

Princeton Public Schools - ISD 477  
Wednesday, November 6, 2019 at 6:00 PM  
Regular School Board Meeting  
District Center Board Room

**Our Mission**

*Princeton is an innovative leader in instruction, developing in EVERY learner the ability to succeed in an ever-changing world.*

**Our Vision**

*Princeton will equip every student to be career and college ready through personalized instruction, community partnerships and collaboration.*

1. **PROCEDURAL ITEMS**
2. Call to Order and Pledge of Allegiance
3. Roll Call
4. Citizen Comments
5. **REPORTS**
  - a. Board Members Committee Reports
  - b. Student Council Report
  - c. Superintendent Report
6. **APPROVE AGENDA**
7. **DISCUSS and ACT on PREVIOUS BOARD MEETING MINUTES** 3
8. **CONSENT AGENDA**

*The consent agenda consists of non-controversial items that the Board adopts routinely without debate. Any single member may remove an item from consent agenda by requesting removal at the time the consent agenda is moved for adoption. The full text of items approved by consent may be found at the conclusion of the agenda.*

  - a. Personnel 6
  - b. Bills 7
  - c. Gifts, Fundraisers, Field Trips & Grants 14
  - d. American Indian Liaison Agreement 37
9. **INFORMATION**
  - a. First Reading of Policies 41
10. **ACTION**
  - a. Acceptance of Audit 111  
*I move to accept the 2018-19 audit that was prepared by Bergen KDV.*
  - b. Health Insurance Authorization 237

*I move to give administration the authority to accept the Sourcewell Health Partners Insurance bid for 2020 and 2021.*

**11. ADDITIONS TO AGENDA**

**12. FUTURE MEETING(s) INFORMATION**

Policy Committee Meeting - November 19th 5:00 pm

Work Session Board Meeting - November 19th 6:00 pm

**13. MOTION TO CLOSE BOARD MEETING TO DISCUSS NEGOTIATION STRATEGY**

Pursuant to Minnesota Statutes Section 13D.05, Subdivision 2(b), I move to close the meeting for discussion of Negotiation Strategy.

**14. ADJOURN**

### Call to Order and Pledge of Allegiance

The work session meeting of the School Board of District #477 was called to order by Board Chair Eric Minks on the **15th day of October, at 6:00 p.m.** in the District Center Board Room.

Roll Call: Members Present: Howard Vaillancourt, Eric Strandberg, Jim Tomsy, Eric Minks and Sue VanHooser. Members Absent: Chad Young and Deb Ulm.

Others present: Superintendent Ben Barton, Director of Business Services Michelle Czech, Director of Human Resources Jason Senne, Student Council Representative Ellie Pomerleau, Director of Teaching and Learning Jessica Town-Gunderson, High School Principal Barb Muckenhirn, Primary School Principal Sarah Marxhausen, Intermediate School Principal John Beach.

### REPORTS

#### **Board committee meeting(s) and school events each Board member attended.**

Howard Vaillancourt  
Eric Strandberg

Policy Committee; Hall of Fame Induction Ceremony  
Homecoming Football Game; Set building for Fall Musical

Eric Minks  
Sue VanHooser  
Jim Tomsy

Agenda Planning Meeting; Policy Committee Meeting  
None  
Policy Committee Meeting

Student Council Report:

Homecoming week. Held Pep Fest. Planning for upcoming food drive.

Superintendent Report:

*Just Desserts* took place today where Chamber members network with high school students. Learning and Living Committee is being revamped to create additional partnerships. Presented at MASA conference. District is reworking the Online Academy curriculum. Tomorrow is district staff development day. Long Range Planning community meeting taking place tonight.

### APPROVE AGENDA

Motion made by Sue VanHooser, seconded by Jim Tomsy **to approve the agenda as presented.** Motion passed unanimously.

Discussion: Would like to add Oak Land Purchase Agreement to agenda under

Additions to Agenda.

Motion made by Howard Vaillancourt, seconded by Eric Strandberg to add the Oak Land Purchase Agreement to agenda. Motion passed unanimously.

#### **DISCUSS and ACT on PREVIOUS BOARD MEETING MINUTES**

Motion made by Howard Vaillancourt seconded by Sue VanHooser, **to approve the October 1st board meeting minutes and closed session minutes.** Motion passed unanimously.

#### **CONSENT AGENDA**

Motion made by Jim Tomsy, seconded by Eric Strandberg, **to approve the consent agenda as presented.** Personnel, bills, Treasurer's Report, wire transfers, grants, gifts, fundraisers, field trips. Motion passed unanimously.

#### **ACTION**

**Second Reading of Policies 701, 701.1, 702, 703, 704, 705, 706, 712, and 903.**

Motion to approve the 2nd reading of policies was made by Howard Vaillancourt, seconded by Sue VanHooser. Motion passed unanimously.

#### **MSHSL Girls Hockey Co-op Application**

A motion to accept the MSHSL Girls Hockey Co-Op Application as presented was made by Jim Tomsy and seconded by Eric Strandberg . Motion passed unanimously.

Discussion: Background of application was questioned. Princeton currently has co-op with Big Lake and Becker, and this agreement is adding Spectrum High School. Will this change our classification? Unlikely due to district size and demand.

#### **WORK SESSION**

The board started their Work Session at 6:10 p.m. The topics for discussion were:

- High School Update
- High School Redesign Update
- Primary School Update
- Intermediate School Update
- Climate and Culture Update
- Long Range Planning Update
- Health Insurance Bids
- Enrollment

**ADDITIONS TO AGENDA-**

**Oak Land Purchase Agreement**

A motion was made by Jim Tomsy and seconded by Eric Strandberg to approve the Oak Land Purchase Agreement as presented. Upon roll call the following voted in favor of: Jim Tomsy Sue VanHooser, Eric Minks, Eric Strandberg, and Howard Vaillaincourt voted in favor. None opposed. Motion passed 5 to 0.

**FUTURE MEETINGS**

Finance Meeting - November 6, 4:30pm  
Board Meeting - November 6, 6:00pm

**ADJOURN**

Motion to adjourn the meeting was made by Sue VanHooser and seconded by Eric Strandberg. The meeting was adjourned at 7:55 p.m.

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Chair Eric Minks

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Clerk Sue VanHooser

Recorder- Emily McKinnon

**11.6.19**

| Status   | Last Name | First Name | Building | Job Title                 | Group        | Replacing       | Effective Date | Wage         |
|----------|-----------|------------|----------|---------------------------|--------------|-----------------|----------------|--------------|
| New Hire | Silva     | Ana        | PS       | SPED Para                 | Paras        | Chris Hennessey | 10.28.19       | \$17.10 / hr |
| New Hire | Nevaras   | Dominic    | HS       | Social Media Intern       | N/A          |                 | 11.4.19        | \$9.86 / hr  |
| New Hire | Dokken    | Briana     | HS       | Social Media Intern       | N/A          |                 | 11.4.19        | \$9.86 / hr  |
| New Hire | Eller     | Cole       | PS       | Tiger Club Assistant      | N/A          |                 | 11.1.19        | \$9.86 / hr  |
| New Hire | Larsen    | Alyssa     | FC       | Preschool Tiger Club Asst | Community Ed | Ammy Hilstrom   | 11.5.19        | \$9.86 / hr  |
| New Hire | Woggen    | Eric       | MS       | ADSIS Position            | PEA          | Susan Jennings  | 11.11.19       | \$44,218.00  |

| Status               | Last Name | First Name | Building | Job Title   | Group        | Replacing         | Effective Date | Wage         |
|----------------------|-----------|------------|----------|---|--------------|-------------------|----------------|--------------|
| Change in Assignment | Foley     | Cheryl     | MS       | Para (move from Educational Options to the Middle School) | Paras        |                   | 10.21.19       |              |
| Change in Assignment | Hustad    | Lisa       | MS       | Head Cashier  | Food Sevice  | Julie Burgoon     | 10.28.19       | \$15.97 / hr |
| Change in Assignment | Hilstrom  | Ammy       | FC       | Preschool Tiger Club Lead                                 | Community Ed | Jessica Carpenter | 11.18.19       | \$17.03 / hr |
| Change in Assignment | Ewert     | Lorena     | MS       | Server  | Food Service | Lisa Hustad       | 11.11.19       | \$12.86 / hr |

| Status     | Last Name  | First Name | Building | Job Title                    | Group        | Replacing   | Effective Date   | Wage |
|------------|------------|------------|----------|------------------------------|--------------|-------------|------------------|------|
| Extra Duty | Euteneuer  | Stacie     | HS       | .07 Online Teaching Overload | PEA          |             | 12.3.19 - 3.5.20 |      |
| Extra Duty | Karasch    | Stacie     | HS       | .07 Teaching Overload        | PEA          |             | 12.3.19 - 3.5.20 |      |
| Extra Duty | Johnstone  | Lori       | HS       | .07 Online Teaching Overload | PEA          |             | 12.3.19 - 3.5.20 |      |
| Extra Duty | Joseph     | Jade       | HS       | .07 Online Teaching Overload | PEA          |             | 12.3.19 - 3.5.20 |      |
| Extra Duty | Kude       | Tara       | HS       | .07 Online Teaching Overload | PEA          |             | 12.3.19 - 3.5.20 |      |
| Extra Duty | Seuer      | Mike       | HS       | .07 Online Teaching Overload | PEA          |             | 12.3.19 - 3.5.20 |      |
| Extra Duty | Levering   | Andrea     | HS       | .13 Online Teaching Overload | PEA          |             | 12.3.19 - 3.5.20 |      |
| Extra Duty | Ruschmeier | Karen      | MS       | Breakfast Server             | Food Service | Lisa Hustad | 11.4.19          |      |

| Status      | Last Name  | First Name | Building | Job Title | Group        | Replacing | Effective Date | Wage |
|-------------|------------|------------|----------|-----------|--------------|-----------|----------------|------|
| Retiring    | Knight     | Cherryl    | MS       | SPED Para | Paras        |           | 11.1.19        |      |
| Resignation | Winskowski | Amy        | HS       | Server    | Food Service |           | 11.15.19       |      |

**Princeton Public Schools #477**  
**Detail Payment Register By Check**  
**Fund Summary**

| <b>Fund Description</b> | <b>Total</b>        |
|-------------------------|---------------------|
| 01 General Fund         | \$695,330.03        |
| 02 Food Service         | \$88,862.12         |
| 04 Community Service    | \$23,672.95         |
| 06 Construction         | \$51,708.10         |
| 10 Student Activities   | \$28,421.35         |
| <b>Report Total</b>     | <b>\$887,994.55</b> |

## Princeton Public Schools #477 Check Register by Bank and Check

| Batch | Co | Bank | Pymt No | Check No | Pay Type | Grp | Code  | Rcd | Vendor                        | Print | Recon | Void | Currency | Pmt/Void Date | Amount   |
|-------|----|------|---------|----------|----------|-----|-------|-----|-------------------------------|-------|-------|------|----------|---------------|----------|
| 0477  |    | 001  | 81659   | 174022   | Check    | 1   | 10795 | 1   | ACE SOLID WASTE, INC          | Yes   | No    | No   | USD      | 10/11/2019    | 4,786.40 |
|       |    |      | 81697   | 174023   | Check    | 1   | 16475 |     | ALBRECHT MARLENE              | Yes   | Yes   | No   | USD      | 10/11/2019    | 3.00     |
|       |    |      | 81687   | 174024   | Check    | 1   | 16123 |     | ANDERSON CORY                 | Yes   | No    | No   | USD      | 10/11/2019    | 81.00    |
|       |    |      | 81660   | 174025   | Check    | 1   | 11427 | 1   | AT&T MOBILITY                 | Yes   | No    | No   | USD      | 10/11/2019    | 226.07   |
|       |    |      | 81671   | 174026   | Check    | 1   | 13308 |     | BALL ANDREW                   | Yes   | No    | No   | USD      | 10/11/2019    | 131.00   |
|       |    |      | 81696   | 174027   | Check    | 1   | 16474 |     | BARKLOW MARTIN                | Yes   | No    | No   | USD      | 10/11/2019    | 75.00    |
|       |    |      | 81672   | 174028   | Check    | 1   | 13326 |     | CAPELLE VERN                  | Yes   | No    | No   | USD      | 10/11/2019    | 91.00    |
|       |    |      | 81657   | 174029   | Check    | 1   | 10584 |     | CARD SERVICES                 | Yes   | No    | No   | USD      | 10/11/2019    | 892.29   |
|       |    |      | 81700   | 174030   | Check    | 1   | 4290  |     | CENTERPOINT ENERGY            | Yes   | No    | No   | USD      | 10/11/2019    | 39.24    |
|       |    |      | 81663   | 174031   | Check    | 1   | 12260 |     | COLEMAN PAULA                 | Yes   | No    | No   | USD      | 10/11/2019    | 75.00    |
|       |    |      | 81685   | 174032   | Check    | 1   | 15699 | 1   | CULINEX                       | Yes   | No    | No   | USD      | 10/11/2019    | 725.60   |
|       |    |      | 81674   | 174033   | Check    | 1   | 14103 |     | CULLIGAN BOTTLED WATER        | Yes   | Yes   | No   | USD      | 10/11/2019    | 115.32   |
|       |    |      | 81684   | 174034   | Check    | 1   | 15504 |     | DAHL DENIS                    | Yes   | No    | No   | USD      | 10/11/2019    | 90.00    |
|       |    |      | 81679   | 174035   | Check    | 1   | 14859 |     | DAMMER TROY                   | Yes   | No    | No   | USD      | 10/11/2019    | 75.00    |
|       |    |      | 81662   | 174036   | Check    | 1   | 11656 |     | DEAN FOODS NORTH CENTRAL      | Yes   | Yes   | No   | USD      | 10/11/2019    | 2,683.56 |
|       |    |      | 81686   | 174037   | Check    | 1   | 15976 |     | ECO SHRED MN, INC.            | Yes   | No    | No   | USD      | 10/11/2019    | 87.75    |
|       |    |      | 81666   | 174038   | Check    | 1   | 12623 |     | ECOLAB INSTITUTIONAL          | Yes   | No    | No   | USD      | 10/11/2019    | 3,333.61 |
|       |    |      | 81693   | 174039   | Check    | 1   | 16468 |     | ED TECH TEAM                  | Yes   | No    | No   | USD      | 10/11/2019    | 99.00    |
|       |    |      | 81682   | 174040   | Check    | 1   | 15302 |     | EICHACKER ERIC                | Yes   | No    | No   | USD      | 10/11/2019    | 60.00    |
|       |    |      | 81678   | 174041   | Check    | 1   | 14833 | 2   | FASTBRIDGE LEARNING           | Yes   | No    | No   | USD      | 10/11/2019    | 425.00   |
|       |    |      | 81691   | 174042   | Check    | 1   | 16450 |     | FLUCK LONNIE                  | Yes   | No    | No   | USD      | 10/11/2019    | 125.00   |
|       |    |      | 81667   | 174043   | Check    | 1   | 12850 |     | FUGLIE KAREN                  | Yes   | No    | No   | USD      | 10/11/2019    | 125.00   |
|       |    |      | 81707   | 174044   | Check    | 1   | 9420  |     | GUIDARELLI JOE                | Yes   | No    | No   | USD      | 10/11/2019    | 180.00   |
|       |    |      | 81681   | 174045   | Check    | 1   | 14895 |     | GUSTAFSON ZACHARY             | Yes   | Yes   | No   | USD      | 10/11/2019    | 180.00   |
|       |    |      | 81706   | 174046   | Check    | 1   | 7294  |     | HARDWARE DISTRIBUTORS, LTD    | Yes   | No    | No   | USD      | 10/11/2019    | 414.23   |
|       |    |      | 81695   | 174047   | Check    | 1   | 16471 |     | HAY THAVRAK                   | Yes   | No    | No   | USD      | 10/11/2019    | 141.00   |
|       |    |      | 81665   | 174048   | Check    | 1   | 12308 |     | HIESTAND DEB                  | Yes   | No    | No   | USD      | 10/11/2019    | 75.00    |
|       |    |      | 81699   | 174049   | Check    | 1   | 3121  | 1   | HI-TECH REFRIGERATION         | Yes   | No    | No   | USD      | 10/11/2019    | 781.40   |
|       |    |      | 81675   | 174050   | Check    | 1   | 14341 |     | HOLM BRIAN                    | Yes   | No    | No   | USD      | 10/11/2019    | 85.00    |
|       |    |      | 81683   | 174051   | Check    | 1   | 15415 |     | INDEPENDENT EMERGENCY SERVICE | Yes   | No    | No   | USD      | 10/11/2019    | 75.39    |
|       |    |      | 81692   | 174052   | Check    | 1   | 16454 |     | JAC'D KARAOKE & SOUND         | Yes   | Yes   | No   | USD      | 10/11/2019    | 300.00   |
|       |    |      | 81676   | 174053   | Check    | 1   | 14422 |     | JOHNSON RANDY                 | Yes   | No    | No   | USD      | 10/11/2019    | 81.00    |
|       |    |      | 81670   | 174054   | Check    | 1   | 13005 |     | KIMMAN SCOTT                  | Yes   | No    | No   | USD      | 10/11/2019    | 91.00    |
|       |    |      | 81694   | 174055   | Check    | 1   | 16469 |     | LEE BRIAN PATRICK             | Yes   | Yes   | No   | USD      | 10/11/2019    | 85.00    |
|       |    |      | 81668   | 174056   | Check    | 1   | 12957 | 1   | MIDCONTINENT COMMUNICATIONS   | Yes   | Yes   | No   | USD      | 10/11/2019    | 1,328.82 |
|       |    |      | 81661   | 174057   | Check    | 1   | 11477 |     | MINUTEMAN PRESS               | Yes   | Yes   | No   | USD      | 10/11/2019    | 619.50   |
|       |    |      | 81688   | 174058   | Check    | 1   | 16226 |     | MN PREMIER PUBLICATIONS, INC. | Yes   | No    | No   | USD      | 10/11/2019    | 13.00    |
|       |    |      | 81701   | 174059   | Check    | 1   | 4555  |     | NATIONAL FFA ORGANIZATION     | Yes   | No    | No   | USD      | 10/11/2019    | 627.00   |
|       |    |      | 81658   | 174060   | Check    | 1   | 10587 |     | OLSON NATHAN                  | Yes   | No    | No   | USD      | 10/11/2019    | 91.00    |
|       |    |      | 81689   | 174061   | Check    | 1   | 16436 |     | PAYSSE NELSON                 | Yes   | No    | No   | USD      | 10/11/2019    | 75.00    |
|       |    |      | 81698   | 174062   | Check    | 1   | 1693  |     | PETTY CASH-MARGARET DEGLMAN   | Yes   | Yes   | No   | USD      | 10/11/2019    | 48.00    |

**Princeton Public Schools #477**  
**Check Register by Bank and Check**

| Batch | Co | Bank | Pymt No | Check No | Pay Type | Grp | Code  | Rcd | Vendor                         | Print | Recon | Void | Currency | Pmt/Void Date | Amount    |
|-------|----|------|---------|----------|----------|-----|-------|-----|--------------------------------|-------|-------|------|----------|---------------|-----------|
| 0477  |    | 001  | 81702   | 174063   | Check    | 1   | 5040  |     | PIZZA BARN                     | Yes   | No    | No   | USD      | 10/11/2019    | 36.00     |
|       |    |      | 81656   | 174064   | Check    | 1   | 10232 |     | PLOEGER CORY                   | Yes   | No    | No   | USD      | 10/11/2019    | 81.00     |
|       |    |      | 81708   | 174065   | Check    | 1   | 9866  | 1   | PREMIUM WATERS INC             | Yes   | Yes   | No   | USD      | 10/11/2019    | 360.00    |
|       |    |      | 81703   | 174066   | Check    | 1   | 5273  | 5   | REGION 4 FFA                   | Yes   | No    | No   | USD      | 10/11/2019    | 5.00      |
|       |    |      | 81673   | 174067   | Check    | 1   | 13491 |     | RIVERSIDE FAMILY CHIROPRACTIC  | Yes   | No    | No   | USD      | 10/11/2019    | 120.00    |
|       |    |      | 81704   | 174068   | Check    | 1   | 5604  |     | SCIENCE MUSEUM OF MINNESOTA    | Yes   | No    | No   | USD      | 10/11/2019    | 1,755.00  |
|       |    |      | 81669   | 174069   | Check    | 1   | 12984 | 1   | SOAR LEARNING, INC.            | Yes   | No    | No   | USD      | 10/11/2019    | 164.99    |
|       |    |      | 81690   | 174070   | Check    | 1   | 16438 |     | SORA PEDIATRIC THERAPY         | Yes   | No    | No   | USD      | 10/11/2019    | 769.00    |
|       |    |      | 81677   | 174071   | Check    | 1   | 14477 |     | TEACHERS ON CALL               | Yes   | No    | No   | USD      | 10/11/2019    | 16,404.22 |
|       |    |      | 81705   | 174072   | Check    | 1   | 6223  | 3   | TREETOP PUBLISHING             | Yes   | No    | No   | USD      | 10/11/2019    | 534.99    |
|       |    |      | 81680   | 174073   | Check    | 1   | 14868 |     | U.S. BANK EQUIPMENT FINANCE    | Yes   | No    | No   | USD      | 10/11/2019    | 1,463.54  |
|       |    |      | 81664   | 174074   | Check    | 1   | 12264 |     | VAN LUYK LEONARD               | Yes   | No    | No   | USD      | 10/11/2019    | 135.00    |
|       |    |      | 81717   | 174075   | Check    | 1   | 14758 |     | DELTA DENTAL OF MINNESOTA      | Yes   | No    | No   | USD      | 10/15/2019    | 22,478.32 |
|       |    |      | 81731   | 174076   | Check    | 1   | 13854 |     | AIKEN REBECCA                  | Yes   | No    | No   | USD      | 10/18/2019    | 125.00    |
|       |    |      | 81723   | 174077   | Check    | 1   | 1137  |     | AMERIPRIDE SERVICES INC.       | Yes   | No    | No   | USD      | 10/18/2019    | 1,747.15  |
|       |    |      | 81743   | 174078   | Check    | 1   | 16123 |     | ANDERSON CORY                  | Yes   | No    | No   | USD      | 10/18/2019    | 81.00     |
|       |    |      | 81741   | 174079   | Check    | 1   | 15913 |     | BAYFIELD FRUIT COMPANY         | Yes   | No    | No   | USD      | 10/18/2019    | 630.00    |
|       |    |      | 81733   | 174080   | Check    | 1   | 1409  |     | BERNICK'S PEPSI-COLA           | Yes   | No    | No   | USD      | 10/18/2019    | 167.04    |
|       |    |      | 81732   | 174081   | Check    | 1   | 14021 |     | BEYOND SPORT MARTIAL ARTS & FI | Yes   | No    | No   | USD      | 10/18/2019    | 170.00    |
|       |    |      | 81744   | 174082   | Check    | 1   | 16209 |     | BULBS.COM                      | Yes   | No    | No   | USD      | 10/18/2019    | 345.91    |
|       |    |      | 81725   | 174083   | Check    | 1   | 11656 |     | DEAN FOODS NORTH CENTRAL       | Yes   | No    | No   | USD      | 10/18/2019    | 4,998.96  |
|       |    |      | 81748   | 174084   | Check    | 1   | 2265  |     | ECKROTH MUSIC CO.              | Yes   | No    | No   | USD      | 10/18/2019    | 4,559.02  |
|       |    |      | 81749   | 174085   | Check    | 1   | 2278  |     | ECOWATER SYSTEMS               | Yes   | No    | No   | USD      | 10/18/2019    | 23.00     |
|       |    |      | 81764   | 174086   | Check    | 1   | 8216  | 1   | GERADS JOHN                    | Yes   | No    | No   | USD      | 10/18/2019    | 91.00     |
|       |    |      | 81727   | 174087   | Check    | 1   | 13030 |     | GIFTS & GADGETS GALORE         | Yes   | No    | No   | USD      | 10/18/2019    | 530.81    |
|       |    |      | 81750   | 174088   | Check    | 1   | 2821  | 3   | GREAT THEATRE                  | Yes   | No    | No   | USD      | 10/18/2019    | 1,860.00  |
|       |    |      | 81768   | 174089   | Check    | 1   | 9420  |     | GUIDARELLI JOE                 | Yes   | No    | No   | USD      | 10/18/2019    | 90.00     |
|       |    |      | 81740   | 174090   | Check    | 1   | 14895 |     | GUSTAFSON ZACHARY              | Yes   | No    | No   | USD      | 10/18/2019    | 90.00     |
|       |    |      | 81746   | 174091   | Check    | 1   | 16477 |     | HOWE LYNNAE                    | Yes   | No    | No   | USD      | 10/18/2019    | 125.00    |
|       |    |      | 81763   | 174092   | Check    | 1   | 7762  |     | HUGHES CHUCK                   | Yes   | No    | No   | USD      | 10/18/2019    | 91.00     |
|       |    |      | 81751   | 174093   | Check    | 1   | 3231  |     | HY-TECH AUTOMOTIVE             | Yes   | No    | No   | USD      | 10/18/2019    | 1,087.32  |
|       |    |      | 81752   | 174094   | Check    | 1   | 3285  |     | I.S.D. #912                    | Yes   | No    | No   | USD      | 10/18/2019    | 1,137.50  |
|       |    |      | 81753   | 174095   | Check    | 1   | 3511  | 2   | J.W. PEPPER & SON INC.         | Yes   | No    | No   | USD      | 10/18/2019    | 2,371.71  |
|       |    |      | 81736   | 174096   | Check    | 1   | 14738 |     | JAMIESON ROBERT                | Yes   | No    | No   | USD      | 10/18/2019    | 90.00     |
|       |    |      | 81765   | 174097   | Check    | 1   | 8436  |     | JOHNSON ROBERT N               | Yes   | No    | No   | USD      | 10/18/2019    | 85.00     |
|       |    |      | 81761   | 174098   | Check    | 1   | 6823  |     | LUNDE TIM                      | Yes   | No    | No   | USD      | 10/18/2019    | 91.00     |
|       |    |      | 81754   | 174099   | Check    | 1   | 4222  |     | MILACA BUILDING CENTER         | Yes   | No    | No   | USD      | 10/18/2019    | 1,630.15  |
|       |    |      | 81755   | 174100   | Check    | 1   | 4232  |     | MILACA HIGH SCHOOL- ISD #912   | Yes   | No    | No   | USD      | 10/18/2019    | 420.00    |
|       |    |      | 81724   | 174101   | Check    | 1   | 11477 |     | MINUTEMAN PRESS                | Yes   | No    | No   | USD      | 10/18/2019    | 334.39    |
|       |    |      | 81722   | 174102   | Check    | 1   | 10829 | 1   | MN INTERSCHOLASTIC ATHLETIC AL | Yes   | No    | No   | USD      | 10/18/2019    | 120.00    |
|       |    |      | 81756   | 174103   | Check    | 1   | 4481  |     | MnSTA                          | Yes   | No    | No   | USD      | 10/18/2019    | 550.00    |

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|----------|------|---------|----------|----------|-----|-------|-----|--------------------------------|-------|-------|------|----------|---------------|-----------|
| 0477     | 001  | 81762   | 174104   | Check    | 1   | 6856  |     | NORMAN TODD                    | Yes   | No    | No   | USD      | 10/18/2019    | 91.00     |
|          |      | 81730   | 174105   | Check    | 1   | 13355 | 1   | PALMER BUS SERVICE, INC.       | Yes   | No    | No   | USD      | 10/18/2019    | 14,552.76 |
|          |      | 81757   | 174106   | Check    | 1   | 4868  | 1   | PAN-O-GOLD BAKING CO.          | Yes   | No    | No   | USD      | 10/18/2019    | 2,439.56  |
|          |      | 81721   | 174107   | Check    | 1   | 10232 |     | PLOEGER CORY                   | Yes   | No    | No   | USD      | 10/18/2019    | 81.00     |
|          |      | 81758   | 174108   | Check    | 1   | 5129  |     | PRINCETON FLORAL & GIFT        | Yes   | No    | No   | USD      | 10/18/2019    | 12.00     |
|          |      | 81739   | 174109   | Check    | 1   | 14886 |     | QP PHOTOGRAPHY                 | Yes   | No    | No   | USD      | 10/18/2019    | 389.00    |
|          |      | 81726   | 174110   | Check    | 1   | 12648 |     | REBYL SPORTS, INC.             | Yes   | No    | No   | USD      | 10/18/2019    | 1,672.25  |
|          |      | 81745   | 174111   | Check    | 1   | 16459 |     | REDEPENNING JORDAN             | Yes   | No    | No   | USD      | 10/18/2019    | 90.00     |
|          |      | 81766   | 174112   | Check    | 1   | 8562  | 1   | REGION 7AA                     | Yes   | No    | No   | USD      | 10/18/2019    | 578.00    |
|          |      | 81747   | 174113   | Check    | 1   | 16479 |     | SCHNEIDER ABBY                 | Yes   | No    | No   | USD      | 10/18/2019    | 85.00     |
|          |      | 81734   | 174114   | Check    | 1   | 14375 |     | SCHUSTER TODD                  | Yes   | No    | No   | USD      | 10/18/2019    | 81.00     |
|          |      | 81769   | 174115   | Check    | 1   | 9494  | 1   | SNA                            | Yes   | No    | No   | USD      | 10/18/2019    | 36.00     |
|          |      | 81737   | 174116   | Check    | 1   | 14750 | 1   | SUBURBAN ELEVATOR OF MINNESC   | Yes   | No    | No   | USD      | 10/18/2019    | 477.00    |
|          |      | 81735   | 174117   | Check    | 1   | 14477 |     | TEACHERS ON CALL               | Yes   | No    | No   | USD      | 10/18/2019    | 18,704.77 |
|          |      | 81738   | 174118   | Check    | 1   | 14868 |     | U.S. BANK EQUIPMENT FINANCE    | Yes   | No    | No   | USD      | 10/18/2019    | 190.24    |
|          |      | 81767   | 174119   | Check    | 1   | 9278  |     | UNIVERSITY OF OREGON           | Yes   | No    | No   | USD      | 10/18/2019    | 350.00    |
|          |      | 81728   | 174120   | Check    | 1   | 13040 |     | UTSCH ADAM                     | Yes   | No    | No   | USD      | 10/18/2019    | 91.00     |
|          |      | 81759   | 174121   | Check    | 1   | 6376  |     | VIKING COCA COLA BOTTLING      | Yes   | No    | No   | USD      | 10/18/2019    | 418.50    |
|          |      | 81729   | 174122   | Check    | 1   | 13262 | 1   | WALMART COMMUNITY/GECRB        | Yes   | No    | No   | USD      | 10/18/2019    | 2,694.92  |
|          |      | 81760   | 174123   | Check    | 1   | 6461  |     | WATSON CO. INC.                | Yes   | No    | No   | USD      | 10/18/2019    | 208.95    |
|          |      | 81742   | 174124   | Check    | 1   | 16106 | 1   | WINONA STATE UNIVERSITY        | Yes   | No    | No   | USD      | 10/18/2019    | 500.00    |
|          |      | 81770   | 174125   | Check    | 1   | 14820 |     | NATIONAL INSURANCE SERVICES of | Yes   | No    | No   | USD      | 10/21/2019    | 8,571.66  |
|          |      | 81809   | 174126   | Check    | 1   | 4545  |     | AUTO VALUE PRINCETON           | Yes   | No    | No   | USD      | 10/25/2019    | 54.43     |
|          |      | 81794   | 174127   | Check    | 1   | 1301  | 2   | BARNES & NOBLE                 | Yes   | No    | No   | USD      | 10/25/2019    | 647.40    |
|          |      | 81805   | 174128   | Check    | 1   | 1840  |     | C.M.E.R.D.C.                   | Yes   | No    | No   | USD      | 10/25/2019    | 782.42    |
|          |      | 81808   | 174129   | Check    | 1   | 4290  |     | CENTERPOINT ENERGY             | Yes   | No    | No   | USD      | 10/25/2019    | 4,346.38  |
|          |      | 81804   | 174130   | Check    | 1   | 1721  |     | CENTRAL MCGOWAN INC.           | Yes   | No    | No   | USD      | 10/25/2019    | 7.20      |
|          |      | 81815   | 174131   | Check    | 1   | 9177  |     | CITI CARDS                     | Yes   | No    | No   | USD      | 10/25/2019    | 3,513.67  |
|          |      | 81800   | 174132   | Check    | 1   | 15192 |     | EMPLOYEE BENEFITS CORPORATIC   | Yes   | No    | No   | USD      | 10/25/2019    | 253.60    |
|          |      | 81790   | 174133   | Check    | 1   | 10894 |     | FAIRWAY SHORES GOLF            | Yes   | No    | No   | USD      | 10/25/2019    | 725.00    |
|          |      | 81806   | 174134   | Check    | 1   | 3140  |     | HOFMAN OIL CO. INC.            | Yes   | No    | No   | USD      | 10/25/2019    | 849.00    |
|          |      | 81792   | 174135   | Check    | 1   | 12228 |     | IRC TEAM SPORTS                | Yes   | No    | No   | USD      | 10/25/2019    | 2,786.50  |
|          |      | 81801   | 174136   | Check    | 1   | 16467 |     | KODIAK POWER SYSTEMS, INC.     | Yes   | No    | No   | USD      | 10/25/2019    | 509.30    |
|          |      | 81807   | 174137   | Check    | 1   | 4028  |     | MARV'S TRUE VALUE              | Yes   | No    | No   | USD      | 10/25/2019    | 1,156.19  |
|          |      | 81793   | 174138   | Check    | 1   | 12957 | 1   | MIDCONTINENT COMMUNICATIONS    | Yes   | No    | No   | USD      | 10/25/2019    | 228.15    |
|          |      | 81814   | 174139   | Check    | 1   | 8698  |     | MINN SPRA                      | Yes   | No    | No   | USD      | 10/25/2019    | 199.00    |
|          |      | 81791   | 174140   | Check    | 1   | 11477 |     | MINUTEMAN PRESS                | Yes   | No    | No   | USD      | 10/25/2019    | 88.52     |
|          |      | 81813   | 174141   | Check    | 1   | 8294  |     | MISSISSIPPI 8 CONFERENCE       | Yes   | No    | No   | USD      | 10/25/2019    | 369.54    |
|          |      | 81795   | 174142   | Check    | 1   | 13355 | 1   | PALMER BUS SERVICE, INC.       | Yes   | No    | No   | USD      | 10/25/2019    | 2,085.00  |
|          |      | 81803   | 174143   | Check    | 1   | 16480 |     | RED MOUNTAIN PRESS             | Yes   | No    | No   | USD      | 10/25/2019    | 5,960.00  |
|          |      | 81798   | 174144   | Check    | 1   | 14420 |     | ROBOTICS EDUCATION & COMPETIT  | Yes   | No    | No   | USD      | 10/25/2019    | 417.66    |

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|-------|----|------|---------|----------|----------|-----|-------|-----|---------------------------------|-------|-------|------|----------|---------------|-----------|
| 0477  |    | 001  | 81816   | 174145   | Check    | 1   | 9813  |     | SCIENCE EXPLORERS               | Yes   | No    | No   | USD      | 10/25/2019    | 375.00    |
|       |    |      | 81810   | 174146   | Check    | 1   | 5702  |     | SILVER BELL TROPHIES & AWARDS   | Yes   | No    | No   | USD      | 10/25/2019    | 540.00    |
|       |    |      | 81796   | 174147   | Check    | 1   | 13481 | 1   | SUMMIT FIRE PROTECTION          | Yes   | No    | No   | USD      | 10/25/2019    | 251.00    |
|       |    |      | 81802   | 174148   | Check    | 1   | 16473 |     | TBS ELECTRONICS, INC.           | Yes   | No    | No   | USD      | 10/25/2019    | 1,805.00  |
|       |    |      | 81799   | 174149   | Check    | 1   | 14477 |     | TEACHERS ON CALL                | Yes   | No    | No   | USD      | 10/25/2019    | 19,294.82 |
|       |    |      | 81811   | 174150   | Check    | 1   | 6149  |     | TIEMENS TOM                     | Yes   | No    | No   | USD      | 10/25/2019    | 105.00    |
|       |    |      | 81797   | 174151   | Check    | 1   | 14333 |     | UPPER LAKES FOODS, INC.         | Yes   | No    | No   | USD      | 10/25/2019    | 857.70    |
|       |    |      | 81812   | 174152   | Check    | 1   | 6637  |     | WPS                             | Yes   | No    | No   | USD      | 10/25/2019    | 15.00     |
|       |    |      | 81830   | 174153   | Check    | 1   | 4593  |     | EDUCATION MINNESOTA             | Yes   | No    | No   | USD      | 10/31/2019    | 997.44    |
|       |    |      | 81827   | 174154   | Check    | 1   | 3177  | 1   | HORACE MANN LIFE INS. CO.       | Yes   | No    | No   | USD      | 10/31/2019    | 120.54    |
|       |    |      | 81828   | 174155   | Check    | 1   | 4332  |     | MN BENEFIT ASSN                 | Yes   | No    | No   | USD      | 10/31/2019    | 177.84    |
|       |    |      | 81829   | 174156   | Check    | 1   | 4584  | 4   | NCPERS GROUP LIFE INS.          | Yes   | No    | No   | USD      | 10/31/2019    | 64.00     |
|       |    |      | 81831   | 174157   | Check    | 1   | 4936  |     | PEA DUES ACCT.                  | Yes   | No    | No   | USD      | 10/31/2019    | 20,799.58 |
|       |    |      | 81832   | 174158   | Check    | 1   | 5121  |     | PRINCETON CUSTODIANS            | Yes   | No    | No   | USD      | 10/31/2019    | 1,518.88  |
|       |    |      | 81833   | 174159   | Check    | 1   | 5126  |     | PRINCETON PARAPROFESSIONALS     | Yes   | No    | No   | USD      | 10/31/2019    | 2,536.98  |
|       |    |      | 81826   | 174160   | Check    | 1   | 14890 |     | RIVERVIEW LAW OFFICE, PLLC      | Yes   | No    | No   | USD      | 10/31/2019    | 586.90    |
|       |    |      | 81834   | 174161   | Check    | 1   | 5587  |     | SEIU LOCAL 284                  | Yes   | No    | No   | USD      | 10/31/2019    | 1,046.45  |
|       |    |      | 81835   | 174162   | Check    | 1   | 2557  |     | FLINN SCIENTIFIC INC.           | Yes   | No    | No   | USD      | 10/30/2019    | 941.47    |
|       |    |      | 81880   | 174163   | Check    | 1   | 15974 | 1   | AMERICAN WHITETAIL, INC.        | Yes   | No    | No   | USD      | 11/06/2019    | 1,769.06  |
|       |    |      | 81871   | 174164   | Check    | 1   | 15250 |     | AMITY INSTITUTE                 | Yes   | No    | No   | USD      | 11/06/2019    | 6,400.00  |
|       |    |      | 81845   | 174165   | Check    | 1   | 1168  |     | ANDERSON'S                      | Yes   | No    | No   | USD      | 11/06/2019    | 484.72    |
|       |    |      | 81853   | 174166   | Check    | 1   | 13099 |     | ASL INTERPRETING SERVICES, INC. | Yes   | No    | No   | USD      | 11/06/2019    | 8,140.00  |
|       |    |      | 81848   | 174167   | Check    | 1   | 1257  |     | ATTAINMENT COMPANY INC.         | Yes   | No    | No   | USD      | 11/06/2019    | 104.00    |
|       |    |      | 81849   | 174168   | Check    | 1   | 1259  | 1   | AUDIO COMMUNICATIONS            | Yes   | No    | No   | USD      | 11/06/2019    | 2,500.00  |
|       |    |      | 81908   | 174169   | Check    | 1   | 4545  |     | AUTO VALUE PRINCETON            | Yes   | No    | No   | USD      | 11/06/2019    | 18.99     |
|       |    |      | 81852   | 174170   | Check    | 1   | 1301  | 2   | BARNES & NOBLE                  | Yes   | No    | No   | USD      | 11/06/2019    | 143.96    |
|       |    |      | 81927   | 174171   | Check    | 1   | 8410  | 2   | BATTERIES PLUS BULBS            | Yes   | No    | No   | USD      | 11/06/2019    | 103.68    |
|       |    |      | 81878   | 174172   | Check    | 1   | 15913 |     | BAYFIELD FRUIT COMPANY          | Yes   | No    | No   | USD      | 11/06/2019    | 490.00    |
|       |    |      | 81929   | 174173   | Check    | 1   | 8866  | 1   | BLICK ART MATERIALS             | Yes   | No    | No   | USD      | 11/06/2019    | 153.55    |
|       |    |      | 81877   | 174174   | Check    | 1   | 15750 |     | BLUE WATER PLUMBING             | Yes   | No    | No   | USD      | 11/06/2019    | 940.00    |
|       |    |      | 81839   | 174175   | Check    | 1   | 10364 |     | BORDER STATES ELECTRIC SUPPLY   | Yes   | No    | No   | USD      | 11/06/2019    | 30.85     |
|       |    |      | 81883   | 174176   | Check    | 1   | 16367 |     | BRENNAN CONSTRUCTION OF MN, I   | Yes   | No    | No   | USD      | 11/06/2019    | 22,420.00 |
|       |    |      | 81876   | 174177   | Check    | 1   | 15731 |     | BROOKWOOD FARMS, INC.           | Yes   | No    | No   | USD      | 11/06/2019    | 1,280.80  |
|       |    |      | 81867   | 174178   | Check    | 1   | 14819 | 2   | BSN SPORTS                      | Yes   | No    | No   | USD      | 11/06/2019    | 2,708.39  |
|       |    |      | 81881   | 174179   | Check    | 1   | 16209 |     | BULBS.COM                       | Yes   | No    | No   | USD      | 11/06/2019    | 647.25    |
|       |    |      | 81879   | 174180   | Check    | 1   | 1596  |     | BUREAU OF EDUCATION & RESEAR    | Yes   | No    | No   | USD      | 11/06/2019    | 1,036.00  |
|       |    |      | 81904   | 174181   | Check    | 1   | 3954  | 4   | CDW-G INC                       | Yes   | No    | No   | USD      | 11/06/2019    | 42.67     |
|       |    |      | 81889   | 174182   | Check    | 1   | 1721  |     | CENTRAL MCGOWAN INC.            | Yes   | No    | No   | USD      | 11/06/2019    | 612.77    |
|       |    |      | 81890   | 174183   | Check    | 1   | 1799  |     | CITY OF PRINCETON               | Yes   | No    | No   | USD      | 11/06/2019    | 1,434.88  |
|       |    |      | 81875   | 174184   | Check    | 1   | 15724 |     | CLIMATE MAKERS INC              | Yes   | No    | No   | USD      | 11/06/2019    | 6,310.31  |
|       |    |      | 81928   | 174185   | Check    | 1   | 8491  |     | COUNTRY SIDE PEST CONTROL, INC  | Yes   | No    | No   | USD      | 11/06/2019    | 375.00    |

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|-------|----|------|---------|----------|----------|-----|-------|-----|--------------------------------|-------|-------|------|----------|---------------|------------|
| 0477  |    | 001  | 81874   | 174186   | Check    | 1   | 15699 | 1   | CULINEX                        | Yes   | No    | No   | USD      | 11/06/2019    | 141.83     |
|       |    |      | 81837   | 174187   | Check    | 1   | 10069 |     | DALCO                          | Yes   | No    | No   | USD      | 11/06/2019    | 13,311.27  |
|       |    |      | 81891   | 174188   | Check    | 1   | 2115  | 1   | DEMCO INC                      | Yes   | No    | No   | USD      | 11/06/2019    | 218.31     |
|       |    |      | 81884   | 174189   | Check    | 1   | 16374 |     | DISTINCTIVE IRON, LLC          | Yes   | No    | No   | USD      | 11/06/2019    | 20,282.50  |
|       |    |      | 81892   | 174190   | Check    | 1   | 2270  |     | ECM PUBLISHERS INC.            | Yes   | No    | No   | USD      | 11/06/2019    | 776.30     |
|       |    |      | 81850   | 174191   | Check    | 1   | 12623 |     | ECOLAB INSTITUTIONAL           | Yes   | No    | No   | USD      | 11/06/2019    | 3,018.74   |
|       |    |      | 81893   | 174192   | Check    | 1   | 2353  |     | ELECTRIC MOTOR SERVICE INC     | Yes   | No    | No   | USD      | 11/06/2019    | 308.91     |
|       |    |      | 81854   | 174193   | Check    | 1   | 13229 |     | FAIRVIEW                       | Yes   | No    | No   | USD      | 11/06/2019    | 75.00      |
|       |    |      | 81855   | 174194   | Check    | 1   | 13229 | 3   | FAIRVIEW HEALTH SERVICES       | Yes   | No    | No   | USD      | 11/06/2019    | 154.00     |
|       |    |      | 81894   | 174195   | Check    | 1   | 2557  |     | FLINN SCIENTIFIC INC.          | Yes   | No    | No   | USD      | 11/06/2019    | 239.74     |
|       |    |      | 81860   | 174196   | Check    | 1   | 13698 |     | FLINT TONER.COM                | Yes   | No    | No   | USD      | 11/06/2019    | 387.00     |
|       |    |      | 81862   | 174197   | Check    | 1   | 14049 |     | FUN EXPRESS, LLC               | Yes   | No    | No   | USD      | 11/06/2019    | 41.76      |
|       |    |      | 81895   | 174198   | Check    | 1   | 2682  |     | GAVE GARAGE DOOR CO.           | Yes   | No    | No   | USD      | 11/06/2019    | 400.00     |
|       |    |      | 81896   | 174199   | Check    | 1   | 2770  | 2   | GOODIN COMPANY                 | Yes   | No    | No   | USD      | 11/06/2019    | 26.53      |
|       |    |      | 81924   | 174200   | Check    | 1   | 6645  |     | GRAINGER                       | Yes   | No    | No   | USD      | 11/06/2019    | 1,159.27   |
|       |    |      | 81897   | 174201   | Check    | 1   | 2895  | 1   | H&B SPECIALIZED PRODUCTS       | Yes   | No    | No   | USD      | 11/06/2019    | 1,943.10   |
|       |    |      | 81898   | 174202   | Check    | 1   | 2955  |     | HANDYMAN'S INC.                | Yes   | No    | No   | USD      | 11/06/2019    | 1,055.20   |
|       |    |      | 81899   | 174203   | Check    | 1   | 3121  | 1   | HI-TECH REFRIGERATION          | Yes   | No    | No   | USD      | 11/06/2019    | 1,123.21   |
|       |    |      | 81901   | 174204   | Check    | 1   | 3183  | 2   | HOUGHTON - MIFFLIN CO.         | Yes   | No    | No   | USD      | 11/06/2019    | 1,052.28   |
|       |    |      | 81900   | 174205   | Check    | 1   | 3182  | 3   | HOUGHTON-MIFFLIN               | Yes   | No    | No   | USD      | 11/06/2019    | 122.76     |
|       |    |      | 81902   | 174206   | Check    | 1   | 3253  |     | I.S.D. #314                    | Yes   | No    | No   | USD      | 11/06/2019    | 1,599.72   |
|       |    |      | 81840   | 174207   | Check    | 1   | 11134 |     | I.S.D. #6079                   | Yes   | No    | No   | USD      | 11/06/2019    | 237,947.34 |
|       |    |      | 81842   | 174208   | Check    | 1   | 11238 |     | ICS CONSULTING, INC            | Yes   | No    | No   | USD      | 11/06/2019    | 7,784.60   |
|       |    |      | 81838   | 174209   | Check    | 1   | 10237 |     | INTEGRATED SYSTEMS CORPORATI   | Yes   | No    | No   | USD      | 11/06/2019    | 416.67     |
|       |    |      | 81869   | 174210   | Check    | 1   | 15123 |     | INTEREUM, INC.                 | Yes   | No    | No   | USD      | 11/06/2019    | 101.20     |
|       |    |      | 81857   | 174211   | Check    | 1   | 13446 |     | KARLSBURGER FOODS, INC.        | Yes   | No    | No   | USD      | 11/06/2019    | 39.80      |
|       |    |      | 81864   | 174212   | Check    | 1   | 14382 |     | KELVIN TECHNOLOGY              | Yes   | No    | No   | USD      | 11/06/2019    | 111.10     |
|       |    |      | 81903   | 174213   | Check    | 1   | 3623  |     | KOEHLER & DRAMM INC.           | Yes   | No    | No   | USD      | 11/06/2019    | 193.90     |
|       |    |      | 81932   | 174214   | Check    | 1   | 9786  |     | M. GROEBNER CONSTRUCTION, INC  | Yes   | No    | No   | USD      | 11/06/2019    | 1,600.00   |
|       |    |      | 81905   | 174215   | Check    | 1   | 4087  |     | MCDOWALL COMPANY               | Yes   | No    | No   | USD      | 11/06/2019    | 1,015.00   |
|       |    |      | 81906   | 174216   | Check    | 1   | 4093  | 6   | MCGRAW-HILL SCHOOL EDUCATION   | Yes   | No    | No   | USD      | 11/06/2019    | 600.00     |
|       |    |      | 81925   | 174217   | Check    | 1   | 7938  | 2   | MEDCO SUPPLY COMPANY           | Yes   | No    | No   | USD      | 11/06/2019    | 8.74       |
|       |    |      | 81868   | 174218   | Check    | 1   | 14862 |     | MERIDIAN CONSULTING GROUP, LLC | Yes   | No    | No   | USD      | 11/06/2019    | 1,851.00   |
|       |    |      | 81926   | 174219   | Check    | 1   | 8388  | 1   | METRO SALES INC                | Yes   | No    | No   | USD      | 11/06/2019    | 2,053.29   |
|       |    |      | 81930   | 174220   | Check    | 1   | 9130  | 2   | MINNESOTA WEARABLES            | Yes   | No    | No   | USD      | 11/06/2019    | 1,152.00   |
|       |    |      | 81843   | 174221   | Check    | 1   | 11477 |     | MINUTEMAN PRESS                | Yes   | No    | No   | USD      | 11/06/2019    | 389.09     |
|       |    |      | 81907   | 174222   | Check    | 1   | 4282  |     | MINVALCO INC.                  | Yes   | No    | No   | USD      | 11/06/2019    | 203.26     |
|       |    |      | 81933   | 174223   | Check    | 1   | 9892  | 1   | NCS PEARSON, INC.              | Yes   | No    | No   | USD      | 11/06/2019    | 190.80     |
|       |    |      | 81856   | 174224   | Check    | 1   | 13355 | 1   | PALMER BUS SERVICE, INC.       | Yes   | No    | No   | USD      | 11/06/2019    | 103,539.57 |
|       |    |      | 81873   | 174225   | Check    | 1   | 15566 |     | PC PARTS PLUS, LLC             | Yes   | No    | No   | USD      | 11/06/2019    | 816.74     |
|       |    |      | 81882   | 174226   | Check    | 1   | 16263 |     | PENNIES TO DOLLARS, LLC        | Yes   | No    | No   | USD      | 11/06/2019    | 1,440.00   |

