

**John Bergs**  
Activities Director  
**Margot Hansen**  
Director of Teaching & Learning  
**Jeff Heine**  
Buildings & Grounds Director



**Chuck Keller**  
Business Director  
**Angie Kahle**  
Student Support Services Director  
**Dorothy Koller**  
Community Education Director

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**REGULAR BOARD MEETING**  
District Office, 130 South Willow Street, Belle Plaine, MN 56011  
6:00 PM Monday, December 17, 2012

*Our mission is to pursue excellence in academics, programming, and the social and emotional development of our students. Fostering a culture of kindness, inclusion, and pride in ourselves, our school, and our community.*

**1. Call to Order:**

**2. Acknowledgment of Visitors and Special Presentations:**

**1. Belle Plaine Choir Ensemble:**

**2. Area Legislators:**

Rep. Woodard and Sen.  
Dahle

**3. Brad Lundell, Ex. Director of Schools for Equity in Education:**

Brad Lundell

**3. Other Items as Brought Before the Board & Consideration of Agenda:**

**4. Consensus Items:**

**1. Previous Board Meeting Minutes:**

**3**

**2. Personnel:**

**3. Approve Monthly Expenditures:**

**7**

**4. Donations:**

**5. Discussion Items:**

**1. Superintendent Update:**

Dr. Smith

**16**

**2. Board Member Reports:**

Board Members

**3. Building Administrator Reports: 17**

**6. Action Items:**

**1. Approve the Payable 2013 Levy: Dr. Smith 22**

**2. Approve FY12 School District Audit: Dr. Smith 23**

**3. Policy Review: Dr. Smith 91**

**4. Set Date for School Board Organizational Meeting: Dr. Smith**

**7. Upcoming Meetings:**

**8. Adjourn:**

\_\_\_\_\_  
Board Clerk

\_\_\_\_\_  
Date

# **Preliminary Minutes of the Regular Board Meeting**

***MINUTES WILL NOT BE APPROVED UNTIL THE NEXT BOARD MEETING***

## **The School Board of Belle Plaine Public Schools**

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A Regular Meeting of the Board of Trustees of Belle Plaine Public Schools was held Monday, November 26, 2012, beginning at 6:00 PM in the District Service Center.

1. Call to Order:

*The regular monthly meeting of the Belle Plaine School Board was called to order by Chairperson Lenz on Monday, November 26, 2012 at 6:01 pm at the District Center Board Meeting Room with the following members present: Nagel, Steinhagen, Daly, Ludvik, Lenz, Bigaouette and Supt. Smith.*

2. Acknowledgment of Visitors and Special Presentations:

Chairperson Lenz will ask if visitors wish to be placed on the Agenda.

2. 1. Recognize State Meet Participant:

Girl's cross country runner, Janessa Meuleners, 10th grade, represented Belle Plaine for the fourth time in her career at the State Cross Country Meet at St Olaf College in early November. Janessa finished in 14th place overall at the meet and was a key member of the MRC Meet team champions. Coaches Steve Schroeder and Brad Pederson will be on hand to introduce Janessa and recognize her for her accomplishments.

Presenter: Coaches Schroeder and Pederson

2. 2. Recognize State Tournament Participants:

Members of the 2012 Volleyball team will be present along with their coaches to discuss the team's Section 2A Championship and ultimate 4th place finish at the State Volleyball Tournament. Coach Cassie Wolpern will be present to introduce & recognize her team members as well as talk about the state tournament experience.

Presenter: Coach Wolpern

2. 3. Fall Drama Program:

Director Allison Jacobson and several senior cast members will be present to talk about their recent performance and to thank the school board for their part in sponsoring the intermission activity during the run of "The Music Man".

Presenter: Director Jacobson

2. 4. FFA National Convention Report:

Mr. Mathiowetz and several members of the FFA team that represented Belle Plaine at the National FFA Convention will be present to talk about the convention and the competition they were involved in.

Presenter: Bruce Mathiowetz and FFA Students

2. 5. Presentation on Vision Card E - Management of Resources - Human, Financial & Physical:

Information will be presented by Supt. Smith and Business Manager Chuck Keller regarding Vision Card E - Management of Resources. The report will indicate the baseline information for this set of measurements focusing on our human, financial & physical resources. A revised version of this vision card will be posted to our website after this presentation.

Presenter: Supt. Smith & Bus. Mgr. Keller

3. Other Items as Brought Before the Board & Consideration of Agenda:

Chairperson will ask if there are any items that need to be brought before the board and for consideration of the Agenda.

*Motion by Nagel and second by Ludvik to approve the agenda as presented. Motion carried unanimously.*

4. Consensus Items:

If any board member has concerns about the adoption of the following consensus items, please acknowledge the chairperson prior to the final vote. If there are no concerns, these items will be voted on as a group.

4. 1. Previous Board Meeting Minutes:

Enclosed are the October 22, 2012 Regular Board Meeting minutes for your review and adoption.

4. 2. Personnel:

Accept with regret the resignation of Sandy Fjelde as Information Technology Specialist effective November 9, 2012.

Accepted with regret the resignation of Virg Hanson as Custodian effective December 31, 2012.

Approve the hire of Laura Wilson, .5 FTE English Language Learner (ELL) at BA, Step 1 on the salary schedule beginning November 12, 2012. She will be working in Chatfield & Oak Crest Elementary Schools.

Approve the hire of Lindsay Sawatsky as Information Technology Specialist beginning on 11/19/12 at \$17.00/hour for a full year contract.

Approve the hire of Jeff Heine as Robotics Advisor at the Science Fair schedule amount of \$2,246 per the BPEA Master Agreement.

4. 3. Donations:

Accepted with sincere thanks and gratitude a donation from Coborn's in the amount of \$555.92 to programs at Oak Crest Elementary.

Accepted with sincere thanks and gratitude a donation from Kemps Nickels for Schools in the amount of \$271.05 to benefit both Chatfield Elementary and Oak Crest Elementary.

Accepted with appreciation donations to the ELC Fund from the Grandpa Tree Fund (\$675), from the BP Lion's Club (\$525) and from Jeff Witt (\$340).

Accepted with appreciation a donation from Mary Beth Hauser in the amount of \$222.11 to benefit the Chatfield Music Program.

*Motion by Bigaouette and second by Ludvik to approve all of the above consensus items. Motion carried unanimously,*

5. Discussion Items:

5. 1. Superintendent Update:

Superintendent Smith will provide updates on the recent school musical & Food for Vets donations (\$455); parent-teacher conferences for 7-12 were held last week with good attendance thanks in part to additional events during the evening for students & parents; recent curriculum advisory committee meeting provided good information on our changing math curriculum and was well attended – thanks to staff for their attendance and input; P-Card rebate of \$5,135.22 was received; potential dates for board/admin retreat were presented and discussed; and other items as appropriate.

5. 2. Board Member Reports:

Board members will have an opportunity to share information about meetings they have attended over the past month. Members Nagel and Ludvik commented on the

good attendance and discussion at the Curriculum Advisory Council. Member Nagel reported on recent CSEC/MRVSEC activities – board has adopted a new name for the new cooperative: SouthWest Metro Educational Cooperative, decision has been made to transition to a new cooperative rather than an intermediate district, July 1, 2013 will be official first day of new cooperative, no board meeting will be held in December; superintendents, business managers and special services directors will be meeting on 12/13 to review potential changes in special education funding and to discuss disbursement of assets if a member school leaves the cooperative.

5. 3. Building Administrator Reports:

Building administrators have been asked to submit monthly updates to the school board regarding current happenings and issues within their buildings/areas. Please see attachments for information on what is happening in each of their buildings.

6. Action Items:

6. 1. Approve Monthly Expenditures:

At the board finance meeting, expenditures for the month of November were reviewed. Administration recommended approval of the November, 2012 disbursements totaling \$1,869,460.36. This included hand payables of \$192,688.01 and electronic payments of \$1,444,984.10.

*Motion by Daly and second by Nagel to approve the November bills. Motion carried unanimously.*

6. 2. Approve Baseball Spring Trip to Florida:

The Tiger baseball team is planning a trip to Florida during our spring break this year and are asking for board permission of this trip. A schedule/itinerary of a trip taken in 2011 is included in the packet for your review and information. Head coach Pat Schultz presented this information at our recent work session and administration recommends approval of this trip.

Presenter: Dr. Smith

*Motion by Bigaouette and second by Ludvik to approve the Baseball Spring Trip to Florida. Motion carried unanimously.*

6. 3. 2013-14 School Calendar Discussion:

We continue to review our school calendar as we are proposing some changes for the next school year. On this version of the draft calendar, graduation ceremony is set for June 8 and K-6 students will not begin school until Thursday, Sept. 5. For K-6 students and their parents, Tuesday and Wednesday will be utilized for parent-teacher conferences. No beginning of the year Open House events will be held for K-6.

While administration is not yet ready to recommend this calendar for approval, we do believe that we are getting very close to our final recommendation. This agenda item is for discussion only at this time.

Presenter: Dr. Smith

6. 4. Policy Review:

As part of our board policy review, copies of the recommended MSBA Board policies #501, 502, 506, 514, 515 and 516 were attached for approval as reviews & revisions. In addition, approval of the final reading of the BYOD policy was recommended and a second reading approval was recommended for the Food Service Account policy. Copies of each of the policies were attached for your review.

Presenter: Dr. Smith

*Motion by Nagel and second by Daly to approve the reviews and revisions of Policies #501, 502, 506, 514, 515 and 516. Motion carried unanimously.*

*Motion by Ludvik and second by Nagel to approve the final reading of Polciy 524.1 – BYOD. Motion carried unanimously.*

*Motion by Daly and second by Ludvik to approve the second reading of the Food Service Account Policy. Motion carried unanimously.*

7. Upcoming Meetings:

Monday, December 3, 6:00 p.m. Truth in Taxation Meeting & Board Work Session

Monday, December 17, 5:30 p.m. Finance Committee

6:00 p.m. School Board Regular Meeting

8. Adjourn:

*Motion by Daly and second by Ludvik to adjourn at 7:02 pm. Motion carried unanimously.*

## Belle Plaine Public Schools Pre Payment Report

Grp Code	Rcd	W9	Vendor	Batch	Voucher	Inv No	Gross Amount	Disc Amt	Net Payment	Inv Date	Due Date	Disc Date
1	2791	N	ALLISON JACOBSON	V30601	36999	12312012	72.74	0.00	72.74	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$72.74			
1	4570	N	ALLISON M BURMEISTER	V30601	36994	12312012	422.06	0.00	422.06	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$422.06			
1	4272	N	AMY FRANCK	V30601	37006	12312012	42.74	0.00	42.74	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$42.74			
1	5407	N	ANDREA ENGEL	V30601	36997	12312012	42.19	0.00	42.19	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$42.19			
1	4647	N	ANGIE KAHLE	V30601	37009	12312012	48.29	0.00	48.29	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$48.29			
1	4835	N	ARCTIC ICE	V30601	36978	640715	38.25	0.00	38.25	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$38.25			
1	4589	N	BANC OF AMERICA LEASING	V30601	36985	43	8,256.74	0.00	8,256.74	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$8,256.74			
1	1125	N	BELLE PLAINE HERALD	V30601	36975	13451	253.00	0.00	253.00	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$253.00			
1	2329	N	BLUE CROSS BLUE SHIELD of MN	V30601	37050	YR024-PB 2	285.00	0.00	285.00	12/08/2012	12/08/2012	12/08/2012
							Check Amount:		\$285.00			
1	5878	N	CDW	V30601	37010	MN1200625	577.50	0.00	577.50	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$577.50			
1	5310	N	CHUCK KELLER	V30601	36995	12312012	276.95	0.00	276.95	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$276.95			
1	1280	N	COMPUTER EASY	V30601	36976	2890	435.93	0.00	435.93	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$435.93			
1	5055	N	COMPUTER TECHNOLOGY SOLUT	V30601	36974	33639	75.00	0.00	75.00	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$75.00			
1	2730	N	DAVE KREFT	V30601	36993	12312012	195.92	0.00	195.92	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$195.92			
1	1338	N	DAVID BEARDSLEY	V30601	37002	12312012	135.99	0.00	135.99	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$135.99			

**Belle Plaine Public Schools  
Pre Payment Report**

Grp Code	Rcd	W9	Vendor	Batch	Voucher	Inv No	Gross Amount	Disc Amt	Net Payment	Inv Date	Due Date	Disc Date
1	5579	N	EDUCATORS BENEFIT CONSULTA	V30601	36972	16294	200.00	0.00	200.00	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$200.00			
1	5870	N	GAGE & GAGE	V30601	36952	0246784	13.35	0.00	13.35	12/11/2012	12/11/2012	12/11/2012
							Check Amount:		\$13.35			
1	4840	N	GENERAL PARTS	V30601	37023	5426822	843.16	0.00	843.16	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$843.16			
1	2993	N	GWEN KELLER	V30601	37001	12312012	114.05	0.00	114.05	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$114.05			
1	1202	N	JANIS BUESGENS	V30601	37003	12312012	55.50	0.00	55.50	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$55.50			
1	5787	N	JENNIFER GRABOW	V30601	37048	12312012	212.84	0.00	212.84	12/13/2012	12/13/2012	12/13/2012
							Check Amount:		\$212.84			
1	5211	N	JILL PROVANCHA	V30601	36998	12312012	46.62	0.00	46.62	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$46.62			
1	5877	N	JULENE NOLAN	V30601	37000	12312012	84.36	0.00	84.36	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$84.36			
1	3120	N	KENNEDY & GRAVEN	V30601	36982	110931	34.20	0.00	34.20	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$34.20			
1	5789	N	KIM DEWITTE	V30601	36991	12312012	242.54	0.00	242.54	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$242.54			
1	4843	N	KRIS ANN KRAUSE	V30601	36915	12148	1,074.50	0.00	1,074.50	12/05/2012	12/05/2012	12/05/2012
							Check Amount:		\$1,074.50			
1	1707	N	LANGE'S PLUMBING & HEATING	V30601	37020	121747	363.00	0.00	363.00	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$363.00			
1	1711	N	Laurie Green	V30601	37039	12312012	66.60	0.00	66.60	12/13/2012	12/13/2012	12/13/2012
							Check Amount:		\$66.60			
1	5357	N	LIANN HANSON	V30601	37008	12312012	206.46	0.00	206.46	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$206.46			
1	1746	N	LYNN MOLLENHAUER	V30601	37027	12312012	15.15	0.00	15.15	12/12/2012	12/12/2012	12/12/2012

## Belle Plaine Public Schools Pre Payment Report

GrpCode	Rcd	W9	Vendor	Batch	Voucher	Inv No	Gross Amount	Disc Amt	Net Payment	Inv Date	Due Date	Disc Date
1	1746	N	LYNN MOLLENHAUER	V30601	37004	12312012	12.99	0.00	12.99	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$28.14			
1	2896	N	MARILEE SCHWICHTENBERG	V30601	36992	12312012	13.82	0.00	13.82	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$13.82			
1	1784	N	MASA	V30601	36977	1/1/2013	800.00	0.00	800.00	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$800.00			
1	1789	N	MATHEMATICAL OLYMPIADS	V30601	36970	54004	99.00	0.00	99.00	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$99.00			
1	5341	N	MCDOWELL AGENCY INC	V30601	37049	38858	35.85	0.00	35.85	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$35.85			
1	1813	N	METRO ATHLETIC SUPPLY	V30601	36913	145618	698.80	0.00	698.80	12/05/2012	12/05/2012	12/05/2012
							Check Amount:		\$698.80			
1	2856	N	MINNESOTA BOARD OF SCH ADM	V30601	36971	12122012	75.00	0.00	75.00	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$75.00			
1	3979	N	MRCI MANKATO	V30601	36983	F57282	190.00	0.00	190.00	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$190.00			
1	2647	N	MSU - MANKATO	V30601	37038	00711051	10,000.00	0.00	10,000.00	11/16/2012	11/16/2012	11/16/2012
							Check Amount:		\$10,000.00			
1	5780	N	NYSTROM PUBLISHING CO, INC	V30601	36981	25984	273.80	0.00	273.80	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$273.80			
1	5683	N	OUR LADY OF THE PRAIRIE SCHO	V30601	36988	12122012	456.04	0.00	456.04	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$456.04			
1	2920	N	PETER JACOBSON	V30601	37005	12312012	76.26	0.00	76.26	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$76.26			
1	5587	N	PRAIRIE RIVER HOME CARE, INC	V30601	36984	NOVEMBER	3,012.75	0.00	3,012.75	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$3,012.75			
1	2002	N	PROTECTION SYSTEMS INC	V30601	37022	19490	1,371.64	0.00	1,371.64	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$1,371.64			
1	3866	N	RACHELLE KERKOW	V30601	37028	12312012	73.26	0.00	73.26	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$73.26			

## Belle Plaine Public Schools Pre Payment Report

GrpCode	Rcd	W9	Vendor	Batch	Voucher	Inv No	Gross Amount	Disc Amt	Net Payment	Inv Date	Due Date	Disc Date
1	3380	N	RENEE MALECHA	V30601	37007	12312012	13.71	0.00	13.71	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$13.71			
1	4612	N	ROCHELLE GRILLA	V30601	36989	12122012	160.66	0.00	160.66	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$160.66			
1	4562	N	SARA LINQUIST	V30601	36961	136	800.00	0.00	800.00	12/11/2012	12/11/2012	12/11/2012
							Check Amount:		\$800.00			
1	2066	N	SCHINDLER ELEVATOR CORP	V30601	37021	8103353046	437.19	0.00	437.19	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$437.19			
1	2872	N	SCOTT RENNE	V30601	37026	12102012	272.51	0.00	272.51	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$272.51			
1	2122	N	SKATETIME	V30601	36980	7830	1,512.00	0.00	1,512.00	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$1,512.00			
1	2137	N	SOUTH CENTRAL ECSU	V30601	37015	13679	4,440.01	0.00	4,440.01	12/12/2012	12/12/2012	12/12/2012
1	2137	N	SOUTH CENTRAL ECSU	V30601	37011	OCT & NOV	3,600.13	0.00	3,600.13	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$8,040.14			
1	3287	N	SPARETIME INVESTMENT GROUP	V30601	37025	1305	292.50	0.00	292.50	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$292.50			
1	2153	N	STASNEY ELECTRIC	V30601	37019	25396	2,920.72	0.00	2,920.72	12/12/2012	12/12/2012	12/12/2012
1	2153	N	STASNEY ELECTRIC	V30601	37018	25394	417.05	0.00	417.05	12/12/2012	12/12/2012	12/12/2012
1	2153	N	STASNEY ELECTRIC	V30601	37017	25395	624.09	0.00	624.09	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$3,961.86			
1	2156	N	STATE SUPPLY	V30601	37016	427830	203.95	0.00	203.95	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$203.95			
1	2157	N	STEFFEN HARDWARE	V30601	37024	NOVEMBER	49.48	0.00	49.48	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$49.48			
1	2169	N	SUE STIER	V30601	36990	12312012	209.95	0.00	209.95	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$209.95			
1	5412	N	SYNERGY & LEADERSHIP EXCHA	V30601	36986	2012-2013	350.00	0.00	350.00	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$350.00			
1	4582	N	TAHER - BELLE PLAINE SCHOOLS	V30601	36960	7	64.55	0.00	64.55	12/11/2012	12/11/2012	12/11/2012
							Check Amount:		\$64.55			

## Belle Plaine Public Schools Pre Payment Report

GrpCode	Rcd	W9	Vendor	Batch	Voucher	Inv No	Gross Amount	Disc Amt	Net Payment	Inv Date	Due Date	Disc Date
1	2188	N	TAHER INC	V30601	36973	0036095-IN	57,903.08	0.00	57,903.08	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$57,903.08			
1	5572	N	TAPES PLUS ADVERTISING	V30601	37037	00014974	150.00	0.00	150.00	12/13/2012	12/13/2012	12/13/2012
							Check Amount:		\$150.00			
1	2235	N	TIM LITFIN	V30601	36914	12149	559.94	0.00	559.94	12/05/2012	12/05/2012	12/05/2012
							Check Amount:		\$559.94			
1	5790	N	TRICIA DENZER	V30601	36996	12312012	511.61	0.00	511.61	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$511.61			
1	4631	N	TRINITY LUTHERAN CHURCH	V30601	36987	12122012	4,980.46	0.00	4,980.46	12/12/2012	12/12/2012	12/12/2012
							Check Amount:		\$4,980.46			
1	4802	N	USPS	V30601	36912	12146	190.00	0.00	190.00	12/05/2012	12/05/2012	12/05/2012
							Check Amount:		\$190.00			
							Report Total:		\$112,583.43			

\*Does not meet minimum amount  
\*\*Exceeds maximum amount

# Hand Pays

Batch	Co	Pmt No	Bank	Check No	Pay Type	Grp	Code	Vendor	Print	Recon	Pay Date	Void	Curr	Amount
P30602	0716	29071	SBC	54573	CH	1	2649	AARP	Y	N	11/30/2012	N	USD	196.00
P30602	0716	29076	SBC	54574	CH	1	5863	AL OR PRICILLA GAUTHIER	Y	N	11/30/2012	N	USD	75.00
P30602	0716	29073	SBC	54575	CH	1	4872	ALEX HARTMAN	Y	N	11/30/2012	N	USD	1,125.00
P30602	0716	29072	SBC	54576	CH	1	3876	CENTERPOINT ENERGY SERVICES	Y	N	11/30/2012	N	USD	1,408.06
P30602	0716	29075	SBC	54577	CH	1	5860	DEREK DAHLKE	Y	N	11/30/2012	N	USD	15.00
P30602	0716	29077	SBC	54578	CH	1	5864	FEED THE VETS FOUNDATION	Y	N	11/30/2012	N	USD	455.86
P30602	0716	29066	SBC	54579	CH	1	1528	GROTH MUSIC	Y	N	11/30/2012	N	USD	188.95
P30602	0716	29066	SBC	54579	CH	1	1528	GROTH MUSIC	Y	N	11/30/2012	N	USD	121.91
P30602	0716	29070	SBC	54580	CH	1	2339	J W PEPPER & SON INC	Y	N	11/30/2012	N	USD	239.99
P30602	0716	29070	SBC	54580	CH	1	2339	J W PEPPER & SON INC	Y	N	11/30/2012	N	USD	40.00
P30602	0716	29067	SBC	54581	CH	1	1720	LEE HULS	Y	N	11/30/2012	N	USD	55.00
P30602	0716	29074	SBC	54582	CH	1	5859	MICHAEL KROELLS	Y	N	11/30/2012	N	USD	155.00
P30602	0716	29068	SBC	54583	CH	1	2214	NEFF MOTIVATION, INC	Y	N	11/30/2012	N	USD	217.99
P30602	0716	29069	SBC	54584	CH	1	2326	YOUTH FRONTIERS INC	Y	N	11/30/2012	N	USD	2,440.00
P30602	0716	29069	SBC	54584	CH	1	2326	YOUTH FRONTIERS INC	Y	N	11/30/2012	N	USD	1,690.00
P306p1	0716	29086	SBC	54585	CH	1	1123	BELLE PLAINE ED ASSOC	Y	N	12/5/2012	C N	USD	4,129.99
P306p1	0716	29087	SBC	54586	CH	1	1134	BELLE PLAINE SCHOOL	Y	N	12/5/2012	C N	USD	3,624.83
P306p1	0716	29088	SBC	54587	CH	1	1178	BPESPA	Y	N	12/5/2012	C N	USD	822.28
P306p1	0716	29091	SBC	54588	CH	1	4394	LAW OFFICE OF JOE PEZZUTO,LLC	Y	N	12/5/2012	C N	USD	134.35
P306p1	0716	29089	SBC	54589	CH	1	1753	MADISON NATIONAL LIFE	Y	N	12/5/2012	C N	USD	390.00
P306p1	0716	29089	SBC	54589	CH	1	1753	MADISON NATIONAL LIFE	Y	N	12/5/2012	C N	USD	1,248.00
P306p1	0716	29090	SBC	54590	CH	1	1836	NCPERS MINNESOTA	Y	N	12/5/2012	C N	USD	16.00
P306p1	0716	29092	SBC	54591	CH	1	5360	Reliance Standard Life	Y	N	12/5/2012	C N	USD	1,085.56
P306p1	0716	29093	SBC	54592	CH	1	5419	UNITED STATES TREASURY	Y	N	12/5/2012	C N	USD	65.59
P30602	0716	29226	SBC	54593	CH	1	5871	ANGELA AHRENDT	Y	N	12/7/2012	C N	USD	107.00
P30602	0716	29224	SBC	54594	CH	1	5866	DW WRESTLING PRODUCTS	Y	N	12/7/2012	C N	USD	431.93
P30602	0716	29227	SBC	54595	CH	1	5872	EMMA STRINGER	Y	N	12/7/2012	C N	USD	60.00
P30602	0716	29222	SBC	54596	CH	1	5209	JEFF HEWITT	Y	N	12/7/2012	C N	USD	107.00
P30602	0716	29223	SBC	54597	CH	1	5865	KIM PENKERT	Y	N	12/7/2012	C N	USD	23.98
P30602	0716	29221	SBC	54598	CH	1	3530	LAKEVILLE NORTH HS	Y	N	12/7/2012	C N	USD	235.00
P30602	0716	29225	SBC	54599	CH	1	5867	LITCHFIELD HIGH SCHOOL	Y	N	12/7/2012	C N	USD	30.00
P30602	0716	29217	SBC	54600	CH	1	1874	MNGWL	Y	N	12/7/2012	C N	USD	150.00
P30602	0716	29218	SBC	54601	CH	1	1992	PRAIRIE TRANSPORTATION	Y	N	12/7/2012	C N	USD	39,354.89
P30602	0716	29219	SBC	54602	CH	1	2027	REGION 2 A	Y	N	12/7/2012	C N	USD	125.00

