii. achieving an individual passing score on the GRAD as determined by appropriate state guidelines for students with an IEP or 504 plan; or~~

~~iv. achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an IEP.~~

~~2. the WorkKeys job skills assessment;~~

~~3. the Compass college placement test, a nationally recognized armed services vocation aptitude test; or~~

~~4. the ACT assessment for college admission.~~

VI. GRADUATION CREDIT REQUIREMENTS

A. Students beginning 9th grade in the 2011-2012 and 2012-13 school years must successfully complete, as determined by the school district, the following high school level credits for graduation:

1. Four credits of language arts;
2. Three credits of mathematics, encompassing at least algebra, geometry, statistics, and probability sufficient to satisfy the academic standard.
3. Three credits of science, including at least: (a) one credit in biology; (b) one chemistry or physics credit or a career and technical education credit that meets standards underlying the chemistry, physics, or biology credit or a combination of those standards approved by the school district; and (c) meeting biology standards under Section VI.A.3.(b) does not meet the biology requirement under Section VI.A.3. (a);
4. Three and one-half credits of social studies, encompassing at least United States history, geography, government and citizenship, world history, and economics, or three credits of social studies, encompassing at least United States history, geography, government and citizenship, and world history, and one-half credit of economics taught in a school's social studies, agriculture education, or business department;
5. One credit in the arts;
6. One credit Moorhead Area Public School District Standards, Fitness
7. .5 credit Moorhead Area Public School District Standards, Wellness
8. ~~At least .5 credit 9th grade Explore Class (maximum one credit)~~
9. A minimum of 9.5 elective credits.
10. Credit equivalencies
 - a. A credit is equivalent to a student successfully completing an academic year of study or a student mastering the applicable subject matter, as determined by the school district.
 - b. An agriculture science credit may fulfill a credit requirement other than the specified science credit in biology under Section VI.A.3.
 - c. A career and technical education credit may fulfill a mathematics or arts credit requirement or a science requirement other than the specified science credit in biology under Section VI.A.2., VI.A.3., or VI.A.5.

B. Students beginning 9th grade in the 2013-2014 school year and later must successfully complete the following high school level credits for graduation:

1. Four credits of language arts sufficient to satisfy all of the academic standards in English language arts;
2. Three credits of mathematics, including an algebra II credit or its equivalent, sufficient to satisfy all of the academic standards in mathematics;
3. An algebra I credit by the end of 8th grade sufficient to satisfy all of the 8th grade standards in mathematics;
4. Three credits of science, including at least one credit of physical science; one credit of biology; and one credit of chemistry or physics; ~~and one elective credit of science.~~ The combination of credits under this clause must be sufficient to satisfy:

a. all of the academic standards in either chemistry or physics and

b. all other academic standards in science;

5. Three and one-half credits of social studies, encompassing at least United States history, geography, government and citizenship, world history, and economics sufficient to satisfy all of the academic standards in social studies;

6. One credit of the arts sufficient to satisfy all of the state or local academic standards in the arts; and

7. One credit Moorhead Area Public School District Standards, Fitness

8. .5 credit Moorhead Area Public School District Standards, Wellness

9. ~~At least~~ .5 credit 9th grade Explore Class (~~maximum one credit~~)

10. A minimum of 9.5 elective credits.

11. Credit equivalencies

a. A one-half credit of economics taught in an agriculture education or business department may fulfill a one-half credit in social studies under Section VI.B.5. if the credit is sufficient to satisfy all of the academic standards in economics.

b. An agriculture science or career and technical education credit may fulfill the elective science credit requirement other than the specified science credit under Section VI.B.4. if the course meets academic standards in science as approved by the school district. An agriculture science or career and technical education credit may fulfill the credit in chemistry or physics or the elective science credit required under Section VI.B.4. if:

i. the credit meets the chemistry, physics, or biology academic standards or a combination of these academic standards as approved by the school district; and

ii. the student satisfies either all of the chemistry academic standards, all of the physics academic standards, or all of the applicable elective science standards prior to graduation. An agriculture science or career and technical education credit may not fulfill the required biology credit under Section VI.B.4.

c. A career and technical education credit may fulfill a mathematics or arts credit requirement under Section VI.B.2. or Section VI.B.6.

d. An agriculture education teacher is not required to meet the requirements of Minn. Rules Part 3505.1150, Subpart 1, Item B (2012), to meet the credit equivalency requirements of Section VI.B.8.b.

e. A computer science credit may fulfill a mathematics credit requirement under VI.A.2., above, if the credit meets state academic standards in mathematics.

f. A Project Lead the Way credit may fulfill a science or mathematics credit requirement under VI.A.2. or VI.A.4., above, if the credit meets the state academic standards in science or mathematics.

VII. GRADUATION STANDARDS REQUIREMENTS

A. All students must demonstrate their understanding of the following academic standards ~~on a nationally normed college entrance exam:~~

1. Moorhead Area Public School District Standards, Health and Physical Education (K-12);

2. Moorhead Area Public School District Standards, Vocational and Technical Education (K-12); and
3. Moorhead Area Public School District, World Languages (K-12).

B. Academic standards in health, world languages, and vocational and technical education will be reviewed on a periodic basis as a part of the curriculum review cycle.

C. All students must satisfactorily complete the following required Graduation Standards in accordance with the standards developed by the Minnesota Department of Education (MDE):

1. Minnesota Academic Standards, Language Arts K-12;
2. Minnesota Academic Standards, Mathematics K-12;
3. Minnesota Academic Standards, Science K-12;
4. Minnesota Academic Standards, Social Studies K-12; and
5. Minnesota Academic Standards, Arts K-12.
6. Minnesota Academic Standards, Physical Education K-12.

D. The academic standards for language arts, mathematics, and science apply to all students except the very few students with extreme cognitive or physical impairments for whom an IEP team has determined that the required academic standards are inappropriate. An IEP team that makes this determination must establish alternative standards.

VIII. EARLY GRADUATION

Students may be considered for early graduation, as provided for within Minn. Stat. 120B.07 upon meeting the following conditions:

1. All course or standards and credit requirements must be met.
2. The building administrator or designee shall conduct an interview with the student and parent(s)/guardian(s), familiarize the parties with opportunities available in post-secondary education, and arrive at a timely decision.
3. The building administrator's decision shall be in writing and may be subject to review by the Superintendent and School Board.

IX. TRANSFER STUDENTS:

Students must attend Moorhead Area Public Schools for one semester immediately before graduation to be considered for special honors. All students must meet state and district requirements for graduation. An exemption to the district requirements of the 9th grade Explore Class may be made for student transfers during or after his/her freshman year. For purposes of placement and credit toward graduation requirements, students in grades 9-12 enrolling in Moorhead High School after a semester or more of attending a school other than Moorhead Area Public Schools must complete necessary forms and organize and submit documentation regarding the work which was completed and for which district credit is requested.

Documents should include:

1. Course descriptions and number of credits being requested.

2. Detail about the hours of instruction for each course for which credit is sought. Such hours should be equivalent to or greater than the number which would have occurred in the school district for the same or similar courses.

3. Evidence that the student sufficiently mastered the curriculum, including such items as standardized test results, subject tests, papers, and other examples of work.

The school district will review official transcripts from all schools. The district will determine the amount of credit awarded and/or the grades recorded on the district transcript. Grades may include pass, fail or letter grades.

