

EL 2.7 Asset Protection

Policy Quadrant: Executive Limitations

- Monitoring Time Frame: ~~July 1, 2022 – June 30, 2023~~ July 1, 2023 – June 30, 2024
- Date of School Board Monitoring: ~~August 28, 2023~~ August 26, 2024

Board Policy Monitoring Motions:

- Operational Interpretation is/is not reasonable
- Board does/does not accept the Superintendent's assertion of compliance/non-compliance

Global Constraint:

The Superintendent shall not cause or allow district assets to be unprotected, inadequately maintained, inappropriately used, or unnecessarily risked.

OPERATIONAL INTERPRETATION:

I interpret compliance with the overall policy to mean that all twelve (12) policy provisions are in compliance. Furthermore:

1. I interpret "assets" to mean physical and intellectual property of the District with a value greater than \$5,000.
2. I interpret "unprotected" to mean assets without insurance and/or a plan/guiding procedures.
3. I interpret "inadequately maintained" to mean a lack of preventive maintenance, repair, or renovation which may cause an asset to deteriorate and experience an accelerated depreciation, within available financial resources.
4. I interpret "inappropriately used" to mean the utilization of assets not in accordance with the desired Ends of the district.
5. I interpret "unnecessarily risked" to mean the exposure of assets to circumstances resulting in a higher likelihood of theft or otherwise being unavailable for the asset's intended purposes.

JUSTIFICATION:

The provisions 2.7.1 through 2.7.12 adequately summarize and categorize those district assets that this policy protects.

MEASUREMENT PLAN:

1. All provisions are in compliance.
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EVIDENCE:

1. Presented in provisions 2.7.1 through 2.7.12.
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STATEMENT OF ASSERTION:

EL 2.7 is reasonable and in compliance.

BOARD NOTES:

2.7.1

Furthermore, the Superintendent shall not: Develop a facilities construction, renovation and maintenance plan that is not part of a comprehensive rolling ten-year plan.

OPERATIONAL INTERPRETATION:

I interpret “a comprehensive rolling ten-year plan” to be a master plan for facilities construction, renovation, and/or maintenance that is reviewed and updated annually. The annual update allows the District to consider alternatives to the plan in order to reflect new facility needs and educational plans for the future.

JUSTIFICATION:

A school district needs an ongoing program of assessment of existing school sites and facilities in order to identify school facility improvement issues, alternative means of addressing those issues, and to maintain a quality educational environment for students, staff, and community/partnership users. “To establish and maintain quality school facilities and a desirable learning environment for students, staff, and community users, an ongoing assessment of school facility needs and a program of public information about those needs is essential. (Guide for Planning School Construction Projects in Minnesota; MDE, 2003; p. 37)

MEASUREMENT PLAN:

1. The comprehensive rolling ten-year facilities plan shall be reviewed and updated on an annual basis.
2. The comprehensive rolling ten-year facilities plan shall be consulted and referenced during the development of any facilities construction, renovation, and/or maintenance plan.
3. The Capital Fund budget shall be reviewed and updated on an annual basis.

EVIDENCE:

1. The school board approved on ~~June 27, 2022~~ [June 26, 2023](#) a multi-year facilities plan of proposed projects by building location as part of the 10-year long-term facility maintenance plan which was submitted to the Minnesota Department of Education for review and approval in July ~~2022~~ [2023](#).
2. The administration presented multiple facility projects throughout the year, in the form of seek bids and bid approvals, which required school board approval and referenced the long-term facility maintenance plan. These projects included: ~~CMS Storage Building, District Wide Lighting Upgrades, ASC Restroom Remodel, EPHS PAC Lighting Replacement, and the EPHS Restroom Remodel~~ [EPHS activity center roof replacement, EPHS Remodel, and District Wide Energy Enhancements](#).
3. At the ~~April 25, 2022~~ [April 24, 2023](#) school board meeting, the board approved the ~~2022-2023~~ [2023-2024](#) capital budget which included funds to address facility improvements. Prior to approval, the administration worked with principals, department leaders, facility, staff, and the Superintendent's Cabinet to determine priorities for maintaining district facilities. Facility work completed or planned in fiscal year ~~2023~~ [2024](#) adhered to the Comprehensive Facility Plan and included the following components:
 - a. The district continued working on a long-term facility planning process geared to align with the strategic plan
 - b. Implemented facility changes to accommodate educational program needs and related space concerns
 - c. Discussed with the School Board deferred maintenance and capital fund expenditures and revenue sources
 - d. Continued development of Designing Pathways recommendations, including ~~piloting~~ the Inspire Choice programming at ~~Cedar Ridge and Eden Lake~~ [all](#) elementary schools.

