

SouthWest Metro Intermediate District

BY-LAWS

200 LEGAL BASIS FOR OPERATION

This agreement, as a revised form of an agreement originally entered into in December of 1976, hereby establishes an Intermediate District pursuant to Minnesota Statute § 136D.41 and under the joint powers act of the State of Minnesota, the name of which shall be SouthWest Metro Intermediate District (the District). The policies and procedures set forth by this agreement and these by-laws shall not infringe on the authority or responsibility of the member districts except as specifically provided in writing by the respective member district.

200.1 The District has been established under Minnesota Statutes Sections 136D.41 and 471.59, which authorize the member districts to jointly or cooperatively exercise any power common to the contracting parties as the vehicle for coordinating services and programs that will benefit its members by:

200.1.1 Providing cost effective implementation of programs/services.

200.1.2 Providing program or service that no one district would wish to implement alone.

200.1.3 Researching common needs of its member school districts.

200.2 The District shall consist of those programs and/or services operated on a cooperative effort based on needs driven by the member districts.

200.3 Member School Districts shall include:

Belle Plaine
Buffalo-Hanover-Montrose
Jordan
New Prague
Norwood-Young America
Prior Lake-Savage
Schools of Eastern Carver County
Shakopee
Tri City United
Waconia
Watertown-Mayer

300 GOVERNING BOARD

The Board of Education of each member district that is a party to this agreement

shall elect one member to serve on the District Governing Board for a term of one year. The Board of Education of each member district shall also appoint an alternate Governing Board Representative.

300.1 Any person serving on the Governing Board must also be serving as a member of his/her district's Board of Education.

300.2 No person may serve on the Governing Board when he/she ceases to be a legally qualified member of his/her district's Board of Education.

300.3 If the Governing Board Member is unable to attend a Governing Board meeting, it shall be his/her responsibility to notify the alternate Governing Board Member and inform the District Superintendent.

300.4 Each member district shall have a representative on the Governing Board. Each member district shall have a vote and those votes shall be cast by the elected representative of their school district. In order to cast a vote, the duly elected representative must be present at the meeting or may participate by Skype or other electronic means as approved by the Governing Board.

300.5 Member district superintendents may attend meetings of the Governing Board as a consultant to the Governing Board and shall not have voting power.

300.6 The Governing Board shall choose and specify conditions of employment for a Superintendent to administer board policy and directives, subject to the regulations of Minnesota Statutes and the regulations of the Minnesota Department of Education. The Superintendent shall serve as an ex-officio member of the Governing Board with the right to participate in discussions but shall not have a vote.

300.7 Quorum: The majority (fifty (50) percent or more) of the District Governing Board shall constitute a quorum.

300.7.1 Any motion regarding levy authority shall pass only upon receiving the unanimous vote of Governing Board members in attendance.

300.7.2 Any motion other than adjournment or a motion pertaining to levy authority shall pass only upon receiving a majority of the votes of the Governing Board members in attendance.

300.8 Officers: The officers of the Governing Board shall be a Chairperson, Vice-Chairperson, Clerk and Treasurer. The Chairperson shall preside at all meetings of the Governing Board except in his/her absence, the Vice-Chairperson shall preside. The Superintendent or his/her designee shall keep the minutes of each meeting and shall be responsible for publishing same within thirty days after the Governing Board meeting. The Treasurer

shall be the custodian of the funds of the District. Insofar as applicable, Minnesota Statutes Sections 123B.09 and 123B.14, shall apply to the Governing Board and officers of the District.

300.9 Members of the Governing Board who are not officers shall be referred to as Board Directors.

300.10 Vacancy: If a vacancy occurs on the Governing Board, it shall be filled by the appropriate school board within ninety days. A person appointed to the Governing Board shall qualify as a board member by filing with the Chairperson, a written certificate of appointment from his/her school board.

