

CHAPTER 121

STATE ADMINISTRATION; COMPACTS

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121.11 STATE BOARD.

[For text of subds 5 to 11, see M.S.1990]

Subd. 12. **Administrative rules.** The state board may adopt new rules only upon specific authority other than under this subdivision. The state board may amend or repeal any of its existing rules. Notwithstanding the provisions of section 14.05, subdivision 4, the state board may grant a variance to its rules upon application by a school district for purposes of implementing experimental programs in learning or school management. Notwithstanding any law to the contrary, and only upon receiving the agreement of the state board of teaching, the state board of education may grant a variance to its rules governing licensure of teachers for those teachers licensed by the board of teaching. The state board may grant a variance, without the agreement of the board of teaching, to its rules governing licensure of teachers for those teachers it licenses.

[For text of subds 13 to 16, see M.S.1990]

History: 1991 c 265 art 9 s 13

121.111 [Repealed, 1991 c 265 art 7 s 43]

121.14 RECOMMENDATIONS; BUDGET.

The state board and the commissioner of education shall recommend to the governor and legislature such modification and unification of laws relating to the state system of education as shall make those laws more readily understood and more effective in execution. The state board and the commissioner of education shall prepare a biennial education budget which shall be submitted to the governor and legislature, such budget to contain a complete statement of finances pertaining to the maintenance of the state department and to the distribution of state aid.

History: 1991 c 265 art 11 s 2

121.148 SCHOOL DISTRICT CONSTRUCTION.

Subdivision 1. **Commissioner approval.** In determining whether to give a school facility a positive, negative, or unfavorable review and comment, the commissioner must evaluate the proposals for facilities using the information provided under section 121.15, subdivision 7.

The commissioner may submit a negative review and comment for a project if the district has not submitted its capital facilities plan required under section 124.243, subdivision 1, to the commissioner.

[For text of subds 2 to 4, see M.S.1990]

History: 1991 c 265 art 5 s 1

121.15 REVIEW AND COMMENT FOR SCHOOL DISTRICT CONSTRUCTION.

[For text of subds 1 to 6, see M.S.1990]

Subd. 7. Information required. A school board proposing to construct a facility described in subdivision 6 shall submit to the commissioner a proposal containing information including at least the following:

(a) the geographic area proposed to be served, whether within or outside the boundaries of the school district;

(b) the people proposed to be served, including census findings and projections for the next ten years of the number of preschool and school-aged people in the area;

(c) the reasonably anticipated need for the facility or service to be provided;

(d) a description of the construction in reasonable detail, including: the expenditures contemplated; the estimated annual operating cost, including the anticipated salary and number of new staff necessitated by the proposal; and an evaluation of the energy efficiency and effectiveness of the construction, including estimated annual energy costs; and a description of the telephone capabilities of the facility and its classrooms;

(e) a description of existing facilities within the area to be served and within school districts adjacent to the area to be served; the extent to which existing facilities or services are used; the extent to which alternate space is available, including other school districts, post-secondary institutions, other public or private buildings, or other non-education community resources; and the anticipated effect that the facility will have on existing facilities and services;

(f) the anticipated benefit of the facility to the area;

(g) if known, the relationship of the proposed construction to any priorities that have been established for the area to be served;

(h) the availability and manner of financing the facility and the estimated date to begin and complete the facility;

(i) desegregation requirements that cannot be met by any other reasonable means;

(j) the relationship of the proposed facility to the cooperative integrated learning needs of the area; and

(k) the effects of the proposed facility on the district's operating budget.

[For text of subd 8, see M.S.1990]

Subd. 9. Publication. At least 20 days but not more than 60 days before a referendum for bonds or solicitation of bids for a project that has received a positive or unfavorable review and comment under section 121.148, the school board shall publish the commissioner's review and comment of that project in the legal newspaper of the district. Supplementary information shall be available to the public.

Subd. 10. [Repealed, 1991 c 265 art 11 s 26]

History: 1991 c 265 art 5 s 2,3

121.155 JOINT POWERS AGREEMENTS FOR FACILITIES.

Subdivision 1. Instructional facilities. Any group of districts may form a joint powers district under section 471.59 representing all participating districts to build or

acquire a facility to be used for instructional purposes. The joint powers board must submit the project for review and comment under section 121.15. The joint powers board must hold a hearing on the proposal. The joint powers district must submit the question of authorizing the borrowing of funds for the project to the voters of the joint powers district at a special election. The question submitted shall state the total amount of funding needed from all sources. The joint powers board may issue the bonds according to chapter 475 and certify the levy required by section 475.61 only if a majority of those voting on the question vote in the affirmative and only after the school boards of each member district have adopted a resolution pledging the full faith and credit of that district. The resolution shall irrevocably commit that district to pay a proportionate share, based on pupil units, of any debt levy shortages that, together with other funds available, would allow the joint powers board to pay the principal and interest on the obligations. The district's payment of its proportionate share of the shortfall shall be made from the district's capital expenditure fund. The clerk of the joint powers board must certify the vote of the bond election to the commissioner of education.