STATEMENT OF ASSERTION:

EL 2.7.1 is reasonable and in compliance.

BOARD NOTES:



2.7.2

Furthermore, the Superintendent shall not: Fail to insure against theft and casualty losses at 100 percent of replacement value and against liability losses to School Board members, staff, and the organization itself in an amount greater than the average for comparable organizations.

OPERATIONAL INTERPRETATION:

1. Property, Casualty, Umbrella insurance coverage is in place to insure the School District for losses to real and personal property per Statement of Values on file with the insurance company.
 - a. “Fail to insure against theft and casualty losses at 100 percent of replacement value” is interpreted to mean a level of theft and casualty insurance that assumes a reasonable level of risk with consideration to the overall cost of said insurance (See Justification 2.a.).
2. Equipment breakdown insurance coverage is in place specifically for boilers and machinery.
3. Automobile insurance coverage is in place to insure the School District for losses resulting from owned, financed, leased or rented school buses, vans, driver’s education vehicles and ground/facilities vehicles are as per Schedule on file with the insurance company.
4. Commercial General Liability, Umbrella Excess Liability coverages are placed to insure against Bodily Injury & Property Damage Liability; Personal & Advertising Injury Liability; Medical Payments; Sexual Misconduct and Molestation Liability; Innocent Party; Violent Event Response, and Employee Benefits Liability.
5. School Leader’s Errors & Omissions coverage included Directors and Officers and school leader’s professional.
6. Crime coverage included for loss sustained from employee dishonesty, theft, disappearance and destruction, computer fraud, forgery, and faithful performance.
7. Inland Marine coverage for the transport of goods in transit, as well as moveable property and instrumentalities of communication. These categories include items such as instruments, band uniforms, cameras, fine arts, monument signs, valuable papers, solar panels, electronic data processing and miscellaneous equipment.
8. Data and Network Security covers claims made by third parties arising out of a breach of the School District’s computer network and data storage units or devices.
9. Volunteer Accident coverage protects an organization’s volunteer workforce for medical costs associated with an accidental injury incurred while working on behalf of the organization.

10. International General Liability coverage is in place to insure students and staff while on international school sponsored trips for medical, ransom, death, hostage, and kidnapping
 11. Drone Liability coverage is in place to protect the School District for third party claims of property damage or injury resulting from the use of a district owned drone.
 12. Workers' Compensation is a form of insurance providing wage replacement and medical benefits to employees injured in the course of employment in exchange for mandatory relinquishment of the employee's right to sue his or her employer for the tort of negligence.
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JUSTIFICATION:

This policy revolves around risk management, that is the identification, assessment, and prioritization of risks. The strategies to manage risk typically include transferring the risk to another party, avoiding the risk, reducing the negative effect or probability of the risk, or even accepting some or all of the potential or actual consequences of a particular risk. The business office uses Marsh & McLennan for brokerage services for this category of insurance coverage. Below are a number of considerations and coverage categories reviewed on an annual basis, the ~~2022-2023~~ 2023-2024 coverage was reviewed in June ~~2022~~ 2023:

1. Policies and procedures are in place to provide assurance of protection & supervision of facilities and equipment. (District Policy 902 Use of School District Facilities and Equipment)
2. Insurance is meant to provide a reasonable assurance that the owner of the insured real property can fully replace it in case of a loss. In this case, the Administration has chosen to insure at 100% of replacement value which considers the following pertinent facts:
 - a. The ~~current~~ estimated property value is \$516,686,191 based on a property appraisal completed in 2017 plus industry recommended increases each year. **The estimated valuation used for the spring 2024 renewal process was \$524,976,055.**
 - b. The property insurance plan the District purchases utilizes Special Form Replacement Cost on a Blanket Property coverage basis (i.e., total property limit can be used at any one location or multiple locations), meaning the only loss situation that the full 100% coverage would be utilized would be in the case of the complete destruction of all real and personal property of the District in every location in a single event. If the District were to lose multiple buildings in a single event, the total amount of insurance coverage would be available to rebuild and refurbish those school sites.
3. School Districts are subject to Minnesota Rule: Chapter 466. Tort Liability, Political Subdivisions. (<https://www.revisor.mn.gov/statutes/?id=466&view=chapter#stat.466.02>) A school district cannot be held liable for actions that

are not foreseeable when reasonable measures ... are employed to insure adequate ...duties are being performed ..., and there is adequate consideration being given for the safety and welfare of all students in the school.