Legal References:

Minn. Stat. 120B.02 (Educational Expectations for Minnesota's Students)

Minn. Stat. 120B.018 (Definitions)

Minn. Stat. 120B.07 (Early Graduation)

Minn. Stat. 120B.11 (School District Process)

Minn. Stat. 120B.021 (Required Academic Standards)

Minn. Stat. 120B.023 (Benchmarks)

Minn. Stat. 120B.024 (Graduation Requirements; Course Credits)

Minn. Stat. 120B.30 (Statewide Testing and Reporting System)

Minn. Stat. 120B.125 (Planning for Students' Successful Transition to Postsecondary Education and Employment; Involuntary Career Tracking Prohibited)

~~Minn. Stat. 120B.128 (Educational Planning and Assessment System (EPAS) Program)~~

Minn. Rules Parts 3501.0640-3501.0655 (Academic Standards for Language Arts)

Minn. Rules Parts 3501.0700-3501.0745 (Academic Standards for Mathematics)

Minn. Rules Parts 3501.0800-3501.0815 (Academic Standards for the Arts)

Minn. Rules Parts 3501.0900-3501.0955 (Academic Standards in Science)

Minn. Rules Parts 3501.1000-3501.1190 (Graduation-Required Assessment for Diploma) (repealed)

Minn. L. 2013, Ch. 116, Art. 2, 22)

Minn. Rules Parts 3501.1300-3501.1345 (Academic Standards for Social Studies)

Minn. Rules Part 3505.1150, Subpart 1, Item B (2012) (Awarding Science, Mathematics, or Arts Credits through Career and Technical Education)

20 U.S.C. 6301 *et seq.* (~~No Child Left Behind~~ Every Student Succeeds Act)

Cross References:

Moorhead School Board Policy 104: Mission Statement

Moorhead School Board Policy 660: Moorhead Area Public School State Mandated Testing Plan and Procedure

Moorhead School Board Policy 601: Curriculum and Instruction Goals of Moorhead Area Public Schools

Moorhead School Board Policy 231: Instruction and Curriculum Advisory Committee

Moorhead School Board Policy 620: Selection of Textbooks and Instructional Materials

Moorhead School Board Policy 650: School District System Accountability

Moorhead School Board Policy 653: Credit for Learning of Minnesota Graduation Standards

Moorhead School Board Policy 656: GRAD Testing, Accommodations, Modifications, and Exemptions for IEPs, Section 504 Accommodations and LEP Students

MSBA/MASA Model Policy 613: Graduation Requirements

Middle and High School Completion

Type:	Administrative Procedure
Section:	600 EDUCATION PROGRAMS
Code:	640.1
Adopted Date:	10/1/1982
Revised Date(s):	01/07/2008
Reviewed Date(s):	05/01/1990, 01/07/2008
Attached Files:	No Documents Found.

A. Procedures for Middle School Students

Options for students not making progress in four or more core classes:

A team meeting will be held with the minimum of a counselor, student and parent(s)/guardian(s).

The team will explore options by identifying what is occurring and scientifically research based interventions to support the student. Interventions may include but not be limited to:

Reading Intervention (Read 180)
Saturday School
Summer Term
Truancy Intervention
EXCEL Middle
Afterschool EXCEL
Double classes in core content areas

B. High School Requirements

All Moorhead High School graduation requirements must be met (see Moorhead School Board Policy 640: Moorhead Area Public Schools Graduation Policy).



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.044R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 102 State and Federal Law Prohibiting Discrimination

Attached please find the policy, State and Federal Law Prohibiting Discrimination 102, for your review.

Suggested Resolution: Move to approve the policy, State and Federal Law Prohibiting Discrimination 102, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

Description	Type
102	Cover Memo

State and Federal Law Prohibiting Discrimination

Type:	School Board Policy
Section:	100 SCHOOL DISTRICT
Code:	102
Adopted Date:	4/24/1984
Revised Date(s):	09/12/2005, 10/12/2009, 12/13/2010, 11/10/2014
Reviewed Date(s):	10/22/1990, 03/13/1995, 12/13/1999, 02/09/2004, 09/12/2005, 10/12/2009, 12/13/2010, 11/10/2014
Attached Files:	No Documents Found.

I. PURPOSE

The purpose of this policy is to establish the Moorhead Area Public Schools responsibility in complying with state and federal law regarding discrimination.

II. GENERAL STATEMENT

Moorhead Area Public Schools shall comply with federal and state law prohibiting discrimination and with the requirements imposed by or pursuant to regulations issued thereto, to the end that no person in the Moorhead Area Public Schools shall on the grounds of race, color, national origin, creed, religion, sex, marital status, age, limited English proficiency, sexual orientation, status with regard to public assistance, family care leave status, veteran status, or disability be excluded from any educational program or activity, or in employment, or recruitment, consideration, or selection therefore, including hiring, discharge, promotion, compensation, facilities or privileges of employment, whether full time or part time, under an educational program or activity for which the school is responsible. The Moorhead Area Public Schools also make reasonable accommodations for disabled employees and students.

Any inquiries concerning this policy may be referred to:

Office of the Superintendent
Probstfield Center for Education
2410 14th Street South
Moorhead, MN 56560
(218) 284-3330

The school district prohibits the harassment of any individuals. For information about the types of conduct that constitute impermissible harassment and the district's internal procedures for addressing complaints of harassment, please refer to the district's policy on harassment and violence.

III. REPRISAL

The Moorhead Area Public Schools will discipline or take appropriate action against any pupil, teacher, administrator or other school personnel who retaliates against any person who reports alleged unlawful discrimination based on race, color, national origin, creed, religion, sex, sexual orientation, marital status, age, limited English proficiency, status with regard to public assistance, or disability toward a student or any person who testifies, assists or participates in an investigation, or who testifies, assists or participates in a proceeding or hearing relating to such unlawful discrimination. Retaliation includes, but is not limited to, any form of intimidation, reprisal or harassment.

Legal References:

29 U.S.C. 794 *et seq.* (Section 504 of Rehabilitation Act of 1973, Title I and Title V of the Americans with Disabilities Act of 1990)
Minn. Stat. 123B.03 (Background Check)
Minn. Stat. 43A.11 (Veteran's Preference)
Title VII of the Civil Rights Act of 1964
Equal Pay Act of 1963
Age Discrimination in Employment Act of 1967
Civil Rights Act of 1991
Minn. Stat. 363 (Minnesota Human Rights Act)
29 U.S.C. 2615 (Family and Medical Leave Act)
38 U.S.C. 4301 *et seq.* (Vietnam Era Veterans Readjustment Assistance Act)
38 U.S.C. 4211 *et seq.* (Veterans Reemployment Rights Act)

Cross References:

Moorhead School Board Policy 401: Equal Employment Opportunity Statement
Moorhead School Board Policy 402: Grievance Procedures for Equal Opportunity
Moorhead School Board Policy 404: Employment Disability Nondiscrimination
Moorhead School Board Policy 410: Employment of Faculty and Staff
Moorhead School Board Policy 411: Veteran's Preference Hiring
Moorhead School Board Policy 501: Equal Educational Opportunity
Moorhead School Board Policy 502: Student Disability Nondiscrimination
Moorhead School Board Policy 570: Prohibition of Harassment and Violence



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.045R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 232 Health Insurance Committee

Attached please find the policy, Health Insurance Committee 232, for your review.

Suggested Resolution: Move to approve the policy, Health Insurance Committee 232, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

	Description	Type
□	232	Cover Memo

Health Insurance Committee

Type: School Board Policy
Section: 200 SCHOOL BOARD
Code: 232
Adopted Date: 4/13/2015
Revised Date(s):
Reviewed Date(s):
Attached Files: No Documents Found.

I. PURPOSE

The purpose of this policy is to define the expectations of the ~~Self-Funded~~ Health Insurance Committee and procedures for its operation.

II. GENERAL STATEMENT

The ~~Self-Insured~~ Health Insurance Committee is an advisory committee that focuses on review of data and trends to make recommendation regarding the district's ~~Self-Funded H~~health ~~I~~nsurance ~~P~~plan, adopted by the School Board and made effective on January 1, 2014.

III. MEMBERSHIP

A. The committee is comprised of the following members:

1. Two (2) School Board members;
2. Superintendent or designee;
3. Assistant ~~S~~uperintendent of ~~Business Services~~ finance and operations and/or ~~A~~ccountant;
4. Executive ~~D~~irector of ~~H~~uman ~~R~~esources; and
5. A minimum of one (1) member of each recognized employee unit. Employee units include: administrative assistants, bus drivers, confidential administrative assistants, custodians, food services, non-aligned, paraprofessionals, principals, supervisors, teachers and T.C.I.