Subd. 2. Shared facilities. A group of governmental units may form a joint powers district under section 471.59 representing all participating units to build or acquire a facility. The joint powers board must submit the project for review and comment under section 121.15. The joint powers board must hold a hearing on the proposal. The joint powers district must submit the question of authorizing the borrowing of funds for the project to the voters of the joint powers district at a special election. The question submitted shall state the total amount of funding needed from all sources. The joint powers board may issue the bonds according to chapter 475 and certify the levy required by section 475.61 only if a majority of those voting on the question vote in the affirmative and only after the boards of each member unit have adopted a resolution pledging the full faith and credit of that unit. The resolution must irrevocably commit that unit to pay an agreed upon share of any debt levy shortages that, together with other funds available, would allow the joint powers board to pay the principal and interest on the obligations. The clerk of the joint powers board must certify the vote of the bond election to the commissioner of education.

History: 1991 c 265 art 5 s 4

121.162 RECEIPTS; FUNDS.

Subdivision 1. Conference and workshop fees. The commissioner may establish procedures to set and collect fees to defray costs of conferences and workshops conducted by the department. The commissioner may keep accounts as necessary within the state's accounting system for the deposit of the conference and workshop fee receipts.

Subd. 2. Appropriation. The receipts collected under subdivision 1 are appropriated for payment of expenses relating to the workshops and conferences.

Subd. 3. Carry-over authority. Unobligated balances under subdivision 1 may be carried over as follows:

- (1) when expenditures for which the receipts have been designated occur in the following fiscal year; or
- (2) to allow retention of minor balances in accounts for conferences that are scheduled annually.

Subd. 4. Receipts and reimbursements. The commissioner may accept receipts and payments from public and nonprofit private agencies for related costs for partnership or cooperative endeavors involving education activities that are for the mutual benefit of the state, the department, and the other agency. The commissioner may keep accounts as necessary within the state's accounting system. The receipts must be deposited in the special revenue fund.

History: 1991 c 265 art 9 s 14

121.165 REPORTS BY THE COMMISSIONER.

Prior to January 15 of each year, the commissioner of education shall gather from presently available reports or from new reports it may require of school districts, the following types of information: the number of classroom teachers in every district at each training, experience and salary level; the ratio of pupils to full-time equivalent certified classroom teachers in every district; and any other district staffing characteristics of fiscal import. This information shall be gathered in such a manner as to render it capable of district by district, regional and statewide comparison and analysis.

History: 1991 c 265 art 11 s 3

121.49 ITEMIZATION OF AMOUNT OF AID TO DISTRICTS.

Subdivision 1. The department of education shall itemize for each school district in the state the total amount of money and the amount of money per pupil unit which accrues to the district for each fiscal year from each type of state and federal aid, refund, payment, credit, disbursement or monetary obligation of any kind, including but not limited to each special state aid, emergency aid, payments in lieu of taxes, and pension and retirement obligations for the benefit of personnel of the district. State agencies that have information necessary for the itemization required by this section shall provide the information to the department of education.

History: 1991 c 265 art 11 s 4

121.585 LEARNING YEAR PROGRAMS.

[For text of subds 1 and 2, see M.S.1990]

Subd. 3. **Hours of instruction.** Pupils participating in a program must be able to receive the same total number of hours of instruction they would receive if they were not in the program. If a pupil has not completed the graduation requirements of the district after completing the minimum number of secondary school hours of instruction, the district may allow the pupil to continue to enroll in courses needed for graduation.

For the purposes of section 120.101, subdivision 5, the minimum number of hours for a year determined for the appropriate grade level of instruction shall constitute the number of days of instruction required under section 120.101, subdivision 5b. Hours of instruction that occur after the close of the instructional year in June shall be attributed to the following fiscal year.

[For text of subds 4 to 8, see M.S.1990]

History: 1991 c 265 art 7 s 3

121.608 EDUCATIONAL EFFECTIVENESS PLAN.

The commissioner of education shall develop a comprehensive statewide plan for maintaining and improving educational effectiveness in early childhood family education programs through secondary education programs. The plan shall include provisions for the participation of post-secondary teacher preparation programs and early childhood family education programs. The plan shall encourage implementation of educational effectiveness strategies based on research findings in the area, develop in-service programs for school district staff, integrate developments in educational technology with classroom instruction, and develop a mechanism for establishing a statewide network to coordinate and disseminate information on research in educational effectiveness. The commissioner may employ consultants and specialists to assist in the development of the plan, and, to the extent possible, shall utilize the information provided by the planning, evaluation, and reporting process and the statewide assessment program. The plan shall be revised as necessary.

History: 1991 c 265 art 7 s 4

121.609 EDUCATIONAL EFFECTIVENESS INSTRUCTION.*[For text of subd 1, see M.S.1990]*

Subd. 2. Research and development of in-service program. The commissioner shall administer a research and development program of educational effectiveness and outcome-based education in-service. The advisory task force established in subdivision 1 may recommend modifications in the in-service program as necessary.

Subd. 3. Evaluation and report. The commissioner shall provide for independent evaluation of the effectiveness of this section.

The commissioner, with the assistance of the advisory task force, shall develop a long-term evaluation instrument for use at the research and development sites and other districts utilizing the educational effectiveness program. The long-term evaluation instrument shall include a method for measuring student achievement.