# Hand Pays

Batch	Co	Pmt No	Bank	Check No	Pay Type	Grp	Code	Vendor	Print	Recon	Pay Date	Void	Curr	Amount
P30602	0716	29220	SBC	54603	CH	1	2164	STIER BUS CO	Y	N	12/7/2012	C N	USD	65,541.12
P306p1	0716	29228	SBC	54604	CH	1	1555	HEALTH PARTNERS	Y	N	12/5/2012	C N	USD	10,619.40
P30602	0716	29237	SBC	54605	CH	1	4572	BEN SCHEFFLER	Y	N	12/12/2012	N	USD	107.00
P30602	0716	29234	SBC	54606	CH	1	2736	DOLLARS FOR SCHOLARS	Y	N	12/12/2012	N	USD	224.00
P30602	0716	29234	SBC	54606	CH	1	2736	DOLLARS FOR SCHOLARS	Y	N	12/12/2012	N	USD	140.00
P30602	0716	29236	SBC	54607	CH	1	4549	FRIDLEY HIGH SCHOOL DANCE TEAM	Y	N	12/12/2012	N	USD	90.00
P30602	0716	29232	SBC	54608	CH	1	1503	GSL HIGH SCHOOL	Y	N	12/12/2012	N	USD	240.00
P30602	0716	29235	SBC	54609	CH	1	3355	MN WEARABLES	Y	N	12/12/2012	N	USD	2,227.50
P30602	0716	29238	SBC	54610	CH	1	5876	SARAH ZIMMERMAN	Y	N	12/12/2012	N	USD	21.46
P30602	0716	29233	SBC	54611	CH	1	2242	TOM CHROMY	Y	N	12/12/2012	N	USD	107.00
P30602	0716	29239	SBC	54612	CH	1	4802	USPS	Y	N	12/12/2012	N	USD	320.63
<b>Total</b>													<b>\$ 140,203.27</b>	

## Wires

Batch	Co	Pmt No	Bank	Check No	Pay Type	Grp	Code	Vendor	Print	Recon	Pay Date	Void	Curr	Amount
P306p1	0716	29079	SBC		WX	1	1873	MN.TEACHERS RETIRE.ASSOC	N	N	12/5/2012	C N	USD	33,956.02
P306p1	0716	29080	SBC		WX	1	1977	PERA	N	N	12/5/2012	C N	USD	10,521.19
P306p1	0716	29081	SBC		WX	1	2330	FEDERAL	N	N	12/5/2012	C N	USD	24,004.24
P306p1	0716	29081	SBC		WX	1	2330	FEDERAL	N	N	12/5/2012	C N	USD	9,188.56
P306p1	0716	29081	SBC		WX	1	2330	FEDERAL	N	N	12/5/2012	C N	USD	32,400.86
P306p1	0716	29082	SBC		WX	1	2331	STATE OF MINNESOTA	N	N	12/5/2012	C N	USD	11,198.74
P306p1	0716	29083	SBC		WX	1	2581	MN CHILD SUPPORT CENTER	N	N	12/5/2012	C N	USD	545.00
P306p1	0716	29084	SBC		WX	1	2735	MII LIFE - VEBA/HSA	N	N	12/5/2012	C N	USD	2,614.51
P306p1	0716	29085	SBC		WX	1	5579	EDUCATORS BENEFIT CONSULTANTS	N	N	12/5/2012	C N	USD	1,054.28
P306p1	0716	29085	SBC		WX	1	5579	EDUCATORS BENEFIT CONSULTANTS	N	N	12/5/2012	C N	USD	100.00
P306p1	0716	29085	SBC		WX	1	5579	EDUCATORS BENEFIT CONSULTANTS	N	N	12/5/2012	C N	USD	1,508.34
P306p1	0716	29085	SBC		WX	1	5579	EDUCATORS BENEFIT CONSULTANTS	N	N	12/5/2012	C N	USD	100.00
P306p1	0716	29085	SBC		WX	1	5579	EDUCATORS BENEFIT CONSULTANTS	N	N	12/5/2012	C N	USD	1,565.00
P306p1	0716	29085	SBC		WX	1	5579	EDUCATORS BENEFIT CONSULTANTS	N	N	12/5/2012	C N	USD	4,728.54
P306p1	0716	29085	SBC		WX	1	5579	EDUCATORS BENEFIT CONSULTANTS	N	N	12/5/2012	C N	USD	511.12
P306p1	0716	29085	SBC		WX	1	5579	EDUCATORS BENEFIT CONSULTANTS	N	N	12/5/2012	C N	USD	1,818.18
P30602	0716	29209	SBC		WX	1	1486	FRONTIER	N	N	11/30/2012	N	USD	1,739.07
P30602	0716	29210	SBC		WX	1	1486	FRONTIER	N	N	11/30/2012	N	USD	89.16
P30602	0716	29211	SBC		WX	1	1486	FRONTIER	N	N	11/30/2012	N	USD	95.22
P30602	0716	29212	SBC		WX	1	1486	FRONTIER	N	N	11/30/2012	N	USD	109.56
P30602	0716	29229	SBC		WX	1	1262	CITY OF BELLE PLAINE	N	N	12/12/2012	N	USD	29.16
P30602	0716	29229	SBC		WX	1	1262	CITY OF BELLE PLAINE	N	N	12/12/2012	N	USD	117.51
P30602	0716	29229	SBC		WX	1	1262	CITY OF BELLE PLAINE	N	N	12/12/2012	N	USD	266.71
P30602	0716	29229	SBC		WX	1	1262	CITY OF BELLE PLAINE	N	N	12/12/2012	N	USD	301.15
P30602	0716	29229	SBC		WX	1	1262	CITY OF BELLE PLAINE	N	N	12/12/2012	N	USD	628.16
P30602	0716	29229	SBC		WX	1	1262	CITY OF BELLE PLAINE	N	N	12/12/2012	N	USD	999.32
P30602	0716	29230	SBC		WX	1	1486	FRONTIER	N	N	12/12/2012	N	USD	89.77
P30602	0716	29230	SBC		WX	1	1486	FRONTIER	N	N	12/12/2012	N	USD	95.87
P30602	0716	29230	SBC		WX	1	1486	FRONTIER	N	N	12/12/2012	N	USD	113.86
P30602	0716	29230	SBC		WX	1	1486	FRONTIER	N	N	12/12/2012	N	USD	1,747.00
P30602	0716	29231	SBC		WX	1	3206	SELECTACCOUNT	N	N	12/12/2012	N	USD	252.54
P30602	0716	29240	SBC		WX	1	2336	XCEL ENERGY	N	N	12/13/2012	N	USD	5,879.65
P30602	0716	29240	SBC		WX	1	2336	XCEL ENERGY	N	N	12/13/2012	N	USD	5,301.94
P30602	0716	29240	SBC		WX	1	2336	XCEL ENERGY	N	N	12/13/2012	N	USD	3,215.34
P30602	0716	29240	SBC		WX	1	2336	XCEL ENERGY	N	N	12/13/2012	N	USD	303.47
P30602	0716	29241	SBC		WX	1	3414	CENTERPOINT ENERGY	N	N	12/13/2012	N	USD	1,025.20

## Wires

Batch	Co	Pmt No	Bank	Check No	Pay Type	Grp	Code	Vendor	Print	Recon	Pay Date	Void	Curr	Amount
P30602	0716	29241	SBC		WX	1	3414	CENTERPOINT ENERGY	N	N	12/13/2012	N	USD	206.13
P30602	0716	29241	SBC		WX	1	3414	CENTERPOINT ENERGY	N	N	12/13/2012	N	USD	159.64
P30602	0716	29241	SBC		WX	1	3414	CENTERPOINT ENERGY	N	N	12/13/2012	N	USD	156.39
<hr/>														
								PCARD						54,611.31
								Payroll 12/05/2012						228,518.50
<hr/>														
<b>Total</b>													<b>\$ 441,866.21</b>	



# Independent School District No. 716

http://www.belleplaine.k12.mn.us  
 District Calendar 2013-2014 Draft  
 Draft --Revision 3-

## District Contact Information

District Office: (952) 873-2400  
 Chatfield Elementary: (952) 873-2401  
 Oak Crest Elementary: (952) 873-

**Jul-13**

M	T	W	T	F
1	2	3	4	5
8	9	10	11	12
15	16	17	18	19
22	23	24	25	26
29	30	31		

**Jan-14**

M	T	W	T	F
		1	2	3
6	7	8	9	10
13	14	15	16	17
20	21	22	23	24
27	28	29	30	31

- No School (Holiday)
- No School (Teacher Workshop Day)
- Inservice Early Dismissal - School ends at 12:15
- 22 Parent-Teacher Conferences
- 22 End of Quarter or Trimester

**Aug-13**

M	T	W	T	F
				2
5	6	7	8	9
12	13	14	15	16
19	20	21	22	23
26	27	28	29	30

**Feb-14**

M	T	W	T	F
3	4	5	6	7
10	11	12	13	14
17	18	19	20	21
24	25	26	27	28

**August**  
 23, 26-29 8-23 New Teachers: 8/26-29 Workshop

**Sep-13**

M	T	W	T	F
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27
30				

**Mar-14**

M	T	W	T	F
3	4	5	6	7
10	11	12	13	14
17	18	19	20	21
24	25	26	27	28
31				

**September**  
 2 No School - Labor Day  
 3 School Begins 7-12  
 3,4 K-6 Conferences 12-8:00 pm  
 5 School Begins K-6

**Oct. 2013**

M	T	W	T	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30	31	

**Apr-14**

M	T	W	T	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30		

**October**  
 4 Students released at 12:15 pm - Teacher workshop  
 17,18 No School Education MN Conference

**Nov-13**

M	T	W	T	F
				1
4	5	6	7	8
11	12	13	14	15
18	19	20	21	22
25	26	27	28	29

**May-14**

M	T	W	T	F
			1	2
5	6	7	8	9
12	13	14	15	16
19	20	21	22	23
26	27	28	29	30

**November**  
 1 End 1st Quarter  
 4 No School - Teacher Workshop  
 21,25 7-12 Parent Teacher Conferences  
 26 Students released at 12:15 pm - Teacher workshop  
 26 End 1st Trimester  
 27-29 No School - Thanksgiving Break

**Dec-13**

M	T	W	T	F
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27
30	31			

**Jun-14**

M	T	W	T	F
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27

**December**  
 3,5 K-6 Parent Teacher Conferences  
 23-31 No School - Holiday Break

**January**  
 1 No School - Holiday Break  
 2 School Resumes  
 17 End 2nd Q/1st Semester  
 20 No School - Martin Luther King Jr. Day - Teacher Workshop

**February**  
 14 Students released at 12:15 pm - Teacher workshop  
 17 No School - President's Day  
 24,27 7-12 Parent Teacher Conferences

**March**  
 7 End 2nd trimester  
 14 Students released at 12:15 pm - Teacher workshop  
 17,20 K-6 Parent Teacher Conferences  
 21 End 3rd Quarter  
 24-28 No School - Spring Break

**April**  
 21 Teacher Workshop

**May**  
 26 No School - Memorial Day

**June**  
 3 Last student day, end of 4th Quarter/3rd trimester  
 4 Teacher workshop  
 8 Graduation

### Student Contact Day Summary

Quarter Summary	Trimester Summary
1st Quarter 42	1st Trimester 58
2nd Quarter 43	2nd Trimester 60
3rd Quarter 43	3rd Trimester 56
4th Quarter 46	
<b>Total 174</b>	<b>Total 174</b>

8 teacher workshop days  
 2 days allotted for parent-teacher conferences

**Total teacher days: 184**

**Dave Kreft**  
*Jr High/Sr High Principal*  
**Liann Hanson Ph.D.**  
*Oak Crest Elementary Principal*  
**Kim DeWitte**  
*Chatfield Elementary Principal*  
**Chuck Keller**  
*Business Manager*  
**Ken Wick**  
*IT Director*



**Kelly D. Smith, Ed.D., Superintendent**

**Tricia Denzer**  
*Special Services Director*  
**Jeff Heine**  
*Buildings & Grounds Director*  
**Nelson Ladd**  
*Community Services Director*  
**Mindy Sparby**  
*Activities Director/Dean of Students*  
**Carol Lagergren**  
*Director of Curriculum & Assessment*

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## Board Reports

12/12/12

Mindy Sparby

JH Dean / Activities Director

## Appreciation:

1. Congratulations to the Band on a great performance Monday night!
2. Thank you to Cheryl Gorton for bringing in the group "Home Free"! This was a great acapella singing group and provided a fun cultural opportunity for our students to learn and our community to benefit as well!
3. Thanks to our Tiger Target Team students who volunteered their time and efforts in December helping young kids shop at the Holiday Express Dec.1! We had 37 students volunteer throughout the morning.

## Acceleration:

1. The new scoreboards are up and working great! Special thanks for Doug Anderson and Ollie Heitkamp for their extra efforts learning how to run the boards!
2. Our winter sport coaches and athlete's are all underway with competitions and it really has been a great start!
3. I sat in our our Special Education PLC meeting last Thursday and heard some great ideas on how our teachers are going to education staff in identification of potential Special Ed students.

## Anticipation:

- Our 7-12 Choir will have a holiday concert on Monday, December 17<sup>th</sup> at 7pm in the North gym. They will also be performing at the Mall of America on December 21<sup>st</sup>.
- Student Council will be having an Activity night for all 9-12 students in the South gym after the Choir Concert on December 17<sup>th</sup>.

Board Report  
December 17<sup>th</sup>, 2012  
Oak Crest Elementary  
Liann Hanson

**Appreciation:**

- Our December BOP-2-OC was a success! We had over 30 parents and community members attend and help out in the classroom and join us for our All School Meeting. Some were the same ones that volunteered in November, but we had some different parents and grandparents out to Oak Crest, too!
- Thank you to Cerisse Murphy, Lisa Treml, and Peterson Jacobson who represented Oak Crest in MCIS Jr. Training. This training is for a Career and College Readiness program for 5<sup>th</sup>-8<sup>th</sup> grade students.
- Thank you to Marty Hartmann and Ross Nelson for moderating the Geography Bee. And congratulations to Dominick Fogarty for winning the Geography Bee!

**Acceleration:**

- The trimester ended and report cards were sent out on December 7<sup>th</sup>!
- PLC: PLC teams having been working with data to change up their intervention groups. Also our PLC leadership team is finishing the book Simplifying Response to Intervention. Some of the questions that we will be answering are: How should the responsibilities for universal screening be divided between collaborative teacher teams and school-wide intervention teams? What are the essential characteristics of effective interventions? How do schools create flexible intervention times in elementary school? According to authors, certain access can only be realized when schools create a tiered, systematic intervention program. What steps must schools take to create systematic responses?
- PLC leaders will present intervention information out at the next staff meeting. That way, information about RTI/Interventions is coming from grade people and not just our RTI folks.
- We continue the process of becoming a School of Excellence. We have sent out the survey to staff and will soon send it out to parents. We are excited to start looking at the data and moving forward with this process.

**Anticipation:**

- All certified staff members will be formally observed by December 14<sup>th</sup>. All probationary staff members will have their 2<sup>nd</sup> formal observation done by December 21<sup>st</sup>. Observations are going well and the coaching conversations are moving staff forward.
- Terrific Tiger Breakfast is on Friday, December 14<sup>th</sup> at 7:50. Donuts and juice are provided to students (and their parents) that have been nominated by staff members for being a Terrific Tiger during the first trimester of school. Congratulations to all of our students!
- The 5<sup>th</sup> grade will take a field trip to the Stepping Stone Theater on Thursday, December 20<sup>th</sup>.
- Oak Crest's 5<sup>th</sup>/6<sup>th</sup> grade Holiday Concert is on Thursday, December 20<sup>th</sup> at 7:00 PM.
- The Limo Ride for students at Chatfield and Oak Crest (who met a target for fundraising) is on Friday, December 14<sup>th</sup>.

- Oak Crest staff and students will have a holiday sing along on Friday, December 21<sup>st</sup> at 2:20 PM to start our winter break with some holiday cheer! Also, staff are planning a secret presentation for our students during that time!

Board Report  
December 17, 2012  
Chatfield Elementary  
Kimberly DeWitte

**Appreciation:**

- Tim Stowe was recently nominated for the WEM Outstanding Educator Award. We appreciate Mr. Stowe and his dedication to the students and families in his classroom.
- December 6, the first grade students performed their concert for their families. They did an excellent job. There is a link to the performance on the Chatfield home page.

**Acceleration:**

- PLC: The PLC Leadership Team finished the book study on Simplifying Response to Intervention. There are several systems in place at Chatfield that are recommendations given in the book. However, we still have learning to do! K-Continuing to have professional dialogue around Tiger Time and what is most beneficial for their students. 1<sup>st</sup>-Starting to look at reading and creating the power benchmarks. 2<sup>nd</sup>-Finishing up math assessments and feeling more confident with the PLC system Sped-Learning how to administer a new assessment to their students and also working on individual assessments. Specialists-continuing to work on scope and sequence.
- The PLC leadership team is continuing to explore standardized tests and how they are used throughout the building.
- The Early Childhood PLC members have almost completed the MN Reading Core Application for next year.
- PLC leaders will present intervention information out at the next staff meeting. That way, information about RTI/Interventions is coming from grade people and not just our RTI folks.

**Anticipation:**

- Chatfield will have an all school holiday sing along on December 21 at 2:30.
- The preschool students will be going on a field trip to see Madeline on Thursday, December 13. One of the parents won tickets for every student, staff, and a few parents!!!!
- The Limo Ride for students at Chatfield and Oak Crest (who met a target for fundraising) is on Friday, December 14<sup>th</sup>.
- Observations are going well and coaching conversations are moving staff forward. The goal is have all staff formally observed 1 time before December 21.
- We are starting a Literacy Team to talk about reading/literacy/interventions. The members of the team will talk and visit with other high performing schools to gather information regarding literacy blocks and how that information can be used to create a system for Chatfield.

**Belle Plaine High School  
School Board Report  
Submitted by Dave Kreft  
December 17, 2012**

**Appreciation:**

- With flu season upon us, our building has been challenged with adult absences. Our office staff was hit particularly hard in the last couple of weeks. Thankfully we have people who step up and fill in without reservation or complaint to allow us to focus on educating our students.
- Our high school choir is in demand in the community! Based on their strong abilities and professionalism, businesses in the community have asked them to perform. As I have witnessed the performances, I have seen nothing but a top-notch product. The response from those who have seen the performances has been very positive. We seize opportunities to expand our classroom learning opportunities and share our talents.

**Acceleration:**

- Our “I Teams” (intervention teams) meet every other Monday. We have both a junior high team and high school team. While the teams differ slightly in their function, the input of all stakeholders allows us to problem solve student issues of varying complexity. In order to paint the true picture of student performance, we rely on teacher observations, student interviews, parent interviews, and counselor/social worker input. Only with this collaboration may we continue addressing the needs of the student.
- PLC Teams continue their deliberations. Some of the groups are focused on year-long goals, while others are reaching resolution on a goal and will then move forward. For example, our specialist/elective group is analyzing our current elective offerings. They have surveyed our students and will soon be making some recommendations to me. Our English department is sorting through the Common Core Standards while they analyze new curriculum resources. They are discussing the opportunity for high school students to select English classes based on their career goal, while addressing the necessary standards.

**Anticipation:**

- Some of the findings/SMART goals that PLC teams are working through will be part of our planning for next year and will be highlighted at our work session in January.
- While the calendar says December, the end of the year protocols are consistently in our conversation. Jill Morreim has seized the leadership responsibilities of the senior class and is completing necessary ordering for the ceremony. Scott Hallgren consistently monitors student progress to make sure students are staying on pace for graduation. If not, we brainstorm how we can reach that individual.
- Our conferences had a higher attendance rate this year. While we do not have firm data from previous years, perceptual data indicates we saw more families the first night of conferences. We are working on plans to improve attendance in the future. We hope to have Tableau up and running for the next round of conferences and have discussed scheduling conferences for students of concern. There is value in seeing every family we have in our building.

**Payable 2012 & Payable 2013 Levy Comparison**

	<b>10 Payable 11 Levy</b>	<b>11 Payable 12 Levy</b>	<b>12 Payable 13 Levy</b>	<b>Increase/ (Decrease) from 11 Pay 12 Levy</b>	<b>%</b>	<b>L/F</b>
Operating Levy	459,564.84	462,875.01	454,733.84	(8,141.17)		L
Equity	222,833.76	202,105.21	211,042.51	8,937.30		F
Transition	5,837.82	5,961.91	5,560.89	(401.02)		F
Operating Capital	197,510.78	198,182.10	179,727.14	(18,454.96)		F
Integration	79,020.00	18,000.00	18,000.00	-		F/L
Unemployment	5,000.00	5,000.00	5,000.00	-		F
Safe Schools	53,813.10	57,803.40	56,226.30	(1,577.10)		F
Career/Technical	28,757.60	33,545.96	28,768.40	(4,777.56)		F
Annual OPEB		-	169,333.00	169,333.00		L
Health & Safety	93,856.02	91,493.98	87,006.02	(4,487.96)		L
Deferred Maintenance	90,467.51	94,527.67	88,213.98	(6,313.69)		F
Building Lease	35,761.98	31,946.90	30,430.72	(1,516.18)		L
Adjustments	(135,298.84)	(102,589.55)	(147,439.16)	(44,849.61)		F
<b>Total General Fund</b>	<b>1,137,124.57</b>	<b>1,098,852.59</b>	<b>1,186,603.64</b>	<b>87,751.05</b>	<b>7.99%</b>	
Basic Community Education	96,290.58	74,496.16	74,496.16	-		F
Early Childhood Fam. Ed.	37,098.62	40,039.90	36,993.17	(3,046.73)		F
Home Visiting	1,480.00	1,512.00	1,499.20	(12.80)		F
School Age Care	-	4,000.00	4,000.00	-		L
Adjustments	123.39	42.38	910.09	867.71		F
<b>Total Community Education</b>	<b>134,992.59</b>	<b>120,090.44</b>	<b>117,898.62</b>	<b>(2,191.82)</b>	<b>-1.83%</b>	
Debt Service	3,394,519.27	2,761,579.56	2,855,500.68	93,921.12		L
Reduction for Debt Excess	(312,302.85)	-	(141,775.45)	(141,775.45)		F
Alt Facility Bond Debt Service	444,436.00	448,479.00	446,615.00	(1,864.00)		L
Reduction for Debt Excess	(39,441.86)	-	(21,063.25)	(21,063.25)		L
Adjustments	2,234.97	792.17	5,340.90	4,548.73		F
<b>Total Debt Service</b>	<b>3,489,445.53</b>	<b>3,210,850.73</b>	<b>3,144,617.88</b>	<b>(66,232.85)</b>	<b>-2.06%</b>	
<b>Total Levy - All Funds</b>	<b>4,761,562.69</b>	<b>4,429,793.76</b>	<b>4,449,120.14</b>	<b>19,326.38</b>	<b>0.44%</b>	

L = Local Decision

F = Formula Set by Legislature

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>Change</b>	<b>% Increase</b>
<b>Market Value</b>	954,022,200	885,723,263	858,476,100	-27,247,163	-3.08%
<b>Referendum Market Value</b>	700,166,000	683,146,800	660,865,600	-22,281,200	-3.26%
<b>Net Tax Capacity</b>	10,564,230	10,096,829	9,284,116	-812,713	-8.05%
<b>Sales Ratio</b>	98.70%	99.10%	100.90%		
<b>Adjusted Net Tax Capacity</b>	10,698,953	10,188,969	9,205,808	-983,161	-9.65%

Prepared using 11/20/12 Preliminary Levy Information



Financial Report  
June 30, 2012

**Independent School District No. 716**  
Belle Plaine, Minnesota

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Board of Education

Matt Lenz	Chair
Matt Bigaouette	Vice-Chair
Mike Daly	Clerk
Gary Steinhagen	Treasurer
Judy Nagel	Director
Mike Ludvik	Director



## Independent Auditor's Report

Members of the School Board  
Independent School District No. 716  
Belle Plaine, Minnesota

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. 716 (District), Belle Plaine, Minnesota, as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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, 2012, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2012, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require the management's discussion and analysis, budgetary comparison schedules, and schedules of funding progress found on pages IV to XIV, pages 33 to 35, and page 32, respectively, 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The introductory section, Student Activity Treasurer's Report, and Uniform Financial Accounting and Reporting Standards Compliance Table are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is also presented for purposes of additional analysis. The schedule of expenditures of federal awards is required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The schedule of expenditures of federal awards is the responsibility of management and was 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 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to 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 as a whole. In addition, in our opinion, the Student Activity Treasurer's Report presents fairly the changes in the cash balances of the student activity funds for the year ended June 30, 2012. The Uniform Financial Accounting and Reporting Compliance Table and introductory section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Mankato, Minnesota  
December 11, 2012

**INDEPENDENT SCHOOL DISTRICT #716  
BELLE PLAINE SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2012**

This section of Independent School District No.716, Belle Plaine Schools' annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2012. Please read it in conjunction with the District's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model required by the Governmental Accounting Standards Board's (GASB) Statement No 34 –*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* in June, 1999. Statement No. 34 contains significant requirements that enhance financial reporting. These requirements are also designed to make annual reports easier for the public to understand and more useful to stakeholders. Specifically, Statement No. 34 establishes new reporting requirements that include new financial statements, expanded disclosure, and supplemental information, including the MD&A (this section).