B. Committee meetings will be open to the public. Meeting minutes will be available on the school district website.

C. The committee will meet monthly during the school year unless otherwise determined by the committee.

D. The assistant superintendent of ~~business~~ finance and operations and the executive director of human resources will facilitate this committee.

IV. RESPONSIBILITIES

A. The committee will review insurance data and recommend changes to the School Board annually or as needed.

- B. Serve the interest of the School Board and employees of the Moorhead Area Public Schools District.
- C. Recommend changes to the third party administrator based on Minn. Stat. 471.6161 and/or any information based on the needs of the district and the existing health insurance plans.
- D. Recommend the level of annual or other contributions to the ~~S~~self-~~i~~nsurance ~~F~~und by the employees and district, in consultation with the insurance consultant and their work with the third party administrator.
- E. Identify areas of increased utilization of health care plans, and mitigate utilizing informational and wellness campaigns within the district.
- F. Serve as an information bridge between the school board and employees regarding the status of health care programming and premiums.
- G. Work with the School Board and insurance consultant as needed in any matters pertaining to health benefits.

Legal References:

Minn. Stat. 43A.24 (Public Employees Insurance Program)
Minn. Stat. 123B.09 (Boards of Independent School Districts)
Minn. Stat. 123B.75 (Revenue; Reporting)
Minn. Stat. 471.6161 (Group Insurance; Governmental Units)
Minn. Stat. 471.617 (Self-Insurance of Employee Health Benefits)
Minn Stat. 471.895 (Gift Ban)

Cross Reference:

Moorhead School Board Policy 536: Wellness



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.046R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 303 Records Retention

Attached please find the policy, Records Retention 303, for your review.

Suggested Resolution: Move to approve the policy, Records Retention 303, as presented.

Moved by:
Seconded by:
Comments:

LAK:mde

ATTACHMENTS:

Description	Type
□ 303	Cover Memo

Records Retention

Type: School Board Policy
Section: 300 ADMINISTRATION
Code: 303
Adopted Date: 6/9/2014
Revised Date(s):
Reviewed Date(s):
Attached Files: No Documents Found.

I. PURPOSE

The purpose of a records retention policy is to provide a plan for managing governmental records under Minn. Stat. 138.17.

II. GENERAL STATEMENT

Records are vitally important to the operation of any organization. They serve as the organizations' memory and are evidence of past events and the basis for further actions. Some are valuable from a historical standpoint and need to be retained permanently. Other records are vital for the continuity of the district. Still others have a transient administrative, legal and financial value. When records of a transient value are not longer required, they should be disposed of in order to make room for those of current and continuing value. The district will make use of the technology available, and acceptable under state guidelines, in the maintenance of school records.

III. REQUIREMENTS

The School Board hereby adopts the School District General Records Retention Schedule developed by the State Department of Administration as published in January 2000. The purpose of adopting a records retention schedule is to provide a plan for managing governmental records by giving continuing authority to dispose of records under applicable Minnesota Statutes. The Superintendent shall establish a procedure pursuant to the general record retention schedule, as adopted, which will comply with state statutes for the disposal of public records of the school district.

Legal Reference:
Minn. Stat. 138.17 (Government Records; Administration)



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.047R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 201 School Board Legal Status

Attached please find the policy, School Board Legal Status, for your review.

Suggested Resolution: Move to approve the policy, School Board Legal Status 201, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

Description	Type
□ 201	Cover Memo

School Board Legal Status

Type:	School Board Policy
Section:	200 SCHOOL BOARD
Code:	201
Adopted Date:	8/27/2001
Revised Date(s):	10/10/2005, 10/12/2009, 08/09/2010, 02/25/2013
Reviewed Date(s):	10/10/2005, 10/12/2009, 08/09/2010, 02/25/2013
Attached Files:	No Documents Found.

I. PURPOSE

The purpose of this policy is to define the authority, duties and powers of the Moorhead School Board in carrying out the school district's mission.

II. GENERAL STATEMENT

A. The School Board is the governing body of the Moorhead Area Public Schools. As such, the School Board has the responsibility for the care, management, and control over public schools in the school district.

B. Members of the School Board have binding authority only when acting as a School Board legally in session, except where specific authority is provided to School Board members or officers individually. Generally, the School Board is not bound by any action or statement on the part of an individual School Board member unless the action is specifically directed or authorized by the School Board.

III. ORGANIZATION AND MEMBERSHIP

A. The membership of the School Board consists of seven elected directors. The term of office is four years. Regular elections are conducted every two (even-ending) years. ~~A School Board vacancy shall be filled by School Board appointment at a regular or special meeting, entered by resolution in the minutes and shall continue until the next regular district election. All elections to fill vacancies shall be for the unexpired term. If less than two years remain in the unexpired term, the appointed person shall serve the remainder of the unexpired term.~~

B. A School Board vacancy on the board must be filled by board appointment at a regular or special meeting, entered by a resolution in the minutes, and shall be effective 30 days following adoption of the resolution unless a valid petition to reject the appointee is filed with the school district clerk. All elections to fill vacancies shall be for the unexpired term. A special election to fill the vacancy must be held no later than the first Tuesday after the first Monday in November following the vacancy. If the vacancy occurs less than 90 days prior to the first Tuesday after the first Monday in November in the year in which the vacancy occurs, the special election must be held no later than the first Tuesday after the first Monday in November of the following calendar year. If the vacancy occurs less than 90 days prior to the first Tuesday after the first Monday in November in the third year of the term, no special election is required. If the vacancy is filled by a special election, the person elected at that election for the ensuing term shall take office immediately after receiving the certificate of election, filing the bond, and taking the oath of office.

BC. The Superintendent serves as nonvoting ex-officio member of the School Board.

ED. The majority of voting members constitutes a quorum. The act of the majority of a quorum is the act of the School Board.

IV. POWERS AND DUTIES

A. The School Board has powers and duties as specified by statute. The School Board's authority includes implied powers in addition to specific powers granted by the legislature.

B. The School Board exercises administrative functions. It also has certain powers of a legislative character and other powers of a quasi-judicial character.

C. The School Board shall superintend and manage the schools of the district; adopt rules for the organization, government, and instruction; prescribe textbooks and course of study; and make and authorize contracts.

D. The School Board shall have the general charge of the business of the school district, its facilities, and property, and of the interest of the schools.

E. The School Board, among other duties shall perform the following in accordance with applicable law:

1. provide by levy of tax, necessary funds for the conduct of schools, the payment of indebtedness, and all proper expenses of the school district;
2. conduct the business of the schools and pay indebtedness and proper expenses;
3. employ and contract with necessary qualified teachers and discharge the same for cause;
4. provide services to promote the health of its students;
5. provide school buildings and erect needed buildings;
6. purchase, sell and exchange school district property and equipment as deemed necessary by the School Board for school purposes;
7. provide for payment of claims against the school district and prosecute and defend actions by or against the school district, in all proper cases;
8. employ and discharge necessary employees and contract for other services;
9. provide for transportation of students to and from schools as governed by statute; and
10. procure insurance against liability of the school district, its officers and employees.

F. The School Board, at its discretion, may perform the following:

1. provide library facilities, public evening schools, adult and continuing education programs, and extended year and extended day programs;
2. furnish school lunches for students and others on such terms as the School Board determines;
3. enter into agreements with one or more other independent school districts to provide for agreed upon educational services;

4. lease rooms or buildings for school purposes;
5. authorize the use of school facilities for community purposes that will not interfere with their use for school purposes;
6. authorize cocurricular and extracurricular activities;
7. receive, for the benefit of the school district, bequests, donations or gifts for any proper purpose; and
8. perform other acts as the School Board shall deem to be reasonably necessary or required for the governance of the schools.