### Princeton Public Schools #477 Check Register by Bank and Check

| Batch | Co | Bank | Pymt No | Check No | Pay Type | Grp | Code  | Rcd | Vendor                           | Print | Recon | Void | Currency | Pmt/Void Date | Amount    |
|-------|----|------|---------|----------|----------|-----|-------|-----|----------------------------------|-------|-------|------|----------|---------------|-----------|
| 0477  |    | 001  | 81909   | 174227   | Check    | 1   | 5127  |     | PRINCETON ELECTRIC               | Yes   | No    | No   | USD      | 11/06/2019    | 705.29    |
|       |    |      | 81846   | 174228   | Check    | 1   | 12269 | 3   | PRINCETON FOOTBALL BOOSTER C     | Yes   | No    | No   | USD      | 11/06/2019    | 1,914.00  |
|       |    |      | 81910   | 174229   | Check    | 1   | 5194  |     | PRINCETON PUBLIC UTILITIES       | Yes   | No    | No   | USD      | 11/06/2019    | 76,506.46 |
|       |    |      | 81911   | 174230   | Check    | 1   | 5214  | 1   | QUILL CORPORATION                | Yes   | No    | No   | USD      | 11/06/2019    | 844.84    |
|       |    |      | 81851   | 174231   | Check    | 1   | 12648 |     | REBYL SPORTS, INC.               | Yes   | No    | No   | USD      | 11/06/2019    | 2,079.00  |
|       |    |      | 81912   | 174232   | Check    | 1   | 5297  |     | RENAISSANCE LEARNING INC         | Yes   | No    | No   | USD      | 11/06/2019    | 7,623.00  |
|       |    |      | 81913   | 174233   | Check    | 1   | 5305  |     | RESOURCE TRAINING & SOLUTIONS    | Yes   | No    | No   | USD      | 11/06/2019    | 190.00    |
|       |    |      | 81914   | 174234   | Check    | 1   | 5331  | 1   | RIFTON EQUIPMENT                 | Yes   | No    | No   | USD      | 11/06/2019    | 702.00    |
|       |    |      | 81865   | 174235   | Check    | 1   | 14420 |     | ROBOTICS EDUCATION & COMPETITION | Yes   | No    | No   | USD      | 11/06/2019    | 700.00    |
|       |    |      | 81915   | 174236   | Check    | 1   | 5577  | 1   | SCHELDE NORTH AMERICA L.L.       | Yes   | No    | No   | USD      | 11/06/2019    | 2,717.00  |
|       |    |      | 81916   | 174237   | Check    | 1   | 5593  | 5   | SCHOOL SPECIALTY INC.            | Yes   | No    | No   | USD      | 11/06/2019    | 202.97    |
|       |    |      | 81887   | 174238   | Check    | 1   | 16472 |     | SENTRA-SOTA SHEET METAL, INC.    | Yes   | No    | No   | USD      | 11/06/2019    | 1,521.00  |
|       |    |      | 81844   | 174239   | Check    | 1   | 11628 |     | SFM                              | Yes   | No    | No   | USD      | 11/06/2019    | 12,365.00 |
|       |    |      | 81931   | 174240   | Check    | 1   | 9494  | 1   | SNA                              | Yes   | No    | No   | USD      | 11/06/2019    | 17.00     |
|       |    |      | 81886   | 174241   | Check    | 1   | 16438 |     | SORA PEDIATRIC THERAPY           | Yes   | No    | No   | USD      | 11/06/2019    | 11,208.00 |
|       |    |      | 81917   | 174242   | Check    | 1   | 5873  |     | STAR TRIBUNE                     | Yes   | No    | No   | USD      | 11/06/2019    | 1,285.90  |
|       |    |      | 81858   | 174243   | Check    | 1   | 13481 | 1   | SUMMIT FIRE PROTECTION           | Yes   | No    | No   | USD      | 11/06/2019    | 860.95    |
|       |    |      | 81861   | 174244   | Check    | 1   | 13814 |     | SUPERIOR STRIPING, INC.          | Yes   | No    | No   | USD      | 11/06/2019    | 325.00    |
|       |    |      | 81918   | 174245   | Check    | 1   | 6015  |     | SUPREME SCHOOL SUPPLY CO.        | Yes   | No    | No   | USD      | 11/06/2019    | 149.91    |
|       |    |      | 81919   | 174246   | Check    | 1   | 6142  | 2   | TIERNEY BROS.                    | Yes   | No    | No   | USD      | 11/06/2019    | 882.00    |
|       |    |      | 81920   | 174247   | Check    | 1   | 6226  | 1   | TRIARCO ARTS & CRAFTS            | Yes   | No    | No   | USD      | 11/06/2019    | 1,410.56  |
|       |    |      | 81921   | 174248   | Check    | 1   | 6231  |     | TRIO SUPPLY COMPANY              | Yes   | No    | No   | USD      | 11/06/2019    | 2,780.28  |
|       |    |      | 81847   | 174249   | Check    | 1   | 12404 | 1   | TUMBLEWEED PRESS INC             | Yes   | No    | No   | USD      | 11/06/2019    | 539.10    |
|       |    |      | 81841   | 174250   | Check    | 1   | 11229 | 1   | ULINE                            | Yes   | No    | No   | USD      | 11/06/2019    | 5,051.27  |
|       |    |      | 81870   | 174251   | Check    | 1   | 15226 |     | ULTIMATE SPORTS AND APPAREL      | Yes   | No    | No   | USD      | 11/06/2019    | 320.00    |
|       |    |      | 81859   | 174252   | Check    | 1   | 13648 | 1   | UNIVERSITY OF ST. THOMAS         | Yes   | No    | No   | USD      | 11/06/2019    | 350.00    |
|       |    |      | 81863   | 174253   | Check    | 1   | 14333 |     | UPPER LAKES FOODS, INC.          | Yes   | No    | No   | USD      | 11/06/2019    | 57,901.36 |
|       |    |      | 81866   | 174254   | Check    | 1   | 14430 |     | VEX ROBOTICS, INC.               | Yes   | No    | No   | USD      | 11/06/2019    | 2,504.99  |
|       |    |      | 81872   | 174255   | Check    | 1   | 15491 |     | VSI - VIDEO SERVICES, INC.       | Yes   | No    | No   | USD      | 11/06/2019    | 406.25    |
|       |    |      | 81923   | 174256   | Check    | 1   | 6464  |     | WATERMANAGEMENT SERVICES         | Yes   | No    | No   | USD      | 11/06/2019    | 966.90    |
|       |    |      | 81922   | 174257   | Check    | 1   | 6461  |     | WATSON CO. INC.                  | Yes   | No    | No   | USD      | 11/06/2019    | 207.34    |
|       |    |      | 81885   | 174258   | Check    | 1   | 16415 |     | WIESER EDUCATIONAL               | Yes   | No    | No   | USD      | 11/06/2019    | 106.40    |
|       |    |      | 81888   | 174259   | Check    | 1   | 16478 |     | WRECK-LESS DRIVING ACADEMY C     | Yes   | No    | No   | USD      | 11/06/2019    | 8,700.00  |

Bank Total: 001

\$887,994.55

Report Total:

\$887,994.55

**11.6.19**

| Type              | Date Submitted | Donor Name                    | School   | Reason                   | Gift / Amount |
|-------------------|----------------|-------------------------------|----------|--------------------------|---------------|
| Gift              | 10.25.19       | Princeton Lion's Club         | IS/MS/HS | Vex Robotics Fees        | \$200.00      |
| Gift              | 10.24.19       | Lion's Club                   | IS       | Transportation to Refuge | \$200.00      |
| Gift              | 10.11.19       | Princeton Jaycees             | IS/MS/HS | Vex Robotics Fees        | \$2,500.00    |
| Gift              | 10.14.19       | Mystic Riders Snowmobile Club | IS/MS/HS | Vex Robotics Fees        | \$500.00      |
| Gift              | 10.15.19       | Byykkonen Family              | IS/MS/HS | Vex Robotics Fees        | \$30.00       |
| Gift              | 10.28.18       | Princeton Lion's Club         | MS       | Deep Portage Field Trip  | \$750.00      |
| Gift Solicitation | 11.1.19        | Groups within Princeton       | MS       | Deep Portage Field Trip  | TBD           |

| Type       | Date Submitted | Fundraiser Proposed By | Purpose           | Supplier                 | Approx Funds |
|------------|----------------|------------------------|-------------------|--------------------------|--------------|
| Fundraiser | 10.28.19       | Unified Club           | Unified Night Out | Special Olympics (event) | \$500.00     |

| Type       | Date Submitted | Destination                              | School       | Applicant        | Approx Cost     |
|------------|----------------|--|--------------|------------------|-----------------|
| Field Trip | 10.24.19       | Band Tour to Georgia with multiple stops | HS           | Jim Baxter       | \$23,356.00     |
| Field Trip | 10.29.19       | Master Class @ STMA                      | HS           | Charles Moe      | \$555.00        |
| Field Trip | 10.30.19       | Unified Night Out                        | Unified Club | Abby Thomson     | \$290.38        |
| Field Trip | 11.1.19        | Deep Portage                             | MS           | Jim Steinbrecher | \$130 / student |

Should we be awarded the following grants, the Board authorizes acceptance of funds.

| Type  | Date Submitted | Grant Name            | School   | Applicant              | Approx Funds               |
|-------|----------------|-----------------------|----------|------------------------|----------------------------|
| Grant | 10.28.19       | Youth Skills Training | District | Jessica Town-Gunderson | \$99,945.00                |
| Grant | 11.1.19        | MSHSL Foundation      | HS       | PHS Activities         | Depends on # of applicants |

# P

## PRINCETON

HIGH SCHOOL

### PRINCETON HIGH SCHOOL FIELD TRIP REQUEST FORM

Submit to Activities Director (activity-related & extended) or Principal (instructional & supplemental)  
MAKE A COPY

|   |  |
|---|--|
| Name of Field Trip Supervisor: <u>Jim Baxter</u>  | Name of group, club, or department: <u>PHS Music Dept.</u>   |
| Descriptive name of this field trip? (i.e. FFA State Convention, college visit, Valley Fair Physics Day)<br><u>3Yr Rotation- Band Tour</u>  | Destination: <u>MN → GA (several stops)</u><br>Round Trip Miles: <u>2500</u><br>*Complete Transportation Request & attach  |
| Number of Students expected to participate: <u>100</u><br>Number of Teacher/Advisor Chaperones: <u>4</u><br>Number of adult volunteers/chaperones: <u>6</u><br># male students _____ #female students _____ (if Perkins funded) | Grade level/s of student participants: (circle all that apply)<br>9 <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">10</span> 11 12 <u>2020-2021</u><br><u>Sch Yr</u>   |
| Date of Departure: <u>March 28, 2021</u><br><u>SUNDAY</u><br>Time of Departure: <u>late afternoon</u>   | Date of Return: <u>April 3, 2021</u><br>Time of Return: <u>Late afternoon</u>  |
| School Hours Missed: (for single day trips)<br>1 2 3 4 5 6 (circle hours that apply)<br><input type="checkbox"/> outside the school day   | # School Days Missed: (if more than one day)<br>1.5 2 2.5 <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">3</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">4</span> other <u>calendar</u><br><input type="checkbox"/> outside the school day |
| This field trip extends past 6:00 p.m. on a Wednesday. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  | This field trip occurs on a Sunday. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Departure)  |

**How will this field trip be funded? (Check all that apply.)**

- Department budget (Code: \_\_\_\_\_)
- Students will be assessed a fee to cover transportation and/or registration/admission fee
- Students will pay for their own lunch
- Building funds are requested
- Grant funds (name of grant: \_\_\_\_\_)
- Outside group, booster club, individual, or agency funding (name: PMEA Boosters)

- A. What is the purpose of this field trip? (choose 1 CATEGORY only)**
- CATEGORY A: Instructional** (policy 610: takes place during the school day, relates directly to a course of study) (Section F of this form is required for instructional trips) (check all that apply)
    - Required for all students enrolled in the course
    - Only students in selected section/s of this course will participate
    - Students participate by choice
  - CATEGORY B: Supplemental** (policy 610: students voluntarily participate, usually take place outside the regular school day) (check all that apply)
    - All students in a course or club/activity will participate
    - Students participate by choice or selection
    - This is an enrichment opportunity

SCANNED

10-24-19

to Emily

**CATEGORY C: Extended** (policy 610: trip that involves at least one overnight stay) (check all that apply)

**ATTACH ITINERARY**

- Regional or state level competition, training or meeting
  - have qualified
  - anticipating to qualify
- Selected or invited to participate in honorary event or competition
  - have been invited or selected
  - have applied to be invited or selected
  - will apply to be invited or selected

**E. What are the estimated travel costs of the field trip?**

**I. Transportation Code or Budget:**  
# of round trip miles \_\_\_\_\_ X \$1.60 = \$ \_\_\_\_\_ # of hours \_\_\_\_\_ X \$19.10 = \$ \_\_\_\_\_  
# of buses needed \_\_\_\_\_ X the combination of the two subtotals above = \$ \_\_\_\_\_ (A)

See attached

**F. Complete this section for instructional field trip requests.**

1. Name of course: \_\_\_\_\_

2. What is the learning goal for this trip? (Reminder, this should appear on the learning progression.)  
\_\_\_\_\_

3. Is this trip approved and funded through the Carl Perkins grant?  Yes  No

4. If yes to 3, what amount was included in Perkins grant? \_\_\_\_\_

NOTE: If cost of actual trip exceeds the approved amount, this must be funded through other means.

Date Received (Office): 10-24-19

|  |                         |  |                                       |
|--|-------------------------|--|---------------------------------------|
| <b>G. Building Administrative Review</b>           |                         |  |                                       |
| <u>Dan Pratts</u><br>Activities Director Signature | <u>10/24/19</u><br>Date | Approved <input checked="" type="checkbox"/> | Not Approved <input type="checkbox"/> |
| <u>Barbara Mueckel</u><br>Principal Signature      | <u>10/24/19</u><br>Date | Approved <input checked="" type="checkbox"/> | Not Approved <input type="checkbox"/> |
| <b>District Review for Extended Trips</b>          |                         |  |                                       |
| <u>[Signature]</u><br>Superintendent Signature     | <u>10/30</u><br>Date    | Approved <input checked="" type="checkbox"/> | Not Approved <input type="checkbox"/> |
| _____<br>School Board Chairperson Signature        | _____<br>Date           | Approved <input type="checkbox"/>            | Not Approved <input type="checkbox"/> |

**E. What are the estimated costs of the field trip?** (If codes are unknown, leave blank. Complete cost estimate calculations.)

**I. Transportation Code:**  
 # of round trip miles 2,800 X \$1.56 = \$ 4,368 # of hours 130 X \$18.54 = \$ 2,410.20  
 # of buses needed 2 X the combination of the two subtotals above = \$ 13,556.40 (A)

**II. Lodging Code:**  
 # of rooms 25 X # of nights 4 = total rooms 100 X cost of room 100 = \$ 10,000 (B)

**III. Registration Code:**  
 # of students \_\_\_\_\_ X cost of registration \_\_\_\_\_ = \$ \_\_\_\_\_ (C) (Holt bus)  
CO  
*NA* # of adults \_\_\_\_\_ X cost of registration \_\_\_\_\_ = \$ \_\_\_\_\_ (D)

**IV. Substitute Code:**  
 # of teachers needing a substitute 3 X # of hours 24 X \$25 (approx) = \$ 1,800 (E)  
 OR  
 # of teachers needing a substitute \_\_\_\_\_ X # of days \_\_\_\_\_ X \$125 (approx) = \$ \_\_\_\_\_ (F)

**V. Meals Code:**  
 # of students & adults \_\_\_\_\_ X approximate cost of meal \_\_\_\_\_ X # of meals = \$ \_\_\_\_\_ (G)

*NA* **TOTAL ESTIMATED COST OF FIELD TRIP (Add A-G):** \$ 27,356.40 (Price Breakdown attached upon request)

**F. Complete this section for instructional field trip requests.** *NA*

- Name of course: \_\_\_\_\_
  - What is the learning goal for this trip? (Reminder, this should appear on the learning progression.)  
 \_\_\_\_\_
  - Is this trip approved and funded through the Carl Perkins grant?  Yes  No
  - If yes to 3, what amount was included in Perkins grant? \_\_\_\_\_
- NOTE: If cost of actual trip exceeds the approved amount, this must be funded through other means.

**Date Received (Office):** \_\_\_\_\_

**G. Building Administrative Review**

|   |       |          |                          |              |                          |
|---|-------|----------|--------------------------|--------------|--------------------------|
| _____                                     | _____ | Approved | <input type="checkbox"/> | Not Approved | <input type="checkbox"/> |
| Activities Director Signature             | Date  |          |                          |              |                          |
| _____                                     | _____ | Approved | <input type="checkbox"/> | Not Approved | <input type="checkbox"/> |
| Principal Signature                       | Date  |          |                          |              |                          |
| <b>District Review for Extended Trips</b> |       |          |                          |              |                          |
| _____                                     | _____ | Approved | <input type="checkbox"/> | Not Approved | <input type="checkbox"/> |
| Superintendent Signature                  | Date  |          |                          |              |                          |
| _____                                     | _____ | Approved | <input type="checkbox"/> | Not Approved | <input type="checkbox"/> |
| School Board Chairperson Signature        | Date  |          |                          |              |                          |

**Princeton High School Band**  
**Tour - Spring 2021 - Proposed Itinerary**

**Day One: Sunday**

Depart PHS by Coach Bus mid-afternoon  
Travel to Madison, Wisconsin  
**Clinic & Performance** en route at UW-Madison  
Travel to Chicago, IL  
Group Meal in Chicago

**Day Two: Monday**

Walking Blues-History Tour of Chicago  
**Clinic & Masterclass** at VanderCook College of Music  
**Attend Performance** in Chicago

**Day Three: Tuesday**

Arrive in Nashville, TN  
Tour Ryman Auditorium & the Grand Ole Opry  
Tour RCA Studios  
Group Meal at Wildhorse Saloon  
**Perform** at Opryland  
**Attend Performance** at Ryman Auditorium

**Day Four: Wednesday**

**Masterclass/Joint Concert** at University near Nashville  
Tour Music District & meet recording engineers  
"Feed My Starving Children" type Volunteer experience (TBD)  
Group Meal in Nashville

**Day Five: Thursday**

Travel to Atlanta, GA  
**Masterclass & Performance** at University en route  
Tour Centennial Olympic Park  
Tour CNN Studios  
Group Meal downtown Atlanta  
**Attend a Performance** (Broadway show or similar)

**Day Six: Friday**

Travel to Savannah, GA  
**Perform** near Savannah/Boardwalk  
Group Meal/Beach time  
Depart by coach bus for PHS

**Day Seven: Saturday**

Travel Day  
**Masterclass** in Chicago Area  
Arrive at PHS at approximately 9:00 pm



to Board?

# PRINCETON

HIGH SCHOOL



## PRINCETON HIGH SCHOOL FIELD TRIP REQUEST FORM

Submit to Activities Director (activity-related & extended) or Principal (instructional & supplemental)

MAKE A COPY

|  |   |
|--|---|
| Name of Field Trip Supervisor: Abby Thomson  | Name of group, club, or department: Unified Club  |
| Descriptive name of this field trip? (i.e. FFA State Convention, college visit, Valley Fair Physics Day)<br><u>Unified Night Out</u>   | Destination: Mall of America<br>Round Trip Miles: 121.8<br><b>*Complete Transportation Request &amp; attach</b>                             |
| Number of Students expected to participate: 10-20<br>Number of Teacher/Advisor Chaperones: 2<br>Number of adult volunteers/chaperones:<br># male students _____ #female students _____ (if Perkins funded) | Grade level/s of student participants: (circle all that apply)<br><u>9 10 11 12</u>   |
| Date of Departure: 11/10/2019<br>Time of Departure: 3:30PM   | Date of Return: 11/10/2019<br>Time of Return: 8:30PM  |
| School Hours Missed: (for single day trips)<br>1 2 3 4 5 6 (circle hours that apply)<br><input checked="" type="checkbox"/> outside the school day   | # School Days Missed: (if more than one day)<br>1.5 2 2.5 3 3.5 4 other _____<br><input checked="" type="checkbox"/> outside the school day |
| This field trip extends past 6:00 p.m. on a Wednesday. Yes <input checked="" type="checkbox"/> No  | This field trip occurs on a Sunday. <input checked="" type="checkbox"/> Yes No  |

### How will this field trip be funded? (Check all that apply.)

- Department budget (Code: 10 350 298 208 000 401) \*\*Also, requesting a travel stipend from Special Olympics
- Students will be assessed a fee to cover transportation and/or registration/admission fee
- Students will pay for their own lunch
- Building funds are requested
- Grant funds (name of grant: \_\_\_\_\_)
- Outside group, booster club, individual, or agency funding (name: \_\_\_\_\_)

### A. What is the purpose of this field trip? (choose 1 CATEGORY only)

- CATEGORY A: Instructional** (policy 610: takes place during the school day, relates directly to a course of study) (Section F of this form is required for instructional trips)  
(check all that apply)
  - Required for all students enrolled in the course
  - Only students in selected section/s of this course will participate  
Students participate by choice
- CATEGORY B: Supplemental** (policy 610: students voluntarily participate, usually take place outside the regular school day) (check all that apply)
  - All students in a course or club/activity will participate
  - Students participate by choice or selection
  - This is an enrichment opportunity

**CATEGORY C: Extended** (policy 610: trip that involves at least one overnight stay) (check all that apply)

**ATTACH ITINERARY**

- Regional or state level competition, training or meeting
  - have qualified
  - anticipating to qualify
- Selected or invited to participate in honorary event or competition
  - have been invited or selected
  - have applied to be invited or selected
  - will apply to be invited or selected

**E. What are the estimated travel costs of the field trip?**

**I. Transportation Code or Budget:** 10350 298 208 733 360  
 # of round trip miles 121.8 X \$1.60 = \$ 194.88 # of hours 5 X \$19.10 = \$ 95.50  
 # of buses needed 1 van \_\_\_\_\_ X the combination of the two subtotals above = \$ 290.38 (A)

**F. Complete this section for instructional field trip requests.**

1. Name of course: \_\_\_\_\_
2. What is the learning goal for this trip? (Reminder, this should appear on the learning progression.)  
 \_\_\_\_\_

3. Is this trip approved and funded through the Carl Perkins grant?  Yes  No

4. If yes to 3, what amount was included in Perkins grant? \_\_\_\_\_

NOTE: If cost of actual trip exceeds the approved amount, this must be funded through other means.

**Date Received (Office):** \_\_\_\_\_

|  |                 |          |                                       |
|--|-----------------|----------|---------------------------------------|
| <b>G. Building Administrative Review</b>   |                 |          |                                       |
|  | <u>10/28/19</u> | Approved | <input checked="" type="checkbox"/>   |
| Activities Director Signature  | Date            |          | Not Approved <input type="checkbox"/> |
|  | <u>10/30/19</u> | Approved | <input checked="" type="checkbox"/>   |
| Principal Signature  | Date            |          | Not Approved <input type="checkbox"/> |
| <b>District Review for Extended Trips</b>  |                 |          |                                       |
| _____  | _____           | Approved | <input type="checkbox"/>              |
| Superintendent Signature   | Date            |          | Not Approved <input type="checkbox"/> |
| _____  | _____           | Approved | <input type="checkbox"/>              |
| School Board Chairperson Signature   | Date            |          | Not Approved <input type="checkbox"/> |

\$41,344 Raised

\$100,000 Goal

SIGN UP!

DONATE NOW

11.10.19

**5-7P.M.**

**NICKELODEON  
UNIVERSE**

Unified Night Out (UNO) is a unified party and fundraiser for Special Olympics Minnesota. Join the party for dancing, games, prizes and rides!

## **ABOUT UNIFIED NIGHT OUT**

UNO is a new spin on what was Unified Dance Marathon. There will still be a DJ and dancing, as well as more activities, more time to celebrate the Unified movement and don't forget about the rides!

Rides? YES! Nickelodeon Universe will be closed down - just for us! - for this one of a kind event!

UNO is open to EVERYONE - as long as you fundraise a minimum of \$50 to participate! \$50 will give you access to the park, including a ride wristband, and a commemorative event shirt. As you go above and beyond the minimum, you'll unlock access to additional incentives that you won't want to miss out on!

## UNO REVENUE SHARE

UNO is a revenue share opportunity for SOMN Delegations, Champion Schools and School teams. This means the more you raise, the more that comes directly back to your team! Money must be raised online to be eligible for revenue share. Click [HERE](#) or contact Maureen Gruys at [maureen.gruys@somn.org](mailto:maureen.gruys@somn.org) for more details.

## RESOURCES

REVENUE SHARE FORM

FAQ

DONATION IMPACT

## Fundraising Levels

|  |  |  |
|--|--|--|
|  |  |  |
|--|--|--|

# FIELD TRIP REQUEST FORM

Submit to Activities Director (activity-related & extended) or Principal (instructional & supplemental)

|  |  |
|--|--|
| Name of Field Trip Supervisor: <i>Jon Steinbrecher</i><br><i>6<sup>th</sup> Grade Teachers</i>   | Name of group, club, or department:  |
| Descriptive name of this field trip? (i.e. FFA State Convention, college visit, Valley Fair Physics Day)<br><i>Deep Portage (6<sup>th</sup> graders)</i>   | Destination: <i>Hackensack, MN Deep Portage</i><br>Round Trip Miles: <i>252</i>  |
| Number of Students expected to participate:<br>Number of Teacher/Advisor Chaperones:<br>Number of adult volunteers/chaperones:<br># male students _____ #female students _____ (if Perkins funded) | Grade level/s of student participants: (circle all that apply)<br>K 1 2 3 4 5 <b>6</b> 7 8 9 10 11 12  |
| Date of Departure: <i>Jan 27 (6A)</i><br>Time of Departure: <i>Jan 29 (6B) 8:45 a.m.</i>   | Date of Return: <i>Jan 29<sup>m</sup> (6A)</i><br>Time of Return: <i>Jan 31 (6B) 3:00 p.m.</i>   |
| School Hours Missed: (for single day trips)<br>1 2 3 4 5 (circle hours that apply)<br><input type="checkbox"/> outside the school day  | # School Days Missed: (if more than one day) <i>These are</i><br>1.5 2 2.5 <b>3</b> 3.5 4 other _____ <i>This is considered</i><br><input type="checkbox"/> outside the school day <i>school days up</i> |
| Yes No This field trip extends past 6:00 p.m. on a Wednesday.  | Yes <b>No</b> This field trip occurs on a Sunday. <i>at Deep Portage.</i>  |

**How will this field trip be funded? (Check all that apply)**

- Department budget (Code: \_\_\_\_\_)
- Students will be assessed a fee to cover transportation and/or registration/admission fee *\$130.00/person*
- Students will pay for their own lunch *Student generated*
- Building funds are requested *teacher chaperones are free*
- Grant funds (name of grant: \_\_\_\_\_)
- Outside group, booster club, individual, or agency funding (Name: *Donations from Community groups*)

**A. What is the purpose of this field trip? (choose 1 CATEGORY only)**

**CATEGORY A: Instructional** (policy 610: takes place during the school day, relates directly to a course of study)  
 (Section F of this form is required for instructional trips)  
 (check all that apply)

- Required for all students enrolled in the course *Most*
- Only students in selected section/s of this course will participate
- Students participate by choice *Most go to Deep Portage, some stay back.*

**CATEGORY B: Supplemental** (policy 610: students voluntarily participate, usually take place outside the regular school day) (check all that apply)

- All students in a course or club/activity will participate
- Students participate by choice or selection
- This is an enrichment opportunity

**CATEGORY C: Extended** (policy 610: trip that covers more than 400 miles round trip, or involves at least one overnight stay) (check all that apply) **ATTACH ITINERARY**

- Regional or state level competition, training or meeting
  - have qualified
  - anticipating to qualify
- Selected or invited to participate in honorary event or competition
  - have been invited or selected
  - have applied to be invited or selected
  - will apply to be invited or selected

**E. What are the estimated costs of the field trip? (If codes are unknown, leave blank. Complete cost estimate calculations.)**

|  |  |
|--|--|
| <p><b>I. Transportation Code:</b> _____<br/>                 # of round trip miles _____ X \$1.45 = \$ _____ # of hours _____ X \$17.34 = \$ _____<br/>                 # of buses needed _____ X the combination of the two subtotals above = \$ _____ (A)</p>                                  |  |
| <p><b>II. Lodging Code:</b> _____<br/>                 # of rooms _____ X # of nights _____ = total rooms _____ X cost of room _____ = \$ _____ (B)</p>  |  |
| <p><b>III. Registration Code:</b> _____<br/>                 # of students _____ X cost of registration _____ = \$ _____ (C)<br/>                 # of adults _____ X cost of registration _____ = \$ _____ (D)</p>  |  |
| <p><b>IV. Substitute Code:</b> _____<br/>                 # of teachers needing a substitute _____ X # of hours _____ X \$25 (approx) = \$ _____ (E)<br/>                 OR<br/>                 # of teachers needing a substitute _____ X # of days _____ X \$125 (approx) = \$ _____ (F)</p> |  |
| <p><b>V. Meals Code:</b> _____<br/>                 # of students &amp; adults _____ X approximate cost of meal _____ X # of meals = \$ _____ (G)</p>  |  |
| <p><b>TOTAL ESTIMATED COST OF FIELD TRIP (Add A-G):</b> \$ _____</p>   |  |

**F. Complete this section for instructional field trip requests.**

1. Name of course: \_\_\_\_\_
2. What critical content statement does this field trip align to? # \_\_\_\_\_  
 It does not align to any critical content statements.
4. Is this trip part of this course for all course sections regardless of the teacher or the trimester in which is it taught?  
 Yes  
 No (Provide explanation below)

See attached Deep Portage forms for itinerary and costing.  
 \$130/student (Student generated)

**Date Received (Office):** \_\_\_\_\_

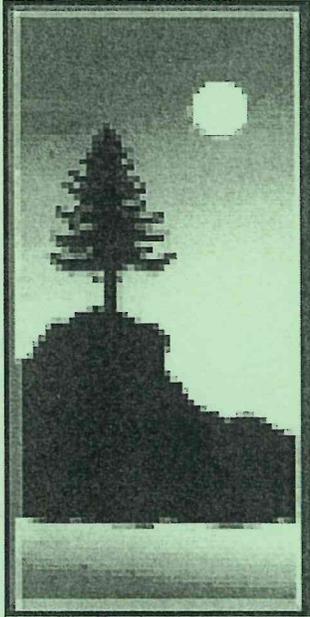
**G. Building Administrative Review**

|  |                         |   |  |
|--|-------------------------|---|--|
| Activities Director Signature<br>Principal Signature | Date<br>11/4/19<br>Date | Approved <input type="checkbox"/><br><div style="border: 2px solid black; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 5px auto;">                     Approved <input checked="" type="checkbox"/> </div> Not Approved <input type="checkbox"/> | Not Approved <input type="checkbox"/><br>Not Approved <input type="checkbox"/> |
| Superintendent Signature                             | Date                    | Approved <input type="checkbox"/>   | Not Approved <input type="checkbox"/>  |
| School Board Chairperson Signature                   | Date                    | Approved <input type="checkbox"/>   | Not Approved <input type="checkbox"/>  |



# Team 6B – Trip to Deep Portage is scheduled for Wed., Jan. 29th – Friday, Jan. 31st

November 2019



Mrs. Vogel  
389-6760

Mr.  
Steinbrecher  
389-6731

Ms. Blomberg  
389-6720

Mrs. Roby  
389-6745

Dear Parents of Sixth Grade Students,

Mark your calendars now for your child's trip to Deep Portage Conservation Camp! This is a 3 day/2 night experience for all 6<sup>th</sup> graders who earn the privilege to go.

### What is Deep Portage?

Deep Portage Conservation Camp is located near Hackensack, MN. It is five miles long, two miles wide, and contains five lakes. It services many Minnesota schools during the year. While at camp, students participate in a variety of environmental education activities both indoors and out. We stay indoors in the Resources Heritage Center, which is a 27,000 square foot building that includes classrooms, a theater, "bunk" rooms, kitchen facilities, dining hall, administrative offices, and a library. Your child will be assigned a room in this building. Each room has between 6-9 beds and a bathroom with a shower. Chaperones will be in their own rooms next to the student rooms. If you would like more information about Deep Portage, their website can be accessed at [HYPERLINK](http://www.deep-portage.org)

"<http://www.deep-portage.org>" <http://www.deep-portage.org>

The total cost of our trip is \$130 per student. This covers transportation, food, evening snack, lodging, and the instructional program for 3 days. Payments will not be due until January 10<sup>th</sup>. Payment options include; via check (made out to PMS, cash, or online at PMS website. Checks or cash can be brought into Kristy in the main office. There will be a limited amount of scholarship funds available for families indicating they may need financial assistance.

Discipline referrals may affect your child's ability to attend this trip.

Forms to be returned by Friday, December 6th, 2019

- Student Permission Slip/Health Form
- Chaperone Application (optional)

Thank you.

## Deep Portage Medical Addendum

\*A few clarifications and reminders\*

- Parents please be aware that no over the counter medications will be available at Deep Portage. If you feel your child would benefit from having the option of taking Ibuprofen, Tylenol, Melatonin etc. while there, please provide a small, unopened bottle and fill out the “over-the-counter medication” section of the form.
- If you wish for your child to self-carry their inhaler, please indicate that on the medication form. Inhalers will be the only allowed self carry item, remaining medications must be sent through the health office and dispensed by staff.
- Medications will be returned to students prior to boarding bus on final day of camp prior to dismissal home. Please verify the medications have been returned to your home at that time.
- During the Deep Portage trip, school staff will follow ISD #477 School Policy 516 regarding Student Medication and the Princeton School District Standing Orders. These policies are available online for viewing.

# DEEP PORTAGE HEALTH AND PERMISSION FORM

Student Name \_\_\_\_\_ Date of Birth \_\_\_\_\_ Age \_\_\_\_\_  
Parent or Guardian Name \_\_\_\_\_  
Home Phone \_\_\_\_\_ Work Phone \_\_\_\_\_  
Home Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Name of Health Insurance \_\_\_\_\_ Policy Number \_\_\_\_\_  
Physician \_\_\_\_\_  
Clinic Name \_\_\_\_\_ Clinic Phone \_\_\_\_\_

## Current Health Information: *please answer all questions that apply to the above student.*

- Asthma:** List triggers \_\_\_\_\_ Treatment currently used? \_\_\_\_\_
- Diabetes:** please use the back of this form to describe insulin, snacks, and when to call you.
- Special dietary regimen or food allergies:** please describe \_\_\_\_\_
- Other allergies:** list \_\_\_\_\_ Does child carry epinephrine? \_\_\_\_\_
- Bleeding disorder:** please describe \_\_\_\_\_ What is the treatment? \_\_\_\_\_
- Seizures:** list all medications and when used \_\_\_\_\_
- Muscle-Bone-Joint condition:** list \_\_\_\_\_ What is the treatment \_\_\_\_\_
- Activity restrictions:** describe \_\_\_\_\_
- Heart condition:** describe \_\_\_\_\_
- Sleep problems:**  bedwetting  sleep-walking  other \_\_\_\_\_
- Other:** describe \_\_\_\_\_
- Date of last tetanus booster** \_\_\_\_\_

## Current Medications:

*Please list all prescription medication your child will be taking while at Deep Portage.  
Include inhalers, nebulizer, ritalin, etc. Use back of form in needed.  
All prescription medication must be in a current pharmacy labeled bottle.*

- Medication #1:** Name of medication \_\_\_\_\_  
Reason given \_\_\_\_\_  
Amount given \_\_\_\_\_ Time given \_\_\_\_\_  
Name of physician prescribing medication \_\_\_\_\_ Phone \_\_\_\_\_
- Medication #2:** Name of medication \_\_\_\_\_  
Reason given \_\_\_\_\_  
Amount given \_\_\_\_\_ Time given \_\_\_\_\_  
Name of physician prescribing medication \_\_\_\_\_ Phone \_\_\_\_\_
- Will take an over-the-counter medication at Deep Portage**  
Name of medication: (Include Tylenol, Ibuprofen, Sudafed) \_\_\_\_\_  
Reason given \_\_\_\_\_  
Amount given \_\_\_\_\_ Time given \_\_\_\_\_

*All medication must be sent from home in the original over-the-counter container  
No aspirin will be given. Child will receive only the recommended dose.*

*Please turn the form over and continue...*

# DEEP PORTAGE HEALTH AND PERMISSION FORM

## Permission and Emergency Authorization for the Above Named Student:

- 1) The student has my permission to participate in Deep Portage.
- 2) Staff has my permission to give my child the above medications.
- 3) Deep Portage staff has permission to transport the student for educational and/or emergency reasons
- 4) Permission is granted, in a medical emergency, to the physician selected by the student's teacher or Deep Portage Staff to hospitalize, secure treatment for, and/or order injection, anesthesia, or surgery for student. I understand every effort will be made to reach me at the phone numbers listed above or if I can't be reached call:

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Directions to the contrary or additional health information must be attached to this form.

- 5) I believe all precautions will be taken for student care and supervision. I will not hold Deep Portage Staff, teachers, or chaperones responsible.

Signature of Parent or Guardian \_\_\_\_\_ Date \_\_\_\_\_

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### SPACE FOR ADDITIONAL INFORMATION:

#### ISD #477 SCHOOL POLICE REGARDING FIELD TRIPS:

#### "ALL RULES OF SCHOOL SHALL APPLY FOR FIELD TRIPS"

In the event a serious discipline problem develops, we will contact the parents advising the parents of the problem and ask parents to pick their child up immediately at parent expense.

# Deep Portage Chaperone Application Form

Your name \_\_\_\_\_

Your child's name \_\_\_\_\_

Phone Number(s) H \_\_\_\_\_

C \_\_\_\_\_

Please explain why you would like to chaperone this field trip:

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Do you have any medical training?

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Describe your experience with outdoor activities:

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**Please note:**

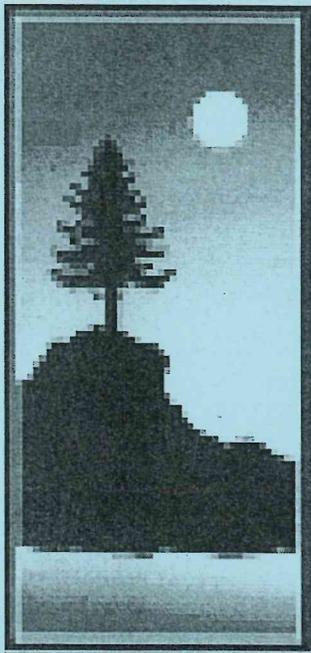
There is a cost of \$130 for each chaperone, which will cover your food and lodging at Deep Portage. There will also be a District policy background check that will need to be completed and approved prior to attending this trip as a chaperone.

**Please return this form by Friday, December 6**

Thank you! 6<sup>th</sup> grade teachers

# Team 6A – Trip to Deep Portage is scheduled for Monday, Jan. 27th – Wed., Jan. 29th

November 2019



Mr. Romportl  
389-6752

Mrs. Majerus  
389-6727

Mrs. Mathson  
389-6726

Mrs. Borich  
389-6728

Mrs. Arens  
389-6702

Dear Parents of Sixth Grade Students,

Mark your calendars now for your child's trip to Deep Portage Conservation Camp! This is a 3 day/2 night experience for all 6<sup>th</sup> graders who earn the privilege to go.

### What is Deep Portage?

Deep Portage Conservation Camp is located near Hackensack, MN. It is five miles long, two miles wide, and contains five lakes. It services many Minnesota schools during the year. While at camp, students participate in a variety of environmental education activities both indoors and out. We stay indoors in the Resources Heritage Center, which is a 27,000 square foot building that includes classrooms, a theater, "bunk" rooms, kitchen facilities, dining hall, administrative offices, and a library. Your child will be assigned a room in this building. Each room has between 6-9 beds and a bathroom with a shower. Chaperones will be in their own rooms next to the student rooms. If you would like more information about Deep Portage, their website can be accessed at [HYPERLINK](http://www.deep-portage.org)

"<http://www.deep-portage.org>" <http://www.deep-portage.org>

The total cost of our trip is \$130 per student. This covers transportation, food, evening snack, lodging, and the instructional program for 3 days. Payments will not be due until January 10<sup>th</sup>. Payment options include; via check (Made out to PMS), cash, or online at PMS website. Checks or cash can be brought in to Kristy in the main office. There will be a limited amount of scholarship funds available for families indicating they may need financial assistance.

Discipline referrals may affect your child's ability to attend this trip.

Forms to be returned by Friday, December 6th, 2019

- Student Permission Slip/Health Form
- Chaperone Application

Thank you.

## Deep Portage Medical Addendum

\*A few clarifications and reminders\*

- Parents please be aware that no over the counter medications will be available at Deep Portage. If you feel your child would benefit from having the option of taking Ibuprofen, Tylenol, Melatonin etc. while there, please provide a small, unopened bottle and fill out the “over-the-counter medication” section of the form.
- If you wish for your child to self-carry their inhaler, please indicate that on the medication form. Inhalers will be the only allowed self carry item, remaining medications must be sent through the health office and dispensed by staff.
- Medications will be returned to students prior to boarding bus on final day of camp prior to dismissal home. Please verify the medications have been returned to your home at that time.
- During the Deep Portage trip, school staff will follow ISD #477 School Policy 516 regarding Student Medication and the Princeton School District Standing Orders. These policies are available online for viewing.

# DEEP PORTAGE HEALTH AND PERMISSION FORM

Student Name \_\_\_\_\_ Date of Birth \_\_\_\_\_ Age \_\_\_\_\_

Parent or Guardian Name \_\_\_\_\_

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

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

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Name of Health Insurance \_\_\_\_\_ Policy Number \_\_\_\_\_

Physician \_\_\_\_\_

Clinic Name \_\_\_\_\_ Clinic Phone \_\_\_\_\_

## Current Health Information: *please answer all questions that apply to the above student.*

- Asthma:** List triggers \_\_\_\_\_ Treatment currently used? \_\_\_\_\_
- Diabetes:** please use the back of this form to describe insulin, snacks, and when to call you.
- Special dietary regimen or food allergies:** please describe \_\_\_\_\_
- Other allergies:** list \_\_\_\_\_ Does child carry epinephrine? \_\_\_\_\_
- Bleeding disorder:** please describe \_\_\_\_\_ What is the treatment? \_\_\_\_\_
- Seizures:** list all medications and when used \_\_\_\_\_
- Muscle-Bone-Joint condition:** list \_\_\_\_\_ What is the treatment \_\_\_\_\_
- Activity restrictions:** describe \_\_\_\_\_
- Heart condition:** describe \_\_\_\_\_
- Sleep problems:**  bedwetting  sleep-walking  other \_\_\_\_\_
- Other:** describe \_\_\_\_\_
- Date of last tetanus booster** \_\_\_\_\_

## Current Medications:

*Please list all prescription medication your child will be taking while at Deep Portage.*

*Include inhalers, nebulizer, ritalin, etc. Use back of form in needed.*

*All prescription medication must be in a current pharmacy labeled bottle.*

- Medication #1:** Name of medication \_\_\_\_\_  
Reason given \_\_\_\_\_  
Amount given \_\_\_\_\_ Time given \_\_\_\_\_  
Name of physician prescribing medication \_\_\_\_\_ Phone \_\_\_\_\_
- Medication #2:** Name of medication \_\_\_\_\_  
Reason given \_\_\_\_\_  
Amount given \_\_\_\_\_ Time given \_\_\_\_\_  
Name of physician prescribing medication \_\_\_\_\_ Phone \_\_\_\_\_
- Will take an over-the-counter medication at Deep Portage**  
Name of medication: (Include Tylenol, Ibuprofen, Sudafed) \_\_\_\_\_  
Reason given \_\_\_\_\_  
Amount given \_\_\_\_\_ Time given \_\_\_\_\_

*All medication must be sent from home in the original over-the-counter container*

*No aspirin will be given. Child will receive only the recommended dose.*

*Please turn the form over and continue...*

# DEEP PORTAGE HEALTH AND PERMISSION FORM

## Permission and Emergency Authorization for the Above Named Student:

- 1) The student has my permission to participate in Deep Portage.
- 2) Staff has my permission to give my child the above medications.
- 3) Deep Portage staff has permission to transport the student for educational and/or emergency reasons
- 4) Permission is granted, in a medical emergency, to the physician selected by the student's teacher or Deep Portage Staff to hospitalize, secure treatment for, and/or order injection, anesthesia, or surgery for student. I understand every effort will be made to reach me at the phone numbers listed above or if I can't be reached call:

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Directions to the contrary or additional health information must be attached to this form.

- 5) I believe all precautions will be taken for student care and supervision. I will not hold Deep Portage Staff, teachers, or chaperones responsible.

Signature of Parent or Guardian \_\_\_\_\_ Date \_\_\_\_\_

---

### SPACE FOR ADDITIONAL INFORMATION:

#### ISD #477 SCHOOL POLICE REGARDING FIELD TRIPS:

#### "ALL RULES OF SCHOOL SHALL APPLY FOR FIELD TRIPS"

In the event a serious discipline problem develops, we will contact the parents advising the parents of the problem and ask parents to pick their child up immediately at parent expense.

# Deep Portage Chaperone Application Form

Your name \_\_\_\_\_

Your child's name \_\_\_\_\_

Phone Number(s) H \_\_\_\_\_

C \_\_\_\_\_

Please explain why you would like to chaperone this field trip:

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---

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---

---

Do you have any medical training?

---

Describe your experience with outdoor activities:

---

---

**Please note:**

There is a cost of \$130 for each chaperone, which will cover your food and lodging at Deep Portage. There will also be a District policy background check that will need to be completed and approved prior to attending this trip as a chaperone.

**Please return this form by Friday, December 6**

Thank you! 6<sup>th</sup> grade teachers

## AGREEMENT

This Agreement ("Agreement") is entered into by and between Independent District No. 477, Princeton ("Princeton") and Independent School District No. 912, Milaca ("Milaca").

WHEREAS, Princeton employs a full-time Native American Indian Liaison;

WHEREAS, Milaca would like to pay Princeton to assign its Native American Indian Liaison to provide an average of twenty hours of service per week to students and families in Milaca;

NOW, THEREFORE, IN CONSIDERATION OF the forgoing, the promises contained in this Agreement, and other valuable consideration, the sufficiency of which is acknowledged, Princeton and Milaca agree as follows:

1. **Term.** This Agreement will automatically terminate, without further action from either party, at 5:00 p.m. on June 29, 2020, unless the parties affirmatively act to renew this Agreement or to enter into a successor agreement. Either party may terminate this Agreement before June 29, 2020, by providing written notice to the other party thirty (30) calendar days in advance of the effective date of termination. If early termination occurs, Milaca will be responsible for paying a prorated amount of the payment specified in the third numbered paragraph of this Agreement.

2. **Assignment of Native American Indian Liaison.** For each week that school is in session while this Agreement is in effect, Princeton will assign and direct the Native American Indian Liaison to provide an average of twenty (20) hours of service to Milaca students and their families.

3. **Payment.** Milaca will pay Princeton for one-half of all costs and expenses that Princeton incurs in employing a full-time Native American Indian Liaison during the 2019-2020 school year. Such costs and expenses include, but are not limited to, wages, benefits, workers' compensation insurance, unemployment compensation insurance, liability insurance, the provision of office space, and the provision of a school computer. On or before January 15, 2020, Princeton will provide written notice to Milaca of the total costs and expenses that Princeton incurred in employing the Native American Indian Liaison from July 1, 2019 through December 31, 2019. Milaca will pay Princeton that amount on or before January 30, 2020. On or before July 15, 2020, Princeton will provide written notice to Milaca of the total costs and expenses that Princeton incurred in employing the Native American Indian Liaison from January 1, 2020 through June 30, 2020. Milaca will pay Princeton that amount on or before July 30, 2020. If Princeton provides notice of the total amount of the costs and expenses after any of the deadlines specified in this paragraph, Milaca will not be responsible for paying the costs and expenses until fifteen (15) calendar

days after it receives notice from Princeton of the amount that is due. Total amount not to exceed \$20,600.

4. **MDE Funding.** While this Agreement is in effect, the Native American Indian monies that Milaca would have received from the Minnesota Department of Education (“MDE”) will be allocated directly to Princeton. Milaca may not apply for, claim, or attempt to claim any such monies while this Agreement is in effect. If for such reason any Native American Indian monies are paid or allocated directly to Milaca while this Agreement is in effect, Milaca will immediately pay such monies to Princeton.

5. **Unemployment Compensation.** In the event that Princeton terminates the Native American Indian Liaison’s employment on or before June 30, 2020 and is obligated to pay unemployment compensation to the Native American Indian Liaison, Milaca will be responsible for reimbursing Princeton for one-half of the unemployment compensation it pays to the Native American Indian Liaison. This provision will survive the termination of this Agreement.

6. **Office Space and Furnishings.** During the term of this Agreement, Princeton will provide office space for the Native American Indian Liaison and appropriate furnishings, including a school computer with internet access. The office space will be available during regular school hours for use by the Native American Indian Liaison.

7. **Relationship of the Parties.** Princeton and Milaca not entering into a partnership or a joint venture, and nothing in this Agreement may be construed to create a partnership or joint venture between Princeton and Milaca. Neither party has any authority or power to take any unilateral action that could legally bind the other party. For purposes of the Minnesota Government Data Practices Act, each party is considered to be an independent contractor relative to the other party.

8. **Employment Status.** The Native American Indian Liaison will be considered to be an employee of Princeton at all times and for all purposes. Princeton maintains full control over its employees, including the Native American Indian Liaison, and is solely responsible for all employment and administrative functions related to its employees, including, but not limited to, supervision, evaluation, payroll and deductions, maintenance of all required insurance (e.g. workers’ compensation insurance, unemployment insurance, liability insurance), and any disputes or grievances.

9. **Liability Claims.** Each party is solely responsible for the alleged acts and omissions of its own officers, employees, officials, agents, and representatives. To the extent permitted by law, Princeton or its insurer must defend, indemnify, and hold Milaca harmless for any claims that are made against Milaca based on any omissions or actions alleged to have been taken by the Native American Indian Liaison. To the extent permitted by law, Milaca or its

14. **Equal Drafting.** In the event that either party asserts that a provision of this Agreement is unlawful, unenforceable, or ambiguous, this Agreement must be construed to have been drafted equally by the parties.

15. **Entire Agreement.** This Agreement represents the full and complete agreement between the parties regarding the Native American Indian Liaison. Neither party has relied on any promise, representation, or inducement that is not stated in this written Agreement. This Agreement supersedes any and all prior agreements between the parties related to the Native American Indian Liaison. To be valid, any amendments or addendums to this Agreement must be in writing and must be signed by duly authorized representatives for each party. An executed copy of this Agreement will have the same legal effect as the original.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and intend to be bound by it.

**INDEPENDENT SCHOOL DISTRICT NO. 447, PRINCETON**

\_\_\_\_\_  
School Board Chair  
Independent District 477

\_\_\_\_\_  
Date

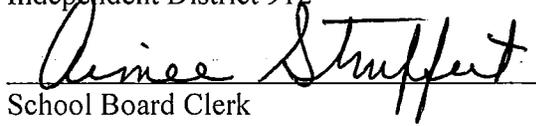
\_\_\_\_\_  
School Board Clerk  
Independent District No. 477

\_\_\_\_\_  
Date

**INDEPENDENT SCHOOL DISTRICT NO. 912, MILACA**

  
\_\_\_\_\_  
School Board Chair  
Independent District 912

\_\_\_\_\_  
September 16, 2019  
Date

  
\_\_\_\_\_  
School Board Clerk  
Independent District No. 912

\_\_\_\_\_  
September 16, 2019  
Date

RASW: 70170

insurer must defend, indemnify, and hold Princeton harmless for any claims that are made by the Native American Indian Liaison or any other person based on any alleged omissions or actions alleged to have been taken by any employee of Milaca.

10. **Notices.** Princeton must provide all official notices under this Agreement to Milaca by electronic mail or by U.S. Mail addressed to Milaca's Superintendent at 500 MN-23, Milaca, MN 56353. Milaca must provide all official notices under this Agreement by electronic mail or U.S. Mail addressed to Princeton's Superintendent at 706 First Street, Princeton, Minnesota 55371. Either party may designate a different addressee or address at any time by giving written notice to the other party. Notice that is delivered by U.S. Mail is effective upon mailing. The parties may also agree, in writing, to permit notices to be delivered by email. If such permission is granted, any notice that is delivered by email is effective upon transmission

11. **Data Practices.** All other government data that are collected, created, received, or maintained as a result of this Agreement must be administered in compliance with the Minnesota Government Data Practices Act ("MGDPA"). Nothing in this Agreement may be construed to modify the responsibilities of either party under the MGDPA. To the extent that the Native American Indian Liaison collects, generates, or otherwise maintains educational data or personnel data because of any service provided to any student or family of Princeton, Princeton has the exclusive right and responsibility to maintain and administer such data. To the extent that the Native American Indian Liaison collects, generates, or otherwise maintains educational data or personnel data because of any service provided to any student or family of Milaca, Milaca has the exclusive right and responsibility to maintain and administer such data.

12. **No. Assignment.** Neither party may assign, delegate, or otherwise transfer any rights or obligations under this Agreement to another party.