[For text of subds 4 and 5, see M.S.1990]

History: 1991 c 265 art 7 s 5; art 11 s 5

121.612 MINNESOTA ACADEMIC EXCELLENCE FOUNDATION.*[For text of subd 1, see M.S.1990]*

Subd. 2. Creation of foundation. There is created the Minnesota academic excellence foundation. The purpose of the foundation shall be to promote academic excellence in Minnesota public and nonpublic schools through public-private partnerships. The foundation shall be a nonprofit organization. The board of directors of the foundation and foundation activities are under the direction of the state board of education.

[For text of subds 3 and 4, see M.S.1990]

Subd. 5. Powers and duties. The foundation may:

- (1) establish and collect membership fees;
 - (2) publish brochures or booklets relating to the purposes of the foundation and collect reasonable fees for the publications;
 - (3) receive money, grants, and in-kind goods or services from nonstate sources for the purposes of the foundation, without complying with section 7.09, subdivision 1;
 - (4) contract with consultants;
 - (5) expend money for awards and other forms of recognition and appreciation;
- and
- (6) determine procedures and expenditures for awards and recognitions to teachers, students, donors, and other people who are not employees of the executive branch.

[For text of subds 6 to 8, see M.S.1990]

Subd. 9. Report. The board of directors of the foundation shall submit an annual report to the state board of education on the progress of its activities. The annual report shall contain a financial report for the preceding year, including all receipts and expenditures of the foundation.

[For text of subd 10, see M.S.1990]

History: 1991 c 130 s 4,5; 1991 c 265 art 11 s 6

121.831 LEARNING READINESS PROGRAMS.

Subdivision 1. Establishment. A district or a group of districts may establish a learning readiness program for eligible children.

Subd. 2. Child eligibility. A child is eligible to participate in a learning readiness program if the child is:

- (1) at least four years old but has not entered kindergarten; and
- (2) has participated or will participate in an early childhood screening program according to section 123.702.

A child may participate in a program provided by the district in which the child resides or by any other district.

Subd. 3. Program eligibility. A learning readiness program shall include the following:

- (1) a comprehensive plan to coordinate social services to provide for the needs of participating families and for collaboration with agencies or other community-based organizations providing services to families with young children;
- (2) a development and learning component to help a child develop socially, intellectually, physically, and emotionally in a manner appropriate to the child;
- (3) health referral services to address the medical, dental, mental health, and nutritional needs of the children;
- (4) a nutrition component to meet the nutritional needs of the children; and
- (5) involvement of parents in the educational, health, social service, and other needs of the children.

Subd. 4. Program characteristics. Learning readiness programs may include the following:

- (1) an individualized service plan to meet the individual needs of each child;
- (2) participation by families who are representative of the racial, cultural, and economic diversity of the community;
- (3) parent education to increase parents' knowledge, understanding, skills, and experience in child development and learning;
- (4) substantial parent involvement, that may include developing curriculum or serving as a paid or volunteer educator, resource person, or other staff;
- (5) identification of the needs of families with respect to the child's learning readiness;
- (6) a plan to expand collaboration with public organizations, businesses, nonprofit organizations, or other private organizations to promote the development of a coordinated system of services available to all families with eligible children;
- (7) coordination of treatment and follow-up services for all identified physical and mental health problems;
- (8) staff and program resources, including interpreters, that reflect the racial and ethnic population of the children in the program;
- (9) transportation for eligible children and their parents for whom other forms of transportation are not available or would constitute an excessive financial burden; and
- (10) substantial outreach efforts to assure participation by families with greatest needs.

Subd. 5. Purchase or contract for services. Whenever possible, a district may contract with a public organization or nonprofit organization providing developmentally appropriate services meeting one or more of the program requirements in subdivision 3, clauses (1) to (4). A district may also pay tuition or fees to place an eligible child in an existing program or establish a new program. Services may be provided in a site-based program or in the home of the child or a combination of both. The district may not limit participation to residents of the district.

Subd. 6. Coordination with other providers. The district shall optimize coordination of the learning readiness program with existing service providers located in the community. To the extent possible, resources shall follow the children based on the services needed, so that children have a stable environment and are not moved from program to program.

Subd. 7. Advisory council. Each learning readiness program shall have an advisory council which shall advise the school board in creating and administering the program

and shall monitor the progress of the program. The council shall ensure that children at greatest risk receive appropriate services. The school board shall:

(1) appoint parents of children enrolled in the program who represent the racial, cultural, and economic diversity of the district and representatives of early childhood service providers as representatives to an existing advisory council; or

(2) appoint a joint council made up of members of existing boards, parents of participating children, and representatives of early childhood service providers.

Subd. 8. Priority children. The district shall give high priority to providing services to eligible children identified, through a means such as the early childhood screening process, as being developmentally disadvantaged or experiencing risk factors that could impede their learning readiness.

Subd. 9. Child records. A record of a child's progress and development shall be maintained in the child's cumulative record while enrolled in the learning readiness program. The cumulative record shall be used for the purpose of planning activities to suit individual needs and shall become part of the child's permanent record.

Subd. 10. Supervision. A program provided by a school board shall be supervised by a licensed early childhood teacher or a certified early childhood educator. A program provided according to a contract between a school district and a nonprofit organization or another private organization shall be supervised according to the terms of the contract.