Legal References:

Minn. Stat. 123A.22 (Cooperative Centers)

Minn. Stat. 123B.02 (~~General Powers~~ Boards of Independent School Districts)

Minn. Stat. 123B.09 (School Board Powers)

Minn. Stat. 123B.14 (School District Officers)

Minn. Stat. 123B.23 (Liability Insurance)

Minn. Stat. 123B.49 (Cocurricular and Extracurricular Activities; Insurance)

Minn. Stat. 123B.51 (Schoolhouses and Sites; Access for Noncurricular Purposes)

Minn. Stat. 123B.85 (Definition)

Jensen v. Indep. Consol. Sch. Dist. No. 85, 160 Minn. 233, 199 N.W. 911 (1924)

Cross References:

Moorhead School Board Policy 101: Name and Legal Status of Moorhead Area Public Schools

Moorhead School Board Policy 202: School Board Officers

MSBA/MASA Model Policy 201 (Legal Status of the School Board)



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.048R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 216 Out-of-State Travel by School Board Members

Attached please find the policy, Out of State Travel by School Board Members 216, and Administrative Procedure, Payment to Employees for Travel Time 824.1, for your review.

Suggested Resolution: Move to approve the policy, Out-of-State Travel by School Board Members 216, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

Description	Type
 216	Cover Memo

Out-of-State Travel by School Board Members

Type:	School Board Policy
Section:	200 SCHOOL BOARD
Code:	216
Adopted Date:	4/10/2006
Revised Date(s):	05/11/2009, 06/14/2010, 12/13/2010, 11/10/2014
Reviewed Date(s):	01/08/2007, 11/26/2007, 05/11/2009, 06/14/2010, 12/13/2010, 11/10/2014
Attached Files:	No Documents Found.

I. PURPOSE

The purpose of this policy is to regulate out-of-state travel by Moorhead School Board members as required by law.

II. GENERAL STATEMENT

School Board members have an obligation to become informed on the proper duties and functions of a School Board member, to become familiar with issues that may affect the Moorhead Area Public Schools, to acquire a basic understanding of school finance and budgeting, and to acquire sufficient knowledge to comply with federal, state and local laws, rules, regulations and school district policies that relate to their functions as School Board members. Occasionally, it may be appropriate for School Board members to travel out of state to fulfill their obligations.

III. APPROPRIATE TRAVEL

Travel outside the state is appropriate when the School Board finds it proper for School Board members to acquire knowledge and information necessary to allow them to carry out their responsibilities as School Board members. Travel to regional or national meetings of the National School Boards Association is presumed to fulfill this purpose. Travel to other out-of-state meetings for which the member intends to seek reimbursement from the school district should be preapproved by the School Board.

IV. REIMBURSABLE EXPENSES

Expenses to be reimbursed may include transportation, meals, lodging, registration fees, required materials, parking fees, tips, and other reasonable and necessary school district-related expenses.

V. REIMBURSEMENT

A. Requests for reimbursement must be itemized on the official school district form and are to be submitted to the Superintendent. Receipts for lodging, commercial transportation, registration, and other reasonable and necessary expenses must be attached to the reimbursement form.

B. Automobile travel shall be reimbursed at the mileage rate set by the School Board. Commercial transportation shall reflect economy fares and shall be reimbursed only for the actual cost of the trip.

C. Amounts to be reimbursed shall be within the School Board's approved budget allocations, including attendance at workshops and conventions.

VI. ESTABLISHMENT OF DIRECTIVES AND GUIDELINES

The schedule of reimbursement rates for school district business expenses, including those expenses requiring advance approval and specific rate of approval has been developed through the business office (Administrative Procedure 824.1: Payment to Employees for Travel Time).

Legal References:

Minn. Stat. 123B.09, Subd. 2 (School Board Member Training)

Minn. Stat. 471.661 (Out-of-State Travel)

Minn. Stat. 471.665 (Mileage Allowances)

Minn. Op. Atty. Gen. No. 1035 (August 23, 1999) (Retreat Expenses)

Minn. Op. Atty. Gen. No. 161b-12 (August 4, 1997) (Transportation Expenses)

Cross References:

Moorhead School Board Policy 203: School Board Member Development

Moorhead School Board Policy 824: Reimbursement for Travel, Professional Meetings and Conferences

MSBA/MASA Model Policy 214 (Out-of-State Travel by School Board Members)

**TRAVEL REQUEST & REIMBURSEMENT FORM**

Rev. 5/4/2017

IMPORTANT: This form must be approved **PRIOR** to attending the event and **your absence MUST be entered into SEMS** (even if a sub is not needed) and entered into the vacancy calendar by the Bldg Admin. Asst. before the form is turned into the Assistant Superintendent Of Finance and Operation's office. Incomplete forms will be sent back.

1 EMPLOYEE _____ VENDOR # _____ SCHOOL/DEPT _____

NAME OF EVENT _____ DATE(S) OF EVENT _____

DATE LEAVING: _____ TIME LEAVING: _____ ☐ AM ☐ PM DATE RETURNING: _____ TIME RETURNING: _____ ☐ AM ☐ PM

LOCATION: _____ CITY _____ STATE _____ NOTES: _____

(EVENT CENTER/SCHOOL/HOTEL ETC.)

2 ☐ ABSENCE ENTERED INTO SEMS **PRE APPROVAL SIGNATURES:**
SEMS JOB #: _____
☐ ABSENCE ENTERED IN VACANCY CALENDAR BY ADMIN. ASST. _____
EMPLOYEE _____ DATE _____ PRINCIPAL OR SUPERVISOR _____ DATE _____

3 **PRE-APPROVAL: *FILL OUT WITH HELP OF BUILDING (OR APPROPRIATE) ADMIN ASSISTANT**

LODGING AND REGISTRATION FEES SHOULD BE PAID DIRECTLY BY THE DISTRICT			EST. EXPENSES (ENTER 0 WHEN APPROPRIATE)	*PO # REQUIRED	ACCOUNTING USE ONLY		
					PAID TO	TOTAL	DATE PD
REGISTRATION FEES (ATTACH COPY OF REGISTRATION FORM)							
LODGING: _____ NIGHTS @ \$ _____ =							
CONFIRMATION # _____							
ENTERPRISE RENTAL CAR							

**** ROUTING OF CHECKS (CHECK ONE):** ☐ MAIL CHECKS ☐ RETURN TO EMPLOYEE ☐ RETURN TO _____

4 **OTHER EXPENSES (DO NOT REQUIRE PO):**

BREAKFAST	_____ days @ \$5.00	PARKING/TAXI:	OTHER:
LUNCH	_____ days @ \$8.00	PERSONAL VEHICLE:	SUBSTITUTE COSTS: _____ days @ \$114.65
DINNER	_____ days @ \$15.00	_____ miles @ *\$ _____ /mile = _____ *amount varies per employee contract	<input type="checkbox"/> NO SUB NEEDED

5 **BUILDING ADMIN ASSISTANT/ADMINISTRATOR USE ONLY:**

TRAVEL FUNDED BY (CHECK ONE): ☐ BUILDING STAFF DEVELOPMENT (PLEASE ENTER YOUR TRAVEL CODES BELOW & THEN ROUTE TO OFFICE OF ASST. SUPT. OF FINANCE/OP)
☐ SPECIAL EDUCATION (ROUTE TO LSS OFFICE) ☐ TITLE (ROUTE TO OFFICE OF LEARNING & ACCOUNTABILITY)
☐ ENTERED SPEC ACCT CODE BELOW ☐ DISTRICT (ROUTE TO OFFICE OF ASST. SUPT. OF FINANCE/OP) ☐ OTHER: _____ (ROUTE TO OFFICE OF ASST. SUPT. OF FINANCE/OP)
SUBSTITUTE CODE: _____ EXPENSE CODE: _____

6 **REIMBURSEMENT SECTION TO BE COMPLETED AFTER TRAVEL IS COMPLETE: *ITEMIZED RECEIPTS ARE REQUIRED**

ACTUAL COSTS: Enter eligible reimbursement requests by day for each expense category.