(<http://cousineaulaw.com/laws/minnesota-tort-laws>)

- a. In most education-related civil lawsuits there are two main categories of tort liability relevant to educational institutions—Intentional and Negligent Torts.
 - i. Intentional Torts—occur when an individual attempts or “intends” to cause harm to another. For intent to exist, the individual must be aware that injury will, or could, be the result of the act.
 - ii. Negligent Torts—there are four elements of a negligent tort:
 1. Duty—The duty of an individual or the institution to protect those in our care
 2. Breach (of Duty)—failure of the individual or institution to exercise a standard of reasonable care.
 3. Proximate Cause—showing that the individual or institution failed to exercise a standard of reasonable care.
 4. Injury—No matter how great the duty (Element 1), how egregious the breach of that duty (Element 2), or how foreseeable the consequences and proximate cause of the individual or institution’s standard of care (Element 3), there is no liability if actual injuries cannot be proven.

MEASUREMENT PLAN:

1. Compliance with this policy shall be evidenced through annual review of school district risk management processes and the subsequent renewal of our insurance plans that conform to the interpretation of this policy.

EVIDENCE:

1. Coverages in place July 1, ~~2022~~ 2023 through June 30, ~~2023~~ 2024:
 - a. Property, Casualty, Umbrella insurance coverage is in place through Liberty Mutual
 - b. Equipment breakdown insurance coverage is in place through Hartford Steam Boiler Inspection & Insurance Co.
 - c. Automobile insurance coverage is in place through Liberty Mutual
 - d. Commercial General Liability, Umbrella Excess Liability coverages are in place through Liberty Mutual
 - e. School Leaders Errors & Omissions coverages are in place through Liberty Mutual
 - f. Crime coverages are in place through Liberty Mutual

- g. Inland Marine coverages are in place through Liberty Mutual
 - h. Data Security and cyber liability coverages are in place through Liberty Mutual
 - i. Volunteer Accident coverage is in place through HSR, Inc
 - j. International General Liability coverages are in place through AIG
 - k. Drone Liability coverage is in place through Global
 - l. Workers' Compensation coverage is in place through SFM
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STATEMENT OF ASSERTION:

EL 2.7.2 is reasonable and in compliance.

BOARD NOTES:

2.7.3

Furthermore, the Superintendent shall not: Subject facilities and equipment to improper wear and tear or insufficient maintenance.

OPERATIONAL INTERPRETATION:

I interpret this to mean all facility reviews and maintenance plans are in place for all school district buildings and grounds. The School Board is informed about the financial resources needed to implement the plans and that school budgets reflect the identified facility needs (within fiscal limitations).

JUSTIFICATION:

1. Proactive maintenance plans explicitly stated facility needs with associated costs, and appropriate budgets are essential to ensure school district assets are protected.
2. Facilities and equipment such as computers, school buses, boilers, air handling units, coolers and freezers, dishwashers, serving lines and ovens routinely exceed their expected useful life due to the following procedures, training and asset handling requirements:
 - a. Maintenance staff, technology staff, food service staff and school bus mechanics keep detailed records of maintenance schedules for all equipment
 - b. All staff is trained on the use of equipment that they operate and hold appropriate licensure or certification where required
 - c. Access to facilities and equipment is limited through security, either human or electronic, at all times. The proper authorities and key staff are notified in the case of breach of this security

MEASUREMENT PLAN:

1. Short and long-term maintenance plans are in place for each district facility. The School Board receives facilities progress reports as needed or desired throughout the year. Budgets include funds for maintenance and equipment needs as determined in district plans within available resources. Finally, the Superintendent approves expenditures from building contingency funds as needed.
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EVIDENCE:

1. Plans as identified in the justification are in place along with a budget to support them, [that was approved by the school board](#).
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STATEMENT OF ASSERTION:

EL 2.7.3 is reasonable and in compliance.

BOARD NOTES:

2.7.4

Furthermore, the Superintendent shall not: Allow external guests or user groups access to the facilities or assets without procedures in place to protect district concerns.