Subd. 11. District standards. The school board of the district shall develop standards for the learning readiness program.

Subd. 12. Program fees. A district may adopt a sliding fee schedule based on a family's income but shall waive a fee for a participant unable to pay. The fees charged must be designed to enable eligible children of all socioeconomic levels to participate in the program.

Subd. 13. Additional revenue. A district or an organization contracting with a district may receive money or in-kind services from a public or private organization.

History: 1991 c 265 art 7 s 6

121.88 COMMUNITY EDUCATION PROGRAMS; ADVISORY COUNCIL.

[For text of subds 1 to 4, see M.S.1990]

Subd. 5. Summer programs. Notwithstanding any law to the contrary, during the summer a school district may offer community education programs to elementary and secondary pupils. The district may use community education revenue received pursuant to section 124.2713 and charge fees for the cost of the programs.

[For text of subds 6 to 8, see M.S.1990]

Subd. 9. Youth service programs. A school board may offer, as part of a community education program with a youth development program, a youth service program for pupils to promote active citizenship and to address community needs through youth service. The school board may award up to one credit, or the equivalent, toward graduation for a pupil who completes the youth service requirements of the district. The community education advisory council shall design the program in cooperation with the district planning, evaluating and reporting committee and local organizations that train volunteers or need volunteers' services. Programs must include:

(1) preliminary training for pupil volunteers conducted, when possible, by organizations experienced in such training;

(2) supervision of the pupil volunteers to ensure appropriate placement and adequate learning opportunity;

(3) sufficient opportunity, in a positive setting for human development, for pupil volunteers to develop general skills in preparation for employment, to enhance self-esteem and self-worth, and to give genuine service to their community;

(4) integration of academic learning with the service experience; and

(5) integration of youth community service with elementary and secondary curriculum.

Youth service projects include, but are not limited to, the following:

(1) human services for the elderly, including home care and related services;

(2) tutoring and mentoring;

(3) training for and providing emergency services;

(4) services at extended day programs; and

(5) environmental services.

The commissioner shall maintain a list of acceptable projects with a description of each project. A project that is not on the list must be approved by the commissioner.

A youth service project must have a community sponsor that may be a governmental unit or nonprofit organization. To assure that pupils provide additional services, each sponsor must assure that pupil services do not displace employees or reduce the workload of any employee.

The commissioner must assist districts in planning youth service programs, implementing programs, and developing recommendations for obtaining community sponsors.

Subd. 10. Extended day programs. A school board may offer, as part of a community education program, an extended day program for children from kindergarten through grade 6 for the purpose of expanding students' learning opportunities. A program must include the following:

(1) adult supervised programs while school is not in session;

(2) parental involvement in program design and direction;

(3) partnerships with the K-12 system, and other public, private, or nonprofit entities; and

(4) opportunities for trained secondary school pupils to work with younger children in a supervised setting as part of a community service program.

The district may charge a sliding fee based upon family income for extended day programs. The district may receive money from other public or private sources for the extended day program. The school board of the district shall develop standards for school age child care programs. Districts with programs in operation before July 1, 1990, must adopt standards before October 1, 1991. All other districts must adopt standards within one year after the district first offers services under a program authorized by this subdivision. The state board of education may not adopt rules for extended day programs.

History: 1991 c 199 art 2 s 8; 1991 c 265 art 4 s 1,2

121.882 EARLY CHILDHOOD FAMILY EDUCATION PROGRAMS.

[For text of subd 1, see M.S.1990]

Subd. 2. Program characteristics. Early childhood family education programs are programs for children in the period of life from birth to kindergarten, for the parents of such children, and for expectant parents. The programs may include the following:

(1) programs to educate parents about the physical, mental, and emotional development of children;

(2) programs to enhance the skills of parents in providing for their children's learning and development;

(3) learning experiences for children and parents;

(4) activities designed to detect children's physical, mental, emotional, or behavioral problems that may cause learning problems;

(5) activities and materials designed to encourage self-esteem, skills, and behavior that prevent sexual and other interpersonal violence;

- (6) educational materials which may be borrowed for home use;
- (7) information on related community resources; or
- (8) other programs or activities to improve the health, development, and learning readiness of children.

The programs shall not include activities for children that do not require substantial involvement of the children's parents. The programs shall be reviewed periodically to assure the instruction and materials are not racially, culturally, or sexually biased. The programs shall encourage parents to be aware of practices that may affect equitable development of children.

[For text of subds 2a to 5, see M.S.1990]

Subd. 6. Coordination. A district is encouraged to coordinate the program with its special education and vocational education programs and with related services provided by other governmental agencies and nonprofit agencies.

A district is encouraged to coordinate adult basic education programs provided to parents and early childhood family education programs provided to children to accomplish the goals of section 124C.61.

[For text of subd 7, see M.S.1990]

Subd. 7a. Alternative council. A school board may direct the community education council, required according to section 121.88, subdivision 2, to perform the functions of the advisory council for early childhood family education.