### **FINANCIAL HIGHLIGHTS**

- Net assets increased \$1,248,008 over the prior year.
- Overall general fund revenues were \$13,855,854 while overall general fund expenses totaled \$13,859,968 for the year ended June 30, 2012.
- The General Fund balance increased by \$189,046, the Food Service fund balance increased by \$19,146, and the Community Service fund balance increased by \$27,206.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial section of the annual report consists of three parts – Independent Auditor's Report, required supplemental information, which includes the management's discussion and analysis (this section), and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The diagram shows how the various parts of this annual report are arranged and related to one another.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain, are summarized below. The remainder of the overview section of the MD&A highlights the structure and content of each of the statements.

### Fund Financial Statements

	District-Wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire district (except Fiduciary funds(s))	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of Net Assets</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenses, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Assets and Liabilities</li> </ul>
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of Asset / Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

## 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 assets includes all of the District's assets and liabilities. 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 assets and how they have changed. Net assets—the difference between the District's assets and liabilities are one way to measure the District's financial health or position.

Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.

- Governmental activities – Most of the District's basic services are included here, such as regular and special education, transportation, administration, food services, 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.

The District has two kinds of funds:

Governmental funds – Most 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 left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you 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 difference) between them.

Fiduciary funds – The District is the trustee, or fiduciary, for assets that belong to others, such as the trust and agency fund. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the asset belong. The District's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE  
(DISTRICT-WIDE FINANCIAL STATEMENTS)**

Net Assets:

The District's combined net assets were \$9,927,373, on June 30, 2012, (see details in Table A-1). This represents an increase in comparison to \$8,679,365 on June 30, 2011.

**Table A-1**

	<u>2012</u>	<u>2011</u>	<u>Percentage Change</u>
<b>ASSETS</b>			
Current assets	\$ 10,663,044	\$ 10,167,113	4.88%
Capital assets	<u>42,866,616</u>	<u>43,712,514</u>	-1.94%
Total assets	<u>53,529,660</u>	<u>53,879,627</u>	-0.65%
<b>LIABILITIES AND NET ASSETS</b>			
<b>LIABILITIES</b>			
Other liabilities	8,580,996	8,650,384	-0.80%
Long-term liabilities	<u>35,021,291</u>	<u>36,549,878</u>	-4.18%
Total liabilities	<u>43,602,287</u>	<u>45,200,262</u>	-3.54%
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	6,535,709	5,385,687	21.35%
Restricted for specific purposes	1,573,311	1,847,647	-14.85%
Unrestricted	<u>1,818,353</u>	<u>1,446,031</u>	-25.75%
Total net assets	<u>\$ 9,927,373</u>	<u>\$ 8,679,365</u>	14.38%

Change in Net Assets**Table A-2**

	<u>2012</u>	<u>2011</u>	<u>Percentage Change</u>
<b>REVENUES</b>			
Program revenues			
Charges for service	\$ 1,030,461	\$ 1,041,201	-1.03%
Operating grants and contributions	2,538,470	2,508,017	1.21%
Capital grants and contributions	164,547	156,804	4.94%
General			
Property taxes	3,861,857	4,088,011	-5.53%
County Apportionment	710,051	472,920	50.14%
Aids and payments from state and other	10,130,875	9,907,831	2.25%
Unrestricted investment earnings	18,171	29,277	-37.93%
Miscellaneous revenues	140,174	44,301	216.41%
	<u>18,594,606</u>	<u>18,248,362</u>	1.90%
<b>EXPENSES</b>			
District and school administration	814,715	779,338	4.54%
District support services	249,667	235,800	5.88%
Regular instruction	6,681,930	6,546,315	2.07%
Vocational instruction	203,651	200,411	1.62%
Special Education instruction	2,152,444	2,139,060	0.63%
Community education and services	525,337	533,435	-1.52%
Instructional support services	771,101	713,996	8.00%
Pupil support services	1,889,309	1,824,507	3.55%
Site, buildings and equipment	2,288,826	2,198,446	4.11%
Fiscal and other fixed-cost programs	39,892	39,696	0.49%
Interest and Fiscal Charges on Long-Term Debt	1,729,726	1,788,741	-3.30%
	<u>17,346,598</u>	<u>16,999,745</u>	2.04%
CHANGE IN NET ASSETS	1,248,008	1,248,617	-0.05%
NET ASSETS - BEGINNING	8,679,365	6,155,843	40.99%
Correction in liability for retiree health insurance	<u>-</u>	<u>1,274,905</u>	N/A
NET ASSETS - ENDING	<u>\$ 9,927,373</u>	<u>\$ 8,679,365</u>	14.38%

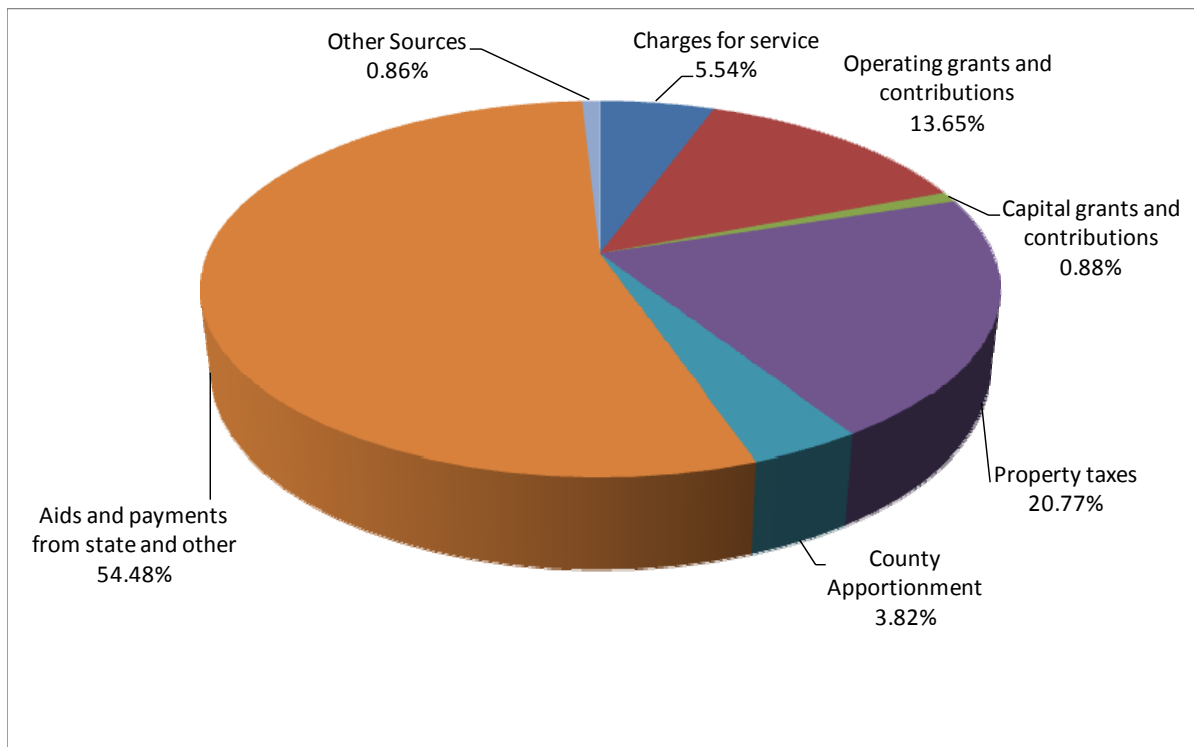
**Changes in net assets.** The District's total revenues were \$18,594,606 for the year ended June 30, 2012. (See Table A-2)

Unallocated state and federal aid along with local property taxes accounted for 79.07% of the total revenue for the year. Operating and capital grants and contributions for specific programs contributed 14.53% and the remainder from fees charged for services and miscellaneous sources 6.40% (See Table A-3 below.)

The total cost of all programs and services was \$17,346,598 for the year ended June 30, 2012. The District's expenses are predominantly related to student education and student educational support (67.44%). The District's administrative activities accounted for 4.70% of the total costs. (See Table A-4) Total revenues surpassed total expenses, increasing net assets \$1,248,008 from last year.

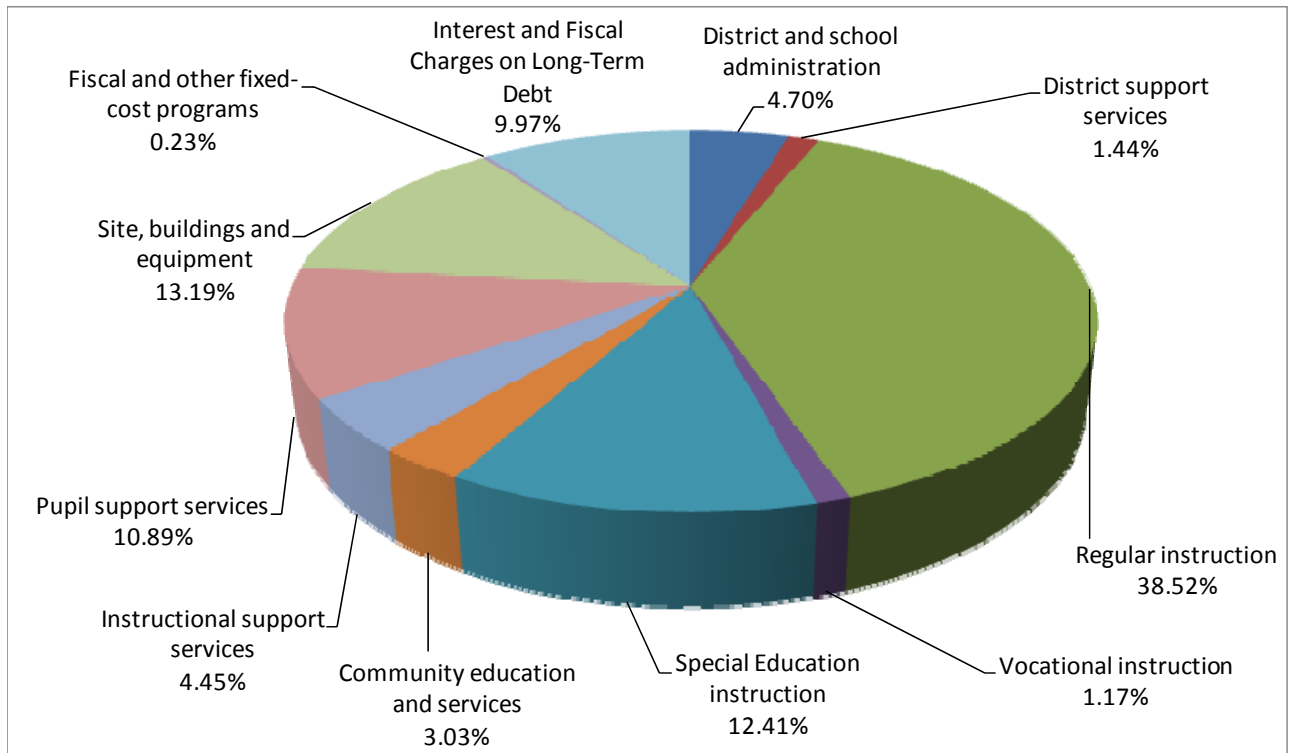
**Table A-3**

**ISD #716 Revenues for Fiscal Year 2012**



**Table A-4**

**ISD #716 Expenses for Fiscal Year 2012**



## Governmental Activities:

Table A-5 shows the net cost of each major activity of the District. The net cost is the total cost less the programs revenues applicable to each activity.

**Table A-5**

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2012	2011		2012	2011	
District and school administration	\$ 814,715	\$ 779,338	4.54%	\$ 814,715	\$ 779,338	4.54%
District support services	249,667	235,800	5.88%	249,667	235,800	5.88%
Regular instruction	6,681,930	6,546,315	2.07%	5,788,911	5,613,068	3.13%
Vocational instruction	203,651	200,411	1.62%	203,651	191,978	6.08%
Special Education instruction	2,152,444	2,139,060	0.63%	640,902	658,401	-2.66%
Community education and services	525,337	533,435	-1.52%	120,222	124,061	-3.09%
Instructional support services	771,101	713,996	8.00%	771,101	663,996	16.13%
Pupil support services	1,889,309	1,824,507	3.55%	1,154,921	1,180,900	-2.20%
Site, buildings and equipment	2,288,826	2,198,446	4.11%	2,099,412	2,017,744	4.05%
Fiscal and other fixed-costs	39,892	39,696	0.49%	39,892	39,696	0.49%
Interest and fiscal charges on Long-Term Debt	1,729,726	1,788,741	-3.30%	1,729,726	1,788,741	-3.30%
	<u>\$ 17,346,598</u>	<u>\$ 16,999,745</u>	2.04%	<u>\$ 13,613,120</u>	<u>\$ 13,293,723</u>	2.40%

- The cost of all governmental activities this year was \$17,346,598.
- The users of the District's programs financed \$1,030,461 of the cost of services through charges for services.
- District and state taxpayers financed \$14,702,783 of the District's costs. This portion of governmental activities was financed with \$4,571,908 in property taxes, and \$10,130,875 unrestricted state aid based on the statewide educational aid formula.
- The balance of \$2,703,017 was financed from operating and capital grants and contributions.

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (FUNDS FINANCIAL STATEMENTS)**

The financial performance of the District as a whole is reflected in its governmental funds. At the end of the 2011-12 fiscal year, the District's governmental funds reported combined fund balances of \$3,773,320. This is compared to \$3,722,664 for the previous year. This includes restricted, committed, nonspendable, and unassigned fund balances.

Total revenues and expenditures for the District's governmental funds were \$18,649,717 and \$18,792,221, respectively. As a result, the District completed the year with excess of revenues over expenditures in the amount of \$50,656.

### **General Fund:**

The General Fund is used to account for all revenues and expenditures of the School District not accounted for elsewhere. This fund is used to account for: K-12 educational activities, District instructional and student support programs, expenditures for both District and School Administration, normal operations and maintenance, pupil transportation, capital expenditures, and all other legal expenditures not specifically designated to be accounted for in any other fund. (See Table A-6 for a summary of the revenues, expenditures, and fund balances for all of the District's Governmental funds, including the General Fund).

### **Revenues:**

Fiscal Year 2012 showed an increase in student adjusted marginal cost pupil units (AMCPU) of 7.08 students. The formula allowance increased for the 2011-2012 year to \$5,174 per AMCPU. Revenues totaled \$13,855,854, an increase of \$405,954 over fiscal year 2011.

**Expenditures:**

For Fiscal Year 2012 expenditures totaled \$13,859,968. This was an increase of \$741,033 over the previous year.

**Food Service Fund:**

The Food Service Fund revenues for 2011-2012 totaled \$655,007 and expenditures were \$635,861. The June 30, 2012, fund balance is \$98,364, an increase of \$19,146 from fiscal year 2011. Although expenses increased over last year's cost by \$35,906, revenues also increased by \$49,713.

**Community Service Fund:**

The Community Service Fund revenue for 2011-2012 totaled \$544,160 and expenditures were \$516,954. The June 30, 2012, combined fund balances are \$120,954, a \$27,206 increase from fiscal year 2011.

**Fund Balance:**

The unassigned general fund balance is \$2,073,690 and the various restricted, committed, and nonspendable fund balances totaled \$746,928, \$180,343, and \$50,563, respectively. The unassigned fund balance increased due to utilizing Federal ARRA Jobs funds for general fund expenditures, special education revenue and a district health insurance refund.

The single best measurement of the District's overall financial health in the General Fund is the Unassigned Fund Balance. The District closely monitors this fund balance through budget planning sessions.

**Table A-6**  
**Revenue and Expenditures – Governmental Funds**

	<u>Revenue</u>	<u>Expenditures</u>	<u>Other Financing Sources</u>	<u>Net Increase (Decrease)</u>	<u>Fund Balance As of 6/30/11</u>	<u>Fund Balance As of 6/30/12</u>
General Fund	\$ 13,855,854	\$ 13,859,968	\$ 193,160	\$ 189,046	\$ 2,862,478	\$ 3,051,524
Food Service Fund	655,007	635,861	-	19,146	79,218	98,364
Community Service	544,160	516,954	-	27,206	93,748	120,954
Debt Service	3,594,696	3,779,438	-	(184,742)	687,220	502,478
	<u>\$ 18,649,717</u>	<u>\$ 18,792,221</u>	<u>\$ 193,160</u>	<u>\$ 50,656</u>	<u>\$ 3,722,664</u>	<u>\$ 3,773,320</u>

**General Fund Budgetary Highlights:**

The District operating budget (originally approved in June of 2011) showed expenditures would exceed revenues by approximately \$42,484, the actual results for the year show revenues exceeded expenditures by \$189,046, due in part to the additional federal ARRA Jobs funds, higher than expected special education revenue and a large health insurance refund due to switching health insurance carriers.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets:

By the end of 2012, the District had invested \$57,608,069 in a broad range of capital assets, including school buildings, land, computer and equipment for various instructional programs (see Table A-7). Total depreciation expense for the year was \$1,368,855. More detailed information about capital assets can be found in Note 3(C) to the financial statements.

**Table A-7**  
**Capital Assets**

	2012	2011	Percentage Change
Land and Land Improvements	\$ 771,482	\$ 771,482	0.00%
Work in progress	-	70,000	N/A
Buildings	51,926,133	51,914,101	0.02%
Equipment	4,910,454	4,336,051	13.25%
Accumulated depreciation	(14,741,453)	(13,379,120)	10.18%
	<u>\$ 42,866,616</u>	<u>\$ 43,712,514</u>	-1.94%

### Long-Term Liabilities:

For the fiscal year ended June 30, 2012, the District had \$945,000 in general obligation school building refunding bonds of 2003, \$29,185,000 in general obligation school building bonds, Series 2005A, \$250,000 of general obligation school building bonds, Series 2005B, \$3,815,000 of general obligation alternative facilities bonds, Series 2009A, and \$1,045,000 of general obligation capital facilities bonds, Series 2009B, outstanding. This is a decrease of 5.61 percent from last year (See Table A-8). Overall, the District's outstanding long-term liabilities decreased by \$2,066,005, a 5.40% decrease in fiscal year 2012. More detailed information about the District's long-term liabilities is presented in Note 3(F) of the financial statements.

### Debt Service Fund:

The Debt Service fund revenue for 2011-2012 totaled \$3,594,696 and expenditures were \$3,779,438. The June 30, 2012, fund balance is \$502,478, a decrease from fiscal year 2011 of \$184,742.

**Table A-8**  
**Outstanding Long-term Liabilities**

	2012	2011	Percentage Change
General Obligation Building Bonds	\$ 35,240,000	\$ 37,335,000	-5.61%
Fixed-draw Capital Lease Payable	1,090,907	991,827	9.99%
OPEB Obligation	(18,977)	(14,772)	28.47%
Pension Obligation	(66,709)	2,171	N/A
	<u>\$ 36,245,221</u>	<u>\$ 38,314,226</u>	-5.40%

**Factors Bearing on the District's Future:**

The District is dependent on the State of Minnesota for its revenue authority. Recent experience demonstrates that legislated revenue increases have not been sufficient to meet instructional program needs and increased costs due to inflation. The 2012 Legislative Session passed a Literacy Incentive Aid beginning in Fiscal Year 2013 which will result in additional aid of approximately \$90,000 for the District. This is in addition to the \$50 per pupil unit increase in the General Education Formula passed by the 2011 Legislature for Fiscal Year 2013. The District also allocated \$50,000 in 2013 as a board approved designation for staff development due to the 2011 Legislature approving a 2-year hold on the 2% statutory staff development set-aside requirement. The District also expects student enrollment to continue to grow 1% to 3% per year over the next several 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 questions about this report or would like additional information, contact the District Office, ISD #716, 130 South Willow Street, Belle Plaine, MN 56011.