OPERATIONAL INTERPRETATION:

The District encourages maximum use of school facilities and equipment for community purposes that do not interfere with use for school purposes. The District expects members of the community who use facilities and equipment to do so with respect for school district property and an understanding of proper use. Individuals and groups shall be responsible for damage to facilities and equipment. A certificate of insurance may be required by the school district to ensure payment for these damages and any liability for injuries. The school district administration may authorize the use of school facilities by community groups or individuals. It may impose reasonable regulations and conditions upon the use of school facilities as it deems was the largest user and appropriate.

JUSTIFICATION:

District Policy 902 Use of School District Facilities and Equipment puts forth the processes related to the public use of school facilities and equipment.

MEASUREMENT PLAN:

Compliance shall be evidenced by the appropriate application of District Policy 902.

EVIDENCE:

The Eden Prairie community utilized all district sites with over ~~32,800~~ **44,492** participants and more than ~~146,000~~ **187,318** hours during fiscal year ~~2023~~ **2024**. Eden Prairie Schools Community Education served approximately ~~15,650~~ **20,229** community members in more than ~~22,500~~ **51,106** hours. Outside of school hours, when events and/or activities are scheduled, building monitors are positioned near the one

unlocked entrance to check people in, monitor traffic flow, enforce facility policy/ procedures, review crisis plans and act as a liaison with building administration. All outside groups are pre-approved and accept all school safety protocols. Spaces within the buildings that are used for rental groups are specifically located near entrances with restrictions to other areas of the building.

STATEMENT OF ASSERTION:

EL 2.7.4 is reasonable and in compliance.

BOARD NOTES:

2.7.5

Furthermore, the Superintendent shall not: Unnecessarily expose the organization, its School Board, or its staff to claims of liability.

OPERATIONAL INTERPRETATION:

I interpret this to mean the actions of the school board, the superintendent's behavior, and the behavior of all district employees will be governed by state and federal law.

JUSTIFICATION:

The best way to preserve the legal liability of the school district is to ensure policies and procedures are current, the School Board and Staff are aware and understand the policies and procedures, and that required trainings (Federal and State) occur annually. A deliberate provision for staff awareness of legal responsibilities and professional behavior is essential.

MEASUREMENT PLAN:

1. Commercial General Liability, Umbrella Excess Liability and School Leader's Errors & Omissions and Crime coverages are in place to insure against Bodily Injury & Property Damage Liability; Personal & Advertising Injury Liability; Medical Payments; Employee Benefits Liability and Sexual Abuse, School Leader's Professional, Director's and Officer's Liability, and Employment Practices Liability.
2. In addition, we provide opportunities for training to staff and board members on applicable Federal and State laws as necessary or required. Written policies indicating appropriate procedures for various activities within the district are in place and available on our web site and in the central office.

EVIDENCE:

1. All coverage was in place during the monitoring period.
 - a. Commercial General Liability, Umbrella Excess Liability coverages are in place through Liberty Mutual (~~July 1, 2022 – June 30, 2023~~ [July 1, 2023 – June 30, 2024](#))
 - b. School Leader's Errors & Omissions coverages are in place through Liberty Mutual (~~July 1, 2022 – June 30, 2023~~ [July 1, 2023 – June 30, 2024](#))
 - c. Crime coverages are in place through Liberty Mutual (~~July 1, 2022 – June 30, 2023~~ [July 1, 2023 – June 30, 2024](#))
 2. Policies have been updated and approved by the Board and training occurs throughout the year in formal and informal manners. Policies and practices are posted on our website and available to staff and others at the central office.
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STATEMENT OF ASSERTION:

EL 2.7.5 is reasonable and in compliance.

BOARD NOTES:

2.7.6

Furthermore, the Superintendent shall not: Endanger the organization's public image, its credibility, or its ability to accomplish ends.

OPERATIONAL INTERPRETATION:

I interpret this to mean the Superintendent shall not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful, unsafe, imprudent, or in violation of commonly accepted educational and professional ethics and practices.

JUSTIFICATION:

1. The school district's image, credibility, and ability to accomplish its Ends must be protected at all times. A deliberate provision and attention to maintaining a current, purposeful, legal, and ethical financial system significantly improves the district's ability to achieve its Ends and maintain the support of its community.
 2. Superintendents are not only subject to rules and regulations related to the operation of a school district, but also to the Minnesota Code of Ethics for School Administrators (MN Rule 3512.5200).
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MEASUREMENT PLAN:

1. This policy shall be measured by the presence (or lack thereof) of any formal complaints found to be factual by the School Board, their designee, or the Board of School Administrators that the public image, credibility, or ability to accomplish our Ends has been endangered.
2. Other evidence to support compliance with this policy include scientific survey results, [status of brand/logo protection](#), and the acceptance of related Executive Limitation monitoring reports determined to be in compliance by the School Board.