[For text of subds 8 and 9, see M.S.1990]

History: 1991 c 265 art 4 s 3-5

121.904 REVENUE; REPORTING.

[For text of subds 1 to 4, see M.S.1990]

Subd. 4a. Levy recognition. (a) "School district tax settlement revenue" means the current, delinquent, and manufactured home property tax receipts collected by the county and distributed to the school district, including distributions made pursuant to section 279.37, subdivision 7, and excluding the amount levied pursuant to sections 124.2721, subdivision 3; 124.575, subdivision 3; and 275.125, subdivision 9a; and Laws 1976, chapter 20, section 4.

(b) In June of each year, the school district shall recognize as revenue, in the fund for which the levy was made, the lesser of:

(1) the June and July school district tax settlement revenue received in that calendar year; or

(2) the sum of the state aids and credits enumerated in section 124.155, subdivision 2, which are for the fiscal year payable in that fiscal year plus 37.0 percent of the amount of the levy certified in the prior calendar year according to section 124A.03, subdivision 2, plus or minus auditor's adjustments, not including levy portions that are assumed by the state; or

(3) 37.0 percent of the amount of the levy certified in the prior calendar year, plus or minus auditor's adjustments, not including levy portions that are assumed by the state, which remains after subtracting, by fund, the amounts levied for the following purposes:

(i) reducing or eliminating projected deficits in the reserved fund balance accounts for unemployment insurance and bus purchases;

(ii) statutory operating debt pursuant to section 275.125, subdivision 9a, and Laws 1976, chapter 20, section 4; and

(iii) retirement and severance pay pursuant to sections 124.2725, subdivision 15, 124.4945, and 275.125, subdivisions 4 and 6a, and Laws 1975, chapter 261, section 4; and

(iv) amounts levied for bonds issued and interest thereon, amounts levied for debt service loans and capital loans, amounts levied for down payments under section 124.82, subdivision 3, and amounts levied pursuant to section 275.125, subdivision 14a.

(c) In July of each year, the school district shall recognize as revenue that portion of the school district tax settlement revenue received in that calendar year and not recognized as revenue for the previous fiscal year pursuant to clause (b).

(d) All other school district tax settlement revenue shall be recognized as revenue in the fiscal year of the settlement. Portions of the school district levy assumed by the state, including prior year adjustments and the amount to fund the school portion of the reimbursement made pursuant to section 273.425, shall be recognized as revenue in the fiscal year beginning in the calendar year for which the levy is payable.

[For text of subds 4c and 4d, see M.S.1990]

Subd. 4e. Cooperation levy recognition. (a) A cooperative district is a district or cooperative that receives revenue according to section 124.2721 or 124.575.

(b) In June of each year, the cooperative district shall recognize as revenue, in the fund for which the levy was made, the lesser of:

(1) the sum of the state aids and credits enumerated in section 124.155, subdivision 2, that are for the fiscal year payable in that fiscal year; or

(2) 37.0 percent of the difference between

(i) the sum of the amount of levies certified in the prior year according to sections 124.2721, subdivision 3, and 124.575, subdivision 3; and

(ii) the amount of transition aid paid to the cooperative unit according to section 273.1392 for the fiscal year to which the levy is attributable.

[For text of subds 5 to 14, see M.S.1990]

History: 1991 c 265 art 1 s 1,2

121.912 PERMANENT FUND TRANSFERS.

[For text of subds 1 to 5, see M.S.1990]

Subd. 6. Account transfer for reorganizing districts. A school district that has reorganized according to section 122.22, 122.23, or sections 122.241 to 122.248 may make permanent transfers between any of the funds in the newly created or enlarged district with the exception of the debt redemption fund. Fund transfers under this section may be made only during the year following the effective date of reorganization.

Subd. 7. Unemployment reserve balance. The reserved fund balance for unemployment insurance as of June 30 of each year may not exceed \$10 times the number of pupil units for that year. The department shall reduce the levy certified by the district, according to section 275.125, subdivision 4, the following year for obligations under section 268.06, subdivision 25, by the amount of the excess.

History: 1991 c 265 art 6 s 2; art 8 s 2

121.915 REORGANIZATION OPERATING DEBT.

The "reorganization operating debt" of a school district means the net negative undesignated fund balance in all school district funds, other than capital expenditure, building construction, debt redemption, trust and agency, and post-secondary vocational technical education funds, calculated in accordance with the uniform financial accounting and reporting standards for Minnesota school districts as of:

(1) June 30 of the fiscal year before the first year that a district receives revenue according to section 124.2725; or

(2) June 30 of the fiscal year before the effective date of reorganization according to section 122.22 or 122.23.

History: 1991 c 265 art 6 s 3

121.917 EXPENDITURE LIMITATIONS.

[For text of subds 1 and 2, see M.S.1990]

Subd. 3. If a school district does not limit its expenditures in accordance with this section, the commissioner may so notify the appropriate committees of the legislature by no later than January 1 of the year following the end of that fiscal year.

[For text of subd 4, see M.S.1990]

History: 1991 c 265 art 11 s 7

121.931 STATEWIDE EDUCATION MANAGEMENT INFORMATION SYSTEM; STATE BOARD POWERS AND DUTIES.

[For text of subds 1 to 6, see M.S.1990]

Subd. 6a. **Data standard compliance.** The department shall monitor and enforce compliance with the data standards. For financial accounting data and property accounting data, the department shall develop statistically based tests to determine data quality. The department shall annually test the data submitted by districts or regional centers and determine which districts submit inaccurate data. The department shall require these districts to review the data in question and, if found in error, to submit corrected data. The department shall develop standard editing checks for data submitted and shall provide these to districts and regional centers.