DAY OF WK: DATE:	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY	ACCOUNTING USE ONLY	
								TOTAL	DATE PD
BREAKFAST									
LUNCH									
DINNER									
MEALS TOTAL									
PARKING/TAXI									
FUEL (RENTAL CAR ONLY)									
MILES (FROM PRE-APPROVAL)									

REIMBURSEMENT APPROVAL SIGNATURES: *Should NOT be signed until after employee completes section 6 table

EMPLOYEE _____ DATE _____ PRINCIPAL/SUPERVISOR/ADMINISTRATOR _____ DATE _____

PROCEDURES • TRAVEL FORM

Rev. 5/4/2017



GENERAL INFO: Approved Travel Request Forms must be received in the Assistant Superintendent of Finance and Operations office by **noon on Tuesdays**. Travel checks are processed on Wednesdays. **INCOMPLETE FORMS AND REQUESTS MADE ON OLD FORMS WILL BE SENT BACK.**

1 Please complete **all information** including your vendor number. This number is used to identify you in our accounting system so we are able to print your reimbursement check. If you do not know your vendor number please contact the Administrative Assistant to the Assistant Superintendent of Finance and Operations (phone ext. 3371). It is important to know the times you are leaving so we can reimburse you for the appropriate amount of meals.

2 Your absence must be entered into SEMS prior to turning in your travel form to the Assistant Superintendent Of Finance and Operations office. Travel Request Forms must be approved **PRIOR** to the travel date by the employee's supervisor or principal, **even if there is no cost**.

3 The pre-approval table should be completed with the help of your building (or appropriate) administrative assistant. Please **do not leave any of the boxes empty** - enter a zero where appropriate.

All registration, lodging and rental car fees require a purchase order number. The employee will not be reimbursed for these purchases as they should be paid directly by the district.

Registration and lodging reservations should be made by the employee attending the event or they should have the appropriate person help do this for them. The Assistant Superintendent of Finance and Operations office does **NOT** make the reservations.

Vehicles for business use may be rented from Enterprise Rent-A-Car. Procedures for rental reservations can be found on the Extranet: Documents → District Documents → Business Services → Accounting → Enterprise Car Rental.

If costs are not listed on the pre-approval section, they cannot be claimed later. Travel forms will not be accepted without attached registration for event or something to show proof of the date of event (example: email confirmation or correspondence of event date/time).

4 Please do not leave any of the boxes empty - enter a zero where appropriate.

Meals

\$28 is the maximum allotted per day. We do not reimburse for any meal that is included in your registration fees for an event or breakfast if it is available free of charge at your hotel. Itemized receipts are required for reimbursement.

Personal Vehicle Rates:

- **Principals, supervisors and teachers:** Per contract receive the current IRS standard mileage rate.
- **All other employees:** per School Board Policy 824, if there is a rental car available and you choose not to take it, you receive half of the current IRS standard mileage rate. If a rental car is not available, you will receive the full current IRS standard mileage rate.

5 Section 5 must be completed by the building administrative assistant or principal and routed to the appropriate person at the District Office. If travel is being funded by the building, the expense and substitute codes **MUST** be complete before sending the form to the Assistant Superintendent of Finance and Operations office.

6 All items listed on the section 6 table (excluding personal vehicle mileage) **must have the original (no copies) itemized receipt** attached for the employee to receive reimbursement for them.

7 If you are in a vehicle accident or injured while traveling for approved work-related events, please contact the SFM Work Injury Hotline at 1-855-675-3501. Additionally, vehicle accidents should be reported to local law enforcement and to the Business Office at 218-284-3370.

More information on travel reimbursements can be found in School Board Policy 824.

Further questions?

Please call the office of the Assistant Superintendent of Finance and Operations at 218-284-3371.



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.049R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 221 School Board Policy Development, Adoption, Implementation, and Review

Attached please find the policy, School Board Policy Development, Adoption, Implementation, and Review 221, for your review.

Suggested Resolution: Move to approve the policy, School Board Policy Development, Adoption, Implementation, and Review 221, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

Description	Type
 221	Cover Memo

School Board Policy Development, Adoption, Implementation, and Review

Type:	School Board Policy
Section:	200 SCHOOL BOARD
Code:	221
Adopted Date:	8/27/2001
Revised Date(s):	05/11/2009, 06/14/2010, 08/09/2010, 11/10/2014
Reviewed Date(s):	10/27/2003, 05/09/2005, 04/09/2007, 11/26/2007, 05/11/2009, 06/14/2010, 08/09/2010, 11/10/2014
Attached Files:	No Documents Found.

I. PURPOSE

The purpose of this policy is to emphasize the importance of the policy-making role of the Moorhead School Board to provide guidance on the ongoing structured review of policy and to clarify the responsibility of the school administration for implementation of Moorhead School Board policy.

II. GENERAL STATEMENT

A. Formal guidelines are necessary to ensure our school community and the Moorhead Area Public School system respond to its mission and operate in an effective, efficient and consistent manner. Therefore, a set of written policy statements shall be maintained and modified as needed. These policies define the desire and intent of the Moorhead School Board and are to be in a format which is sufficiently explicit to guide administrative action.

B. It shall be the responsibility of the Moorhead Area Public Schools Superintendent to implement School Board policy and to recommend additions or modifications as needed. The administration is authorized to develop guidelines and procedures to implement School Board policies. These guidelines and procedures shall not be inconsistent with said policies. These written procedures shall be reviewed along with the School Board policies they are intended to implement.

C. Employee and student handbooks shall be subject to an annual review and approval by the Moorhead School Board. Building administrators and other administrators who have handbook responsibilities shall present recommended changes necessary to reflect new or modified policies. Changes of substance within handbooks shall be reviewed by the Superintendent/designee to assure compliance with School Board policy before presenting to the School Board for approval.

III. DEVELOPMENT

A. The Moorhead School Board has the jurisdiction to legislate policy for the Moorhead Area Public Schools with the force and effect of law. School Board policy provides the general direction as to what the School Board wishes to accomplish while delegating implementation of the policy to administration.

B. The School Board's written policies provide guidelines and goals to the school community. The policies shall be the basis for the formulation of guidelines and procedures by the administration. The School Board shall determine the effectiveness of the policies by evaluating periodic reports from the administration.

C. Policies may be proposed by a School Board member, employee, student or resident of the school district. Proposed policies or ideas shall be submitted to the Superintendent for review prior to possible placement on the School Board agenda.

IV. ADOPTION

A. Moorhead School Board will give notice of proposed policy changes or adoption of new policies by placing the item on the agenda for discussion at two School Board meetings. The policy changes shall be reviewed by the school district's Policy Review Committee if possible before placing them on the School Board agenda. Proposals will be distributed and School Board and public comment will be allowed at both meetings prior to final School Board action.

B. The final action taken to adopt proposed new policies or revised policies shall be by simple majority vote of the School Board subsequent to the second meeting. The policy will become effective on the date the policy is adopted or a date stated in the motion, whichever is later.

C. In case of an emergency or due to legislative, legal or state department required modifications or time lines in which the School Board has no control, a new or modified policy may be adopted by a majority vote of a quorum of the School Board. A statement regarding the need for immediate adoption of the policy shall be included in the minutes. The School Board has the discretion to determine what constitutes an emergency situation.

D. If an educational policy is modified because of a legal change over which the School Board has no control, the modified policy may be approved at one meeting at the discretion of the School Board.

V. IMPLEMENTATION

A. It shall be the responsibility of the Superintendent to implement Moorhead School Board policies and to develop administrative guidelines and procedures to provide greater specificity and consistency in the process of implementation. Employee and student handbooks, shall be subject to annual review and approval of the School Board.

B. A paper copy of the policy manual will be kept and maintained by the Superintendent. Moorhead School Board members, employees and the public will be able to access the policy manual at the school district's Web site (www.moorheadschoools.org). It shall be the responsibility of the Superintendent, School Board secretary, individual School Board members, and others designated by administration to keep the policy manuals current.