EVIDENCE:

1. There were no formal complaints made to the School Board or Board of School Administrators regarding public image violations or violations against the rules and regulations set forth by the Minnesota Code of Ethics for School Administrators.
2. In ~~April 2023~~ **June 2024**, a valid and reliable scientific community survey was completed by a ~~3rd~~ **third**-party organization. The school board ~~heard the results presented and the~~ **will be presented the results in September 2024**. The survey found that areas like: trust, communication, financial management, decision making, taxes, quality of education and support continued to be extremely high in context to public schools **and with no statistically significant change from the prior monitoring cycle. In several areas there were statistically significant increases in positive public perception of Eden Prairie Schools. The survey also found that in some areas where there may be differences in opinion that the district has struck a “sweet spot” or balance in having strong majority support, with a much smaller but approximately equal percentage of people holding differing viewpoints either side of center.** ~~The results showed many of the marks came back above or at all time highs and showed no statistically significant change in reputation and levels of trust during the reporting period. The report demonstrated very strong community support. In addition, all Executive Limitation monitoring reports regarding public image and credibility during the monitoring period were accepted as in compliance.~~

Additionally, in May 2024, the district received final trademark registration from the United States Patent and Trademark Office, which protects district logos and taglines against unauthorized use in areas of commerce. Registered trademarks will be active until required renewal in 2028-29 and include:

- The district logo of EP with wings
- The athletic logo of an eagle head with the letters EP
- The district tagline “Inspiring Each Student Every Day”
- The district/athletic naming of “Eden Prairie Eagles”

STATEMENT OF ASSERTION:

EL 2.7.6 is reasonable and in compliance.

BOARD NOTES:

2.7.7

Furthermore, the Superintendent shall not: Allow uninsured personnel access to material amounts of funds.

OPERATIONAL INTERPRETATION:

I interpret this to mean that adequate internal controls and insurance coverages are in place to limit the District's exposure and risk of loss.

JUSTIFICATION:

Insurance coverage is essential to protect the overall integrity of the financial system. Insurance ensures that fraud, negligence, or theft by an employee will have a limited impact on the school district.

Proper internal controls are essential to limit the district's exposure to loss through fraud or error.

MEASUREMENT PLAN:

1. The School District develops, publishes, enforces, and reviews annually internal controls regarding access to funds.
2. The external auditors annually review the system of internal controls, conduct a system walk-through and report any exceptions.
3. Employee Theft and Dishonesty/Crime policies are in place to insure against: Employee Theft Per Loss (also includes Public Employees Faithful Performance); Depositor's Forgery/Alteration; Theft, Disappearance & Destruction (Money, Securities & Other Property – including Robbery & Safe Burglary; and Computer Funds & Transfer Fraud.

EVIDENCE:

1. The District Business Office conducted its formal internal control annual review and trained Business Office employees regarding the District’s regulations regarding access and handling of district funds in June ~~2023~~ 2024.
 - a. The internal control procedures revealed no exceptions during fiscal year ~~2023~~ 2024.
 - b. Each site petty cash and secure safe is randomly audited annually by business office staff.
 - c. All cash deposits must be accompanied by a written cash receipt. Cash receipt backup retained at the site is randomly audited by business office staff.
 - d. The use of the online payment systems, MyPaymentsPlus, Campus, Vanco and USAePay will reduce the amount of cash transactions throughout the district, especially in student activities and food service.
 2. The fiscal year ~~2023~~ 2024 financial audit required by state statute will be presented on or about ~~November 27, 2023~~ November 25, 2024. The audit report includes a section on “Internal Controls” that would indicate concerns with the District’s internal processes and controls during the prior fiscal year.
 3. The fiscal year ~~2022~~ 2023 Audit indicated no internal control deficiencies regarding uninsured personnel access to material amounts of funds.
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STATEMENT OF ASSERTION:

EL 2.7.7 is reasonable and in compliance.

BOARD NOTES:

2.7.8

Furthermore, the Superintendent shall not: Receive, process, or disburse funds under controls that are insufficient to meet the School Board-appointed auditor's standards.

OPERATIONAL INTERPRETATION:

I interpret this to mean the District audit and financial statements must be based on Generally Accepted Government Auditing Standards, the federal Single Audit Act, and the Minnesota Legal Compliance Guide issued by the Office of the State Auditor in reference to the school district's financial resources.