Subd. 7. **Approval powers.** The state board, with the advice and assistance of the ESV computer council and the information policy office of the department of administration, shall approve or disapprove the following, according to the criteria in section 121.937 and rules adopted pursuant to subdivision 8:

(a) the creation of regional management information centers pursuant to section 121.935; and

(b) alternative management information systems pursuant to section 121.936, subdivisions 2 to 4.

Subd. 8. **Rules.** The state board shall adopt rules prescribing criteria for its decisions pursuant to subdivision 7. These rules shall include at least the criteria specified in section 121.937. The state board shall also adopt rules specifying the criteria and the process for determining which data and data elements are included in the annual data acquisition calendar developed pursuant to section 121.932, subdivision 2. The state board shall adopt rules requiring regional management information centers to use cost accounting procedures which will account by district for resources consumed at the center for support of each ESV-IS subsystem and of any approved alternative financial management information systems. The adoption of the systems architecture plan and the long range plan pursuant to subdivisions 3 and 4 shall be exempt from the administrative procedure act but, to the extent authorized by law to adopt rules, the board may use the provisions of section 14.38, subdivisions 5 to 9.

History: 1991 c 265 art 9 s 15-17

NOTE: Subdivisions 6a, 7, and 8, as amended by Laws 1991, chapter 265, article 9, sections 15 to 17, are effective July 1, 1993. See Laws 1991, chapter 265, article 9, section 76.

121.932 STATEWIDE EDUCATION MANAGEMENT INFORMATION SYSTEM; DEPARTMENT DUTIES.

Subdivision 1. *[Repealed, 1991 c 265 art 9 s 75]*

Subd. 2. **Data acquisition calendar.** The department of education shall maintain a current annual data acquisition calendar specifying the reports which must be provided to the department and the dates these reports are due.

Subd. 3. **Exemption from chapter 14.** Except as provided in section 121.931, subdivision 8, the annual data acquisition calendar and the essential data elements are exempt from the administrative procedure act but, to the extent authorized by law to adopt rules, the board may use the provisions of section 14.38, subdivisions 5 to 9.

[For text of subd 4, see M.S.1990]

Subd. 5. Essential data. The department shall maintain a list of essential data elements which must be recorded and stored about each pupil, licensed and nonlicensed staff member, and educational program. Each school district shall send the essential data to the ESV regional computer center to which it belongs, or to the department in the form and format prescribed by the department.

History: 1991 c 265 art 9 s 18-20

NOTE: Subdivisions 2, 3, and 5, as amended by Laws 1991, chapter 265, article 9, sections 18 to 20, are effective July 1, 1993. See Laws 1991, chapter 265, article 9, section 76.

121.933 STATEWIDE MANAGEMENT INFORMATION SYSTEM; DELEGATION OF POWERS AND DUTIES.

Subdivision 1. Permitted delegations. The state board of technical colleges, the state board of education, and the department may provide, by the delegation of powers and duties or by contract, for the implementation and technical support of ESV-IS and SDE-IS, including the development of applications software pursuant to section 121.931, subdivision 5, by a regional management information center or by any other appropriate provider.

Subd. 2. [Repealed, 1991 c 130 s 38; 1991 c 265 art 9 s 75]

History: 1991 c 265 art 9 s 21

NOTE: Subdivision 1, as amended by Laws 1991, chapter 265, article 9, section 21, is effective July 1, 1993. See Laws 1991, chapter 265, article 9, section 76.

121.934 ESV COMPUTER COUNCIL.

[For text of subds 1 to 6, see M.S.1990]

Subd. 7. Advisory duties. (a) Pursuant to section 121.931, the ESV computer council shall advise and assist the state board in:

- (1) the development of the long-range plan and the systems architecture plan;
- (2) the development of applications software for ESV-IS and SDE-IS;
- (3) the approval of the creation of regional management information centers;
- (4) the approval of alternative management information systems; and
- (5) the statewide applicability of alternative management information systems proposed by districts.

(b) The council shall also review the data standards recommended by the council on uniform financial accounting and reporting standards and the advisory task forces on uniform standards for student reporting and personnel/payroll reporting and make recommendations to the state board concerning:

- (1) the consistency of the standards for finance, property, student and personnel/payroll data with one another;
- (2) the implications of the standards for implementation of ESV-IS and SDE-IS; and
- (3) the consistency of the standards with the systems architecture plan and the long-range plan.

(c) Pursuant to section 121.932, the council shall advise the department in the development and operation of SDE-IS.

History: 1991 c 265 art 9 s 22

NOTE: Subdivision 7, as amended by Laws 1991, chapter 265, article 9, section 22, is effective July 1, 1993. See Laws 1991, chapter 265, article 9, section 76.