13. **No Unlawful Discrimination.** The District and Milaca each agree to provide equal employment opportunities to all employees and applicants for employment in accordance with all applicable federal, state, and local laws. No person may be excluded from full employment rights in, participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program, service, or activity based on race, color, creed, religion, national origin, sex (gender), marital status, familial status, disability, public assistance, age, sexual orientation, or local human rights commission activity. In addition, Princeton and Milaca each specifically agree not to discriminate unlawfully against any student in any program, service, activity, or decision based on race, color, creed, religion, national origin, sex (gender), marital status, disability, public assistance, age, or sexual orientation.

### 11.6.19 First Reading of Policies

- 512 - School-Sponsored Student Publications and Activities
  - No changes
- 515 - Protection and Privacy of Pupil Records
  - Attached 515 Request Form
- 515 - Request for Information Form
  - MSBA Updates
- 517 - Student Recruiting
  - No changes
- 518 - DNR-DNI Orders
  - Spell out DNR/DNI on Policy Title
- 519 - Interviews of Students by Outside Agencies
  - No changes
- 520 - Student Surveys
  - No changes
- 521 - Student Disability Non-Discrimination Policy
  - Update contact information
- 521 - Disability Grievance Form
  - No changes
- 526 - Hazing Prohibition
  - No changes

## PRINCETON PUBLIC SCHOOLS

### 512 - SCHOOL-SPONSORED STUDENT PUBLICATIONS AND ACTIVITIES

#### I. PURPOSE

The purpose of this policy is to protect students' rights to free speech in production of official school publications and activities while at the same time balancing the school district's role in supervising student publications and the operation of public schools.

#### II. GENERAL STATEMENT OF POLICY

- A. The school district may exercise editorial control over the style and content of student expression in school-sponsored publications and activities.
- B. Expressions and representations made by students in school-sponsored publications and activities are not expressions of official school district policy. Faculty advisors shall supervise student writers to ensure compliance with the law and school district policies.
- C. Students who believe their right to free expression has been unreasonably restricted in an official student publication or activity may seek review of the decision by the building principal. The principal shall issue a decision no later than three (3) school days after review is requested.
  1. Students producing official school publications and activities shall be under the supervision of a faculty advisor and the school principal. Official publications and activities shall be subject to the guidelines set forth below.
  2. Official school publications may be distributed at reasonable times and locations.

#### III. DEFINITIONS

- A. "Distribution" means circulation or dissemination of material by means of handing out free copies, selling or offering copies for sale, accepting donations for copies, posting or displaying material, or placing materials in internal staff or student mailboxes.

B. "Official school publications" means school newspapers, yearbooks or material produced in communications, journalism or other writing classes as a part of the curriculum.

C. "Obscene to minors" means:

1. The average person, applying contemporary community standards, would find that the material, taken as a whole, appeals to the prurient interest of minors of the age to whom distribution is requested;
2. The material depicts or describes, in a manner that is patently offensive to prevailing standards in the adult community concerning how such conduct should be presented to minors of the age to whom distribution is requested, sexual conduct such as intimate sexual acts (normal or perverted), masturbation, excretory functions, or lewd exhibition of the genitals; and
3. The material, taken as a whole, lacks serious literary, artistic, political, or scientific value for minors.

D. "Minor" means any person under the age of eighteen (18).

E. "Material and substantial disruption" of a normal school activity means:

1. Where the normal school activity is an educational program of the school district for which student attendance is compulsory, "material and substantial disruption" is defined as any disruption which interferes with or impedes the implementation of that program.
2. Where the normal school activity is voluntary in nature (including, without limitation, school athletic events, school plays and concerts, and lunch periods) "material and substantial disruption" is defined as student rioting, unlawful seizures of property, conduct inappropriate to the event, participation in a school boycott, demonstration, sit-in, stand-in, walk-out, or other related forms of activity.

In order for expression to be considered disruptive, there must exist specific facts upon which the likelihood of disruption can be forecast, including past experience in the school, current events

influencing student activities and behavior, and instances of actual or threatened disruption relating to the written material in question.

- F. "School activities" means any activity of students sponsored by the school including, but not limited to, classroom work, library activities, physical education classes, official assemblies and other similar gatherings, school athletic contests, band concerts, school plays and other theatrical productions, and in-school lunch periods.
- G. "Libelous" is a false and unprivileged statement about a specific individual that tends to harm the individual's reputation or to lower that individual in the esteem of the community.

#### **IV. GUIDELINES**

- A. Expression in an official school publication or school-sponsored activity is prohibited when the material:
  - 1. is obscene to minors;
  - 2. is libelous or slanderous;
  - 3. advertises or promotes any product or service not permitted for minors by law;
  - 4. encourages students to commit illegal acts or violate school regulations or substantially disrupts the orderly operation of school or school activities;
  - 5. expresses or advocates sexual, racial or religious harassment or violence or prejudice;
  - 6. is distributed or displayed in violation of time, place and manner regulations.
- B. Expression in an official school publication or school-sponsored activity is subject to editorial control by the school district over the style and content so long as the school district's actions are reasonably related to legitimate pedagogical concerns. These may include, but are not limited to, the following:
  - 1. assuring that participants learn whatever lessons the activity is designed to teach;

2. assuring that readers or listeners are not exposed to material that may be inappropriate for their level of maturity;
3. assuring that the views of the individual speaker are not erroneously attributed to the school;
4. assuring that the school is not associated with any position other than neutrality on matters of political controversy;
5. assuring that the sponsored student speech cannot reasonably be perceived to advocate conduct otherwise inconsistent with the shared values of a civilized social order;
6. assuring that the school is not associated with expression that is, for example, ungrammatical, poorly written, inadequately researched, biased or prejudiced, vulgar or profane, or unsuitable for immature audiences.

C. Time, Place and Manner of Distribution

Students shall be permitted to distribute written materials at school as follows:

1. Time: Distribution shall be determined by the Building Principal.
2. Place: Written materials may be distributed in locations so as not to interfere with the normal flow of traffic within the school hallways, walkways, entryways and parking lots. Distribution shall not impede entrance to or exit from school premises in any way.
3. Manner: No one shall induce or coerce a student or staff member to accept a student publication.

**Legal References:** U. S. Const., amend. I  
*Hazelwood School District v. Kuhlmeier*, 484 U.S. 260 (1988)  
*Bystrom v. Fridley High School*, I.S.D. No. 14, 822 F.2d 747 (8th Cir. 1987)  
*Morse v. Frederick*, 551 U.S. 393, 127 S.Ct. 2618, 168 L.Ed.2d 290 (2007)

**Cross References:** Princeton Public Schools Policy 904 (Distribution of Materials on School District Property by Non School Persons)  
Princeton Public Schools Policy 505 (Distribution of Non School-Sponsored Materials on School Premises by Students and Employees)  
Princeton Public Schools Policy 506 (Student Discipline)

Adopted: October 10, 2006

Reviewed: October 13, 2009

Revised: August, 18, 2015

Reviewed: March 21, 2017

Reviewed: November 19, 2019

**PRINCETON PUBLIC SCHOOLS**  
**POLICY 515-PROTECTION AND PRIVACY OF PUPIL RECORD**

**I. PURPOSE**

The school district recognizes its responsibility in regard to the collection, maintenance, and dissemination of pupil records and the protection of the privacy rights of students as provided in federal law and state statutes.

**II. GENERAL STATEMENT OF POLICY**

The following procedures and policies regarding the protection and privacy of parents and students are adopted by the school district, pursuant to the requirements of 20 U.S.C. § 1232g, et seq., (Family Educational Rights and Privacy Act (FERPA)) 34 C.F.R. Part 99 and consistent with the requirements of the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, and Minn. Rules Parts 1205.0100-1205.2000.

**III. DEFINITIONS**

- A. "Authorized representative" means any entity or individual designated by the school district, state, or an agency headed by an official of the Comptroller of the United States, the Attorney General of the United States, the Secretary of the U.S. Department of Education, or state and local educational authorities to conduct, with respect to federal or state supported education programs, any audit or evaluation or any compliance or enforcement activity in connection with federal legal requirements that relate to these programs.
- B. "Biometric record," as referred to in "Personally Identifiable," means a record of one or more measurable biological or behavioral characteristics that can be used for authorized recognition of an individual (e.g., fingerprints, retina and iris patterns, voiceprints, DNA sequence, facial characteristics, and handwriting).
- C. "Dates of attendance," as referred to in "Directory Information," means the period of time during which a student attends or attended a school or schools in the school district, including attendance in person or by paper correspondence, satellite, internet or other electronic communication technologies for students who are not in the classroom, and including the period during which a student is working under a work-study program. The term does not include specific daily records of a student's attendance at a school or schools in the school district.

D. "Directory information" means information contained in an education record of a student which would not generally be considered harmful or an invasion of privacy if disclosed. It includes, but is not limited to: the student's name, address, telephone listing, electronic mail address, photograph, date and place of birth, major field of study, dates of attendance, grade level, enrollment status (i.e., full-time or part-time), participation in officially recognized activities and sports, weight and height of members of athletic teams, degrees, honors and awards received, and the most recent educational agency or institution attended. It also includes the name, address, and telephone number of the student's parent(s). Directory information does not include:

1. a student's social security number;
2. a student's identification number (ID), user ID, or other unique personal identifier used by a student for purposes of accessing or communicating in electronic systems if the identifier may be used to access education records without use of one or more factors that authenticate the student's identity such as a personal identification number (PIN), password, or other factor known or possessed only by the authorized user;
3. a student ID or other unique personal identifier that is displayed on a student ID badge if the identifier can be used to gain access to educational records when used in conjunction with one or more factors that authenticate the student's identity, such as a PIN, password, or other factor known or possessed only by the student;
4. personally identifiable data which references religion, race, color, social position, or nationality; or
5. data collected from nonpublic school students, other than those who receive shared time educational services, unless written consent is given by the student's parent or guardian.

E. Education Records

1. What constitutes "education records." Education records means those records which: (1) are directly related to a student; and (2) are maintained by the school district or by a party acting for the school district.
2. What does not constitute an education record. The term, "education records," does not include:
  - a) Records of instructional personnel which:
    - (1) are in the sole possession of the maker of the record;
    - and

- (2) are not accessible or revealed to any other individual except a substitute teacher; and
  - (3) are destroyed at the end of the school year.
- b) Records of a law enforcement unit of the school district, provided education records maintained by the school district are not disclosed to the unit, and the law enforcement records are:
  - (1) maintained separately from education records;
  - (2) maintained solely for law enforcement purposes; and
  - (3) disclosed only to law enforcement officials of the same jurisdiction.
- c) Records relating to an individual, including a student, who is employed by the school district which:
  - (1) are made and maintained in the normal course of business;
  - (2) relate exclusively to the individual in that individual's capacity as an employee; and
  - (3) are not available for use for any other purpose.

However, these provisions shall not apply to records relating to an individual in attendance at the school district who is employed as a result of his or her status as a student.
- d) Records relating to an eligible student, or a student attending an institution of post-secondary education, which are:
  - (1) made or maintained by a physician, psychiatrist, psychologist, or other recognized professional or paraprofessional acting in his or her professional or paraprofessional capacity or assisting in that capacity;
  - (2) made, maintained, or used only in connection with the provision of treatment to the student; and
  - (3) disclosed only to individuals providing the treatment; provided that the records can be personally reviewed by a physician or other appropriate professional of the student's choice. For the purpose of this definition, "treatment" does not include remedial educational activities or activities that are a part of the program of instruction within the school district.

- e) Records that only contain information about an individual after he or she is no longer a student at the school district and that are not directly related to the individual's attendance as a student.

F. Eligible Student

"Eligible student" means a student who has attained eighteen (18) years of age or is attending an institution of post-secondary education.

G. Juvenile Justice System

"Juvenile justice system" includes criminal justice agencies and the judiciary when involved in juvenile justice activities.

H. Legitimate Educational Interest

"Legitimate educational interest" includes interest directly related to classroom instruction, teaching, student achievement and progress, discipline of a student, student health and welfare, and the ability to respond to a request for education data. It includes a person's need to know in order to:

1. Perform an administrative task required in the school or employee's contract or position description approved by the school board;
2. Perform a supervisory or instructional task directly related to the student's education; or
3. Perform a service or benefit for the student or the student's family such as health care, counseling, student job placement, or student financial aid.
4. Perform a task directly related to responding to a request for data.

I. Parent

"Parent" means a parent of a student and includes a natural parent, a guardian, or an individual acting as a parent of the student in the absence of a parent or guardian. The school district may presume the parent has the authority to exercise the rights provided herein, unless it has been provided with evidence that there is a state law or court order governing such matters as marriage dissolution, separation or child custody, or a legally binding instrument which provides to the contrary.

J. Personally Identifiable

"Personally identifiable" means that the data or information includes, but is not limited to: (a) a student's name; (b) the name of the student's parent or other family member; (c) the address of the student or student's family; (d) a personal identifier such as the student's social security

number or student number or biometric record; (e) other direct identifiers, such as the student's date of birth, place of birth, and mother's maiden name; (f) other information that, alone or in combination, is linked or linkable to a specific student that would allow a reasonable person in the school community, who does not have personal knowledge of the relevant circumstances, to identify the student with reasonable certainty; or (g) information requested by a person who the school district reasonably believes knows the identity of the student to whom the education record relates.

K. Record

"Record" means any information or data recorded in any way including, but not limited to, handwriting, print, computer media, video or audio tape, film, microfilm, and microfiche.

L. Responsible Authority

"Responsible authority" means *Superintendent*.

M. Student

"Student" includes any individual who is or has been in attendance, enrolled, or registered at the school district and regarding whom the school district maintains education records. Student also includes applicants for enrollment or registration at the school district and individuals who receive shared time educational services from the school district.

N. School Official

"School official" includes: (a) a person duly elected to the school board; (b) a person employed by the school board in an administrative, supervisory, instructional, or other professional position; (c) a person employed by the school board as a temporary substitute in a professional position for the period of his or her performance as a substitute; and (d) a person employed by, or under contract to, the school board to perform a special task such as a secretary, a clerk, a public information officer or data practices compliance official, an attorney, or an auditor for the period of his or her performance as an employee or contractor.

O. Summary Data

"Summary data" means statistical records and reports derived from data on individuals but in which individuals are not identified and from which neither their identities nor any other characteristic that could uniquely identify the individual is ascertainable.

P. Other Terms and Phrases

All other terms and phrases shall be defined in accordance with applicable state and federal law or ordinary customary usage.

#### **IV. GENERAL CLASSIFICATION**

State law provides that all data collected, created, received, or maintained by a school district are public unless classified by state or federal law as not public or private or confidential. State law classifies all data on individuals maintained by a school district which relates to a student as private data on individuals. This data may not be disclosed to parties other than the parent or eligible student without consent, except pursuant to a valid court order, certain state statutes authorizing access, and the provisions of FERPA and the regulations promulgated thereunder.

#### **V. STATEMENT OF RIGHTS**

##### **A. Rights of Parents and Eligible Students**

Parents and eligible students have the following rights under this policy:

1. The right to inspect and review the student's education records;
2. The right to request the amendment of the student's education records to ensure that they are not inaccurate, misleading, or otherwise in violation of the student's privacy or other rights;
3. The right to consent to disclosures of personally identifiable information contained in the student's education records, except to the extent that such consent is not required for disclosure pursuant to this policy, state or federal law, or the regulations promulgated thereunder;
4. The right to refuse release of names, addresses, and home telephone numbers of students in grades 11 and 12 to military recruiting officers and post-secondary educational institutions;
5. The right to file a complaint with the U.S. Department of Education concerning alleged failures by the school district to comply with the federal law and the regulations promulgated thereunder;
6. The right to be informed about rights under the federal law; and
7. The right to obtain a copy of this policy at the location set forth in Section XXI of this policy.

##### **B. Eligible Students**

All rights and protections given parents under this policy transfer to the student when he or she reaches eighteen (18) years of age or enrolls in an institution of post-secondary education. The student then becomes an "eligible student." However, the parents of an eligible student who is also a "dependent student" are entitled to gain access to the education records

of such student without first obtaining the consent of the student. In addition, parents of an eligible student may be given access to education records in connection with a health or safety emergency if the disclosure meets the conditions of any provision set forth in 34 C.F.R. § 99.31(a).

C. Disabled Students

The school district shall follow 34 C.F.R. §§ 300.610-300.617 with regard to the confidentiality of information related to students with a disability.

**VI. DISCLOSURE OF EDUCATION RECORDS**

A. Consent Required for Disclosure

1. The school district shall obtain a signed and dated written informed consent of the parent of a student or the eligible student before disclosing personally identifiable information from the education records of the student, except as provided herein.
2. The written consent required by this subdivision must be signed and dated by the parent of the student or the eligible student giving the consent and shall include:
  - a) a specification of the records to be disclosed;
  - b) the purpose or purposes of the disclosure;
  - c) the party or class of parties to whom the disclosure may be made;
  - d) the consequences of giving informed consent; and
  - e) if appropriate, a termination date for the consent.
3. When a disclosure is made under this subdivision:
  - a) if the parent or eligible student so requests, the school district shall provide him or her with a copy of the records disclosed; and
  - b) if the parent of a student who is not an eligible student so requests, the school district shall provide the student with a copy of the records disclosed.
4. A signed and dated written consent may include a record and signature in electronic form that:
  - a) identifies and authenticates a particular person as the source of the electronic consent; and
  - b) indicates such person's approval of the information contained in the electronic consent.
5. If the responsible authority seeks an individual's informed consent to the release of private data to an insurer or the authorized

representative of an insurer, informed consent shall not be deemed to have been given unless the statement is:

- a) in plain language;
- b) Dated;
- c) specific in designating the particular persons or agencies the data subject is authorizing to disclose information about the data subject;
- d) specific as to the nature of the information the subject is authorizing to be disclosed;
- e) specific as to the persons or agencies to whom the subject is authorizing information to be disclosed;
- f) specific as to the purpose or purposes for which the information may be used by any of the parties named in Clause e. above, both at the time of the disclosure and at any time in the future; and
- g) specific as to its expiration date which should be within a reasonable time, not to exceed one year except in the case of authorizations given in connection with applications for: (i) life insurance or noncancellable or guaranteed renewable health insurance and identified as such, two years after the date of the policy, or (ii) medical assistance under Minn. Stat. Ch. 256B or Minnesotacare under Minn. Stat. Ch. 256L, which shall be ongoing during all terms of eligibility, for individualized education program health-related services provided by a school district that are subject to third party reimbursement.

#### 6. Eligible Student Consent

Whenever a student has attained eighteen (18) years of age or is attending an institution of postsecondary education, the rights accorded to and the consent required of the parent of the student shall thereafter only be accorded to and required of the eligible student, except as provided in Section V. of this policy.

#### B. Prior Consent for Disclosure Not Required

The school district may disclose personally identifiable information from the education records of a student without the written consent of the parent of the student or the eligible student unless otherwise provided herein, if the disclosure is:

1. To other school officials, including teachers, within the school district whom the school district determines have a legitimate educational interest in such records;
2. To a contractor, consultant, volunteer, or other party to whom the school district has outsourced institutional services or functions provided that the outside party:
  - a) performs an institutional service or function for which the school district would otherwise use employees;
  - b) is under the direct control of the school district with respect to the use and maintenance of education records; and
  - c) will not disclose the information to any other party without the prior consent of the parent or eligible student and uses the information only for the purposes for which the disclosure was made.
3. To officials of other schools, school districts, or post-secondary educational institutions in which the student seeks or intends to enroll, or is already enrolled, as long as the disclosure is for purposes related to the student's enrollment or transfer. The records shall include information about disciplinary action taken as a result of any incident in which the student possessed or used a dangerous weapon, and with proper annual notice (see Section XIX.), suspension and expulsion information pursuant to section 7165 of the federal No Child Left Behind Act and, if applicable, data regarding a student's history of violent behavior. The records also shall include a copy of any probable cause notice or any disposition or court order under Minn. Stat. § 260B.171, unless the data are required to be destroyed under Minn. Stat. § 120A.22, Subd. 7(c) or § 121A.75. On request, the school district will provide the parent or eligible student with a copy of the education records which have been transferred and provide an opportunity for a hearing to challenge the content of those records in accordance with Section XV. of this policy;
4. To authorized representatives of the Comptroller General of the United States, the Attorney General of the United States, the Secretary of the U.S. Department of Education, or the Commissioner of the State Department of Education or his or her representative, subject to the conditions relative to such disclosure provided under federal law;

5. In connection with financial aid for which a student has applied or has received, if the information is necessary for such purposes as to:
  - a) determine eligibility for the aid;
  - b) determine the amount of the aid;
  - c) determine conditions for the aid; or
  - d) enforce the terms and conditions of the aid.

“Financial aid” for purposes of this provision means a payment of funds provided to an individual or a payment in kind of tangible or intangible property to the individual that is conditioned on the individual’s attendance at an educational agency or institution;
6. To state and local officials or authorities to whom such information is specifically allowed to be reported or disclosed pursuant to state statute adopted:
  - a) before November 19, 1974, if the allowed reporting or disclosure concerns the juvenile justice system and such system’s ability to effectively serve the student whose records are released; or
  - b) after November 19, 1974, if the reporting or disclosure allowed by state statute concerns the juvenile justice system and the system’s ability to effectively serve, prior to adjudication, the student whose records are released, provided the officials and authorities to whom the records are disclosed certify in writing to the school district that the data will not be disclosed to any other party, except as provided by state law, without the prior written consent of the parent of the student. At a minimum, the school district shall disclose the following information to the juvenile justice system under this paragraph: a student’s full name, home address, telephone number, and date of birth; a student’s school schedule, attendance record, and photographs, if any; and parents’ names, home addresses, and telephone numbers.
7. To organizations conducting studies for or on behalf of educational agencies or institutions for the purpose of developing, validating, or administering predictive tests, administering student aid programs, or improving instruction; provided that the studies are conducted in a manner which does not permit the personal identification of

parents or students by individuals other than representatives of the organization who have a legitimate interest in the information, the information is destroyed when no longer needed for the purposes for which the study was conducted, and the school district enters into a written agreement with the organization that: (a) specifies the purpose, scope, and duration of the study or studies and the information to be disclosed; (b) requires the organization to use personally identifiable information from education records only to meet the purpose or purposes of the study as stated in the written agreement; (c) requires the organization to conduct the study in a manner that does not permit personal identification of parents and students by anyone other than representatives of the organization with legitimate interests; and (d) requires the organization to destroy all personally identifiable information when information is no longer needed for the purposes for which the study was conducted and specifies the time period in which the information must be destroyed. For purposes of this provision, the term, "organizations," includes, but is not limited to, federal, state, and local agencies and independent organizations. In the event the Department of Education determines that a third party outside of the school district to whom information is disclosed violates this provision, the school district may not allow that third party access to personally identifiable information from education records for at least five (5) years;

8. To accrediting organizations in order to carry out their accrediting functions;
9. To parents of a student eighteen (18) years of age or older if the student is a dependent of the parents for income tax purposes;
10. To comply with a judicial order or lawfully issued subpoena, provided, however, that the school district makes a reasonable effort to notify the parent or eligible student of the order or subpoena in advance of compliance therewith so that the parent or eligible student may seek protective action, unless the disclosure is in compliance with a federal grand jury subpoena, or any other subpoena issued for law enforcement purposes, and the court or other issuing agency has ordered that the existence or the contents of the subpoena or the information furnished in response to the subpoena not be disclosed, or the disclosure is in compliance with an ex parte court order obtained by the United States Attorney

General (or designee not lower than an Assistant Attorney General) concerning investigations or prosecutions of an offense listed in 18 U.S.C. § 2332b(g)(5)(B), an act of domestic or international terrorism as defined in 18 U.S.C. § 2331, or a parent is a party to a court proceeding involving child abuse and neglect or dependency matters, and the order is issued in the context of the proceeding. If the school district initiates legal action against a parent or student, it may disclose to the court, without a court order or subpoena, the education records of the student that are relevant for the school district to proceed with the legal action as plaintiff. Also, if a parent or eligible student initiates a legal action against the school district, the school district may disclose to the court, without a court order or subpoena, the student's education records that are relevant for the school district to defend itself;

11. To appropriate parties, including parents of an eligible student, in connection with an emergency if knowledge of the information is necessary to protect the health, including the mental health, or safety of the student or other individuals. The decision is to be based upon information available at the time the threat occurs that indicates that there is an articulable and significant threat to the health or safety of a student or other individuals. In making a determination whether to disclose information under this section, the school district may take into account the totality of the circumstances pertaining to a threat and may disclose information from education records to any person whose knowledge of the information is necessary to protect the health or safety of the student or other students. A record of this disclosure must be maintained pursuant to Section XIII.E. of this policy. In addition, an educational agency or institution may include in the education records of a student appropriate information concerning disciplinary action taken against the student for conduct that posed a significant risk to the safety or well-being of that student, other students, or other members of the school community. This information may be disclosed to teachers and school officials within the school district and/or teachers and school officials in other schools who have legitimate educational interests in the behavior of the student;

12. To the juvenile justice system if information about the behavior of a student who poses a risk of harm is reasonably necessary to protect the health or safety of the student or other individuals;
13. Information the school district has designated as "directory information" pursuant to Section VII. of this policy;
14. To military recruiting officers and post-secondary educational institutions pursuant to Section XI. of this policy;
15. To the parent of a student who is not an eligible student or to the student himself or herself;
16. To appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted;
17. To volunteers who are determined to have a legitimate educational interest in the data and who are conducting activities and events sponsored by or endorsed by the educational agency or institution for students or former students;
18. To the juvenile justice system, on written request that certifies that the information will not be disclosed to any other person except as authorized by law without the written consent of the parent of the student:
  - a) the following information about a student must be disclosed: a student's full name, home address, telephone number, date of birth; a student's school schedule, daily attendance record, and photographs, if any; and any parents' names, home addresses, and telephone numbers;
  - b) the existence of the following information about a student, not the actual data or other information contained in the student's education record, may be disclosed provided that a request for access must be submitted on the statutory form and it must contain an explanation of why access to the information is necessary to serve the student: (1) use of a controlled substance, alcohol, or tobacco; (2) assaultive or threatening conduct that could result in dismissal from school under the Pupil Fair Dismissal Act; (3) possession or use of weapons or look-alike weapons; (4) theft; or (5) vandalism or other damage to property. Prior to releasing

this information, the principal or chief administrative officer of a school who receives such a request must, to the extent permitted by federal law, notify the student's parent or guardian by certified mail of the request to disclose information. If the student's parent or guardian notifies the school official of an objection to the disclosure within ten (10) days of receiving certified notice, the school official must not disclose the information and instead must inform the requesting member of the juvenile justice system of the objection. If no objection from the parent or guardian is received within fourteen (14) days, the school official must respond to the request for information.

The written requests of the juvenile justice system member(s), as well as a record of any release, must be maintained in the student's file;

19. To the principal where the student attends and to any counselor directly supervising or reporting on the behavior or progress of the student if it is information from a disposition order received by a superintendent under Minn. Stat. § 260B.171, Subd. 3. The principal must notify the counselor immediately and must place the disposition order in the student's permanent education record. The principal also must notify immediately any teacher or administrator who directly supervises or reports on the behavior or progress of the student whom the principal believes needs the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. The principal may also notify other school district employees, substitutes, and volunteers who are in direct contact with the student if the principal determines that these individual need the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. Such notices from the principal must identify the student, outline the offense, and describe any conditions of probation about which the school must provide information if this information is provided in the disposition order. Disposition order information received is private educational data received for the limited purpose of serving the educational needs of the student and protecting students and staff. The information

may not be further disseminated by the counselor, teacher, administrator, staff member, substitute, or volunteer except as necessary to serve the student, to protect students and staff, or as otherwise required by law, and only to the student or the student's parent or guardian;

20. To the principal where the student attends if it is information from a peace officer's record of children received by a superintendent under Minn. Stat. § 260B.171, Subd. 5. The principal must place the information in the student's education record. The principal also must notify immediately any teacher, counselor, or administrator directly supervising the student whom the principal believes needs the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. The principal may also notify other district employees, substitutes, and volunteers who are in direct contact with the student if the principal determines that these individuals need the information to work with the student in an appropriate manner, to avoid being needlessly vulnerable, or to protect other persons from needless vulnerability. Such notices from the principal must identify the student and describe the alleged offense if this information is provided in the peace officer's notice. Peace officer's record information received is private educational data received for the limited purpose of serving the educational needs of the student and protecting students and staff. The information must not be further disseminated by the counselor, teacher administrator, staff member, substitute, or volunteer except to communicate with the student or the student's parent or guardian as necessary to serve the student, to protect students and staff, or as otherwise required by law.

The principal must delete the peace officer's record from the student's education record, destroy the data, and make reasonable efforts to notify any teacher, counselor, staff member, administrator, substitute, or volunteer who received information from the peace officer's record if the county attorney determines not to proceed with a petition or directs the student into a diversion or mediation program or if a juvenile court makes a decision on a petition and the county attorney or juvenile court notifies the superintendent of such action; or

21. To the Secretary of Agriculture, or authorized representative from the Food and Nutrition Service or contractors acting on behalf of the Food and Nutrition Service, for the purposes of conducting program monitoring, evaluations, and performance measurements of state and local educational and other agencies and institutions receiving funding or providing benefits of one or more programs authorized under the National School Lunch Act or the Child Nutrition Act of 1966 for which the results will be reported in an aggregate form that does not identify any individual, on the conditions that: (a) any data collected shall be protected in a manner that will not permit the personal identification of students and their parents by other than the authorized representatives of the Secretary; and (b) any personally identifiable data shall be destroyed when the data are no longer needed for program monitoring, evaluations, and performance measurements.

22. To an agency caseworker or other representative of a State or local child welfare agency, or tribal organization (as defined in section 450b of Title 25), who has the right to access a student's case plan, as defined and determined by the State or tribal organization, when such agency or organization is legally responsible, in accordance with State or tribal law, for the care and protection of the student, provided that the education records, or the personally identifiable information contained in such records, of the student will not be disclosed by such agency or organization, except to an individual or entity engaged in addressing the student's education needs and authorized by such agency or organization to receive such disclosure and such disclosure is consistent with the State or tribal laws applicable to protecting the confidentiality of a student's education records.

#### C. Nonpublic School Students

The school district may disclose personally identifiable information from the education records of a nonpublic school student, other than a student who receives shared time educational services, without the written consent of the parent of the student or the eligible student unless otherwise provided herein, if the disclosure is:

1. Pursuant to a valid court order;
2. Pursuant to a statute specifically authorizing access to the private data; oR

3. To appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiological investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted.

## **VII. RELEASE OF DIRECTORY INFORMATION**

### **A. Classification**

Directory information is public except as provided herein.

### **B. Former Students**

Unless a former student validly opted out of the release of directory information while the student was in attendance and has not rescinded the opt out request at any time, the school district may disclose directory information from the education records generated by it regarding the former student without meeting the requirements of Paragraph C. of this section. In addition, under an explicit exclusion from the definition of an "education record," the school district may release records that only contain information about an individual obtained after he or she is no longer a student at the school district and that are not directly related to the individual's attendance as a student (e.g., a student's activities as an alumnus of the school district).

### **C. Present Students and Parents**

The school district may disclose directory information from the education records of a student and information regarding parents without prior written consent of the parent of the student or eligible student, except as provided herein. Prior to such disclosure the school district shall:

1. Annually give public notice by any means that are reasonably likely to inform the parents and eligible students of:
  - a) the types of personally identifiable information regarding students and/or parents that the school district has designated as directory information;
  - b) the parent's or eligible student's right to refuse to let the school district designate any or all of those types of information about the student and/or the parent as directory information; and
  - c) the period of time in which a parent or eligible student has to notify the school district in writing that he or she does not want any or all of those types of information about the

student and/or the parent designated as directory information.

2. Allow a reasonable period of time after such notice has been given for a parent or eligible student to inform the school district in writing that any or all of the information so designated should not be disclosed without the parent's or eligible student's prior written consent, except as provided in Section VI. of this policy.
3. A parent or eligible student may not opt out of the directory information disclosures to:
  - a) prevent the school district from disclosing or requiring the student to disclose the student's name, ID, or school district e-mail address in a class in which the student is enrolled; or
  - b) prevent the school district from requiring a student to wear, to display publicly, or to disclose a student ID card or badge that exhibits information that may be designated as directory information and that has been properly designated by the school district as directory information.
4. The school district shall not disclose or confirm directory information without meeting the written consent requirements contained in Section VI.A. of this policy if a student's social security number or other non-directory information is used alone or in combination with other data elements to identify or help identify the student or the student's records.

D. Procedure for Obtaining Nondisclosure of Directory Information

The parent's or eligible student's written notice shall be directed to the responsible authority and shall include the following:

1. Name of the student and/or parent, as appropriate;
2. Home address;
3. School presently attended by student;
4. Parent's legal relationship to student, if applicable; and
5. Specific categories of directory information to be made not public without the parent's or eligible student's prior written consent, which shall only be applicable for that school year.

E. Duration

The designation of any information as directory information about a student or parents will remain in effect for the remainder of the school year unless the parent or eligible student provides the written notifications provided herein.

## VIII. DISCLOSURE OF PRIVATE RECORDS

### A. Private Records

For the purposes herein, education records are records which are classified as private data on individuals by state law and which are accessible only to the student who is the subject of the data and the student's parent if the student is not an eligible student. The school district may not disclose private records or their contents except as summary data, or except as provided in Section VI. of this policy, without the prior written consent of the parent or the eligible student. The school district will use reasonable methods to identify and authenticate the identity of parents, students, school officials, and any other party to whom personally identifiable information from education records is disclosed.

### B. Private Records Not Accessible to Parent

In certain cases state law intends, and clearly provides, that certain information contained in the education records of the school district pertaining to a student be accessible to the student alone, and to the parent only under special circumstances, if at all.

1. The responsible authority may deny access to private data by a parent when a minor student who is the subject of that data requests that the responsible authority deny such access. The minor student's request must be submitted in writing setting forth the reasons for denying access to the parent and must be signed by the minor. Upon receipt of such request the responsible authority shall determine if honoring the request to deny the parent access would be in the best interest of the minor data subject. In making this determination the responsible authority shall consider the following factors:

- a) whether the minor is of sufficient age and maturity to be able to explain the reasons for and understand the consequences of the request to deny access;
- b) whether the personal situation of the minor is such that denying parental access may protect the minor data subject from physical or emotional harm;
- c) whether there are grounds for believing that the minor data subject's reasons for precluding parental access are reasonably accurate;
- d) whether the data in question is of such a nature that disclosure of it to the parent may lead to physical or emotional harm to the minor data subject; and

- e) whether the data concerns medical, dental or other health services provided pursuant to Minn. Stat. §§ 144.341-144.347, in which case the data may be released only if the failure to inform the parent would seriously jeopardize the health of the minor.

C. Private Records Not Accessible to Student

Students shall not be entitled to access to private data concerning financial records and statements of the student's parent or any information contained therein.

**IX. DISCLOSURE OF CONFIDENTIAL RECORDS**

A. Confidential Records

Confidential records are those records and data contained therein which are made not public by state or federal law, and which are inaccessible to the student and the student's parents or to an eligible student.

B. Reports Under the Maltreatment of Minors Reporting Act

Pursuant to Minn. Stat. § 626.556, written copies of reports pertaining to a neglected and/or physically and/or sexually abused child shall be accessible only to the appropriate welfare and law enforcement agencies. In respect to other parties, such data shall be confidential and will not be made available to the parent or the subject individual by the school district. The subject individual, however, may obtain a copy of the report from either the local welfare agency, county sheriff, or the local police department subject to the provisions of Minn. Stat. § 626.556, Subd. 11.

Regardless of whether a written report is made under Minn. Stat. § 626.556, Subd. 7, as soon as practicable after a school receives information regarding an incident that may constitute maltreatment of a child in a school facility, the school shall inform the parent, legal guardian, or custodian of the child that an incident occurred that may constitute maltreatment of the child, when the incident occurred, and the nature of the conduct that may constitute maltreatment.

C. Investigative Data

Data collected by the school district as part of an active investigation undertaken for the purpose of the commencement or defense of pending civil legal action, or which are retained in anticipation of a pending civil legal action are classified as protected nonpublic data in the case of data not on individuals, and confidential data in the case of data on individuals.

1. The school district may make any data classified as protected non-public or confidential pursuant to this subdivision accessible to any person, agency, or the public if the school district determines

that such access will aid the law enforcement process, promote public health or safety, or dispel widespread rumor or unrest.

2. A complainant has access to a statement he or she provided to the school district.
3. Parents or eligible students may have access to investigative data of which the student is the subject, but only to the extent the data is not inextricably intertwined with data about other school district students, school district employees, and/or attorney data as defined in Minn. Stat. § 13.393.
4. Once a civil investigation becomes inactive, civil investigative data becomes public unless the release of the data would jeopardize another pending civil legal action, except for those portions of such data that are classified as nonpublic data under state or federal law. Any civil investigative data presented as evidence in court or made part of a court record shall be public. For purposes of this provision, a civil investigation becomes inactive upon the occurrence of any of the following events:
  - a) a decision by the school district, or by the chief attorney for the school district, not to pursue the civil legal action. However, such investigation may subsequently become active if the school district or its attorney decides to renew the civil legal action;
  - b) the expiration of the time to file a complaint under the statute of limitations or agreement applicable to the civil legal action; or
  - c) the exhaustion or expiration of rights of appeal by either party to the civil legal action.
5. A “pending civil legal action” for purposes of this subdivision is defined as including, but not limited to, judicial, administrative, or arbitration proceedings.

#### D. Chemical Abuse Records

To the extent the school district maintains records of the identity, diagnosis, prognosis, or treatment of any student which are maintained in connection with the performance of any drug abuse prevention function conducted, regulated, or directly or indirectly assisted by any department or agency of the United States, such records are classified as confidential and shall be disclosed only for the purposes and under the circumstances expressly authorized by law.

**X. DISCLOSURE OF SCHOOL RECORDS PRIOR TO EXCLUSION OR EXPULSION HEARING**

At a reasonable time prior to any exclusion or expulsion hearing, the student and the student's parent or guardian or representative shall be given access to all school district records pertaining to the student, including any tests or reports upon which the action proposed by the school district may be based, pursuant to the Minnesota Pupil Fair Dismissal Act, Minn. Stat. § 121A.40, et seq.

**XI. DISCLOSURE OF DATA TO MILITARY RECRUITING OFFICERS AND POST-SECONDARY EDUCATIONAL INSTITUTIONS**

- A. The school district will release the names, addresses, and home telephone numbers of students in grades 11 and 12 to military recruiting officers and post-secondary educational institutions within sixty (60) days after the date of the request unless a parent or eligible student has refused in writing to release this data pursuant to Paragraph C. below.
- B. Data released to military recruiting officers under this provision:
  - 1. may be used only for the purpose of providing information to students about military service, state and federal veterans' education benefits, and other career and educational opportunities provided by the military; and
  - 2. cannot be further disseminated to any other person except personnel of the recruiting services of the armed forces.
- C. A parent or eligible student has the right to refuse the release of the name, address, or home telephone number to military recruiting officers and post-secondary educational institutions. To refuse the release of the above information to military recruiting officers and post-secondary educational institutions, a parent or eligible student must notify the responsible authority Superintendent in writing by [date] each year. The written request must include the following information:
  - 1. Name of student and parent, as appropriate;
  - 2. Home address;
  - 3. Student's grade level;
  - 4. School presently attended by student;
  - 5. Parent's legal relationship to student, if applicable;
  - 6. Specific category or categories of information which are not to be released to military recruiting officers and post-secondary educational institutions; and

7. Specific category or categories of information which are not to be released to the public, including military recruiting officers and post-secondary educational institutions.
- D. Annually, the school district will provide public notice by any means that are reasonably likely to inform the parents and eligible students of their rights to refuse to release the names, addresses, and home phone numbers of students in grades 11 and 12 without prior consent.
- E. A parent or eligible student's refusal to release the above information to military recruiting officers and post-secondary educational institutions does not affect the school district's release of directory information to the rest of the public, which includes military recruiting officers and post-secondary educational institutions. In order to make any directory information about a student private, the procedures contained in Section VII. of this policy also must be followed. Accordingly, to the extent the school district has designated the name, address, phone number, and grade level of students as directory information, absent a request from a parent or eligible student not to release such data, this information will be public data and accessible to members of the public, including military recruiting officers and post-secondary educational institutions

## **XII. LIMITS ON REDISCLOSURE**

### **A. Redisdisclosure**

Consistent with the requirements herein, the school district may only disclose personally identifiable information from the education records of a student on the condition that the party to whom the information is to be disclosed will not disclose the information to any other party without the prior written consent of the parent of the student or the eligible student, except that the officers, employees, and agents of any party receiving personally identifiable information under this section may use the information, but only for the purposes for which the disclosure was made.

### **B. Redisdisclosure Not Prohibited**

1. Subdivision A. of this section does not prevent the school district from disclosing personally identifiable information under Section VI. of this policy with the understanding that the party receiving the information may make further disclosures of the information on behalf of the school district provided:
  - a) The disclosures meet the requirements of Section VI. of this policy; and
  - b) The school district has complied with the record-keeping requirements of Section XIII of this policy.

2. Subdivision A. of this section does not apply to disclosures made pursuant to court orders or lawfully issued subpoenas or litigation, to disclosures of directory information, to disclosures to a parent or student or to parents of dependent students, or to disclosures concerning sex offenders and other individuals required to register under 42 U.S.C. § 14071. However, the school district must provide the notification required in Section XII.D. of this policy if a redisclosure is made based upon a court order or lawfully issued subpoena.

C. Classification of Disclosed Data

The information disclosed shall retain the same classification in the hands of the party receiving it as it had in the hands of the school district.

D. Notification

The school district shall inform the party to whom a disclosure is made of the requirements set forth in this section, except for disclosures made pursuant to court orders or lawfully issued subpoenas, disclosure of directory information under Section VII. of this policy, disclosures to a parent or student, or disclosures to parents of a dependent student. In the event that the Family Policy Compliance Office determines that a state or local educational authority, a federal agency headed by an official listed in 34 C.F.R. § 99.31(a)(3), or an authorized representative of a state or local educational authority or a federal agency headed by an official listed in § 99.31(a)(3), or a third party outside of the school district improperly redisclosed personally identifiable information from education records or fails to provide notification required under this section of this policy, the school district may not allow that third party access to personally identifiable information from education records for at least five (5) years.

**XIII. RESPONSIBLE AUTHORITY; RECORD SECURITY; AND RECORD KEEPING**

A. Responsible Authority

The responsible authority shall be responsible for the maintenance and security of student records.

B. Record Security

The principal of each school subject to the supervision and control of the responsible authority shall be the records manager of the school, and shall have the duty of maintaining and securing the privacy and/or confidentiality of student records.

C. Plan for Securing Student Records

The building principal shall submit to the responsible authority a written plan for securing students records by September 1 of each school year.

The written plan shall contain the following information:

1. A description of records maintained;
2. Titles and addresses of person(s) responsible for the security of student records;
3. Location of student records, by category, in the buildings;
4. Means of securing student records; and
5. Procedures for access and disclosure.

D. Review of Written Plan for Securing Student Records

The responsible authority shall review the plans submitted pursuant to Paragraph C. of this section for compliance with the law, this policy and the various administrative policies of the school district. The responsible authority shall then promulgate a chart incorporating the provisions of Paragraph C. which shall be attached to and become a part of this policy.

E. Record Keeping

1. The principal shall, for each request for and each disclosure of personally identifiable information from the education records of a student, maintain a record with the education records of the student which indicates:
  - a) the parties who have requested or received personally identifiable information from the education records of the Student;
  - b) the legitimate interests these parties had in requesting or obtaining the information; and
  - c) the names of the state and local educational authorities and federal officials and agencies listed in Section VI.B.4. of this policy that may make further disclosures of personally identifiable information from the student's education records without consent.
2. In the event the school district discloses personally identifiable information from an education record of a student pursuant to Section XII.B. of this policy, the record of disclosure required under this section shall also include:
  - a) the names of the additional parties to which the receiving party may disclose the information on behalf of the school district;

- b) the legitimate interests under Section VI. of this policy which each of the additional parties has in requesting or obtaining the information; and
  - c) a copy of the record of further disclosures maintained by a state or local educational authority or federal official or agency listed in Section VI.B.4. of this policy in accordance with 34 C.F.R. § 99.32 and to whom the school district disclosed information from an education record. The school district shall request a copy of the record of further disclosures from a state or local educational authority or federal official or agency to whom education records were disclosed upon a request from a parent or eligible student to review the record of requests for disclosure.
3. Section XIII.E.1. does not apply to requests by or disclosure to a parent of a student or an eligible student, disclosures pursuant to the written consent of a parent of a student or an eligible student, requests by or disclosures to other school officials under Section VI.B.1. of this policy, to requests for disclosures of directory information under Section VII. of this policy, or to a party seeking or receiving the records as directed by a federal grand jury or other law enforcement subpoena and the issuing court or agency has ordered that the existence or the contents of the subpoena or the information provided in response to the subpoena not be disclosed or as directed by an ex parte court order obtained by the United States Attorney General (or designee not lower than an Assistant Attorney General) concerning investigations or prosecutions of an offense listed in 18. U.S.C. § 2332b(g)(5)(B) or an act of domestic or international terrorism.
4. The record of requests of disclosures may be inspected by:
- a) the parent of the student or the eligible student;
  - b) the school official or his or her assistants who are responsible for the custody of the records; and
  - c) the parties authorized by law to audit the record-keeping procedures of the school district.
5. The school district shall record the following information when it discloses personally identifiable information from education records under the health or safety emergency exception:

- a) the articulable and significant threat to the health or safety of a student or other individual that formed the basis for the disclosure; and
  - b) the parties to whom the school district disclosed the information.
6. The record of requests and disclosures shall be maintained with the education records of the student as long as the school district maintains the student's education records.

#### **XIV. RIGHT TO INSPECT AND REVIEW EDUCATION RECORDS**

##### **A. Parent of a Student, an Eligible Student or the Parent of an Eligible Student Who is Also a Dependent Student**

The school district shall permit the parent of a student, an eligible student, or the parent of an eligible student who is also a dependent student who is or has been in attendance in the school district to inspect or review the education records of the student, except those records which are made confidential by state or federal law or as otherwise provided in Section VIII. of this policy.

##### **B. Response to Request for Access**

The school district shall respond to any request pursuant to Subdivision A. of this section immediately, if possible, or within ten (10) days of the date of the request, excluding Saturdays, Sundays, and legal holidays.

##### **C. Right to Inspect and Review**

The right to inspect and review education records under Subdivision A. of this section includes:

1. The right to a response from the school district to reasonable requests for explanations and interpretations of records; and
2. If circumstances effectively prevent the parent or eligible student from exercising the right to inspect and review the education records, the school district shall provide the parent or eligible student with a copy of the records requested or make other arrangements for the parent or eligible student to inspect and review the requested records.
3. Nothing in this policy shall be construed as limiting the frequency of inspection of the education records of a student with a disability by the student's parent or guardian or by the student upon the student reaching the age of majority.

##### **D. Form of Request**

Parents or eligible students shall submit to the school district a written request to inspect education records which identify as precisely as possible the record or records he or she wishes to inspect.

E. Collection of Student Records

If a student's education records are maintained in more than one location, the responsible authority may collect copies of the records or the records themselves from the various locations so they may be inspected at one site. However, if the parent or eligible student wishes to inspect these records where they are maintained, the school district shall attempt to accommodate those wishes. The parent or eligible student shall be notified of the time and place where the records may be inspected.

F. Records Containing Information on More Than One Student

If the education records of a student contain information on more than one student, the parent or eligible student may inspect and review or be informed of only the specific information which pertains to that student.

G. Authority to Inspect or Review

The school district may presume that either parent of the student has authority to inspect or review the education records of a student unless the school district has been provided with evidence that there is a legally binding instrument or a state law or court order governing such matters as marriage dissolution, separation, or custody which provides to the contrary.

H. Fees for Copies of Records

1. The school district shall charge a reasonable fee for providing photocopies or printed copies of records unless printing a copy is the only method to provide for the inspection of data. In determining the amount of the reasonable fee, the school district shall consider the following:
  - a) the cost of materials, including paper, used to provide the copies;
  - b) the cost of the labor required to prepare the copies;
  - c) any schedule of standard copying charges established by the school district in its normal course of operations;
  - d) any special costs necessary to produce such copies from machine based record-keeping systems, including but not limited to computers and microfilm systems; and
  - e) mailing costs.

2. If 100 or fewer pages of black and white, letter or legal size paper copies are requested, actual costs shall not be used, and, instead, the charge shall be no more than 25 cents for each page copied.
3. The cost of providing copies shall be borne by the parent or eligible student.
4. The responsible authority, however, may not impose a fee for a copy of an education record made for a parent or eligible student if doing so would effectively prevent or, in the case of a student with a disability, impair the parent or eligible student from exercising their right to inspect or review the student's education records.

**XV. REQUEST TO AMEND RECORDS; PROCEDURES TO CHALLENGE DATA**

**A. Request to Amend Education Records**

The parent of a student or an eligible student who believes that information contained in the education records of the student is inaccurate, misleading, or violates the privacy rights of the student may request that the school district amend those records.

1. The request shall be in writing, shall identify the item the requestor believes to be inaccurate, misleading, or in violation of the privacy or other rights of the student, shall state the reason for this belief, and shall specify the correction the requestor wishes the school district to make. The request shall be signed and dated by the requestor.
2. The school district shall decide whether to amend the education records of the student in accordance with the request within thirty (30) days after receiving the request.
3. If the school district decides to refuse to amend the education records of the student in accordance with the request, it shall inform the parent of the student or the eligible student of the refusal and advise the parent or eligible student of the right to a hearing under Subdivision B. of this section.

**B. Right to a Hearing**

If the school district refuses to amend the education records of a student, the school district, on request, shall provide an opportunity for a hearing in order to challenge the content of the student's education records to ensure that information in the education records of the student is not inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student. A hearing shall be conducted in accordance with Subdivision C. of this section.

1. If, as a result of the hearing, the school district decides that the information is inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student, it shall amend the education records of the student accordingly and so inform the parent of the student or the eligible student in writing.
2. If, as a result of the hearing, the school district decides that the information is not inaccurate, misleading, or otherwise in violation of the privacy or other rights of the student, it shall inform the parent or eligible student of the right to place a statement in the record commenting on the contested information in the record or stating why he or she disagrees with the decision of the school district, or both.
3. Any statement placed in the education records of the student under Subdivision B. of this section shall:
  - a) be maintained by the school district as part of the education records of the student so long as the record or contested portion thereof is maintained by the school district; and
  - b) if the education records of the student or the contested portion thereof is disclosed by the school district to any party, the explanation shall also be disclosed to that party.

#### C. Conduct of Hearing

1. The hearing shall be held within a reasonable period of time after the school district has received the request, and the parent of the student or the eligible student shall be given notice of the date, place, and time reasonably in advance of the hearing.
2. The hearing may be conducted by any individual, including an official of the school district who does not have a direct interest in the outcome of the hearing. The school board attorney shall be in attendance to present the school board's position and advise the designated hearing officer on legal and evidentiary matters.
3. The parent of the student or eligible student shall be afforded a full and fair opportunity for hearing to present evidence relative to the issues raised under Subdivisions A. and B. of this section and may be assisted or represented by individuals of his or her choice at his or her own expense, including an attorney.
4. The school district shall make a decision in writing within a reasonable period of time after the conclusion of the hearing. The decision shall be based solely on evidence presented at the hearing

and shall include a summary of evidence and reasons for the decision.

D. Appeal

The final decision of the designated hearing officer may be appealed in accordance with the applicable provisions of Minn. Stat. Ch. 14 relating to contested cases.

**XVI. PROBLEMS ACCESSING DATA**

- A. The data practices compliance official is the designated employee to whom persons may direct questions or concerns regarding problems in obtaining access to data or other data practices problems.
- B. Data practices compliance official means
- C. Any request by an individual with a disability for reasonable modifications of the school district's policies or procedures for purposes of accessing records shall be made to the data practices compliance official.

**XVII. COMPLAINTS FOR NON COMPLIANCE WITH FERPA**

A. Where to File Complaints

Complaints regarding alleged violations of rights accorded parents and eligible students by FERPA, and the rules promulgated thereunder, shall be submitted in writing to the Family Policy Compliance Office, U.S. Department of Education, 400 Maryland Avenue S.W., Washington, D.C. 20202.