JUSTIFICATION:

School districts are required to have an annual independent financial audit, to submit audited financial data to the Minnesota Department of Education (MDE) electronically, and to submit all required components of the audit report to MDE and to the Office of the State Auditor.

MEASUREMENT PLAN:

1. The Annual Audit Report that routinely tests the district's financial processes and practices. Non-compliance would be reflected by "findings" published in the Annual Audit Report to the Board of Education.
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EVIDENCE:

1. The School Board approved the fiscal year ~~2022~~ 2023 audit on ~~November 28, 2022~~ December 11, 2023 and these reports were submitted to the Minnesota Department of Education and the State Auditor's office in December ~~2022~~ 2023. The fiscal year ~~2022~~ 2023 Annual Audit revealed one legal compliance finding and no internal control findings over compliance. We also received

American School Board Association of School Business Officials (ASBO) and Government Financial Officer Association (GFOA) awards for excellence in financial reporting.

STATEMENT OF ASSERTION:

EL 2.7.8 is reasonable and in compliance.

BOARD NOTES:

2.7.9

Furthermore, the Superintendent shall not: Compromise the independence of the School Board's audit or other external monitoring or advice.

OPERATIONAL INTERPRETATION:

I interpret this to mean I will not interfere with the external auditing process and not utilize auditing personnel for other financial business. I will ensure the annual audit takes place in a timely manner.

JUSTIFICATION:

The external audit is, in its purest form, a report card on the overall functioning of the school district. As such, the Superintendent and Executive Director of Business Services should cooperate (and not disrupt) the audit process to all possible extent. As a primary safeguard to maintaining fiscal integrity, the external audit should remain as neutral to the administration and operations of the district as possible.

MEASUREMENT PLAN:

Per State Statute, the School Board appoints an external auditor to conduct all external audits. Audits are conducted at the beginning of each fiscal year, and must be completed by the School Board prior to December 31. As a part of the process, the School Board meets with the external auditor to review the audited statements and to report its findings.

EVIDENCE:

The School Board accepted the fiscal year ~~2022~~ **2023** audit on ~~November 28, 2022~~ **December 11, 2023** and these reports were submitted to the Minnesota Department of Education and the State Auditor's office in December ~~2022~~ **2023**.

STATEMENT OF ASSERTION:

EL 2.7.9 is reasonable and in compliance.

BOARD NOTES:

2.7.10

Furthermore, the Superintendent shall not: Substantially change the principal educational purpose of a school by closing, repurposing, consolidating, combining or creating new or choice destination schools without School Board approval.

OPERATIONAL INTERPRETATION:

1. I interpret *school* as:
 - a. The legal definition of *school* per Minnesota Statute 120A.05,
 - b. I further interpret *school* to be the “real property” consisting of any one of the eight (8) current *school* buildings, “[Valley View Building](#),” and Lower Campus.
2. The phrase *principal educational purpose* is interpreted as the standard course of academic programs implemented to meet the standards established by the Minnesota Commissioner of Education (MN Statute 120A.05).
3. I interpret *substantially change the principal purpose of a school* to mean:
 - a. Alter the primary use of one of the District’s elementary, middle or secondary schools per the legal definition of a *school* (MN Statute 120A.05).
 - b. Significantly alter the physical space and primary use of a specially designated or designed space of a *school* (i.e. gym, swimming pool, media center, etc.).
 - c. To demolish, reconfigure, or remodel in order to create a new use at a cost in excess of \$100,000 at one site.
4. I interpret *by closing or repurposing it* to mean:
 - a. *Closing* is eliminating the use of a District *school* building for any District purpose.
 - b. *Repurposing* is:
 - i. Creating a District “*Destination School*”
 - ii. Using a District *school* building for a purpose not associated with a school.
5. I interpret *by consolidating or combining it with another school* to mean:
 - a. The action of moving one *school* into another *school’s* building, and eliminating one of the *schools* affected, or;
 - b. Moving one *school* into another *school’s* building and changing the principal educational purpose of individual *schools*.
6. I interpret *board approval* as an affirmative majority vote by a quorum of the School Board on a recommendation provided by the Superintendent or his/her designee.