300.11 Governing Board representatives must not be an employee of the District.

301 **GOVERNING BOARD - ORGANIZATIONAL MEETING**

At this meeting, the Governing Board shall choose its officers, and conduct any other necessary organizational business. The Governing Board shall convene its organizational meeting during the month of January at the regular monthly scheduled meeting or as soon thereafter as practicable pursuant to notice sent to all Governing Board members by the Superintendent of the District.

302 **GOVERNING BOARD - REGULAR MEETING**

The regular monthly meeting shall be determined by the Governing Board at its annual meeting. The time and place shall be designated on the agenda.

302.1 A Governing Board meeting may be canceled or postponed by agreement between the Board Chairperson and the Superintendent, and notice shall be given by the Superintendent. If the Superintendent is incapacitated, the Board Chair and the Director of Finance may cancel or postpone the board meeting by mutual agreement.

302.2 All meetings and business transacted by the Governing Board shall be open to the public, and all interested parties shall have the right to be present.

302.3 Additional items shall be placed on any Governing Board meeting agenda only by a majority vote at the beginning of the meeting.

302.4 Minutes of the Governing Board meeting must be published in the official newspaper as designated by the Governing Board. The Governing Board may also publish the minutes in other newspapers if it so desires.

302.5 The Governing Board shall meet at least 6 times per calendar year. Meetings in the months of June, July, and December shall be scheduled, but only convened as necessary.

303 **GOVERNING BOARD - SPECIAL MEETINGS**

Special meetings of the Governing Board may be called by agreement between the Chairperson of the Governing Board and the Superintendent whenever a meeting is deemed necessary.

303.1 Notification of special meetings must be given to the Governing Board three days prior to the meeting, unless agreed upon by the Governing Board to waive this restriction.

303.2 Notification and purpose of special meetings will come from the office of the Superintendent.

304 **POWERS AND DUTIES OF THE GOVERNING BOARD**

The Governing Board shall have the general charge of the business of the District, and the ownership of its properties.

305 **BY-LAWS**

The Governing Board shall adopt by-laws to govern its operation and review and revise periodically as deemed necessary.

306 **RECORD KEEPING**

The Governing Board shall establish a record keeping system and financial system separate from the records of the member districts.

400 **BUDGET AND FISCAL MATTERS**

The Governing Board shall adopt a budget for the District each year after hearing the recommendation of the Superintendent.

400.1 All building remodeling costs, lease fees and other costs necessary in the acquisition of suitable programming facilities shall be distributed to the member districts as prescribed by the Governing Board.

400.2 The administrative cost of the District will be spread across all program areas.

400.3 The District shall operate on a fiscal year starting each July 1st and ending on June 30 of the following calendar year.

400.4 The District shall maintain such records of receipts, disbursements and fund balances as are reasonably needed to provide for strict accountability thereof as required by law.

400.5 An annual audit report of such matters shall be provided to each member district via its Superintendent and/or Governing Board

Representative within thirty days after such audit report is received by the District.

400.6 The Governing Board authorizes the Superintendent to obligate funds prior to the finalization and approval of the budget so as not to impede or delay programming and implementation of the programs and courses.

400.7 After the budget is adopted, the Superintendent may obligate funds and purchase needed supplies, equipment and necessary items to administer the programs of the District. The Superintendent is limited to the total budget. Funds shall be expended in accordance with Minnesota State Law.

400.8 All real property purchased by the District shall become the property of the District and not the property of the any individual member district.

400.9 Core costs are calculated pursuant to the formula in Appendix A. The Superintendent shall periodically review the core cost formula with the member district superintendents and propose changes to the formula for action by the Board.

400.10 Any lease levy is calculated pursuant to the formula in Appendix B. The Superintendent shall periodically review the lease levy formula with the member district superintendents and propose changes to the formula for action by the Board.

400.11 Non-member districts may access services and programs provided by the District if available and only upon commitment to pay the actual cost of program services plus a non-member district administrative fee of 20% of the actual cost of the program or service requested.

401 **FISCAL SERVICES**

The Governing Board may contract with a member district to perform fiscal services for the District if deemed necessary.