B. Content of Complaint

A complaint filed pursuant to this section must contain specific allegations of fact giving reasonable cause to believe that a violation of FERPA and the rules promulgated thereunder has occurred.

**XVIII. WAIVER**

A parent or eligible student may waive any of his or her rights provided herein pursuant to FERPA. A waiver shall not be valid unless in writing and signed by the parent or eligible student. The school district may not require such a waiver.

**XIX. ANNUAL NOTIFICATION OF RIGHTS**

A. Contents of Notice

The school district shall give parents of students currently in attendance and eligible students currently in attendance annual notice by such means as are reasonably likely to inform the parents and eligible students of the following:

1. That the parent or eligible student has a right to inspect and review the student's education records and the procedure for inspecting and reviewing education records;

2. That the parent or eligible student has a right to seek amendment of the student's education records to ensure that those records are not inaccurate, misleading, or otherwise in violation of the student's privacy or other rights and the procedure for requesting amendment of records;
3. That the parent or eligible student has a right to consent to disclosures of personally identifiable information contained in the student's education records, except to the extent that federal and state law and the regulations promulgated thereunder authorize disclosure without consent;
4. That the parent or eligible student has a right to file a complaint with the U.S. Department of Education regarding an alleged failure by the school district to comply with the requirements of FERPA and the rules promulgated thereunder;
5. The criteria for determining who constitutes a school official and what constitutes a legitimate educational interest for purposes of disclosing education records to other school officials whom the school district has determined to have legitimate educational interests; and
6. That the school district forwards education records on request to a school in which a student seeks or intends to enroll or is already enrolled as long as the disclosure is for purposes related to the student's enrollment or transfer and that such records may include suspension and expulsion records pursuant to the federal No Child Left Behind Act and, if applicable, a student's history of violent behavior.

B. Notification to Parents of Students Having a Primary Home Language Other Than English

The school district shall provide for the need to effectively notify parents of students identified as having a primary or home language other than English.

C. Notification to Parents or Eligible Students Who are Disabled

The school district shall provide for the need to effectively notify parents or eligible students identified as disabled.

**XX. DESTRUCTION AND RETENTION OF RECORDS**

Destruction and retention of records by the school district shall be controlled by state and federal law.

**XXI. COPIES OF POLICY**

Copies of this policy may be obtained by parents and eligible students at the office of the superintendent.

**Legal References:** Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)  
Minn. Stat. Ch. 14 (Administrative Procedures Act)  
Minn. Stat. § 120A.22 (Compulsory Instruction)  
Minn. Stat. § 121A.40-121A.56 (The Pupil Fair Dismissal Act)  
Minn. Stat. § 121A.75 (Sharing Disposition Order and Peace Officer Records)  
Minn. Stat. § 127A.852 (Military-Connected Youth Identifier)  
Minn. Stat. § 144.341-144.347 (Consent of Minors for Health Services)  
Minn. Stat. § 260B.171, Subds. 3 and 5 (Disposition Order and Peace Officer Records of Children)  
Minn. Stat. § 363A.42 (Public Records; Accessibility)  
Minn. Stat. § 626.556 (Reporting of Maltreatment of Minors)  
Minn. Rules Parts 1205.0100-1205.2000 (Data Practices)  
10 U.S.C. § 503(b) and (c) (Enlistments: Recruiting Campaigns; Compilation of Directory Information)  
18 U.S.C. § 2331 (Definitions)  
18 U.S.C. § 2332b (Acts of Terrorism Transcending National Boundaries)  
20 U.S.C. § 1232g et seq. (Family Educational Rights and Privacy Act)  
20 U.S.C. § 6301 et seq. (No Child Left Behind)  
20 U.S.C. § 7908 (Armed Forces Recruiting Information)  
26 U.S.C. §§ 151 and 152 (Internal Revenue Code)  
34 C.F.R. §§ 99.1-99.67 (Family Educational Rights and Privacy)  
34 C.F.R. § 300.610-300.627 (Confidentiality of Information)  
42 C.F.R. § 2.1 et seq. (Confidentiality of Drug Abuse Patient Records)  
*Gonzaga University v. Doe*, 536 U.S. 273, 122 S.Ct. 2268, 153 L.Ed. 2d 309 (2002)

**Cross References:** Princeton Public Schools Policy 414 (Mandated Reporting of Child Neglect or Physical or Sexual Abuse)  
Princeton Public Schools Policy 417 (Chemical Use and Abuse)  
Princeton Public Schools Policy 506 (Student Discipline)

Princeton Public Schools Policy 519 (Interviews of Students by Outside Agencies)

Princeton Public Schools Policy 520 (Student Surveys)

Princeton Public Schools Policy 711 (Video Recording on School Buses)

MSBA/MASA Model Policy 906 (Community Notification of Predatory Offenders)

MSBA Service Manual, Chapter 13, School Law Bulletin "I" (School Records – Privacy – Access to Data)

[Policy 515 Request for Information Form](#)

Adopted: April 23, 1996

Revised: January 14, 1997

Revised: August 10, 2004

Revised: April 13, 2010

Revised: April 15, 2014

Reviewed: August 18, 2015

Revised: March 21, 2017

Revised: November 19, 2019

## PUBLIC NOTICE

Independent School District No. 477 gives notice to parents of students currently in attendance in the District, and eligible students currently in attendance in the District, of their rights regarding pupil records.

1. Parents and eligible students are hereby informed that they have the following rights:
  - a. That a parent or eligible student has a right to inspect and review the student's education records within 45 days after the day the request for access is received by the school district. A parent or eligible student should submit to the school district a written request to inspect education records which identify as precisely as possible the record or records he or she wishes to inspect. The parent or eligible student will be notified of the time and place where the records may be inspected;
  - b. That the parent or eligible student has a right to seek amendment of the student's education records to ensure that those records are not inaccurate, misleading, or otherwise in violation of the student's privacy or other rights. A parent or eligible student may ask the school district to amend a record that they believe is inaccurate or misleading. The request shall be in writing, identify the item the parent or eligible student believes to be inaccurate, misleading, or in violation of the privacy or other rights of the student, shall state the reason for this belief, and shall specify the correction the parent or eligible student wishes the school district to make. The request shall be signed by the parent or eligible student. If the school district decides not to amend the record as requested by the parent or eligible student, the school district will notify the parent or eligible student of the decision and advise him or her of the right to a hearing regarding the request for amendment. Additional information regarding the hearing procedures will be provided to the parent or eligible student when notified of the right to a hearing;
  - c. That the parent or eligible student has a right to consent to disclosures of personally identifiable information contained in the student's education records, except to the extent that federal and state law and the regulations promulgated thereunder authorize disclosures without consent;
  - d. That the school district may disclose education records to other school officials within the school district if the school district has determined they have legitimate educational interests. For purposes of such disclosure, a "school official" is a person employed by the school district as an administrator, supervisor, instructor, or support staff member (including health or medical staff and law enforcement unit personnel) or other

employee; a person serving on the school board; a person or company with whom the school district has consulted to perform a specific task (such as an attorney, auditor, medical consultant, therapist, public information officer, or data practices compliance official); or a parent or student serving on an official committee, such as a disciplinary or grievance committee; or any individual assisting a school official in the performance of his or her tasks. A school official has a “legitimate educational interest” if the individual needs to review an education record in order to fulfill his or her professional responsibility and includes, but is not limited to, an interest directly related to classroom instruction, teaching, student achievement and progress, discipline of a student, and student health and welfare and the ability to respond to a request for educational data;

- e. That the school district forwards education records on request to a school or post-secondary educational institution in which a student seeks or intends to enroll, or is already enrolled, as long as the disclosure is for purposes related to the student’s enrollment, including information about disciplinary action taken as a result of any incident in which the student possessed or used a dangerous weapon, suspension and expulsion information pursuant to ~~section 4155~~ 20 U.S.C. § 7919, part of the federal ~~Every Student Succeeds No Child Left Behind~~ Act and data regarding a student’s history of violent behavior, and any disposition order which adjudicates the student as delinquent for committing an illegal act on school district property and certain other illegal acts;
- f. That the parent or eligible student has a right to file a complaint with the U.S. Department of Education regarding an alleged failure by the school district to comply with the requirements of 20 U.S.C. § 1232g and the rules promulgated thereunder. The name and address of the office that administers the Family Education Rights and Privacy Act is:

Family Policy Compliance Office

U.S. Department of Education

400 Maryland Avenue S.W.

Washington, D.C. 20202

- g. That the parent or eligible student has a right to obtain a copy of the school district’s policy regarding the protection and privacy of pupil records; and
- h. That copies of the school district’s policy regarding the protection and privacy of school records are located on the District’s website.

2. Independent School District No. 477 has adopted a school board policy in order to comply with state and federal laws regarding education records. The policy does the following:
  - a. It classifies records as public, private, or confidential.
  - b. It establishes procedures and regulations to permit parents or students to inspect and review a student's education records. These procedures include the method of determining fees for copies, a listing of the locations of these education records, and the identity of the individuals in charge of the records.
  - c. It establishes procedures and regulations to allow parents or students to request the amendment of a student's education records to ensure that the records are not inaccurate, misleading, or otherwise in violation of the student's privacy or other rights.
  - d. It establishes procedures and regulations for access to and disclosure of education records.
  - e. It establishes procedures and regulations for safeguarding the privacy of education records and for obtaining prior written consent of the parent or student when required prior to disclosure.
3. Copies of the school board policy and accompanying procedures and regulations are available to parents and students upon written request to the Superintendent.
4. Pursuant to applicable law, Independent School District No. 477 gives notice to parents of students currently in attendance in the school district, and eligible students currently in attendance in the school district, of their rights regarding "directory information."

"Directory information" includes the following information relating to a student: the student's name; address; telephone number; electronic mail address; photograph; date and place of birth; major field of study; dates of attendance; grade level; enrollment status; participation in officially recognized activities and sports; weight and height of members of athletic teams; degrees, honors and awards received; the most recent educational agency or institution attended by the student; and other similar information. "Directory information" also includes the name, address, and telephone number of the student's parent(s). "Directory information" does not include a student's social security number or a student's identification number ("ID") if the ID may be used to access education records without use of one or more factors that authenticate the student's identity such as a personal identification number, password, or other factor known or

possessed only by the authorized user. It also does not include identifying information on a student's religion, race, color, social position, or nationality.

- a. **THE INFORMATION LISTED ABOVE SHALL BE PUBLIC INFORMATION WHICH THE SCHOOL DISTRICT MAY DISCLOSE FROM THE EDUCATION RECORDS OF A STUDENT OR INFORMATION REGARDING A PARENT.**
  - b. **SHOULD THE PARENT OF A STUDENT OR THE STUDENT SO DESIRE, ANY OR ALL OF THE LISTED INFORMATION WILL NOT BE DISCLOSED WITHOUT THE PARENT'S OR ELIGIBLE STUDENT'S PRIOR WRITTEN CONSENT EXCEPT TO SCHOOL OFFICIALS AS PROVIDED UNDER FEDERAL LAW.**
  - c. **IN ORDER TO MAKE ANY OR ALL OF THE DIRECTORY INFORMATION LISTED ABOVE "PRIVATE" (I.E., SUBJECT TO CONSENT PRIOR TO DISCLOSURE), THE PARENT OR ELIGIBLE STUDENT MUST MAKE A WRITTEN REQUEST TO THE BUILDING PRINCIPAL WITHIN THIRTY (30) DAYS AFTER THE DATE OF THE LAST PUBLICATION OF THIS NOTICE. THIS WRITTEN REQUEST MUST INCLUDE THE FOLLOWING INFORMATION:**
    1. **NAME OF STUDENT AND PARENT, AS APPROPRIATE;**
    2. **HOME ADDRESS;**
    3. **SCHOOL PRESENTLY ATTENDED BY STUDENT;**
    4. **PARENT'S LEGAL RELATIONSHIP TO STUDENT, IF APPLICABLE;**
    5. **SPECIFIC CATEGORY OR CATEGORIES OF DIRECTORY INFORMATION WHICH IS NOT TO BE MADE PUBLIC WITHOUT THE PARENT'S OR ELIGIBLE STUDENT'S PRIOR WRITTEN CONSENT.**
5. Pursuant to applicable law, Independent School District No. 477 hereby gives notice to parents of students and eligible students in grades 11 and 12 of their rights regarding release of information to military recruiting officers and post-secondary educational institutions. The school district must release the names, addresses, and home telephone numbers of students in grades 11 and 12 to military recruiting officers and post-secondary educational institutions within sixty (60) days after the date of the request. Data released to military recruiting officers under this provision may be used only for the purpose of providing information to students about military service, state and federal veterans' education benefits, and other career and educational opportunities

provided by the military and cannot be further disseminated to any other person except personnel of the recruiting services of the armed forces.

**SHOULD THE PARENT OF A STUDENT OR THE ELIGIBLE STUDENT SO DESIRE, ANY OR ALL OF THE LISTED INFORMATION WILL NOT BE DISCLOSED TO MILITARY RECRUITING OFFICERS AND POST-SECONDARY EDUCATIONAL INSTITUTIONS WITHOUT PRIOR CONSENT.**

**IN ORDER TO REFUSE THE RELEASE OF THIS INFORMATION WITHOUT PRIOR CONSENT, THE PARENT OR ELIGIBLE STUDENT MUST MAKE A WRITTEN REQUEST TO THE BUILDING PRINCIPAL BY OCTOBER 1 OF EACH SCHOOL YEAR. THIS WRITTEN REQUEST MUST INCLUDE THE FOLLOWING INFORMATION:**

- 1. NAME OF STUDENT AND PARENT, AS APPROPRIATE;**
- 2. HOME ADDRESS;**
- 3. STUDENT'S GRADE LEVEL;**
- 4. SCHOOL PRESENTLY ATTENDED BY STUDENT;**
- 5. PARENT'S LEGAL RELATIONSHIP TO STUDENT, IF APPLICABLE;**
- 6. SPECIFIC CATEGORY OR CATEGORIES OF INFORMATION WHICH ARE NOT TO BE RELEASED TO MILITARY RECRUITING OFFICERS AND POST-SECONDARY EDUCATIONAL INSTITUTIONS WITHOUT PRIOR CONSENT;**
- 7. SPECIFIC CATEGORY OR CATEGORIES OF DIRECTORY INFORMATION WHICH ARE NOT TO BE RELEASED TO THE PUBLIC, INCLUDING MILITARY RECRUITING OFFICERS AND POST-SECONDARY EDUCATIONAL INSTITUTIONS.**

INDEPENDENT SCHOOL DISTRICT NO. 477  
PRINCETON, MINNESOTA

Dated: \_\_\_\_\_

\_\_\_\_\_  
Chair

**JUVENILE JUSTICE SYSTEM  
REQUEST FOR INFORMATION**

Family Educational Rights and Privacy Act  
Minnesota Government Data Practices Act, Minn. Stat. § 13.32, Subds. 3(i) and 8(b)

**DATE/TIME OF REQUEST:** \_\_\_\_\_

**TO:** \_\_\_\_\_  
(Superintendent of school district or chief administrative officer of school)

**FROM:** \_\_\_\_\_  
(Requester's name/agency)

**STUDENT:** \_\_\_\_\_

**BASIS FOR REQUEST:**

\_\_\_\_\_ Juvenile delinquency investigation/prosecution

\_\_\_\_\_ Child protection assessment/investigation

\_\_\_\_\_ Investigation/filing of CHIPS or delinquency petition

**REASON FOR REQUEST:** (Requester must describe why information regarding existence of the data marked below is necessary to effectively serve the student)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**RESPONSE TO REQUEST:**

The school must indicate whether it has data on the student that document any activity or behavior marked by the requester.

**INFORMATION REQUESTED:** (mark all that apply)    **RESPONSE PROVIDED:** (yes / no)

Indicate whether you have data that document the student's:

- \_\_\_\_\_ Use of a controlled substance, alcohol, or tobacco
- \_\_\_\_\_ Assaultive or threatening conduct as defined in  
Minn. Stat. § 13.32, Subd. 8
- \_\_\_\_\_ Possession or use of weapons or look-alike weapons
- \_\_\_\_\_ Theft
- \_\_\_\_\_ Vandalism and damage to property

**CERTIFICATION:** The undersigned certifies that he or she is a member of the juvenile justice system. The requested data are needed by the juvenile justice system so it may effectively serve, prior to adjudication, the student whose records are released. The undersigned will not disclose the information received to any other party, except as provided under state law, without prior written consent as required by Code of Federal Regulations, title 34, section 99.38(b). The undersigned further certifies that he or she understands that, by signing this request, he or she is subject to the penalties in Minn. Stat. § 13.09.

\_\_\_\_\_  
Signature/Title

Adopted: August 10, 2010  
Revised: March 21, 2017  
Revised: November 19, 2019

**PRINCETON PUBLIC SCHOOLS**  
**POLICY 517-STUDENT RECRUITING**

**I. PURPOSE**

The purpose of this policy is to prevent school district employees from exerting undue influence for purposes of securing or retaining the attendance of a student in a school.

**II. GENERAL STATEMENT OF POLICY**

- A. It is the policy of the school district to encourage employees to make available to all interested people information regarding the school district, its schools, programs, policies, and procedures. The purpose of such activity is to assist in the process of fully informed decision making regarding school enrollment and to enhance the visibility and image of the school district.
- B. At the same time, the school district recognizes that the scope of such activity is limited by statutory authority and bylaws of the Minnesota State High School League. Accordingly, it shall be a violation of this policy for employees to exert undue influence for purposes of securing or retaining the attendance of a student in a school or to compete with another school district for the enrollment of students.
- C. Employees are further prohibited from encouraging others to engage in such conduct on behalf of the school district.

**III. DEFINITIONS**

- A. The terms “undue influence” or “competing for enrollment” shall include initiating any oral or written contract with a student from another school district who participates in a school-sponsored sport or activity which solicits the student’s transfer to participate in a sport or activity.
- B. The terms shall also include the awarding of tuition, allowance for board and/or room, allowance for transportation, priority in assignments of jobs, cash or gifts in any form, or any other privilege or consideration if not similarly available to all students.

**IV. PROCEDURES**

- A. The school board shall adopt, by resolution, specific standards for acceptance and rejection of applications for open enrollment. Standards

may include the capacity of a program, class, school building, or the statutory limits to nonresident enrollment in a particular grade level, or whether the student is currently expelled for (1) possessing a dangerous weapon, as defined under federal law, at a school or school function; (2) possession or using an illegal drug at school or at a school function; (3) selling or soliciting the sale of a controlled substance while at school or a school function; or committing a first, second or third degree assault as described in state law. Standards for acceptance and rejection of open-enrollment applications are subject to the Graduation Incentives Program and may not include previous academic achievement, athletic or other extracurricular ability, disabling conditions, proficiency in the English language, previous disciplinary proceedings, or the student's district of residence.

- B. Employees who violate the provisions of the policy shall be subject to disciplinary action as appropriate. Any such disciplinary action shall be made pursuant to and in accordance with applicable statutory authority, collective bargaining agreements, school district policies, and the bylaws of the Minnesota High School League, as applicable.

**Legal References:** Minn. Stat. § 124D.03 (Enrollment Options Program)  
Minn. Stat. § 124D.68 (Graduation Incentives Program)  
Minnesota State High School League Bylaws

**Cross References:** Princeton Public Schools Policy 509 (Enrollment of Nonresident Students)  
MSBA Service Manual, Chapter 10, Minnesota State High School League (MSHSL)

Adopted: October 10, 2006  
Reviewed: August 18, 2015  
Reviewed: February 6, 2018  
Reviewed: November 19, 2019

## PRINCETON PUBLIC SCHOOLS

### POLICY 518 - DO NOT RESUSCITATE-DO NOT INTUBATE ORDERS

#### I. PURPOSE

The school district recognizes that it is serving students with complex health needs. The school district also recognizes that school district staff may be confronted with requests to withhold emergency care of a student in the event of a life threatening situation at school or school activities or be presented with Do Not Resuscitate/Do Not Intubate (DNR-DNI) orders. The purpose of this policy is to provide guidance to school district staff and parents or guardians in these situations.

#### II. GENERAL STATEMENT OF POLICY

- A. The primary mission of the school district is education. DNR-DNI orders are medical documents. School district staff will not accept or honor requests to withhold emergency care or DNR-DNI orders. The school district will not convey such orders to emergency medical personnel.
- B. School district staff will provide reasonable emergency care and assistance when a student is undergoing a medical emergency during school or school activities.
- C. School district staff will activate emergency medical services (911) as soon as possible when a student is undergoing a medical emergency during school or school activities.
- D. The parent/guardian will be notified of the emergency as soon as possible.
- E. Notwithstanding this school district policy, IEP and Section 504 teams must develop individualized medical emergency care plans for students when appropriate in accordance with state and federal law.
- F. Parents/guardians who request that emergency care be withheld for their child or who present DNR-DNI orders, shall be advised of and shall be given a copy of this policy.

**Legal References:** 29 U.S.C. § 794 et seq. (Rehabilitation Act of 1973, § 504)  
42 U.S.C. §§ 12101-12213 (Americans with Disabilities Act)

Adopted: October 10, 2006

Reviewed: August 18, 2015

Revised: March 21, 2017

Revised: November 19, 2019

**PRINCETON PUBLIC SCHOOLS**  
**POLICY 519 - INTERVIEWS OF STUDENTS BY OUTSIDE AGENCIES**

**I. PURPOSE**

There are occasions in which persons other than school district officials and employees find it necessary to speak with a student during the school day. Student safety and disruption of the educational program is of concern to the school district. The purpose of this policy is to establish the procedures for access to students by authorized individuals during the school day.

**II. GENERAL STATEMENT OF POLICY**

- A. Generally, students may not be interviewed during the school day by persons other than a student's parents, school district officials, employees and/or agents, except as otherwise provided by law and/or this policy.
- B. Requests from law enforcement officers and those other than a student's parents, school district officials, employees and/or agents to interview students shall be made through the principal's office. Upon receiving a request, it shall be the responsibility of the principal to determine whether the request will be granted. Prior to granting a request, the principal shall attempt to contact the student's parents to inform them of the request, except where otherwise prohibited by law.

**III. INTERVIEWS CONDUCTED UNDER THE MALTREATMENT OF MINORS ACT**

- A. In the case of an investigation pursuant to the Maltreatment of Minors Act, Minn. Stat. § 626.556, Subd. 10, a local welfare agency, the agency responsible for investigating the report, and a local law enforcement agency may interview, without parental consent, an alleged victim and any minors who currently reside with or who have resided with the alleged perpetrator. The interview may take place at school and during school hours. School district officials will work with the local welfare agency, the agency responsible for investigating the report, or law enforcement agency to select a place appropriate for the interview. The interview may take place outside the presence of the perpetrator or parent, legal custodian, guardian, or school district official.
- B. If the interview took place or is to take place on school district property, an order of the juvenile court pursuant to Minn. Stat. § 626.556, Subd. 10 (c) may specify that school district officials may not disclose to the parent, legal custodian, or guardian the contents of the notification of intent to interview the child on school district property and/or any other related information regarding the interview that may be a part of the child's record. The school district official must receive a copy of the order from

the local welfare or law enforcement agency.

- C. When the local welfare agency, local law enforcement agency, or agency responsible for assessing or investigating a report of maltreatment determines that an interview should take place on school district property, school district officials must receive written notification of intent to interview the child on school district property prior to the interview. The notification shall include the name of the child to be interviewed, the purpose of the interview, and a reference to the statutory authority to conduct an interview on school district property. Where the interviews are conducted by the local welfare agency, the notification must be signed by the chair of the local social services agency or the chair's designee. The notification is private educational data on the student. School district officials may not disclose to the parent, legal custodian or guardian the contents of the notification or any other related information regarding the interview until notified in writing by the local welfare or law enforcement agency that the investigation or assessment has been concluded, unless a school employee or agent is alleged to have maltreated the child. Until school district officials receive said notification, all inquiries regarding the nature of the investigation or assessment should be directed to the local welfare or law enforcement agency or the agency responsible for assessing or investigating a report of maltreatment shall be solely responsible for any disclosure regarding the nature of the assessment or investigation.
- D. School district officials shall have discretion to reasonably schedule the time, place, and manner of an interview by a local welfare or local law enforcement agency on school district premises. However, where the alleged perpetrator is believed to be a school district official or employee, the local welfare or local law enforcement agency will have discretion to determine where the interview will be held. The interview must be conducted not more than 24 hours after the receipt of the notification unless another time is considered necessary by agreement between the school district officials and the local welfare or law enforcement agency. However, school district officials must yield to the discretion of the local welfare or law enforcement agency concerning other persons in attendance at the interview. School district officials will make every effort to reduce the disruption to the educational program of the child, other students, or school staff when an interview is conducted on school district premises.
- E. Students shall not be taken from school district property without the consent of the principal and without proper warrant.

**Legal References:** Minn. Stat. § 13.32 (Educational Data)  
Minn. Stat. § 626.556, Subd. 10(c) and (d) (Duties of Local Welfare Agency and Local Law Enforcement Agency Upon Receipt of a Report)

**Cross References:** Princeton Public Schools Policy 103 (Complaints – Students, Employees, Parents, Other Persons)  
Princeton Public Schools Policy 414 (Mandated Reporting of Child Neglect or Physical or Sexual Abuse)  
Princeton Public Schools Policy 515 (Protection and Privacy of Pupil Records)

Adopted: November 14, 2006  
Revised: May 5, 2016  
Reviewed: March 21, 2017  
Reviewed: September 15, 2017  
Reviewed: November 19, 2019

**PRINCETON PUBLIC SCHOOLS**  
**520 - STUDENT SURVEYS**

**I. PURPOSE**

Occasionally the school district utilizes surveys to obtain student opinions and information about students. The purpose of this policy is to establish the parameters of information that may be sought in student surveys.

**II. GENERAL STATEMENT OF POLICY**

Student surveys may be conducted as determined necessary by the school district. Surveys, analyses and evaluations conducted as part of any program funded through the U.S. Department of Education must comply with 20 U.S.C. § 1232h.

**III. STUDENT SURVEYS IN GENERAL**

- A. Student surveys will be conducted anonymously and in an indiscernible fashion. No mechanism will be used for identifying the participating student in any way. No attempt will be made in any way to identify a student survey participant. There will be no requirement that the student return the survey, and no record of the student's returning a survey will be maintained.
- B. The superintendent may choose not to approve any survey that seeks probing personal and/or sensitive information that could result in identifying the survey participant, or is discriminatory in nature based on age, race, color, sex, disability, religion, or national origin.
- C. Surveys containing questions pertaining to the student's or the student's parent(s) or guardian(s) personal beliefs or practices in sex, family life, morality and religion will not be administered to any student unless the parent or guardian of the student is notified in writing that such survey is to be administered and the parent or guardian of the student gives written permission for the student to participate or has the opportunity to opt out of the survey depending upon how the survey is funded. Any and all documents containing the written permission of a parent for a student to participate in a survey will be maintained by the school district in a file separate from the survey responses.
- D. Although the survey is conducted anonymously, potential exists for personally identifiable information to be provided in response thereto. To the extent that personally identifiable information of a student is contained in his or her responses to a survey, the school district will take appropriate steps to ensure the data is protected in accordance with

Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act), 20 U.S.C. § 1232g (Family Educational Rights and Privacy Act) and 34 C.F.R. Part 99.

- E. The school district must not impose an academic or other penalty on a student who opts out of participating in a student survey.

**IV. STUDENT SURVEYS CONDUCTED AS PART OF DEPARTMENT OF EDUCATION PROGRAM**

- A. All instructional materials, including teacher's manuals, films, tapes, or other supplementary material which will be used in connection with any survey, analysis, or evaluation as part of any program funded in whole or in part by the U.S. Department of Education, shall be available for inspection by the parents or guardians of the students.
- B. No student shall be required, as part of any program funded in whole or in part by the U.S. Department of Education, without the prior consent of the student (if the student is an adult or emancipated minor), or in the case of an unemancipated minor, without the prior written consent of the parent, to submit to a survey that reveals information concerning:
  - 1. political affiliations or beliefs of the student or the student's parent;
  - 2. mental and psychological problems of the student or the student's family;
  - 3. sex behavior or attitudes;
  - 4. illegal, antisocial, self-incriminating, or demeaning behavior;
  - 5. critical appraisals of other individuals with whom respondents have close family relationships;
  - 6. legally recognized privileged or analogous relationships, such as those of lawyers, physicians, and ministers;
  - 7. religious practices, affiliations, or beliefs of the student or the student's parent; or
  - 8. income (other than that required by law to determine eligibility for participation in a program or for receiving financial assistance under such program).
- C. A school district that receives funds under any program funded by the U.S. Department of Education shall develop local policies consistent with Sections IV.A. and IV.B., above, concerning student privacy, parental

access to information, and administration of certain physical examinations to minors.

1. The following policies are to be adopted in consultation with parents:
  - a) The right of a parent to inspect, on request, a survey, including an evaluation, created by a third party before the survey is administered or distributed by a school to a student, including procedures for granting a parent's request for reasonable access to such survey within a reasonable period of time after the request is received. "Parent" means a legal guardian or other person acting in loco parentis (in place of a parent), such as a grandparent or stepparent with whom the child lives, or a person who is legally responsible for the welfare of the child.
  - b) Arrangements to protect student privacy in the event of the administration or distribution of a survey, including an evaluation, to a student which contains one or more of the items listed in Section IV.B., above, including the right of a parent of a student to inspect, on request, any such survey.
  - c) The right of a parent of a student to inspect, on request, any instructional material used as part of the educational curriculum for the student and procedures for granting a request by a parent for such access within a reasonable period of time after the request is received. "Instructional material" means instructional content that is provided to a student, regardless of format, including printed or representational materials, audio-visual materials, and materials in electronic or digital formats (i.e., materials accessible through the Internet). The term does not include academic tests or academic assessments.
  - d) The administration of physical examinations or screenings that the school district may administer to a student. This provision does not apply to a survey administered to a student in accordance with the Individuals with Disabilities Education Act (20 U.S.C. § 1400, et seq.).
  - e) The collection, disclosure, or use of personal information collected from students for the purpose of marketing or for selling that information (or otherwise providing the information to others for that purpose), including arrangements to protect student privacy that are provided

by the school district in the event of such collection, disclosure, or use.

(1) "Personal information" means individually identifiable information including a student or parent's first and last name; a home or other physical address (including street name and the name of the city or town); a telephone number; or a Social Security identification number.

(2) This provision does not apply to the collection, disclosure, or use of personal information collected from students for the exclusive purpose of developing, evaluating, or providing educational products or services for, or to, students or educational institutions, such as:

(a) college or other postsecondary education recruitment or military;

(b) book clubs, magazines, and programs providing access to low cost literary products;

(c) curriculum and instructional materials used by elementary and secondary schools;

(d) tests and assessments used by elementary schools and secondary schools to provide cognitive, evaluative, diagnostic, clinical, aptitude, or achievement information about students, or to generate other statistically useful data for the purpose of securing such tests and assessments and the subsequent analysis and public release of the aggregate data from such tests and assessments;

(e) the sale by students of products or services to raise funds for school-related or education-related activities; and

(f) student recognition programs.

(3) The right of a parent to inspect, on request, any instrument used in the collection of information, as described in Section IV.C.1., Subparagraph e., above, before the instrument is administered or distributed to a student and procedures for granting a request by

a parent for reasonable access to such an instrument within a reasonable period of time after the request is received.

2. The policies adopted under Section IV.C., Subparagraph 1., above, shall provide for reasonable notice of the adoption or continued use of such policies directly to parents of students enrolled in or served by the school district.
  - a) The notice will be provided at least annually, at the beginning of the school year, and within a reasonable period of time after any substantive change in a policy.
  - b) The notice will provide parents with an opportunity to opt out of participation in the following activities:
    - (1) Activities involving the collection, disclosure, or use of personal information collected from students for the purpose of marketing or for selling that information, or otherwise providing that information to others for that purpose.
    - (2) The administration of any third-party survey (non-Department of Education funded) containing one or more of the items contained in Section IV.B., above.
    - (3) Any nonemergency, invasive physical examination or screening that is required as a condition of attendance, administered by the school and scheduled by the school in advance, and not necessary to protect the immediate health and safety of the student or other students. "Invasive physical examination" means any medical examination that involves the exposure of private body parts, or act during such examination that includes incision, insertion, or injection into the body, but does not include a hearing, vision, or scoliosis screening.
  - c) The notice will advise students of the specific or approximate dates during the school year when the activities in Section IV.C.2., Subparagraph b., above, are scheduled, or expected to be scheduled.
  - d) The notice provisions shall not be construed to preempt applicable provisions of state law that require parental notification and do not apply to any physical examination or

screening that is permitted or required by applicable state law, including physical examinations or screenings that are permitted without parental notification.

## V. NOTICE

- A. The school district must give parents and students notice of this policy at the beginning of each school year and after making substantive changes to this policy.
- B. The school district must inform parents at the beginning of the school year if the district or school identified specific or approximate dates for administering surveys and give parents reasonable notice of planned surveys scheduled after the start of the school year. The school district must give parents direct, timely notice when their students are scheduled to participate in a student survey by United States mail, e-mail, or another direct form of communication.
- C. The school district must give parents the opportunity to review the survey and to opt their students out of participating in the survey.

**Legal References:** Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)  
Minn. Stat. § 121A.065 (District Surveys to Collect Student Information;  
Parent Notice and Opportunity for Opting Out.)  
20 U.S.C. § 1232g (Family Educational Rights and Privacy Act)  
20 U.S.C. § 1232h (Protection of Pupil Rights)  
34 C.F.R. Part 99 (Family Educational Rights and Privacy Act Regulations)  
*Gonzaga University v. Doe*, 536 U.S. 273, 122 S. Ct. 2268, 153 L.Ed.2d 309 (2002)

**Cross References:** MSBA/MASA Model Policy 515 (Protection and Privacy of Pupil Records)  
MSBA/MASA Model Policy 521 (Student Disability Nondiscrimination)  
MSBA/MASA Model Policy 522 (Student Sex Nondiscrimination)

Adopted: November 14, 2006  
Revised: August 18, 2015  
Revised: August 16, 2016  
Reviewed: February 19, 2019  
Reviewed: November 19, 2019

**PRINCETON PUBLIC SCHOOLS  
POLICY 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 (Section 504), need 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. The responsibility of the school district is to identify and evaluate learners who, within the intent of Section 504, need 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 or comments, should contact the Director of ~~Student Services~~ ~~Teaching & Learning~~, 706 1<sup>st</sup> St. Princeton, MN 55371 phone 763-389-~~61917278~~. This person is the school district's Americans with Disabilities Act/Section 504 coordinator. Persons who wish to make a complaint regarding a disability discrimination matter may use the accompanying Student

Disability Discrimination Grievance Report Form. The form should be given to the ADA/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:** Princeton Public Schools Policy 402 (Disability Nondiscrimination)

Adopted: May 11, 2004

Revised: August 10, 2010

Revised: October 21, 2014

Revised: August 18, 2015

Reviewed: March 21, 2017

Revised: November 19, 2019

**PRINCETON PUBLIC SCHOOLS  
STUDENT DISABILITY DISCRIMINATION GRIEVANCE REPORT FORM**

General Statement of Policy Prohibiting Disability Discrimination:

Independent School District No. 477 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)

Adopted: August 10, 2010

**PRINCETON PUBLIC SCHOOLS  
POLICY 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. Retaliation against a victim, good faith reporter, or a witness of hazing is prohibited.
- E. False accusations or reports of hazing against a student, teacher, administrator, volunteer, contractor, or other employee are prohibited.
- F. A person who engages in an act of hazing reprisal, retaliation, or false reporting of hazing or permits, condones, or tolerates hazing shall be subject to discipline or other remedial responses for that act in accordance with the school district's policies and procedures.  
Consequences for students who commit, tolerate, or are a party to prohibited acts of hazing may range from remedial responses or positive behavioral interventions up to and including suspension and/or expulsion. Consequences for employees who permit, condone, or tolerate hazing or engage in an act of reprisal or intentional false reporting of hazing may result in disciplinary action up to and including termination or discharge. Consequences for other individuals engaging in prohibited acts of hazing may include, but not be limited to, exclusion from school district property and events and/or termination of services and/or contracts.
- G. This policy applies to hazing that occurs during and after school hours, on or off school premises or property, at school functions or activities, or on school transportation.
- H. 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.
- I. 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. "Immediately" means as soon as possible but in no event longer than 24 hours.
- C. "On school premises or school district property, or at school functions or activities, or on school transportation" means all school district buildings, school grounds, and school property or property immediately adjacent to school grounds, school bus stops, school buses, school vehicles, school contracted vehicles, or any other vehicles approved for school district purposes, the area of entrance or departure from school grounds, premises, or events, and all school-related functions, school-sponsored activities, events, or trips. School district property also may mean a student's walking route to or from school for purposes of attending school

or school-related functions, activities, or events. While prohibiting hazing at these locations and events, the school district does not represent that it will provide supervision or assume liability at these locations and events.

- D. "Remedial response" means a measure to stop and correct hazing, prevent hazing from recurring, and protect, support, and intervene on behalf of a student who is the target or victim of hazing.
- E. "Student" means a student enrolled in a public school or charter school.
- F. "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 target or 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. A person may report hazing anonymously. However, the school district may not rely solely on an anonymous report to determine discipline or other remedial responses.
- B. The school district encourages the reporting party to use the report form available from the principal or building supervisor of each building or available from the school district office, but oral reports shall be considered complaints as well.

The building principal, the principal's designee, or the building supervisor (hereinafter the building report taker) is the person responsible for receiving reports of hazing at the building level. Any adult school district personnel who receives a report of hazing prohibited by this policy shall inform the building report taker immediately. 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. The building report taker shall ensure that this policy and its procedures, practices, consequences, and sanctions are fairly and fully implemented and shall serve as a primary contact on policy and procedural matters.

- C. A teacher, administrator, volunteer, contractor, 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 witnesses, observed, receives a report of, or has other knowledge or

belief of conduct which may constitute hazing shall make reasonable efforts to address and resolve the hazing and shall inform the building report taker immediately. School district personnel who fail to inform the building report taker of conduct that may constitute hazing or who fail to make reasonable efforts to address and resolve the 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, work assignments, or educational or work environment.
- 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 building report taker, in conjunction with the responsible authority, shall be responsible for keeping and regulating access to any report of hazing and the record of any resulting investigation.
- F. 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. Within three (3) days of the 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 building report taker or other appropriate school district officials may take immediate steps, at their discretion, to protect the target or victim of the hazing, the complainant, the reporter, and students- or others pending completion of an investigation alleged hazing prohibited by this policy.
- C. The alleged perpetrator of the hazing shall be allowed the opportunity to present a defense during the investigation or prior to the imposition of discipline or other remedial responses.
- D. Upon completion of an investigation that determines hazing has occurred, 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 try 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; and applicable school district policies, and regulations.

- E. 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 who are targets or victims of hazing and the parent(s) or guardian(s) of alleged perpetrators of hazing who have been involved in a reported and confirmed hazing incident of the remedial or disciplinary action taken, to the extent permitted by law.

#### **RETALIATION OR 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 commits an act of reprisal or who retaliates against any person who asserts, alleges, or makes a good faith report of alleged hazing who provides information about hazing, who testifies, assists, or participates in an investigation of alleged hazing, or 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. Disciplinary consequences will be sufficiently severe to deter violations and to appropriately discipline the individual(s) who engages in the prohibited conduct. Remedial responses to the prohibited conduct shall be tailored to the particular incident and nature of the conduct.

#### **VI. DISSEMINATION OF POLICY**

- 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.031 (School Student Bullying Policy)  
Minn. Stat. § 121A.0311 (Notice of the Rights and Responsibilities of Students and Parents Under the Safe and Supportive Minnesota Schools Act)  
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:** Princeton Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)  
Princeton Policy 413 (Harassment and Violence)

Princeton Policy 506 (Student Discipline)  
Princeton Policy 514 (Bullying Prohibition Policy)  
Princeton Policy 525 (Violence Prevention [Applicable to Students  
and Staff])

Adopted: October 28, 1997  
Revised: August 24, 2004  
Revised: October 27, 2009  
Revised: December 21, 2010  
Revised: June 28, 2011  
Revised: September 1, 2015  
Reviewed: February 21, 2017  
Reviewed: November 19, 2019

**Independent School District No. 477  
Princeton, Minnesota**

**Communications Letter**

**June 30, 2019**

**bergankDV**

**Independent School District No. 477**  
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## Report on Matters Identified as a Result of the Audit of the Financial Statements

To the School Board and Management  
Independent School District No. 477  
Princeton, Minnesota

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 477, Princeton, Minnesota as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error, or fraud may occur and not be detected by such controls.

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 and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

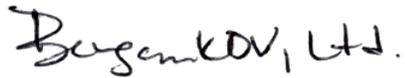
- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

The accompanying memorandum also includes financial analysis provided as a basis for discussion. The matters discussed herein were considered by us during our audit and they do not modify the opinion expressed in our Independent Auditor's Report dated October 24, 2019, on such statements.

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



St. Cloud, Minnesota  
October 24, 2019

## **Independent School District No. 477 Required Communication**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2019. Professional standards require that we advise you of the following matters related to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the RSI, which supplements the basic audit financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI was not audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we do not express an opinion or provide any assurance on the RSI.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Our Responsibility in Relation to *Government Auditing Standards***

As communicated in our engagement letter, part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's 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, the objective of our tests was not to provide an opinion on compliance with such provisions.

**Independent School District No. 477  
Required Communication**

**Our Responsibility in Relation to Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)**

As communicated in our engagement letter, in accordance with the Uniform Guidance, we examined, on a test basis, evidence about the District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the District's compliance with those requirements. While our audit provided a reasonable basis for our opinion, it did not provide a legal determination on the District's compliance with those requirements.

In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

**Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

**Qualitative Aspects of Significant Accounting Practices**

*Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in the notes to financial statements. There have been no initial selection of accounting policies and no changes to significant accounting policies or their application during 2019. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

*Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgements. Those judgements are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgements. The most sensitive estimates affecting the financial statements were:

Depreciation – The District is currently depreciating its capital assets over their estimated useful lives, as determined by management, using the straight-line method.

**Independent School District No. 477  
Required Communication**

**Qualitative Aspects of Significant Accounting Practices (Continued)**

General Education and Special Education Aid – General Education Aid is an estimate until average daily membership (ADM) values are final. Since this is normally not done until after the reporting deadlines, this Aid is an estimate. Special Education Aid is dependent on the availability of funds and complex formulas that are finalized after reporting deadlines.

Total Other Post Employment Benefits (OPEB) Liability, Deferred Outflows of Resources Related to OPEB and Deferred Inflows of Resources Related to OPEB – These balances are based on an actuarial study using the estimates of future obligations of the District for post employment benefits.

Net Pension Liability, Deferred Outflows of Resources Related to Pensions and Deferred Inflows of Resources Related to Pensions – These balances are based on an allocation by the pension plans using estimates based on contributions.

We evaluated the key factors and assumptions used to develop the accounting estimates and determined that they are reasonable in relation to the financial statements taken as a whole.

*Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

**Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

**Uncorrected and Corrected Misstatements**

For the purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effects of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.

We identified the following uncorrected misstatements of the financial statements. Management has determined their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

- Unavailable revenue related to delinquent property taxes
- State revenue and receivable

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

**Independent School District No. 477  
Required Communication**

**Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of our audit.

**Representations Requested from Management**

We have requested certain written representations from management, which are included in the management representation letter.

**Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management has informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

**Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the District, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditor.

**Other Information in Documents Containing Audited Financial Statements**

We applied certain limited procedures to the RSI that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

**Independent School District No. 477  
Financial Analysis**

The following pages provide graphic representation of select data pertaining to the financial position and operations of the District for the past five years. Our analysis of each graph is presented to provide a basis for discussion of past performance and how implementing certain changes may enhance future performance. We suggest you view each graph and document if our analysis is consistent with yours.

**AVERAGE DAILY MEMBERSHIP AND PUPIL UNITS**

The largest single funding source for Minnesota school districts is basic General Education Aid. Each year, the State Legislature sets a basic formula allowance. Total basic general education revenue is calculated by multiplying the formula allowance by the number of pupil units for which a district is entitled to aid. Pupil units are calculated using a legislatively determined weighting system applied to ADM. Over the years, various modifications have been made to this calculation, including changes in weighting and special consideration for declining enrollment districts.

| Year  | General Education Aid<br>Formula Allowance |                     |
|-------|--|---------------------|
|       | Amount                                     | Percent<br>Increase |
| 2011  | \$ 5,124                                   | 0.0%                |
| 2012  | 5,174                                      | 1.0%                |
| 2013  | 5,224                                      | 1.0%                |
| 2014  | 5,302                                      | 1.5%                |
| 2015* | 5,831                                      | 1.9%                |
| 2016  | 5,948                                      | 2.0%                |
| 2017  | 6,067                                      | 2.0%                |
| 2018  | 6,188                                      | 2.0%                |
| 2019  | 6,312                                      | 2.0%                |
| 2020  | 6,438                                      | 2.0%                |
| 2021  | 6,567                                      | 2.0%                |

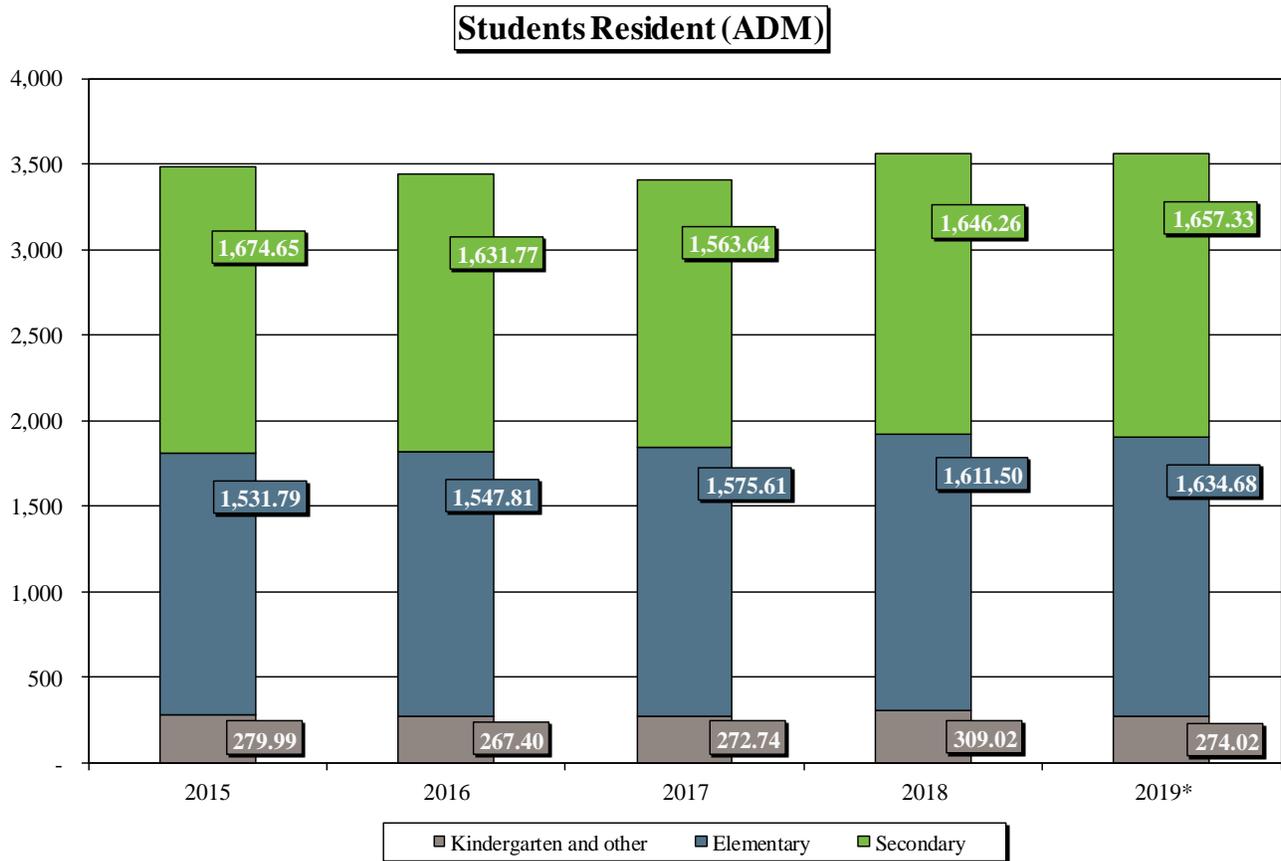
\* General Education Aid - Of the \$529 increase over 2014, \$105 is for inflation at 1.9%; the remaining \$424 is a shifting of revenue to adjust for pupil weight changes, pension adjustments changes and other restructuring.

## Independent School District No. 477 Financial Analysis

### AVERAGE DAILY MEMBERSHIP

| ADM                       | 2015            | 2016            | 2017            | 2018            | 2019*           |
|---------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Kindergarten and other    | 279.99          | 267.40          | 272.74          | 309.02          | 274.02          |
| Elementary                | 1,531.79        | 1,547.81        | 1,575.61        | 1,611.50        | 1,634.68        |
| Secondary                 | 1,674.65        | 1,631.77        | 1,563.64        | 1,646.26        | 1,657.33        |
| <b>Total Resident ADM</b> | <b>3,486.43</b> | <b>3,446.98</b> | <b>3,411.99</b> | <b>3,566.78</b> | <b>3,566.03</b> |

The following summarizes resident ADM of the District over the past five years ended June 30:



\*Estimate

The chart and graph above illustrate the relative stability in resident ADM encountered by the District in the five years presented. Total resident ADM has increased 2.3% since 2015. After increasing from 2017 to 2018, resident ADM decreased slightly by 0.02% from 2018 to 2019.

To calculate a majority of the District's education aids, the ADM amounts are converted into pupil units with weighting factors, based on the student's grade level. These weighting factors are presented in the table on the following page.