Independent School District No. 716  
 Belle Plaine, Minnesota  
 Statement of Net Assets  
 June 30, 2012

Assets	
Cash	\$ 3,755,965
Receivables:	
Current property taxes receivable	2,149,509
Delinquent property taxes receivable	78,047
Accounts receivable	11,552
Due from other Minnesota School Districts	94,014
Due from Minnesota Department of Education	4,062,910
Due from Federal through Minnesota Department of Education	297,529
Due from other governmental units	8,842
Prepaid items	54,274
Deferred charges	148,024
Inventories	2,378
Capital assets:	
Land	405,950
Depreciable capital assets, net of depreciation	<u>42,460,666</u>
Total assets	<u>53,529,660</u>
Liabilities	
Salaries payable	72,028
Aid anticipation certificates payable	2,132,741
Accounts payable	110,740
Interest payable	371,618
Due to other Minnesota School Districts	176,653
Due to Minnesota River Valley Special Education Cooperative	37,398
Payroll deductions	267,093
Unearned revenue	9,189
Property taxes levied for subsequent years	3,820,527
Unamortized bond premium	359,079
Noncurrent liabilities:	
Due within one year	1,583,009
Due in more than one year	<u>34,662,212</u>
Total liabilities	<u>43,602,287</u>
Net Assets	
Invested in capital assets, net of related debt	6,535,709
Restricted by enabling legislation:	
Debt service	557,711
Food service	98,364
Community service	123,018
Other purposes	794,218
Unrestricted	<u>1,818,353</u>
Total net assets	<u>\$ 9,927,373</u>

Independent School District No. 716  
 Belle Plaine, Minnesota  
 Statement of Activities  
 Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Administration	\$ 814,715	\$ -	\$ -	\$ -	\$ (814,715)
District support services	249,667	-	-	-	(249,667)
Regular instruction	6,681,930	266,093	626,926	-	(5,788,911)
Vocational instruction	203,651	-	-	-	(203,651)
Special education instruction	2,152,444	19,482	1,492,060	-	(640,902)
Community education and services	525,337	273,366	131,749	-	(120,222)
Instructional support services	771,101	-	-	-	(771,101)
Pupil support services	1,889,309	447,326	287,062	-	(1,154,921)
Sites and buildings	2,288,826	24,194	673	164,547	(2,099,412)
Fiscal and other fixed cost programs	39,892	-	-	-	(39,892)
debt service					-
principal	-	-	-	-	-
Interest and fiscal charges	1,729,726	-	-	-	(1,729,726)
<b>Total Governmental Activities</b>	<b>\$ 17,346,598</b>	<b>\$ 1,030,461</b>	<b>\$ 2,538,470</b>	<b>\$ 164,547</b>	<b>(13,613,120)</b>
General Revenues					
Property taxes and other county sources					3,861,857
County apportionment					710,051
State aid not restricted to specific purposes					10,130,875
Earnings on investments					18,171
Miscellaneous					140,174
<b>Total general revenues</b>					<b>14,861,128</b>
Changes in Net Assets					1,248,008
Net Assets - Beginning					8,679,365
Net Assets - Ending					<b>\$ 9,927,373</b>

See Notes to Financial Statements

Independent School District No. 716  
 Belle Plaine, Minnesota  
 Balance Sheet – Governmental Funds  
 June 30, 2012

	General	Food Service	Community Service	Debt Service	Totals
<b>Assets</b>					
Cash	\$ 1,527,440	\$ 105,651	\$ 89,963	\$ 2,032,911	\$ 3,755,965
<b>Receivables</b>					
Current property taxes	517,656	-	58,830	1,573,023	2,149,509
Delinquent property taxes	19,360	-	2,116	56,571	78,047
Accounts receivable	11,537	-	15	-	11,552
Due from other Minnesota School Districts	94,014	-	-	-	94,014
Due from Minnesota Department of Education	3,910,580	-	46,273	106,057	4,062,910
Due from Federal through Minnesota					
Department of Education	292,757	4,772	-	-	297,529
Due from Other Governmental Units	-	-	8,842	-	8,842
Inventories	-	2,378	-	-	2,378
Prepaid Items	50,563	-	3,711	-	54,274
	<u>\$ 6,423,907</u>	<u>\$ 112,801</u>	<u>\$ 209,750</u>	<u>\$ 3,768,562</u>	<u>\$ 10,515,020</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Salaries payable	\$ 54,253	\$ -	\$ 17,775	\$ -	\$ 72,028
Aid anticipation certificates payable	2,132,741	-	-	-	2,132,741
Accounts payable	98,261	5,248	7,231	-	110,740
Interest payable	39,100	-	-	-	39,100
Due to other Minnesota School Districts	176,653	-	-	-	176,653
Due to Minnesota River Valley					
Special Education Cooperative	37,398	-	-	-	37,398
Payroll deductions	267,093	-	-	-	267,093
Deferred revenue	-	9,189	-	-	9,189
Deferred revenue - delinquent taxes	18,934	-	2,064	55,233	76,231
Property taxes levied for subsequent years	547,950	-	61,726	3,210,851	3,820,527
Total liabilities	<u>3,372,383</u>	<u>14,437</u>	<u>88,796</u>	<u>3,266,084</u>	<u>6,741,700</u>
<b>Fund Balances</b>					
<b>Nonspendable</b>					
Prepaid items	50,563	-	3,711	-	54,274
Inventories	-	2,378	-	-	2,378
<b>Restricted</b>					
Staff development	89,802	-	-	-	89,802
Operating capital	704,416	-	-	-	704,416
Community education	-	-	70,162	-	70,162
Early childhood family education	-	-	32,401	-	32,401
School readiness	-	-	5,245	-	5,245
Other purposes	-	95,986	9,435	502,478	607,899
<b>Committed</b>					
Severance	180,343	-	-	-	180,343
<b>Unassigned</b>					
	<u>2,026,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,026,400</u>
Total fund balances	<u>3,051,524</u>	<u>98,364</u>	<u>120,954</u>	<u>502,478</u>	<u>3,773,320</u>
	<u>\$ 6,423,907</u>	<u>\$ 112,801</u>	<u>\$ 209,750</u>	<u>\$ 3,768,562</u>	<u>\$ 10,515,020</u>

Independent School District No. 716  
Belle Plaine, Minnesota

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets  
June 30, 2012

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Total Fund Balances for Governmental Funds		\$ 3,773,320
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of these assets is \$57,608,069 and the accumulated depreciation is \$14,741,453.</p>		
		42,866,616
<p>Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore, are reported as deferred revenue in the funds.</p>		
		76,231
<p>Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Accrued interest for general obligation bonds is \$327,368 and for capital leases is \$5,150.</p>		
		(332,518)
<p>Long-term liabilities that pertain to governmental funds are not due and payable in the current period, and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets. Balances at year end are:</p>		
Bonds Payable	\$ 35,240,000	
Capital Lease Payable	1,090,907	
OPEB Obligation (Asset)	(18,977)	
Pension Liability (Asset)	(66,709)	
		(36,245,221)
<p>A premium for underwriter fees received with the issuance of long-term debt is amortized over the term of the debt. Total unamortized bond premium liabilities are \$538,619 and the accumulated amortization is \$179,540.</p>		
		(359,079)
<p>Expenses that were paid for the issuance of long-term debt, bond issuance costs and underwriter fees are amortized over the term of the debt. The total deferred charge assets are \$241,037 and the accumulated amortization is \$93,013.</p>		
		148,024
Total Net Assets for Governmental Activities		\$ 9,927,373

Independent School District No. 716  
Belle Plaine, Minnesota

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds  
Year Ended June 30, 2012

	General	Food Service	Community Service	Debt Service	Totals
<b>Revenues</b>					
Local property tax levies	\$ 986,319	\$ -	\$ 112,947	\$ 2,810,249	\$ 3,909,515
Other local and county sources	710,323	301	299,770	487,369	1,497,763
State sources	11,513,168	34,370	131,443	297,078	11,976,059
Federal sources	632,576	217,925	-	-	850,501
Local sales and insurance recovery	13,468	402,411	-	-	415,879
<b>Total revenues</b>	<b>13,855,854</b>	<b>655,007</b>	<b>544,160</b>	<b>3,594,696</b>	<b>18,649,717</b>
<b>Expenditures</b>					
Administration	814,715	-	-	-	814,715
District support services	267,252	-	-	-	267,252
Regular instruction	6,724,228	-	-	-	6,724,228
Vocational instruction	205,712	-	-	-	205,712
Special education instruction	2,145,250	-	-	-	2,145,250
Community education and services	-	-	516,954	-	516,954
Instructional support services	820,553	-	-	-	820,553
Pupil support services	1,253,443	635,861	-	-	1,889,304
Sites and buildings	1,438,934	-	-	-	1,438,934
Fiscal and other fixed cost programs	39,892	-	-	-	39,892
Debt service:					
Principal	94,080	-	-	2,095,000	2,189,080
Interest and fiscal charges	55,909	-	-	1,684,438	1,740,347
<b>Total expenditures</b>	<b>13,859,968</b>	<b>635,861</b>	<b>516,954</b>	<b>3,779,438</b>	<b>18,792,221</b>
Excess (Deficiency) of Revenues over (under) Expenditures	(4,114)	19,146	27,206	(184,742)	(142,504)
Other Financing Source Capital Lease Proceeds	193,160	-	-	-	193,160
<b>Net Change in Fund Balances</b>	<b>189,046</b>	<b>19,146</b>	<b>27,206</b>	<b>(184,742)</b>	<b>50,656</b>
Fund Balances - Beginning	2,862,478	79,218	93,748	687,220	3,722,664
<b>Fund Balances - Ending</b>	<b>\$ 3,051,524</b>	<b>\$ 98,364</b>	<b>\$ 120,954</b>	<b>\$ 502,478</b>	<b>\$ 3,773,320</b>

Independent School District No. 716

Belle Plaine, Minnesota

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental  
Funds to the Statement of Activities

Year Ended June 30, 2012

Total Net Change in Fund Balances for Governmental Funds \$ 50,656

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$1,368,855) exceeds capital outlays (\$530,410) in the current period. (838,445)

In the statement of activities, only the net gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the entire proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balances by the cost of the capital assets less the accumulated depreciation. (7,453)

In governmental funds, issuance of a capital lease is reported as a source of financing (in the amount of net proceeds received). However, in the statement of activities, a new capital lease is not revenue, rather it constitutes a long-term liability in the statement of net assets. (193,160)

In governmental funds, OPEB liabilities are measured by the amount of resources used. However, in the statement of activities, an increase in OPEB liability is based on the amount earned by the employees during the period. This amount is the net of these differences. 4,205

In governmental funds, pension liabilities are measured by the amount of resources used. However, in the statement of activities, an increase in pension liability is based on the amount earned by the employees during the period. This amount is the net of these differences. 68,880

Governmental funds report the effect of issuance costs, premiums, discounts, and similar items 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. 11,282

The governmental funds report repayment of bond principal (\$2,095,000) and capital lease principal (\$94,080) as expenditures. In the statement of net assets, however, repayment of principal reduces the liability. 2,189,080

Long-term debt interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. There was \$332,518 and \$343,139 of accrued interest at June 30, 2012 and 2011, respectively. 10,621

Property taxes levied and due in previous fiscal years that have not been received as of the end of the current fiscal year are recorded as deferred revenue - delinquent taxes (not considered available revenues) in the governmental funds. In the statement of activities, these taxes are considered revenue in the period for which they are levied. Deferred property tax revenues increased this year. (47,658)

Change in Net Assets of Governmental Activities \$ 1,248,008

Independent School District No. 716  
 Belle Plaine, Minnesota  
 Statement of Fiduciary Net Assets – Fiduciary Funds  
 June 30, 2012

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	Private Purpose Trust Fund	Agency Fund
<b>Assets</b>		
Cash	\$ 1,350	\$ 117,189
Accounts receivable	-	1,550
Total assets	\$ 1,350	\$ 118,739
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 833
Due to student activities	-	117,906
Total liabilities	-	\$ 118,739
<b>Net Assets</b>		
Restricted for scholarships	\$ 1,350	

Independent School District No. 716  
Belle Plaine, Minnesota  
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds  
Year Ended June 30, 2012

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	<u>Private Purpose Trust Fund</u>
Deductions	
Pupil support services	\$          525
Net Assets - Beginning of Year	<u>          1,875</u>
Net Assets - End of Year	<u><u>          1,350</u></u>

## **Note 1 - Summary of Significant Accounting Policies**

The Independent School District No. 716 (District) is a school district governed by a board elected by eligible voters of the District. The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant School District accounting policies are described below.

### **A. Financial Reporting Entity**

GASB Statement No. 14, "The Financial Reporting Entity" and GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units", established standards for defining and reporting on the financial reporting entity. The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The District does not have any blended or discretely presented component units.

The District is the basic level of government which has oversight responsibility and control over all activities related to the public school education in the District's area. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by the GASB pronouncements, since board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

### **B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these 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 (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, intergovernmental revenues and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

### **C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers most revenues to be available if they are collected within 60 days of the end of the current fiscal period, except as stated below. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for the following: (1) commodity inventory items are recorded when received, (2) interest and principal on long-term debt are recorded when paid, and (3) claims and judgments, group health claims, and compensated absences are recorded as expenditures when paid with expendable available financial resources. Prepaid items are recorded for approved disbursements made in advance of the year in which the item is budgeted.

Property tax revenues for all funds, which are payable by property owners in a calendar year, are recognized in the fiscal year beginning July 1 of that calendar year. State revenues are recognized in the year to which they apply according to Minnesota Statutes. Federal revenues are recorded in the year in which the related expenditure is made. If the amounts of Minnesota or Federal revenues cannot be reasonably estimated or realization is not assured, they are not recorded as revenue in the current year. Revenue from other school districts is generally recognized when related expenditures occur. All other revenue items are considered to be measurable and available as stated above.

The District reports deferred revenue on its governmental fund financial statements. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the financial statements and revenue is recognized. Deferred revenues also arise when resources are received by the District before it has legal claim to them, as when property tax levies, food service revenue, or grant monies are received prior to the incurrence of qualifying expenditures. This type of deferred revenue is recorded on the District's government-wide and governmental fund financial statements.

The District reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The general fund 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.

The *special revenue funds* are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

The special revenue *food service fund* is used to record financial activities of the District's food service program. Food service includes activities for the purpose of preparation and service of milk, meals, and snacks in connection with school and community service activities. The significant revenues for this fund are federal aid, state aid and food sales.

The special revenue *community service fund* is used to record all financial activities of the community service program. The community service fund is comprised of five components, each with its own fund balance (community service, community education, early childhood family education, school readiness, and adult basic education) as authorized in Minnesota State Statutes. The significant revenues for this fund are local taxes, state aid and fees.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Additionally, the government reports the following fund types:

The *fiduciary funds* are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

The *private-purpose trust fund* is used to account for resources legally held in trust by agreements where the School Board has accepted the responsibility to serve as trustee. This fund is used for student scholarships.

The *agency fund* is used to account for assets where the District has a formal agency agreement with other governmental units, employees, students or others. The District reports the extracurricular student activities, not under board control, in an agency fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurements of the results of operations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

## **D. Assets, Liabilities, and Net Assets or Equity**

### **1. Cash**

Cash balances of the District's funds are combined (pooled) and invested to the extent available in various deposits authorized by Minnesota State Statutes. Each fund shares in the earnings according to its average cash balance. Cash includes amounts in demand deposits, as well as short-term investments, with a maturity date within three months of the date acquired by the District.

### **2. Receivables**

Under the modified accrual basis of accounting, some revenues are susceptible to accrual while others are not. Major revenues treated as susceptible to accrual are: property taxes, state and federal aids, and revenue from other Minnesota school districts. All receivables are reported at their gross value and, if appropriate, reduced by the estimated portion that is expected to be uncollectible.

Interest and certain receivables are recorded as revenue in the year earned and available to pay liabilities of the current period.

On or before September 15th of each year, the School Board certifies to the county auditor the dates it has selected for its public hearing and for the continuation of its hearing, if necessary. If not certified by this date, the county auditor will assign the hearing date. All school districts must hold public hearings on their proposed property tax levies. Also, at this time the School Board certifies its proposed property tax levy to the county auditor for collection in the following year.

Beginning on November 29th and through December 20th of each year, the District is required by State Law to hold its public hearing on its proposed budgets and proposed property tax levies for the taxes payable in the following year. On or before five business days after December 20th, the School Board certifies its final adopted property taxes payable the following year to the county auditor. If the District has not certified its final property tax by this time, its property tax will be the amount levied by it in the preceding 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 January 1 and are recorded as receivables by the District at that date. Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Agricultural land taxes may be paid on May 15 and November 15. Personal property taxes may be paid on February 28 and June 30. The County provides tax settlements to Districts three times a year, in January, June, and November.

Property tax revenue is recorded under the intact levy concept whereby taxes collectible during a calendar year are recorded as revenue in the fiscal year beginning with the year of collection. Current taxes receivable represent taxes levied in 2011 which are not payable until 2012 less amounts received before June 30, 2012. Delinquent taxes receivable represent levies collectible during 2011 and prior years. Delinquent taxes are recorded as deferred revenue. Taxes levied for subsequent years represent current taxes receivable, which are levied in 2011, but not payable until 2012 and are not expendable by the District until the 2012-2013 school year, adjusted for the property tax shift amount.

**3. Inventories, Commodities, and Prepaid Items**

All inventories are expended when consumed rather than when purchased and are valued at the lower of cost or market using the average cost method. United States Department of Agriculture commodities received are recorded as revenue at the fair market value of such commodities and included in the food service fund revenue and expenditures when received. Unused commodities at year end are included in inventories of food.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**4. Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,500 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Plumbing and Electrical	30
Building Improvements Interior, Portable Classrooms, and Fire System	25
Heating and Ventilation System, Long-term Admin Software, Furniture and Fixtures, Outdoor Equipment, Roofing, and Site Improvements	20
Custodial Equipment, Grounds Equipment, Kitchen Equipment, and Machinery and Tools	15
All Other Equipment, Short-term Admin Software, and Long-term Instructional Software	10
Vehicles and Buses	8
Carpet Replacement	7
Computer Hardware, Copiers, Short-term Instructional Software, and Library Books	5

## 5. 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, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

*Compensated Absences* - It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. Vacation leave is accrued as a liability and recorded as an expense of those funds as the benefits are earned by the employees. A liability for these amounts is reported only if they have matured, for example, as a result of employee resignations and retirements. All unused vacation leave at June 30, 2012, expired.

*Postemployment Benefits* - Under the provisions of the various employee and union contracts the District provides health coverage until age 65 if certain criteria are met. The amount to be incurred is limited as specified by contract. All premiums are funded on a pay-as-you-go basis. This amount was actuarially determined, in accordance with GASB Statement No. 45, at July 1, 2011.

*Pension Obligation* - Under the provisions of the various employee contracts the District provides a lump sum payment (maximum \$40,000) to retirees if certain criteria are met. The amount to be incurred is limited as specified by contract. All premiums are funded on a pay-as-you-go basis and plan members are not required to contribute. This amount was actuarially determined, in accordance with GASB 27, at July 1, 2011. The plan does not issue a stand-alone financial report.

## 6. Net Assets and Fund Balances

Net assets represent the difference between assets and liabilities in the government-wide and fiduciary fund financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Under GASB Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned.

- Nonspendable fund balance represents a portion of fund balance that includes amounts that cannot be spent because they are either: a) not in spendable form or b) legally or contractually required to be maintained intact.
- Restricted fund balances represents a portion of fund balance that reflects constraints placed on the use of resources (other than nonspendable items) that are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority which is the School Board through an ordinance or resolution.
- Assigned fund balance represents amounts constrained by the government's intent to be used for specific purposes, but neither restricted nor committed. The School Board has the authority to assign a fund balance and the School Board has also delegated the authority to assign fund balances to the superintendent and business manager.
- Unassigned fund balance represents residual classification for the general fund. This classification represents fund balance not assigned to other funds and not restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it would be necessary to report a negative unassigned fund balance.

The District will strive to maintain a minimum unassigned general fund balance of six percent of the annual budget. If resources from more than one fund balance classification could be spent, the District will strive to spend resources from fund balance classifications in the following order (first to last): restricted, committed, assigned, and unassigned.

#### **E. Inter-Fund Transactions**

Quasi-external transactions are accounted for as revenues, expenditures or expenses in the government-wide financial statements and fund financial statements. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Transfers have been removed from the government-wide financial statements.

#### **F. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **G. Property Tax Shift**

Each year the State of Minnesota requires school districts to shift property taxes and general education aid in accordance with State Statutes. During prior years, the District shifted \$633,303 in property tax revenues and general education aid; during the current year, the state reduced the shift by \$24,043. The District has recognized as an increase in property tax revenues and general education aid an amount equal to these shifted amounts. The net amount shifted to date has reduced taxes levied for subsequent years by \$550,896 in the general fund and \$58,364 in the community service fund for a total shift of \$609,260. Of this total shifted amount, \$513,209 was for referendum levies shifted at 48.6 percent of the 2011 payable 2012 levy limitation and certification, \$63,261 was for referendum levies shifted at 31 percent of the 2000 payable 2001 levy limitation and certification, and \$31,595 and \$1,195 for career tech and reemployment, respectively, shifted at 100 percent of the 2011 payable 2012 levy limitation and certification.

The referendum, career tech, and reemployment levy shift amounts are early revenue recognition and have increased the current years fund balance in the general fund. The other property tax amounts have no effect on the District's fund balances. The referendum shift amount will remain constant from year to year until changed by State Statutes.

## **Note 2 - Stewardship, Compliance, and Accountability**

### **A. Budgetary Information**

The District adopts an annual budget for all funds in accordance with Minnesota State Statutes. The budget is prepared on the modified accrual basis of accounting. Before July 1, the proposed budget is presented to the School Board for review. The School Board holds public hearings and a final budget must be prepared and adopted no later than one week after the School Board approves the audited financial statements and has published the final budget in the local newspaper. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end. The actual revenues, expenditures, and transfers for the year ended June 30, 2012, have been compared to the District's budget for the year where applicable. Variances in parentheses are unfavorable and indicate revenues are less than budget or expenditures are greater than budget. The budget is adopted through passage of a resolution. Any revisions that alter total expenditures of any fund must be approved by the School Board.

Budgetary control is maintained by fund, at the object of expenditure category level within each program, and in compliance with State requirements. Also inherent in this controlling function is the management philosophy that the existence of a particular item or appropriation in the approved budget does not automatically mean that it will be spent. Therefore, there is a constant review process and expenditures are not approved until it has been determined that (1) adequate funds were appropriated; (2) the expenditure is still necessary; and (3) funds are available. Budgeted amounts are as originally adopted or as amended by the School Board. Budgeted expenditure appropriations lapse at year end. The School Board made several supplemental budgetary appropriations throughout the year.

### **B. Excess of Expenditures over Appropriations**

For the year ended June 30, 2012, expenditures exceeded appropriations in the general fund and food service fund, (the legal level of budgetary control) by \$177,832 and \$26,861, respectively. These over expenditures were funded by greater than anticipated revenues.

**Note 3 - Detailed Notes on All Funds**

**A. Cash**

In accordance with Minnesota Statutes, the District maintains deposits at those depository banks authorized by the School Board. All such depositories are members of the Federal Reserve System. Minnesota Statutes require that all District deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the District Treasurer or in a financial institution other than that furnishing the collateral.

Custodial Credit Risk–Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2012, none of the District’s bank balances were exposed to custodial credit risk.

**B. Receivables**

Receivables as of the year end for the District are reported on the Statement of Net Assets and the Balance Sheet.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Delinquent property taxes receivable (general fund)	\$ 18,934	\$ -
Delinquent property taxes receivable (community service fund)	2,064	-
Delinquent property taxes receivable (debt service fund)	55,233	-
Prepaid food service meals (food service fund)	-	9,189
	\$ 76,231	\$ 9,189

**C. Capital Assets**

Depreciation expense was charged to functions/programs of the primary government as follows:

District support services	\$ 2,571
Regular instruction	196,439
Vocational instruction	1,384
Special education instruction	7,194
Community education and services	8,383
Instructional support services	35,680
Pupil support services	5,993
Sites and buildings	1,111,211
Total Depreciation Expense	\$ 1,368,855

Capital asset activity for the year ended June 30, 2012, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, not being Depreciated:				
Land	\$ 405,950	\$ -	\$ -	\$ 405,950
Construction in progress	70,000	-	70,000	-
Total Capital Assets not being Depreciated	475,950	-	70,000	405,950
Capital Assets, being Depreciated:				
Land improvements	365,532	-	-	365,532
Buildings	51,914,101	12,032	-	51,926,133
Equipment	4,336,051	588,378	13,975	4,910,454
Total Capital Assets being Depreciated	56,615,684	600,410	13,975	57,202,119
Less Accumulated Depreciation for:				
Land improvements	147,120	16,572	-	163,692
Buildings	10,570,902	981,480	-	11,552,382
Equipment	2,661,098	370,803	6,522	3,025,379
Total Accumulated Depreciation	13,379,120	1,368,855	6,522	14,741,453
Total Capital Assets being Depreciated, net	43,236,564	(768,445)	7,453	42,460,666
Governmental Activities Capital Assets, net	\$ 43,712,514	\$ (768,445)	\$ 77,453	\$ 42,866,616

**D. Short-Term Debt**

During the year ended June 30, 2012, the District issued General Obligation Aid Anticipation Certificates of Indebtedness of \$2,132,741 for cash flow purposes. The Certificates of Indebtedness with principal and interest totaling \$2,177,055 is due September 9, 2012, and accrued interest of 2.0 percent per annum. Interest cost of \$39,100 has been accrued at June 30, 2012. The cost of issuance was expended during the year. The full faith and credit of the District is irrevocably pledged for the redemption of this certificate.

During the year ended June 30, 2012, the following changes occurred in short-term debt reported in the government wide and fund financial statements:

	Balance July 1	Issued	Redeemed	Balance June 30
General Obligation Aid Anticipation Certificates	\$ 1,328,156	\$ 2,132,741	\$ 1,328,156	\$ 2,132,741

**E. Leases**

**1. Operating Leases**

The District entered into a non-cancelable five year lease agreement for a copier, beginning October 2009. Rent is paid in monthly installments of \$418 until the lease agreement is met. The District entered into a non-cancelable five year lease agreement for copiers, beginning January 2012. Rent is due in monthly installments of \$1,186 until the lease agreement is met.

All lease payments are paid from the general fund. Total costs for all leases were \$15,222 for June 30, 2012. The future minimum lease payments for this lease are as follows:

Year Ending June 30,	Amount
2013	\$ 19,250
2014	19,250
2015	15,488
2016	14,234
2017	7,117
Total	\$ 75,339

**2. Capital Leases**

The District entered into a lease agreement in December 2008 as lessee for the financing of energy cost savings projects. This lease agreement qualifies as a capital lease for accounting purposes and, therefore has been recorded at the present value of future minimum lease payments as of the inception date. The lease is payable in monthly installments of \$8,257 over fifteen years through December 2024 at a 4.7 percent interest rate.

Annual debt service requirements to maturity for the capital lease payments are as follows:

Years Ending June 30,	
2013	\$ 99,081
2014	99,081
2015	99,081
2016	99,081
2017	99,081
2018-2022	495,404
2023-2025	<u>247,702</u>
Total Lease Payments	1,238,511
Less: Interest	<u>(300,760)</u>
Present Value of Minimum Lease Payments	<u><u>\$ 937,751</u></u>

The assets acquired through this capital lease are as follows:

<u>Asset:</u>	
Energy Savings Upgrades	\$ 5,917,671
Accumulated Depreciation	<u>(295,884)</u>
Total Assets Acquired through Capital Lease	<u><u>\$ 5,621,787</u></u>

The District entered into a lease agreement in April 2011 as lessee for the financing of District wide wireless system. This lease agreement qualifies as a capital lease for accounting purposes and, therefore has been recorded at the present value of future minimum lease payments as of the inception date. The lease is payable in a one-time payment of \$70,000 and thereafter, annual installments of \$41,649 over five years through July 2015 at a 3.45 percent interest rate. The \$70,000 one-time payment was expensed in the prior year, the remainder of the lease is represented by the \$193,160 of capital lease proceeds in the current year.

Annual debt service requirements to maturity for the capital lease payments are as follows:

Years Ending June 30,	
2013	\$ 41,649
2014	41,649
2015	41,649
2016	<u>41,649</u>
Total Lease Payments	166,596
Less: Interest	<u>(13,440)</u>
Present Value of Minimum Lease Payments	<u><u>\$ 153,156</u></u>

The assets acquired through this capital lease are as follows:

<u>Asset:</u>	
Wireless System	\$ 278,246
Accumulated Depreciation	(27,825)
Total Assets Acquired through Capital Lease	<u>\$ 250,421</u>

**F. Long-Term Debt**

General Obligation Bonds. The District issued general obligation bonds to provide funds for the improvement and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District and are paid from the debt service fund. The original amount of general obligation refunding and building bonds issued in prior years was \$43,045,000. General obligation bonds currently outstanding are as follows:

<u>Bond Issue and Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
G.O. School building refunding bonds of 2003 of \$3,975,000, due in annual installments of \$305,000 to \$480,000 through February 1, 2014	4.50% to 5.00%	\$ 945,000
G.O. School building bonds, series 2005A of \$33,335,000, due in annual installments of \$235,000 to \$2,780,000 through February 1, 2026	4.00% to 4.75%	29,185,000
G.O. School building bonds, series 2005B of \$575,000, due in annual installments of \$50,000 to \$65,000 through February 1, 2016	3.50% to 4.00%	250,000
G.O. Alternative facilities bonds, series 2009A of \$3,975,000, due in annual installments of \$80,000 to \$390,000 through February 1, 2030	2.00% to 4.50%	3,815,000
G.O. Capital facilities bonds, series 2009B of \$1,185,000, due in annual installments of \$70,000 to \$105,000 through February 1, 2030	2.50% to 4.20%	<u>1,045,000</u>
General Obligation Bonds Payable		<u>\$35,240,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Years Ending June 30,	Governmental Activities	
	Principal	Interest
2013	\$ 1,490,000	\$ 1,593,190
2014	1,755,000	1,533,334
2015	2,045,000	1,460,734
2016	2,130,000	1,371,284
2017	2,215,000	1,277,271
2018-2022	12,595,000	4,807,774
2023-2027	11,895,000	1,701,334
2028-2030	1,115,000	101,481
Total	<u>\$ 35,240,000</u>	<u>\$ 13,846,402</u>

Pension Obligation. The District has twenty-three current or retired employees who have qualified for pension benefits. The pension benefits were measured at the discounted present value of the expected future benefit payments. The discount rate used was 4.5 percent. Current year pension payments and prior year pension payments were made from the general fund of the governmental funds.

The following table shows the components of the District's annual pension cost for the year, the amount actually contributed to the plan, and changes in the District's net pension obligation:

	2012
Annual Required Contribution	\$ 64,500
Interest on Net Pension Obligation (NPO)	98
Amortization of NPO	(145)
Annual Pension Cost	64,453
Contributions Made	(133,333)
Change in NPO	(68,880)
Net Pension Obligation, Beginning of Year	2,171
Net Pension Obligation (Asset), End of Year	<u>\$ (66,709)</u>

The District's annual pension cost, the percentage of annual pension cost contributed to the plan, and the net pension obligation for fiscal year 2012 and the preceding years were as follows:

Fiscal Year Ended	Annual Pension Cost	Actual Employer Contribution	Annual Pension Cost Contributed	Net Ending Pension Obligation
6/30/2010	\$ 67,860	\$ 61,126	90.1%	\$ 14,527
6/30/2011	67,642	79,998	118.3%	2,171
6/30/2012	64,453	133,333	206.9%	(66,709)

*Actuarial Methods and Assumptions* – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2011, actuarial valuation, the projected unit credit actuarial cost method was used. To qualify for this benefit the teacher needed to be employed as of June 30, 1989 or as specified by specific administrative contracts. The actuarial assumptions included a 4.5 percent discount rate and a 3.0 percent salary scale. The UAAL is being amortized as a level percentage of projected payroll on an open basis over 15 years. The remaining amortization period at June 30, 2012, was 14 years.

Changes in Long-Term Debt. During the year ended June 30, 2012, the following changes occurred in liabilities reported in the government-wide financial statements:

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012	Due Within One Year
General Obligation Bonds Payable	\$ 37,335,000	\$ -	\$ 2,095,000	\$ 35,240,000	\$ 1,490,000
Pension Liability (Asset)	2,171	-	68,880	(66,709)	-
OPEB Obligation (Asset)	(14,772)	-	4,205	(18,977)	-
Capital Leases Payable	991,827	193,160	94,080	1,090,907	93,009
	<u>\$ 38,314,226</u>	<u>\$ 193,160</u>	<u>\$ 2,262,165</u>	<u>\$ 36,245,221</u>	<u>\$ 1,583,009</u>

Legal Debt Margin. Minnesota State Statutes do not allow net debt (as defined in Minn. Stat. Para. 475.51 subd. 4) to exceed 15 percent of the actual market value of all taxable property within the District. The District's market value per the School Tax Report 2011 Payable 2012 was \$660,865,600.

**H. Other Postemployment Benefits**

As of July 1, 2009, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. The District engaged an actuary to determine the District's liability for postemployment health care benefits other than pensions as of July 1, 2011.

*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. The implicit rate subsidy is only until Medicare eligibility. The retiree health plan does not issue a publicly available financial report.

*Funding Policy* - For the fiscal year 2012, the District will continue on a "pay-as-you-go" funding policy.

*Annual OPEB Cost and Net OPEB Obligation* – The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation (asset):

	2012
Annual Required Contribution	\$ 104,812
Interest on Net OPEB Obligation	(665)
Amortization of Net OPEB Obligation	887
Annual OPEB Cost	105,034
Contributions Made	(109,239)
Change in Net OPEB Obligation (Asset)	(4,205)
Net OPEB Obligation, beginning of year	(14,772)
Net OPEB Obligation (Asset), End of Year	\$ (18,977)

The District’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2012 and the preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Actual Employer Contribution	Annual OPEB Cost Contributed	Net Ending OPEB Obligation/(Asset)
6/30/2010	\$ 75,643	\$ 61,807	81.7%	\$ 13,836
6/30/2011	100,098	115,364	115.3%	(14,772)
6/30/2012	105,034	109,239	104.0%	(18,977)

*Funded Status and Funding Progress* – As of July 1, 2011, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$977,810, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$977,810. The covered payroll (annual payroll of active employees covered by the plan) was \$6,573,402, and the ratio of the UAAL to the covered payroll was 14.9 percent.

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.

*Actuarial Methods and Assumptions* – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2011, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on the employer’s own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 8.0 percent initially, reduced by decrements to an ultimate rate of 5.0 percent after six years. Both rates included an inflation assumption. The UAAL is being amortized as a level percentage of projected payroll on an open basis over 30 years. The remaining amortization period at June 30, 2012, was 27 years.

**I. Fund Balances**

In the current year the District adopted GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. The UFARS fund balance reporting standards are slightly different than the reporting standards under GASB Statement No. 54. Below is a reconciliation between the fund balances following GASB standards and UFARS reporting standards:

	GASB Balance	Reconciling Transfer	UFARS Balance
General Fund			
Nonspendable			
Inventory	\$ 2,378	\$ -	\$ 2,378
Prepays	54,274	-	54,274
Total nonspendable	56,652	-	56,652
Restricted			
Staff development	89,802	-	89,802
Health and safety	-	(47,290)	(47,290)
Operating capital	704,416	-	704,416
Food service	95,986	-	95,986
Community education	70,162	-	70,162
Early childhood and family education	32,401	-	32,401
School readiness	5,245	-	5,245
Community service	9,435	-	9,435
Debt service	502,478	-	502,478
Total restricted	1,509,925	(47,290)	1,462,635
Committed			
Severance	180,343	-	180,343
Unassigned	2,026,400	47,290	2,073,690
Total Fund Balance	\$ 3,773,320	\$ -	\$ 3,773,320

**Note 4 - Pension Plans**

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

**A. Teachers Retirement Association**

**1. Plan Description**

All teachers employed by the District are covered by defined benefit plans administered by the Teachers Retirement Association (TRA). TRA members belong to either the Coordinated or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. The plans are established and administered in accordance with Minnesota Statutes, Chapter 354 and 356.

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 as described:

<u>Tier I</u>	<u>Step Rate Formula</u>	<u>Percentage</u>
Basic	1st ten years of service	2.2 percent per year
	All years after	2.7 percent per year
Coordinated	1st ten years if service years are prior to July 1, 2006	1.2 percent per year
	1st ten years if service years are July 1, 2006, or after	1.4 percent per year
	All other years of service if service years are up to July 1, 2006	1.7 percent per year
	All other years of service if service years are July 1, 2006, or after	1.9 percent 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) Three percent per year early retirement reduction factors 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).

## 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. For years of service July 1, 2006, and after, a level formula of 1.9 percent per year for Coordinated members and 2.7 percent for Basic members applies. Actuarially equivalent early retirement reduction factors with augmentation are used for early retirement before the normal age of 65. These reduction factors average approximately 4.0 to 5.4 percent per year.

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 which 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 provisions in effect at the time they last terminated their public service.

TRA publicly issues a Comprehensive Annual Financial Report (CAFR) presenting financial statements, supplemental information on funding levels, investment performance, and further information on benefits provisions. The report may be accessed at the TRA website [www.minnesotatra.org](http://www.minnesotatra.org). Alternatively, a copy of the report may be obtained by writing or calling TRA: Teachers Retirement Association, 60 Empire Drive, Suite 400, St. Paul MN 55103-4000, (651) 296-2409 or (800) 657-3669.

## 2. Funding Policy

Minnesota Statutes Chapter 354 sets the rates for the employee and employer contributions. These statutes are established and amended by the state legislature. Coordinated and Basic Plan members are required to contribute 6.0 percent and 9.5 percent, respectively, of their annual covered salary during fiscal year 2012 as employee contributions. The TRA employer contribution rates are 6.0 percent for Coordinated members and 10.0 percent for Basic members during fiscal year 2012. Total covered payroll salaries for all TRA members statewide during the fiscal year ended June 30, 2011 was approximately \$3.84 billion. TRA covered payroll for all members statewide for the fiscal years ended June 30, 2010 and June 30, 2009, were \$3.79 billion and \$3.76 billion, respectively.

The District's contributions for the years ending June 30, 2012, 2011, and 2010 were \$366,876, \$328,349, and \$335,233, respectively, equal to the required contributions for each year as set by State Statute.

The 2010 legislature approved employee and employer contribution rate increases to be phased-in over a four-year period beginning July 1, 2011. Employee and employer contribution rates will rise 0.5 percent each year of the four year period. Beginning July 1, 2014, TRA Coordinated employee and employer contribution rates will each be 7.5 percent.

## **B. Public Employees Retirement Association**

### **1. Plan Description**

All full-time and certain part-time employees of the District are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF), which is a cost-sharing, multiple-employer retirement plans. The plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

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. All new members must participate in the Coordinated Plan.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute, and vest after three years of credited service. The defined retirement 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 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. Normal retirement age is 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree - no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous 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.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org), by writing or calling PERA: Public Employees Retirement Association, 60 Empire Drive #200, St. Paul, MN, 55103-2088, (651) 296-7460 or (800) 652-9026.

## **2. Funding Policy**

*Minnesota Statutes* Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The District makes annual contributions to the pension plans equal to the amount required by state statutes. GERS Basic Plan members and Coordinated Plan members were required to contribute 9.10 percent and 6.25 percent, respectively, of their annual covered salary. The District is required to contribute the following percentages of annual covered payroll: 11.78 percent for Basic Plan members and 7.25 percent for Coordinated Plan members.

The District's contributions to the General Employees Retirement Fund for the years ending June 30, 2012, 2011, and 2010, were \$109,196, \$104,495, and \$103,524, respectively. The District's contributions were equal to the contractually required contributions for each year as set by state statute.

### **Note 5 - Other Information**

#### **A. 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 has joined together with other governments (school districts) in self-insured insurance plans and public entity risk pools.

The District insures itself with the Hanover Insurance Co. Group Self-Insured Workers' Compensation Plan, public entity risk pools currently operate as a common risk management and insurance program for member school districts. The District pays an annual premium to these plans for its general property and casualty coverage and its workers' compensation coverage. These premiums are used to purchase reinsurance through commercial companies. The administrators of these plans believe assessment to participating districts for future losses sustained is extremely remote.

The District is self-insured for unemployment compensation. The State of Minnesota allows districts to levy local taxpayers for estimated future unemployment claims. These levy amounts are legally segregated for future use in the General Fund, Reserved For Reemployment Fund Balance. Claims paid for unemployment are recorded against this reserve account. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

The District continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

### **B. Contingent Liabilities**

The District participates in a number of federal and state programs that are either partially or fully funded by grants or aids received from these agencies or other governmental units. Such programs are subject to audit by the grantor agencies which could result in requests for reimbursement to the granting agency for expenditures that are disallowed under the terms of the grant. Based on past experience, the District believes that any disallowed costs as a result of such audits will be immaterial.

### **C. Joint Ventures**

The District and five other school districts, in conjunction with the Minnesota River Valley Special Education Cooperative (MRVSEC), created a joint powers agreement for the acquisition of real property and construction of a special services facility to be used by the MRVSEC to provide special services to the participating school districts. The MRVSEC's board is defined in the Joint Powers Agreement. A member may withdraw upon written notice given to the Board and to each participating school district in accordance with the Joint Powers Agreement. A withdrawing member shall receive its share of the assets related to the special services facility in accordance with the joint powers agreement. In the event of dissolution, the real property at the special services facility or the proceeds of its sale, would be divided between the six participating school districts. Separate financial statements of the joint venture may be obtained from MRVSEC. MRVSEC will merge with another educational cooperative effective July 1, 2013.

The District had purchases from MRVSEC of \$187,735 for the year ended June 30, 2012, and a balance due to MRVSEC of \$37,398 at June 30, 2012.

### **D. Subsequent Event**

The District issued Aid Anticipation Certificates of Indebtedness, Series 2012A, in September 2012, in the amount of \$1,767,891 to assist with cash flows.

In September 2012, the District used invested funds from the General Obligation School Building Refunding Bonds, Series 2012A to redeem and prepay the remaining balance outstanding of \$29,185,000 from the General Obligation School Building Bonds, Series 2005A.



Required Supplementary Information  
June 30, 2012

**Independent School District No. 716**  
Belle Plaine, Minnesota

Independent School District No. 716  
Belle Plaine, Minnesota

Schedules of Funding Progress as Required by Statement No. 45 and No. 27 of the Governmental Accounting  
Standards Board  
Year Ended June 30, 2012

**Statement No. 45 of the Governmental Accounting Standards Board**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Simplified Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2008	\$ -	\$ 1,032,614	\$ 1,032,614	0.0%	\$ 5,928,609	17.4%
7/1/2011	\$ -	\$ 977,810	\$ 977,810	0.0%	\$ 6,573,402	14.9%

**Statement No. 27 of the Governmental Accounting Standards Board**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Simplified Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2008	\$ -	\$ 576,643	\$ 576,643	0.0%	\$ 1,238,600	46.6%
7/1/2011	\$ -	\$ 549,463	\$ 549,463	0.0%	\$ 796,133	69.0%

**Note to the Schedules of Funding Progress**

The standard requires a schedule of funding progress for the three most recent valuations and accompanying notes to describe factors that significantly affect the trends in the amounts reported. The District implemented the standard as of July 1, 2009, and there has only been two valuations performed.

Since the last actuarial valuation as of July 1, 2008, the following actuarial assumptions have changed:

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.

Since the last actuarial valuation as of July 1, 2008, the following plan provisions have changed:

- None.

Independent School District No. 716  
 Belle Plaine, Minnesota  
 Budgetary Comparison Schedule  
 General Fund  
 Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Local property tax levies	\$ 1,036,618	\$ 1,051,448	\$ 986,319	\$ (65,129)
Other local and county sources	414,600	502,226	710,323	208,097
State sources	11,074,121	11,234,453	11,513,168	278,715
Federal sources	615,817	632,278	632,576	298
Local sales and insurance recovery	11,000	11,000	13,468	2,468
<b>Total revenues</b>	<b>13,152,156</b>	<b>13,431,405</b>	<b>13,855,854</b>	<b>424,449</b>
<b>Expenditures</b>				
Administration	810,696	810,696	814,715	(4,019)
District support services	281,312	276,443	267,252	9,191
Regular instruction	6,721,455	6,710,201	6,724,228	(14,027)
Vocational instruction	213,736	203,736	205,712	(1,976)
Special education instruction	2,147,191	2,105,090	2,145,250	(40,160)
Instructional support services	544,008	712,225	820,553	(108,328)
Pupil support services	1,255,375	1,252,601	1,253,443	(842)
Sites and buildings	1,430,261	1,421,261	1,438,934	(17,673)
Fiscal and other fixed cost programs	39,893	39,893	39,892	1
Debt service				
Principal	94,080	94,080	94,080	-
Interest and fiscal charges	55,910	55,910	55,909	1
<b>Total expenditures</b>	<b>13,593,917</b>	<b>13,682,136</b>	<b>13,859,968</b>	<b>(177,832)</b>
Excess (deficiency) of revenues over (under) expenditures	(441,761)	(250,731)	(4,114)	246,617
Other Financing Sources				
Capital lease proceeds	208,247	208,247	193,160	(15,087)
<b>Net Change in Fund Balances</b>	<b>(233,514)</b>	<b>(42,484)</b>	<b>189,046</b>	<b>231,530</b>
Fund Balances - Beginning	2,862,478	2,862,478	2,862,478	-
<b>Fund Balances - Ending</b>	<b>\$ 2,628,964</b>	<b>\$ 2,819,994</b>	<b>\$ 3,051,524</b>	<b>\$ 231,530</b>

Independent School District No. 716  
 Belle Plaine, Minnesota  
 Budgetary Comparison Schedule  
 Food Service Fund  
 Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Other local and county sources	\$ 550	\$ 550	\$ 301	\$ (249)
State sources	32,500	32,500	34,370	1,870
Federal sources	199,000	205,000	217,925	12,925
Local sales and insurance recovery	357,950	371,950	402,411	30,461
Total revenues	<u>590,000</u>	<u>610,000</u>	<u>655,007</u>	<u>45,007</u>
<b>Expenditures</b>				
Pupil support services	<u>591,000</u>	<u>609,000</u>	<u>635,861</u>	<u>(26,861)</u>
Excess (deficiency) of revenues over (under) expenditures	(1,000)	1,000	19,146	18,146
Fund Balances - Beginning	<u>79,218</u>	<u>79,218</u>	<u>79,218</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 78,218</u>	<u>\$ 80,218</u>	<u>\$ 98,364</u>	<u>\$ 18,146</u>

Independent School District No. 716  
 Belle Plaine, Minnesota  
 Budgetary Comparison Schedule  
 Community Service Fund  
 Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget-Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Local property tax levies	\$ 113,814	\$ 113,949	\$ 112,947	\$ (1,002)
Other local and county sources	328,511	301,081	299,770	(1,311)
State sources	117,017	138,865	131,443	(7,422)
Total revenues	<u>559,342</u>	<u>553,895</u>	<u>544,160</u>	<u>(9,735)</u>
Expenditures				
Community education and services	<u>558,529</u>	<u>559,835</u>	<u>516,954</u>	<u>42,881</u>
Excess (deficiency) of revenues (over) under expenditures	813	(5,940)	27,206	33,146
Fund Balances - Beginning	<u>93,748</u>	<u>93,748</u>	<u>93,748</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 94,561</u>	<u>\$ 87,808</u>	<u>\$ 120,954</u>	<u>\$ 33,146</u>

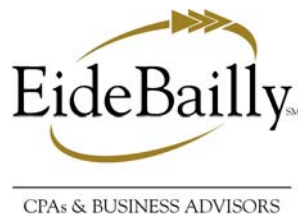
## **1. Budgetary Information**

The District adopts an annual budget for all funds in accordance with Minnesota State Statutes. The budget is prepared on the modified accrual basis of accounting. Before July 1, the proposed budget is presented to the School Board for review. The School Board holds public hearings and a final budget must be prepared and adopted no later than one week after the School Board approves the audited financial statements and has published the final budget in the local newspaper. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end. The actual revenues, expenditures, and transfers for the year ended June 30, 2012, have been compared to the District's budget for the year where applicable. Variances in parentheses are unfavorable and indicate revenues are less than budget or expenditures are greater than budget. The budget is adopted through passage of a resolution. Any revisions that alter total expenditures of any fund must be approved by the School Board.

Budgetary control is maintained by fund, at the object of expenditure category level within each program, and in compliance with State requirements. Also inherent in this controlling function is the management philosophy that the existence of a particular item or appropriation in the approved budget does not automatically mean that it will be spent. Therefore, there is a constant review process and expenditures are not approved until it has been determined that (1) adequate funds were appropriated; (2) the expenditure is still necessary; and (3) funds are available. Budgeted amounts are as originally adopted or as amended by the School Board. Budgeted expenditure appropriations lapse at year end. The School Board made several supplemental budgetary appropriations throughout the year.

## **2. Excess of Expenditures over Appropriations**

For the year ended June 30, 2012, expenditures exceeded appropriations in the general fund and food service fund, (the legal level of budgetary control) by \$177,832 and \$26,861, respectively. These over expenditures were funded by greater than anticipated revenues.



## Independent Auditor's Report on Minnesota Legal Compliance

Members of the School Board  
Independent School District No. 716  
Belle Plaine, Minnesota

We have audited the financial statements of the Independent School District No. 716 as of and for the year ended June 30, 2012, and have issued our report thereon dated December 11, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government*, promulgated by the State Auditor pursuant to Minnesota Statutes Sec. 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Local Government* covers seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, uniform financial accounting and reporting standards for school districts, and miscellaneous provisions. Our study included all of the listed categories.

The results of our tests indicate that for the items tested, the Independent School District No. 716 complied with the material terms and conditions of applicable legal provisions.

This report is intended solely for the information and use of management, others within the organization and the School Board and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Eide Bailly LLP".

Mankato, Minnesota  
December 11, 2012

Independent School District No. 716  
 Belle Plaine, Minnesota  
 Student Activity Treasurer's Report  
 Year Ended June 30, 2012

Activity Account	Beginning Balance	Receipts	Disbursements	Ending Balance
11-12 Tigerian	\$ 948	\$ 7,442	\$ 4,696	\$ 3,694
Trapshot	-	8,520	4,589	3,931
Art Student League	4,803	7,472	8,324	3,951
Baseball	1,529	18,225	15,803	3,951
Boys Basketball	186	2,706	2,892	-
Belle Plaine Senior High Club	3,544	545	987	3,102
BPHS School Store	1	-	1	-
Belle Plaine Weight Room	1,748	1,199	999	1,948
Class of 2010	947	-	947	-
Class of 2011	827	-	827	-
Class of 2012	3,472	4,445	6,396	1,521
Class of 2013	-	11,737	9,129	2,608
Concert Choir	15,623	68,507	72,161	11,969
Concession Management	8,647	28,784	28,733	8,698
Cross Country	641	5,338	3,991	1,988
Fall Drama	596	30	398	228
FCCLA	-	200	200	-
FFA	8,961	55,147	52,277	11,831
Football	2,356	1,097	2,737	716
Girls Basketball	1,322	2,820	3,203	939
Golf	464	3,444	3,379	529
Industrial Technology	475	1,860	1,231	1,104
National Honor Society	569	1,679	1,828	420
One Act Play	2,912	440	863	2,489
Outdoor Club	4,282	3,644	3,941	3,985
Science Fair	200	200	126	274
Scott West Wrestling	455	607	881	181
Senior High Band	4,028	12,867	11,487	5,408
Softball	10,705	7,649	11,755	6,599
Speech	866	240	546	560
Senior High Student Council	1,689	2,793	4,482	-
Target	3,786	1,296	151	4,931
Tennis	5,415	2,909	3,648	4,676
Tiger Club	9,850	4,550	8,495	5,905
Tiger Fever Pep Club	560	1,079	1,639	-
Track	8,357	9,540	9,964	7,933
Student Council Jr. High	9,838	16,421	15,649	10,610
Young Astronauts	581	-	110	471
TREES	91	-	52	39
	<u>\$ 121,274</u>	<u>\$ 295,432</u>	<u>\$ 299,517</u>	<u>\$ 117,189</u>

Independent School District No. 716  
Belle Plaine, Minnesota  
Uniform Financial Accounting and Reporting Standards Compliance Table  
Year Ended June 30, 2012

	Audit	UFARS	Audit - UFARS		Audit	UFARS	Audit - UFARS
<b>01 GENERAL FUND</b>				<b>06 BUILDING CONSTRUCTION</b>			
Total Revenue	\$13,855,854	<u>\$13,855,851</u>	\$3	Total Revenue	\$0	<u>\$0</u>	\$0
Total Expenditures	\$13,859,968	<u>\$13,859,966</u>	\$2	Total Expenditures	\$0	<u>\$0</u>	\$0
<i>Non Spendable:</i>				<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$50,563	<u>\$50,563</u>	\$0	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
<i>Restricted / Reserved:</i>				<i>Restricted / Reserved:</i>			
4.03 Staff Development	\$89,802	<u>\$89,802</u>	\$0	4.07 Capital Projects Levy	\$0	<u>\$0</u>	\$0
4.05 Deferred Maintenance	\$0	<u>\$0</u>	\$0	4.09 Alternative Facility Program	\$0	<u>\$0</u>	\$0
4.06 Health and Safety	(\$47,290)	<u>(\$47,290)</u>	\$0	4.13 Project Funded by COP	\$0	<u>\$0</u>	\$0
4.07 Capital Projects Levy	\$0	<u>\$0</u>	\$0	<i>Restricted:</i>			
4.08 Cooperative Revenue	\$0	<u>\$0</u>	\$0	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0
4.14 Operating Debt	\$0	<u>\$0</u>	\$0	<i>Unassigned:</i>			
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				
4.23 Certain Teacher Programs	\$0	<u>\$0</u>	\$0	<b>07 DEBT SERVICE</b>			
4.24 Operating Capital	\$704,416	<u>\$704,416</u>	\$0	Total Revenue	\$3,594,696	<u>\$3,594,695</u>	\$1
4.26 \$25 Taconite	\$0	<u>\$0</u>	\$0	Total Expenditures	\$3,779,438	<u>\$3,779,438</u>	\$0
4.27 Disabled Accessibility	\$0	<u>\$0</u>	\$0	<i>Non Spendable:</i>			
4.28 Learning & Development	\$0	<u>\$0</u>	\$0	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
4.34 Area Learning Center	\$0	<u>\$0</u>	\$0	<i>Restricted / Reserved:</i>			
4.35 Contracted Alt. Programs	\$0	<u>\$0</u>	\$0	4.25 Bond Refundings	\$0	<u>\$0</u>	\$0
4.36 State Approved Alt. Program	\$0	<u>\$0</u>	\$0	4.51 QZAB Payments	\$0	<u>\$0</u>	\$0
4.38 Gifted & Talented	\$0	<u>\$0</u>	\$0	<i>Restricted:</i>			
4.41 Basic Skills Programs	\$0	<u>\$0</u>	\$0	4.64 Restricted Fund Balance	\$502,478	<u>\$502,478</u>	\$0
4.45 Career Tech Programs	\$0	<u>\$0</u>	\$0	<i>Unassigned:</i>			
4.49 Safe School Crime	\$0	<u>\$0</u>	\$0	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0
4.50 Pre-Kindergarten	\$0	<u>\$0</u>	\$0				
4.51 QZAB Payments	\$0	<u>\$0</u>	\$0	<b>08 TRUST</b>			
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0	Total Revenue	\$0	<u>\$0</u>	\$0
4.53 Unfunded Sev & Retiremt Levy	\$0	<u>\$0</u>	\$0	Total Expenditures	\$525	<u>\$525</u>	\$0
<i>Restricted:</i>				4.22 Unassigned Fund Balance (Net Assets)	\$1,350	<u>\$1,350</u>	\$0
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0				
<i>Committed:</i>				<b>20 INTERNAL SERVICE</b>			
4.18 Committed for Separation	\$180,343	<u>\$180,343</u>	\$0	Total Revenue	\$0	<u>\$0</u>	\$0
4.61 Committed Fund Balance	\$0	<u>\$0</u>	\$0	Total Expenditures	\$0	<u>\$0</u>	\$0
<i>Assigned:</i>				4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	\$0
4.62 Assigned Fund Balance	\$0	<u>\$0</u>	\$0				
<i>Unassigned:</i>				<b>25 OPEB REVOCABLE TRUST</b>			
4.22 Unassigned Fund Balance	\$2,073,690	<u>\$2,073,689</u>	\$1	Total Revenue	\$0	<u>\$0</u>	\$0
				Total Expenditures	\$0	<u>\$0</u>	\$0
<b>02 FOOD SERVICES</b>				4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	\$0
Total Revenue	\$655,007	<u>\$655,007</u>	\$0				
Total Expenditures	\$635,861	<u>\$635,861</u>	\$0	<b>45 OPEB IRREVOCABLE TRUST</b>			
<i>Non Spendable:</i>				Total Revenue	\$0	<u>\$0</u>	\$0
4.60 Non Spendable Fund Balance	\$2,378	<u>\$2,378</u>	\$0	Total Expenditures	\$0	<u>\$0</u>	\$0
<i>Restricted / Reserved:</i>				4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	\$0
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0				
<i>Restricted:</i>				<b>47 OPEB DEBT SERVICE</b>			
4.64 Restricted Fund Balance	\$95,986	<u>\$95,986</u>	\$0	Total Revenue	\$0	<u>\$0</u>	\$0
<i>Unassigned:</i>				Total Expenditures	\$0	<u>\$0</u>	\$0
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0	<i>Non Spendable:</i>			
				4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
<b>04 COMMUNITY SERVICE</b>				<i>Restricted:</i>			
Total Revenue	\$544,160	<u>\$544,157</u>	\$3	4.25 Bond Refundings	\$0	<u>\$0</u>	\$0
Total Expenditures	\$516,954	<u>\$516,954</u>	\$0	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0
<i>Non Spendable:</i>				<i>Unassigned:</i>			
4.60 Non Spendable Fund Balance	\$3,711	<u>\$3,711</u>	\$0	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0
<i>Restricted / Reserved:</i>							
4.26 \$25 Taconite	\$0	<u>\$0</u>	\$0				
4.31 Community Education	\$70,162	<u>\$70,162</u>	\$0				
4.32 E.C.F.E	\$32,401	<u>\$32,401</u>	\$0				
4.44 School Readiness	\$5,245	<u>\$5,245</u>	\$0				
4.47 Adult Basic Education	\$0	<u>\$0</u>	\$0				
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0				
<i>Restricted:</i>							
4.64 Restricted Fund Balance	\$9,435	<u>\$9,435</u>	\$0				
<i>Unassigned:</i>							
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0				

Independent School District No. 716  
 Belle Plaine, Minnesota  
 Schedule of Expenditures of Federal Awards  
 Year Ended June 30, 2012

Federal Grantor/Program Title	CFDA Number	Expenditures	
<b>Department of Agriculture</b>			
<i>Passed through the Minnesota Department of Education</i>			
Child Nutrition Cluster			
School Breakfast Program	10.553	\$ 27,700	
National School Lunch Program	10.555	<u>191,284</u>	
Total Child Nutrition Cluster			<u>218,984</u>
Total Department of Agriculture			<u>218,984</u>
<b>Department of Education</b>			
<i>Passed through the Minnesota Department of Education</i>			
Title I Grants to Local Educational Agencies	84.010	128,544	
Education Jobs Funds - ARRA	84.410	180,459	
Improving Teacher Quality State Grants	84.367	<u>34,725</u>	
			343,728
<i>Passed through cooperative</i>			
Special Education Cluster			
Special Education Grants to States	84.027		<u>188,682</u>
Total Department of Education			<u>532,410</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 751,394</u></u>

**Note A – Significant Accounting Policies**

The accompanying schedule of expenditures of federal awards is presented on the accrual basis of accounting.

**Note B – Food Distribution**

Nonmonetary assistance is reported in the schedule of expenditures of federal awards at the fair market value of commodities received and disbursed. At June 30, 2012, the District had food commodities totaling \$923 in inventory.

**Note C – Agency or Pass-Through Number**

The pass-through entity has not provided identifying numbers, therefore, they are not included in this schedule.



**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***

Members of the School Board  
Independent School District No. 716  
Belle Plaine, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 716 (District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 11, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control over financial reporting.

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 significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of audit findings, we identified certain deficiencies in internal control over financial reporting 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 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 in internal control over financial reporting described in the accompanying schedule of audit findings as Segregation of Duties and Preparation of Financial Statements to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*.

The District's response to the findings identified in our audit is described in the accompanying schedule of audit results, findings, and questioned costs. We did not audit the District's response, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the School Board, others within the organization and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Eric Sully LLP".

Mankato, Minnesota  
December 11, 2012



**Independent Auditor’s Report on Compliance with Requirements that could have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133**

Members of the School Board  
Independent School District No. 716  
Belle Plaine, Minnesota

Compliance

We have audited the compliance of Independent School District No. 716, Belle Plaine, Minnesota, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District’s management. Our responsibility is to express an opinion on the District’s compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District’s compliance with those requirements.

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 each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the 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 the internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be a material weakness, as defined above.

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



Mankato, Minnesota  
December 11, 2012

**A. Summary of Audit Results**

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weakness 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 weakness identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)	No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA number</u>
U.S. Department of Education Jobs Education Fund - ARRA	84.410
U.S. Department of Agriculture Child Nutrition Cluster	10.553/10.555

Dollar threshold used to distinguish between Type A and Type B programs	\$300,000
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Auditee qualified as low-risk auditee	No
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Section B - Financial Statement Findings –	Yes
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Section C – Federal Award Findings and Questioned Costs –	None
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Section D – Minnesota Legal Compliance Findings -	None
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**B. Findings – Financial Statement Audit**

**Material Weakness – previously reported items not resolved**

2012-1 Segregation of Duties

*Condition:* The District has a lack of segregation of duties in certain areas due to limited staff. The District has limited segregation of duties in many accounting and financial reporting internal control areas. The areas involved are receipts and receivables, disbursements and payables, payroll, deposits, and reconciliations of these areas.

*Criteria:* A good system of internal control contemplates an adequate segregation of duties so that no one individual handles a transaction from its inception to completion.

*Cause:* The District does not have the economic resources to hire additional qualified accounting staff in order to segregate duties.

*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. School Board oversight will mitigate some of the effect.

*Recommendation:* While we recognize that your staff may not be large enough to permit complete segregation of duties in all respects for an effective system of internal control, the functions should be reviewed to determine if additional segregation is feasible and to improve efficiency and effectiveness of financial management of the District.

*Response:* See corrective action plan below.

*Corrective Action Plan:*

1. *Actions Planned in Response to the Finding:* The District feels that the costs for hiring additional staff would not be significantly beneficial. The District does currently mitigate this situation through the approval of all checks by action of the School Board and direct deposit of State funds. The District will continue to look for further opportunities to segregate duties.
2. *Explanation of Disagreement:* There is no disagreement with the audit finding.
3. *Official Responsible for Ensuring Corrective Action:* Kelly Smith, Superintendent.
4. *Planned Completion Date for the Corrective Action:* December 31, 2012.
5. *Plan to Monitor Completion of Corrective Action:* Kelly Smith, Superintendent, will monitor the review of various accounting functions.

2012-2 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. As auditors, we are requested to draft the financial statements, accompanying notes to the financial statements, and required supplementary budgetary comparison information.

*Criteria:* A good system of internal control contemplates an adequate system for drafting of the financial statements.

*Cause:* The District does not have the economic resources to hire additional qualified accounting staff or hire professional accounting services in order to draft financial statements.

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

*Recommendation:* This control deficiency is not unusual in a District of your size. It is the responsibility of the 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.

*Response:* See corrective action plan below.

*Corrective Action Plan:*

1. **Actions Planned in Response to the Finding:** The District will continue to have the auditors prepare the financial statements; however, the District has established an internal control policy to document the annual review of the financial statements by the School Board and management.
2. **Explanation of Disagreement:** There is no disagreement with the audit finding.
3. **Official Responsible for Ensuring Corrective Action:** Kelly Smith, Superintendent.
4. **Planned Completion Date for the Corrective Action:** December 31, 2012.
5. **Plan to Monitor Completion of Corrective Action:** Kelly Smith, Superintendent, will monitor the review of the financial statements with the School Board and management.

C. Findings – Major Federal Award Programs - NONE

D. Compliance and Other Matters - NONE



**Independent Auditor's Report on Compliance over  
Financial Reporting of the Student Activity Accounts**

The School Board of  
Independent School District No. 716  
Belle Plaine, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 716, Belle Plaine Public Schools for the year ended June 30, 2012, and have issued our report thereon dated December 11, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the Manual for Activity Fund Accounting (MAFA).

**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. The results of our tests disclosed no instances of noncompliance that is required to be reported under MAFA.

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

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Mankato, Minnesota  
December 11, 2012

1<sup>st</sup> Reading: 04/24/2006

2<sup>nd</sup> Reading: 5/22/2006

Approved: 6/26/2006

## **521 STUDENT DISABILITY NONDISCRIMINATION**

### **I. PURPOSE**

The purpose of this policy is to protect disabled students from discrimination on the basis of disability and to identify and evaluate learners who, within the intent of Section 504 of the Rehabilitation Act of 1973, need special services, accommodations, or programs in order that such learners may receive a free appropriate public education.

### **II. GENERAL STATEMENT OF POLICY**

- A. Disabled students are protected from discrimination on the basis of a disability.
- B. It is the responsibility of the school district to identify and evaluate learners who, within the intent of Section 504 of the Rehabilitation Act of 1973, need special services, accommodations, or programs in order that such learners may receive a free appropriate public education.
- C. For this policy, a learner who is protected under Section 504 is one who:
  - 1. has a physical or mental impairment that substantially limits one or more major life activities, including learning; or
  - 2. has a record of such impairment; or
  - 3. is regarded as having such impairment.
- D. Learners may be protected from disability discrimination and be eligible for services, accommodations, or programs under the provisions of Section 504 even though they are not eligible for special education pursuant to the Individuals with Disabilities Education Act.

### **III. COORDINATOR**

Persons who have questions, comments, or complaints should contact \_\_\_\_\_ regarding grievances or hearing requests regarding disability issues. This person is the school district's ADA/504 Coordinator.

**Legal References:** 29 U.S.C. § 794 *et seq.* (Rehabilitation Act of 1973, § 504)  
34 C.F.R. Part 104 (Implementing Regulations)

***Cross References:*** MSBA/MASA Model Policy 402 (Disability Nondiscrimination)

Adopted: \_\_\_\_\_

MSBA/MASA Model Policy 521

Orig. 1995

Revised: \_\_\_\_\_

Rev. 2008

## **521 STUDENT DISABILITY NONDISCRIMINATION**

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

### **I. PURPOSE**

The purpose of this policy is to protect disabled students from discrimination on the basis of disability and to identify and evaluate learners who, within the intent of Section 504 of the Rehabilitation Act of 1973 (Section 504), need ~~special~~ services, accommodations, or programs in order that such learners may receive a free appropriate public education.

### **II. GENERAL STATEMENT OF POLICY**

- A. Disabled students who meet the criteria of Paragraph C. below are protected from discrimination on the basis of a disability.
- B. ~~It is the~~ The responsibility of the school district is to identify and evaluate learners who, within the intent of Section 504, need ~~special~~ services, accommodations, or programs in order that such learners may receive a free appropriate public education.
- C. For this policy, a learner who is protected under Section 504 is one who:
  - 1. has a physical or mental impairment that substantially limits one or more of such person's major life activities; or
  - 2. has a record of such an impairment; or
  - 3. is regarded as having such an impairment.
- D. Learners may be protected from disability discrimination and be eligible for services, accommodations, or programs under the provisions of Section 504 even though they are not eligible for special education pursuant to the Individuals with Disabilities Education Act.

### **III. COORDINATOR**

Persons who have questions, comments, or complaints should contact \_\_\_\_\_ (title, name, office address, and telephone number) regarding grievances or hearing requests regarding disability issues. This person is the school district's Americans with Disabilities Act/Section 504 Coordinator.

***Legal References:*** Pub. L. 110-325, 122 Stat. 3553 (ADA Amendments Act of 2008, § 7)  
29 U.S.C. § 794 *et seq.* (Rehabilitation Act of 1973, § 504)  
34 C.F.R. Part 104 ([Section 504](#) Implementing Regulations)

***Cross References:*** MSBA/MASA Model Policy 402 (Disability Nondiscrimination)

INDEPENDENT SCHOOL DISTRICT NO. \_\_\_\_\_

STUDENT DISABILITY DISCRIMINATION GRIEVANCE REPORT FORM

General Statement of Policy Prohibiting Disability Discrimination

Independent School District No. \_\_\_\_\_ maintains a firm policy prohibiting all forms of discrimination on the basis of a disability. All persons are to be treated with respect and dignity. Discrimination on the basis of a disability will not be tolerated under any circumstances.

Complainant: \_\_\_\_\_

Home Address: \_\_\_\_\_

Work Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

I have been discriminated against based on (choose one or more):

[my disability] / [a record of my disability] / [being regarded as having a disability]

because \_\_\_\_\_  
\_\_\_\_\_

Date of alleged incident(s): \_\_\_\_\_

Name of person you believe discriminated against you or another person: \_\_\_\_\_  
\_\_\_\_\_

If the alleged discrimination was toward another person, identify that person: \_\_\_\_\_  
\_\_\_\_\_

Describe the incident(s) as clearly as possible, including such things as: any verbal statements; what, if any, physical contact was involved; etc. (attach additional pages if necessary): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Location of the incident(s): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

List any witnesses that were present: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

This complaint is filed based on my honest belief that \_\_\_\_\_ has

discriminated against me or another person based on a disability. I hereby certify that the information I have provided in this complaint is true, correct, and complete to the best of my knowledge and belief.

\_\_\_\_\_  
(Complainant Signature)

\_\_\_\_\_  
(Date)

Received by: \_\_\_\_\_

\_\_\_\_\_  
(Date)

1<sup>st</sup> Reading: 04/24/2006

2<sup>nd</sup> Reading: 5/22/2006

Approved: 6/26/2006

## **522 STUDENT SEX NONDISCRIMINATION**

### **I. PURPOSE**

Students are protected from discrimination on the basis of sex pursuant to Title IX of the Education Amendments of 1972 and the Minnesota Human Rights Act. The purpose of this policy is to provide equal educational opportunity for all students and to prohibit discrimination on the basis of sex.

### **II. GENERAL STATEMENT OF POLICY**

- A. The school district provides equal educational opportunity for all students, and does not unlawfully discriminate on the basis of sex. No student will be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination under any educational program or activity operated by the school district on the basis of sex.
- B. It is the responsibility of every school district employee to comply with this policy.
- C. The school board hereby designates \_\_\_\_\_ [title, name, office address, and telephone number] as its Title IX coordinator. This employee coordinates the school district's efforts to comply with and carry out its responsibilities under Title IX.
- D. Any student, parent or guardian having questions regarding the application of Title IX and its regulations and/or this policy should discuss them with the Title IX coordinator. Questions relating solely to Title IX and its regulations may be referred to the Assistant Secretary for Civil Rights of the United States Department of Education. In the absence of a specific designee, an inquiry or complaint should be referred to the superintendent or the school district human rights officer.

### **III. REPORTING GRIEVANCE PROCEDURES**

- A. Any student who believes he or she has been the victim of unlawful sex discrimination by a teacher, administrator or other school district personnel, or any person with knowledge or belief of conduct which may constitute unlawful sex discrimination toward a student should report the alleged acts immediately to an appropriate school district official designated by this policy or may file a grievance. The school district encourages the reporting party or complainant to use the report form available from the principal of each building or available from

the school district office, but oral reports shall be considered complaints as well. Nothing in this policy shall prevent any person from reporting unlawful sex discrimination toward a student directly to a school district human rights officer or to the superintendent.

- B. In Each School Building. The building principal is the person responsible for receiving oral or written reports or grievances of unlawful sex discrimination toward a student at the building level. Any adult school district personnel who receives a report of unlawful sex discrimination toward a student shall inform the building principal immediately.
- C. Upon receipt of a report or grievance, the principal must notify the school district human rights officer immediately, without screening or investigating the report. The principal may request, but may not insist upon a written complaint. A written statement of the facts alleged will be forwarded as soon as practicable by the principal to the human rights officer. If the report was given verbally, the principal shall personally reduce it to written form within 24 hours and forward it to the human rights officer. Failure to forward any report or complaint of unlawful sex discrimination toward a student as provided herein may result in disciplinary action against the principal. If the complaint involves the building principal, the complaint shall be made or filed directly with the superintendent or the school district human rights officer by the reporting party or complainant.
- D. The school board hereby designates \_\_\_\_\_ [name, office address, and telephone number] as the school district human rights officer(s) to receive reports, complaints or grievances of unlawful sex discrimination toward a student. If the complaint involves a human rights officer, the complaint shall be filed directly with the superintendent.
- E. The school district shall conspicuously post the name of the Title IX coordinator and human rights officer(s), including office mailing addresses and telephone numbers.
- F. Submission of a good faith complaint, grievance or report of unlawful sex discrimination toward a student will not affect the complainant or reporter's future employment, grades or work assignments.
- G. Use of formal reporting forms is not mandatory.
- H. The school district will respect the privacy of the complainant, the individual(s) against whom the complaint is filed, and the witnesses as much as possible, consistent with the school district's legal obligations to investigate, to take appropriate action, and to conform with any discovery or disclosure obligations.

#### **IV. INVESTIGATION**

- A. By authority of the school district, the human rights officer, upon receipt of a report, complaint or grievance alleging unlawful sex discrimination toward a student shall promptly undertake or authorize an investigation. The investigation may be conducted by school district officials or by a third party designated by the school district.
- B. The investigation may consist of personal interviews with the complainant, the individual(s) against whom the complaint is filed, and others who may have knowledge of the alleged incident(s) or circumstances giving rise to the complaint. The investigation may also consist of any other methods and documents deemed pertinent by the investigator.
- C. In determining whether alleged conduct constitutes a violation of this policy, the school district should consider the surrounding circumstances, the nature of the behavior, past incidents or past or continuing patterns of behavior, the relationships between the parties involved and the context in which the alleged incidents occurred. Whether a particular action or incident constitutes a violation of this policy requires a determination based on all the facts and surrounding circumstances.
- D. In addition, the school district may take immediate steps, at its discretion, to protect the complainant, pupils, teachers, administrators or other school personnel pending completion of an investigation of alleged unlawful sex discrimination toward a student.
- E. The investigation will be completed as soon as practicable. The school district human rights officer shall make a written report to the superintendent upon completion of the investigation. If the complaint involves the superintendent, the report may be filed directly with the school board. The report shall include a determination of whether the allegations have been substantiated as factual and whether they appear to be violations of this policy.

## **V. SCHOOL DISTRICT ACTION**

- A. Upon conclusion of the investigation and receipt of a report, the school district will take appropriate action. Such action may include, but is not limited to, warning, suspension, exclusion, expulsion, transfer, remediation, termination or discharge. School district action taken for violation of this policy will be consistent with requirements of applicable collective bargaining agreements, Minnesota and federal law and school district policies.
- B. The result of the school district's investigation of each complaint filed under these procedures will be reported in writing to the complainant by the school district in accordance with state and federal law regarding data or records privacy.

## **VI. REPRISAL**

The school district will discipline or take appropriate action against any pupil, teacher, administrator or other school personnel who retaliates against any person who reports alleged unlawful sex discrimination 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 sex discrimination. Retaliation includes, but is not limited to, any form of intimidation, reprisal or harassment.

## **VII. RIGHT TO ALTERNATIVE COMPLAINT PROCEDURES**

These procedures do not deny the right of any individual to pursue other avenues of recourse which may include filing charges with the Minnesota Department of Human Rights, initiating civil action or seeking redress under state criminal statutes and/or federal law, or contacting the Office of Civil Rights for the United States Department of Education.

## **VIII. DISSEMINATION OF POLICY AND EVALUATION**

- A. This policy shall be made available to all students, parents/guardians of students, staff members, employee unions and organizations.
- B. The school district shall review this policy and the school district's operation for compliance with state and federal laws prohibiting discrimination on a continuous basis.

***Legal References:*** Minn. Stat. § 121A.04 (Athletic Programs; Sex Discrimination)  
Minn. Stat. Ch. 363A (Minnesota Human Rights Act)  
20 U.S.C. §§ 1681-1688 (Title IX of the Education Amendments of 1972)  
34 C.F.R. Part 106 (Implementing Regulations of Title IX)

***Cross References:*** MSBA/MASA Model Policy 102 (Equal Educational Opportunity)  
MSBA/MASA Model Policy 413 (Harassment and Violence)  
MSBA/MASA Model Policy 528 (Student Parental, Family, and Marital Status Nondiscrimination)

Adopted: \_\_\_\_\_

MSBA/MASA Model Policy 522

Orig. 1995

Revised: \_\_\_\_\_

Rev. 1999 2003

## **522 STUDENT SEX NONDISCRIMINATION**

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

### **I. PURPOSE**

Students are protected from discrimination on the basis of sex pursuant to Title IX of the Education Amendments of 1972 and the Minnesota Human Rights Act. The purpose of this policy is to provide equal educational opportunity for all students and to prohibit discrimination on the basis of sex.

### **II. GENERAL STATEMENT OF POLICY**

- A. The school district provides equal educational opportunity for all students, and does not unlawfully discriminate on the basis of sex. No student will be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination under any educational program or activity operated by the school district on the basis of sex.
- B. It is the responsibility of every school district employee to comply with this policy.
- C. The school board hereby designates \_\_\_\_\_ [title, name, office address, and telephone number] as its Title IX coordinator. This employee coordinates the school district's efforts to comply with and carry out its responsibilities under Title IX.
- D. Any student, parent or guardian having questions regarding the application of Title IX and its regulations and/or this policy should discuss it with the Title IX coordinator. Questions relating solely to Title IX and its regulations may be referred to the Assistant Secretary for Civil Rights of the United States Department of Education. ~~appropriate school district official provided by policy.~~ In the absence of a specific designee, an inquiry or complaint should be referred to the superintendent or the school district human rights officer.

### **III. REPORTING GRIEVANCE PROCEDURES**

- A. Any student who believes he or she has been the victim of unlawful sex discrimination by a teacher, administrator or other school district personnel, or any person with knowledge or belief of conduct which may constitute unlawful sex discrimination toward a student should report the alleged acts immediately to an appropriate school district official designated by this policy or may file a grievance. The school district encourages the reporting party or complainant to

use the report form available from the principal of each building or available from the school district office, but oral reports shall be considered complaints as well. Nothing in this policy shall prevent any person from reporting unlawful sex discrimination toward a student directly to a school district human rights officer or to the superintendent.

- B. In Each School Building. The building principal is the person responsible for receiving oral or written reports or grievances of unlawful sex discrimination toward a student at the building level. Any adult school district personnel who receives a report of unlawful sex discrimination toward a student shall inform the building principal immediately.
- C. Upon receipt of a report or grievance, the principal must notify the school district human rights officer immediately, without screening or investigating the report. The principal may request, but may not insist upon a written complaint. A written statement of the facts alleged will be forwarded as soon as practicable by the principal to the human rights officer. If the report was given verbally, the principal shall personally reduce it to written form within 24 hours and forward it to the human rights officer. Failure to forward any report or complaint of unlawful sex discrimination toward a student as provided herein may result in disciplinary action against the principal. If the complaint involves the building principal, the complaint shall be made or filed directly with the superintendent or the school district human rights officer by the reporting party or complainant.
- D. The school board hereby designates \_\_\_\_\_ [name, office address, and telephone number] as the school district human rights officer(s) to receive reports, complaints or grievances of unlawful sex discrimination toward a student. If the complaint involves a human rights officer, the complaint shall be filed directly with the superintendent.

***[Note: In some school districts, the Title IX coordinator and human rights officer may be the same. If so, a school district need only insert “its Title IX coordinator” in the blank without designating a name, office address, and telephone number which are provided elsewhere in the policy. If they are different, or if more than one human rights officer is designated, this information should be inserted and kept up to date. Also, in some school districts, the superintendent may be the designated human rights officer. If so, an alternative individual should be designated by the school board for complaints involving the superintendent.]***

- E. The school district shall conspicuously post the name of the Title IX coordinator and human rights officer(s), including office mailing addresses and telephone numbers.
- F. Submission of a good faith complaint, grievance or report of unlawful sex discrimination toward a student will not affect the complainant or reporter’s future employment, grades or work assignments.

- G. Use of formal reporting forms is not mandatory.
- H. The school district will respect the privacy of the complainant, the individual(s) against whom the complaint is filed, and the witnesses as much as possible, consistent with the school district's legal obligations to investigate, to take appropriate action, and to conform with any discovery or disclosure obligations.

#### **IV. INVESTIGATION**

- A. By authority of the school district, the human rights officer, upon receipt of a report, complaint or grievance alleging unlawful sex discrimination toward a student shall promptly undertake or authorize an investigation. The investigation may be conducted by school district officials or by a third party designated by the school district.
- B. The investigation may consist of personal interviews with the complainant, the individual(s) against whom the complaint is filed, and others who may have knowledge of the alleged incident(s) or circumstances giving rise to the complaint. The investigation may also consist of any other methods and documents deemed pertinent by the investigator.
- C. In determining whether alleged conduct constitutes a violation of this policy, the school district should consider the surrounding circumstances, the nature of the behavior, past incidents or past or continuing patterns of behavior, the relationships between the parties involved and the context in which the alleged incidents occurred. Whether a particular action or incident constitutes a violation of this policy requires a determination based on all the facts and surrounding circumstances.
- D. In addition, the school district may take immediate steps, at its discretion, to protect the complainant, pupils, teachers, administrators or other school personnel pending completion of an investigation of alleged unlawful sex discrimination toward a student.
- E. The investigation will be completed as soon as practicable. The school district human rights officer shall make a written report to the superintendent upon completion of the investigation. If the complaint involves the superintendent, the report may be filed directly with the school board. The report shall include a determination of whether the allegations have been substantiated as factual and whether they appear to be violations of this policy.

#### **V. SCHOOL DISTRICT ACTION**

- A. Upon conclusion of the investigation and receipt of a report, the school district will take appropriate action. Such action may include, but is not limited to, warning, suspension, exclusion, expulsion, transfer, remediation, termination or discharge. School district action taken for violation of this policy will be consistent with requirements of applicable collective bargaining agreements,

Minnesota and federal law and school district policies.

- B. The result of the school district's investigation of each complaint filed under these procedures will be reported in writing to the complainant by the school district in accordance with state and federal law regarding data or records privacy.

## **VI. REPRISAL**

The school district will discipline or take appropriate action against any pupil, teacher, administrator or other school personnel who retaliates against any person who reports alleged unlawful sex discrimination 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 sex discrimination. Retaliation includes, but is not limited to, any form of intimidation, reprisal or harassment.

## **VII. RIGHT TO ALTERNATIVE COMPLAINT PROCEDURES**

These procedures do not deny the right of any individual to pursue other avenues of recourse which may include filing charges with the Minnesota Department of Human Rights, initiating civil action or seeking redress under state criminal statutes and/or federal law, or contacting the Office of Civil Rights for the United States Department of Education.

## **VIII. DISSEMINATION OF POLICY AND EVALUATION**

- A. This policy shall be made available to all students, parents/guardians of students, staff members, employee unions and organizations.
- B. The school district shall review this policy and the school district's operation for compliance with state and federal laws prohibiting discrimination on a continuous basis.

**Legal References:** Minn. Stat. § 121A.04 (Athletic Programs; Sex Discrimination)  
Minn. Stat. Ch. 363 (Minnesota Human Rights Act)  
20 U.S.C. §§ 1681-1688 (Title IX of the Education Amendments of 1972)  
34 C.F.R. Part 106 (Implementing Regulations of Title IX)

**Cross References:** MSBA/MASA Model Policy 102 (Equal Educational Opportunity)  
MSBA/MASA Model Policy 413 (Harassment and Violence)  
MSBA/MASA Model Policy 528 (Student Parental, Family, and Marital Status Nondiscrimination)

INDEPENDENT SCHOOL DISTRICT NO. 716

UNLAWFUL SEX DISCRIMINATION TOWARD A STUDENT

General Statement of Policy Prohibiting Unlawful Sex Discrimination Toward a Student

Independent School District No. 716 maintains a firm policy prohibiting all forms of unlawful sex discrimination. All students are to be treated with respect and dignity. Unlawful sex discrimination by any teacher, administrator or other school personnel will not be tolerated under any circumstances.

Complainant: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
Work Address: \_\_\_\_\_  
Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

Date of Alleged Incident(s): \_\_\_\_\_

Name of person you believe unlawfully discriminated toward you or a student on the basis of sex: \_\_\_\_\_

If the alleged unlawful sex discrimination was toward another person, identify that person: \_\_\_\_\_  
\_\_\_\_\_

Describe the incident(s) as clearly as possible, including such things as: what force, if any, was used; any verbal statements (i.e. threats, requests, demands, etc.); what, if any, physical contact was involved; etc. (Attach additional pages if necessary): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Where and when did the incident(s) occur: \_\_\_\_\_  
\_\_\_\_\_

List any witnesses that were present: \_\_\_\_\_  
\_\_\_\_\_

This complaint is filed based on my honest belief that \_\_\_\_\_ has unlawfully discriminated against me or a student on the basis of sex. I hereby certify that the information I have provided in this complaint is true, correct and complete to the best of my knowledge and belief.

\_\_\_\_\_  
(Complainant Signature) (Date)

Received by: \_\_\_\_\_

INDEPENDENT SCHOOL DISTRICT NO. \_\_\_\_\_

UNLAWFUL SEX DISCRIMINATION TOWARD A STUDENT

General Statement of Policy Prohibiting Unlawful Sex Discrimination Toward a Student

Independent School District No. \_\_\_\_\_ maintains a firm policy prohibiting all forms of unlawful sex discrimination. All students are to be treated with respect and dignity. Unlawful sex discrimination by any teacher, administrator or other school personnel will not be tolerated under any circumstances.

Complainant: \_\_\_\_\_

Home Address: \_\_\_\_\_

Work Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

Date of Alleged Incident(s): \_\_\_\_\_

Name of person you believe unlawfully discriminated toward you or a student on the basis of sex:

\_\_\_\_\_

If the alleged unlawful sex discrimination was toward another person, identify that person: \_\_\_\_\_

\_\_\_\_\_

Describe the incident(s) as clearly as possible, including such things as: what force, if any, was used; any verbal statements (i.e. threats, requests, demands, etc.); what, if any, physical contact was involved; etc. (Attach additional pages if necessary): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Where and when did the incident(s) occur: \_\_\_\_\_

\_\_\_\_\_

List any witnesses that were present: \_\_\_\_\_

\_\_\_\_\_

This complaint is filed based on my honest belief that \_\_\_\_\_ has unlawfully discriminated against me or a student on the basis of sex. I hereby certify that the information I have provided in this complaint is true, correct and complete to the best of my knowledge and belief.

\_\_\_\_\_  
(Complainant Signature)

\_\_\_\_\_  
(Date)

Received by: \_\_\_\_\_

1<sup>st</sup> Reading: 04/24/2006

2<sup>nd</sup> Reading: 05/22/2006

Approved: 6/26/2006

## **524 INTERNET ACCEPTABLE USE AND SAFETY POLICY**

### **I. PURPOSE**

The purpose of this policy is to set forth policies and guidelines for access to the school district computer system and acceptable and safe use of the Internet, including electronic communications.

### **II. GENERAL STATEMENT OF POLICY**

In making decisions regarding student and employee access to the school district computer system and the Internet, including electronic communications, the school district considers its own stated educational mission, goals, and objectives. Electronic information research skills are now fundamental to preparation of citizens and future employees. Access to the school district computer system and to the Internet enables students and employees to explore thousands of libraries, databases, bulletin boards, and other resources while exchanging messages with people around the world. The school district expects that faculty will blend thoughtful use of the school district computer system and the Internet throughout the curriculum and will provide guidance and instruction to students in their use.

### **III. LIMITED EDUCATIONAL PURPOSE**

The school district is providing students and employees with access to the school district computer system, which includes Internet access. The purpose of the system is more specific than providing students and employees with general access to the Internet. The school district system has a limited educational purpose, which includes use of the system for classroom activities, educational research, and professional or career development activities. Users are expected to use 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.

### **IV. USE OF SYSTEM IS A PRIVILEGE**

The use of the school district system and access to use of the Internet is 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.

## **V. 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, post, 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 (hate literature) or that may constitute harassment or discrimination.
  2. 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.
  3. Users will not use the school district system to engage in any illegal act or violate any local, state or federal statute or law.
  4. 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.

5. Users will not use the school district system to gain unauthorized access to information resources or to access another person's materials, information or files without the implied or direct permission of that person.
    6. 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.
  7. Users must keep all account information and passwords on file with the designated school district official. 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.
  8. 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 person's 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.
  9. 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.
- B. If a user inadvertently accesses unacceptable materials or an unacceptable Internet site, the user shall immediately disclose the inadvertent access to an appropriate school district official. In the case of a school district employee, the immediate disclosure shall be to the employee's immediate supervisor and/or the building administrator. This disclosure may serve as a defense against an allegation that the user has intentionally violated this policy. In certain rare instances, a user also

may access otherwise unacceptable materials if necessary to complete an assignment and if done with the prior approval of and with appropriate guidance from the appropriate teacher or, in the case of a school district employee, the building administrator.

## **VI. FILTER**

All computers equipped with Internet access and available for student use at each school site will be equipped to restrict, by use of available software filtering technology or other effective methods, all student access to materials that are reasonably believed to be obscene, child pornography or harmful to minors under state or federal law.

## **VII. 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.

## **VIII. 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 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. 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 ( 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.

## **IX. INTERNET USE AGREEMENT**

- A. The proper use of the Internet, and the educational value to be gained from proper Internet use, is the joint responsibility of students, parents and employees of the school district.

## **X. 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 diskettes, tapes, hard drives or servers, 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.

## **XI. USER NOTIFICATION**

- A. All users shall be notified of the school district policies relating to Internet use.
- B. This notification 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 diskettes, hard drives or servers.
    - 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 student 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 a student 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 Policy 406, Public and Private Personnel Data, and Policy 515, Protection and Privacy of Pupil 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.

**XII. PARENTS' RESPONSIBILITY; NOTIFICATION OF STUDENT INTERNET USE**

- A. Outside of school, parents 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 are responsible for monitoring their student's 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 will be notified that their students will be using school district resources/accounts to access the Internet and that the school district will provide parents the option to request alternative activities not requiring Internet access. This notification should include:

1. A copy of the user notification form provided to the student user.
2. A description of parent/guardian responsibilities.
3. A notification that the parents have the option to request alternative educational activities not requiring Internet access and the material to exercise this option.
4. A statement that the Internet Use Agreement must be signed by the user, the parent or guardian, and the supervising teacher prior to use by the student.
5. A statement that the school district's acceptable use policy is available for parental review.

### **XIII. IMPLEMENTATION; POLICY REVIEW**

- A. The school district administration may develop appropriate user notification forms, guidelines and procedures necessary to implement this policy for submission to the school board for approval. Upon approval by the school board, such guidelines, forms and procedures shall be an addendum to this policy.
- B. The administration shall revise the user notifications, including student and parent notifications, if necessary, to reflect the adoption of these guidelines and procedures.
- C. The school district Internet policies and procedures are available for review by all parents, guardians, staff and members of the community.
- D. Because of the rapid changes in the development of the Internet, the school board shall conduct a of this policy in conjunction with the state technology planning cycle

**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. § 6701 *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. § 125B.15 (Internet Access for Students)  
Minn. Stat. § 125B.26 (Telecommunications/Internet Access Equity Act)  
*United States v. American Library Association*, 123 S.Ct. 2297 (2003)

**Cross References:** MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)

MSBA/MASA Model Policy 406 (Public and Private Personnel Data)  
MSBA/MASA Model Policy 505 (Distribution of Nonschool-Sponsored  
Materials on School Premises by Students and Employees)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 515 (Protection and Privacy of Pupil  
Records)  
MSBA/MASA Model Policy 519 (Interviews of Students by Outside  
Agencies)  
MSBA/MASA Model Policy 521 (Student Disability Nondiscrimination)  
MSBA/MASA Model Policy 522 (Student Sex Nondiscrimination)  
MSBA/MASA Model Policy 603 (Curriculum Development)  
MSBA/MASA Model Policy 604 (Instructional Curriculum)  
MSBA/MASA Model Policy 606 (Textbooks and Instructional Materials)  
MSBA/MASA Model Policy 806 (Crisis Management Policy)  
MSBA/MASA Model Policy 904 (Distribution of Materials on School  
District Property by Nonschool Persons)

Adopted: \_\_\_\_\_

MSBA/MASA Model Policy 524

Orig. 1996

Revised: \_\_\_\_\_

Rev. ~~2007~~ 2011

## **524 INTERNET ACCEPTABLE USE AND SAFETY POLICY**

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

### **I. PURPOSE**

The purpose of this policy is to set forth policies and guidelines for access to the school district computer system and acceptable and safe use of the Internet, including electronic communications.

### **II. GENERAL STATEMENT OF POLICY**

In making decisions regarding student and employee access to the school district computer system and the Internet, including electronic communications, the school district considers its own stated educational mission, goals, and objectives. Electronic information research skills are now fundamental to preparation of citizens and future employees. Access to the school district computer system and to the Internet enables students and employees to explore thousands of libraries, databases, bulletin boards, and other resources while exchanging messages with people around the world. The school district expects that faculty will blend thoughtful use of the school district computer system and the Internet throughout the curriculum and will provide guidance and instruction to students in their use.

### **III. LIMITED EDUCATIONAL PURPOSE**

The school district is providing students and employees with access to the school district computer system, which includes Internet access. The purpose of the system is more specific than providing students and employees with general access to the Internet. The school district system has a limited educational purpose, which includes use of the system for classroom activities, educational research, and professional or career development activities. Users are expected to use 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.

### **IV. USE OF SYSTEM IS A PRIVILEGE**

The use of the school district system and access to use of the Internet is 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.

## **V. 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, post, 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 (hate literature) or that may constitute harassment or discrimination.
  2. 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.
  3. Users will not use the school district system to engage in any illegal act or violate any local, state, or federal statute or law.
  4. 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.
  5. Users will not use the school district system to gain unauthorized access to information resources or to access another person's materials, information, or files without the implied or direct permission of that person.
  6. 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. *[Note: School districts should consider the impact of this paragraph on present practices and procedures, including, but not limited to, practices pertaining to employee communications, school or classroom websites, and student/employee use of social networking websites. Depending upon school district policies and practices, school districts may wish to add one or more of the following clarifying paragraphs.]*

- a. This paragraph does not prohibit the posting of employee contact information on school district webpages or communications between employees and other individuals when such communications are made for education-related purposes (i.e., communications with parents or other staff members related to students).
- b. Employees creating or posting school-related webpages may include personal contact information about themselves on a webpage. However, employees may not post personal contact information or other personally identifiable information about students unless:
  - (1) such information is classified by the school district as directory information and verification is made that the school district has not received notice from a parent/guardian or eligible student that such information is not to be designated as directory information in accordance with Policy 515; or
  - (2) such information is not classified by the school district as directory information but written consent for release of the information to be posted has been obtained from a parent/guardian or eligible student in accordance with Policy 515.

In addition, prior to posting any personal contact or personally identifiable information on a school-related webpage, employees shall obtain written approval of the content of the postings from the building administrator.

- c. These prohibitions specifically prohibit a user from utilizing the school district system to post personal information about a user or

another individual on social networks, including, but not limited to, social networks such as “MySpace” and “Facebook.”

7. Users must keep all account information and passwords on file with the designated school district official. 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.
  8. 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 person’s 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.
  9. 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.
- B. A student or employee engaging in the foregoing unacceptable uses of the Internet when off school district premises also may be in violation of this policy as well as other school district policies. Examples of such violations include, but are not limited to, situations where the school district system is compromised or if a school district employee or student is negatively impacted. If the school district receives a report of an unacceptable use originating from a non-school computer or resource, the school district may investigate such reports to the best of its ability. Students or employees may be subject to disciplinary action for such conduct, including, but not limited to, suspension or cancellation of the use or access to the school district computer system and the Internet and discipline under other appropriate school district policies, including suspension, expulsion, exclusion, or termination of employment.
- C. If a user inadvertently accesses unacceptable materials or an unacceptable Internet site, the user shall immediately disclose the inadvertent access to an appropriate school district official. In the case of a school district employee, the immediate disclosure shall be to the employee’s immediate supervisor and/or the building administrator. This disclosure may serve as a defense against an allegation that the user has intentionally violated this policy. In certain rare instances, a user also may access otherwise unacceptable materials if necessary to complete an assignment and if done with the prior approval of and with appropriate guidance

from the appropriate teacher or, in the case of a school district employee, the building administrator.

## **VI. FILTER**

*[Note: Pursuant to state law, school districts are required to restrict access to inappropriate materials on school computers with Internet access. School districts which seek technology revenue pursuant to Minn. Stat. § 125B.26 or certain federal funding, such as e-rate discounts, for purposes of Internet access and connection services and/or receive funds to purchase Internet accessible computers are subject to the federal Children's Internet Protection Act, effective in 2001. Those districts are required to comply with additional standards in restricting possible access to inappropriate materials. Therefore, school districts should select one of the following alternative sections depending upon whether the school district is seeking such funding and the type of funding sought.]*

### **ALTERNATIVE NO. 1**

*For a school district which does not seek either state or federal funding in connection with its computer system, the following language should be adopted. It reflects a mandatory requirement under state law, Minn. Stat. §125B.15.*

All computers equipped with Internet access and available for student use at each school site will be equipped to restrict, by use of available software filtering technology or other effective methods, all student access to materials that are reasonably believed to be obscene, child pornography or harmful to minors under state or federal law.

