

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 2015. For a more detailed platform, please visit our website at www.mnasbo.org.

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2015 Legislative Platform Summary



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Prepared and paid for by the Minnesota
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School Finance

Student success depends greatly on the state legislature providing adequate funding and maintaining school district flexibility to meet their financial challenges. Our proposals include:

- **Increase Basic Formula at rate of inflation**
Funding of our schools has not kept pace with inflation, and it is important the basic formula be increased every year, at a minimum, 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**
The 259 districts with voter-approved referendum authority in excess of \$724 did not receive additional revenue from the new board approved levy authority. Allowing local school boards in those districts to extend the full amount of their remaining referendum authority on a year-to-year basis, for up to a five year period, subject to a petition for a reverse referendum, is a natural extension of the new board approved levy authority of up to \$724 per pupil provided by the legislature.
- **Provide funding to implement staff evaluation systems**
New teacher evaluation requirements require additional staff time, training, and resources, yet only minimal funding has been provided. As a result, districts have had to divert resources from other programs to fund the new evaluation requirements. The implementation of the new evaluation models need to be fully funded.
- **Fully fund College in Schools Program**
Initially, the College in Schools Program was appropriately funded, but it is now woefully underfunded. The 2014 Legislature increased the appropriation for this program for FY15, which still falls short by 45%. When the program reverts back to the \$2,000,000 appropriation in FY16, it will be underfunded by nearly 75%. The highly successful College in Schools program should be fully funded.

Support Local Control and Reduce Unfunded Mandates

Despite the best of intentions, new legislation often results in more administrative requirements that consume and divert district resources away from student learning. MASBO requests state leaders either fund mandates or increase districts' flexibility to make decisions locally based on local needs, and to continue to assess mandates and implement efficiencies for our schools. 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 for adequate funding to support MDE technology infrastructure.
- **Publishing Requirements (M.S.123B.10)**
Allow school districts more flexibility to publish minutes and budget information on their websites with a simple notice in the newspaper stating the web address where the information can be found. This can reduce expenses for all districts 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. This requirement has been waived for 2012 and 2013, and districts should be permanently given discretion as to the amount expended in the area of staff development. **Repeal.**
- **Clarification of Food Service Contracts for School Districts**
MASBO recommends that Minnesota districts be allowed to follow the USDA guideline for a four-year total contract option, and also not be required to go out to bid in the same year. This will allow for more competitive bidding, and lower bid costs for districts.
- **Electronic Transfer Statute Clarification**
Clarification regarding this statute is needed to provide realistic and practical guidelines to districts regarding use of electronic transactions.

Facility Funding

The 2013 Legislature directed the Commissioner of Education to convene a working group to develop recommendations for reforming facilities financing to create adequate, equitable, and sustainable financing of public school facilities throughout the state. The 2014 Legislature implemented a few of the recommendations, and MASBO recognizes and supports the implementation of the remaining recommendations of the School Facility Financing Working Group.

Health Insurance Transparency Act

Last session, the Health Insurance Transparency Act (HITA) was passed, regulating how school districts solicit bids for health insurance. HITA added much administrative expense and burden to the health insurance renewal processes of many districts, and MASBO proposes the following changes to the current HITA law:

- Districts that are fully insured or self-insured through a service cooperative are required to go out to bid every two years. All districts enrolled in the Public Employees Insurance Program (PEIP) program should also be required to go out for bid every two years.
- Under current Minnesota law, exclusive representatives of the largest bargaining unit (in most cases the teachers' union) can request a proposal from PEIP and leave their current provider regardless of increased cost, or decreased coverage. This ability should be rescinded, and the authority for these decisions should be returned to school boards.
- Districts should not be required to obtain a quote from PEIP, but if they do request one, PEIP should be required to provide this quote, regardless if the district is fully insured or self-insured through a service cooperative.
- Under current HITA law, fully-insured districts and self-insured districts (through a service cooperative program) are required to go out for bids every two years, increasing both administrative costs to districts and insurance premiums. The two-year bid requirement should be eliminated and districts allowed to go out for bid at least every four years if with a service cooperative, or five years if fully insured.