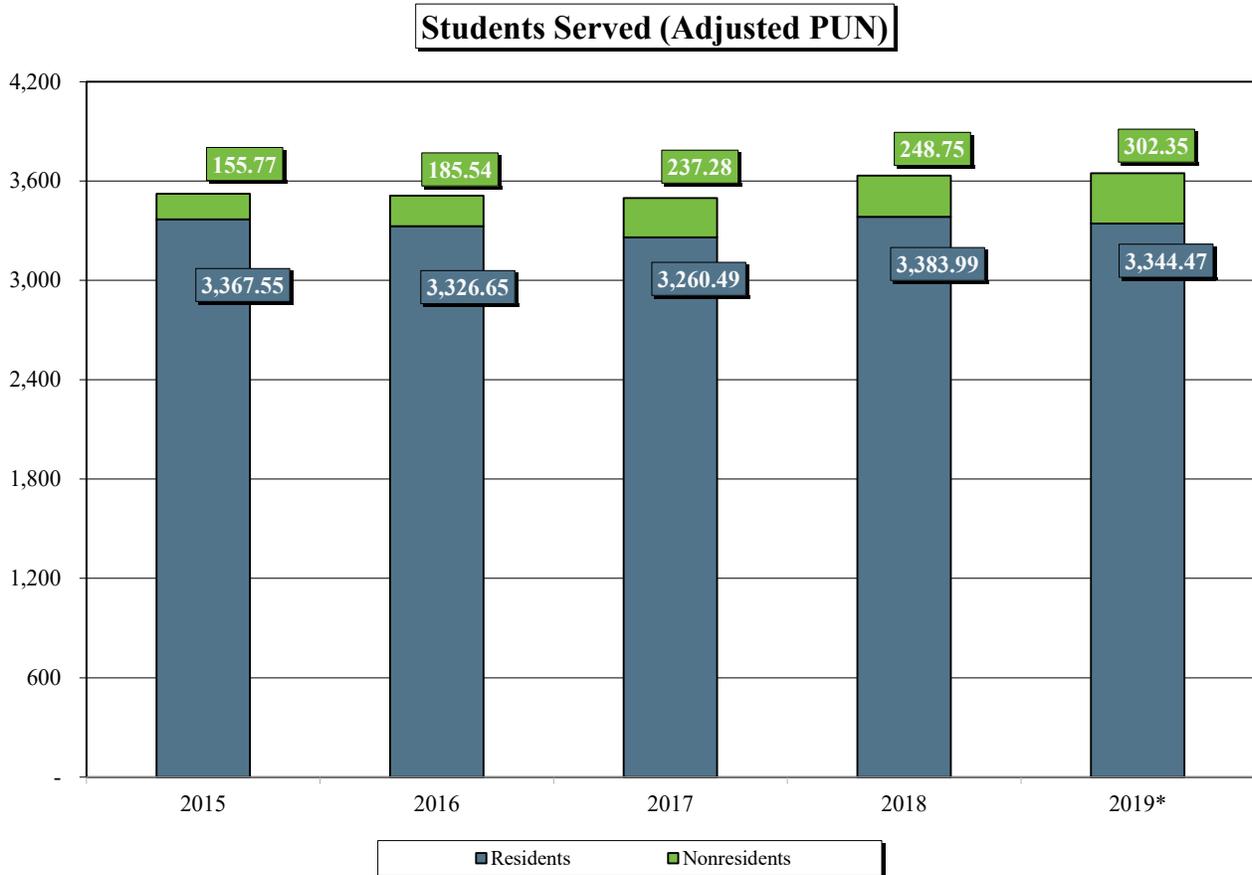
**Independent School District No. 477  
Financial Analysis**

**WEIGHTED AVERAGE DAILY MEMBERSHIP SERVED/PUPIL UNITS**

| Pupil Units Weighting |                  |                          |              |                          |                          |           |
|-----------------------|------------------|--------------------------|--------------|--------------------------|--------------------------|-----------|
|                       | Pre-Kindergarten | Kindergarten<br>Disabled | Kindergarten | Elementary<br>Grades 1-3 | Elementary<br>Grades 4-6 | Secondary |
| 2015 through 2019     | 1.00             | 1.00                     | 1.000        | 1.000                    | 1.00                     | 1.20      |

| Adjusted PUN                 | 2015            | 2016            | 2017            | 2018            | 2019*           |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Residents                    | 3,821.36        | 3,773.34        | 3,724.70        | 3,896.03        | 3,897.50        |
| Resident PUN going elsewhere | (453.81)        | (446.69)        | (464.21)        | (512.04)        | (553.03)        |
| Nonresident PUN coming in    | 155.77          | 185.54          | 237.28          | 248.75          | 302.35          |
| <b>Total Adjusted PUN</b>    | <b>3,523.32</b> | <b>3,512.19</b> | <b>3,497.77</b> | <b>3,632.74</b> | <b>3,646.82</b> |

The District's weighted student count has increased by 123.58 over the past five years with noted fluctuations from year-to-year over that span. The weighted student count increased 14.08 or 0.4% from 2018 to 2019.

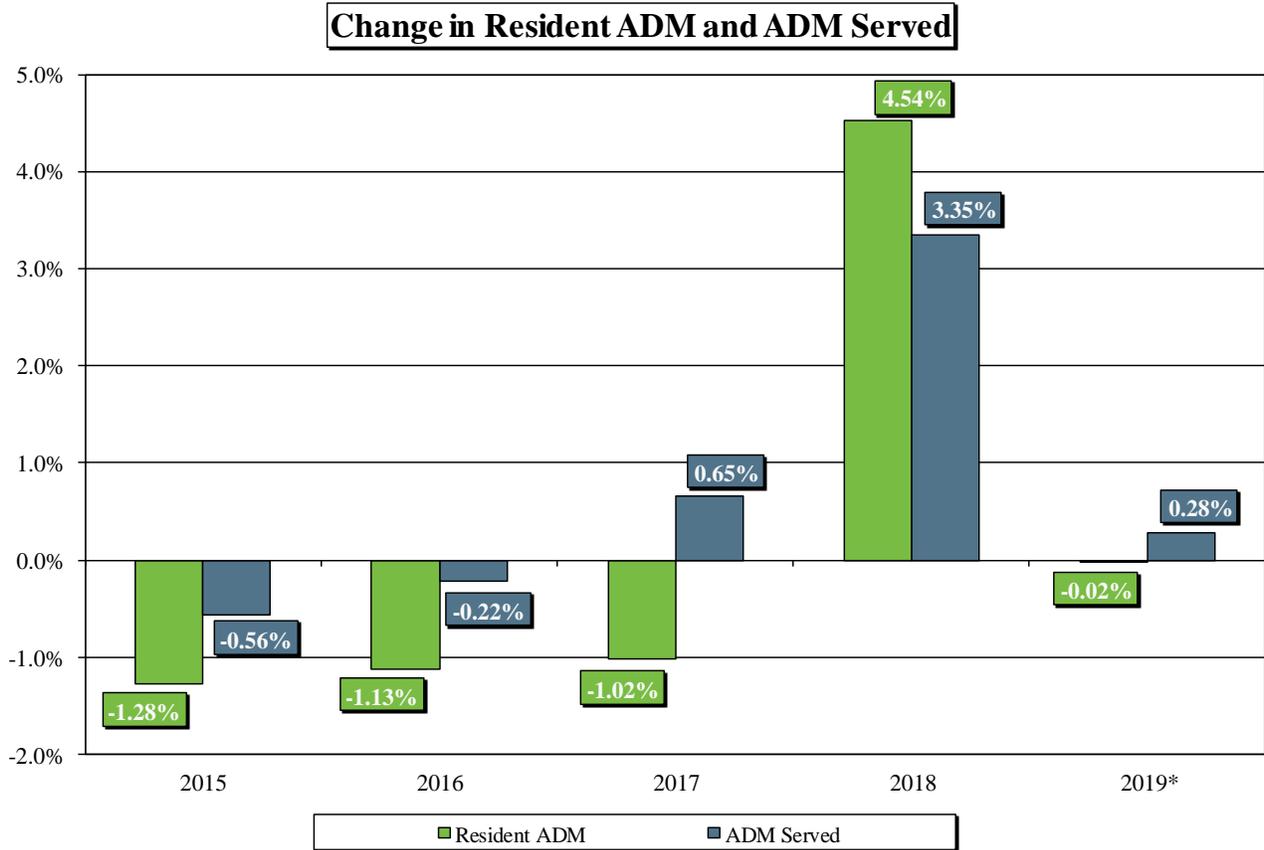


\* Estimate

**Independent School District No. 477  
Financial Analysis**

**RESIDENT AVERAGE DAILY MEMBERSHIP/AVERAGE DAILY MEMBERSHIP SERVED**

The following graph illustrates the percent change in resident ADM and ADM served over the past five years.



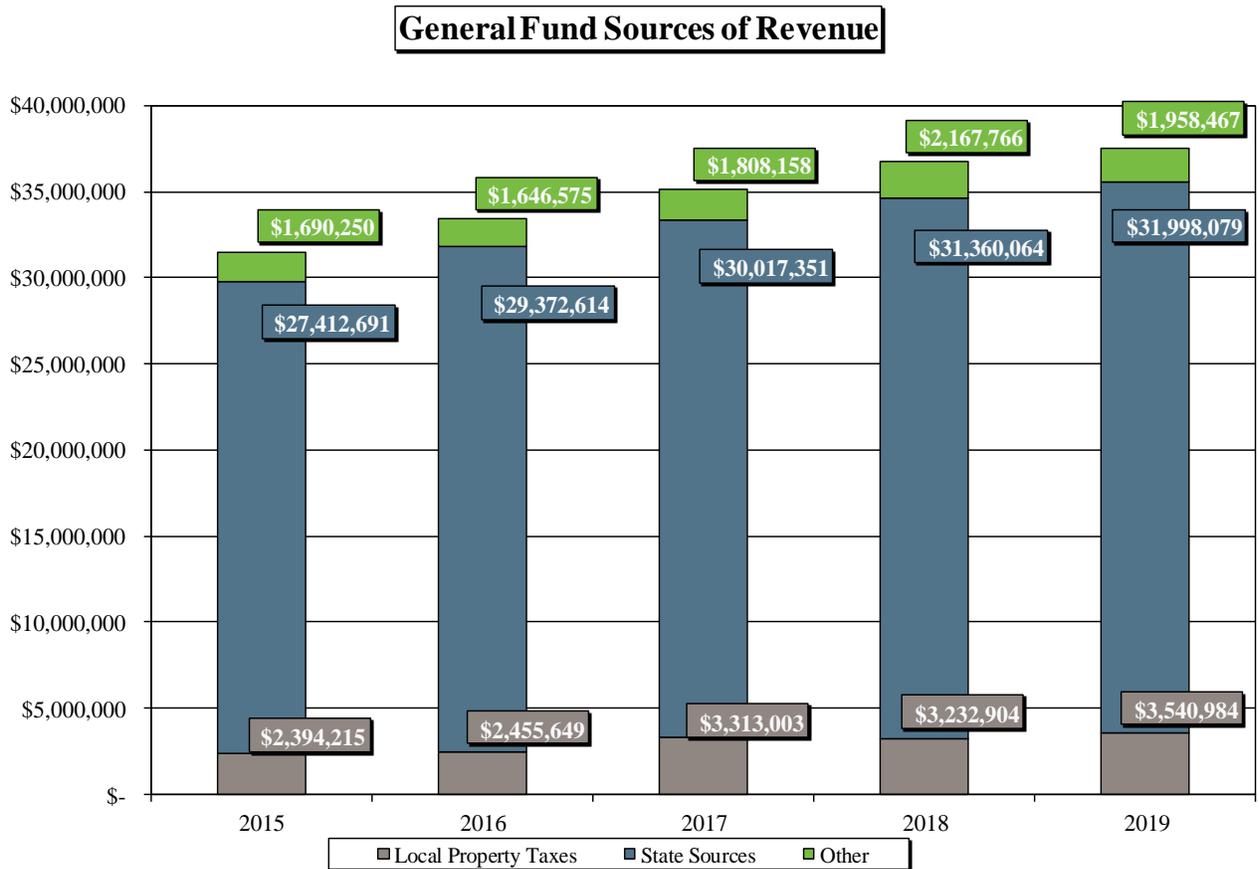
\* Estimate

**Independent School District No. 477  
Financial Analysis**

**GENERAL FUND SOURCES OF REVENUE**

Total General Fund revenue increased \$736,796, or 2.0%, from \$36,760,734 in 2018, to \$37,497,530 in 2019. Overall, revenues were \$6,000,374, or 19.1%, more in 2019, compared to four years ago.

State revenue, which makes up the largest percentage of the District's revenue at 85.3%, increased approximately \$638,015 due to a combination of a 2.0% increase in the General Education formula allowance and a slight increase in enrollment. Local property tax revenues, which represent 9.5% of the District's revenues, increased \$308,080 due to an increase in the tax levy. Other revenue, which includes other local and county, federal and sales and other conversions of assets, represents the remaining 5.2% of the District's revenue, and decreased \$209,299 due in part to a decrease in federal special education aid.



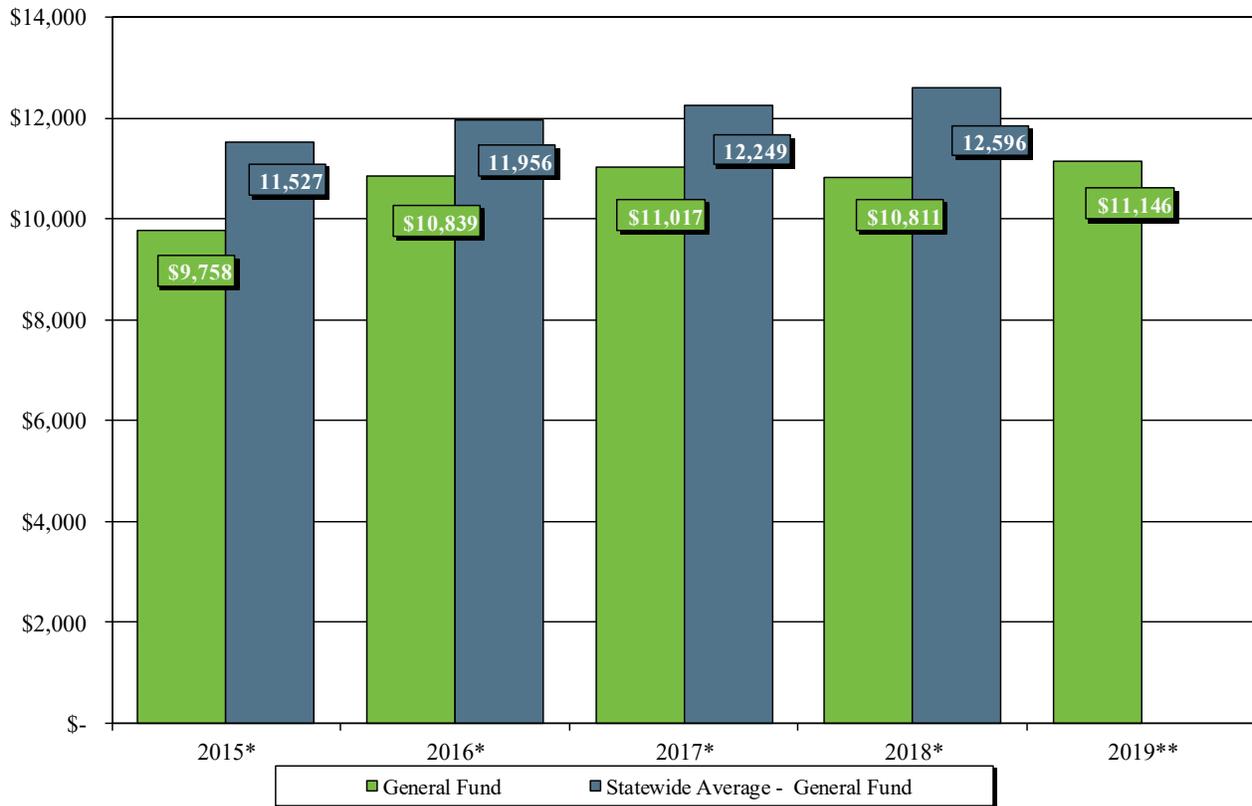
**Independent School District No. 477  
Financial Analysis**

**EXPENDITURES PER STUDENT**

Expenditures per student (ADM served) for all programs are summarized as follows:

|                                  | 2015*    | 2016*     | 2017*     | 2018*     | 2019**    |
|----------------------------------|----------|-----------|-----------|-----------|-----------|
| General Fund                     | \$ 9,758 | \$ 10,839 | \$ 11,017 | \$ 10,811 | \$ 11,146 |
| Statewide Average - General Fund | 11,527   | 11,956    | 12,249    | 12,596    | N/A       |

**Expenditures Per Student ADM Served**



\* Source: *School District Profiles*

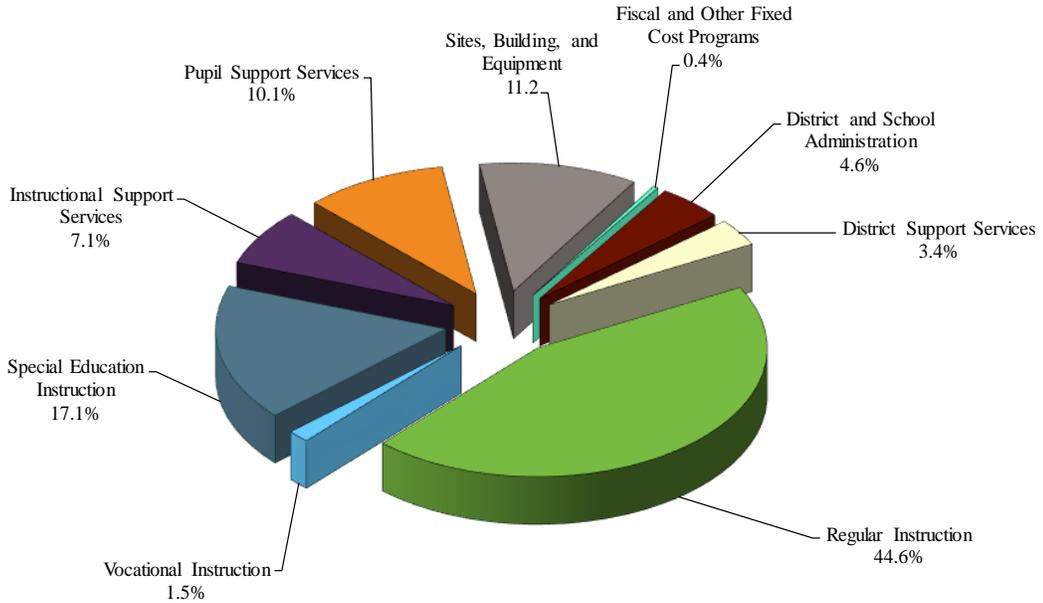
\*\* Estimate

The District experienced an increase in expenditures per student ADM from 2018 to 2019, which was the result of an increase in expenditures of \$1,110,152 or 3.1% and a 0.3% increase in the students served. The average 2018 expenditure per ADM served for districts in the 2,000-3,999 enrollment category was \$11,667 for the General Fund. The District has been consistently lower than other districts of comparable size.

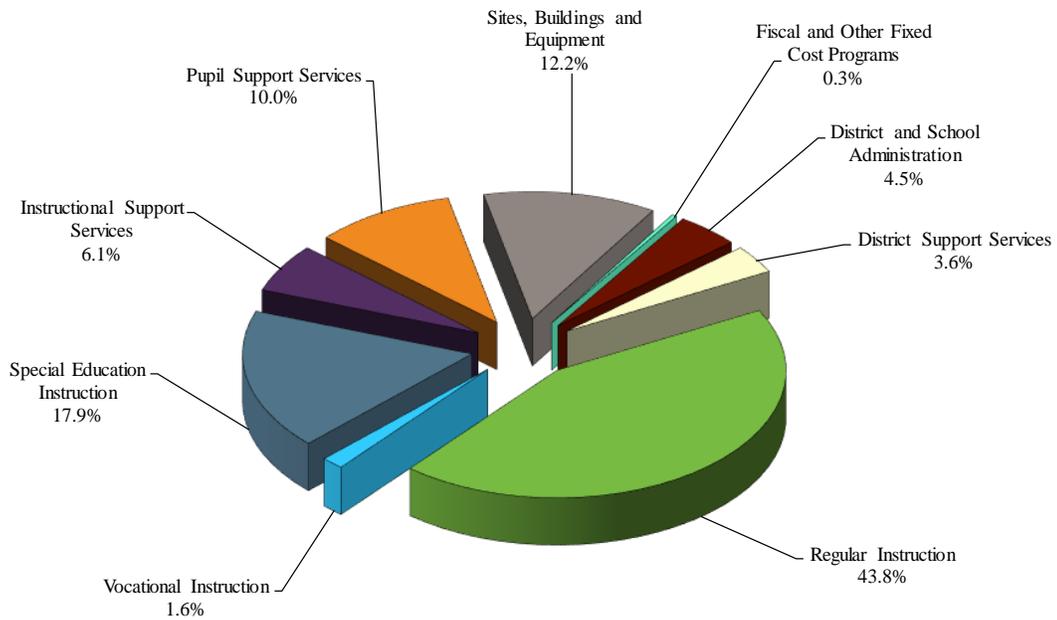
## Independent School District No. 477 Financial Analysis

### GENERAL FUND OPERATIONS

**2019 General Fund  
Expenditures \$37,429,037**



**2018 General Fund  
Expenditures \$36,318,885**



**Independent School District No. 477  
Financial Analysis**

**GENERAL FUND BUDGET AND ACTUAL**

Overall, total General Fund revenue was over budget by \$269,192, or 0.7%, while General Fund expenditures were under budget by \$911,969 or 2.3%. Regular instruction expenditures were under budget \$329,797 as a result of using a conservative budget for supplies and staff development. Sites and building expenditures were under budget \$286,381 based on the timing of projects. Special education expenditures were under budget \$233,130 due primarily to salaries and benefits coming in below projected amounts with turnover in staffing and the timing when positions were filled.

|   | Budgeted Amounts     |                      | Actual<br>Amounts | Variance<br>with Final<br>Budget -<br>Over |
|---|----------------------|----------------------|-------------------|--|
|   | Original             | Final                |                   |  |
| <b>Revenues</b>                                 |                      |                      |                   |  |
| Local property taxes                            | \$3,434,919          | \$3,465,565          | \$3,540,984       | \$75,419                                   |
| Other local revenues                            | 1,031,145            | 1,118,675            | 1,198,373         | 79,698                                     |
| Revenue from state sources                      | 31,056,261           | 31,896,693           | 31,998,079        | 101,386                                    |
| Revenue from federal sources                    | 730,925              | 747,405              | 760,094           | 12,689                                     |
| Total revenues                                  | <u>36,253,250</u>    | <u>37,228,338</u>    | <u>37,497,530</u> | <u>269,192</u>                             |
| <b>Expenditures</b>                             |                      |                      |                   |  |
| Administration                                  | 1,638,328            | 1,705,943            | 1,722,596         | 16,653                                     |
| District support services                       | 1,237,385            | 1,252,182            | 1,279,661         | 27,479                                     |
| Elementary and secondary regular instruction    | 16,737,945           | 17,007,940           | 16,678,143        | (329,797)                                  |
| Vocational education instruction                | 497,308              | 494,357              | 572,435           | 78,078                                     |
| Special education instruction                   | 6,532,332            | 6,657,265            | 6,424,135         | (233,130)                                  |
| Instructional support services                  | 2,736,507            | 2,838,524            | 2,664,093         | (174,431)                                  |
| Pupil support services                          | 3,684,007            | 3,776,990            | 3,767,359         | (9,631)                                    |
| Sites and buildings                             | 4,500,431            | 4,472,805            | 4,186,424         | (286,381)                                  |
| Fiscal and other fixed cost programs            | 128,750              | 135,000              | 134,191           | (809)                                      |
| Total expenditures                              | <u>37,692,993</u>    | <u>38,341,006</u>    | <u>37,429,037</u> | <u>(911,969)</u>                           |
| Excess of revenues over<br>(under) expenditures | (1,439,743)          | (1,112,668)          | 68,493            | 1,181,161                                  |
| <b>Other Financing Source</b>                   |                      |                      |                   |  |
| Proceeds from sale of capital assets            | -                    | -                    | 51,831            | 51,831                                     |
| Net change in fund balances                     | <u>\$(1,439,743)</u> | <u>\$(1,112,668)</u> | <u>\$ 120,324</u> | <u>\$ 1,232,992</u>                        |

**Independent School District No. 477**  
**Financial Analysis**

**GENERAL FUND OPERATIONS (CONTINUED)**

The following table presents five years of comparative operating results for the District's General Fund:

|   | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues  | \$31,497,156         | \$33,474,838         | \$35,138,512         | \$ 36,760,734        | \$ 37,497,530        |
| Expenditures                                    | 31,454,610           | 34,892,297           | 36,002,610           | 36,318,885           | 37,429,037           |
| Excess of revenues over<br>(under) expenditures | 42,546               | (1,417,459)          | (864,098)            | 441,849              | 68,493               |
| Other financing sources                         | -                    | 4,917                | 203,298              | -                    | 51,831               |
| Fund balance, July 1                            | 12,508,727           | 12,551,273           | 11,138,731           | 10,477,931           | 10,919,780           |
| <b>Fund Balance, June 30</b>                    | <b>\$ 12,551,273</b> | <b>\$ 11,138,731</b> | <b>\$ 10,477,931</b> | <b>\$ 10,919,780</b> | <b>\$ 11,040,104</b> |

| For the Year Ended June 30, | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Nonspendable                | \$ 77,231            | \$ 92,348            | \$ 81,513            | \$ 196,274           | \$ 25,142            |
| Reserved/restricted for     |                      |                      |                      |                      |                      |
| Staff development           | 70,515               | 149,135              | 199,312              | 263,098              | 208,411              |
| Operating capital           | 2,497,971            | 2,544,091            | 2,225,980            | 2,147,068            | 2,184,286            |
| Deferred maintenance        | 57,437               | 163,061              | -                    | -                    | -                    |
| Health and safety           | (45,255)             | (40,795)             | -                    | -                    | -                    |
| Gifted and talented         | 39,426               | 40,619               | 24,360               | -                    | -                    |
| Area learning center        | -                    | -                    | -                    | 49,835               | -                    |
| Basic skills                | -                    | -                    | -                    | 15,672               | 37,179               |
| Basic skills extended time  | -                    | -                    | -                    | 16,911               | 49,025               |
| LTFM                        | -                    | -                    | 606,617              | 408,023              | 910,224              |
| Medical Assistance          | -                    | -                    | 7,057                | 8,651                | 8,651                |
| Committed for               |                      |                      |                      |                      |                      |
| Seperation Benefits         | 699,936              | 703,394              | 812,308              | 941,283              | 991,266              |
| Assigned for                |                      |                      |                      |                      |                      |
| Student activities          | 138,627              | 161,061              | 124,117              | 119,773              | 127,171              |
| Q-Comp                      | 80,869               | 123,419              | 161,349              | 226,244              | 266,919              |
| Technology                  | 115,278              | 37,264               | 48,463               | 57,595               | 65,030               |
| Building improvements       | 3,600,000            | 1,428,076            | 422,542              | 280,537              | -                    |
| Program initiatives         | 700,000              | 741,731              | 649,982              | 649,982              | 800,512              |
| Unassigned                  | 4,519,238            | 4,995,327            | 5,114,331            | 5,538,834            | 5,366,288            |
| <b>Total</b>                | <b>\$ 12,551,273</b> | <b>\$ 11,138,731</b> | <b>\$ 10,477,931</b> | <b>\$ 10,919,780</b> | <b>\$ 11,040,104</b> |

Fund balance increased by \$120,324, however there was a \$172,546 decrease in the unassigned portion. The unassigned balance of \$5,366,288 represents just over 1½ months of expenditures (based on year 2019 levels) or 14.0% of the 2019 annual budget. The District's fund balance policy requires a minimum General Fund unassigned fund balance of 10.0% of the annual budget.

**Independent School District No. 477  
Financial Analysis**

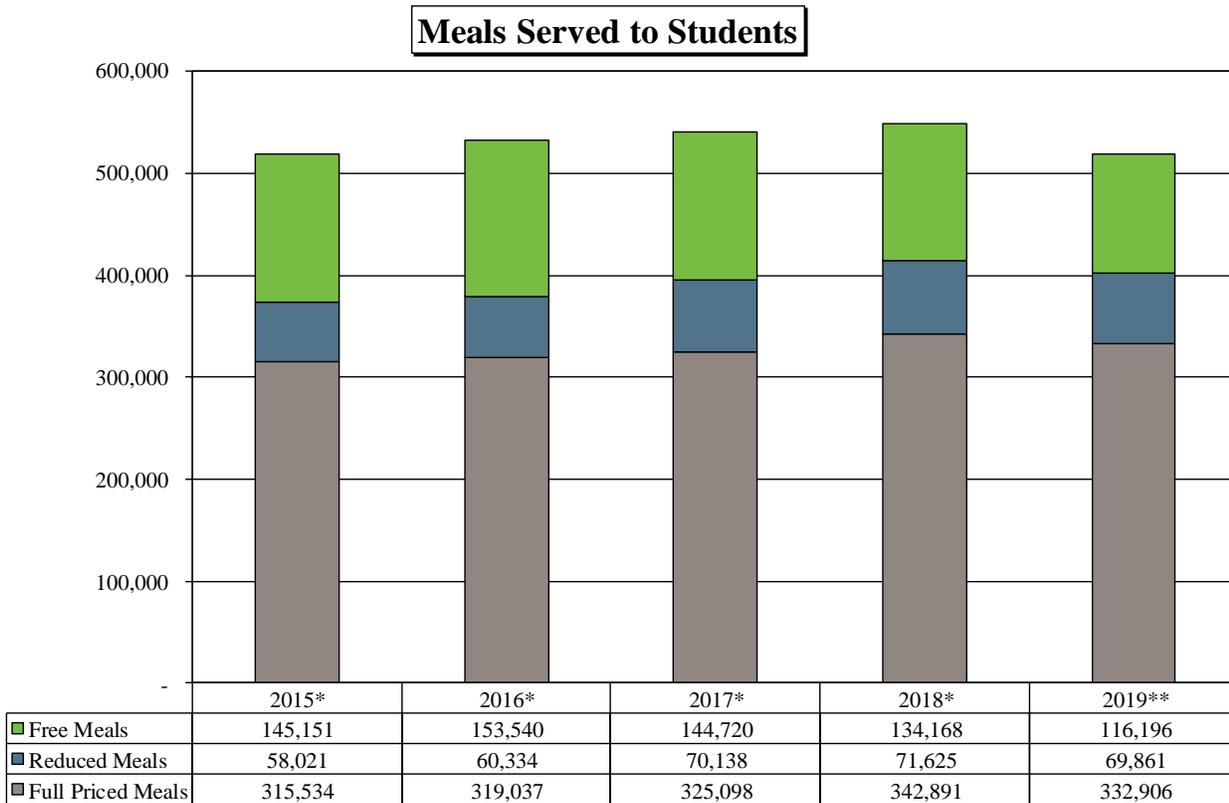
**FOOD SERVICE FUND**

The following table presents five years of comparative operating results for the District's Food Service Fund.

| For the Year Ended June 30,          | 2015              | 2016              | 2017              | 2018              | 2019              |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues                             | \$ 1,694,727      | \$ 1,780,006      | \$ 1,872,834      | \$ 1,894,240      | \$ 1,878,413      |
| Expenditures                         | 1,660,046         | 1,772,360         | 1,792,621         | 1,884,315         | 1,776,464         |
| Excess of revenues over expenditures | 34,681            | 7,646             | 80,213            | 9,925             | 101,949           |
| Fund balance, July 1                 | 348,832           | 383,513           | 391,159           | 471,372           | 481,297           |
| <b>Fund Balance, June 30</b>         | <b>\$ 383,513</b> | <b>\$ 391,159</b> | <b>\$ 471,372</b> | <b>\$ 481,297</b> | <b>\$ 583,246</b> |

During the year ending June 30, 2019, revenues decreased \$15,827. Expenditures decreased \$107,851 due primarily to the purchase of condiment carts, braising pans, and digital signage in 2018. The MDE recommends districts maintain a net cash fund balance not to exceed three months of expenditures based on a nine month operating year.

The following chart reflects the number and type of meals served to students over the five previous years.



\* Source: *Food and Nutrition Services: District Financial Report* by the MDE

\*\* Source: SNP claim information submitted to the MDE by the District

**Independent School District No. 477**  
**Financial Analysis**

**COMMUNITY SERVICE FUND**

The following table presents five years of comparative operating results for the District's Community Service Fund.

| <b>For the Year Ended June 30,</b>              | <b>2015</b> |                | <b>2016</b> |                | <b>2017</b> |                | <b>2018</b> |                | <b>2019</b> |                |
|---|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|
| Revenues  | \$          | 1,225,924      | \$          | 1,410,076      | \$          | 1,480,860      | \$          | 1,558,052      | \$          | 1,557,483      |
| Expenditures                                    |             | 1,205,011      |             | 1,444,848      |             | 1,584,186      |             | 1,489,738      |             | 1,534,810      |
| Excess of revenues over<br>(under) expenditures |             | 20,913         |             | (34,772)       |             | (103,326)      |             | 68,314         |             | 22,673         |
| Fund balance, July 1                            |             | 375,448        |             | 396,361        |             | 361,589        |             | 258,263        |             | 326,577        |
| <b>Fund Balance, June 30</b>                    | <b>\$</b>   | <b>396,361</b> | <b>\$</b>   | <b>361,589</b> | <b>\$</b>   | <b>258,263</b> | <b>\$</b>   | <b>326,577</b> | <b>\$</b>   | <b>349,250</b> |

The Community Service Fund revenues exceeded expenditures for the third time in the five years presented. During the year ending June 30, 2019, revenues remained steady compared to 2018 while expenditures increased 3.0%. Expenditures increased due to higher salaries and benefits at the Tiger Club and special education needs. All categories of restricted fund balance remained positive at year end.

## **Independent School District No. 477 Legislative Summary**

The following is a brief summary of current legislative changes and issues affecting the funding of Minnesota school districts. More detailed and extensive summaries are available from the Minnesota Department of Education (MDE).

### **STATE AID APPROPRIATIONS**

The formula allowance for 2019 General Education Aid was increased \$124 (2%) to \$6,312. For 2020 and 2021, the formula allowance is set at \$6,438 and \$6,567, respectively, which is an increase of 2% each year.

### **COMPENSATORY REVENUE**

The compensatory pilot grants have been added permanently to regular compensatory revenue at the 2017 level. A percentage of the total compensatory revenue (regular plus pilot grant) must be used for extended time activities. This percentage was 3.5% for 2019. For 2020 and 2021, this percentage increases based on the 2% increases each year in the formula allowance to 5.5% and 7.5%, respectively.

### **SPECIAL EDUCATION**

Beginning in 2020, cross subsidy reduction aid will be established as a new component of the special education aid formula. Cross subsidy reduction aid will be a percentage of each district's initial cross subsidy for the prior fiscal year – 2.6% for 2020 and 6.43% for 2021 and later. The tuition rate paid by the resident school district for open enrolled special education students served by another district or charter school will be reduced from 90% to 85% of unfunded costs for 2020 and to 80% for 2021 and later. The hold harmless calculation will be adjusted to reduce reliance on the 2016 base and factor in current year costs.

For 2020, the special education aid cap is increased to the greater of the current cap or the sum of 56% of current year special education program costs plus 100% of current year special education transportation cost plus the tuition adjustment. For 2021 and later, the cap is eliminated.

Beginning in 2021, the pupil-driven portion of the initial special education aid formula will reflect 2018 data.

The special education hold harmless guarantee is limited to the sum of 90% in 2020, 85% in 2021, 80% in 2022, and 75% in 2023 and later, of current year special education program costs plus 100% of special transportation costs plus the tuition adjustment. The annual inflation adjustment used in the calculation of the hold harmless will be reduced by 0.2% per year from 4.6% in 2020 until the inflation adjustment reaches 2.0%.

**Independent School District No. 477  
Legislative Summary**

**PROPERTY TAX BILL**

Effective for taxes payable in 2018, there will be a property tax credit on all property classified as agricultural. The credit will be equal to 40% of the tax on the property attributable to school district bonded debt levies. The credit is increased to 50% for taxes payable in 2020, 55% for taxes payable in 2021, 60% for taxes payable in 2022, and 70% for taxes payable in 2023 and thereafter. Total amounts available state-wide will be \$45.2 million in 2020 and \$52.5 million in 2021.

The equalizing factor for tier 2 of the operating referendum was increased from \$510,000 to \$567,000.

**BOARD CONTROL OF EXTRACURRICULAR ACTIVITIES**

School boards are required to take charge of and control all extracurricular activities. School districts are required to reserve revenue raised for extracurricular activities and spend the revenue only for extracurricular activities.

**SAFE SCHOOLS SUPPLEMENTAL AID**

Funding is contingent based on the 2019 closing balance and will be up to \$30 million. The aid will be allocated among districts and charter schools based on total adjusted ADMs for 2018. The aid will be available beginning October 1, 2019, and will be allocated during 2020. Aid must be used for the same purposes as the safe schools levy.

**VOLUNTARY PREKINDERGARTEN (VPK)/SCHOOL READINESS PLUS**

For 2020 and 2021 only, the 4,000 seats currently expiring after 2019 will continue to be funded.

**SAFE SCHOOLS REVENUE**

Revenue is \$54/PU for 2019 and \$41.50/PU for 2020 and later with a maximum revenue of \$30,000 per District for 2019 and later. Districts must annually report safe schools expenditures to MDE by area and any new staff positions hired beginning in 2019.

**DISPOSAL OF SURPLUS COMPUTERS**

School districts are authorized to sell or give surplus computers to charitable organizations for educational use or to currently enrolled students who intend to enroll the following year.

**ENERGY USE REDUCTIONS AND REPORTING**

School districts are required to enter and maintain monthly consumption data into the Minnesota B3 benchmarking program for each school building.

**Independent School District No. 477**  
**Legislative Summary**

**PENSION BILL**

Augmentation has been eliminated for TRA members after 12/31/17, and early retirement subsidies have been phased out.

Post-retirement cost of living adjustments (COLAs) have been reduced –

- 1) TRA – lowers the COLA from 2% to 1% for five years; then the rate will increase by 0.1% each year until it reaches 1.5%
- 2) PERA – the increase will be 50% of the increase for Social Security announced January 1, but not less than 0.5% or more than 1.5%
- 3) Defers commencement of COLA for early retirees

The rate of interest paid on refunds of employee contributions to former employees has been reduced from 4% to 3%. TRA required contributions have increased to 7.75% for employees effective FY2024. Required employer contributions will increase 0.21% for FY 2019 to FY 2023 and 0.2% in FY2024 until a required contribution rate of 8.75% is reached.

Pension adjustment revenue will increase to match the required contribution increases.

**Independent School District No. 477**  
**Emerging Issues**

**Executive Summary**

The following is an executive summary of financial related updates to assist you in staying current on emerging issues in accounting and finance. This summary will give you a preview of the new standards that have been recently issued and what is on the horizon for the near future. The most recent and significant updates include:

- **Accounting Standard Update – GASB Statement No. 84 – Fiduciary Activities** – GASB has issued GASB Statement No. 84 relating to accounting and financial reporting for fiduciary activities. This new statement establishes clarity to determine when a government has fiduciary responsibility for a certain activity.
- **Accounting Standard Update – GASB Statement No. 87 – Leases** – GASB has issued GASB Statement No. 87 relating to accounting and financial reporting for leases. This new statement establishes a single model for lease accounting based on the principle that leases are financing of the right to use an underlying asset.

The following are extensive summaries of the current updates. As your continued business partner, we are committed to keeping you informed of new and emerging issues. We are happy to discuss this issue with you further and their applicability to your District.

**ACCOUNTING STANDARD UPDATE – GASB STATEMENT NO. 84 – *FIDUCIARY ACTIVITIES***

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

GASB Statement No. 84 describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

**Independent School District No. 477**  
**Emerging Issues**

**ACCOUNTING STANDARD UPDATE – GASB STATEMENT NO. 84 – FIDUCIARY ACTIVITIES (CONTINUED)**

GASB Statement No. 84 is effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).

**ACCOUNTING STANDARD UPDATE – GASB STATEMENT NO. 87 – LEASES**

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this Statement.

A short-term lease is defined as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Lessees and lessors should recognize short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract.

A lessee should recognize a lease liability and a lease asset at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. A lessee should reduce the lease liability as payments are made and recognize an outflow of resources (for example, expense) for interest on the liability. The lessee should amortize the lease asset in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. The notes to financial statements should include a description of leasing arrangements, the amount of lease assets recognized, and a schedule of future lease payments to be made.

**Independent School District No. 477**  
**Emerging Issues**

**ACCOUNTING STANDARD UPDATE – GASB STATEMENT NO. 87 – LEASES**  
**(CONTINUED)**

A lessor should recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. A lessor should not derecognize the asset underlying the lease. The lease receivable should be measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. A lessor should recognize interest revenue on the lease receivable and an inflow of resources (for example, revenue) from the deferred inflows of resources in a systematic and rational manner over the term of the lease. The notes to financial statements should include a description of leasing arrangements and the total amount of inflows of resources recognized from leases.

GASB Statement No. 87 is effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).

**Independent School District No. 477  
Princeton, Minnesota**

**Financial Statements**

**June 30, 2019**

**Independent School District No. 477  
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**Independent School District No. 477  
Board of Education and Administration  
June 30, 2019**

| <u>Board of Education</u> | <u>Position</u>               | <u>Term Expires</u> |
|---------------------------|-------------------------------|---------------------|
| Eric Minks                | Chairperson                   | January 1, 2023     |
| Chad Young                | Vice Chairperson              | January 1, 2021     |
| Howard Vaillancourt       | Treasurer                     | January 1, 2021     |
| Sue VanHooser             | Clerk                         | January 1, 2021     |
| James Tomsy               | Director                      | January 1, 2023     |
| Deb Ulm                   | Director                      | January 1, 2023     |
| Eric Strandberg           | Director                      | January 1, 2021     |
| <u>Administration</u>     |                               |                     |
| Ben Barton                | Superintendent                |                     |
| Michelle Czech            | Director of Business Services |                     |

## Independent Auditor's Report

To the School Board  
Independent School District No. 477  
Princeton, Minnesota

### Report on the Financial Statements

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. 477, Princeton, Minnesota, as of and for the year ended June 30, 2019, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 477, Princeton, Minnesota, as of June 30, 2019, and the respective changes in financial position thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and the Required Supplementary Information listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards (GASB), 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information identified in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements.

The accompanying supplementary information identified in the Table of Contents and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2019, 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 solely 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 effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



St. Cloud, Minnesota  
October 24, 2019

## **Independent School District No. 477 Management's Discussion and Analysis**

This section of Independent School District No. 477 – Princeton Public Schools' (the "District") annual financial report presents our discussion and analysis of the District's financial performance during the year that ended on June 30, 2019. 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 a reporting model that is 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* issued in June 1999. GASB Statement No. 34 establishes reporting requirements that include additional financial statements, expanded disclosure, and supplemental information, including the MD&A (this section).

Comparative information between the current year and the prior year are included in the MD&A as required.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2018-19 year include the following:

- The District, during 2018-2019, using Long Term Facility Maintenance, was able to sell a \$4.0 million bond, without increasing taxes, to perform maintenance on the High School Pool, Tennis Courts, portions of the roof, the Family Center heating and cooling and other projects.
- In 2018 we ended with 3,323.29 ADM's and in 2019 we ended with 3,333.83 ADM's, which is a slight gain of 10.54 ADM's from the previous year.
- The District's unassigned fund balance decreased by \$172,546 which makes the unassigned fund balance at 15.2% of our unassigned budgeted expenses for 2020. This is a drop of 1.2% from the previous year. The School Board's policy requires the unassigned fund balance to be a minimum of 10%.
- The District's assigned fund balance decreased by \$74,499. These are assigned funds for specific program needs and are considered one time funds. This decrease was due to planned spending on our building projects and onetime expenses in program initiatives (Spanish Immersion, Teaching & Learning Materials, etc.).
- The District's restricted/reserved fund balances increased by \$488,518. These funds are required by the state to be set aside for a specific purpose. The increase was largely due to Long Term Facility Maintenance projects starting in the summer which crosses two fiscal years.

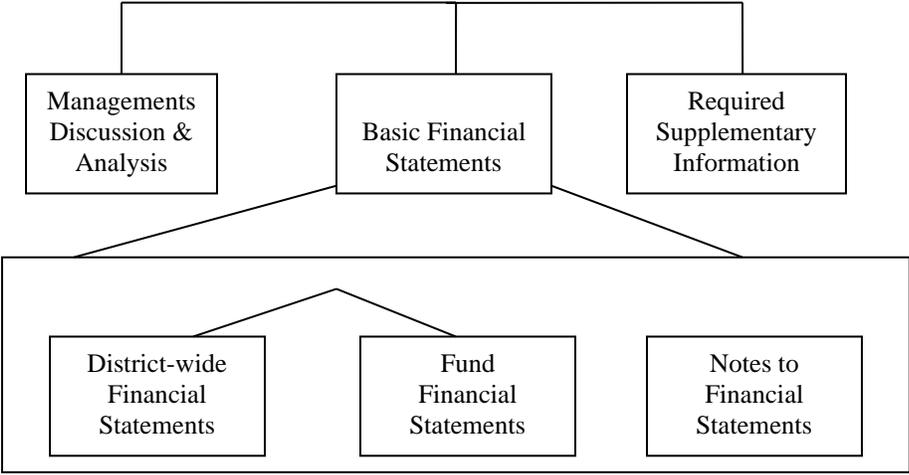
**Independent School District No. 477  
Management's Discussion and Analysis**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information, which includes the MD&A (this section), the basic financial statements, and the supplementary information. 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.
- The District currently does not have any fiduciary funds.

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



Summary < -----> Detail

## Independent School District No. 477 Management's Discussion and Analysis

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.

### DISTRICT-WIDE STATEMENTS

| <b>Fund Financial Statements</b>       |  |  |
|--|--|--|
|  | <b>District-Wide Statements</b>  | <b>Governmental Funds</b>  |
| Scope                                  | Entire District  | The activities of the District, such as special education and building maintenance.  |
| Required financial statements          | <ul style="list-style-type: none"> <li>❖ Statement of Net Position</li> <li>❖ Statement of Activities</li> </ul> | <ul style="list-style-type: none"> <li>❖ Balance Sheet</li> <li>❖ Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>                                     |
| Accounting Basis and measurement focus | Accrual accounting and economic resources focus.   | Modified accrual accounting and current financial focus.   |
| Type of assets/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.                     |
| Type of inflow/outflow information     | All revenues and expenses during the 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. |

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 Position includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. 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 position and how it has changed. Net position, the difference between the District's assets, deferred outflows of resources, and liabilities and deferred inflows of resources, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

## **Independent School District No. 477 Management's Discussion and Analysis**

### **DISTRICT-WIDE STATEMENTS (CONTINUED)**

In the district-wide financial statements the District's activities are shown in one category:

- **Governmental Activities** – All 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:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal grants).

The District has one kind of fund:

- **Governmental Funds** –All 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 to 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 differences) between them.

### **Net Position**

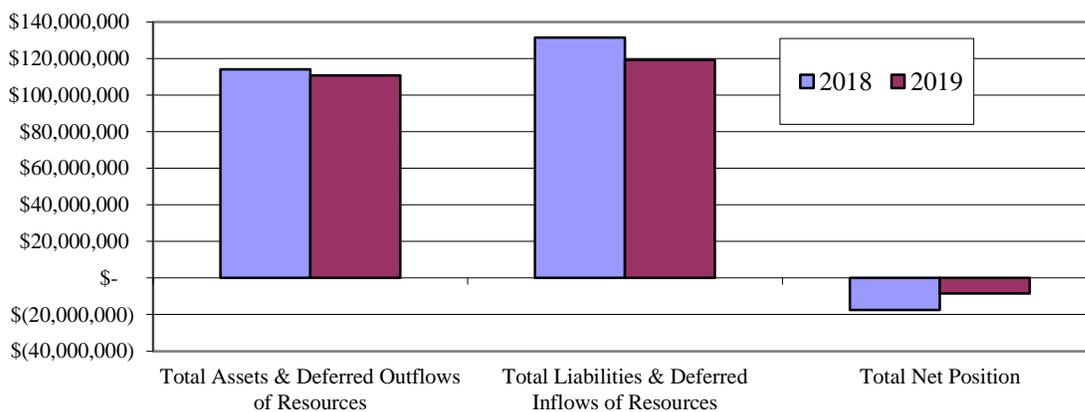
The District's combined net position was (\$8,516,312) on June 30, 2019 (see details in Table A-1). The net position has eroded because of the recognition of PERA and TRA pension liabilities. It is important to note that the District withholds pension liabilities as required by law and forwards to the appropriate pension entity. The District does not pay out pensions as that is the responsibility of the pension entity, yet we are required by law to recognize this liability on the District's financial statements.

**Independent School District No. 477  
Management's Discussion and Analysis**

**DISTRICT-WIDE STATEMENTS (CONTINUED)**

**TABLE A-1  
FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

|   | 2018                      | 2019                      |
|---|---------------------------|---------------------------|
| <b>Assets</b>   |                           |                           |
| Current assets  | \$ 23,380,416             | \$ 28,531,167             |
| Capital assets  | 56,737,773                | 56,161,083                |
| Total assets  | <u>80,118,189</u>         | <u>84,692,250</u>         |
| <b>Deferred Outflows of Resources</b>                                     | <u>33,965,287</u>         | <u>26,059,746</u>         |
| <br>Total assets and deferred outflows<br>of resources                    | <br><u>\$ 114,083,476</u> | <br><u>\$ 110,751,996</u> |
| <b>Liabilities</b>  |                           |                           |
| Current liabilities   | \$ 4,581,571              | \$ 5,680,810              |
| Long-term liabilities   | 110,078,908               | 73,264,939                |
| Total liabilities   | <u>114,660,479</u>        | <u>78,945,749</u>         |
| <b>Deferred Inflows of Resources</b>                                      | <u>16,865,182</u>         | <u>40,322,559</u>         |
| <b>Net Position</b>   |                           |                           |
| Net investment in capital assets  | 11,445,032                | 12,231,967                |
| Restricted net position   | 3,900,417                 | 4,611,936                 |
| Unrestricted net position   | <u>(32,787,634)</u>       | <u>(25,360,215)</u>       |
| Total net position  | <u>(17,442,185)</u>       | <u>(8,516,312)</u>        |
| <br>Total liabilities, deferred inflows of<br>resources, and net position | <br><u>\$ 114,083,476</u> | <br><u>\$ 110,751,996</u> |



**Independent School District No. 477  
Management's Discussion and Analysis**

**DISTRICT-WIDE STATEMENTS (CONTINUED)**

**Table A-2  
SUMMARY OF REVENUES AND EXPENSES**

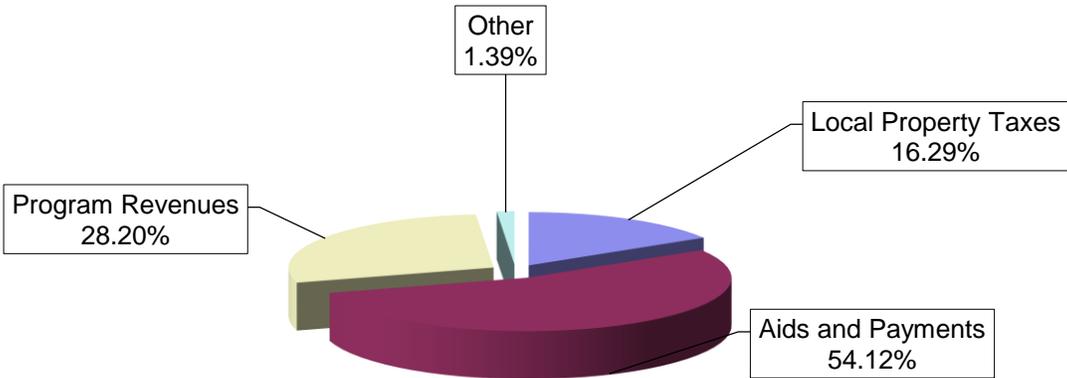
|  | Year                  |                       |
|--|-----------------------|-----------------------|
|  | 2018                  | 2019                  |
| <b>Revenues</b>                              |                       |                       |
| Program revenues                             |                       |                       |
| Charges for services                         | \$ 2,588,166          | \$ 2,485,925          |
| Operating grants and contributions           | 9,064,694             | 8,785,676             |
| Capital grants and contributions             | 792,363               | 1,015,328             |
| General revenues                             |                       |                       |
| Property taxes                               | 6,810,389             | 7,099,196             |
| Aids and payments from the state             | 24,026,178            | 23,582,535            |
| Other sources                                | 702,046               | 604,253               |
| Total revenues                               | <u>43,983,836</u>     | <u>43,572,913</u>     |
| <b>Expenses</b>                              |                       |                       |
| Administration                               | 1,959,842             | 1,292,611             |
| District support services                    | 1,421,227             | 1,179,186             |
| Elementary and secondary regular education   | 21,373,832            | 10,922,693            |
| Vocational education                         | 748,095               | 397,873               |
| Special education                            | 8,094,420             | 4,898,676             |
| Instructional support services               | 2,587,508             | 2,288,924             |
| Pupil support services                       | 4,029,435             | 3,498,699             |
| Site, buildings, and equipment               | 3,896,079             | 4,352,216             |
| Fiscal and other fixed cost programs         | 125,126               | 134,191               |
| Food service                                 | 1,894,563             | 1,773,699             |
| Community education and services             | 1,742,540             | 1,290,011             |
| Unallocated depreciation                     | 1,266,981             | 1,244,880             |
| Interest and fiscal charges - long-term debt | 1,541,601             | 1,373,381             |
| Total expenses                               | <u>50,681,249</u>     | <u>34,647,040</u>     |
| Change in net position                       | (6,697,413)           | 8,925,873             |
| <b>Net Position</b>                          |                       |                       |
| Beginning                                    | (7,786,834)           | (17,442,185)          |
| Change in accounting principle               | (2,957,938)           | -                     |
| Beginning, as restated                       | <u>(10,744,772)</u>   | <u>(17,442,185)</u>   |
| Ending                                       | <u>\$(17,442,185)</u> | <u>\$ (8,516,312)</u> |

**Independent School District No. 477  
Management's Discussion and Analysis**

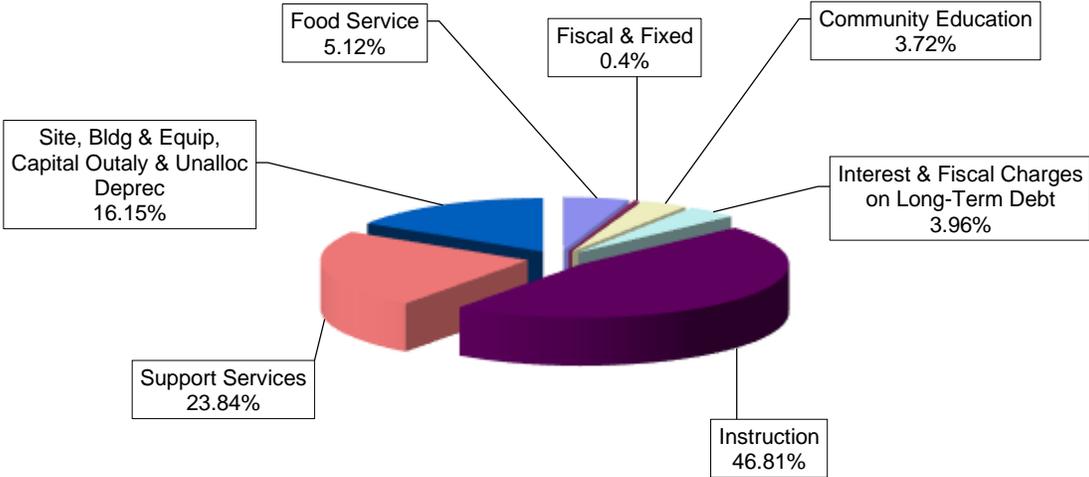
**DISTRICT-WIDE STATEMENTS (CONTINUED)**

The District's total revenue in 2019 consisted of program revenues of \$12,286,929, property taxes of \$7,099,196, aid payment from the State of Minnesota of \$23,582,535 and \$604,253 from miscellaneous other sources. 2019 expenses totaling \$34,647,040 consisted mainly of regular, vocational, and special education instruction costs of \$16,219,242. Other areas of cost included: support services (District, administrative, instructional and pupil) \$8,259,420, site, buildings, and equipment \$4,352,216, fiscal and other fixed-cost program \$134,191, food service \$1,773,699, community education and services \$1,290,011, unallocated depreciation \$1,244,880 and interest and fiscal charges on long-term debt \$1,373,381.

