



Lewiston-Altura Public Schools ISD 857

Business Management Services

Proposal & Agreement

Prepared by:

DeeDee Kahring | Vice President of Finance Consulting

The Center for Effective School Operations

July 6, 2026

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Mark Gruen
Superintendent
Lewiston-Altura Public Schools ISD 857
100 County Road 25
Lewiston, MN 55952

Dear Superintendent Gruen,

The Center for Effective School Operations (CESO) completed its acquisition of School Management Services (SMS) on April 29, 2026. Accordingly, CESO has drafted this agreement to formalize the *Business Management Services* currently provided to Lewiston-Altura Public Schools.

I apologize for our misunderstanding regarding the state of your current contract with SMS. We have reviewed the attached document with Todd Netzke to ensure that these scope of services and proposed pricing exclude payroll services and are accurately described in this agreement. I also want to confirm that your dedicated support team remains unchanged.

We trust this agreement accurately reflects the current scope of work and look forward to finalizing our contractual partnership. Please contact me if you have any questions or concerns. I can be reached at 612-720-4142 or deedee.kahring@theceso.com.

We look forward to continuing our partnership with Lewiston-Altura Public Schools.

Sincerely,

A handwritten signature in black ink that reads "Dee Dee Kahring". The signature is written in a cursive, flowing style.

DeeDee Kahring, SFO
Vice President of Finance Consulting

Company Overview

School Management Services (SMS) was acquired by The Center for Effective School Operations (CESO) on April 29, 2026. 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 team, CESO is committed to providing innovative, efficient, and cost-effective business management support for charter schools, public school boards, executive directors, and superintendents. Our strategic focus is centered on delivering high-quality financial support services that strengthen district leadership, improve organizational effectiveness, and support long-term fiscal stability.

Our leadership and management team members possess extensive knowledge of the evolving landscape of school finance. We understand the increasing demands placed on school leaders amid changing funding models, compliance requirements, and operational complexities.

Scope of Services

CESO will provide Business Manager according to the assignment of business management-related responsibilities as agreed upon with SMS and currently being offered to Lewiston-Altura Public Schools. These services are listed below:

Business Management Services

		RESPONSIBILITY	
		CESO	ISD 857
Management			
	Supervise, Lead, & Develop Business Office Staff	10%	90%
	District Financial Leader	100%	
	Develop Strong Working Relationships with Admin. Team	100%	
	Develop Strong Working Relationships with Board	100%	
	Develop Strong Working Relationship with Supt.	100%	
	Develop & Implement Best Practices	25%	75%
	SMS physical presence (days per week)	As needed	n/a
Manage Operational Departments			
	Human Resources		100%
Budgeting and Budget Reporting			
	Develop Budget Planning Calendar	90%	10%
	Implement SMS BD&R Model	100%	
	Develop Annual Budget	80%	20%
	Monitor Annual Budget	75%	25%
	Budget Communication		
	*Admin. Team & Directors	100%	
	*Superintendent	100%	
	*School Board	75%	25%
Financial Reporting			
	Communication		
	*Monthly	100%	
	*Comparative	100%	

Planning

Base Assumptions	75%	25%
Build Group Consensus Amongst District Leaders	50%	50%
Enrollment Projections	25%	75%
Staffing	10%	90%
Cash Flow	100%	

Accounting

Maintain General Ledger	100%	
Accounts Receivable	25%	75%
Cash Receipts	0%	100%
Payroll Liabilities Reconciliation	100%	
Accounts Payable Processing	0%	100%
Bank Reconciliation	100%	
Journal Entries	100%	
UFARS Compliance	100%	
Special Ed Reporting	50%	50%
Federal & State Grant Reporting & Compliance	80%	20%
MEGS & SEDRA Support	90%	10%
Implement Best Practices	50%	50%
Apply Internal Controls	50%	50%
Daily Cash Management	10%	90%
Prepare Board Treasurer Report	100%	

Audit Planning & Coordination

Plan & Coordinate annual audit	100%	
Prepare asset & liability schedules	100%	
State Aids	100%	
Federal Aids	100%	
Fixed Assets	100%	

Committee Representation

Finance Committee Leadership	75%	25%
Administrative Team	25%	75%
Member Business Manager Group Leader	75%	25%

School Board Meetings

Monthly board meeting attendance	80%	20%
Prepare and Present Business Office Board Action Items	90%	10%
Recommend and Prepare Business Policies	100%	

Pricing, Payment & Terms of Agreement

Based on the current services being offered to Lewiston-Altura Public Schools by SMS, CESO will provide the services outlined in the Scope of Services at the rates below.

Invoices will be sent directly to ISD 857 according to the schedule outlined below:

- **Business Management Services: \$67,406/ year**
(Contract year May 1, 2026 - April 30, 2027)
 - * *ISD 857 is paid in full for the period May 1, 2026 through October 31, 2026.*
 - Monthly invoices will begin on November 1, 2026 through April 1, 2027, in the amount of **\$5,617/month**
- **Human Resources Services: \$150/hr as needed**
- *Monthly invoices will be sent to District 857 with net 30 payment terms.*
- *Termination can be made by either party with 90 days written notice before April 30, 2027.*
- *If the contract is not terminated within 90 days of April 30, 2027, the agreement will be renewed for a new 1-year term beginning May 1, 2027, and each May 1 thereafter, with a 5% increase per year.*
- *Mileage Reimbursement at IRS enacted Rate.*

Authorization to Proceed

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

Mark Gruen
Superintendent
Lewiston-Altura Public Schools ISD 857
100 County Road 25
Lewiston, MN 55952
mgruen@lewalt.k12.mn.us

DeeDee Kahring
Vice President of Finance Consulting
Center for Effective School Operations
615 1st Ave. NE
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.