



School Service Contract Bill

HF 2272 (Davnies, Nelson, Morgan, Masin); SF 1723 (Carlson, Clausen)

Representative Jim Davnie will introduce the following amendment to the House Education Finance bill:

“Sec. 3. CONTRACTS; BEST VALUE COMPARISON.

Before contracting out for services for contracts over \$25,000, school districts must conduct a best value comparison that will account for livable wages, comparable benefits, staff attrition, safety record, and fees associated with contracting out. After doing so, school districts must still demonstrate a savings of at least 5%.”

The Minnesota Association School Business Officials (MASBO) opposes this legislation for the following reasons:

- The amendment as proposed is vague and may open a Pandora’s box of issues. If we are to implement this as stated, a district would not be able to change legal services, printing services or other professional services if there isn’t a savings of at least 5%. This could cause the District to pay more for services than the market conditions require.
- The amendment as proposed would limit local control. Each district needs to be able to maintain control of how to best use its financial resources in order to meet the needs of students. A district should not, and cannot, be held to having to continue operating with systems and costs that have an inappropriate strain on budgets.
- The amendment will also limit local control over the use of human resources and where and how to spend administrative energy and time. A benefit of contracting some services is that administrative, and other staff, can spend more time on issues directly influencing education and learning.
- This amendment as proposed could impact many local businesses that currently provide service to the districts. The amendment calls into question any public and private partnerships on providing valuable services.
- The 5% saving amount seems arbitrary. To require a District to spend an extra 5% on services in these times of limited revenue increases is not necessarily a best business practice.

Mission Statement

MASBO is committed to advancing the knowledge and abilities of school business professionals and providing a voice and forum for the profession.

About Us: The Minnesota Association of School Business Officials (MASBO) was founded in 1950. The membership consists of more than 600 school district personnel representing Minnesota school districts who serve in areas of business administration, superintendancy, accounting, buildings and grounds, transportation, food service, personnel/payroll/benefits, and purchasing. MASBO is an affiliate of the Association of School Business Officials, International.