**2019 Revenues Table A-3**



**2019 Expenses Table A-4**



**Independent School District No. 477  
Management's Discussion and Analysis**

**DISTRICT-WIDE STATEMENTS (CONTINUED)**

The net cost of governmental activities is their total costs less program revenues applicable to each category. Table A-5 presents these costs.

**Table A-5**

|  | 2018                      |                             | 2019                      |                             |
|--|---------------------------|-----------------------------|---------------------------|-----------------------------|
|  | Total Cost<br>of Services | Net<br>(Expense)<br>Revenue | Total Cost<br>of Services | Net<br>(Expense)<br>Revenue |
| Administration                                   | \$ 1,959,842              | \$ (1,943,025)              | \$ 1,292,611              | \$ (1,277,064)              |
| District support services                        | 1,421,227                 | (1,416,407)                 | 1,179,186                 | (1,175,322)                 |
| Elementary and secondary                         |                           |                             |                           |                             |
| Regular instruction                              | 21,373,832                | (17,846,342)                | 10,922,693                | (7,423,684)                 |
| Vocational instruction                           | 748,095                   | (676,403)                   | 397,873                   | (339,994)                   |
| Special education instruction                    | 8,094,420                 | (3,756,605)                 | 4,898,676                 | (855,480)                   |
| Instructional support services                   | 2,587,508                 | (2,033,611)                 | 2,288,924                 | (1,761,637)                 |
| Pupil support services                           | 4,029,435                 | (3,975,218)                 | 3,498,699                 | (3,421,046)                 |
| Site, buildings, and equipment                   | 3,896,079                 | (3,121,413)                 | 4,352,216                 | (3,336,888)                 |
| Fiscal and other fixed-cost programs             | 125,126                   | (125,126)                   | 134,191                   | (134,191)                   |
| Food service                                     | 1,894,563                 | (5,571)                     | 1,773,699                 | 94,811                      |
| Community education and services                 | 1,742,540                 | (527,723)                   | 1,290,011                 | (111,355)                   |
| Unallocated depreciation                         | 1,266,981                 | (1,266,981)                 | 1,244,880                 | (1,244,880)                 |
| Debt service:                                    |                           |                             |                           |                             |
| Interest and fiscal charges on<br>long-term debt | 1,541,601                 | (1,541,601)                 | 1,373,381                 | (1,373,381)                 |
| <b>Total</b>                                     | <b>\$ 50,681,249</b>      | <b>\$ (38,236,026)</b>      | <b>\$ 34,647,040</b>      | <b>\$ (22,360,111)</b>      |

**FUND BALANCE**

The increase in the total general fund balance is due to increase in long term facility maintenance.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the 2019 year, its governmental funds reported a combined fund balance of \$16,118,221. The combined fund balance increased \$3,636,491 from 2018 due to the district's long term facility maintenance bond of \$4.0 million.

**REVENUE AND EXPENDITURES**

District's governmental funds revenue totaled \$44,791,828 plus \$4,574,464 in other financing sources, while total expenditures were \$45,729,801. A summary of the revenues and expenditures reported on the governmental fund financial statements appears in Table A-6 on the next page.

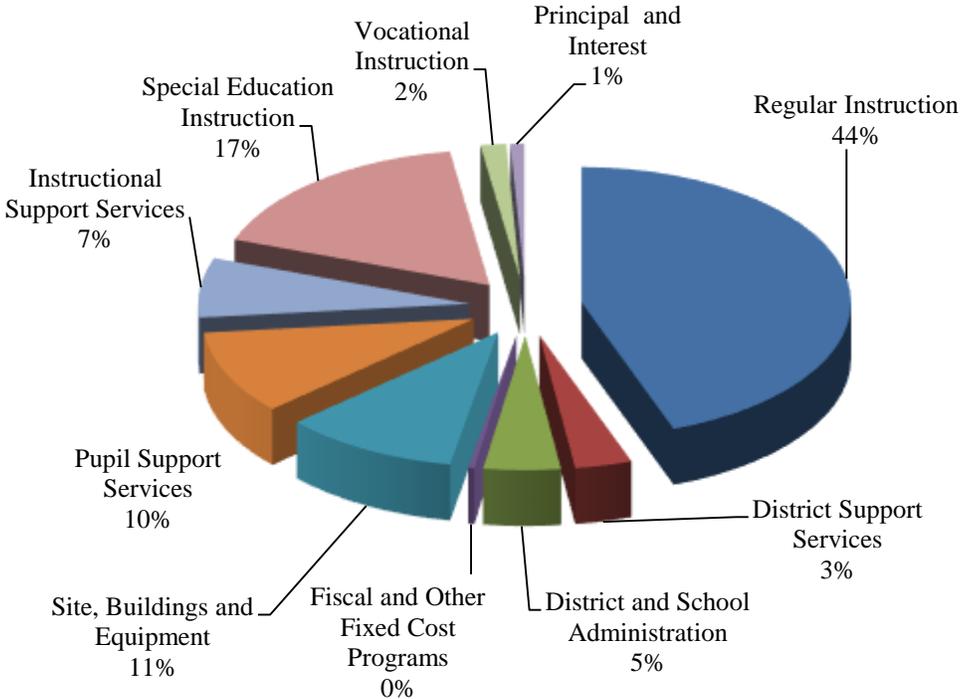
**Independent School District No. 477  
Management's Discussion and Analysis**

**REVENUE AND EXPENDITURES (CONTINUED)**

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

|                   | Revenue              | Expenditures         | Other Financing Sources/Uses | Fund Balance Increase |
|-------------------|----------------------|----------------------|------------------------------|-----------------------|
| General           | \$ 37,497,530        | \$ 37,429,037        | \$ 51,831                    | \$ 120,324            |
| Food Service      | 1,878,413            | 1,776,464            | -                            | 101,949               |
| Community Service | 1,557,483            | 1,534,810            | -                            | 22,673                |
| Debt Service      | 3,823,900            | 3,679,375            | 3,752                        | 148,277               |
| Capital Projects  | 34,502               | 1,310,115            | 4,518,881                    | 3,243,268             |
| <b>Total</b>      | <b>\$ 44,791,828</b> | <b>\$ 45,729,801</b> | <b>\$ 4,574,464</b>          | <b>\$ 3,636,491</b>   |

**2019 General Fund Expenditures**



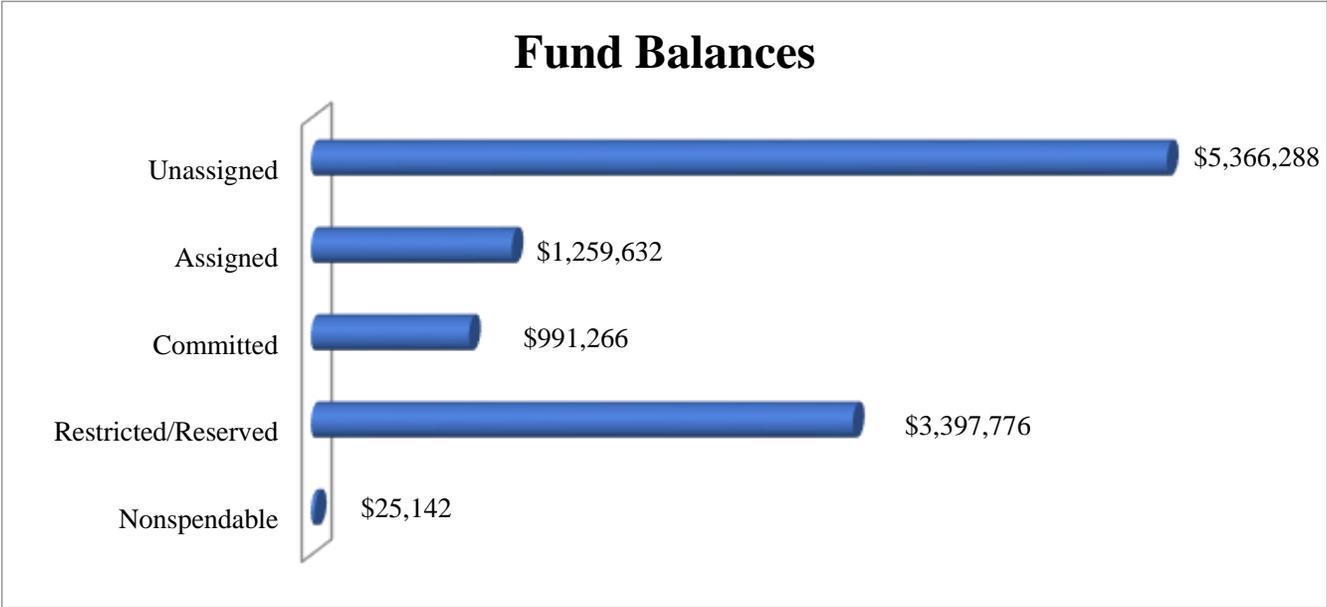
**Independent School District No. 477  
Management's Discussion and Analysis**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

During the year ended June 30, 2019, the District formally revised its budget one time. The revision is always necessary because when the initial budget is prepared and adopted (a budget must be in place prior to the beginning of the year on July 1) details of student enrollments, staffing levels and other significant information items are estimates and are continually changing. The budget is a guide and is monitored continually for reasonableness.

The basic General Education Aid revenue from the state per pupil unit is \$6,312 for the 2018-2019 school year. The District also has a board approved operating referendum in the amount of \$300 per pupil unit to help support and maintain class size as well as other operational costs. The General Fund balance is up from the previous year, increasing the General Fund balance to \$11.0 million, with \$25,142 in non-spendable, \$3.40 million in restricted/reserved, \$991,266 in committed, \$1.26 million in assigned and \$5.37 million in unassigned. (See chart below)

**Table A-7 Fund Balance Comparison**



**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The overall capital assets of the District increased \$1,197,009 before taking depreciation into consideration. This increase is due to site improvements, equipment purchases and the completion of small construction projects. After taking depreciation into consideration, net capital assets decreased by \$576,690. More detailed information regarding capital assets can be found in Note 3 of the financial statements.

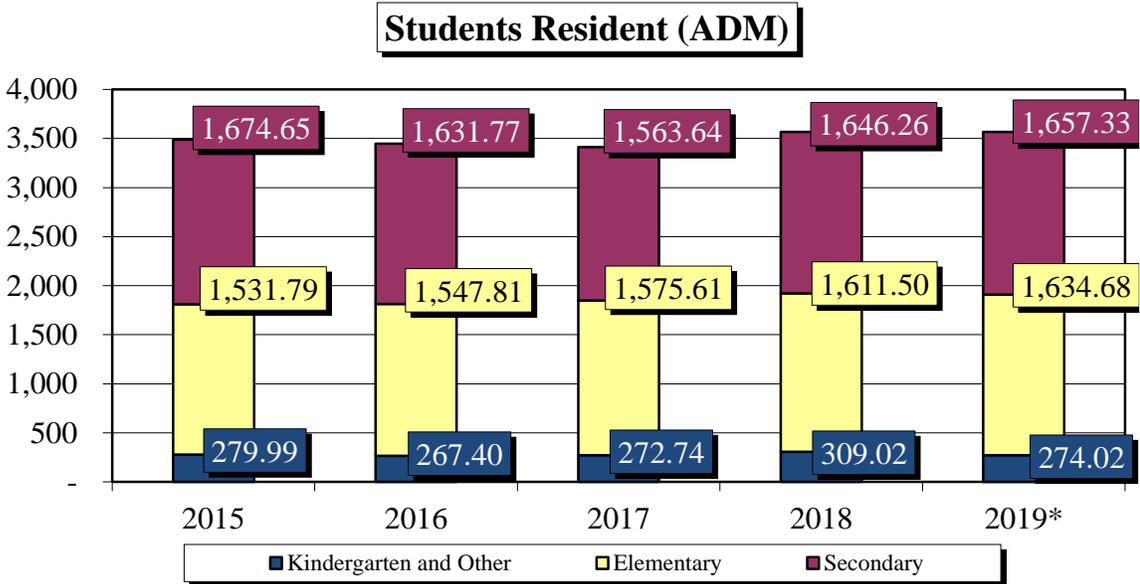
**Independent School District No. 477  
Management's Discussion and Analysis**

**CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)**

**Long – Term Debt**

At year-end, the District had \$45,418,966 of long-term liabilities. This consisted of bonded indebtedness of \$43,475,000 and certificates of participation, capital lease and compensated absences payable of \$1,943,966. More detailed information regarding long-term liabilities can be found in Note 4 of the financial statements.

**Table A-8 Students Resident (ADMs)**



The District's resident average daily membership (ADM) stayed flat in 2019 and is projected to decrease in fiscal year 2020. The above graph illustrates this current trend.

**FACTORS BEARING ON THE DISTRICT'S FUTURE**

- The District has five buildings and even though the District's K-2 building has been replaced the District continues to look at the maintenance concerns regarding its other structures. A ten year facilities plan was completed in the spring of 2017 and will be used to determine the direction the District should go in order to update, replace, and maintain our other facilities.
- The District will also ask for public input during the 2019-2020 school year to help determine educational and facility needs for the future.
- The District conducted a demographic study in 2018-2019 school year. The demographic study shows that resident students will continue to decline and that the district on average brings in 76% of the market share. Even though the District in 2018 saw a significant increase in enrollment which had a positive financial impact on the District 2019 only saw an increase of ten students. The District will continue to review enrollment and the impact it will have in the future.

## **Independent School District No. 477 Management's Discussion and Analysis**

### **FACTORS BEARING ON THE DISTRICT'S FUTURE (CONTINUED)**

- In order to improve the performance of the District is:
  - The District in 2019 adopted a continuous improvement plan that replaces the strategic plan. The plan focuses on four “Big Rocks” Student Learning, Climate & Culture, Multi-tiered System of Supports, and Operations.
  - The High School has a High School Design Team which has been charged with determining how to deliver the most relevant High School education.
  - The District has made an additional investment in our on-line program in order to attract students outside our boundaries who are looking for an alternative program to a traditional high school.
  - The District is currently working on marketing our Kindergarten program with the intent of improving our market share of our resident students attending Princeton Public Schools in the future.
  - We are continuing the marketing campaign that includes: flyers, Facebook, Twitter, Website and our brand.
  - The District continues to plan for more robust educational programming in our classrooms and other new programming. Teaching & Learning initiatives will be used to add new programs or materials to our educational system that will expand educational offerings and help retain enrollment along with other programming needs that will enhance the district attract-ability for both students and staff.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, 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 any questions about this report or would like additional information, contact Michelle Czech, Director of Business Services, at the District Center located at 706 First Street, Princeton, Minnesota 55371.

## **BASIC FINANCIAL STATEMENTS**

**Independent School District no. 477**  
**Statement of Net Position**  
**June 30, 2019**

|  | Governmental<br>Activities |
|--|----------------------------|
| <b>Assets</b>  |                            |
| Cash and investments (including cash equivalents)                      | \$ 21,094,576              |
| Current property taxes receivable                                      | 3,676,834                  |
| Delinquent property taxes receivable                                   | 86,577                     |
| Accounts receivable  | 46,661                     |
| Interest receivable  | 79,389                     |
| Due from Department of Education                                       | 3,060,661                  |
| Due from Federal Government through Department of Education            | 193,355                    |
| Due from other Minnesota school districts                              | 211,381                    |
| Inventory  | 73,534                     |
| Prepaid items  | 8,199                      |
| Capital assets not being depreciated                                   |                            |
| Land   | 1,286,492                  |
| Construction in progress   | 958,404                    |
| Capital assets being depreciated                                       |                            |
| Land improvements  | 6,166,678                  |
| Buildings  | 68,911,701                 |
| Machinery and equipment  | 4,736,819                  |
| Less accumulated depreciation  | (25,899,011)               |
| Total assets   | 84,692,250                 |
| <b>Deferred Outflows of Resources</b>                                  |                            |
| Deferred outflows of resources related to OPEB                         | 252,945                    |
| Deferred outflows of resources related to pensions                     | 25,806,801                 |
| Total deferred outflows of resources                                   | 26,059,746                 |
| <br>Total assets and deferred outflows of resources                    | <br>\$ 110,751,996         |
| <b>Liabilities</b>   |                            |
| Accounts and contracts payable   | \$ 1,940,046               |
| Salaries and benefits payable  | 2,935,156                  |
| Interest payable   | 696,424                    |
| Due to other Minnesota school districts                                | 12,583                     |
| Unearned revenue   | 96,601                     |
| Bond principal payable (net unamortized premium)                       |                            |
| Payable within one year  | 2,655,000                  |
| Payable after one year   | 42,868,456                 |
| Certificates of participation  |                            |
| Payable within one year  | 200,000                    |
| Payable after one year   | 1,370,000                  |
| Capital Lease Payable  |                            |
| Payable within one year  | 38,976                     |
| Payable after one year   | 39,952                     |
| Compensated absences payable   |                            |
| Payable within one year  | 63,117                     |
| Payable after one year   | 231,921                    |
| Total OPEB obligation  | 3,566,096                  |
| Net pension liability  | 22,231,421                 |
| Total liabilities  | 78,945,749                 |
| <b>Deferred Inflows of Resources</b>                                   |                            |
| Property taxes levied for subsequent year's expenditures               | 7,341,983                  |
| Deferred inflows of resources related to OPEB                          | 57,577                     |
| Deferred inflows of resources related to pensions                      | 32,922,999                 |
| Total deferred inflows of resources                                    | 40,322,559                 |
| <b>Net Position</b>  |                            |
| Net investment in capital assets                                       | 12,231,967                 |
| Restricted for   |                            |
| Debt service   | 277,420                    |
| Other purposes   | 4,334,516                  |
| Unrestricted   | (25,360,215)               |
| Total net position   | (8,516,312)                |
| <br>Total liabilities, deferred inflows of resources, and net position | <br>\$ 110,751,996         |

See notes to financial statements.

**Independent School District No. 477**  
**Statement of Activities**  
**Year Ended June 30, 2019**

| Functions/Programs                            | Expenses                 | Program Revenues        |  | Capital Grants<br>and<br>Contributions | Net (Expense)<br>Revenues and<br>Changes in<br>Net Position |
|---|--------------------------|-------------------------|--|--|---|
|   |                          | Charges for<br>Services | Operating<br>Grants and<br>Contributions |  | Governmental<br>Activities                                  |
| Governmental activities                       |                          |                         |  |  |   |
| Administration                                | \$ 1,292,611             | \$ 15,547               | \$ -                                     | \$ -                                   | \$ (1,277,064)  |
| District support services                     | 1,179,186                | -                       | 3,864                                    | -                                      | (1,175,322)   |
| Elementary and secondary regular instruction  | 10,922,693               | 586,987                 | 2,912,022                                | -                                      | (7,423,684)   |
| Vocational education instruction              | 397,873                  | -                       | 57,879                                   | -                                      | (339,994)   |
| Special education instruction                 | 4,898,676                | 71,216                  | 3,971,980                                | -                                      | (855,480)   |
| Instructional support services                | 2,288,924                | 23,778                  | 503,509                                  | -                                      | (1,761,637)   |
| Pupil support services                        | 3,498,699                | 14,625                  | 63,028                                   | -                                      | (3,421,046)   |
| Sites and buildings                           | 4,352,216                | -                       | -  | 1,015,328                              | (3,336,888)   |
| Fiscal and other fixed cost programs          | 134,191                  | -                       | -  | -                                      | (134,191)   |
| Food service                                  | 1,773,699                | 895,191                 | 973,319                                  | -                                      | 94,811  |
| Community education and services              | 1,290,011                | 878,581                 | 300,075                                  | -                                      | (111,355)   |
| Unallocated depreciation                      | 1,244,880                | -                       | -  | -                                      | (1,244,880)   |
| Interest and fiscal charges on long-term debt | 1,373,381                | -                       | -  | -                                      | (1,373,381)   |
| <br>Total governmental activities             | <br><u>\$ 34,647,040</u> | <br><u>\$ 2,485,925</u> | <br><u>\$ 8,785,676</u>                  | <br><u>\$ 1,015,328</u>                | <br><u>(22,360,111)</u>                                     |
| <br>General Revenues                          |                          |                         |  |  |   |
| Taxes   |                          |                         |  |  |   |
|   |                          |                         |  |  | 3,530,327   |
|   |                          |                         |  |  | 359,240   |
|   |                          |                         |  |  | 3,209,629   |
|   |                          |                         |  |  | 23,582,535  |
|   |                          |                         |  |  | 200,697   |
|   |                          |                         |  |  | 355,218   |
|   |                          |                         |  |  | 48,338  |
|   |                          |                         |  |  | 31,285,984  |
| Change in net position                        |                          |                         |  |  | 8,925,873   |
| Net position - beginning                      |                          |                         |  |  | (17,442,185)  |
| Net position - ending                         |                          |                         |  |  | \$ (8,516,312)  |

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**Independent School District No. 477**  
**Balance Sheet - Governmental Funds**  
**June 30, 2019**

|  | General              | Debt Service        | Capital Projects    | Other<br>Nonmajor<br>Funds | Total<br>Governmental<br>Funds |
|--|----------------------|---------------------|---------------------|----------------------------|--------------------------------|
| <b>Assets</b>  |                      |                     |                     |                            |                                |
| Cash and investments   | \$ 13,044,025        | \$ 2,694,507        | \$ 4,254,487        | \$ 1,101,557               | \$ 21,094,576                  |
| Current property taxes receivable  | 1,710,392            | 1,818,313           | -                   | 148,129                    | 3,676,834                      |
| Delinquent property taxes receivable   | 40,128               | 42,205              | -                   | 4,244                      | 86,577                         |
| Accounts receivable  | 3,644                | -                   | -                   | 43,017                     | 46,661                         |
| Interest receivable  | 78,460               | -                   | 929                 | -                          | 79,389                         |
| Due from Department of Education   | 2,964,497            | 56,459              | -                   | 39,705                     | 3,060,661                      |
| Due from Federal Government<br>through Department of Education                 | 175,988              | -                   | -                   | 17,367                     | 193,355                        |
| Due from other Minnesota school districts                                      | 211,381              | -                   | -                   | -                          | 211,381                        |
| Inventory  | 19,167               | -                   | -                   | 54,367                     | 73,534                         |
| Prepaid items  | 5,975                | -                   | -                   | 2,224                      | 8,199                          |
| <b>Total assets</b>  | <b>\$ 18,253,657</b> | <b>\$ 4,611,484</b> | <b>\$ 4,255,416</b> | <b>\$ 1,410,610</b>        | <b>\$ 28,531,167</b>           |
| <b>Liabilities</b>   |                      |                     |                     |                            |                                |
| Accounts and contracts payable   | \$ 892,484           | \$ -                | \$ 1,012,148        | \$ 35,414                  | \$ 1,940,046                   |
| Salaries and benefits payable  | 2,903,576            | -                   | -                   | 31,580                     | 2,935,156                      |
| Due to other Minnesota school districts  | 12,583               | -                   | -                   | -                          | 12,583                         |
| Unearned revenue   | -                    | -                   | -                   | 96,601                     | 96,601                         |
| <b>Total liabilities</b>   | <b>3,808,643</b>     | <b>-</b>            | <b>1,012,148</b>    | <b>163,595</b>             | <b>4,984,386</b>               |
| <b>Deferred Inflows of Resources</b>   |                      |                     |                     |                            |                                |
| Unavailable revenue - delinquent property<br>taxes                             | 40,128               | 42,205              | -                   | 4,244                      | 86,577                         |
| Property taxes levied for subsequent year's<br>expenditures                    | 3,364,782            | 3,666,926           | -                   | 310,275                    | 7,341,983                      |
| <b>Total deferred inflows of resources</b>                                     | <b>3,404,910</b>     | <b>3,709,131</b>    | <b>-</b>            | <b>314,519</b>             | <b>7,428,560</b>               |
| <b>Fund Balances</b>   |                      |                     |                     |                            |                                |
| Nonspendable   | 25,142               | -                   | -                   | 56,591                     | 81,733                         |
| Restricted   | 3,397,776            | 902,353             | 3,243,268           | 875,905                    | 8,419,302                      |
| Committed  | 991,266              | -                   | -                   | -                          | 991,266                        |
| Assigned   | 1,259,632            | -                   | -                   | -                          | 1,259,632                      |
| Unassigned   | 5,366,288            | -                   | -                   | -                          | 5,366,288                      |
| <b>Total fund balances</b>   | <b>11,040,104</b>    | <b>902,353</b>      | <b>3,243,268</b>    | <b>932,496</b>             | <b>16,118,221</b>              |
| <b>Total liabilities, deferred inflows of<br/>resources, and fund balances</b> | <b>\$ 18,253,657</b> | <b>\$ 4,611,484</b> | <b>\$ 4,255,416</b> | <b>\$ 1,410,610</b>        | <b>\$ 28,531,167</b>           |

**Independent School District No. 477  
Reconciliation of the Balance Sheet to  
the Statement of Net Position - Governmental Funds  
June 30, 2019**

|   |                       |
|---|-----------------------|
| Total fund balances - governmental funds  | \$ 16,118,221         |
| Amounts reported for governmental activities in the Statement of Net Position are different because:  |                       |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.  |                       |
| Cost of capital assets  | 82,060,094            |
| Less accumulated depreciation   | (25,899,011)          |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.   |                       |
| Long-term liabilities at year-end consist of:   |                       |
| Bond principal payable  | (43,475,000)          |
| Premium on bonds payable  | (2,048,456)           |
| Certificates of participation   | (1,570,000)           |
| Capital lease payable   | (78,928)              |
| Compensated absences payable  | (295,038)             |
| OPEB obligation   | (3,566,096)           |
| Net pension liability   | (22,231,421)          |
| Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions and OPEB that are not recognized in the governmental funds.       |                       |
| Deferred outflows of resources related to OPEB  | 252,945               |
| Deferred outflows of resources related to pensions  | 25,806,801            |
| Deferred inflows of resources related to OPEB   | (57,577)              |
| Deferred inflows of resources related to pensions   | (32,922,999)          |
| Delinquent property taxes receivable will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds. |                       |
|   | 86,577                |
| Governmental funds do not report a liability for accrued interest on bonds, capital leases, and certificates of participation until due and payable.  |                       |
|   | <u>(696,424)</u>      |
| Total net position - governmental activities  | <u>\$ (8,516,312)</u> |

**Independent School District No. 477**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Governmental Funds**  
**Year Ended June 30, 2019**

|  | General              | Debt Service      | Capital<br>Projects | Other<br>Nonmajor<br>Funds | Total<br>Governmental<br>Funds |
|--|----------------------|-------------------|---------------------|----------------------------|--------------------------------|
| <b>Revenues</b>                              |                      |                   |                     |                            |                                |
| Local property taxes                         | \$ 3,540,984         | \$ 3,223,795      | \$ -                | \$ 360,313                 | \$ 7,125,092                   |
| Other local and county revenues              | 1,198,373            | 31,529            | 34,502              | 905,896                    | 2,170,300                      |
| Revenue from state sources                   | 31,998,079           | 568,576           | -                   | 417,402                    | 32,984,057                     |
| Revenue from federal sources                 | 760,094              | -                 | -                   | 857,103                    | 1,617,197                      |
| Sales and other conversion of assets         | -                    | -                 | -                   | 895,182                    | 895,182                        |
| Total revenues                               | <u>37,497,530</u>    | <u>3,823,900</u>  | <u>34,502</u>       | <u>3,435,896</u>           | <u>44,791,828</u>              |
| <b>Expenditures</b>                          |                      |                   |                     |                            |                                |
| <b>Current</b>                               |                      |                   |                     |                            |                                |
| Administration                               | 1,722,596            | -                 | -                   | -                          | 1,722,596                      |
| District support services                    | 1,212,270            | -                 | -                   | -                          | 1,212,270                      |
| Elementary and secondary regular             |                      |                   |                     |                            |                                |
| Instruction                                  | 16,525,326           | -                 | -                   | -                          | 16,525,326                     |
| Vocational education instruction             | 571,175              | -                 | -                   | -                          | 571,175                        |
| Special education instruction                | 6,417,200            | -                 | -                   | -                          | 6,417,200                      |
| Instructional support services               | 2,636,991            | -                 | -                   | -                          | 2,636,991                      |
| Pupil support services                       | 3,763,440            | -                 | -                   | -                          | 3,763,440                      |
| Sites and buildings                          | 3,440,589            | -                 | 309,225             | -                          | 3,749,814                      |
| Fiscal and other fixed cost programs         | 134,191              | -                 | -                   | -                          | 134,191                        |
| Food service                                 | -                    | -                 | -                   | 1,764,012                  | 1,764,012                      |
| Community education and services             | -                    | -                 | -                   | 1,534,810                  | 1,534,810                      |
| <b>Capital outlay</b>                        |                      |                   |                     |                            |                                |
| District support services                    | 67,391               | -                 | -                   | -                          | 67,391                         |
| Elementary and secondary regular             |                      |                   |                     |                            |                                |
| Instruction                                  | 111,868              | -                 | -                   | -                          | 111,868                        |
| Vocational education instruction             | 1,260                | -                 | -                   | -                          | 1,260                          |
| Special education instruction                | 6,935                | -                 | -                   | -                          | 6,935                          |
| Instructional support services               | 27,102               | -                 | -                   | -                          | 27,102                         |
| Pupil support services                       | 3,919                | -                 | -                   | -                          | 3,919                          |
| Sites and buildings                          | 480,725              | -                 | 1,000,890           | -                          | 1,481,615                      |
| Food service                                 | -                    | -                 | -                   | 12,452                     | 12,452                         |
| <b>Debt service</b>                          |                      |                   |                     |                            |                                |
| Principal                                    | 228,025              | 2,160,000         | -                   | -                          | 2,388,025                      |
| Interest and fiscal charges                  | 78,034               | 1,519,375         | -                   | -                          | 1,597,409                      |
| Total expenditures                           | <u>37,429,037</u>    | <u>3,679,375</u>  | <u>1,310,115</u>    | <u>3,311,274</u>           | <u>45,729,801</u>              |
| Excess of revenues over (under) expenditures | 68,493               | 144,525           | (1,275,613)         | 124,622                    | (937,973)                      |
| <b>Other Financing Sources</b>               |                      |                   |                     |                            |                                |
| Bond proceeds                                | -                    | 3,752             | 3,971,248           | -                          | 3,975,000                      |
| Bond premium                                 | -                    | -                 | 547,633             | -                          | 547,633                        |
| Proceeds from sale of capital assets         | 51,831               | -                 | -                   | -                          | 51,831                         |
| Total other financing sources                | <u>51,831</u>        | <u>3,752</u>      | <u>4,518,881</u>    | <u>-</u>                   | <u>4,574,464</u>               |
| Net change in fund balances                  | 120,324              | 148,277           | 3,243,268           | 124,622                    | 3,636,491                      |
| <b>Fund Balances</b>                         |                      |                   |                     |                            |                                |
| Beginning of year                            | <u>10,919,780</u>    | <u>754,076</u>    | <u>-</u>            | <u>807,874</u>             | <u>12,481,730</u>              |
| End of year                                  | <u>\$ 11,040,104</u> | <u>\$ 902,353</u> | <u>\$ 3,243,268</u> | <u>\$ 932,496</u>          | <u>\$ 16,118,221</u>           |

See notes to financial statements.

**Independent School District No. 477  
Reconciliation of the Statement of Revenues,  
Expenditures, and Changes in Fund Balances to the  
Statement of Activities - Governmental Funds  
Year Ended June 30, 2019**

|  |                     |
|--|---------------------|
| Net change in fund balances - total governmental funds   | \$ 3,636,491        |
| 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 the estimated useful lives as depreciation expense.  |                     |
| Capital outlays  | 1,535,681           |
| Depreciation expense   | (2,108,878)         |
| Disposal of capital assets   | (3,493)             |
| Compensated absences are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities.  |                     |
|  | 38,117              |
| Post employment benefit obligations are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities.   |                     |
|  | 60,095              |
| Governmental funds recognized pension contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to pensions on a full accrual perspective.   |                     |
|  | 7,704,336           |
| Principal payments on long-term debt are recognized as expenditures in the governmental funds but as an increase in net position in the Statement of Activities.   |                     |
|  | 2,388,025           |
| Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. |                     |
|  | (30,937)            |
| Governmental funds report the effect of bond premiums when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.  |                     |
|  | (292,668)           |
| The issuance of long-term debt provides current financial resources to governmental funds and has no affect on the net position. These amounts are reported in the governmental funds as a source of financing. These amounts are not shown as revenues in the Statement of Activities but rather constitute long-term liabilities in the Statement of Net Position.                   |                     |
|  | (3,975,000)         |
| Delinquent property taxes receivable will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.  |                     |
|  | <u>(25,896)</u>     |
| Change in net position - governmental activities   | <u>\$ 8,925,873</u> |

**Independent School District No. 477**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual - General Fund**  
**Year Ended June 30, 2019**

|  | Budgeted Amounts      |                       | Actual<br>Amounts    | Variance with<br>Final Budget -<br>Over (Under) |
|--|-----------------------|-----------------------|----------------------|---|
|  | Original              | Final                 |                      |   |
| <b>Revenues</b>                              |                       |                       |                      |   |
| Local property taxes                         | \$ 3,434,919          | \$ 3,465,565          | \$ 3,540,984         | \$ 75,419                                       |
| Other local and county revenues              | 1,031,145             | 1,118,675             | 1,198,373            | 79,698  |
| Revenue from state sources                   | 31,056,261            | 31,896,693            | 31,998,079           | 101,386   |
| Revenue from federal sources                 | 730,925               | 747,405               | 760,094              | 12,689  |
| Total revenues                               | <u>36,253,250</u>     | <u>37,228,338</u>     | <u>37,497,530</u>    | <u>269,192</u>                                  |
| <b>Expenditures</b>                          |                       |                       |                      |   |
| Current                                      |                       |                       |                      |   |
| Administration                               | 1,638,328             | 1,705,943             | 1,722,596            | 16,653  |
| District support services                    | 1,210,975             | 1,225,772             | 1,212,270            | (13,502)  |
| Elementary and secondary regular instruction | 16,568,855            | 16,838,850            | 16,525,326           | (313,524)                                       |
| Vocational education instruction             | 490,757               | 487,806               | 571,175              | 83,369  |
| Special education instruction                | 6,532,332             | 6,657,265             | 6,417,200            | (240,065)                                       |
| Instructional support services               | 2,664,707             | 2,766,524             | 2,636,991            | (129,533)                                       |
| Pupil support services                       | 3,674,007             | 3,766,990             | 3,763,440            | (3,550)   |
| Sites and buildings                          | 3,992,760             | 3,982,180             | 3,440,589            | (541,591)                                       |
| Fiscal and other fixed cost programs         | 128,750               | 135,000               | 134,191              | (809)   |
| Capital outlay                               |                       |                       |                      |   |
| District support services                    | 26,410                | 26,410                | 67,391               | 40,981  |
| Elementary and secondary regular instruction | 128,090               | 128,090               | 111,868              | (16,222)  |
| Vocational education instruction             | 6,551                 | 6,551                 | 1,260                | (5,291)   |
| Special education instruction                | -                     | -                     | 6,935                | 6,935   |
| Instructional support services               | 71,800                | 72,000                | 27,102               | (44,898)  |
| Pupil support services                       | 10,000                | 10,000                | 3,919                | (6,081)   |
| Sites and buildings                          | 242,546               | 225,500               | 480,725              | 255,225   |
| Debt service                                 |                       |                       |                      |   |
| Principal                                    | 231,000               | 231,000               | 228,025              | (2,975)   |
| Interest and fiscal charges                  | 75,125                | 75,125                | 78,034               | 2,909   |
| Total expenditures                           | <u>37,692,993</u>     | <u>38,341,006</u>     | <u>37,429,037</u>    | <u>(911,969)</u>                                |
| Excess of revenues over (under) expenditures | (1,439,743)           | (1,112,668)           | 68,493               | 1,181,161                                       |
| <b>Other Financing Sources</b>               |                       |                       |                      |   |
| Proceeds from sale of capital assets         | -                     | -                     | 51,831               | 51,831  |
| Net change in net position                   | <u>\$ (1,439,743)</u> | <u>\$ (1,112,668)</u> | 120,324              | <u>\$ 1,232,992</u>                             |
| <b>Fund Balances</b>                         |                       |                       |                      |   |
| Beginning of year                            |                       |                       | <u>10,919,780</u>    |   |
| End of year                                  |                       |                       | <u>\$ 11,040,104</u> |   |

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The District operates under a school board form of government for the purpose of providing educational services to individuals within the District areas. The governing body consists of a seven member board elected by the voters of the District to serve four-year terms.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant policies.

**A. Reporting Entity**

The financial statements present the District and its component units. The District includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the District are financially accountable and are included within the financial statements of the District because of the significance of their operational or financial relationships with the District.

The District is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the District.

As a result of applying the component unit definition criteria above, it has been determined the District has no component units.

The student activity accounts of the District are under the School Board's control; therefore, all the activity of the student activities is included in the General Fund.

**B. Basic Financial Statement Information**

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District.

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 charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basic Financial Statement Information (Continued)**

Depreciation expense that can be specifically identified by function is included in the direct expenses of that function. Depreciation expense relating to assets that serve multiple functions is presented as unallocated depreciation in the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. The effect of interfund activity has been removed from these Statements.

Separate fund financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner.

**1. Revenue Recognition**

Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue is generally considered as available if collected within 60 days after year-end. State revenue is recognized in the year to which it applies according to *Minnesota Statutes* and accounting principles generally accepted in the United States of America. *Minnesota Statutes* include state aid funding formulas for specific years. Federal revenue is recorded in the year in which the related expenditure is made. Other revenue is considered available if collected within 60 days.

**2. Recording of Expenditures**

Expenditures are generally recorded when a liability is incurred. The exceptions to this general rule are that interest and principal expenditures in the Debt Service Fund, compensated absences and claims and judgments are recognized when payment is due.

The District will follow the approved District plan for each fund balance area. If there is no plan the District will strive to spend resources in the following order when an expenditure is incurred for a purpose for which both restricted and unrestricted fund balances are available: restricted, committed, assigned, and unassigned.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus and Basis of Accounting (Continued)**

**Description of Funds:**

Major Funds:

General Fund – This fund is the basic operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and payment of, general obligation (G.O.) bond and energy loan principal, interest, and related costs.

Capital Projects Fund – This fund is used to account for financial resources used for the acquisition or construction of major capital facilities authorized by bond issue.

Nonmajor Funds:

Food Service Special Revenue Fund – This fund is used to account for food service revenues and expenditures.

Community Service Special Revenue Fund – This fund is used to account for services provided to residents in the areas of community education, school readiness, early childhood, and family education or other similar services.

**D. Deposits and Investments**

Cash and investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the individual funds based on the average of month-end cash and investment balances.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments held investment pools are measured at amortized cost.

Cash and investments at June 30, 2019 were comprised of deposits, shares in the Minnesota School District Liquid Asset Fund (MSDLAF), shares in the Minnesota Trust (MNTrust) Investment Shares Portfolio, and shares in MNTrust Term Series.

*Minnesota Statutes* requires all deposits be protected by federal deposit insurance, corporate surety bonds or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by Federal Deposit Insurance Corporation (FDIC) insurance or corporate surety bonds.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Deposits and Investments (Continued)**

*Minnesota Statutes* authorizes the District to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, repurchase, and reverse repurchase agreements and commercial paper of the highest quality with a maturity of no longer than 270 days.

In accordance with GASB Statement No. 79, the various MSDLAF and MNTrust securities are valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from the MSDLAF or MNTrust Investment Shares Portfolio. Investments in the MSDLAF MAX must be deposited for a minimum of 14 calendar days with the exception of direct investments of funds distributed by the State of Minnesota. Withdrawals prior to the 14-day restriction period may be subject to a penalty and there is a 24 hour hold on all requests for redemptions. Seven days' notice of redemption is required for withdrawals of investments in the MNTrust Term Series withdrawn prior to the maturity date of that series. A penalty could be assessed as necessary to recoup the Series for any charges, losses, and other costs attributable to the early redemption.

**E. Property Tax Receivable**

Current property taxes receivable are recorded for taxes certified the previous December and collectible in the current calendar year, which have not been received by the District. Delinquent property taxes receivable represents uncollected taxes for the past six years and are deferred and included in the deferred outflows of resources section of the fund financial statements as unavailable revenue because they are not available to finance the operations of the District in the current year.

**F. Property Taxes Levied for Subsequent Year's Expenditures**

Property taxes levied for subsequent year's expenditures consist principally of property taxes levied in the current year which will be collected and recognized as revenue in the District's following fiscal year to properly match those revenues with the budgeted expenditures for which they were levied. This amount is equal to the amount levied by the School Board in December 2018, less various components and their related adjustments as mandated by the state. These portions of that levy were recognized as revenue in fiscal year 2019. The remaining portion of the levy will be recognized when measurable and available.

**G. Inventories**

Inventories of commodities donated directly by the U.S. Department of Agriculture are recorded at market value. Other inventories are stated at cost as determined on a first-in, first-out (FIFO) basis. Inventories are recorded as expenditures when consumed rather than when purchased.

**H. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as an expenditure at the time of consumption.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I. Property Taxes**

The District levies its property tax during the month of December. December 28 is the last day the District can certify a tax levy to the County Auditor. Such taxes become a lien on January 1. The property tax is recorded as revenue when it becomes measurable and available. Benton, Isanti, Mille Lacs, and Sherburne Counties are the collecting agencies for the levy and remit the collections to the District three times a year. The Tax levy notice is mailed in March with the first half of the payment due on May 15 and the second half due on October 15. Delinquent collections for November and December are received the following January.

A portion of property taxes levied is paid by the State of Minnesota through various tax credits, which are included in revenue from state sources in the financial statements.

**J. Capital Assets**

Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements.

Capital assets are defined by the District as assets with an initial individual cost of more than \$1,500 with an estimated useful life in excess of one year. Such assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets lives are not capitalized.

Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purpose. Useful lives vary from 20 to 50 years for land improvements and buildings and 5 to 20 years for furniture and equipment.

Capital assets not being depreciated include land and construction in progress. The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

**K. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has two items that qualify for reporting in this category. Deferred outflow of resources relating to pension activity and deferred outflows of resources related to OPEB are reported in the Government-Wide Statement of Net Position. Deferred outflows of resources related to pensions and OPEB are recorded for various estimate differences that will be amortized and recognized over future years.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the Statement of Financial Position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has four types of items which qualify for reporting in this category. The first item, unavailable revenue from property taxes, arises under a modified accrual basis of accounting and is reported only in the Governmental Funds Balance Sheet. Delinquent property taxes not collected within 60 days of year-end are deferred and recognized as an inflow of resources in the governmental funds in the period the amounts become available. The second item is property taxes levied for subsequent years, which represent property taxes received or reported as a receivable before the period for which the taxes are levied, and is reported as a deferred inflow of resources in both the Government-Wide Statement of Net Position and the Governmental Funds Balance Sheet. Property taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied and in the governmental fund financial statements during the year for which they are levied, if available. Deferred inflows of resources related to pensions is recorded on the government-wide statements for various estimate differences that will be amortized and recognized over future years. Deferred inflows of resources related to OPEB is recorded on the government-wide statements for various estimate differences that will be amortized and recognized over future years.

**L. 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 Statement of Net Position. Bond premiums and discounts 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.

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 or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**M. Compensated Absences**

The District does not compensate employees upon termination of employment for unused vacation. However, substantially all full-time employees are allowed to carry over maximum balances to be used shortly after year-end.

All employees are entitled to sick leave. Noncertified employees are not compensated for unused sick leave upon a qualified termination of employment. Certified employees are compensated for unused sick leave upon termination of employment, in conjunction with severance pay as described in Note 1.N. Sick leave pay is shown as an expenditure in the year paid.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Post Employment Severance and Health Benefits**

Full-time custodians, paraprofessional and food service employees are eligible for severance pay upon retirement.

Custodians hired prior to January 1, 2005, retiring after the age of 62 are entitled to receive unused accumulated sick leave up to 60% of 140 days maximum if they serve five years with the District.

Paraprofessionals hired prior to June 30, 2007, are paid up to 50% of the 100 days maximum sick leave accrual. Paraprofessionals hired after July 1, 1991, must have 15 years of service to receive this benefit. Food service employees earn one day of sick leave for each month up to 160 days. It is paid out at 50% of unused days up to a 50 day maximum pay out for employees over age 60 and over five years of service to the District.

As of June 30, 2019, the District had a balance for compensated absences payable, related to severance, of \$295,038.

**O. Pensions**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and Teachers Retirement Association (TRA) and additions to/deductions from PERA's and TRA's fiduciary net position have been determined on the same basis as they are reported by PERA and TRA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis, and Minneapolis School District. The direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association (DTRFA) in 2015.

**P. 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 injuries to employees for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in the District's insurance coverage during the year ending June 30, 2019.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Q. Fund Equity**

**1. Classifications**

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor the constraints on the specific purpose for which amounts in these funds can be spent. If resources from more than one fund balance classification could be spent, the school will follow the approved district plan for each of the areas. If there is no plan, the District will strive to spend resources from fund balance classifications in the following order: restricted, committed, assigned, and unassigned.

- **Nonspendable Fund Balance** – These are amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact and include items that are inherently unspendable, such as, but not limited to, inventories, prepaid items, long-term receivables, nonfinancial assets held for resale, or the permanent principal of endowment funds.
- **Restricted Fund Balance** – These are amounts that are comprised of funds that have legally enforceable constraints placed on their use that either are externally imposed by resource providers or creditors (such as through debt covenants), grantors, contributors, voters, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balance** – These are amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) by the School Board.
- **Assigned Fund Balance** – These are amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by majority vote of the school board. The board also delegates the power to assign fund balances to either the Superintendent or the Director of Business Services. Assignments so made shall be reported to the finance committee and/or the school board on a quarterly basis.
- **Unassigned Fund Balance** – These are amounts that are the residual amounts in the General Fund not reported in any other classification. Unassigned amounts in the General Fund are technically available for expenditure for any purpose. The General Fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted, and committed fund balances exceed the total net resources of that fund.

**2. Minimum Fund Balance**

The District shall strive to maintain a minimum unassigned fund balance of 10% of the annual budget in the General Fund.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**R. Net Position**

Net position represents the difference between assets and deferred outflows of resources; and liabilities and deferred inflows outflows of resources in the government-wide financial statements. Net investment in capital assets 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 position is reported as restricted in the government-wide financial statement when there are limitations on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**S. 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. Estimates also affect the reported amounts of revenue and expenditures/expense during the reporting period. Actual results could differ from those estimates.

**T. Budgetary Information**

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the School Superintendent submits to the School Board, a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. The Superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the School Board.
3. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Capital Projects, and Debt Service Funds.
4. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Budgets are as originally adopted or as amended by the School Board. Budgeted expenditure appropriations lapse at year-end.

**NOTE 2 – DEPOSITS AND INVESTMENTS**

**A. Deposits**

In accordance with applicable *Minnesota Statutes*, the District maintains deposits at depository banks authorized by the School Board.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)**

**A. Deposits (Continued)**

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 has a deposit policy that requires the District's deposits to be collateralized as required by *Minnesota Statutes* 118.03 for an amount exceeding Federal Deposit Insurance Corporation (FDIC), SAIF, BIF, or FCUA coverage. *Minnesota Statutes* requires all deposits be protected by federal depository insurance, corporate surety bonds, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by FDIC insurance or corporate surety bonds. As of June 30, 2019, the District's bank balance was not exposed to custodial credit risk because it was insured and fully collateralized with securities held by the pledging financial institution's trust department or agent and in the District's name. The District's deposits had a book balance as shown below.

**1. District Governmental Funds**

As of June 30, 2019 the District had the following pooled deposits:

|                                 |                            |
|---------------------------------|----------------------------|
| Checking                        | \$ 373,852                 |
| MNTrust certificates of deposit | <u>8,292,600</u>           |
| Total deposits                  | <u><u>\$ 8,666,452</u></u> |

**B. Investments**

As of June 30, 2019, the District had the following investments:

| Investment Type                     | Investment Maturity (In Years) |                             | Rating |
|-------------------------------------|--------------------------------|-----------------------------|--------|
|                                     | Fair Value                     | Less Than One Year          |        |
| Pooled                              |                                |                             |        |
| MSDLAF                              | \$ 848,930                     | \$ 848,930                  | AAAm   |
| MSDLAF MAX                          | 3,595,401                      | 3,595,401                   | AAAm   |
| MNTrust Investment Shares Portfolio | 129,306                        | 129,306                     | AAAm   |
| MNTrust Term Series                 | <u>3,600,000</u>               | <u>3,600,000</u>            | AAAm   |
| Total pooled investments            | <u>8,173,637</u>               | <u>8,173,637</u>            |        |
| Non pooled                          |                                |                             |        |
| Bond proceeds investments           |                                |                             |        |
| MNTrust Investment Shares Portfolio | 1,254,487                      | 1,254,487                   | AAAm   |
| MNTrust Term Series                 | <u>3,000,000</u>               | <u>3,000,000</u>            | AAAm   |
| Total bond proceeds investments     | <u>4,254,487</u>               | <u>4,254,487</u>            |        |
| Total investments                   | <u><u>\$ 12,428,124</u></u>    | <u><u>\$ 12,428,124</u></u> |        |

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 2 – DEPOSITS AND INVESTMENTS**

**B. Investments (Continued)**

Concentration of Credit Risk: The District's investment policy places no limit on the amount the District may invest in any one issuer, though it does state the District shall diversify its investments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities.