C. The School Board shall review policies at least once every three years. In addition, the School Board shall review the following policies annually: Family and Medical Leave 422, Policies Incorporated by Reference for Employees/Personnel 499, Mandated Reporting of Child Neglect or Physical or Sexual Abuse 534, Maltreatment of Vulnerable Adults 535, Wellness 536, Student Discipline 551, Prohibition of Harassment and Violence 570, Bullying Prohibition 578, Policies Incorporated by Reference for Students 599, School District System Accountability 650, School District Crisis Management 710, Health and Safety 714, Student Transportation Safety 721, and Moorhead Area Public Schools Electronic Network Acceptable Use and Safety 731.

D. When no Moorhead School Board policy exists to provide guidance on a matter, the Superintendent is authorized to act appropriately under the circumstances keeping in mind the educational philosophy and financial condition of the school district. Under such circumstances, the Superintendent shall advise the School Board of the need for a policy and present a recommended policy to the School Board for approval.

VI. POLICY REVIEW

The Moorhead Policy Review Committee when possible will review and make recommendations to current policy as they come forward for periodic review. Their recommendations will be brought forward

to the School Board by the Superintendent. Administrative procedures supporting board policies will be reviewed by the administration and School Board at the second reading of the policy.

Legal References:

Minn. Stat. 123B.02 Subd. 1 (School District Powers)

Minn. Stat. 123B.09 Subd. 1 (School Board Powers)

Cross References:

Moorhead School Board Policy 201: School Board Legal Status

Moorhead School Board Policy 233: Policy Review Committee

Moorhead School Board Policy 310: School Superintendent

MSBA/MASA Model Policy 208 (Development, Adoption and Implementation of Policies)



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.050R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 233 Policy Review Committee

Attached please find the policy, Policy Review Committee 233, for your review.

Suggested Resolution: Move to approve the policy, Policy Review Committee 233, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

Description	Type
□ 233	Cover Memo

Policy Review Committee

Type:	School Board Policy
Section:	200 SCHOOL BOARD
Code:	233
Adopted Date:	1/11/1977
Revised Date(s):	12/08/2008, 11/09/2015
Reviewed Date(s):	03/09/1993, 02/10/1997, 06/12/2000, 11/25/2002, 12/13/2004, 12/08/2008, 12/10/2012, 11/09/2015
Attached Files:	No Documents Found.

I. PURPOSE

The purpose of the Policy Review Committee is to engage in a systemic review of educational policies of the Moorhead Area Public Schools and make recommendations to the Moorhead School Board regarding possible changes in these policies.

II. GENERAL STATEMENT

A. Membership

The Policy Review Committee will consist of five teacher representatives generally drawn from the elementary (K-~~54~~), middle school (~~65~~-8), high school (9-12), and special education (K-12) levels, respectively and with one representative appointed by Education Moorhead; two building ~~administrators~~ principals; supervisor; ~~secretary~~ administrative assistant; confidential administrative assistant; non-aligned; T.C.I.; bus driver; custodian; paraprofessional; food service employee; administrator; ~~the~~ Superintendent; and two School Board members. Each employee association will be responsible for choosing the representative(s) and notifying the Superintendent's office of its selection prior September 1 of each year.

Members will be appointed to a two-year term and take office in time for the first Policy Review Committee meeting of the school year.

B. Meetings

Meetings will be held at the Probstfield Center for Education during the school year at times and dates determined by the committee.

Cross Reference:

Moorhead School Board Policy 221: School Board Policy Development, Adoption, Implementation and Review



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.051R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 236 Activities Advisory Council

Attached please find the policy, Activities Advisory Council 236, for your review.

Suggested Resolution: Move to approve the policy, Activities Advisory Council 236, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

Description	Type
□ 236	Cover Memo

Activities Advisory Council

Type:	School Board Policy
Section:	200 SCHOOL BOARD
Code:	236
Adopted Date:	3/10/2003
Revised Date(s):	04/09/2007, 06/13/2011, 02/23/2015
Reviewed Date(s):	03/10/2003, 04/09/2007, 06/13/2011, 02/23/2015
Attached Files:	No Documents Found.

I. PURPOSE

The purpose of this policy is to define membership on and responsibilities of the Activities Advisory Council.

II. GENERAL STATEMENT

The purpose of the Activities Advisory Council is to review and recommend extra- and co-curricular activity policies and procedures to administration.

A. Representation on the Activities Advisory Council will consist of:

1. three to five teachers/coaches/advisors representing middle and high school activities;
2. a member from central administration;
3. a building administrator from the middle and high school levels;
4. one male and one female student involved in high school activities;
5. two to four parents/guardians representing middle and high school levels; and
6. two School Board members.

B. Members will be selected by administration and will represent areas of activities.

C. Members will become knowledgeable of Minnesota State High School League Activities and Rules, Moorhead Area Public Schools' Student Activity Eligibility Rules and Code of Conduct, and school district policies relating to hazing, prohibition of harassment, lettering, tobacco-free environment, chemical use and abuse, and drug-free schools.

D. Meetings will be held regularly during the school year with agenda and minutes forwarded to committee members and the Superintendent's office.

E. The Activities Advisory Council will review the activities report as prepared by the Activities Director.

Cross References:

Moorhead School Board Policy 540: Student Activities

Moorhead School Board Policy 541: Student Activity Eligibility

Moorhead School Board Policy 543: Student Activities Travel
Moorhead School Board Policy 545: High School Academic, Activity and Varsity Athletic Letters
Moorhead School Board Policy 551: Student Discipline
Moorhead School Board Policy 570: Prohibition of Harassment and Violence
Moorhead School Board Policy 571: Hazing Prohibition
Moorhead School Board Policy 572: Drug-Free Workplace/Drug-Free Schools
Moorhead School Board Policy 573: Tobacco-Free Environment



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.052R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/4/2017

RE: Policy 239 Parent Organizations/Booster Clubs

Attached please find the policy, Parent Organizations/Booster Clubs 239, and Administrative Procedures, Moorhead Elementary Schools Parent Teacher Advisory Council (PTAC) Operating Procedures 239.1 and Booster Club Procedures 239.2, for your review.

Suggested Resolution: Move to approve the policy, Parent Organizations/ Booster Clubs 239, as presented.

Moved by:
Seconded by:
Comments:

LAK:mde

ATTACHMENTS:

Description	Type
 239	Cover Memo

Parent Organizations/Booster Clubs

Type: School Board Policy
Section: 200 SCHOOL BOARD
Code: 239
Adopted Date: 6/9/2014
Revised Date(s):
Reviewed Date(s):
Attached Files: No Documents Found.

I. PURPOSE

The purpose of this policy is to define the relationship between the School Board and the parent organizations, booster clubs and similar groups whose purpose is to support the school district's activities and educational programs.

II. DEFINITIONS

Parent organizations and booster clubs are neither school-sponsored clubs nor student-initiated clubs as those clubs or groups are defined in board policy. Parent organizations and booster clubs shall constitute "outside clubs or groups," which are school-related but must meet the terms of this policy to use the school district or an individual school name, mascot or logo and to use school district facilities as a school-related organization.

III. PARENT ORGANIZATIONS

The School Board encourages the formation and operation of parent organizations, such as Parent-Teacher Advisory Councils at each school site, in the school district to provide support to the school. Parent organizations must comply with the requirements of this policy to use the name of the individual school or school district, school or school district mascot or logo, and to have access to school district facilities.

Each parent organization must prepare and submit to the Superintendent a copy of its organizational bylaws. Upon formation and annually thereafter, each parent organization shall provide the Superintendent with the names, telephone numbers and addresses of each officer of the parent organization and the position held.

IV. BOOSTER CLUBS

Booster clubs for athletics, band, choir, drama, orchestra, or other athletic, fine arts or academic activities are welcome to form, support and assist such student activities or programs, both financially and with volunteer assistance. Booster clubs must comply with the requirements of this policy to use the name of the individual school or school district, school or school district mascots or logos, and to have access to school district facilities as a school-related organization.

A booster club must prepare and submit to the Superintendent or designee a copy of its organizational bylaws. All booster clubs must operate within the applicable standards and any guidelines set by the Minnesota State High School League. Upon formation and annually thereafter, each booster club shall provide the Superintendent or designee with the names, telephone numbers and addresses of each officer of the booster club and the position held.