121.935 REGIONAL MANAGEMENT INFORMATION CENTERS.

Subdivision 1. Creation. Any group of two or more independent, special or common school districts may with the approval of the state board pursuant to sections

121.931 and 121.937 create a regional management information center pursuant to section 123.58 or 471.59 to provide computer services to school districts. A regional management information center shall not come into existence until the first July 1 after its creation is approved by the state board or until it can be accommodated by state appropriations, whichever occurs first. Each member of the center board shall be a current member of a member school board.

[For text of subds 1a and 2, see M.S.1990]

Subd. 3. [Repealed, 1991 c 265 art 9 s 75]

Subd. 4. **Annual budget estimates.** Every regional management information center shall submit to the department by July 1 an annual budget estimate for its administrative and management computer activities. The budget estimates shall be in a program budget format and shall include all estimated and actual revenues, expenditures, and fund balances of the center. Budget forms developed pursuant to section 16A.10 may be used for these estimates. The department of education shall assemble this budget information into a supplemental budget summary for the statewide elementary, secondary, and vocational management information system. Copies of the budget summary shall be provided to the ESV computer council and shall be available to the legislature upon request.

[For text of subd 5, see M.S.1990]

Subd. 5a. **District computing subsidies.** The appropriation for regional management information centers shall be allocated among the centers according to the allocation for fiscal year 1991. Any part of the appropriation for fiscal year 1991 that was not distributed directly to the centers shall be added to the allocation according to the proportions each center received for fiscal year 1991. Payment of the amount appropriated shall be to school districts. Each school district shall receive a payment equal to:

- (1) the number of pupil units in the district divided by the number of pupil units in all of the districts that are members of the center; times
- (2) the allocation for the center of which the district is a member.

The payment shall be used by the district to purchase services from a regional management information center, another school district, or other provider, or to provide the services. The payment shall be deposited in the district's capital expenditure fund.

Subd. 6. **Fees.** Regional management information centers may charge fees to affiliated districts for the cost of services provided to the district and the district's proportionate share of outstanding regional obligations, as defined in section 475.51, for computer hardware. If a district uses a state approved alternative finance system for processing its detailed transactions or transfers to another region, the district is liable for its contracted proportionate share of the outstanding regional obligation. The district is not liable for any additional outstanding regional obligations that occur after written notice is given to transfer or use an alternative finance system. A regional management information center must not charge a district for transferring the district's summary financial data and essential data elements to the state. The regional management information center may charge the district for any service it provides to, or performs on behalf of, a district to render the data in the proper format for reporting to the state. If a district transfers to another regional center, the center shall transfer to the district within 90 days after the end of the fiscal year the district's per actual pupil share of the center's unreserved fund balance in each fund. The fund balance shall be determined as of June 30 preceding the year the district transfers.

Subd. 7. **Limitation on participation and financial support.** (a) No school district shall be required by any type of formal or informal agreement, including a joint powers agreement, or otherwise to participate in or provide financial support for the purposes of the agreement for a time period in excess of one fiscal year. Any agreement, part of an agreement, or other type of requirement to the contrary is void.

(b) This subdivision shall not affect the continued liability of a school district for

its share of bonded indebtedness or other debt incurred as a result of any agreement before July 1, 1993. The school district is liable only until the obligation or debt is discharged and only according to the payment schedule in effect on July 1, 1993, except that the payment schedule may be altered for the purpose of restructuring debt or refunding bonds outstanding on July 1, 1993, if the annual payments of the school district are not increased and if the total obligation of the school district for its share of outstanding bonds or other debt is not increased.

(c) To cease participating in or providing financial support for any of the services or activities relating to the agreement or to terminate participation in the agreement, the school board shall adopt a resolution and notify other parties to the agreement of its decision on or before February 1 of any year. The cessation or withdrawal shall be effective June 30 of the same year or, at the option of the school board, June 30 of the following fiscal year.

(d) Before issuing bonds or incurring other debt, the governing body responsible for implementing the agreement shall adopt a resolution proposing to issue bonds or incur other debt and the proposed financial effect of the bonds or other debt upon each participating district. The resolution shall be adopted within a time sufficient to allow the school board to adopt a resolution within the time permitted by this paragraph and to comply with the statutory deadlines set forth in sections 122.895, 125.12, and 125.17. The governing body responsible for implementing the agreement shall notify each participating school board of the contents of the resolution. Within 120 days of receiving the resolution of the governing body, the school board of the participating district shall adopt a resolution stating:

- (1) its concurrence with issuing bonds or incurring other debt;
- (2) its intention to cease participating in or providing financial support for the service or activity related to the bonds or other debt; or
- (3) its intention to terminate participation in the agreement.

A school board adopting a resolution according to clause (1) is liable for its share of bonded indebtedness or other debt as proposed by the governing body implementing the agreement. A school board adopting a resolution according to clause (2) is not liable for the bonded indebtedness or other debt, as proposed by the governing body, related to the services or activities in which the district ceases participating or providing financial support. A school board adopting a resolution according to clause (3) is not liable for the bonded indebtedness or other debt proposed by the governing body implementing the agreement.