Interest Rate Risk: This is the risk the market value of securities in the portfolio will fall due to changes in market interest rates. The District policy indicates the District will minimize this risk by structuring the investment portfolio so securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools and limiting the average maturity of the portfolio in accordance with the policy.

Credit Risk: The District's investment policy refers to *Minnesota Statutes* 118A.04 and 118A.05. Statutes limit investments in the top two ratings issued by nationally recognized statistical rating organizations. The District will minimize credit risk by limiting investments to the types of securities listed in Section IX of their investment policy, prequalifying the financial institutions, brokers/dealers, intermediaries and advisers which will do business in accordance with Section V and diversifying the investment portfolio so the impact of potential losses from any one type of security or from any one individual issuer will be minimized. Investments are rated as indicted in the tables on previous page.

Custodial Credit Risk – Investment: For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy states all investments shall be held in third party safekeeping by institution designated as custodial agent.

The following is a summary of total deposits and investments:

|                                      |               |
|--------------------------------------|---------------|
| Deposits - pooled (Note 2. A.)       | \$ 8,666,452  |
| Investments - pooled (Note 2. B.)    | 8,173,637     |
| Investments - nonpooled (Note 2. B.) | 4,254,487     |
| Total deposits and investments       | \$ 21,094,576 |

Deposits and investments at June 30, 2019, are presented as follows:

|                           |               |
|---------------------------|---------------|
| Statement of Net Position |               |
| Cash and investments      | \$ 21,094,576 |

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 3 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2019, was as follows:

|   | <u>Beginning<br/>Balance</u> | <u>Increases</u>    | <u>Decreases</u> | <u>Ending<br/>Balance</u> |
|---|------------------------------|---------------------|------------------|---------------------------|
| Governmental activities                         |                              |                     |                  |                           |
| Capital assets not<br>being depreciated         |                              |                     |                  |                           |
| Land  | \$ 1,286,492                 | \$ -                | \$ -             | \$ 1,286,492              |
| Construction in progress                        | 15,219                       | 958,404             | 15,219           | 958,404                   |
| Total capital assets<br>not being depreciated   | <u>1,301,711</u>             | <u>958,404</u>      | <u>15,219</u>    | <u>2,244,896</u>          |
| Capital assets<br>Being depreciated             |                              |                     |                  |                           |
| Land improvements                               | 5,990,648                    | 176,030             | -                | 6,166,678                 |
| Buildings                                       | 68,781,075                   | 130,626             | -                | 68,911,701                |
| Furniture and equipment                         | 4,789,651                    | 285,840             | 338,672          | 4,736,819                 |
| Total capital assets<br>being depreciated       | <u>79,561,374</u>            | <u>592,496</u>      | <u>338,672</u>   | <u>79,815,198</u>         |
| Less accumulated<br>Depreciation for            |                              |                     |                  |                           |
| Land improvements                               | 1,503,047                    | 266,034             | -                | 1,769,081                 |
| Buildings                                       | 19,587,517                   | 1,510,807           | -                | 21,098,324                |
| Furniture and equipment                         | 3,034,748                    | 332,037             | 335,179          | 3,031,606                 |
| Total accumulated<br>depreciation               | <u>24,125,312</u>            | <u>2,108,878</u>    | <u>335,179</u>   | <u>25,899,011</u>         |
| Total capital assets being<br>depreciated, net  | <u>55,436,062</u>            | <u>(1,516,382)</u>  | <u>3,493</u>     | <u>53,916,187</u>         |
| Governmental activities,<br>capital assets, net | <u>\$ 56,737,773</u>         | <u>\$ (557,978)</u> | <u>\$ 18,712</u> | <u>\$ 56,161,083</u>      |

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 3 – CAPITAL ASSETS (CONTINUED)**

Depreciation expense of \$2,108,878 for the year ended June 30, 2019, was charged to the following governmental functions:

|  |        |               |
|--|--------|---------------|
| Administration                               | \$     | 379           |
| District support services                    |        | 3,787         |
| Elementary and secondary regular instruction |        | 54,222        |
| Vocational instruction                       |        | 796           |
| Special education instruction                |        | 2,069         |
| Instructional support services               |        | 26,406        |
| Pupil support                                |        | 128,868       |
| Sites and buildings                          |        | 619,162       |
| Food service                                 |        | 27,864        |
| Community service                            |        | 445           |
| Unallocated                                  |        | 1,244,880     |
| <br>Total depreciation expense               | <br>\$ | <br>2,108,878 |

**NOTE 4 – LONG-TERM DEBT**

**A. Components of Long-Term Liabilities**

|                                 | Issue<br>Date | Interest<br>Rates | Original<br>Issue | Final<br>Maturity | Principal<br>Outstanding | Due Within<br>One year |
|---------------------------------|---------------|-------------------|-------------------|-------------------|--------------------------|------------------------|
| Long-term liabilities           |               |                   |                   |                   |                          |                        |
| G.O. bonds including            |               |                   |                   |                   |                          |                        |
| Refunding bonds                 |               |                   |                   |                   |                          |                        |
| 2014A School Building           |               |                   |                   |                   |                          |                        |
| Bonds                           | 07/24/14      | 3.00%-4.00%       | \$ 29,955,000     | 02/01/35          | \$ 29,170,000            | \$ 290,000             |
| 2014B School Building           |               |                   |                   |                   |                          |                        |
| Refunding bonds                 | 11/25/14      | 2.00%-5.00%       | 9,120,000         | 02/01/24          | 6,440,000                | 1,155,000              |
| 2016A Refunding Bonds           | 12/15/16      | 2.00%             | 4,670,000         | 02/01/24          | 3,890,000                | 790,000                |
| 2019A Facilities                | 02/28/19      | 5.00%             | 3,975,000         | 02/01/27          | 3,975,000                | 420,000                |
| Maintenance Bonds               |               |                   |                   |                   |                          |                        |
| Total G.O. bonds                |               |                   |                   |                   | 43,475,000               | 2,655,000              |
| Certificates of participation   | 11/23/10      | 2.00%-4.50%       | 2,925,000         | 02/01/26          | 1,570,000                | 200,000                |
| Capital lease obligations       |               |                   |                   |                   | 78,928                   | 38,976                 |
| Compensated absences payable    |               |                   |                   |                   | 295,038                  | 63,117                 |
| Total all long-term liabilities |               |                   |                   |                   | \$ 45,418,966            | \$ 2,957,093           |

Long-term bond liabilities listed above were issued to finance acquisition and construction of capital facilities or to refinance (refund) previous bond issues. Other long-term liabilities, including certificates of participation, capital lease obligations and compensated absences, are typically paid from the General Fund.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 4 – LONG-TERM DEBT (CONTINUED)**

**A. Minimum Debt Payments for Bonds**

Minimum annual principal and interest payments required to retire bond and certificates of participation liabilities:

| Year Ending<br>June 30, | G.O. Bonds           |                      |                      |
|-------------------------|----------------------|----------------------|----------------------|
|                         | Principal            | Interest             | Total                |
| 2020                    | \$ 2,655,000         | \$ 1,622,794         | \$ 4,277,794         |
| 2021                    | 2,740,000            | 1,531,550            | 4,271,550            |
| 2022                    | 2,845,000            | 1,421,550            | 4,266,550            |
| 2023                    | 2,995,000            | 1,306,550            | 4,301,550            |
| 2024                    | 2,930,000            | 1,184,900            | 4,114,900            |
| 2025-2029               | 12,965,000           | 4,400,200            | 17,365,200           |
| 2030-2034               | 13,365,000           | 2,167,500            | 15,532,500           |
| 2035                    | 2,980,000            | 104,300              | 3,084,300            |
| Total                   | <u>\$ 43,475,000</u> | <u>\$ 13,739,344</u> | <u>\$ 57,214,344</u> |

| Year Ending<br>June 30, | Certificate of Participation |                   |                     |
|-------------------------|------------------------------|-------------------|---------------------|
|                         | Principal                    | Interest          | Total               |
| 2020                    | \$ 200,000                   | \$ 67,525         | \$ 267,525          |
| 2021                    | 205,000                      | 59,525            | 264,525             |
| 2022                    | 215,000                      | 51,325            | 266,325             |
| 2023                    | 225,000                      | 42,188            | 267,188             |
| 2024                    | 230,000                      | 32,625            | 262,625             |
| 2025-2026               | 495,000                      | 33,750            | 528,750             |
| Total                   | <u>\$ 1,570,000</u>          | <u>\$ 286,938</u> | <u>\$ 1,856,938</u> |

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 4 – LONG-TERM DEBT (CONTINUED)**

**C. Changes in Long-Term Liabilities**

|                               | <u>Beginning<br/>Balance</u> | <u>Additions</u>    | <u>Reductions</u>   | <u>Ending<br/>Balance</u> |
|-------------------------------|------------------------------|---------------------|---------------------|---------------------------|
| Long-term liabilities         |                              |                     |                     |                           |
| G.O. bonds                    | \$ 41,660,000                | \$ 3,975,000        | \$ 2,160,000        | \$ 43,475,000             |
| Certificates of participation | 1,760,000                    | -                   | 190,000             | 1,570,000                 |
| Capital lease obligations     | 116,953                      | -                   | 38,025              | 78,928                    |
| Compensated absences payable  | <u>333,155</u>               | <u>5,550</u>        | <u>43,667</u>       | <u>295,038</u>            |
| Total long-term liabilities   | <u>\$ 43,870,108</u>         | <u>\$ 3,980,550</u> | <u>\$ 2,431,692</u> | <u>\$ 45,418,966</u>      |

**D. Capital Lease Obligation**

On October 7, 2016, the District entered into a lease purchase agreement for the acquisition of a scoreboard. The capital lease obligations and corresponding equipment totaled \$195,000. The capital lease agreement included annual principal and interest payments of \$40,949, through 2021.

The assets acquired with the capital leases were as follows:

|                               |                   |
|-------------------------------|-------------------|
| Carrying value                | \$ 195,000        |
| Less accumulated depreciation | <u>(33,370)</u>   |
| Assets net of depreciation    | <u>\$ 161,630</u> |

The future minimum lease obligations and the net present value of these minimum lease payments were as follows:

| <u>Year Ending<br/>June 30,</u>         |                  |
|---|------------------|
| 2020                                    | \$ 40,950        |
| 2021                                    | <u>40,949</u>    |
| Total minimum lease payments            | 81,899           |
| Less amount representing interest       | <u>(2,971)</u>   |
| Present value of minimum lease payments | <u>\$ 78,928</u> |

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 5 – FUND BALANCES/NET POSITION**

Certain portions of fund balance are restricted based on state requirements to track special program funding, to provide for funding on certain long-term liabilities or as required by other outside parties.

**A. Fund Balances**

Fund balances are classified on the following page to reflect the limitations and restrictions of the respective funds.

|   | General<br>Fund      | Debt<br>Service   | Capital<br>Project  | Other<br>Nonmajor<br>Funds | Total                |
|---|----------------------|-------------------|---------------------|----------------------------|----------------------|
| Nonspendable for                        |                      |                   |                     |                            |                      |
| Inventory                               | \$ 19,167            | \$ -              | \$ -                | \$ 54,367                  | \$ 73,534            |
| Prepaid Items                           | 5,975                | -                 | -                   | 2,224                      | 8,199                |
| Total nonspendable                      | <u>25,142</u>        | <u>-</u>          | <u>-</u>            | <u>56,591</u>              | <u>81,733</u>        |
| Restricted/reserved for                 |                      |                   |                     |                            |                      |
| Staff Development                       | 208,411              | -                 | -                   | -                          | 208,411              |
| Operating Capital                       | 2,184,286            | -                 | -                   | -                          | 2,184,286            |
| Basic Skills                            | 37,179               | -                 | -                   | -                          | 37,179               |
| Basic Skills Extended Time              | 49,025               | -                 | -                   | -                          | 49,025               |
| LTFM                                    | 910,224              | -                 | 3,243,268           | -                          | 4,153,492            |
| Medical Assistance                      | 8,651                | -                 | -                   | -                          | 8,651                |
| Community Education                     | -                    | -                 | -                   | 132,963                    | 132,963              |
| Early Childhood and Family<br>Education | -                    | -                 | -                   | 122,999                    | 122,999              |
| School Readiness                        | -                    | -                 | -                   | 91,428                     | 91,428               |
| Fund Purpose                            | -                    | 902,353           | -                   | 528,515                    | 1,430,868            |
| Total restricted/reserved               | <u>3,397,776</u>     | <u>902,353</u>    | <u>3,243,268</u>    | <u>875,905</u>             | <u>8,419,302</u>     |
| Committed for                           |                      |                   |                     |                            |                      |
| Separation Benefits                     | 991,266              | -                 | -                   | -                          | 991,266              |
| Assigned for                            |                      |                   |                     |                            |                      |
| Q-Comp                                  | 266,919              | -                 | -                   | -                          | 266,919              |
| Technology                              | 65,030               | -                 | -                   | -                          | 65,030               |
| Program Initiatives                     | 800,512              | -                 | -                   | -                          | 800,512              |
| Student Activities                      | 127,171              | -                 | -                   | -                          | 127,171              |
| Total assigned                          | <u>1,259,632</u>     | <u>-</u>          | <u>-</u>            | <u>-</u>                   | <u>1,259,632</u>     |
| Unassigned                              | <u>5,366,288</u>     | <u>-</u>          | <u>-</u>            | <u>-</u>                   | <u>5,366,288</u>     |
| Total fund balance                      | <u>\$ 11,040,104</u> | <u>\$ 902,353</u> | <u>\$ 3,243,268</u> | <u>\$ 932,496</u>          | <u>\$ 16,118,221</u> |

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 5 – FUND BALANCES/NET POSITION (CONTINUED)**

**A. Fund Balance (Continued)**

Nonspendable for Inventory – This balance represents the portion of fund balance that is not available as amounts have already been spent on inventory.

Nonspendable for Prepaid Items – This balance represents the portion of fund balance that is not available as the amounts have already been spent by the District on items for the next year.

Restricted/Reserved for Staff Development – This balance represents unspent staff development revenues set aside from general education revenue that were restricted/reserved for staff development related to Finance Code 316. Expenditures for staff development must equal at least 2% of the basic general education revenue, unless legal stipulations are met (*Minnesota Statutes* 122A.61, subdivision 1).

Restricted/Reserved for Operating Capital – This balance represents available resources in the General Fund to be used to purchase equipment and facilities.

Restricted/Reserved for Basic Skills Programs – This balance represents resources available for the basic skills uses listed in *Minnesota Statutes* 126C.15, subd. 1.

Restricted/Reserved for Basic Skills Extended Time – This balance represents resources available for the basic skills extended time uses listed in *Minnesota Statutes* 126C.15, subd. 1.

Restricted/Reserved for Long-Term Facilities Maintenance (LTFM) – This balance represents available resources to be used for LTFM projects in accordance with the 10-year plan (*Minnesota Statutes* 123B.595, subd. 12).

Restricted/Reserved for Medical Assistance – This balance represents available resources to be used for medical assistance expenditures (*Minnesota Statutes* 125A.21, subd. 3).

Restricted/Reserved for Community Education – This balance represents the resources available to provide programming such as: nonvocational, recreational and leisure time activities, programs for adults with disabilities, noncredit summer programs, adult basic education programs, youth development and youth service programming, early childhood and family education, and extended day programs.

Restricted/Reserved for Early Childhood and Family Education – This balance represents the resources available to provide for services for early childhood and family education programming.

Restricted/Reserved for School Readiness – This balance represents the resources available to provide for services for school readiness programs (*Minnesota Statutes* 124D.16).

Restricted for Fund Purpose – This balance represents the accumulation of the activity to provide the food service program, the remaining aggregate resources for community service programs and debt service after other restrictions are removed.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 5 – FUND BALANCES/NET POSITION (CONTINUED)**

**A. Fund Balance (Continued)**

Committed for Separation Benefits – This balance represents the resources set aside for the payment of retirement benefits.

Assigned for Q-Comp – This balance represents resources set aside for payments required through the teachers' Q-Comp Program.

Assigned for Technology – This balance represents the resources set aside for future technology purchases.

Assigned for Program Initiatives – This balance represents resources set aside for the program initiatives as determined by the Board.

Assigned for Student Activities – This balance represents the accumulation of the student activity accounts that are under School Board control.

**B. Net Position**

Net position restricted for other purposes on the Statement of Net Position is comprised of the total positive net position of the General Fund, Food Service, and Community Service Funds.

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE**

The District participates in various pension plans. Total pension expense for the year ended June 30, 2019, was (\$7,096,931). The components of pension expense are noted in the following plan summaries.

The General Fund typically liquidates the Liability related to the pensions.

**Teachers' Retirement Association**

**A. Plan Description**

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with *Minnesota Statutes*, Chapters 354 and 356. TRA is a separate statutory entity and administered by a Board of Trustees. The Board consists of four active members, one retired member, and three statutory officials.

Educators employed in Minnesota's public elementary and secondary schools, charter schools and certain educational institutions maintained by the state are required to be TRA members (except those teachers employed by the cities of Duluth and St. Paul Public Schools or Minnesota State Colleges and Universities. Educators first hired by Minnesota State may elect either TRA coverage or coverage through Minnesota State's Individual Retirement Account Plan (IRAP) within one year of eligible employment.

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**B. Benefits Provided**

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 benefits as described.

*Tier I Benefits*

| Tier 1      | Step Rate Formula  | Percentage    |
|-------------|--|---------------|
| Basic       | First ten years of service   | 2.2% per year |
|             | All years after  | 2.7% per year |
| Coordinated | First ten years if service years are up to July 1, 2006                | 1.2% per year |
|             | First ten years if service years are July 1, 2006, or after            | 1.4% per year |
|             | All other years of service if service years are up to July 1, 2006     | 1.7% per year |
|             | All other years of service if service years are July 1, 2006, or after | 1.9% per year |

With these provisions:

- Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
- 3% per year early retirement reduction factor for all years under normal retirement age.
- 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% per year for coordinated members and 2.7% per year for basic members is applied. For years of service July 1, 2006, and after, a level formula of 1.9% per year for Coordinated members and 2.7% for Basic members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under *Minnesota Statute*. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**B. Benefits Provided (Continued)**

*Tier II Benefits (Continued)*

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

**C. Contribution Rate**

Per *Minnesota Statutes*, Chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year ended June 30, 2017, June 30, 2018, and June 30, 2019, were:

|             | <u>June 30, 2017</u> |                 | <u>June 30, 2018</u> |                 | <u>June 30, 2019</u> |                 |
|-------------|----------------------|-----------------|----------------------|-----------------|----------------------|-----------------|
|             | <u>Employee</u>      | <u>Employer</u> | <u>Employee</u>      | <u>Employer</u> | <u>Employee</u>      | <u>Employer</u> |
| Basic       | 11.0%                | 11.5%           | 11.0%                | 11.5%           | 11.0%                | 11.71%          |
| Coordinated | 7.5%                 | 7.5%            | 7.5%                 | 7.5%            | 7.5%                 | 7.71%           |

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**C. Contribution Rate (Continued)**

The following is a reconciliation of employer contributions in TRA's CAFR "Statement of Changes in Fiduciary Net Position" to the employer contributions used in Schedule of Employer and Non-Employer Pension Allocations. Amounts are reported in thousands.

|   |                          |
|---|--------------------------|
| Employer contributions reported in TRA's CAFR<br>Statement of Changes in Fiduciary Net Position | \$ 378,728               |
| Deduct Employer contributions not related to future<br>contribution efforts                     | 522                      |
| Deduct TRA's contributions not included in allocation   | <u>(471)</u>             |
| Total employer contributions  | 378,779                  |
| Total non-employer contributions  | <u>35,588</u>            |
| Total contributions reported in <i>Schedule of Employer and<br/>Non-Employer Allocations</i>    | <u><u>\$ 414,367</u></u> |

Amounts reported in the allocation schedules may not precisely agree with financial statement amounts or actuarial valuations due to the number of decimal places used in the allocations. TRA has rounded percentage amounts to the nearest ten thousandths.

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**D. Actuarial Assumptions**

The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Key Methods and Assumptions Used in Valuation of Total Pension Liability

---

**Actuarial Information**

|                           |   |
|---------------------------|---|
| Valuation date            | July 1, 2018  |
| Experience study          | June 5, 2015  |
|                           | November 6, 2017 (economic assumptions)   |
| Actuarial cost method     | Entry Age Normal  |
| Actuarial assumptions     |   |
| Investment rate of return | 7.50%   |
| Price inflation           | 2.50%   |
| Wage growth rate          | 2.85% for ten years and 3.25% thereafter  |
| Projected salary increase | 2.85% to 8.85% for ten years and<br>3.25% to 9.25% thereafter   |
| Cost of living adjustment | 1.0% for January 2019 through January 2023, then<br>increasing by 0.1% each year up to 1.5% annually. |

**Mortality Assumptions**

|                 |  |
|-----------------|--|
| Pre-retirement  | RP 2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP 2015 scale.   |
| Post-retirement | RP 2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projections uses the MP 2015 scale. |
| Post-disability | RP 2014 disabled retiree mortality table, without adjustment.  |

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table on following page.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**D. Actuarial Assumptions (Continued)**

| <u>Asset Class</u>   | <u>Allocations as of<br/>June 30, 2018</u> | <u>Final Target<br/>Allocation</u> | <u>Long-Term<br/>Expected Real<br/>Rate of Return</u> |
|----------------------|--|------------------------------------|---|
| Domestic stocks      | 33 %                                       | 36 %                               | 5.10 %  |
| International stocks | 16   | 17                                 | 5.30  |
| Private markets      | 25   | 25                                 | 5.90  |
| Fixed income         | 16   | 20                                 | 0.75  |
| Treasuries           | 8  | 0                                  | 0.50  |
| Unallocated cash     | 2  | 2                                  | 0.00  |
| Total                | <u>100 %</u>                               | <u>100 %</u>                       |   |

The TRA actuary has determined the average of the expected remaining services lives of all members for fiscal year 2016 is six years. The "Difference Between Expected and Actual Experience", "Changes of Assumptions", and "Changes in Proportion" use the amortization period of six years in the schedule presented. The amortization period for "Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments" is over a period of five years as required by GASB 68.

Changes in actuarial assumptions since the 2017 valuation:

- The cost of living adjustment (COLA) was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019, and ending July 1, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers was reduced from 8.5% to 7.5%, effective July 1, 2018.

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**D. Actuarial Assumptions (Continued)**

- The employer contribution rate is increased each July 1 over the next six years (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

**E. Discount Rate**

The discount rate used to measure the total pension liability was 7.5%. This is an increase from the discount rate at the prior measurement date of 5.12%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal 2018 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

**F. Net Pension Liability**

On June 30, 2019, the District reported a liability of \$17,599,183 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to TRA in relation to total system contributions including direct aid from the State of Minnesota, City of Minneapolis, and Minneapolis School District. The District's proportionate share was 0.2802% at the end of the measurement period and 0.2779% for the beginning of the year.

The pension liability amount reflected a reduction due to direct aid provided to TRA. The amount recognized by the district as its proportionate share of the net pension liability, the direct aid and total portion of the net pension liability that was associated with the district were as follows:

|   |               |
|---|---------------|
| District's proportionate share of net pension liability                               | \$ 17,599,183 |
| State's proportionate share of the net pension liability associated with the District | 1,653,359     |

For the year ended June 30, 2019, the District recognized pension expense of (\$7,368,605). It recognized (\$1,153,938) as an increase to this pension expense for the support provided by direct aid.

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**F. Net Pension Liability (Continued)**

On June 30, 2019, the District had deferred resources related to pensions from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience                          | \$ 194,454                           | \$ 352,319                          |
| Net difference between projected and actual<br>earnings on plan investments | -                                    | 1,396,295                           |
| Changes of assumptions  | 22,220,636                           | 29,957,337                          |
| Changes in proportion   | 1,008,949                            | 63,331                              |
| Contributions to TRA subsequent to the measurement date                     | 1,265,357                            | -                                   |
| Total   | \$ 24,689,396                        | \$ 31,769,282                       |

\$1,265,357 reported as deferred outflows of resources related to pensions resulting from District contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and (deferred inflows of resources) will be recognized in pension expense as follows:

| <u>Year<br/>Ended<br/>June 30,</u> |  | <u>Pension<br/>Expense<br/>Amount</u> |
|------------------------------------|--|---------------------------------------|
| 2020                               |  | \$ 1,720,621                          |
| 2021                               |  | 1,100,277                             |
| 2022                               |  | 8,960                                 |
| 2023                               |  | (6,495,365)                           |
| 2024                               |  | (4,679,736)                           |
| Total                              |  | \$ (8,345,243)                        |

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Teachers' Retirement Association (Continued)**

**G. Pension Liability Sensitivity**

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.5% as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6.5%) and 1 percent higher (8.5%) than the current rate.

| District proportionate share of NPL |                   |                       |
|-------------------------------------|-------------------|-----------------------|
| 1% decrease<br>(6.5%)               | Current<br>(7.5%) | 1% increase<br>(8.5%) |
| \$ 27,929,832                       | \$ 17,599,183     | \$ 9,076,465          |

The District's proportion of the net pension liability was based on the employer contributions to TRA in relation to TRA's total employer contributions including direct aid contributions from the State of Minnesota, City of Minneapolis, and Minneapolis School District.

**H. Pension Plan Fiduciary Net Position**

Detailed information about the plan's fiduciary net position is available in a separately-issued TRA financial report. That can be obtained at [www.MinnesotaTRA.org](http://www.MinnesotaTRA.org), or by writing to TRA at 60 Empire Drive, Suite 400, St. Paul, MN, 55103-4000, or by calling (651) 296-2409 or (800) 657-3669.

**Public Employees' Retirement Association**

**A. Plan Description**

The District participates in the following cost-sharing multiple-employer defined benefit pension plan administered by PERA. PERA's defined benefit pension plan is established and administered in accordance with *Minnesota Statutes* Chapters, 353 and 356. PERA's defined benefit pension plan is tax qualified plan under Section 401(a) of the Internal Revenue Code.

**General Employees Retirement Plan**

All full-time and certain part-time employees of the District other than teachers are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

**B. Benefits Provided**

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. 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.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**B. Benefits Provided (Continued)**

General Employees Plan Benefits

General Employees Plan 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 Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1 the annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years of service and 1.7% for each additional year. Under Method 2, the annuity accrual rate is 1.7% for Coordinated Plan members for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Beginning January 1, 2019, benefit recipients will receive a future annual increase equal to 50% of the Social Security Cost of Living Adjustment, not less than 1.0% and not more than 1.5%. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches Normal Retirement Age (not applicable to Rule of 90 retirees, disability benefit recipients, or survivors). A benefit recipient who has been receiving a benefit for at least 12 full months as of June 30, will receive a full increase. Members receiving benefits for at least one month but less than 12 full months as of June 30, will receive a pro rata increase.

**C. Contributions**

*Minnesota Statutes* Chapter 353 set the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.5%, of their annual covered salary in fiscal year 2019 and the District was required to contribute 7.5% for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2019, were \$460,527. The District's contributions were equal to the required contributions as set by state statute.

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs**

General Employees Fund Pension Costs

At June 30, 2019, the District reported a liability of \$4,632,238 for its proportionate share of the General Employees Fund's net pension liability. The District's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the State's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the District totaled \$152,053. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2017, through June 30, 2018, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2018, the District's proportionate share was 0.0835% at the end of the measurement period and 0.0835% for the beginning of the period.

|  |                            |
|--|----------------------------|
| District's proportionate share of net pension liability  | \$ 4,632,238               |
| State of Minnesota's proportionate share of the net pension liability associated with the School | <u>152,053</u>             |
| Total  | <u><u>\$ 4,784,291</u></u> |

For the year ended June 30, 2019, the District recognized pension expense of \$271,674 for its proportionate share of General Employees Plans pension expense. Included in this amount, the District recognized \$35,459 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

At June 30, 2019, the District reported its proportionate share of deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual economic experience   | \$ 122,608                           | \$ 130,896                          |
| Changes in actuarial assumptions                              | 428,716                              | 520,481                             |
| Difference between projected and actual investments earnings  | -                                    | 490,679                             |
| Change in proportion  | 105,554                              | 11,661                              |
| Contributions paid to PERA subsequent to the measurement date | 460,527                              | -                                   |
| Total   | \$ 1,117,405                         | \$ 1,153,717                        |

\$460,527 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended<br>June 30, | Pension Expense<br>Amount |
|------------------------|---------------------------|
| 2020                   | \$ 181,098                |
| 2021                   | (205,387)                 |
| 2022                   | (375,868)                 |
| 2023                   | (96,682)                  |
| Total                  | \$ (496,839)              |

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**E. Actuarial Assumptions**

The total pension liability in the June 30, 2018, actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

|                              |        |          |
|------------------------------|--------|----------|
| Inflation                    | 2.50 % | Per year |
| Active member payroll growth | 3.25   | Per year |
| Investment rate of return    | 7.50   |          |

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants were based on RP 2014 tables for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25% per year.

Actuarial assumptions used in the June 30, 2018, valuation were based on the results of actuarial experience studies. The most recent six-year experience study in the General Employees Plan was completed in 2015. Economic assumptions were updated in 2017 based on a review of inflation and investment return assumptions.

The following changes in actuarial assumptions occurred in 2018:

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% per year.

Changes in Plan Provisions:

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.0% to 3.0%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.0%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.0% per year with a provision to increase to 2.5% upon attainment of 90% funding ratio to 50% of the Social Security Cost of Living Adjustment, not less than 1.0% and not more than 1.5%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches Normal Retirement Age. Does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**E. Actuarial Assumptions (Continued)**

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| <u>Asset Class</u>   | <u>Final Target<br/>Allocation</u> | <u>Long-Term<br/>Expected Real<br/>Rate of Return</u> |
|----------------------|------------------------------------|---|
| Domestic stocks      | 36 %                               | 5.10 %  |
| International stocks | 17                                 | 5.30  |
| Bonds                | 20                                 | 0.75  |
| Alternative assets   | 25                                 | 5.90  |
| Cash                 | <u>2</u>                           | 0.00  |
| Total                | <u><u>100 %</u></u>                |   |

**F. Discount Rates**

The discount rate used to measure the total pension liability in 2018 was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in *Minnesota Statutes*. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**G. Pension Liability Sensitivity**

The following table presents the District's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

|   | 1% Decrease in<br>Discount Rate<br>(6.5%) | Discount Rate<br>(7.5%) | 1% Increase in<br>Discount Rate<br>(8.5%) |
|---|---|-------------------------|---|
| District's proportionate share of<br>the PERA net pension liability | \$ 7,527,979                              | \$ 4,632,238            | \$ 2,241,886                              |

**H. Pension Plan Fiduciary Net Position**

Detailed information about the General Employees Fund's fiduciary net position is available in a separately-issued PERA financial report that includes the financial statements and required supplementary information. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org).

**NOTE 7 – POST EMPLOYMENT HEALTH CARE PLAN**

**A. Plan Description**

The District's defined benefit OPEB plan provides a single-employer defined benefit health care plan to eligible retirees. The plan offers medical coverage. It is the District's policy to periodically review its medical coverage and to obtain requests for proposals in order to provide the most favorable benefits and premiums for District employees and retirees. No assets are acclimated in a trust.

**B. Benefits Paid**

Teachers who apply for early retirement shall remain eligible to receive certain health insurance benefits until the end of the school year in which the teacher becomes Medicare eligible. Full vesting of such amounts occurs upon attaining 55 years of age. The General Fund, Food Service Fund, and Community Service Fund typically liquidate the liability related to OPEB.

**C. Members**

As of July 1, 2018, the following were covered by the benefit terms:

|  |   |
|--|---|
| Inactive employees or beneficiaries currently receiving benefits | 18  |
| Active employees   | 433   |
| Total  | <hr style="border: none; border-top: 1px solid black; margin-bottom: 2px;"/> <hr style="border: none; border-top: 3px double black; margin-top: 2px;"/> 451 |

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 7 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**D. Contributions**

Retirees contribute to the health care plan at the same rate as District employees. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the District, based on the contract terms. The required contributions are based on projected pay-as-you-go financing requirements. For the year 2019, the District contributed \$252,945 to the plan.

**E. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

---

|                                 |  |
|---------------------------------|--|
| Salary increases                | 3.00%  |
| Inflation                       | 2.50%  |
| Healthcare cost trend increases | 6.5% initially, decreasing to 5.0%<br>over six years                                     |
| <br>Mortality Assumption        | <br>RP-2014 White Collar Mortality Tables with<br>MP-2017 Generational Improvement Scale |

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2017 – July 1, 2018.

The discount rate used to measure the total OPEB liability was 3.5% based on 20-Year Municipal Bond Yield.

The following changes in actuarial assumptions occurred in 2018:

Changes in Actuarial Assumptions:

- The health care trend rates were changed to better anticipate short term and long term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale to the RP-14 White Collar Mortality Tables with MP-2017 Generational Improvement Scale.
- The discount rate was changed from 3.4% to 3.5%.

Changes in Plan Provisions

- The Secretarial post employment subsidized benefit is no longer held to pay medical premiums. The unused sick leave payout is now paid to a healthcare savings plan.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 7 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**F. Total OPEB Liability**

The District's total OPEB liability of \$3,566,096 was measured as of July 1, 2018 and was determined by an actuarial valuation as of that date.

Changes in the total OPEB liability are as follows:

|  | Total OPEB<br>Liability |
|--|-------------------------|
| Balances at July 1, 2017                                       | \$ 3,648,546            |
| Changes for the year   |                         |
| Service cost   | 171,479                 |
| Interest   | 126,210                 |
| Assumption changes   | (169)                   |
| Plan changes   | (93,322)                |
| Differences between expected and actual<br>economic experience | (68,925)                |
| Benefit payments   | (217,723)               |
| Net changes  | (82,450)                |
| Balances at July 1, 2018                                       | \$ 3,566,096            |

**F. OPEB Liability Sensitivity**

The following presents the District's total OPEB liability calculated using the discount rate of 3.5% as well as the liability measured using 1% lower and 1% higher than the current discount rate.

|                              | 1% decrease<br>(2.5%) | Current<br>(3.5%) | 1% increase<br>(4.5%) |
|------------------------------|-----------------------|-------------------|-----------------------|
| Total OPEB liability (asset) | \$ 3,781,688          | \$ 3,566,096      | \$ 3,355,380          |

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower and 1% higher than the current healthcare cost trend rates.

|                      | 1% decrease<br>(5.5% decreasing<br>to 4.0%) | Current<br>(6.5% decreasing<br>to 5.0%) | 1% increase<br>(7.5% decreasing<br>to 6.0%) |
|----------------------|---|---|---|
| Total OPEB liability | \$ 3,261,873                                | \$ 3,566,096                            | \$ 3,917,123                                |

**Independent School District No. 477  
Notes to Financial Statements**

**NOTE 7 – POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**G. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2019, the District recognized OPEB expense of \$192,850. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|---|--------------------------------------|-------------------------------------|
| Liability gains/losses                                | \$ -                                 | \$ 57,437                           |
| Changes in actuarial assumptions                      | -                                    | 140                                 |
| Contributions made subsequent to the measurement date | 252,945                              | -                                   |
| Total   | \$ 252,945                           | \$ 57,577                           |

\$252,945 reported as deferred outflows of resources related to OPEB resulting from District contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ending<br>June 30, | Total       |
|-------------------------|-------------|
| 2020                    | \$ (11,517) |
| 2021                    | (11,517)    |
| 2022                    | (11,517)    |
| 2023                    | (11,517)    |
| 2024                    | (11,509)    |
| Total                   | \$ (57,577) |

**NOTE 9 – GASB STANDARDS ISSUED BUT NOT YET IMPLEMENTED**

GASB Statement No. 84, Fiduciary Activities establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This statement will be effective for the year ending June 30, 2020.

**Independent School District No. 477**  
**Notes to Financial Statements**

**NOTE 9 – GASB STANDARDS ISSUED BUT NOT YET IMPLEMENTED (CONTINUED)**

GASB Statement No. 87, Leases establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This statement will be effective for the year ending June 30, 2021.

**NOTE 10 – COMMITMENTS**

As of June 30, 2019, the District had construction commitments of \$1,171,275 for various projects.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Independent School District No. 477**  
**Schedule of Changes in Total OPEB Liability**  
**and Related Ratios**

|  | <u>June 30, 2019</u> | <u>June 30, 2018</u> |
|--|----------------------|----------------------|
| Total OPEB Liability   |                      |                      |
| Service cost   | \$ 171,479           | \$ 193,816           |
| Interest   | 126,210              | 124,472              |
| Changes of assumptions   | (169)                | -                    |
| Plan changes   | (93,322)             | -                    |
| Differences between expected and actual experience               | (68,925)             |                      |
| Benefit payments   | <u>(217,723)</u>     | <u>(271,450)</u>     |
| Net change in total OPEB liability                               | <u>(82,450)</u>      | <u>46,838</u>        |
| Beginning of year  | <u>3,648,546</u>     | <u>3,601,708</u>     |
| End of year  | <u>\$ 3,566,096</u>  | <u>\$ 3,648,546</u>  |
| Covered payroll  | \$ 20,186,235        | \$ 19,264,520        |
| Total OPEB liability as a percentage of covered-employee payroll | 17.67%               | 18.94%               |

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

See notes to required supplementary information

**Independent School District No. 477**  
**Schedule of District's and Non-Employer Proportionate Share**  
**of Net Pension Liability**  
**Last Ten Years General Employees Retirement Fund**

| For Fiscal<br>Year Ended<br>June 30, | District's<br>Proportion of<br>the Net<br>Pension<br>Liability<br>(Asset) | District's<br>Proportionate<br>Share of the<br>Net Pension<br>Liability<br>(Asset) | District's<br>Proportionate<br>Share of State<br>of Minnesota's<br>Proportionate<br>Share of the<br>Net Pension<br>Liability | District's<br>Proportionate<br>Share of the<br>Net Pension<br>Liability and<br>District's<br>Share of the<br>State of<br>Minnesota's<br>Share of the<br>Net Pension<br>Liability | District's<br>Covered<br>Payroll | District's<br>Proportionate<br>Share of the<br>Net Pension<br>Liability<br>(Asset) as a<br>Percentage of<br>its Covered<br>Payroll | Plan Fiduciary<br>Net Position<br>as a<br>Percentage of<br>the Total<br>Pension<br>Liability |
|--------------------------------------|---|--|--|--|----------------------------------|--|--|
| 2014                                 | 0.0840%   | \$ 3,945,899   | \$ -   | \$ 3,945,899   | \$ 4,411,903                     | 89.4%  | 78.7%  |
| 2015                                 | 0.0818%   | 4,239,301  | -  | 4,239,301  | 4,729,107                        | 89.6%  | 78.2%  |
| 2016                                 | 0.0809%   | 6,568,679  | 85,835   | 6,654,514  | 5,019,720                        | 130.9%   | 68.9%  |
| 2017                                 | 0.0835%   | 5,330,585  | 67,042   | 5,397,627  | 5,380,413                        | 99.1%  | 75.9%  |
| 2018                                 | 0.0835%   | 4,632,238  | 152,053  | 4,784,291  | 5,613,787                        | 82.5%  | 79.5%  |

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Schedule of District's and Non-Employer Proportionate Share**  
**of Net Pension Liability**  
**Last Ten Years TRA Retirement Fund**

| For Fiscal<br>Year Ended<br>June 30, | District's<br>Proportion of<br>the Net<br>Pension<br>Liability<br>(Asset) | District's<br>Proportionate<br>Share of the<br>Net Pension<br>Liability<br>(Asset) | District's<br>Proportionate<br>Share of State<br>of Minnesota's<br>Proportionate<br>Share of the<br>Net Pension<br>Liability | District's<br>Proportionate<br>Share of the<br>Net Pension<br>Liability and<br>District's<br>Share of the<br>State of<br>Minnesota's<br>Share of the<br>Net Pension of<br>Liability | District's<br>Covered<br>Payroll | District's<br>Proportionate<br>Share of the<br>Net Pension<br>Liability<br>(Asset) as a<br>Percentage of<br>its Covered<br>Payroll | Plan Fiduciary<br>Net Position<br>as a<br>Percentage of<br>the Total<br>Pension<br>Liability |
|--------------------------------------|---|--|--|---|----------------------------------|--|--|
| 2014                                 | 0.2908%   | \$ 13,399,855  | \$ 942,791   | \$ 14,342,646   | \$ 13,276,486                    | 100.9%   | 81.5%  |
| 2015                                 | 0.2738%   | 16,937,238   | 2,077,621  | 19,014,859  | 13,896,547                       | 121.9%   | 76.8%  |
| 2016                                 | 0.2740%   | 65,355,538   | 6,559,937  | 71,915,475  | 14,252,667                       | 458.5%   | 44.9%  |
| 2017                                 | 0.2779%   | 55,473,881   | 5,363,121  | 60,837,002  | 14,959,667                       | 370.8%   | 51.6%  |
| 2018                                 | 0.2802%   | 17,599,183   | 1,653,359  | 19,252,542  | 15,478,707                       | 113.7%   | 78.1%  |

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Independent School District No. 477  
Schedule of District Contributions  
General Employees Retirement Fund  
Last Ten Years**

| Fiscal Year<br>Ending June<br>30, | Statutorily<br>Required<br>Contribution | Contributions<br>in Relation to<br>the Statutorily<br>Required<br>Contributions | Contribution<br>Deficiency<br>(Excess) | District's<br>Covered<br>Payroll | Contributions<br>as a Percentage<br>of Covered<br>Payroll |
|-----------------------------------|---|---|--|----------------------------------|---|
| 2014                              | \$ 319,863                              | \$ 319,863  | \$ -                                   | \$ 4,411,903                     | 7.25%   |
| 2015                              | 354,683                                 | 354,683   | -                                      | 4,729,107                        | 7.50%   |
| 2016                              | 376,479                                 | 376,479   | -                                      | 5,019,720                        | 7.50%   |
| 2017                              | 403,531                                 | 403,531   | -                                      | 5,380,413                        | 7.50%   |
| 2018                              | 421,034                                 | 421,034   | -                                      | 5,613,787                        | 7.50%   |
| 2019                              | 460,527                                 | 460,527   | -                                      | 6,140,360                        | 7.50%   |

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Schedule of District Contributions  
TRA Retirement Fund  
Last Ten Years**

| Fiscal Year<br>Ending June<br>30, | Statutorily<br>Required<br>Contribution | Contributions<br>in Relation to<br>the Statutorily<br>Required<br>Contributions | Contribution<br>Deficiency<br>(Excess) | District's<br>Covered<br>Payroll | Contributions<br>as a Percentage<br>of Covered<br>Payroll |
|-----------------------------------|---|---|--|----------------------------------|---|
| 2014                              | \$ 929,354                              | \$ 929,354  | \$ -                                   | \$ 13,276,486                    | 7.00%   |
| 2015                              | 1,042,241                               | 1,042,241   | -                                      | 13,896,547                       | 7.50%   |
| 2016                              | 1,068,950                               | 1,068,950   | -                                      | 14,252,667                       | 7.50%   |
| 2017                              | 1,121,975                               | 1,121,975   | -                                      | 14,959,667                       | 7.50%   |
| 2018                              | 1,160,903                               | 1,160,903   | -                                      | 15,478,707                       | 7.50%   |
| 2019                              | 1,265,357                               | 1,265,357   | -                                      | 16,411,894                       | 7.71%   |

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Independent School District No. 477**  
**Notes to the Required Supplementary Information**

**TRA Retirement Fund**

**2018 Changes**

Changes in Actuarial Assumptions

- The discount rate was increased to 7.5% from 5.12.
- The cost of living adjustment (COLA) was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019, and ending July 1, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers was reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

**2017 Changes**

Changes in Actuarial Assumptions

- The discount rate was increased to 5.12% from 4.66%.
- The cost of living adjustment (COLA) was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045.
- The COLA was not assumed to increase to 2.5% but remain at 2.0% for all future years.
- Adjustments were made to the combined service annuity loads. The active load was reduced from 1.4% to 0.0%, the vested inactive load increased from 4.0% to 7.0% and the non-vested inactive load increased from 4.0% to 9.0%.
- The investment return assumption was changed from 8.0% to 7.5%.
- The price inflation assumption was lowered from 2.75% to 2.5%.
- The payroll growth assumption was lowered from 2.5% to 3.0%.
- The general wage growth assumption was lowered from 3.5% to 2.85% for ten years followed by 3.25% thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.

**Independent School District No. 477**  
**Notes to the Required Supplementary Information**

**TRA Retirement Fund (Continued)**

**2016 Changes**

Changes in Actuarial Assumptions

- The discount rate was decreased to 4.66% from 8.0%.
- The COLA was not assumed to increase for funding or the GASB calculation. It remained at 2% for all future years.
- The price inflation assumption was lowered from 3% to 2.75%.
- The general wage growth and payroll growth assumptions were lowered from 3.75% to 3.5%.
- Minor changes as some durations for the merit scale of the salary increase assumption.
- The pre-retirement mortality assumption was changed to the RP 2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP 2015 scale.
- The post-retirement mortality assumption was changed to the RP 2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP 2015 scale.
- The post-disability mortality assumption was changed to the RP 2014 disabled retiree mortality table, without adjustment.
- Separate retirement assumptions for members hired before or after July 1, 1989, were created to better reflect each group's behavior in light of different requirements for retirement eligibility.
- Assumed termination rates were changed to be based solely on years of service in order to better fit the observed experience.
- A minor adjustment and simplification of the assumption regarding the election of optional form of annuity payment at retirement were made.

**2015 Changes**

Changes of Benefit Terms

- The DTRFA was merged into TRA on June 30, 2015.

Changes in Actuarial Assumptions

- The annual COLA for the June 30, 2015, valuation assumed 2%. The prior year valuation used 2% with an increase to 2.5% commencing in 2034. The discount rate used to measure the total pension liability was 8.0%. This is a decrease from the discount rate at the prior measurement date of 8.25%.

**Independent School District No. 477**  
**Notes to the Required Supplementary Information**

**General Employees Fund**

**2018 Changes**

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% per year.

Changes in Plan Provisions:

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.0% to 3.0%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.0%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.0% per year with a provision to increase to 2.5% upon attainment of 90% funding ratio to 50% of the Social Security Cost of Living Adjustment, not less than 1.0% and not more than 1.5%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches Normal Retirement Age. Does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

**2017 Changes**

Changes in Actuarial Assumptions

- The CSA loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

**2016 Changes**

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.

Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, the inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

**Independent School District No. 477**  
**Notes to the Required Supplementary Information**

**General Employees Fund**

**2015 Changes**

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2035 and 2.5% per year thereafter.

**Post Employment Health Care Plan**

**2018 Changes**

Changes in Plan Provisions

- The Secretarial post employment subsidized benefit is no longer held to pay medical premiums. The unused sick leave payout is now paid to a healthcare savings plan.

Changes in Actuarial Assumptions:

- The health care trend rates were changed to better anticipate short term and long term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale to the RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale.
- The Discount rate was changed from 3.4% to 3.5%.