V. ACCOUNTING BY PARENT ORGANIZATIONS AND BOOSTER CLUBS

Each parent organization or booster club must have its own checking account and the bylaws for the groups must require two signatures for any disbursement from that account. Parent organization or booster club funds and accounts are not school district accounts and will not be included in the school district's budget and accounting for annual school district audit purposes. Funds collected by the parent organization or booster club are not to be deposited into the school district student activity accounts.

VI. FUNDRAISING

All fundraising activities shall comply with state and federal law. Participating in fundraising activities by a parent organization or booster club shall not be considered as a factor in a student's level of participation in any school activity or athletic program.

VII. TITLE IX COMPLIANCE

The School Board discourages the formation or organization of booster clubs that sponsor, assist or support student activities or athletic programs that predominantly serve student participants of a single sex. In order to assure that contributions or support by parent organizations and booster clubs do not create inequities or significant disparities in the program, equipment and facilities made available to students participating in single sex sports, the parent organizations or booster club shall only donate funds or tangible personal property that contribute to the school district's educational, extracurricular or athletic programs, by program or sport, through board policy. Support provided to a single athletic program, regardless of source, must be included in the district's evaluation of its overall athletic program and the comparability of benefits made available to male versus female athletes.

Cross References:

Moorhead School Board Policy 236: Activities Advisory Council

Moorhead School Board Policy 540: Student Activities

Moorhead Elementary Schools Parent Teacher Advisory Council (PTAC) Operating Procedures

Type: Administrative Procedure

Section: 200 SCHOOL BOARD

Code: 239.1

Adopted Date: 1/8/2018

Revised Date(s):

Reviewed Date(s):

Attached Files: No Documents Found.

I. Name

The name of this organization shall be Parent Teacher Advisory Council, hereafter known as PTAC, with four branches as follows: Robert Asp Elementary, Ellen Hopkins Elementary, S.G. Reinertsen Elementary and Dorothy Dodds Elementary.

II. Mission

The mission is to effectively serve students, parents, teachers and administrators to enhance the education process and provide a better learning environment.

III. Purpose

The purpose shall be to:

A. Enhance communication and collaboration between parents, teachers, principals, district administrators, and the school board.

B. Enhance school spirit.

C. Organize, assist and encourage participation in fundraising efforts for the benefit of the students at each elementary school and the betterment of their school experience.

D. Represent each elementary school on various school district committees.

E. Work for the students and school benefit by organizing various school functions.

IV. General Membership

All parents/guardians are members of the Parent Teacher Advisory Council.

V. Meetings

Meetings are held monthly during the school year or more often as needed. The place, time, dates of meeting are cooperatively established and announced in the school district calendar. Any parent, teacher or administrator is welcome to attend the PTAC meetings.

Organizational meetings will be held in September of each year. The organizational meeting will include the executive committee, past officers and committee chairpersons.

VI. Officers

At the last scheduled meeting of each school year, the members present shall elect officers who will assume their duties on August 1 of that year.

A. Elected Officers: The officers elected shall consist of a president, president-elect, secretary and treasurer.

B. Term of Office: All officers shall fill a term of one year, not to exceed two consecutive terms.

C. Duties of Officers:

1. The president shall:

a. Preside at all PTAC meetings.

b. Appoint the chairperson of each committee in the spring for the following year.

c. Work with each chairperson in establishing the number of volunteers necessary to complete the task charged.

d. Be cosigner with the treasurer for the checking and savings accounts.

e. Work on the monthly agenda with the president-elect.

f. Perform such other duties as requested by the membership or the executive committee.

g. The president and president-elect mutually agree on the division of the standing committees they supervise.

h. Establish an annual budget for the year along with the treasurer and principal to be approved by the PTAC.

2. The president-elect shall:

a. Preside at all PTAC meetings in the absence of the president.

b. Assist the president in the execution of his or her duties.

c. Perform such other duties as requested by the membership or the executive committee.

d. Work on monthly agenda with president.

e. The president and president-elect mutually agree on the division of standing committees they supervise.

f. Review monthly bank statements and treasurer's reports for accuracy and completeness.

3. The secretary shall:

a. Record the proceedings of all PTAC meetings.

b. Maintain PTAC records.

c. Be responsible for the correspondence of the PTAC.

d. Perform such other duties as requested by the membership or the executive committee.

4. The treasurer shall:

a. Be custodian of all PTAC funds, maintaining accurate records and keeping all receipts and bank statements throughout the entire term of office.

- (1) Receipts: money count slips must be used at all PTAC-sponsored events.
- (2) All other incoming/outgoing receipts must be itemized.
- (3) Petty cash should be kept available in the amount decided by the PTAC. This money should be from PTAC funds.
- (4) Collect and disperse funds as requested by the membership or the executive committee. Purchases will only be made by a vote of the executive committee or the PTAC.
- (5) Shall distribute a monthly treasurer report at each monthly PTAC meeting.
- (6) Be cosigner with the president of the checking and savings accounts. It is mandatory that two people should be involved in the authorization and signing of any check.
- (7) Perform such other duties as requested by the membership or the executive committee.
- (8) Meet with appointed PTAC members to audit the books at the end of the term.
- (9) Prepare an annual financial report at the end of the fiscal school year. One copy of the monthly and annual financial reports shall be placed in the treasurer's notebook and one copy kept on file in the PTAC file cabinet.
- (10) Establish an annual budget for the year along with the president and principal to be approved by the PTAC.

D. Vacancy in office: A vacancy of an elected position shall be filled by appointment of the executive committee.

VII. The Executive Committee

A. Members: The PTAC executive committee shall be comprised of the elected officers (president, president-elect, secretary, treasurer) and the principal.

B. The executive committee shall meet at the discretion of the president and/or principal.

C. Duties: Meetings: The executive committee shall transact all PTAC business between the regular meetings of the PTAC.

VIII. Committees

Each elementary school will establish their respective committees as needed. In addition, each elementary school will be responsible for assigning a representative(s) to serve on the following district committees.

A. Superintendent's Advisory Council (SAC).

B. Instruction and Curriculum Advisory Committee (ICAC).

1. Each committee chairperson shall:

(a) Be responsible for soliciting volunteers and shall report to the executive committee for assistance if he or she cannot staff the committee.

(b) Be responsible for updating the organization as to the progress of the committee's work at each regular PTAC meeting or at a special meeting of the executive committee as called for by the president.

(c) Be responsible for filing committee papers, including a wrap-up summary in the permanent PTAC file cabinet, and a final year-end written report given to the president.

C. The committee members shall:

1. Work with the committee chairpersons to complete the task as charged.
2. Be responsible to the committee chairperson.
3. Comply with the PTAC budget for the respective committee.

IX. Voting

- A. All members shall be voting members except the president and the school principal.
- B. In the case of a tie vote, the president shall cast the tie-breaking vote.

Booster Club Procedures

Type: Administrative Procedure
Section: 200 SCHOOL BOARD
Code: 239.2
Adopted Date: 1/8/2018
Revised Date(s):
Reviewed Date(s):
Attached Files: No Documents Found.

I. Purpose

The purpose of these procedures are to provide guidelines for communication between booster clubs and the district and secondary administration.

II. Definition, Purpose and Function of Booster Clubs

A booster club is defined as "an organization this is formed to help support the efforts of a sports team, activity or organization." Support is shown in many ways, including volunteering time, raising money, and contributing funds to better enhance the team, activity or organization's performance.

Booster clubs may raise money by printing promotional items like team schedules, programs and yearbooks. They can organize team events, such as pre- or post-game dinners or social events during the season. Booster clubs may perform, meet, or organize in any way, in accordance with the above-stated definition, that supports or boosts, the program they are formed to support.

