

## About MASBO

The Minnesota Association of School Business Officials (MASBO) is an independent, nonprofit professional association that was chartered in 1950. Its membership includes more than 600 school business managers and related specialists.

MASBO members possess high levels of expertise in the areas of school finance, public accounting, and school district support services (including facilities management, transportation, food services, and information management). Our members have established positive working relationships with fellow professionals in all branches of state and local government, as well as business leaders.

There are several key differences between these proposals and the legislative platforms of most other groups. First, these proposals are all related to school finance and operations – the areas of our members' greatest experience and expertise. Second, none of the proposals are intended to result in significant redistribution of resources among districts. Third, many of these proposals are designed to make school districts more cost effective and efficient within existing resources.

This document provides a brief overview of MASBO's legislative proposals for 2014. For a more detailed platform, please visit our web site at [www.mnasbo.org](http://www.mnasbo.org).

## For Further Information Contact:

**Dan Pyan, Chair**  
**MASBO Legislative Committee**  
Independent School District No. 861  
903 Gilmore Ave  
Winona, MN 55987  
(507) 494 - 0801  
[dan.pyan@winona.k12.mn.us](mailto:dan.pyan@winona.k12.mn.us)

**Bruce Lamprecht, President**  
**MASBO**  
Marshall Public Schools  
401 South Saratoga Street  
Marshall, MN 56258  
(507) 929-2603  
[bruce.lamprecht@marshall.k12.mn.us](mailto:bruce.lamprecht@marshall.k12.mn.us)

# 2014

## Legislative Platform Summary



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Minnesota Association  
of School Business Officials



Prepared and paid for by the Minnesota  
Association of School Business Officials

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## School Finance

Student success depends greatly on the Minnesota legislature providing adequate funding and maintaining district flexibility in meeting their financial challenges. We applaud the work the 2013 legislature did to recognize and address these challenges. However, our work is ongoing. A basic benchmark by which to measure progress toward adequate funding is the annual increase in the basic allowance. State funding for the basic general education allowance has significantly lagged inflation. It is critical for the state to enable districts to meet the educational expectations of parents, the community, and the state by providing an adequate annual increase in the basic funding formula.

Our proposals include:

- **Increase Basic Formula at Rate of Inflation**

The two most pivotal factors in determining a Minnesota school district's revenue are the basic formula limit and enrollment. Small increases in the basic formula amount for 2013-2014 and 2014-2015 are helping school districts remain solvent. However, due to rising costs, school districts have had to adjust their budgets to make ends meet, resulting in significant increases in class size and program reductions. The basic formula should be increased every year by the current rate of inflation so that education funding is not further eroded.

- **Authorize Local School Boards to Extend an Existing Operating Referendum on a Year-to-Year Basis, Subject to a Reverse Referendum**

Submitting a levy previously approved by voters again to the voters requires the commitment of local resources to conduct the election and to communicate with voters. While the 2013 Legislature granted the authority to districts to authorize up to \$300 per pupil of referendum authority for up to five years, districts with amounts in excess of that are still required to hold an election, and the \$300 simply supplants a portion of their existing referendum revenue. Allowing local school boards to extend the full amount of their existing referendum authority on a year-to-year basis, or for a similar period up to five years, subject to a petition for a reverse referendum, is a natural extension of the \$300 of board-approved levy authorized in the 2013 legislation.

## Mandate Reform and Reduction

The “business” side of E-12 education is complex. It is appropriate to continue to assess mandates and recommend reform and other efficiencies as a way to help school districts ease the burden and costs of providing education services in Minnesota moving forward. We recommend for repeal or revision those that have negative, unintended consequences in their implementation. Although there are many mandates that should be repealed or revised, the most immediate priorities for this year are:

- **Invest in Infrastructure**

Some of the mandates imposed on school districts result from the inadequate technology infrastructure at MDE to provide vehicles for districts to deliver information to the department. MASBO supports MDE's technology requests to MN.IT and believes the department of education is due for more adequate funding in its technology infrastructure.

- **Publishing Requirements (M.S.123B.10)**

Allow school districts more flexibility to publish minutes on their website with a simple notice in the newspaper stating the web address where the information can be found. This can reduce expenses for all districts in these tough economic times while still providing access to minutes and budget information. **Revise.**

- **Reserved Revenue for Staff Development – (M.S. 122A.61)**

Districts are required to reserve at least two percent of basic revenue for in-service and staff development. While this requirement has been waived for 2012 and 2013, districts should be permanently given discretion as to the amount expended in the area of staff development. **Repeal**

- **Provide Funding to Implement Staff Evaluation Systems (M.S. 122A.41)**

2011 Legislation requires districts to evaluate teachers beginning in 2014-2015, and the development and/or implementation of the available evaluation models will require additional staff time. **Revise** to fund the effective development and implementation of the new evaluation models.

## Facility Funding

Minnesota Public School buildings are the backbone of every community. Maintenance of these buildings accounts for 10-15% of a school district's operating expenditures. Many of these costs are attributed to building inefficiencies which could be corrected with more adequate capital funding. Furthermore, funding for Minnesota public school buildings is not equitable among the state's school districts.

The 2013 Legislature directed the Education Commissioner to convene a working group to develop recommendations for reforming the financing of prekindergarten through grade 12 education facilities to create adequate, equitable, and sustainable financing of public school facilities throughout the state.

MASBO recognizes and supports the recommendations of the School Facility Financing Working Group, which are listed in the full platform.

## Statewide Health Insurance Pool

Annually Education Minnesota (EM) has authored legislation to create a Statewide Health Insurance Pool for all Minnesota School Districts. The previous bills have made the health insurance pool mandatory for all school employees. Creating a statewide mandatory insurance pool has not addressed the real factors that are driving school districts' health-care costs upward. A one-size-fits-all approach to health care does not bode well, especially when we live in a state where the same medical procedures can vary widely in cost by region. School districts should continue to have the right to purchase services from the best provider in the market. A state law that mandates that districts purchase insurance from a sole provider takes away a right from local employee groups and local school boards to choose their provider.

If a statewide school health insurance plan is placed into statute, MASBO recommends that:

A) It shall be voluntary.

B) The governing board shall include members with knowledge and expertise in health insurance – districts' business and/or human resource directors.