JUSTIFICATION:

1. The legal definition of *school* was used to delineate those structures from other District real properties.
2. Minnesota Statute 120A.05 defines the *principal educational purpose* of school sites:
 - a. **Subd. 9.Elementary school.** "Elementary school" means any school with building, equipment, courses of study, class schedules, enrollment of pupils ordinarily in prekindergarten through grade 6 or any portion thereof, and staff meeting the standards established by the commissioner.
 - b. **Subd. 11.Middle school.** "Middle school" means any school other than a secondary school giving an approved course of study in a minimum of two consecutive grades above 4th but below 10th with building, equipment, courses of study, class schedules, enrollment, and staff meeting the standards established by the commissioner of education.
 - c. **Subd. 13.Secondary school.** "Secondary school" means any school with building, equipment, courses of study, class schedules, enrollment of pupils ordinarily in grades 7 through 12 or any portion thereof, and staff meeting the standards established by the commissioner of education. (*Note: the Education Center in Eden Prairie is not included in this definition, as the District does not own real property at that site.*)
3. The definition of "Real Property" was used to differentiate it from other types of property owned by the district
 - a. "Real Property" is defined as "A building or structure shall include the building or structure itself, together with all improvements or fixtures annexed to the building or structure, which are integrated with and of permanent benefit to the building or structure, regardless of the present use of the building, and which cannot be removed without substantial damage to itself or to the building or structure." (MN Statute 272.03.b.) (*Note: the Education Center in Eden Prairie is not included in this definition, as we do not own real property at that site.*)
4. *Closing or Repurposing*
 - a. It is not uncommon for individual rooms in a facility to provide several functions as needs arise and priorities change over a period of time while the *school* as a whole retains its *principal educational purpose*. Most often, the *repurposing* of usable space does not require substantial changes to the physical structure.
 - b. This interpretation does not limit Administration from managing its *schools* to produce the desired ends. It does limit the administration from *substantially changing* to a *school* in a manner that would:
 - i. Physically alter a "specially designated or designed space" for a new use.
 - ii. Require contracts over \$100,000 for repurposing classroom or specialized space at a single *school* to be approved by the School Board per MN Statute 123B.52 and MN Statute 471.345, Subd. 3.
5. *"Destination School"*

- a. Meets the legal definition of a *school* and provides the standard academic program and standards as established by the Minnesota Commissioner of Education *in an alternative, enhanced, or specialized learning environment*.
 - b. Is open to enroll eligible students regardless of their home location within the School District
 - c. Provides a specialized academic focus in *an alternative, enhanced, or specialized learning environment* that may include, but is not limited to: language immersion, technology, environmental studies, fine arts, online, STEM, etc.
 - i. Programs such as Level III Gifted Services, Special Education Low Incidence and Center-Based programs, and English Language Learners are not *destination schools*.
 - ii. Eagle Heights Spanish Immersion School is a *destination school* per this interpretation.
 - iii. Eden Prairie Online is a *destination school* per this interpretation.
 - iv. The Level IV Gifted and Talented programming would be considered a *destination school* at such point as it encompasses multiple grade levels at one or more *school* sites.
6. Board Approval
- a. School Board voting rules are self-explanatory and legally required to do the business of the school district

This interpretation has the expectation that the Superintendent will undertake a process that provides adequate background information, opportunities for discussion, and culminates with a specific recommendation for Board action.

MEASUREMENT PLAN:

The Superintendent shall be found to be in compliance with this policy when:

1. The district's *school* sites retain their "principal" educational purpose,
2. The district's *school* sites are not repurposed, consolidated or combined with another school without Board approval.

EVIDENCE:

1. During the reporting period all school sites [serving programs during the 2023-2024 school year](#) retained their principal educational purpose. [The District completed the purchase of the Valley View Building with significant discussion and approval by the School Board over the course of the year. That building will host a variety of programs and services including the District's transition programming, alternative educational model programming and support to students and families in the community](#)

including potential partners as discussed with the school board. Although the building was purchased within this monitoring period no changes were made without approval of the School Board.

2. During the reporting period, there were no school sites that were repurposed, consolidated or combined.

STATEMENT OF ASSERTION:

EL 2.7.10 is reasonable and in compliance.

BOARD NOTES:

2.7.11

Furthermore, the Superintendent shall not: Allow anyone other than the School Board to name facilities, schools, classrooms, or spaces within the district.

OPERATIONAL INTERPRETATION:

The Eden Prairie School Board is responsible for permanently naming facilities, which includes buildings, rooms, internal spaces, streets, landscape materials and associated exterior furnishings, courts, athletic fields, open spaces, forests, and all other areas owned, operated, or controlled by the Eden Prairie School District.