**SUPPLEMENTARY INFORMATION**

**Independent School District No. 477**  
**Combining Balance Sheet -**  
**Nonmajor Governmental Funds**  
**Year Ended June 30, 2019**

|  | Special Revenue Funds |                      | Total<br>Nonmajor<br>Funds |
|--|-----------------------|----------------------|----------------------------|
|  | Food Service          | Community<br>Service |                            |
| <b>Assets</b>  |                       |                      |                            |
| Cash and investments   | \$ 573,812            | \$ 527,745           | \$ 1,101,557               |
| Current property taxes receivable                                      | -                     | 148,129              | 148,129                    |
| Delinquent property taxes receivable                                   | -                     | 4,244                | 4,244                      |
| Accounts receivable  | -                     | 43,017               | 43,017                     |
| Due from Department of Education                                       | -                     | 39,705               | 39,705                     |
| Due from Federal Government<br>through Department of Education         | 17,367                | -                    | 17,367                     |
| Inventory  | 54,367                | -                    | 54,367                     |
| Prepaid items  | 1,840                 | 384                  | 2,224                      |
|  | <u>17,367</u>         | <u>-</u>             | <u>17,367</u>              |
|  | <u>54,367</u>         | <u>-</u>             | <u>54,367</u>              |
|  | <u>1,840</u>          | <u>384</u>           | <u>2,224</u>               |
| Total assets   | <u>\$ 647,386</u>     | <u>\$ 763,224</u>    | <u>\$ 1,410,610</u>        |
| <b>Liabilities</b>   |                       |                      |                            |
| Accounts payable   | \$ 19,637             | \$ 15,777            | \$ 35,414                  |
| Salaries and benefits payable  | 90                    | 31,490               | 31,580                     |
| Unearned revenue   | 44,413                | 52,188               | 96,601                     |
| Total liabilities  | <u>64,140</u>         | <u>99,455</u>        | <u>163,595</u>             |
| <b>Deferred Inflows of Resources</b>                                   |                       |                      |                            |
| Unavailable revenue - delinquent<br>property taxes                     | -                     | 4,244                | 4,244                      |
| Property taxes levied for subsequent<br>year's expenditures            | -                     | 310,275              | 310,275                    |
| Total deferred inflows of resources                                    | <u>-</u>              | <u>314,519</u>       | <u>314,519</u>             |
| <b>Fund Balances</b>   |                       |                      |                            |
| Nonspendable   | 56,207                | 384                  | 56,591                     |
| Restricted   | 527,039               | 348,866              | 875,905                    |
| Total fund balances  | <u>583,246</u>        | <u>349,250</u>       | <u>932,496</u>             |
| Total liabilities, deferred inflows of<br>resources, and fund balances | <u>\$ 647,386</u>     | <u>\$ 763,224</u>    | <u>\$ 1,410,610</u>        |

**Independent School District No. 477**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Nonmajor Governmental Funds**  
**Year Ended June 30, 2019**

|                                      | Special Revenue Funds |                      | Total<br>Nonmajor<br>Funds |
|--------------------------------------|-----------------------|----------------------|----------------------------|
|                                      | Food Service          | Community<br>Service |                            |
| <b>Revenues</b>                      |                       |                      |                            |
| Local property taxes                 | \$ -                  | \$ 360,313           | \$ 360,313                 |
| Other local and county revenues      | 9,912                 | 895,984              | 905,896                    |
| Revenue from state sources           | 116,216               | 301,186              | 417,402                    |
| Revenue from federal sources         | 857,103               | -                    | 857,103                    |
| Sales and other conversion of assets | 895,182               | -                    | 895,182                    |
| Total revenues                       | <u>1,878,413</u>      | <u>1,557,483</u>     | <u>3,435,896</u>           |
| <b>Expenditures</b>                  |                       |                      |                            |
| Current                              |                       |                      |                            |
| Food service                         | 1,764,012             | -                    | 1,764,012                  |
| Community education and services     | -                     | 1,534,810            | 1,534,810                  |
| Capital outlay                       |                       |                      |                            |
| Food service                         | 12,452                | -                    | 12,452                     |
| Total expenditures                   | <u>1,776,464</u>      | <u>1,534,810</u>     | <u>3,311,274</u>           |
| Excess of revenues over expenditures | 101,949               | 22,673               | 124,622                    |
| <b>Fund Balances</b>                 |                       |                      |                            |
| Beginning of year                    | <u>481,297</u>        | <u>326,577</u>       | <u>807,874</u>             |
| End of year                          | <u>\$ 583,246</u>     | <u>\$ 349,250</u>    | <u>\$ 932,496</u>          |

**Independent School District No. 477**  
**Uniform Financial Accounting and Reporting Standards**  
**Compliance Table**  
**Year Ended June 30, 2019**

|  | Audit         | UFARS         | Audit-UFARS |  | Audit        | UFARS        | Audit-UFARS |
|--|---------------|---------------|-------------|--|--------------|--------------|-------------|
| <b>01 General Fund</b>                     |               |               |             | <b>06 Building Construction Fund</b>   |              |              |             |
| Total revenue                              | \$ 37,497,530 | \$ 37,497,530 | \$ -        | Total revenue                          | \$ 34,502    | \$ 34,502    | \$ -        |
| Total expenditures                         | 37,429,037    | 37,429,036    | 1           | Total expenditures                     | 1,310,115    | 1,310,116    | (1)         |
| <i>Nonspendable:</i>                       |               |               |             | <i>Restricted/reserved:</i>            |              |              |             |
| 460 Nonspendable                           | 25,142        | 25,142        | -           | 407 Capital Projects Levy              | -            | -            | -           |
| <i>Restricted/reserved:</i>                |               |               |             | 409 Alternative Facility Program       | -            | -            | -           |
| 403 Staff Development                      | 208,411       | 208,412       | (1)         | 413 Building Projects Funded by COP/LP | -            | -            | -           |
| 406 Health and Safety                      | -             | -             | -           | 467 Long-term Facilities Maintenance   | 3,243,268    | 3,243,267    | 1           |
| 407 Capital Projects Levy                  | -             | -             | -           | <i>Restricted:</i>                     |              |              |             |
| 408 Cooperative Programs                   | -             | -             | -           | 464 Restricted                         | -            | -            | -           |
| 409 Alternative Facility Program           | -             | -             | -           | <i>Unassigned:</i>                     |              |              |             |
| 413 Project Funded By Cop                  | -             | -             | -           | 463 Unassigned                         | -            | -            | -           |
| 414 Operating Debt                         | -             | -             | -           | <b>07 Debt Service Fund</b>            |              |              |             |
| 416 Levy Reduction                         | -             | -             | -           | Total revenue                          | \$ 3,823,900 | \$ 3,823,901 | \$ (1)      |
| 424 Operating Capital                      | 2,184,286     | 2,184,286     | -           | Total expenditures                     | 3,679,375    | 3,679,375    | -           |
| 426 \$25 Taconite                          | -             | -             | -           | <i>Restricted/reserved:</i>            |              |              |             |
| 427 Disabled Accessibility                 | -             | -             | -           | 425 Bond refunding                     | -            | -            | -           |
| 428 Learning and Development               | -             | -             | -           | 433 Maximum effort loan aid            | -            | -            | -           |
| 434 Area Learning Center                   | -             | -             | -           | 451 QZAB payments                      | -            | -            | -           |
| 435 Contracted Alternative Programs        | -             | -             | -           | <i>Restricted:</i>                     |              |              |             |
| 436 State Approved Alternative Program     | -             | -             | -           | 464 Restricted                         | 902,353      | 902,353      | -           |
| 438 Gifted and Talented                    | -             | -             | -           | <i>Unassigned:</i>                     |              |              |             |
| 440 Teacher Development and Evaluation     | -             | -             | -           | 463 Unassigned                         | -            | -            | -           |
| 441 Basic Skills Programs                  | 37,179        | 37,179        | -           | <b>08 Trust Fund</b>                   |              |              |             |
| 446 First Grade Preparedness               | -             | -             | -           | Total revenue                          | \$ -         | \$ -         | \$ -        |
| 448 Achievement and Integration Revenue    | -             | -             | -           | Total expenditures                     | -            | -            | -           |
| 449 Safe School Crime                      | -             | -             | -           | <i>Reserved:</i>                       |              |              |             |
| 450 Transition For Pre-kindergarten        | -             | -             | -           | 419 Encumbrances                       | -            | -            | -           |
| 451 QZAB Payments                          | -             | -             | -           | <i>Unreserved:</i>                     |              |              |             |
| 452 OPEB Liabilities not Held in Trust     | -             | -             | -           | 422 Net position                       | -            | -            | -           |
| 453 Unfunded Severance and Retirement Levy | -             | -             | -           | <b>09 Agency Fund</b>                  |              |              |             |
| 459 Basic Skills Extended Time             | 49,025        | 49,025        | -           | <i>Unreserved:</i>                     |              |              |             |
| 467 Long-term Facilities Maintenance       | 910,224       | 910,224       | -           | 422 Unreserved/undesignated            | \$ -         | \$ -         | \$ -        |
| 472 Medical Assistance                     | 8,651         | 8,651         | -           | <b>20 Internal Service Fund</b>        |              |              |             |
| 475 Title VII - Impact Aid                 | -             | -             | -           | Total revenue                          | \$ -         | \$ -         | \$ -        |
| 476 Payments in Lieu of Taxes              | -             | -             | -           | Total expenditures                     | -            | -            | -           |
| <i>Restricted:</i>                         |               |               |             | <i>Reserved:</i>                       |              |              |             |
| 464 Restricted                             | -             | -             | -           | 419 Encumbrances                       | -            | -            | -           |
| <i>Committed:</i>                          |               |               |             | <i>Unreserved:</i>                     |              |              |             |
| 418 Committed for separation benefits      | 991,266       | 991,266       | -           | 422 Net position                       | -            | -            | -           |
| 461 Committed                              | -             | -             | -           | <b>25 OPEB Revocable Trust</b>         |              |              |             |
| <i>Assigned:</i>                           |               |               |             | Total revenue                          | \$ -         | \$ -         | \$ -        |
| 462 Assigned                               | 1,259,632     | 1,259,632     | -           | Total expenditures                     | -            | -            | -           |
| <i>Unassigned:</i>                         |               |               |             | <i>Reserved:</i>                       |              |              |             |
| 422 Unassigned fund balance (net position) | 5,366,288     | 5,366,285     | 3           | 419 Encumbrances                       | -            | -            | -           |
| <b>02 Food Services Fund</b>               |               |               |             | <i>Unreserved:</i>                     |              |              |             |
| Total revenue                              | \$ 1,878,413  | \$ 1,878,414  | \$ (1)      | 422 Net position                       | -            | -            | -           |
| Total expenditures                         | 1,776,464     | 1,776,466     | (2)         | <b>45 OPEB Irrevocable Trust</b>       |              |              |             |
| <i>Nonspendable:</i>                       |               |               |             | Total revenue                          | \$ -         | \$ -         | \$ -        |
| 460 Nonspendable                           | 56,207        | 56,207        | -           | Total expenditures                     | -            | -            | -           |
| <i>Restricted/reserved:</i>                |               |               |             | <i>Reserved:</i>                       |              |              |             |
| 452 OPEB liabilities not held in trust     | -             | -             | -           | 419 Encumbrances                       | -            | -            | -           |
| <i>Restricted:</i>                         |               |               |             | <i>Unreserved:</i>                     |              |              |             |
| 464 Restricted                             | 527,039       | 527,038       | 1           | 422 Net position                       | -            | -            | -           |
| <i>Unassigned:</i>                         |               |               |             | <b>47 OPEB Debt Service</b>            |              |              |             |
| 463 Unassigned                             | -             | -             | -           | Total revenue                          | \$ -         | \$ -         | \$ -        |
| <b>04 Community Service Fund</b>           |               |               |             | Total expenditures                     | -            | -            | -           |
| Total revenue                              | \$ 1,557,483  | \$ 1,557,484  | \$ (1)      | <i>Reserved:</i>                       |              |              |             |
| Total expenditures                         | 1,534,810     | 1,534,813     | (3)         | 425 Bond refundings                    | -            | -            | -           |
| <i>Nonspendable:</i>                       |               |               |             | <i>Unreserved:</i>                     |              |              |             |
| 460 Nonspendable                           | 384           | 384           | -           | 422 Unreserved/undesignated            | -            | -            | -           |
| <i>Restricted/reserved:</i>                |               |               |             | <b>47 OPEB Debt Service</b>            |              |              |             |
| 426 \$25 Taconite                          | -             | -             | -           | Total revenue                          | \$ -         | \$ -         | \$ -        |
| 431 Community Education                    | 132,963       | 132,963       | -           | Total expenditures                     | -            | -            | -           |
| 432 ECFE                                   | 122,999       | 122,999       | -           | <i>Reserved:</i>                       |              |              |             |
| 440 Teacher Development and Evaluation     | -             | -             | -           | 425 Bond refundings                    | -            | -            | -           |
| 444 School Readiness                       | 91,428        | 91,428        | -           | <i>Unreserved:</i>                     |              |              |             |
| 447 Adult Basic Education                  | -             | -             | -           | 422 Unreserved/undesignated            | -            | -            | -           |
| 452 OPEB Liabilities not Held in Trust     | -             | -             | -           | <b>47 OPEB Debt Service</b>            |              |              |             |
| <i>Restricted:</i>                         |               |               |             | Total revenue                          | \$ -         | \$ -         | \$ -        |
| 464 Restricted                             | 1,476         | 1,473         | 3           | Total expenditures                     | -            | -            | -           |
| <i>Unassigned:</i>                         |               |               |             | <i>Reserved:</i>                       |              |              |             |
| 463 Unassigned                             | -             | -             | -           | 425 Bond refundings                    | -            | -            | -           |

**Independent School District No. 477**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2019**

| Federal Funding Source   | Federal<br>CFDA<br>Number | Grant Name  | Expenditures               |
|--|---------------------------|---|----------------------------|
| <b>Through Minnesota Department of Education</b>                   |                           |   |                            |
| USDOA  | 10.559                    | Summer Food Service   | \$ 59,119                  |
| USDOA  | 10.553                    | School Breakfast  | 102,969                    |
| USDOA  | 10.555                    | Type A Lunch  | 536,677                    |
| USDOA  | 10.555                    | Commodities (Non Cash)  | 148,561                    |
| USDOA  | 10.555                    | Commodities (Rebates)   | 8,705                      |
| USDOA  | 10.556                    | Special Milk Program  | 1,072                      |
| Total Child Nutrition Cluster                                      |                           |   | <u>857,103</u>             |
| USDOED   | 84.010                    | Title I, Part A   | 376,351                    |
| USDOED   | 84.367                    | Title II, Part A - Teacher and Principal Training<br>and Recruiting   | 80,097                     |
| <b>Through Independent School District No. 11 - Anoka-Hennepin</b> |                           |   |                            |
| USDOED   | 84.048A                   | Career and Technical  | 7,242                      |
| <b>Through Rum River Special Education Cooperative</b>             |                           |   |                            |
| USDOED   | 84.181                    | Infants and Toddlers Program  | 6,627                      |
| USDOED   | 84.027                    | Special Education   | 165,661                    |
| USDOED   | 84.173                    | Preschool Incentive   | 20,070                     |
| <b>Through Minnesota Department of Education</b>                   |                           |   |                            |
| USDOED   | 84.027A                   | Multi-tiered Systems Support with Fidelity -Math Focus                | 56,899                     |
| Total Special Education Cluster                                    |                           |   | <u>242,630</u>             |
| USDOED   | 84.424A                   | Student Support and Academic Enrichment,<br>Well Rounded Education    | 13,602                     |
| USDOED   | 84.424A                   | Student Support and Academic Enrichment,<br>Safe and Healthy Students | 15,659                     |
| Total Student Support and Academic Enrichment                      |                           |   | <u>29,261</u>              |
| USDOED   | 84.323                    | Special Education - SPDG/Autism Spectrum Disorders                    | 9,169                      |
| Total USDOED   |                           |   | <u>751,377</u>             |
| USIMLS   | 45.310                    | Library Services Technology Act                                       | 8,717                      |
| Total Federal Expenditures   |                           |   | <u><u>\$ 1,617,197</u></u> |

See notes to the Schedule of Expenditures of Federal Awards.

**Independent School District No. 477**  
**Notes to Schedule of Expenditures of Federal Awards**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**NOTE 2 – PASS-THROUGH GRANT NUMBERS**

All pass-through entities listed above use the same CFDA numbers as the federal grantors to identify these grants and have not assigned any additional identifying numbers.

**NOTE 3 – INVENTORY**

Inventories of commodities donated by the U.S. Department of Agriculture are recorded at market value in the Food Service Fund as inventory. Revenue and expenditures are recorded when commodities are used.

**NOTE 4 – INDIRECT COST RATE**

The District did not elect to use the 10 percent de minimis indirect cost rate.

**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***

**Independent Auditor's Report**

To the School Board  
Independent School District No. 477  
Princeton, Minnesota

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 477, Princeton, Minnesota, as of and for the year ending June 30, 2019, and the related notes to financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 24, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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 and correct, 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 District's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



St. Cloud, Minnesota  
October 24, 2019

**Report on Compliance for each Major Federal  
Program and on Internal Control over Compliance  
Required by the Uniform Guidance**

**Independent Auditor's Report**

To the School Board  
Independent School District No. 477  
Princeton, Minnesota

**Report on Compliance for Each Major Federal Program**

We have audited the compliance of Independent School District No. 477, Princeton, Minnesota with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. 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 in Accordance with the Uniform Guidance.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance 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 on compliance for each major federal program. However, our audit does not provide legal determination of the compliance of Independent School District No. 477.

**Opinion on Each Major Federal Program**

In our opinion, Independent School District No. 477 complied, in all material respects, with the types of 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, 2019.

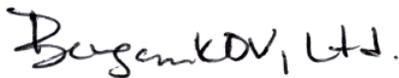
## Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, 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. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of 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 internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weakness. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



St. Cloud, Minnesota  
October 24, 2019

**Independent School District No. 477  
Schedule of Findings and Questioned Costs in  
Accordance with Uniform Guidance**

**SECTION I – SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

|   |            |
|---|------------|
| Type of auditor's report issued:                      | Unmodified |
| Internal control over financial reporting:            |            |
| • Material weakness(es) identified?                   | No         |
| • Significant deficiency(ies) identified?             | No         |
| Noncompliance material to financial statements noted? | No         |

**Federal Awards**

|   |            |
|---|------------|
| Type of auditor's report issued on compliance for major programs:                               | Unmodified |
| Internal control over major programs:   |            |
| • Material weakness(es) identified?   | No         |
| • Significant deficiency(ies) identified  | No         |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516? | No         |

**Identification of Major Programs**

|  |                                    |
|--|------------------------------------|
| CFDA No.:  | 10.553, 10.555, 10.556, and 10.559 |
| Name of Federal Program or Cluster:                                      | Child Nutrition Cluster            |
| Dollar threshold used to distinguish between type A and type B programs: | \$750,000                          |
| Auditee qualified as low risk auditee?                                   | Yes                                |

**Independent School District No. 477  
Schedule of Findings and Questioned Costs in  
Accordance with Uniform Guidance**

**SECTION II – FINANCIAL STATEMENT FINDING**

There were no findings.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no federal award findings or questioned costs.

**SECTION IV – SCHEDULE OF PRIOR AUDIT FINDINGS**

None

**Minnesota Legal Compliance**

**Independent Auditor's Report**

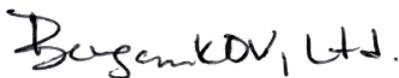
To the School Board  
 Independent School District No. 477  
 Princeton, Minnesota

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 477, Princeton, Minnesota, as of and for the year ended June 30, 2019, and the related notes to financial statements, and have issued our report thereon dated October 24, 2019.

The *Minnesota Legal Compliance Audit Guide for School Districts* promulgated by the State Auditor pursuant to *Minnesota Statutes* § 6.65, contains seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards for school districts. Our audit considered all of the listed categories.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for School Districts*. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions.

The purpose of this report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.



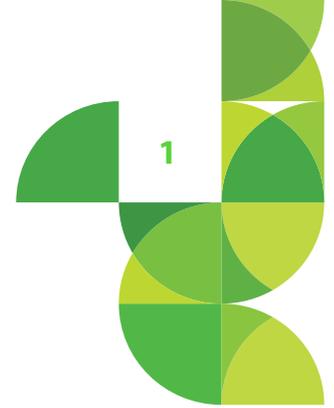
St. Cloud, Minnesota  
 October 24, 2019



Independent School District  
No. 477  
Princeton, Minnesota

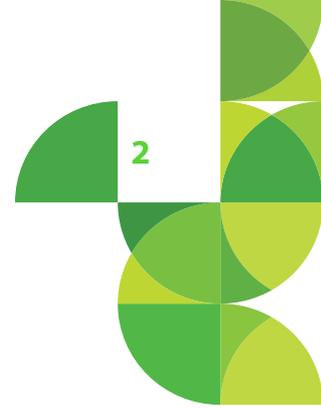
Audited Financial Statements  
June 30, 2019





# Independent Auditor's Report

- Unmodified opinion – best opinion an auditor can issue
- Financial statements present fairly, in all material respects, the financial position and change in financial position of the governmental activities, each major fund and the aggregate remaining funds



# Other Communications

- Report related to *Government Auditing Standards*
  - No written internal control findings
  - No compliance findings
- Report on results of a Single Audit performed in accordance with *Uniform Guidance*
  - Unmodified opinion on compliance
  - No internal control findings
- Report on results of testing on *Minnesota Legal Compliance* – no findings

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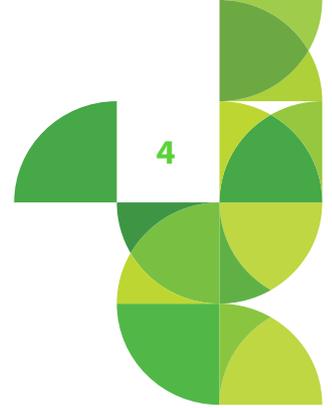


# General Education Formula Allowance

| Year  | General Education Aid<br>Formula Allowance |                     |
|-------|--|---------------------|
|       | Amount                                     | Percent<br>Increase |
| 2011  | \$ 5,124                                   | 0.0%                |
| 2012  | 5,174                                      | 1.0%                |
| 2013  | 5,224                                      | 1.0%                |
| 2014  | 5,302                                      | 1.5%                |
| 2015* | 5,831                                      | 1.9%                |
| 2016  | 5,948                                      | 2.0%                |
| 2017  | 6,067                                      | 2.0%                |
| 2018  | 6,188                                      | 2.0%                |
| 2019  | 6,312                                      | 2.0%                |
| 2020  | 6,438                                      | 2.0%                |
| 2021  | 6,567                                      | 2.0%                |

\* General Education Aid - Of the \$529 increase over 2014, \$105 is for inflation at 1.9%; the remaining \$424 is a shifting of revenue to adjust for pupil weight changes, pension adjustments changes and other restructuring.

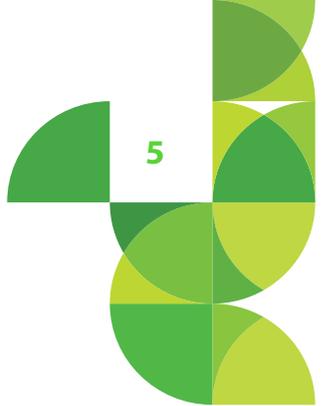
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# Resident Average Daily Membership (ADM)

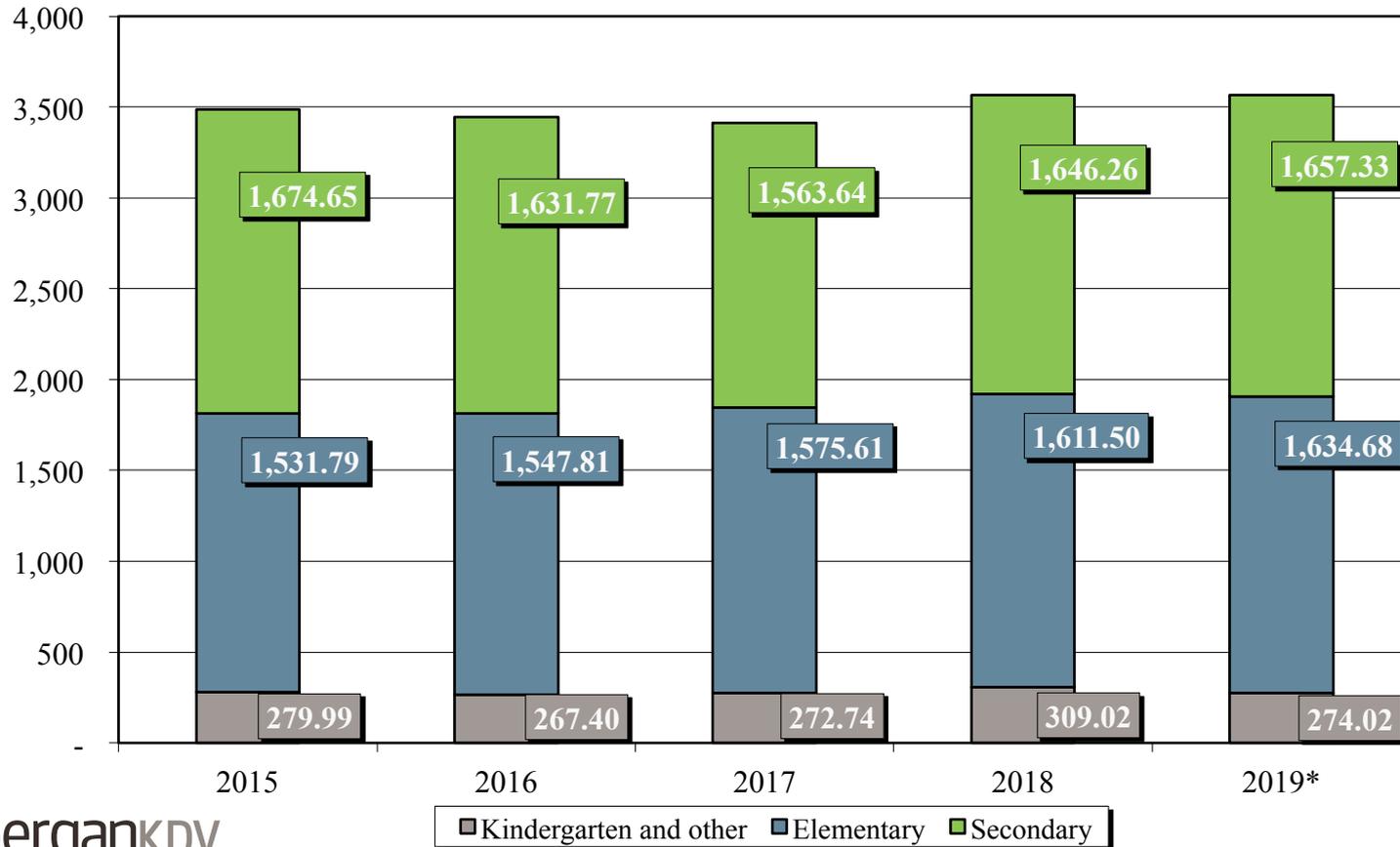
| ADM                       | 2015            | 2016            | 2017            | 2018            | 2019*           |
|---------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Kindergarten and other    | 279.99          | 267.40          | 272.74          | 309.02          | 274.02          |
| Elementary                | 1,531.79        | 1,547.81        | 1,575.61        | 1,611.50        | 1,634.68        |
| Secondary                 | 1,674.65        | 1,631.77        | 1,563.64        | 1,646.26        | 1,657.33        |
| <b>Total Resident ADM</b> | <b>3,486.43</b> | <b>3,446.98</b> | <b>3,411.99</b> | <b>3,566.78</b> | <b>3,566.03</b> |

\* Estimate



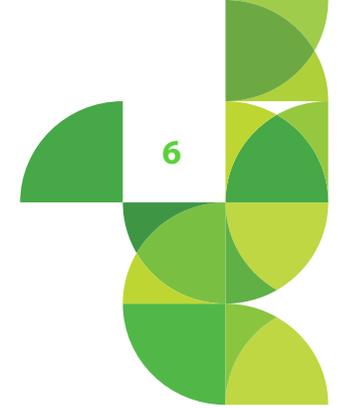
# Resident ADM

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[bergankdv.com](http://bergankdv.com)

\* Estimate



# Average Daily Membership and Pupil Units

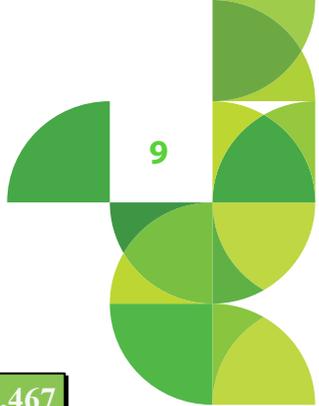
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## Pupil Units Weighting

|                   | Kindergarten     |          | Elementary   | Elementary | Secondary |            |
|-------------------|------------------|----------|--------------|------------|-----------|------------|
|                   | Pre-Kindergarten | Disabled | Kindergarten | Grades 1-3 |           | Grades 4-6 |
| 2015 through 2019 | 1.00             | 1.00     | 1.000        | 1.000      | 1.00      | 1.20       |

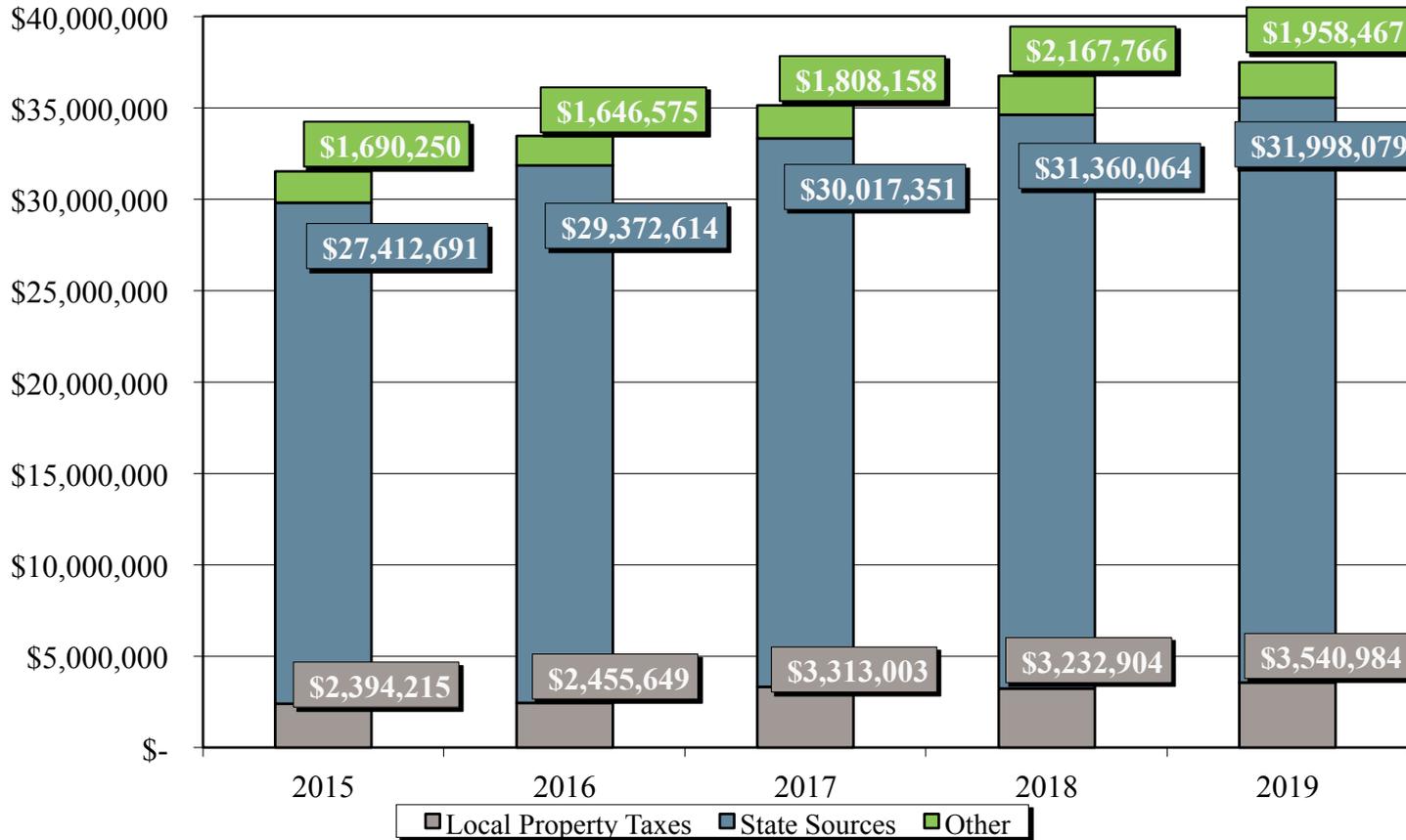
| Adjusted PUN                 | 2015            | 2016            | 2017            | 2018            | 2019*           |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Residents                    | 3,821.36        | 3,773.34        | 3,724.70        | 3,896.03        | 3,897.50        |
| Resident PUN going elsewhere | (453.81)        | (446.69)        | (464.21)        | (512.04)        | (553.03)        |
| Nonresident PUN coming in    | 155.77          | 185.54          | 237.28          | 248.75          | 302.35          |
| <b>Total Adjusted PUN</b>    | <b>3,523.32</b> | <b>3,512.19</b> | <b>3,497.77</b> | <b>3,632.74</b> | <b>3,646.82</b> |

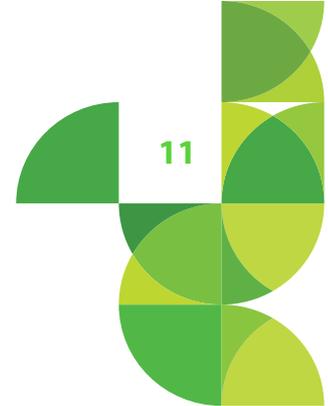
\* Estimate



# General Fund Sources of Revenue

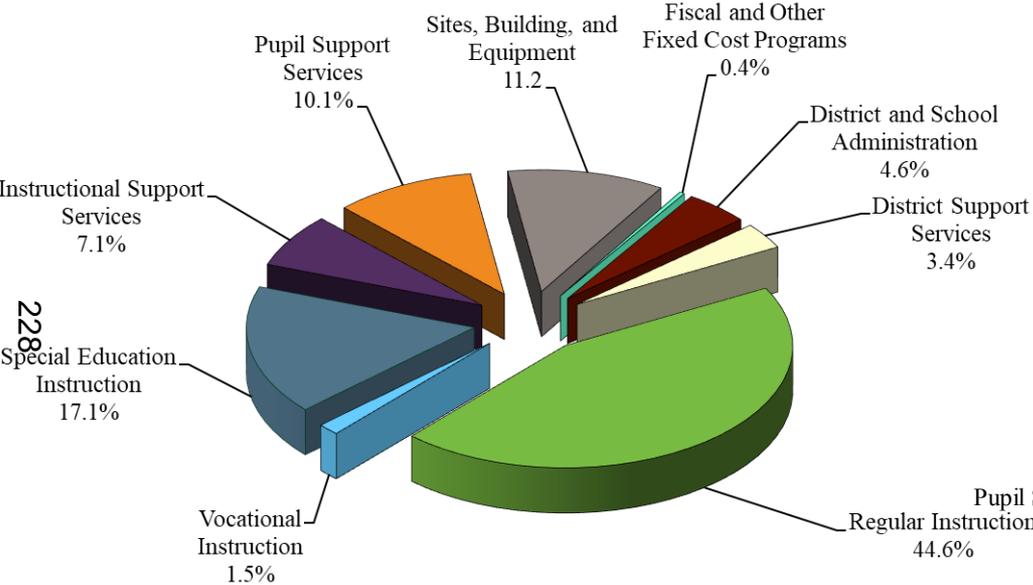
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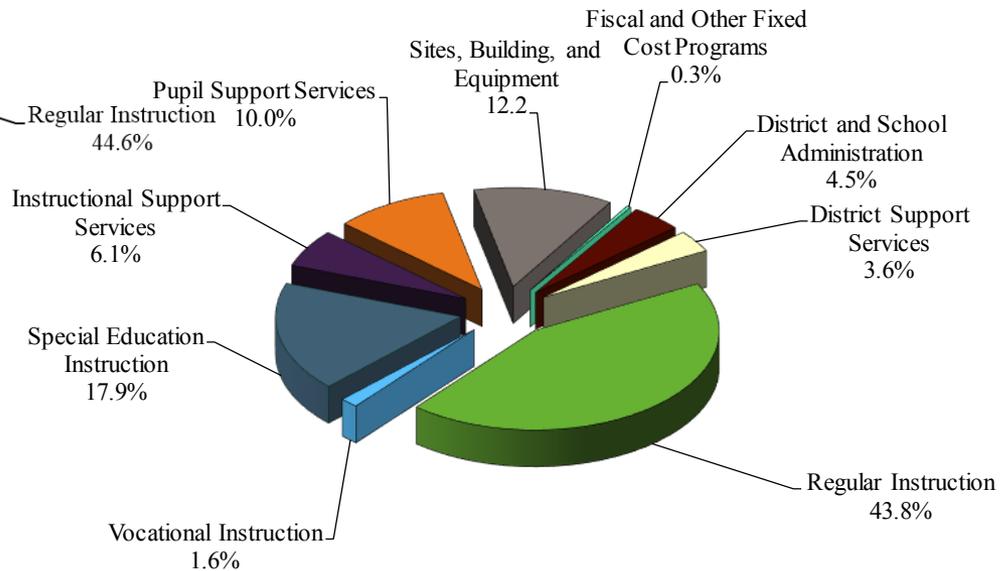


# General Fund Expenditures

**2019 General Fund Expenditures \$37,429,037**

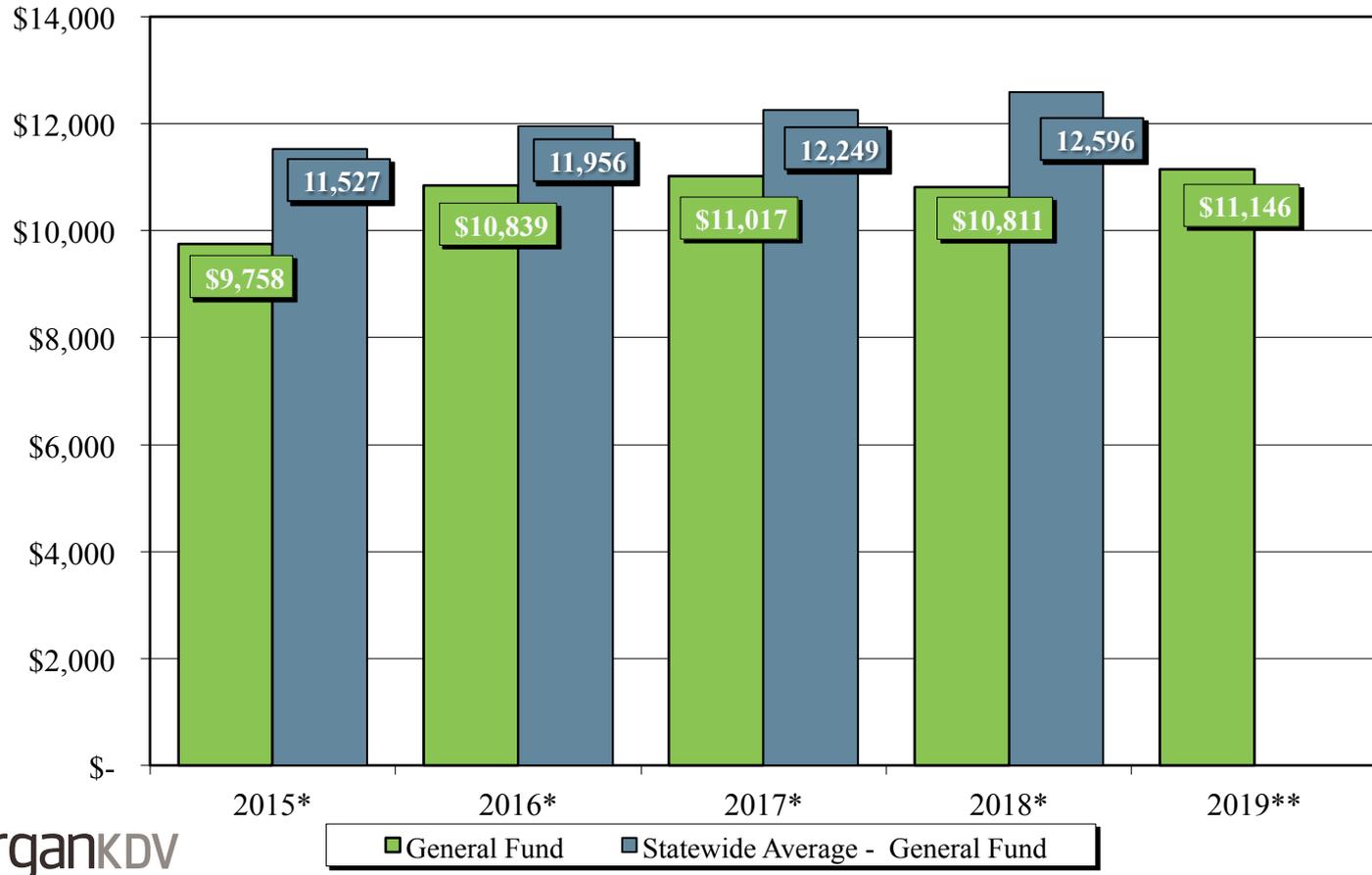


**2018 General Fund Expenditures \$36,318,885**



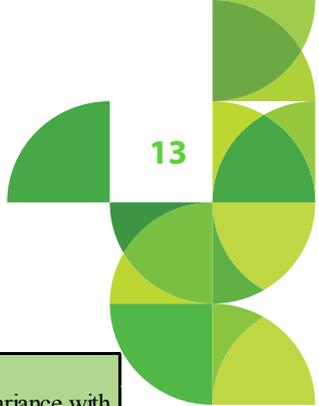


# Expenditures Per Student ADM Served



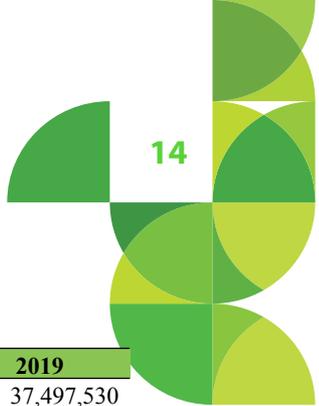
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# General Fund Budget and Actual



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|  | Budgeted Amounts |                | Actual Amounts | Variance with Final Budget - Over (Under) |
|--|------------------|----------------|----------------|---|
|  | Original         | Final          |                |   |
| <b>Revenues</b>                              |                  |                |                |   |
| Local property taxes                         | \$3,434,919      | \$3,465,565    | \$3,540,984    | \$75,419                                  |
| Other local revenues                         | 1,031,145        | 1,118,675      | 1,198,373      | 79,698                                    |
| Revenue from state sources                   | 31,056,261       | 31,896,693     | 31,998,079     | 101,386                                   |
| Revenue from federal sources                 | 730,925          | 747,405        | 760,094        | 12,689                                    |
| Total revenues                               | 36,253,250       | 37,228,338     | 37,497,530     | 269,192                                   |
| <b>Expenditures</b>                          |                  |                |                |   |
| Administration                               | 1,638,328        | 1,705,943      | 1,722,596      | 16,653                                    |
| District support services                    | 1,237,385        | 1,252,182      | 1,279,661      | 27,479                                    |
| Elementary and secondary regular instruction | 16,737,945       | 17,007,940     | 16,678,143     | (329,797)                                 |
| Vocational education instruction             | 497,308          | 494,357        | 572,435        | 78,078                                    |
| Special education instruction                | 6,532,332        | 6,657,265      | 6,424,135      | (233,130)                                 |
| Instructional support services               | 2,736,507        | 2,838,524      | 2,664,093      | (174,431)                                 |
| Pupil support services                       | 3,684,007        | 3,776,990      | 3,767,359      | (9,631)                                   |
| Sites and buildings                          | 4,500,431        | 4,472,805      | 4,186,424      | (286,381)                                 |
| Fiscal and other fixed cost programs         | 128,750          | 135,000        | 134,191        | (809)                                     |
| Total expenditures                           | 37,692,993       | 38,341,006     | 37,429,037     | (911,969)                                 |
| Excess of revenues over (under) expenditures | (1,439,743)      | (1,112,668)    | 68,493         | 1,181,161                                 |
| <b>Other Financing Source</b>                |                  |                |                |   |
| Proceeds from sale of capital assets         | -                | -              | 51,831         | 51,831                                    |
| Net change in fund balances                  | \$ (1,439,743)   | \$ (1,112,668) | \$ 120,324     | \$ 1,232,992                              |



# General Fund Operations

|   | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues  | \$31,497,156         | \$33,474,838         | \$35,138,512         | \$ 36,760,734        | \$ 37,497,530        |
| Expenditures                                    | 31,454,610           | 34,892,297           | 36,002,610           | 36,318,885           | 37,429,037           |
| Excess of revenues over<br>(under) expenditures | 42,546               | (1,417,459)          | (864,098)            | 441,849              | 68,493               |
| Other financing sources                         | -                    | 4,917                | 203,298              | -                    | 51,831               |
| Fund balance, July 1                            | 12,508,727           | 12,551,273           | 11,138,731           | 10,477,931           | 10,919,780           |
| <b>Fund Balance, June 30</b>                    | <b>\$ 12,551,273</b> | <b>\$ 11,138,731</b> | <b>\$ 10,477,931</b> | <b>\$ 10,919,780</b> | <b>\$ 11,040,104</b> |

| For the Year Ended June 30, | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Nonspendable                | \$ 77,231            | \$ 92,348            | \$ 81,513            | \$ 196,274           | \$ 25,142            |
| Reserved/restricted for     |                      |                      |                      |                      |                      |
| Staff development           | 70,515               | 149,135              | 199,312              | 263,098              | 208,411              |
| Operating capital           | 2,497,971            | 2,544,091            | 2,225,980            | 2,147,068            | 2,184,286            |
| Deferred maintenance        | 57,437               | 163,061              | -                    | -                    | -                    |
| Health and safety           | (45,255)             | (40,795)             | -                    | -                    | -                    |
| Gifted and talented         | 39,426               | 40,619               | 24,360               | -                    | -                    |
| Area learning center        | -                    | -                    | -                    | 49,835               | -                    |
| Basic skills                | -                    | -                    | -                    | 15,672               | 37,179               |
| Basic skills extended time  | -                    | -                    | -                    | 16,911               | 49,025               |
| LTFM                        | -                    | -                    | 606,617              | 408,023              | 910,224              |
| Medical Assistance          | -                    | -                    | 7,057                | 8,651                | 8,651                |
| Committed for               |                      |                      |                      |                      |                      |
| Seperation Benefits         | 699,936              | 703,394              | 812,308              | 941,283              | 991,266              |
| Assigned for                |                      |                      |                      |                      |                      |
| Student activities          | 138,627              | 161,061              | 124,117              | 119,773              | 127,171              |
| Q-Comp                      | 80,869               | 123,419              | 161,349              | 226,244              | 266,919              |
| Technology                  | 115,278              | 37,264               | 48,463               | 57,595               | 65,030               |
| Building improvements       | 3,600,000            | 1,428,076            | 422,542              | 280,537              | -                    |
| Program initiatives         | 700,000              | 741,731              | 649,982              | 649,982              | 800,512              |
| Unassigned                  | 4,519,238            | 4,995,327            | 5,114,331            | 5,538,834            | 5,366,288            |
| <b>Total</b>                | <b>\$ 12,551,273</b> | <b>\$ 11,138,731</b> | <b>\$ 10,477,931</b> | <b>\$ 10,919,780</b> | <b>\$ 11,040,104</b> |

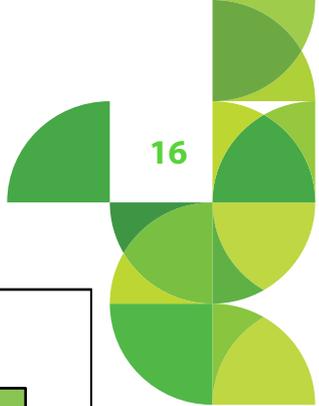
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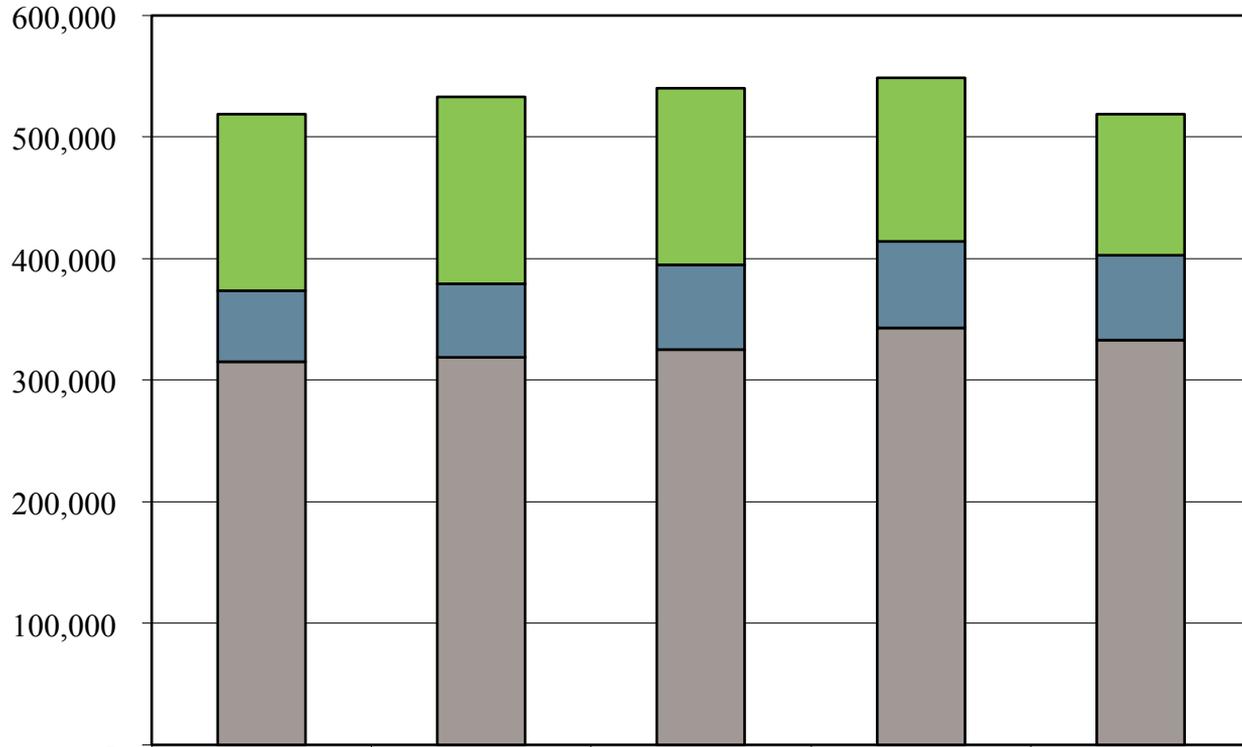
# Food Service Fund

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| <b>For the Year Ended June 30,</b>      | <b>2015</b>       | <b>2016</b>       | <b>2017</b>       | <b>2018</b>       | <b>2019</b>       |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues                                | \$ 1,694,727      | \$ 1,780,006      | \$ 1,872,834      | \$ 1,894,240      | \$ 1,878,413      |
| Expenditures                            | 1,660,046         | 1,772,360         | 1,792,621         | 1,884,315         | 1,776,464         |
| Excess of revenues<br>over expenditures | 34,681            | 7,646             | 80,213            | 9,925             | 101,949           |
| Fund balance, July 1                    | 348,832           | 383,513           | 391,159           | 471,372           | 481,297           |
| <b>Fund Balance, June 30</b>            | <b>\$ 383,513</b> | <b>\$ 391,159</b> | <b>\$ 471,372</b> | <b>\$ 481,297</b> | <b>\$ 583,246</b> |



# Meals Served to Students



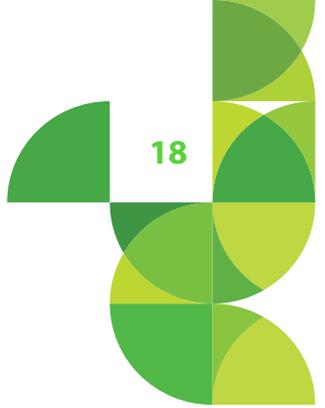
|                   | 2015*   | 2016*   | 2017*   | 2018*   | 2019**  |
|-------------------|---------|---------|---------|---------|---------|
| Free Meals        | 145,151 | 153,540 | 144,720 | 134,168 | 116,196 |
| Reduced Meals     | 58,021  | 60,334  | 70,138  | 71,625  | 69,861  |
| Full Priced Meals | 315,534 | 319,037 | 325,098 | 342,891 | 332,906 |

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# Community Service Fund

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| For the Year Ended June 30,                     | 2015              | 2016              | 2017              | 2018              | 2019              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues  | \$ 1,225,924      | \$ 1,410,076      | \$ 1,480,860      | \$ 1,558,052      | \$ 1,557,483      |
| Expenditures                                    | 1,205,011         | 1,444,848         | 1,584,186         | 1,489,738         | 1,534,810         |
| Excess of revenues over<br>(under) expenditures | 20,913            | (34,772)          | (103,326)         | 68,314            | 22,673            |
| Fund balance, July 1                            | 375,448           | 396,361           | 361,589           | 258,263           | 326,577           |
| <b>Fund Balance, June 30</b>                    | <b>\$ 396,361</b> | <b>\$ 361,589</b> | <b>\$ 258,263</b> | <b>\$ 326,577</b> | <b>\$ 349,250</b> |



# Questions

Caroline Stutsman  
(320) 650-02228

## Thank you!

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| HEALTH INSURANCE BID TAB   |                    |                      |                     |                     |                        |                       |
|--|--------------------|----------------------|---------------------|---------------------|------------------------|-----------------------|
|  | CURRENT RATES      | 2020 PROPOSED RATES  | 2020 PROPOSED RATES | 2020 PROPOSED RATES | 2020 PROPOSED RATES    | 2020 PROPOSED RATES   |
|  | HEALTH PARTNERS-SW | HEALTH PARTNERS-SW   | BLUE CROSS-RTS      | BLUE CROSS-DIRECT   | HEALTH PARTNERS-DIRECT | PEIP                  |
| <b>200 Deductible Plan</b>   |                    |                      |                     |                     |                        | <b>Advantage Plan</b> |
| Single   | \$772.32           | \$846.50             | \$873.50            | \$807.53            | \$820.18               | \$742.80              |
| EE+Children  | \$1,271.55         | \$1,388.76           | \$1,438.50          | \$1,158.17          | \$1,137.72             | \$1,122.64            |
| Family   | \$1,948.00         | \$2,132.30           | \$2,203.50          | \$2,030.65          | \$2,075.96             | \$1,860.58            |
| <b>\$1000 Deductible Plan</b>  |                    |                      |                     |                     |                        | <b>Advantage Plan</b> |
| Single   | \$643.43           | \$709.72             | \$728.00            | \$702.20            | \$701.88               | \$742.80              |
| EE+Children  | \$1,056.30         | \$1,160.36           | \$1,195.00          | \$1,007.10          | \$973.62               | \$1,122.64            |
| Family   | \$1,620.30         | \$1,785.94           | \$1,833.50          | \$1,765.77          | \$1,776.53             | \$1,860.58            |
| <b>\$1700 HSA Plan</b>   |                    |                      |                     |                     |                        | <b>Value Plan</b>     |
| Single   | \$584.07           | \$642.72             | \$660.50            | \$681.93            | \$701.37               | \$667.94              |
| EE+Children  | \$837.68           | \$916.46             | \$947.50            | \$978.03            | \$972.91               | \$1,009.46            |
| Family   | \$1,468.72         | \$1,614.55           | \$1,661.50          | \$1,714.79          | \$1,775.23             | \$1,671.92            |
| <b>\$3375 HSA Plan</b>   |                    |                      |                     |                     |                        | <b>HSA Plan</b>       |
| Single   | \$515.59           | \$555.69             | \$578.50            | \$585.78            | \$617.35               | \$510.16              |
| EE+Children  | \$740.06           | \$793.19             | \$830.00            | \$840.13            | \$856.37               | \$769.92              |
| Family   | \$1,307.82         | \$1,407.94           | \$1,468.00          | \$1,473.02          | \$1,562.59             | \$1,273.76            |
|  |                    | 9% Rate Cap 2nd Year |                     |                     |                        |                       |
| Note: Peip has a significant change in aggregate value of the plans. |                    |                      |                     |                     |                        |                       |

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# SOURCEWELL

## Financial Summary

- 9.42% increase for January, 2020
- Rate Cap of 9% in January, 2021
- Revenue from premium for 2019 is \$3,573,402
- Increase in 2020 to \$3,910,112
  - Increase of \$336,709
- If Princeton ISD continues participation requirements (underwriting requirements) Sourcwell agrees to a renewal cap of 9%
  - If the cap is met in 2020: \$1M increase over 2 years
    - Worst case scenario is a \$700k increase over 2020 rates in 2021