It is the charge of the Moorhead Activities Office and the administration at Moorhead secondary schools to ensure that booster clubs operate within their defined parameters

III. Required Procedures

1. Each booster club should have elected or appointed officers (president, treasurer and secretary).
2. Prior to the first practice of each season, each booster club president must inform the principal and/or activities director with the names and contact information (address, phone and email) of each officer.
3. Booster club meetings should follow a set agenda each meeting (welcome/minutes from past meeting/treasurer report/old business/new business).
4. All the items in this procedure are required and mandatory.

IV. Legal Compliance

1. Each club will remain in good standing with state and federal law to be recognized as a booster club by the district.
2. To remain in good standing each club should do the following:
 - a. Obtain a Federal Taxpayer Identification number, a State Employer's ID number and if appropriate, a state seller's permit number (sales tax).
 - b. Clubs are generally considered non-profit organizations and will fundraise within the state of Minnesota. To comply with applicable charitable laws, the club will need to:

i. Become incorporated in Minnesota (develop bylaws and articles of incorporation and follow requirements for operating as such) as a non-profit corporation.

ii. Register with the State Attorney General's Office as a charitable organization.

iii. Request recognition from the IRS as an exempt organization by filing Form 1023.

iv. Annually file a form 990 or "postcard" filing as applicable with the IRS and annually file Charitable Organization Annual Report with the Minnesota Attorney General's office.

1. Clubs may also be required to file a Minnesota M4NP, depending on income and revenue sources; contact business office.

a. Clubs not organized as nonprofits will need to demonstrate to the district they are complying with applicable laws pertaining to reporting of revenue and expenditures as a for-profit corporation, partnership or individual.

b. Provide the district (principal/activities director) with a copy of the appropriate annual tax/reporting returns filed with the appropriate federal and state agencies.

V. Finances

1. The treasurer report should contain all transactions that took place prior to the meeting.

2. The finances of each booster club should be open to all members.

3. At no time should a paid coach have check-writing authority.

4. It is mandatory that two people should be involved in the authorization and signing of any check.

5. All purchases must go through the school district (see purchasing section).

6. At least two members should tabulate all funds collected.

7. The district has the right to request tax statements, receipts, expenditures, and balances.

VI. Purchasing

1. Booster clubs may purchase athletic equipment for their teams. They must go through the head coach and the activities director for approval. Booster clubs should not purchase equipment independently. When equipment is purchased from donated funds it becomes the property of the school district.

2. After the head coach and the activities director have approved an equipment request, the booster club should donate the funds to the activities office, specifying its purpose. The activities office will then complete a purchase order to begin the process. All equipment and supplies must be shipped to a school district address.

3. Booster clubs should not order materials directly or have materials shipped to a home.

4. If a booster club is funding a coaching position, the funds must be donated to the district prior to the start of the season. All coaches must complete the new hire paperwork. At the end of the season the activities office will use the booster club funds to pay the coach.

5. The activities office cannot give out the school district tax-exempt number. Sponsors making donations must follow the above process for purchasing equipment.

VII. Billing to Booster Clubs

1. All transportation, fees and equipment must be approved by the activities director.
2. The activities office will bill booster clubs for any bus transportation that exceeds the district budget.
3. The activities office will bill booster clubs for any fees for tournaments or games that exceed the district budget.
4. The district may bill a booster club for supplies/equipment that exceeds the district budget. All donation must be turned into the activities office prior to ordering.

VIII. Booster clubs should:

1. Volunteer time and raise money.
2. Contribute funds to better enhance the team or organization's performance.
3. Print promotional items like team schedules, programs and yearbooks (subject to approval by the head coach and activities director).
4. Financially support the program by providing additional funding for coaches, staff and event workers.
5. Organize team events, such as team meals.
6. Listen and work closely with the head coach.
7. Discuss as official business any item that meets the definition or function of a booster club.

IX. Booster clubs should not:

1. Openly discuss or perform a performance review of the head coach or coaching staff.
2. Review the performance of a coach funded by the booster club; staff evaluations are solely the responsibility of the school district.
3. Openly discuss playing time issues.
4. Direct funding of the program in order to control the hiring or firing of the head coach or staff member.
5. Offer up a petition by booster club members to hire/fire a coach.
6. Plan, organize or attempt to implement an off-season training program without direction or consent from the head coach.
7. Discuss as official business any item that does not meet the definition and function of a booster club.

X. End of Season Celebrations

1. The head coach is responsible for all facets of the end-of-season awards banquet. The head coach may delegate these responsibilities to the booster club; however, the program must be approved by the head coach.
2. The awards given out at the banquet are the sole responsibility of the head coach.
3. There should be no open bar for adults, and parents should refrain from using alcohol at banquet.
4. To avoid conflict, celebration should not be held on Wednesday evenings or before noon on Sundays.

XI. Advertising

1. The activities office must approve all advertisements in printed programs for events. Please email or fax a copy of ads for approval prior to printing.

2. The activities office reserves the right to pull programs that have not been approved or are not consistent with district values.

XII. Fundraisers

1. Fundraising is a necessary part of secondary school activities today.

2. Be aware that membership on a team and/or playing time is not affected in any way by the amount of money raised by a participant.

3. Booster club dues and other fees should not be refunded to students who are cut from the team.

XIII. Captains' Practices

1. No coaches (paid or volunteer) supervise captains' practices.

2. Captains' practices may be scheduled up to two weeks before the start of the season.

3. Adult supervision is required at captains' practices, but student participation should never be mandated or required.

IVX. MSHSL Basics

1. Coaches are allowed to work with their teams only during the designated MSHSL season and the summer waiver period.

2. No booster club member may recruit or encourage athletes from another school to transfer to Moorhead Area Public Schools.

Cross References:

Minnetonka Activities Booster Club Guidelines

Anoka Activities Booster Club Guidelines



MOORHEAD
AREA PUBLIC SCHOOLS

Office of Superintendent
Memo S.18.053R

TO: School Board

FROM: Brandon M. Lunak, Interim Superintendent

DATE: 12/6/2016

RE: Policy 301 School District Administration

Attached please find the policy, School District Administration 301, for your review.

Suggested Resolution: Move to approve the policy, School District Administration 301, as presented.

Moved by:
Seconded by:
Comments:

BML:mde

ATTACHMENTS:

	Description	Type
□	301	Cover Memo

School District Administration

Type:	School Board Policy
Section:	300 ADMINISTRATION
Code:	301
Adopted Date:	8/27/2001
Revised Date(s):	10/09/2006, 12/13/2010, 11/10/2014
Reviewed Date(s):	09/09/2002, 10/09/2006, 12/13/2010, 11/10/2014
Attached Files:	No Documents Found.

I. PURPOSE

The purpose of this policy is to clarify the role of the school district administration and its relationship with the Moorhead School Board.

II. GENERAL STATEMENT

A. Effective administration and sound management practices are essential to realizing educational excellence. It is the responsibility of the school district administration to provide leadership and management that recognizes the dignity of each student and employee, and the right of each student to access educational programs and services and promotes quality educational programs and services within the context of the school district's goals and budget.

B. The School Board expects all activities related to the operation of the school district to be administered in a well-planned manner, conducted in an orderly fashion, consistent with the policies of the School Board, and conducted in an honest, respectful, and ethical tone.

C. The School Board shall seek specific recommendations, background information and professional advice from the school district administration, and will hold the administration accountable for sound management of the schools.

D. Although the School Board holds the Superintendent ultimately responsible for administration of the school district and annual evaluation of each building administrator, the School Board also recognizes the Superintendent's ability to delegate ~~responsibility~~ authority to subordinate administrators. The School Board also recognizes the direct responsibility of building administrators for educational results and effective administration, supervisory and instructional leadership at the school building level.

E. The School Board and school administration shall work together to share information and decisions that best serve the needs of Moorhead Area Public Schools students within financial and facility constraints.

Legal References:

Minn. Stat. 123B.143 (Superintendent)

Minn. Stat. 123B.147 (Principals)

Cross References:

Moorhead School Board Policy 310: School Superintendent

MSBA Service Manual, Chapter 3, Superintendent of Schools

MSBA/MASA Model Policy 301 (School District Administration)