(e) After July 1, 1993, a district is liable according to paragraph (d) for its share of bonded indebtedness or other debt incurred by the governing body implementing the agreement to the extent that the bonds or other debt are directly related to the services or activities in which the district participates or for which the district provides financial support. The district has continued liability only until the obligation or debt is discharged and only according to the payment schedule in effect at the time the governing body implementing the agreement provides notice to the school board, except that the payment schedule may be altered for the purpose of refunding the outstanding bonds or restructuring other debt if the annual payments of the district are not increased and if the total obligation of the district for the outstanding bonds or other debt is not increased.

Subd. 8. Computer hardware purchase. A regional management information center may not purchase or enter into a lease-purchase agreement for computer hardware in excess of \$100,000 without unanimous consent of the center board.

History: 1991 c 265 art 6 s 4,5; art 9 s 23-26

NOTE: Subdivisions 1, 4, and 6, as amended by Laws 1991, chapter 265, article 9, sections 23 to 25, and subdivision 8, as added by section 26, are effective July 1, 1993. See Laws 1991, chapter 265, article 9, section 76.

NOTE: Subdivision 5 is repealed by Laws 1991, chapter 265, article 6, section 67, subdivision 3, effective July 1, 1993.

NOTE: Subdivisions 5a and 7, as added by Laws 1991, chapter 265, article 6, sections 4 and 5, are effective July 1, 1993. See Laws 1991, chapter 265, article 6, section 68.

121.936 SCHOOL DISTRICT MANAGEMENT INFORMATION SYSTEMS.

Subdivision 1. Mandatory participation. (a) Every district shall perform financial accounting and reporting operations on a financial management accounting and reporting system utilizing multidimensional accounts and records defined in accordance with the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.917.

(b) Every school district shall be affiliated with one and only one regional management information center. This affiliation shall include at least the following components:

(1) the center shall provide financial management accounting reports to the department of education for the district to the extent required by the data acquisition calendar;

(2) the district shall process every detailed financial transaction using, at the district's option, either the ESV-IS finance subsystem through the center or an alternative system approved by the state board.

Notwithstanding the foregoing, a district may process and submit its financial data to a region or the state in summary form if it operates an approved alternative system or participates in a state approved pilot test of an alternative system and is reporting directly to the state as of January 1, 1987.

(c) The provisions of this subdivision shall not be construed to prohibit a district from purchasing services other than those described in clause (b) from a center other than the center with which it is affiliated pursuant to clause (b).

Districts operating an approved alternative system may transfer their affiliation from one regional management information center to another. At least one year prior to July 1 of the year in which the transfer is to occur, the district shall give written notice to its current region of affiliation of its intent to transfer to another region. The one year notice requirement may be waived if the two regions mutually agree to the transfer.

Subd. 2. Alternative management information systems. A district may be exempted from the requirement in subdivision 1, clause (b)(2), if it uses another financial management information system approved by the state board. A district permitted before July 1, 1980, to submit its financial transactions in summary form to a regional management information center pursuant to subdivision 1 may continue to submit transactions in the approved form without obtaining the approval of the state board pursuant to this subdivision. Any district desiring to use another management information system not previously approved by the state board shall submit a detailed proposal to the state board and the ESV computer council. The detailed proposal shall include a statement of all costs to the district, regional management information center or state for software development or operational services needed to provide data to the regional management information center pursuant to the data acquisition calendar.

[For text of subd 3, see M.S.1990]

Subd. 4. Alternative systems; state board. Upon approval of the proposal by the state board the district may proceed in accordance with its approved proposal. Except as provided in section 121.931, subdivision 5, an alternative system approved pursuant to this subdivision shall be developed and purchased at the expense of the district. Notwithstanding any law to the contrary, when an alternative system has been approved by the state board, another district may use the system without state board approval. A district which has submitted a proposal for an alternative system which has been disapproved may not submit another proposal for that fiscal year, but it may submit a proposal for the subsequent fiscal year.

[For text of subd 4a, see M.S.1990]

Subd. 5. [Repealed, 1991 c 265 art 11 s 26]

History: 1991 c 265 art 9 s 27-29

NOTE: Subdivisions 1, 2, and 4, as amended by Laws 1991, chapter 265, article 9, sections 27 to 29, are effective July 1, 1993. See Laws 1991, chapter 265, article 9, section 76.

121.937 CRITERIA.

Subdivision 1. **Approval criteria.** The criteria adopted by the state board for approval of the creation of a regional management information center and the approval of an alternative management information system shall include:

- (a) The provisions of the plans adopted by the state board pursuant to section 121.931, subdivisions 3 and 4;
- (b) The cost effectiveness of the proposed center or alternative;
- (c) The effect of the proposed center or alternative on existing regional management information centers; and
- (d) Whichever of the following is applicable:
 - (i) The ability of a proposed center to comply with section 121.935, or
 - (ii) The ability of a proposed alternative financial management information system to comply with section 121.936, subdivision 1, clauses (a) and (b)(1), or
 - (iii) The ability of a proposed alternative fixed assets property management information system to comply with section 121.936, subdivision 1, clause (b)(1).

Subd. 2. [Repealed, 1991 c 265 art 9 s 75]

History: 1991 c 265 art 9 s 30

NOTE: Subdivision 1, as amended by Laws 1991, chapter 265, article 9, section 30, is effective July 1, 1993. See Laws 1991, chapter 265, article 9, section 76.