401.1 Funds provided by the member districts for the District operations in excess of that district's percentages of obligation for any particular time period while awaiting payment from other sources, are provided with no interest charge or encumbrances to the member districts or to the District budget.

402 **INSURANCE AND BOND**

The Governing Board shall procure such insurance or bond it deems necessary for all members of its staff and the activities of the District.

500 **ADMISSION TO THE DISTRICT**

Any Independent School District may join the District with the consent of at least two-thirds of the then current Governing Board members. Upon acceptance, the new school district, by action of its Board of Education, shall agree to be bound by the terms of the Joint Powers Agreement and its by-laws.

500.1 Requests to join the District must be made by January 1 in order for a district to be a member for the next school year which will be considered to begin on July 1. This timeline may be waived by unanimous vote of all member districts.

501 **WITHDRAWAL BY A MEMBER DISTRICT**

Any member district may withdraw from the District and cause its representative to cease to function in such capacity upon written notice given to the Superintendent before June 30 of any year. Such notice must be accompanied by a resolution of the school board of the member district. Any such withdrawal shall be effective after June 30 of the following fiscal year.

501.1 Upon withdrawal of membership in the District, the withdrawing member district shall forfeit all rights to all equipment and materials, exclusive of real estate, owned by the District.

501.1.1 Ownership percentage of real estate is based on levy monies paid by the member district for lease levy over past 10 years.

501.1.2 The value of any buildings and property will be based on a current appraisal. Withdrawing district(s) shall be responsible for the cost of any needed appraisals.

501.1.3 Payments of any money owed will be made to the withdrawing member district over a period of three years.

501.1.4 The River Valley Education Center is subject to the terms and conditions of a Joint Powers Agreement created at the time the building was constructed.

501.2 Upon withdrawal from the District a member district would be responsible for a prorated share of any negative unassigned general

fund balance at the end of that fiscal year. The member district share would be based on the percentage of contribution of that member district to the total support of the cooperative during the previous five years from tuition billing and district direct payments. "Total Support" is determined in the audit statement and defined as total revenue for the current fiscal year plus the four preceding fiscal years minus any grant revenues. A withdrawing member district is not entitled to any portion of a positive fund balance.

502 DISSOLUTION OF THE DISTRICT

This agreement shall continue in force until two-thirds of the remaining member school districts shall mutually agree to terminate this agreement and dissolve the Governing Board and District.

502.1 Upon dissolution of the Governing Board, all of the property and remaining funds shall be divided among the remaining districts at the time of dissolution. Distribution shall be based on the percentage of contribution of the remaining districts over the preceding decade prior to dissolution.

503 DISCONTINUATION OF SERVICES

By February 15, a member district must notify the District of its decision to discontinue utilizing certain District programs or services. The discontinuation of services would become effective on July 1 of the same calendar year. Programs and services may be discontinued at any time during the year providing there is mutual consent between the Superintendent of the respective member district and the Superintendent of the District. It is assumed that the programs and/or services currently accessed by each member district will continue each new fiscal year unless the member district notifies the District by February 15 as noted above.

600 SUPERINTENDENT ADVISORY COMMITTEE

The member district Superintendents shall meet to discuss and guide the fiscal and programming direction of the District. These meetings shall be convened by the Superintendent and shall occur monthly during the school year in each month the Governing Board convenes, unless postponed by mutual agreement of a majority of the member district Superintendents and the Superintendent.

700 DISTRICT ADMINISTRATION

The Superintendent or his/her designee shall be empowered by the Governing Board and the Joint Powers Agreement, to:

- 700.1 Administer the affairs of the District under direction of the Governing Board.
- 700.2 Develop and recommended an annual budget and approve all disbursements of funds.
- 700.3 Make recommendations to the Governing Board in the matter of policy, programs and such other matters as would enhance the function of the District. Among other things, such policies may contain:
 - 700.3.1 The eligibility requirements of its enrollees;
 - 700.3.2 The method by which each enterprise is to be funded;
 - 700.3.3 The method by which the member districts' pro-rata costs are to be determined; and
 - 700.3.4 The method by which non-members are to be assessed for their enrollees participating in one or more programs of the District.
- 700.4 The Administration shall be responsible for the recruitment, supervision, assignment of all personnel, and the recommendation for employment and termination of licensed personnel.
- 700.5 The Administration shall be responsible for the management of the fiscal affairs related to the operation of the District and in such capacity shall pay all bills, issue all payroll checks, and receive all monies for the District.
- 700.6 The Administration shall file all reports as are necessary to the state and other agencies. The Administration shall apply for, receive and administer Federal and State Aids and reimbursements for programs and/or services carried out at the District/Cooperative level.
- 700.7 The Administration shall annually develop a draft calendar for the upcoming school year with input from District employees. The draft calendar must be presented to the Board for review and approval. In the event an adopted calendar must be altered during the year, the Executive Director shall make necessary changes including decisions regarding school closures, late starts, and early releases of students and subsequent make-up days if necessary and shall inform the Board of any resulting changes.

800 **STUDENTS OF THE DISTRICT**

Students shall be accepted into the District programs on the basis of need for the program and applicable laws.

900 **AMENDING OF BY-LAWS**

The by-laws of the the District may be amended by the following procedures:

900.1 A proposed change in the by-laws may be made by the Superintendent in writing.

900.2 The Superintendent must notify all members of the Governing Board of proposed changes three days prior to the next scheduled meeting.

900.3 The by-laws shall be reviewed by the Superintendent and member district Superintendents prior to submission to the Governing Board.

1000 **REPEALER**

All prior agreements with respect to the Minnesota River Valley Special Education Cooperative (MRVSEC) and the Carver Scott Educational Cooperative (CSEC) and the SouthWest Metro Educational Cooperative and the joint exercise of powers provided for therein are repealed and shall be of no further force and effect after June 30, 2016.

Adopted December, 1976
Rev. July, 1978
Rev. June, 1981
Rev. June, 1985
Rev. June, 1988
Rev. May, 2002
Rev. Dec, 2007
Rev. Mar. 2011
Rev. Mar, 2013
Rev. Feb. 2014
Rev. Nov. 2016

Appendix A

Core Costs Formula

| Cost Category | How Expenses Are Split |
|--|---|
| Board salary, benefits and miscellaneous expenses | Split equally by member districts |
| Executive Director Expenses | Split equally by member districts |
| Technical Support, Central Office salary and benefits (including business manager), and all other administration costs | Billed based on % of special education ADMs of each member district |
| Legal, Audit, Liability Insurance | Billed based on % of special education ADMs of each member district |

For Each Fiscal Year:

July Billing (50%):

The July core cost billing will use the previous year's December 1st child count of full-time Level 4 special education students for the portion of the cost that is allocated based on student enrollment. In terms of expenditures used for this first billing, the bill would be based on current year budgeted expenditures.

(Example, the July 2014 bill would be based on the December 1, 2013 child count and the July 1, 2014-June 30, 2015 approved budget.)

January Billing (50%):

The January core cost billing will use the new December 1st child count of full-time Level 4 special education students for the portion of the cost that is allocated based on student enrollment. In terms of expenditures used for the January billing, the bill will continue to be based on current year budgeted expenditures.

Prior Year Core Cost Adjustment (as part of January Billing):

In addition, an adjustment will be made to the previous year's core cost billing by recalculating the previous year's core cost to reflect actual expenditures (not budget predictions) and actual full-time level 4 A.D.M. (average daily membership) numbers. This adjustment will be added to or subtracted from the January billing.

(Example, the January 2015 bill would be based on the December 1, 2014 child count and the July 1, 2014-June 30, 2015 approved budget. THEN, a second calculation will be done using actual expenditures from 2013-14 and actual level 4 A.D.M.s from 2013-14. This calculation will be compared to the total 2013-14 core cost charges to each district. If a district overpaid core costs in 2013-14 based on actual numbers, their January 2015 bill will be reduced correspondingly and