Eden Prairie School District may name facilities according to provisions established by statute. The School Board may elect to name facilities in recognition of individuals who have attained achievements of extraordinary and lasting distinction or enter into authorized agreements and contracts to lease naming rights for school facilities or enter into an agreement with a sponsoring agent in order to generate alternative sources of revenue to be used according to a plan specified by the School Board.

JUSTIFICATION:

Board authority, established in statute, permits the Board to enter into a contract to lease the naming rights for school facilities, sell advertising on or in facilities and otherwise enter into an agreement with a sponsoring agent. The School Board exercises approval authority for naming of all facilities owned, operated, or controlled by the Eden Prairie School District.

MEASUREMENT PLAN:

Compliance with this policy shall be evidenced via the Board naming all permanent facilities owned or leased by the District.

EVIDENCE:

No spaces were named during the monitoring period. ~~The district utilized federal funds to renovate a bus into a mobile classroom. The board approved the name "Eagle Express" in June 2023. No other spaces were named during the monitoring period.~~

STATEMENT OF ASSERTION:

EL 2.7.11 is reasonable and in compliance.

BOARD NOTES:

2.7.12

Furthermore, the Superintendent shall not: Eliminate any non-state-required programs that would adversely affect our reputation and/or diminish the value of our broad-based educational opportunities without School Board approval.

OPERATIONAL INTERPRETATION:

1. An “educational program” is defined as “a set of learning activities with a specific goal.” In the context of a school district, an educational program is interpreted as a set of courses leading to acquisition or mastery of a set of identified competencies.
2. The core of this policy [The Superintendent shall not] “Eliminate any non-state required programs...without board approval” is self-explanatory. I interpret this policy to mean that Administration must seek approval via official vote of the School Board to discontinue any educational program at any level that is not required by Minnesota statute.
 - a. The State of Minnesota requires the following of all of its high school graduates:
 - i. 4 credits of language arts
 - ii. 3 credits of mathematics, including algebra, geometry, statistics and probability sufficient to satisfy the standards. Students in the graduating class of 2015 and beyond must complete an algebra II credit or its equivalent as part of the 3-credit requirement. In addition to the high school credits, students in the graduating class of 2015 and beyond must also complete an algebra I credit by the end of eighth grade.
 - iii. 3 credits of science, including a biology credit. In addition, students in the graduating class of 2015 and beyond must complete a chemistry, physics, or Career and Technical Education (CTE) credit as part of the 3-credit requirement. (The CTE credit must meet the standards underlying the chemistry or physics credit.)
 - iv. 3-1/2 credits of social studies, including U.S. history, geography, government and citizenship, world history and economics.
 - v. 1 credit in the arts
 - vi. 7 elective credits
 - b. In grades K-8 school districts are required to put state academic standards into place so all students have access to high-quality content and instruction. Districts must develop local standards for subjects that do not have state standards. (Source: MDE) Therefore, specific elective courses and programs are not required at these levels, but the standards embedded in those courses and programs are required to be delivered in some form to students.

3. The phrase “adversely affect our reputation and/or diminish educational opportunities” is subjective in nature. Therefore, the discussion regarding “value” becomes a consideration for the School Board rather than one for the Superintendent in the decision-making process.
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JUSTIFICATION:

The parents and owners of Eden Prairie schools value the broad-based educational program offered by the District as evidenced through strategic planning, designing pathways, and district scientific random sample community surveys conducted over time by a third-party research firm. ~~Morris Leatheman Company.~~

MEASUREMENT PLAN:

1. Compliance shall be evidenced by adherence to the intent and direction of this policy, [which includes evidence via 3rd party measurement when available.](#)
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EVIDENCE:

1. ~~No educational programs were eliminated during the monitoring period without approval of the school board and in June 2024, a third party conducted a statistically valid and reliable scientific research survey of the community. The survey found that areas like: trust, communication, financial management, decision making, taxes, quality of education and support continued to be extremely high in context to public schools and with no statistically significant change from the prior monitoring cycle. In several areas there were statistically significant increases including the area of “quality of education”. We are among the very top public school districts in the state for public ratings of our school district. The school board will be presented the results in September 2024. In May 2023, the School Board heard a report from a 3rd party that was based on a valid and reliable scientific research survey of the community. There was no statistically significant impact to the reputation of the district and in many areas the results were at or above all time highpoints. In context to other public education institutions during this time, the public response and report continued to be highly positive.~~

STATEMENT OF ASSERTION:

EL 2.7.12 is reasonable and in compliance.

BOARD NOTES: