



Payroll Support Services

Submitted to:
Foley Public Schools ISD51
July 13, 2026

Contact:
DeeDee Kahring, SFO
Vice President of Finance Consulting
DeeDee.Kahring@theceso.com

Rethink Possible.

July 13, 2026

Daniel Posthumus
Superintendent
Foley Public Schools - ISD 51
840 Norman Ave N
Foley, MN 56329

Dear Superintendent Posthumus,

On April 29, 2026, School Management Services (SMS) was acquired by The Center for Effective School Operations (CESO). This partnership unites two organizations that have long shared a mutual respect and a dedicated mission to support school districts. By integrating SMS into the CESO family, we have strengthened our collective commitment to prioritizing students and school operations. Our combined team now offers deeper resources, expanded capacity, and a broader range of expertise to ensure we continue providing high-quality, responsive service to your school.

Now operating as one firm, CESO is pleased to present a proposed renewal agreement to Foley Public Schools for *Payroll Support Services* for the service term effective August 15, 2026.

We would be honored to continue to collaborate with you in this important work.

Please contact me at 612-720-4142 or deedee.kahring@theceso.com with any questions or concerns about our proposal. Our mailing address is 615 1st Ave. NE, Suite 115, Minneapolis, MN 55413.

Sincerely,



DeeDee Kahring, SFO
Vice President of Finance Consulting

CESO Overview

The Center for Effective School Operations, LLC (CESO) began as a transportation organization in 2008. Today, CESO is a full-service consulting, management, and staffing partner across key operational areas including: Child Nutrition, Communications, Facilities, Finance, Human Resources, Technology, and Transportation. Nearly 100 CESO employees help foster exceptional environments where leaders can optimize daily operations and implement long-term success for their communities. Our founding beliefs are **curiosity**, **inclusivity**, and **sincerity**, and these values drive our approach to support our clients.

CESO offers organizations a unique set of advisory and operational capabilities. Our consultants are seasoned school district operational leaders and specialists who understand both instructional leadership and district operations, giving us a deep understanding of the challenges faced by school districts. Our proactive team uses client input, our analytical frameworks, and the space to rethink what's possible to provide clients with the best options to address the unique opportunities within their organizations.

We work with large and small districts nationwide to provide consulting, management and staffing services. More than 270 clients in 37 states have utilized our effective, customized approach. CESO is headquartered in Minneapolis, Minnesota, and our team is primarily based out of this location.

- ***CESO Consulting Services:*** Whether an assessment, project, or ongoing thought and strategy partnership, we begin with our client's story and then incorporate multiple perspectives, client goals, our own core values of inclusivity, curiosity, and sincerity, and the team's expertise to create tailored solutions with achievable plans.
- ***CESO Management Services:*** We partner alongside our clients to do the project implementation work *with* their teams, delivering results through prioritization, collaboration, and accountability.
- ***CESO Staffing Services:*** We do the implementation work *for* our clients, providing interim or long-term staffing support from executive or director-level roles to specialists. Our team of experts brings decades of operational experience combined with a passion for education.

Our strength is the seamless integration of all operational areas with multiple levels of support. We know operations are critical for success and often interwoven. CESO is a resource for today, tomorrow, and the years ahead.

Scope of Work

Based on the current needs of Foley Public Schools, CESO is prepared to offer support in the following areas. All work described in the scope of work will be done in a hybrid fashion through a combination of on-site and virtual experiences. While every effort will be made to provide consistent CESO team members to Foley Public Schools for the duration of the contract, CESO works in a collaborative team environment, and additional or alternate support may be assigned to the District to ensure high customer satisfaction, as well as to balance practitioner workload.

Payroll Support Services

CESO would utilize a payroll expert on our team to manage and execute the following functions related to payroll administration.

1. Assemble, verify, and process all appropriate documentation for preparing payroll checks. Analyze all documentation, ensuring the legitimacy of claims and approval according to established policies, procedures, and internal controls.
2. Collaborate with the finance team to ensure account and payroll codes are accurate.
3. Collaborate with HR leaders to ensure benefits and deductions are accurate.
4. Prepare payroll worksheets and enter proper payroll information using the district's HR/Payroll/Finance software.
 - a. Process and reconcile all approved payments ensuring correct preparation of checks.
 - b. Ensure all staff names and dollar amounts are correct.
 - c. Prepare the payroll direct deposit file and transfer it to the bank in a timely manner before payday.
5. Reconcile all Federal, State, and miscellaneous deductions.
6. Prepare all balanced deductions (TRA, PERA, TSA, Federal and State taxes, FICA/Medicare, union dues, etc.) for submission to all appropriate regulatory agencies according to the deadlines established by these agencies, using electronic data submission systems.
7. Verify annual W-2 information for printing and distribution.
8. Create payroll journal entries for the finance team.
9. Calculate and maintain retirees' severance accounts (if applicable).
10. Prepare payroll budgets and other payroll reports as requested by district leadership.
11. Ensure the District's compliance with Affordable Care Act (ACA) reporting requirements.
12. Assists with District's Paid Family Medical Leave (PFML)
13. Other payroll related duties as mutually agreed upon.

All of the work described in the Scope of Services will be done in a hybrid fashion through a combination of on-site and virtual experiences.

Pricing, Payment & Terms

Based on the current needs of Foley Public Schools, CESO is prepared to offer support in the following areas. Please select the desired services below:

- **Payroll Support Services:** \$5,000/ month
 - Monthly cost is based on an annual cost of \$60,000/year
- The agreement is effective August 15, 2026.
- Invoices will be sent to Foley Public Schools on a monthly basis through the length of the contract.
- Termination can be made by either party with 90 days written notice prior to August 14th of each year.
- If the contract is not terminated within 90 days of August 14, 2027, the agreement will be renewed for a new 1-year (12-month) term beginning August 15, 2027 and each August 15 thereafter, with a five percent (5%) increase.
- This proposal is good for 15 days from July 13, 2026.

Applicable travel costs will be billed for mileage at the current IRS rate.

Authorization to Proceed

Please sign and return a copy of this contract to CESO, LLC, as authorization to proceed. I have carefully reviewed the above contract and I authorize CESO, LLC, to proceed executing the contract.

Daniel Posthumus
Superintendent
Foley Public Schools - ISD 51
840 Norman Ave N
Foley, MN 56329
dposthumus@apps.isd51.org

DeeDee Kahring, SFO
Vice President of Finance Consulting
The Center for Effective School Operations
615 1st Ave NE, Suite 115
Minneapolis, MN 55413
deedee.kahring@theceso.com

Authorized Signature

Authorized Signature

Authorized Print

Authorized Print

Date

Date

General Conditions

The following general conditions are made in part of CESO, LLC (the “professional”) proposal (the “proposal”). The term “customer” refers to the school system for which the professional is providing services. To the extent that the proposal conflicts with the terms delineated in the general conditions, the terms in the general conditions shall control.

A. Responsibilities

- Professional will provide services as enumerated in the proposal with the care and skill ordinarily exercised by reputable members of its profession practicing under similar conditions during the period of this proposal and in the same locality.
- Customer will provide all information necessary and access to staff and facilities as needed so that work can be conducted by professional in an economical, timely and safe manner.
- The fees and reimbursable listed in the proposal is the amount owed to the professional for the products and services provided by professional under this agreement.
- Invoices will be submitted to customer every month for work performed during the month. The customer shall make payments no later than thirty days after receipt of the invoice. All invoices unpaid for over thirty days will bear interest and a collection fee of eighteen percent annually, compounded monthly. Payment may be withheld only if this agreement is breached, and a written notice has been provided within forty-five days of receiving the invoice that is in dispute.

B. Disputes

- Disputes under this agreement will be promptly resolved in good faith through negotiation. All claims, disputes, differences not resolved in accordance with the commercial rules of the American Arbitration Assoc. in effect at that time.

C. Indemnity & Insurance

- Professional shall indemnify and hold harmless Customer against losses, damages and claims, demands, actions, costs (including reasonable attorney fees), and fines of any kind resulting from any breach of this Agreement by Professional, its employees, agents, subcontractors or licenses, of their obligation under this Agreement, or from any negligence or misconduct by professional, its employees, agents, subcontractors or licensees, but only for the proportion of damages which is equal to Professional's proportion of the total fault which directly caused the damages.
- Customer shall indemnify and hold harmless Professional against losses, damages and claims, demands, actions, costs (including reasonable attorney fees), and fines of any kind resulting from any breach of this Agreement by Customer, its employees, agents, subcontractors or licenses, of their obligation under this Agreement, or from any negligence or misconduct by Customer, its employees, agents, subcontractors or licensees, but only for the proportion of

damages which is equal to Customer's proportion of the total fault which directly caused the damages.

- Professional carries coverage and limits of liability insurance for the Professional's own negligence as required by law and district requirements. These may include, but are not limited to the following:
 - i. Workers Compensation
 - ii. Employers' Liability
 - iii. Comprehensive General Liability with the following coverage:
 - 1. Bodily Injury
 - 2. Property Damage
 - 3. Personal Injury
 - 4. General Aggregate
 - 5. Product
 - 6. Fire Damage
 - 7. Medical Expenses
 - iv. Physical Loss insurance sufficient to cover loss or damage to Professional's owned or leased equipment.
 - v. Professional Liability (claims made).
 - vi. Contractor Pollution Liability (claims made).
 - vii. Excess Umbrella Liability. Professional's Excess Umbrella Liability policy provides coverage in addition to each of the coverages listed above including Comprehensive General Liability, Professional Liability and Contractor Pollution Liability.