*[Note: The purchase of filtering technology is not required by state law if the school site would incur more than incidental expense in making the purchase. In the absence of filtering technology, school sites still are required to use "other effective methods" to restrict student access to such materials.]*

### **ALTERNATIVE NO. 2**

*Technology revenue is available to school districts that meet the additional condition of also restricting adult access to inappropriate materials. School districts that seek such state technology revenue may adopt or retain the following language. However, the school district is not required to do so.*

- A. All school district computers with Internet access and available for student use will be equipped to restrict, by use of available software filtering technology or other effective methods, all student access to materials that are reasonably believed to be obscene, child pornography or harmful to minors under state or federal law.
- B. All school district computers with Internet access, not just those accessible and available to students, will be equipped to restrict, by use of available software filtering technology or other effective methods, adult access to materials that are reasonably believed to be obscene or child pornography under state or federal law.

law.

### **ALTERNATIVE NO. 3**

*School districts which receive certain federal funding, such as e-rate discounts, for purposes of Internet access and connection services and/or receive funds to purchase Internet accessible computers are subject to the federal Children's Internet Protection Act, effective in 2001. This law requires school districts to adopt an Internet safety policy which contains the provisions set forth below. Also, the Act requires such school districts to provide reasonable notice and hold at least one public hearing or meeting to address the proposed Internet safety policy prior to its implementation. School districts that do not seek such federal financial assistance need not adopt the alternative language set forth below nor meet the requirements with respect to a public meeting to review the policy. The following alternative language for school districts that seek such federal financial assistance satisfies both state and federal law requirements.*

- A. With respect to any of its computers with Internet access, the school district will monitor the online activities of **both** minors **and adults** and 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.
- D. The school district will educate students about appropriate online behavior, including interacting with other individuals on social networking websites and in**

chat rooms and cyberbullying awareness and response.

*[Note: Although school districts are not required to adopt the more restrictive provisions contained in either Alternative No. 2 or No. 3 if they do not seek state or federal funding, they may choose to adopt the more restrictive provisions as a matter of school policy.]*

**VII. 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.

**VIII. 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 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. 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 (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.

**IX. INTERNET USE AGREEMENT**

- A. The proper use of the Internet, and the educational value to be gained from proper Internet use, is the joint responsibility of students, parents, and employees of the school district.

- B. This policy requires the permission of and supervision by the school's designated professional staff before a student may use a school account or resource to access the Internet.
- C. The Internet Use Agreement form for students must be read and signed by the user, the parent or guardian, and the supervising teacher. The Internet Use Agreement form for employees must be signed by the employee. The form must then be filed at the school office. As supervising teachers change, the agreement signed by the new teacher shall be attached to the original agreement.

## **X. 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 diskettes, tapes, hard drives, or servers, 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.

## **XI. USER NOTIFICATION**

- A. All users shall be notified of the school district policies relating to Internet use.
- B. This notification 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 diskettes, hard drives, or servers.
    - 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 student 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 a student 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 Policy 406, Public and Private Personnel Data, and Policy 515, Protection and Privacy of Pupil 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.

## **XII. PARENTS' RESPONSIBILITY; NOTIFICATION OF STUDENT INTERNET USE**

- A. Outside of school, parents 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 are responsible for monitoring their student's 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 will be notified that their students will be using school district resources/accounts to access the Internet and that the school district will provide parents the option to request alternative activities not requiring Internet access. This notification should include:
  1. A copy of the user notification form provided to the student user.
  2. A description of parent/guardian responsibilities.
  3. A notification that the parents have the option to request alternative educational activities not requiring Internet access and the material to exercise this option.
  4. A statement that the Internet Use Agreement must be signed by the user, the parent or guardian, and the supervising teacher prior to use by the student.

5. A statement that the school district's acceptable use policy is available for parental review.

### **XIII. IMPLEMENTATION; POLICY REVIEW**

- A. The school district administration may develop appropriate user notification forms, guidelines, and procedures necessary to implement this policy for submission to the school board for approval. Upon approval by the school board, such guidelines, forms, and procedures shall be an addendum to this policy.
- B. The administration shall revise the user notifications, including student and parent notifications, if necessary, to reflect the adoption of these guidelines and procedures.
- C. The school district Internet policies and procedures are available for review by all parents, guardians, staff, and members of the community.
- D. Because of the rapid changes in the development of the Internet, the school board shall conduct an annual review of this policy.

**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)  
*Tinker v. Des Moines Indep. Cmty. Sch. Dist.*, 393 U.S. 503, 89 S.Ct. 733, 21 L.Ed.2d 731 (1969)  
*United States v. Amer. Library Assoc.*, 539 U.S. 194, 123 S.Ct. 2297, 56 L.Ed.2d 221 (2003)  
*Doninger v. Niehoff*, 527 F.3d 41 (2<sup>nd</sup> Cir. 2008)  
[\*Tatro v. Univ. of Minnesota\*, 800 N.W.2d 811 \(Minn. App. 2011\)](#)  
~~[\*Layshock v. Hermitage Sch. Dist.\*, 412 F.Supp.2d 502 \(W.D. Pa. 2006\)](#)~~  
~~[650 F.3d 205 \(3<sup>rd</sup> Cir. 2011\)](#)~~  
*M.T. v. Cent. York Sch. Dist.*, 937 A.2d 538 (Pa. Commw. Ct. 2007)  
*J.S. v. Bethlehem Area Sch. Dist.*, 807 A.2d 847 (Pa. 2002)

**Cross References:** MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)  
MSBA/MASA Model Policy 406 (Public and Private Personnel Data)  
MSBA/MASA Model Policy 505 (Distribution of Nonschool-Sponsored Materials on School Premises by Students and Employees)  
MSBA/MASA Model Policy 506 (Student Discipline)

MSBA/MASA Model Policy 515 (Protection and Privacy of Pupil Records)  
MSBA/MASA Model Policy 519 (Interviews of Students by Outside Agencies)  
MSBA/MASA Model Policy 521 (Student Disability Nondiscrimination)  
MSBA/MASA Model Policy 522 (Student Sex Nondiscrimination)  
MSBA/MASA Model Policy 603 (Curriculum Development)  
MSBA/MASA Model Policy 604 (Instructional Curriculum)  
MSBA/MASA Model Policy 606 (Textbooks and Instructional Materials)  
MSBA/MASA Model Policy 806 (Crisis Management Policy)  
MSBA/MASA Model Policy 904 (Distribution of Materials on School District Property by Nonschool Persons)

**INTERNET USE AGREEMENT - STUDENT**

**STUDENT**

I have read and do understand the school district policies relating to safety and acceptable use of the school district computer system and the Internet and agree to abide by them. I further understand that should I commit any violation, my access privileges may be revoked, school disciplinary action may be taken, and/or appropriate legal action may be taken.

User's Full Name (please print): \_\_\_\_\_

User Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**PARENT OR GUARDIAN**

As the parent or guardian of this student, I have read the school district policies relating to safety and acceptable use of the school district computer system and the Internet. I understand that this access is designed for educational purposes. The school district has taken precautions to eliminate controversial material. However, I also recognize it is impossible for the school district to restrict access to all controversial materials and I will not hold the school district or its employees or agents responsible for materials acquired on the Internet. Further, I accept full responsibility for supervision if and when my child's use is not in a school setting. I hereby give permission to issue an account for my child and certify that the information contained on this form is correct.

Parent or Guardian's Name (please print): \_\_\_\_\_

Parent or Guardian's Signature: \_\_\_\_\_

**SUPERVISING TEACHER**

(Must be signed if applicant is a student)

I have read the school district policies relating to safety and acceptable use of the school district computer system and the Internet and agree to promote these policies with the student. Because the student may use the Internet on the school district computer system for individual work or in the context of another class, I cannot be held responsible for the student's use of the Internet on network. As the supervising teacher I do agree to instruct the student on acceptable use of the Internet and network and proper network etiquette.

Teacher's Name (please print): \_\_\_\_\_

Teacher's Signature: \_\_\_\_\_

**INTERNET USE AGREEMENT - EMPLOYEE**

**SCHOOL DISTRICT EMPLOYEE**

I have read and do understand the school district policies relating to safety and acceptable use of the school district computer system and the Internet and agree to abide by them. I further understand that should I commit any violation, my access privileges may be revoked, school disciplinary action may be taken, and/or appropriate legal action may be taken.

User's Full Name (please print): \_\_\_\_\_

User Signature: \_\_\_\_\_

Date: \_\_\_\_\_

1<sup>st</sup> Reading: 04/24/2006

2<sup>nd</sup> Reading: 5/22/2006

Approved: 6/26/2006

## **526 HAZING PROHIBITION**

### **I. PURPOSE**

The purpose of this policy is to maintain a safe learning environment for students and staff that is free from hazing. Hazing activities of any type are inconsistent with the educational goals of the school district and are prohibited at all times.

### **II. GENERAL STATEMENT OF POLICY**

- A. No student, teacher, administrator, volunteer, contractor or other employee of the school district shall plan, direct, encourage, aid or engage in hazing.
- B. No teacher, administrator, volunteer, contractor or other employee of the school district shall permit, condone or tolerate hazing.
- C. Apparent permission or consent by a person being hazed does not lessen the prohibitions contained in this policy.
- D. This policy applies to behavior that occurs on or off school property and during and after school hours.
- E. A person who engages in an act that violates school policy or law in order to be initiated into or affiliated with a student organization shall be subject to discipline for that act.
- F. The school district will act to investigate all complaints of hazing and will discipline or take appropriate action against any student, teacher, administrator, volunteer, contractor or other employee of the school district who is found to have violated this policy.

### **III. DEFINITIONS**

- A. "Hazing" means committing an act against a student, or coercing a student into committing an act, that creates a substantial risk of harm to a person, in order for the student to be initiated into or affiliated with a student organization, or for any other purpose. The term hazing includes, but is not limited to:
  - 1. Any type of physical brutality such as whipping, beating, striking, branding, electronic shocking or placing a harmful substance on the body.

2. Any type of physical activity such as sleep deprivation, exposure to weather, confinement in a restricted area, calisthenics or other activity that subjects the student to an unreasonable risk of harm or that adversely affects the mental or physical health or safety of the student.
  3. Any activity involving the consumption of any alcoholic beverage, drug, tobacco product or any other food, liquid, or substance that subjects the student to an unreasonable risk of harm or that adversely affects the mental or physical health or safety of the student.
  4. Any activity that intimidates or threatens the student with ostracism, that subjects a student to extreme mental stress, embarrassment, shame or humiliation, that adversely affects the mental health or dignity of the student or discourages the student from remaining in school.
  5. Any activity that causes or requires the student to perform a task that involves violation of state or federal law or of school district policies or regulations.
- B. “Student organization” means a group, club or organization having students as its primary members or participants. It includes grade levels, classes, teams, activities or particular school events. A student organization does not have to be an official school organization to come within the terms of this definition.

#### **IV. REPORTING PROCEDURES**

- A. Any person who believes he or she has been the victim of hazing or any person with knowledge or belief of conduct which may constitute hazing shall report the alleged acts immediately to an appropriate school district official designated by this policy.
- B. The building principal is the person responsible for receiving reports of hazing at the building level. Any person may report hazing directly to a school district human rights officer or to the superintendent.
- C. Teachers, administrators, volunteers, contractors and other employees of the school district shall be particularly alert to possible situations, circumstances or events which might include hazing. Any such person who receives a report of, observes, or has other knowledge or belief of conduct which may constitute hazing shall inform the building principal immediately.
- D. Submission of a good faith complaint or report of hazing will not affect the complainant or reporter’s future employment, grades or work assignments.

#### **V. SCHOOL DISTRICT ACTION**

- A. Upon receipt of a complaint or report of hazing, the school district shall undertake or authorize an investigation by school district officials or a third party designated by the school district.
- B. The school district may take immediate steps, at its discretion, to protect the complainant, reporter, students, or others pending completion of an investigation of hazing.
- C. Upon completion of the investigation, the school district will take appropriate action. Such action may include, but is not limited to, warning, suspension, exclusion, expulsion, transfer, remediation, termination or discharge. Disciplinary consequences will be sufficiently severe to deter violations and to appropriately discipline prohibited behavior. School district action taken for violation of this policy will be consistent with the requirements of applicable collective bargaining agreements, applicable statutory authority, including the Minnesota Pupil Fair Dismissal Act, school district policies and regulations.

## **VI. REPRISAL**

The school district will discipline or take appropriate action against any student, teacher, administrator, volunteer, contractor or other employee of the school district who retaliates against any person who makes a good faith report of alleged hazing or against any person who testifies, assists, or participates in an investigation, or against any person who testifies, assists or participates in a proceeding or hearing relating to such hazing. Retaliation includes, but is not limited to, any form of intimidation, reprisal or harassment.

## **VII. DISSEMINATION OF POLICY**

This policy shall appear in each school's student handbook and in each school's Building and Staff handbooks.

***Legal References:*** Minn. Stat. § 121A.69 (Hazing Policy)  
Minn. Stat. § 121A.40-121A.56 (Pupil Fair Dismissal Act)

***Cross References:*** MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)  
MSBA/MASA Model Policy 413 (Harassment and Violence)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 525 (Violence Prevention [Applicable to Students and Staff])

Adopted: \_\_\_\_\_

MSBA/MASA Model Policy 526

Orig. 1997

Revised: \_\_\_\_\_

Rev. 2010

## **526 HAZING PROHIBITION**

*[Note: School districts are required by statute to have a policy addressing these issues. The Minnesota Department of Education will maintain and make available Model Policy 526 – Hazing Prohibition in accordance with Minn. Stat. § 121A.69.]*

### **I. PURPOSE**

The purpose of this policy is to maintain a safe learning environment for students and staff that is free from hazing. Hazing activities of any type are inconsistent with the educational goals of the school district and are prohibited at all times.

### **II. GENERAL STATEMENT OF POLICY**

- A. No student, teacher, administrator, volunteer, contractor, or other employee of the school district shall plan, direct, encourage, aid, or engage in hazing.
- B. No teacher, administrator, volunteer, contractor, or other employee of the school district shall permit, condone, or tolerate hazing.
- C. Apparent permission or consent by a person being hazed does not lessen the prohibitions contained in this policy.
- D. This policy applies to behavior that occurs on or off school property and during and after school hours.
- E. A person who engages in an act that violates school policy or law in order to be initiated into or affiliated with a student organization shall be subject to discipline for that act.
- F. The school district will act to investigate all complaints of hazing and will discipline or take appropriate action against any student, teacher, administrator, volunteer, contractor, or other employee of the school district who is found to have violated this policy.

### **III. DEFINITIONS**

- A. “Hazing” means committing an act against a student, or coercing a student into committing an act, that creates a substantial risk of harm to a person, in order for the student to be initiated into or affiliated with a student organization, or for any other school-related purpose. The term hazing includes, but is not limited to:
  - 1. Any type of physical brutality such as whipping, beating, striking,

branding, electronic shocking, or placing a harmful substance on the body.

2. Any type of physical activity such as sleep deprivation, exposure to weather, confinement in a restricted area, calisthenics, or other activity that subjects the student to an unreasonable risk of harm or that adversely affects the mental or physical health or safety of the student.
  3. Any activity involving the consumption of any alcoholic beverage, drug, tobacco product, or any other food, liquid, or substance that subjects the student to an unreasonable risk of harm or that adversely affects the mental or physical health or safety of the student.
  4. Any activity that intimidates or threatens the student with ostracism, that subjects a student to extreme mental stress, embarrassment, shame, or humiliation, that adversely affects the mental health or dignity of the student or discourages the student from remaining in school.
  5. Any activity that causes or requires the student to perform a task that involves violation of state or federal law or of school district policies or regulations.
- B. “Student organization” means a group, club, or organization having students as its primary members or participants. It includes grade levels, classes, teams, activities, or particular school events. A student organization does not have to be an official school organization to come within the terms of this definition.

#### **IV. REPORTING PROCEDURES**

- A. Any person who believes he or she has been the victim of hazing or any person with knowledge or belief of conduct which may constitute hazing shall report the alleged acts immediately to an appropriate school district official designated by this policy.
- B. The building principal, the principal’s designee, or the building supervisor (hereinafter building report taker) is the person responsible for receiving reports of hazing at the building level. Any person may report hazing directly to a school district human rights officer or to the superintendent. If the complaint involves the building report taker, the complaint shall be made or filed directly with the superintendent or the school district human rights officer by the reporting party or complainant.
- C. Teachers, administrators, volunteers, contractors, and other employees of the school district shall be particularly alert to possible situations, circumstances, or events which might include hazing. Any such person who receives a report of, observes, or has other knowledge or belief of conduct which may constitute hazing shall inform the building report taker immediately. School district personnel who fail to inform the building report taker of conduct that may constitute hazing in a timely manner may be subject to disciplinary action.

- D. Submission of a good faith complaint or report of hazing will not affect the complainant or reporter's future employment, grades, or work assignments.
- E. Reports of hazing are classified as private educational and/or personnel data and/or confidential investigative data and will not be disclosed except as permitted by law. The school district will respect the privacy of the complainant(s), the individual(s) against whom the complaint is filed, and the witnesses as much as possible, consistent with the school district's legal obligations to investigate, to take appropriate action, and to comply with any discovery or disclosure obligations.

## **V. SCHOOL DISTRICT ACTION**

- A. Upon receipt of a complaint or report of hazing, the school district shall undertake or authorize an investigation by school district officials or a third party designated by the school district.
- B. The school district may take immediate steps, at its discretion, to protect the complainant, reporter, students, or others pending completion of an investigation of hazing.
- C. Upon completion of the investigation, the school district will take appropriate action. Such action may include, but is not limited to, warning, suspension, exclusion, expulsion, transfer, remediation, termination, or discharge. Disciplinary consequences will be sufficiently severe to deter violations and to appropriately discipline prohibited behavior. School district action taken for violation of this policy will be consistent with the requirements of applicable collective bargaining agreements, applicable statutory authority, including the Minnesota Pupil Fair Dismissal Act, school district policies, and regulations.
- D. The school district is not authorized to disclose to a victim private educational or personnel data regarding an alleged perpetrator who is a student or employee of the school district. School officials will notify the parent(s) or guardian(s) of students involved in a hazing incident and the remedial action taken, to the extent permitted by law, based on a confirmed report.

## **VI. REPRISAL**

The school district will discipline or take appropriate action against any student, teacher, administrator, volunteer, contractor, or other employee of the school district who retaliates against any person who makes a good faith report of alleged hazing or against any person who testifies, assists, or participates in an investigation, or against any person who testifies, assists, or participates in a proceeding or hearing relating to such hazing. Retaliation includes, but is not limited to, any form of intimidation, reprisal, harassment, or intentional disparate treatment.

## VII. DISSEMINATION OF POLICY

*[Note: Proper reference should be made to the appropriate handbooks in each school district.]*

- A. This policy shall appear in each school's student handbook and in each school's building and staff handbooks.
- B. The school district will develop a method of discussing this policy with students and employees.

**Legal References:** Minn. Stat. § 121A.40-121A.56 (Pupil Fair Dismissal Act)  
Minn. Stat. § 121A.69 (Hazing Policy)  
Minn. Stat. § 121A.0695 (School Board Policy; Prohibiting Intimidation and Bullying)

**Cross References:** MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)  
MSBA/MASA Model Policy 413 (Harassment and Violence)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 514 (Bullying Prohibition Policy)  
MSBA/MASA Model Policy 525 (Violence Prevention [Applicable to Students and Staff])

1<sup>st</sup> Reading: 04/24/2006

2<sup>nd</sup> Reading: 5/22/2006

Approved: 6/26/2006

## **531 THE PLEDGE OF ALLEGIANCE**

### **I. PURPOSE**

The school board recognizes the need to display an appropriate United States flag and to provide instruction to students in the proper etiquette, display, and respect of the flag. The purpose of this policy is to provide for recitation of the pledge of allegiance and instruction in school to help further that end.

### **II. GENERAL STATEMENT OF POLICY**

Students in this school district shall recite the pledge of allegiance to the flag of the United States of America one or more times each week. The recitation shall be conducted:

- A. By each individual classroom teacher or the teacher's surrogate; or
- B. Over a school intercom system by a person designated by the school principal or other person having administrative control over the school.

### **III. EXCEPTIONS**

Anyone who does not wish to participate in reciting the pledge of allegiance for any personal reasons may elect not to do so. Students and school personnel must respect another person's right to make that choice.

### **IV. INSTRUCTION**

Students will be instructed in the proper etiquette toward, correct display of, and respect for the flag, and in patriotic exercises.

***Legal References:*** Minn. Stat. § 121A.11, Subd. 3 (Pledge of Allegiance)  
Minn. Stat. § 121A.11, Subd. 4 (Instruction)  
*Elk Grove Unified Sch. Dist. v. Nedow*, 542 U.S. 1, 124 S.Ct. 2301, 159  
L.Ed.2d 98 (2004)

***Cross References:***

Adopted: \_\_\_\_\_

MSBA/MASA Model Policy 531

Orig. 2003

Revised: \_\_\_\_\_

Rev. 2003

## 531 THE PLEDGE OF ALLEGIANCE

*[Note: Recitation of the ~~pledge of allegiance~~ Pledge of Allegiance by students and instruction of students as provided in this policy are required by statute. Also, the statement in Part III., below, must be included in the student handbook or a policy guide ~~beginning with the 2004-2005 school year~~. A local school board or a charter school board of directors may waive these statutory requirements by a majority vote taken annually. If the local school board or charter school board of directors waives the requirement to recite the ~~pledge of allegiance~~ Pledge of Allegiance, it may adopt a district or school policy regarding the reciting of the ~~pledge of allegiance~~ Pledge of Allegiance.]*

### I. PURPOSE

The school board recognizes the need to display an appropriate United States flag and to provide instruction to students in the proper etiquette, display, and respect of the flag. The purpose of this policy is to provide for recitation of the ~~pledge of allegiance~~ Pledge of Allegiance and instruction in school to help further that end.

### II. GENERAL STATEMENT OF POLICY

Students in this school district shall recite the ~~pledge of allegiance~~ Pledge of Allegiance to the flag of the United States of America one or more times each week. The recitation shall be conducted:

- A. By each individual classroom teacher or the teacher's surrogate; or
- B. Over a school intercom system by a person designated by the school principal or other person having administrative control over the school.

### III. EXCEPTIONS

Anyone who does not wish to participate in reciting the ~~pledge of allegiance~~ Pledge of Allegiance for any personal reasons may elect not to do so. Students and school personnel must respect another person's right to make that choice.

### IV. INSTRUCTION

Students will be instructed in the proper etiquette toward, correct display of, and respect for the flag, and in patriotic exercises.

***Legal References:*** Minn. Stat. § 121A.11, Subd. 3 (Pledge of Allegiance)  
Minn. Stat. § 121A.11, Subd. 4 (Instruction)

***Cross References:***

*1<sup>st</sup> Reading: 10/22/2012*

*2<sup>nd</sup> Reading: 11/26/2012*

*Approved:*

## **715 FOOD SERVICE ACCOUNT POLICY**

### **I. PURPOSE**

The purpose of this policy is to set fiscal guidelines in food service that are fair to patrons and the School District.

### **II. GENERAL STATEMENT OF POLICY**

In order to purchase meals at Belle Plaine Schools, students and staff must ensure that funds are available in their meal accounts.

### **II. DEFINITION**

#### **A. K-6 (Chatfield Elementary and Oak Crest Elementary)**

1. If a student's account balance is \$10.00 or less, an e-mail is sent to the student's parents to notify them of the current balance shortfall.
2. If the account balance falls below \$5.00, a second e-mail is sent to the student's parents to notify them of the current balance shortfall.
3. If a student's account balance falls to or below \$0, a student is allowed two more meals. If the account balance is still below \$0 after two meals, the student will receive a cheese sandwich and milk until the account has a positive balance. In addition, the account will be referred to the District Office for further review.

#### **B. 7-12 (Jr-Sr High School)**

1. If a student's account balance is \$10.00 or less, an e-mail is sent to the student's parents to notify them of the current balance shortfall.
2. If the account balance falls below \$5.00, a second e-mail is sent to the student's parents to notify them of the current balance shortfall.
1. If the account balance is \$0 or less, the student may **not** charge ala carte items to their accounts.
4. If a student's account balance falls to or below \$0, the student is allowed two more meals. If the account balance is still below \$0 after two meals, the student will receive a cheese sandwich and milk until the account has a positive balance. In addition, the account will be referred to the District Office for further review.