

Item 6.2.2 Board Policy Review – Section 100 and Others

[Board Goal Reference: none]

BACKGROUND INFORMATION: The Directors' subcommittee for policy review and development has completed Section 100 with the adoption of revised *Code 102 Equal Education Opportunity*.

All referenced policies below can be found on the district's website at the following link:

<http://www.redoakschooldistrict.com/vnews/display.v/SEC/School%20Board%20Information%3E%3EBoard%20Policy%20Manual>

The other policies in this section have been reviewed and remain unchanged.

Policies in this section will need:

Code No. 100 – Reviewed May 23, 2011

Code No. 101 - Reviewed May 23, 2011

Code No. 102 R1 – Compliance Officer is Terry Schmidt, Superintendent,
Reviewed and Revised May 23, 2011

Code No. 102E4 - Reviewed May 23, 2011

Code No. 103 – Reviewed May 23, 2011

Code No. 104 – Reviewed May 23, 2011

SUGGESTED BOARD ACTION: It is recommended the Directors take action to have officially completed a review of Section 100 of the Red Oak Board Policy Manual.

Item 6.2.3 School Business Manager's Report – Shirley Maxwell

BACKGROUND INFORMATION: Shirley Maxwell will bring you up-to-date on the end of the month financial report. Directors are encouraged to seek clarifications as needed. Enclosed are documents for her report.

District Auditor's Report – CPA Bruce Frink will join the Directors on June 13 via teleconference to review this past year's audit report.

With several changes underway in the management of capital assets in the school district, the current policy can be found at this link: (http://www.redoakschooldistrict.com/pages/uploaded_files/Board%20Policy%20Section%20800.pdf) needs to be updated.

Enclosed is the tentative language Shirley would like to discuss with you this evening. Normally this would go before the Board Policy Subcommittee (Dilley/Hayes) but quicker action is needed before the start of the new fiscal year. In order to save copying and scanning, the old policy was not copied here.

SUGGESTED BOARD ACTION: (to be provided)

[Suggested Capital Assets Policy for Implementation As Soon As Possible]

Code No. 802.4

Page 1 of 2

CAPITAL ASSETS

The school district will establish and maintain a capital assets management system for reporting capitalized assets owned or under the jurisdiction of the school district in its financial reports in accordance with generally accepted accounting principles (GAAP) as required or modified by law; to improve the school district's oversight of capital assets by assigning and recording them to specific facilities and programs and to provide for proof of loss of capital assets for insurance purposes.

Capital assets, including tangible and intangible assets, are reported in the government-wide financial statements (i.e. governmental activities and business type activities) and the proprietary fund financial statements. Capital assets reported include school district buildings and sites, construction in progress, improvements other than buildings and sites, land and machinery and equipment. Capital assets reported in the financial reports will include individual capital assets with an historical cost equal to or greater than \$500. The Federal regulations governing school lunch programs require capital assets attributable to the school lunch program with a historical cost of equal to or greater than \$500 be capitalized. Additionally, capital assets are depreciated over the useful life of each capital asset.

All intangible assets with a purchase price equal to or greater than \$150,000 with useful life of two or more years, are included in the intangible asset inventory for capitalization purposes. Such assets are recorded at actual historical cost and amortized over the designated useful lifetime applying a straight-line method of depreciation. If there are no legal, contractual, regulatory, technological or other factors that limit the useful life of the asset, then the intangible asset needs to be considered to have an indefinite useful life and no amortization should be recorded.

Phase III districts, as determined under GASB 34, will not retroactively report intangible assets. If actual historical cost cannot be determined for intangible assets due to lack of sufficient records, estimated historical cost will be used.

This policy applies to all intangible assets. If an intangible asset that meets the threshold criteria is fully amortized, the asset must be reported at the historical cost and the applicable accumulated amortization must also be reported. It is not appropriate to "net" the capital asset and amortization to avoid reporting. For internally generated intangible assets, outlays incurred by the government's personnel, or by a third-party contractor on behalf of the government, and for development of internally generated intangible assets should be capitalized.

The capital assets management system must be updated monthly to account for the addition/acquisition, disposal, relocation/transfer of capital assets. It is the responsibility of the superintendent to count and reconcile the capital assets with capital assets management system on June 30 each year.

It is the responsibility of the superintendent to develop administrative regulations implementing this policy. It will also be the responsibility of the superintendent to educate employees about this policy and its supporting administrative regulations.

Approved _____

Reviewed _____

Revised _____

CAPITAL ASSETS

An intangible asset should be recognized in the statement of net assets only if it is identifiable which means the asset is either separable or, arose from contractual or other legal rights, regardless of whether those rights are transferable or separable. The intangible asset must also possess all of the following characteristics/criteria:

- *lack of physical substance;*
- *be of a nonfinancial nature (not in monetary form like cash or investment securities); and,*
- *the initial useful life extending beyond a single reporting period.*

Examples of intangible assets include easements, land use rights, patents, trademarks and copyrights. In addition, intangible assets include computer software purchased, licensed or internally generated, including websites, as well as outlays associated with an internally generated modification of computer software.

Intangible assets can be purchased or licensed, acquired through nonexchange transactions or internally generated. Intangible assets exclude assets acquired or created primarily for purposes of directly obtaining income, assets from capital lease transactions reported by lessees, and goodwill created through the combination of a government and another entity.

A school district could, and many do, use bar code identification tags to control capital assets, such as VCRs, technology equipment, etc., even though these capital assets have a cost below the capitalization threshold. In tracking these capital assets only the information necessary to control the location and use of them needs to be maintained. Some school districts video-tape each classroom/office annually to save time and effort tracking capital assets below the capitalization threshold. The video tape is also helpful for insurance claims. Whether a school district chooses to track capital assets with a cost below the capitalization threshold or not, capital assets with a cost below the capitalization threshold should not be included in the capital assets listing for reporting purposes.

This policy provides for valuing capital assets at historical cost as required by GAAP. This policy bases the capitalization threshold on the historical/acquisition cost of the individual asset. The school district can choose to use the historical cost of all the items included in a purchase order as the basis for determining whether to capitalize the capital asset. The cost of improvements may be added to the historical cost of a capital asset. Deciding whether to add the costs of an improvement to a capital asset's historical cost is a judgment call which should be made after consulting with the school auditor.

Legal Reference: Iowa Code §§ 257.31(4); 279.8; 297.22-.25; 298A (2009).

Cross Reference: 709 Insurance Program
701.3 Financial Records

CAPITAL ASSETS REGULATION

A. Capital Assets Management System

The superintendent, and/or other designated staff, shall:

- 1) Conduct the fixed assets physical count;
- 2) Develop the fixed assets listing;
- 3) Tag fixed assets included in the fixed assets management system with a bar code identification number;
- 4) Make a recommendation of a computer software program for managing the fixed assets management system;
- 5) Enter the necessary data into the fixed capital assets management system and compile the appropriate reports;
- 6) Develop forms and procedures for maintaining the integrity of the fixed capital assets management system; and,
- 7) Maintain responsibility for an accurate fixed capital assets management system.

B. Determining historical cost

1. The historical cost of a capital asset is based on the actual costs expended in making the capital assets serviceable.
2. Gifts of capital assets are valued at the estimated fair market value at the addition/acquisition date.
3. Fixed assets purchased under a capital lease are valued at historical cost of their net present value of the minimum lease payments on the addition/acquisition date.
4. The historical cost of capital assets must include capitalized interest.

C. Annual capital assets listing reconciliation

1. The superintendent, and/or other designated staff, in conjunction with the capital assets management team, will conduct an annual capital assets physical count to develop the annual capital assets listing in a manner similar to the initial capital assets listing process in B above. At least every three years, someone other than the person in custody of the capital assets in the building/department/room will perform the capital assets physical count for the building/department/room.
2. Upon completion of the annual capital assets listing, the capital assets listing is reconciled to the capital assets management system data base.
3. Capital assets found to have been excluded from the data base are added to the capital assets management system. The capital assets management system process should be reviewed to prevent future incidents of excluding a capital asset.
4. Capital assets unaccounted for are reported to the superintendent who contacts the supervisor of and the individual in charge/control/custody of the capital asset. The individual in charge/control/custody of the capital asset has thirty days to account for the capital asset.

CAPITAL ASSETS REGULATION

5. Capital assets unaccounted for after thirty days are reported to the superintendent for appropriate action and documentation. "Appropriate action" may include discipline, up to and including discharge, and may require the employee/person in charge/control/custody of the capital asset to replace the asset.
6. The superintendent is responsible for documenting the reasons each asset was not reconciled to the capital assets management system.

D. Addition/acquisition of capital assets.

1. The school district's purchasing policy and administrative regulations must be followed when acquiring capital assets. The school district's policy and administrative regulations must be followed for receiving a gift of capital assets.
2. The capital assets addition/acquisition documentation must be completed for each additional capital assets with an addition/acquisition cost of equal to or greater than \$500. The following information should be collected, if applicable:
 - a. Name of location-building/department/room;
 - b. Location-building/department/room code;
 - c. Balance sheet accounting/class code;
 - d. Government or BTA program;
 - e. Addition/acquisition date;
 - f. Check/purchase order number or gift;
 - g. Bar code identification number assigned to and placed on the capital asset;
 - h. Serial/model number;
 - i. Cost-historical;
 - j. Fair market value on acquisition date (donated assets only);
 - k. Estimated useful life;
 - l. Vendor;
 - m. Purchasing fund and function;
 - n. Description of capital asset;
 - o. Department/person charged with custody,
 - p. Method of addition/acquisition-purchase, trade, gift etc.,
 - q. Quantity;
 - r. Replacement cost;
 - s. Addition/acquisition authorization; and,
 - t. Function for depreciation.
3. Capital assets acquired in a month must be entered into the capital assets management system in the same month.
4. The actual costs of construction in progress, other than infrastructure, is entered into the capital assets management system in the month in which costs are incurred until the total cost of addition/acquisition is entered. Upon completion of construction, the total costs accumulated over the period of construction are reclassified to buildings.

CAPITAL ASSETS REGULATION

5. Capital assets acquired in a month must be entered into the capital assets management system in the same month.
- E. Relocation/transfer of machinery and equipment capital assets.
1. A capital assets relocation/transfer documentation must be completed prior to removing machinery and equipment capital assets from their current location. The following information must be collected:
 - a. Relocation/transfer date;
 - b. Quantity;
 - c. Bar code identification number;
 - d. Current location-building/department/room code;
 - e. Name of current location-building/department/room;
 - f. New location-building/department/room code;
 - g. Name of new location-building/department/room;
 - h. Date placed at new location-building/department/room;
 - i. Department/person charged with custody; and
 - j. Relocation/transfer authorization.
 2. Capital assets relocated/transferred in a month must be entered into the capital assets management system in the same month.
- F. Disposal of capital assets
1. A Capital Assets disposal documentation must be completed prior to disposing of real property. The following information must be collected:
 - a. Disposal date;
 - b. Quantity;
 - c. Bar code tag identification number;
 - d. Legal description,
 - e. Location/Address;
 - f. Purchaser;
 - g. Disposal methods for real property trade, sale, stolen, etc.; and,
 - h. Disposal authorization.
 2. Capital assets disposed of in a month must be entered into the capital assets management system in the same month.
 3. When assets are sold or disposed of, it is necessary to calculate and report a gain or loss in the statement of activities. The gain/loss is calculated by subtracting the net book value (historical cost less any accumulated amortization) from the net amount realized on the sale or disposal.
- G. Lost, damaged or stolen capital assets.
1. A Lost, Damaged or Stolen Capital Assets Report must be completed when a capital asset has been lost, damaged or stolen. The following information must be collected:

CAPITAL ASSETS REGULATION

- a. Date of loss, damage or theft;
 - b. Employee/person discovering;
 - c. Quantity;
 - d. Description of capital asset;
 - e. Bar code tag identification number;
 - f. Location-building/department/room;
 - g. Description of loss, damage, etc.;
 - h. Filing of police report-yes or no;
 - i. Filing of insurance report-yes or no;
 - j. Sent for repair-yes or no;
 - k. Date returned from repair;
 - l. Date returned to location-building/department/room;
 - m. Department/person charged with custody; and,
 - n. Authorization.
2. Capital assets damaged, lost or stolen in a month must be entered into the capital assets management system in the same month.

H. Capital assets reports

1. Annual reports for June 30 each year.
 - a. Capital assets listing including the following items:
 - 1) Balance sheet accounting/class code;
 - 2) Purchasing fund, function and depreciation function;
 - 3) Bar code tag identification number;
 - 4) Description of the capital asset;
 - 5) Historical cost or other;
 - 6) Location;
 - 7) Current year depreciation/expense; and,
 - 8) Accumulated depreciation/amortization.
 - b. Capital assets listing by location/building;
 - c. Capital assets listing by department/employee/person charged with custody; and,
 - d. Capital assets listing by replacement cost.

CAPITAL ASSETS REGULATION

This sample administrative regulation provides for valuing capital assets at historical cost as required by GAAP. This administrative regulation also requires the school district to maintain the replacement value of capital assets. Should the school district decide not to maintain replacement values for its capital assets, the requirement should be deleted from the administrative regulation.

Some school districts in completing their initial capital assets listing consider a room a unit. For example, 25 student desks, one teacher's desk, one teacher's chair, wastebasket, two storage/file cabinets and so forth could be considered a room unit with a value of \$35,000. The unit is included as one item on the capital assets listing.

This may be a difficult element of a capital assets management system. Capital assets have a tendency to be moved around and the employees moving them generally do not remember to complete the paperwork or even to inform the superintendent. A quality annual reconciliation process must be done to ensure a valid fixed assets listing. Some school districts require a designated person at each building to complete the paperwork upon the disposal of a capital asset. School districts with a local area network can save paperwork by allowing each building to enter the information regarding disposal of capital assets as long as the appropriate checks and balances exist to verify the information.

The school auditor may, at a minimum, require a capital assets listing with the historical or other cost basis and balance sheet accounting/class code for each capital asset in the capital assets listing. It is important for the school district to consult with the district's auditor prior to determining the school district's requirements for this annual report. The other items listed above are optional unless recommended by the school auditor to meet the school district's needs.

The capital assets listing total dollar amount must equal the amount entered on the school district's Certified Annual Report (CAR). This amount is calculated as follows:

Capital assets listing prior year by balance sheet accounting/class code
+ Additions/Acquisitions by balance sheet accounting/class code
- Disposal by balance sheet accounting/class code
= Capital assets listing current year by balance sheet accounting/class code

The last three reports may be used by school districts for many different purposes. For example, the "capital assets listing by location/building" and "capital assets listing by department/employee/person charged with custody" are used by school districts for the annual capital assets listing reconciliation to compare the actual capital assets in a building or department/room with the information in the capital assets management system.

CAPITAL ASSETS MANAGEMENT SYSTEM DEFINITIONS

Back trending/standard costing - an estimate of the historical original cost using a known average installed cost for like units as of the estimated addition/ acquisition date. This cost is only applied to the capital assets initially counted upon implementation of the capital assets management system when the historical original cost cannot be determined. It is inappropriate to apply the back trending/standard costing method to any capital assets acquired after the assets management system implementation date.

Balance sheet accounting/class codes - the codes set out for assets in the Iowa Department of Education Uniform Accounting Manual. They are: 200-capital assets; 211- land and land improvements; 221-site improvements; 222-accumulated depreciation on site improvements; 231-buildings and building improvements; 232-accumulated depreciation on buildings and building improvements; 241-machinery and equipment; 242-accumulated depreciation on machinery and equipment, 251-works of art and historical treasures; 252-accumulated depreciation on works of art and historical treasures, 261-infrastructure, 262-accumulated depreciation on infrastructure, and 271-construction in progress.

Book value - the value of capital assets on the records of the school district, which can be the cost or, the cost less the appropriate allowances, such as depreciation.

Buildings and building improvements - a capital assets account reflecting the addition/acquisition cost of permanent structures owned or held by a government and the improvements thereon.

Business-type activities – one of two classes of activities reported in the government-wide financial statements. Business-type activities are financed in the whole or in part by fees charged to external parties for goods or services. These activities are usually reported in enterprise funds.

Capital expenditures/expenses - expenditures/expenses resulting in the addition/acquisition of or addition/acquisition to the school district's capital assets.

Capital assets - Capital assets with a value of equal to or greater than (*\$ capitalization threshold*) based on the historical cost include: long-lived assets obtained or controlled as a result of past transactions, events or circumstances. Capital assets include buildings, construction in progress, improvements other than facilities, land, machinery and equipment, and intangible assets.

Capitalization policy - the criteria used by the school district to determine which capital assets will be reported as capital assets on the school district's financial statements and records

Capitalization threshold - The dollar value at which a government elects to capitalize tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Capitalized interest - interest accrued and reported as part of the cost of the capital assets during the construction phase of a capital project. The construction phase extends from the initiation of pre-construction activities until the time the asset is placed in service.

Construction in progress - buildings in the process of being constructed other than infrastructure.

Cost - the amount of money or other consideration exchanged for goods or services.

CAPITAL ASSETS DEFINITIONS

Depreciation/Amortization - expiration in the service life of capital assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence. In accounting for depreciation/amortization, the cost of a capital asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost.

Fixtures - attachments to buildings that are not intended to be removed and cannot be removed without damage to the buildings. Those fixtures with a useful life presumed to be as long as that of the building itself are considered a part of the building. Other fixtures are classified as machinery and equipment.

General capital assets - capital assets that are not capital assets of any fund, but of the governmental unit as a whole. Most often these capital assets arise from the expenditure of the financial resources of governmental funds.

General capital assets account group (GFAAG) - a self-balancing group of accounts established to account for capital assets of the school district, not accounted for through specific proprietary funds.

Government activities - activities generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in governmental funds and internal service funds.

Government-wide financial statements - Financial statements that incorporate all of a government's governmental and business-type activities, as well as its nonfiduciary component units. There are two basic government-wide financial statements the statement of net assets and the statement of activities. Both basic government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

Historical (acquisition) cost - the actual costs expended to place a capital asset into service. For land and buildings, costs such as legal fees, recording fees, surveying fees, architect fees and similar fees are included in the historical cost. For machinery and equipment, costs such as freight and installation fees and similar fees are included in the historical cost.

Improvements - In addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase the efficiency or capacity. The cost of the addition or change is added to the book value of the asset.

Improvements other than buildings - attachments or annexation to land that are intended to remain so attached or annexed, such as sidewalks, trees, drives, tunnels, drains and sewers. Sidewalks, curbing, sewers and highways are sometimes referred to as "betterments," but the term "improvements" is preferred.

Infrastructure - long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include; roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

Investment in general capital assets - an account in the GFAAG representing the school district's investment in general capital assets. The balance in this account generally is subdivided according to the source of the monies that finance the capital assets addition/acquisition, such as general fund revenues and special assessments.

CAPITAL ASSETS DEFINITIONS

Land and buildings - real property owned by the school district.

Machinery and equipment - capital assets which maintain their identity when removed from their location and are not changed materially or consumed immediately (e.g., within one year) by use. Machinery and equipment are often divided into specific categories such as: transportation machinery and equipment which includes school buses and school district owned automobiles, trucks and vans; other motor machinery and equipment which includes lawn maintenance machinery and equipment, tractors, motorized carts, maintenance machinery and equipment, etc.; other machinery and equipment which includes furniture and machinery and equipment contained in the buildings whose original cost is equal to or greater than (*\$ capitalization threshold*), and capital assets under capital leases and capital assets being acquired under a lease/purchase agreement.

Proprietary funds – Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Replacement cost - the amount of cash or other consideration required today to obtain the same capital assets or its equivalent.

Item 6.2.4 Maintenance & Operations Department Update and Recommendations
– Pete Wemhoff

BACKGROUND INFORMATION: The Directors' Subcommittee for Facilities and Operations (Fellers/Griffen) has reviewed equipment and service needs from Maintenance Director Pete Wemhoff.

Shown below are two simple requests that need Board approval this evening. Each of the requests has been reviewed by the subcommittee. Pete may be available to answer questions from you.

To: Terry Schmidt
From: Pete Wemhoff
Re: Equipment

The purchase of the edge surface preparation machine will be of many benefits to our district.

In the spring of 2011 I had a demonstration of this machine at the high school. The representative prepared a 10x10 area in less than 45 minutes. This time also included the first coat of wax. Normally this area would take approximately two hours using our current method. Other benefits of this machine include:

- Reduction in water usage
- Chemical- free stripping
- Dry screen our gym floors
- Eliminates slip & fall accidents

The cost of the machine is \$3010 per machine. I would like to recommend the purchase of 2 machines from Capital Sanitation that can be shared within the district.

To: Terry Schmidt
From: Pete Wemhoff
Re: Service Agreement

Early in 2011 I began looking into service agreements on our commercial chillers, roof top condensing units, air handling units, and boilers. We will have the upfront cost of the service contract; however, I believe it will reduce our overall repair bills on the above units thus reducing the overall cost to our district for repairs. In addition, having all of the units checked and tuned- up in the spring and fall will help increase our efficiencies and reduce our energy consumption.

I reviewed contracts from the following services providers:

- Camblin Mechanical: \$9,075 for a 1 year agreement

Item 6.2.4 – continued

- Plibrico: \$8,200 for a 2 year agreement. (The only piece of equipment not included in the quote is the chiller at the HS. The representative from Plibrico felt this unit needed to be serviced by Carrier).
- Mechanical Sales : \$8,494 for a 1 year agreement
- Trane \$12,280: for a 1 year agreement

My recommendation is to sign a service agreement with Plibrico.

Note from Terry re: funding sources –

*The equipment will be purchased from the PPEL equipment line item.
The service contract does not qualify for the 'equipment insurance' provision under the management fund levy thus it will be assigned to the general fund.*

SUGGESTED BOARD ACTION: It is recommended the Directors approve equipment purchases for the Maintenance & Operations Department in the amount of \$6,020 and it is recommended the Directors approve a two year service contract with the Plibrico Company.

Item 6.2.5 Transportation Department Update and Recommendations

- Carlos Guerra

BACKGROUND INFORMATION: The Directors' Subcommittee for Facilities and Operations (Fellers/Griffen) has reviewed a plan to update auxiliary vehicles in the school district. Whereas a total "makeover" cannot happen like it did with buses last year, there are several sources of funding that can be used for various purposes: i.e. a replacement vehicle in the food service department fund; a replacement vehicle or two in the special education program; and a replacement vehicle funded through the PPEL Fund.

Due to a very tight bidding/purchasing program through the State of Iowa Vehicle Bid Process, the Directors need to affirm the acquisition of a new suburban auxiliary vehicle. Please see the note below from Transportation Director Carlos Guerra.

From: Carlos Guerra [mailto:guerrac@roschools.com]
Sent: Thursday, May 19, 2011 2:19 PM
To: lee.e.fellers@jci.com; pgriffen@oldmainbrewing.com
Subject: Vehicles

I received an email from the dealer who has the State bids for the Suburban. She sent me the bid of 31,742.94 for a 9 passenger suburban.....but the deadline for ordering is Thursday May 26th.

Paul I know there is an Auction in Des Moines On June 4th would you like us to attend? Just to recap what we talked about in our last meeting I want to make sure we are on the same page.

Suburban 9 passenger Transportation Dept.
Car 4-5 passenger Transportation Dept.
Mini Van – Special Needs Account
Full size Van – 9 passenger Lunch Account This van will be used in the Food Service for a few years before it comes to me.

SUGGESTED BOARD ACTION: It is recommended the Board of Directors authorize the purchase of a Suburban 9 passenger vehicle purchased from the State of Iowa Authorized Vehicle Bid List not later than May 26th contingent on a Red Oak New Car Dealer providing a price quote less than or equal to the State of Iowa Vehicle Bid List.

Item 6.2.6 Employee Handbook Review and Update – Terry Schmidt

BACKGROUND INFORMATION: Several weeks ago Terry distributed the Employee Manual Draft for 2011 – 2012 for a review by the Directors. Time does not exist this evening to review each section of the manual. Directors are asked to begin the 'read through' process and begin to raise any questions or concerns.

The manual has not been sent for a legal review. It has been examined by the Equity Compliance Team during the accreditation process.

Changes will be needed in the following areas:

- *PD4 No evidence exists that all employees are prepared to work with diverse learners and to implement multicultural, gender fair approaches to the educational program. 281—IAC 12.7(1)(a) Multicultural, gender fair is not addressed. Formal attendance center plans do not exist.*
- *EQD1 The district does not have a policy on non-discrimination in employment on the basis of race, color, national origin, gender, disability, religion, creed, marital status, sexual orientation, and gender identity (EQD1). Title IX 34CFR 106.9 Section 5 Policy lacks gender identity and sexual orientation. Updated in 2005 which is over the required 5 years. (the second reading had not been completed)*
- *EQD3 The district does not have a nondiscrimination notification in major written publications: Parent, student, employee handbooks, Registration handbook, Coaches handbooks, Brochures about the district, Web site, and School newsletters Section 504 34 CFR 104.8 Title IX 34 CFR 106.9, OCR Guidelines IV.O and V.C.*
- *EQD4 The district does not have a plan that addresses equal employment opportunity and affirmative action in employment. Iowa Code 19B.11, 281—IAC Chapter 95*

Other:

- The Webster Office Group has not met to review all operational procedures.
- The language addressing Employee Conduct and Appearance has been given to the district's two bargaining units for review and comment.

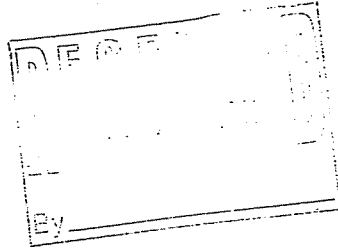
SUGGESTED BOARD ACTION: The employee manual should be on the board of directors' meeting agenda each meeting date until approved.

Item 6.2.7 Southwestern Community College Lease Agreement – Terry Schmidt

BACKGROUND INFORMATION: A ten year agreement with SWCC to use the Tech Center will expire on June 30, 2011. Enclosed is a letter received from Tom Lesan, Vice President of Economic Development.

Terry has been in contact with Tom and will have a draft for a new lease agreement ready for the Directors to review on June 13.

SUGGESTED BOARD ACTION: None tonight.



February 21, 2011

Red Oak Board of Directors
Red Oak Superintendent
904 Broad Street
Red Oak, IA 51566

To Whom It May Concern:

Please let this letter serve as Southwestern Community College's notice of intent to continue our lease, which expires on June 30, 2011, with the Red Oak Community School District for the Red Oak Technology Center. Please contact me (641-782-1443) at your convenience so that we can schedule a time to meet and discuss the lease.

Sincerely,

Tom Lesan
Vice President of Economic Development

SWCC invested \$364,424.00. $\frac{6}{9} = 40,491.56$

Blair
6/15

Item 6.2.8 Department of Education Accreditation Visit and Education Equity
Review Process – Update from Terry Schmidt

BACKGROUND INFORMATION: The week of May 9 to 13 brought to a close the initial **Five Year Accreditation Review** and the first ever **Education Equity Review Process** (often referred to as a Civil Rights Compliance).

Terry has only received a partial, tentative report of findings. Site Visit Chairwoman Janet Boyd has been gracious enough to allow further documents to be submitted for review prior to the official report submitted. It is anticipated the final report for accreditation will be available in four to six weeks. The tentative report does reflect several equity issues that can be attacked in the next few weeks through in-house document formation.

The much awaited full equity review process findings will be available also in four to six weeks. This will include the inspection for the Americans with Disabilities Act.

Some of the areas of non-compliance sited are shown here. Many have been corrected at this writing since correct document placement was needed. Terry will provide a brief comment. After the full reports are received a corrective plan of action will be formulated for Director approval. Look for this sometime in late June or early July.

Corrective Action Planning:

VED8 No evidence exists that the district has made an effort to seek committee representation from required groups (representation of CTE service areas) to assist in vocational (CTE) education and planning and evaluation. 281-IAC 12.5(5)(i)

VED9 No evidence exists that the district has made an effort to seek committee representation from the community it represents (e.g., by gender/ race/ ethnicity) to assist in vocational (CTE) education and planning and evaluation. 281-IAC 12.5(5)(i)

AR1 The district's identification procedures are not designed to potentially identify at-risk students throughout the school age population. 281—IAC 12.5(13)

AR3 The district has no ongoing educational strategies to meet the needs of at-risk students. 281—IAC 12.5(13)

Item 6.2.8 – continued

SIAC1 No evidence exists that the School Improvement Advisory Committee is board appointed. 281—IAC 12.8(1)(a)(2)

SIAC6 No evidence exists that the district, to the extent possible, has made an effort to seek balanced representation of race, gender, national origin, and disability for the school improvement advisory committee. 281-IAC 12.2

SIAC4 The School Improvement Advisory Committee does not make annual recommendations to the board with regard to progress toward annual improvement goals, progress toward local indicators, and annual improvement goals for the next school year.
281—IAC 12.8(1)(a)(3)

HSPELA2 The English-language arts program for grades 9-12 does not contain six units. 281—IAC 12.5(5)(a)
Concurrent enrollment does not meet this requirement. Your current reading course does not meet this requirement.

HSPM2 The mathematics program for grades 9-12 does not contain four sequential units that are preparatory to post-secondary education programs. 281—IAC 12.5(5)c
Math course to be added for the 2011 – 2012 school year should rectify this. Please provide proof via a copy of the master schedule.

PM3 The school or school district cannot demonstrate that the board has reviewed its policies on at least a five-year cycle. 281—IAC 12.3(2)
Many policies are not updated within the last 5 years and not being followed.

EPRO1 The elementary program, grades 1-6, does not include each curricular area. 281—IAC 12.5(3) – health

JHP1 The junior high program, grades 7-8, does not include each curricular area. 281—IAC 12.5(4) Career ed

SPEDAIM1. The district has no evidence it has worked with publishers to address Accessible Instructional Materials requirements. 281-IAC12.5(9) and 281-41.210(256B,34CFR300) ROCC will do this

PD4 No evidence exists that all employees are prepared to work with diverse learners and to implement multicultural, gender fair approaches to the educational program. 281—IAC 12.7(1)(a) Multicultural, gender fair is not addressed.
Formal attendance center plans do not exist.

Item 6.2.8 – continued

ACPD1 Professional development plans are not in place for each district attendance center. 281—IAC 12.7(1)(b)

PE1 Personnel files show no evidence of physical exams before or within six weeks of the beginning of service. 281-IAC 12.4(14) (random audit found three (3)

EV3 The school district does not implement its evaluation procedures for all teachers. 281—IAC 12.3(3) and Iowa Code 279.14 (not all evaluations had been filed)

PE8 The school district does not implement its evaluation procedures for all administrators. 281—IAC 12.3(3) and Iowa Code 279. 23A (not all evaluations had been filed)

EQ3 No evidence exists for the annual review of district, attendance center, and course enrollment data. 281—IAC 12.1(1)

EQD1 The district does not have a policy on non-discrimination in employment on the basis of race, color, national origin, gender, disability, religion, creed, marital status, sexual orientation, and gender identity (EQD1). Title IX 34CFR 106.9 Section 5 Policy lacks gender identity and sexual orientation. Updated in 2005 which is over the required 5 years. (the second reading had not been completed)

EQ5 No evidence exists to indicate the school or school district provides equal opportunity to participate in programs by gender, sexual orientation, gender identity, marital status, socioeconomic status, disability, race, national origin, color, religion, and creed. 281—IAC 12.1(1) Policy 500 lacks gender identity, socioeconomic, and creed.

HCY2. There was no evidence that postings regarding the education of homeless children and youth have been placed in the community 281—IAC 33.3

HCY4. Evidence that the district-adopted definition of homeless is communicated in staff, parent, and student does not exist. 281—IAC 33.3

EQD2 The district does not have a non-discrimination notification statement: annual notification in newspaper or newsletter that goes to all community folks Section 504 34 CFR 104.8, Title IX 34 CFR 106.9, OCR Guidelines IV.O and V.C.

EQD3 The district does not have a nondiscrimination notification in major written publications:

Item 6.2.8 – continued

Parent, student, employee handbooks, Registration handbook, Coaches handbooks, Brochures about the district, Web site, and School newsletters Section 504 34 CFR 104.8 Title IX 34 CFR 106.9, OCR Guidelines IV.O and V.C.

EQD4 The district does not have a plan that addresses equal employment opportunity and affirmative action in employment. Iowa Code 19B.11, 281—IAC Chapter 95

T4A1 A crisis management plan and security procedures for the time when students are at school and on their way to and from school do not exist. Title IV-A, NCLBA Sec. 4114(d)(7)(B) and Title IV-A, NCLBA Sec. 4114(d)(7)(D)

SUGGESTED BOARD ACTION: (no action required this evening)

Item 6.2.9 Closed Session per Section 21.5(1) I of the Iowa Code

BACKGROUND INFORMATION: Terry Schmidt requests the Board enter into a closed session in order to consider the candidacy, performance reviews, and contract issues effecting district personnel. It is estimated 40 to 50 minutes are needed for this session.

The following motion could be made:

“I move to enter a closed session at _____ p.m. per section 21.5(1)i [To evaluate the professional competency of an individual whose appointment, hiring, performance or discharge is being considered when necessary to prevent needless and irreparable injury to that individual’s reputation and that individual requests a closed session.]”

SUGGESTED BOARD ACTION: (see above)

Item 6.2.10 Personnel Considerations: Resignations, Employment, Transfers,
Contract Adjustments

BACKGROUND INFORMATION: Following the closed session, Terry Schmidt will have several recommendations to make regarding district personnel.

SUGGESTED BOARD ACTION: (to be provided)

Item 7.0 Reports

Each board meeting may have one or more reports from district staff; announcements of future meetings; or general announcements from organizations. Seldom will the information require formal board of director action. If formal action is needed on any item, a recommendation will be provided.

7.1 Administrative Reports

Red Oak CSD has agreed to host a very important conference for emerging technologies. The Virtual Reality Education Program, sponsored by Green Hills AEA, will take place either at Red Oak High or Inman Primary on June 21 and 22. As the time nears, Red Oak Directors will be reminded for those who may want to stop by and see “tomorrow” in action. There could be as many as 10 to 15 school teams involved. A school team is a teacher (facilitator) with six students. Director of Technology Bob Deter will be the onsite facilitator for this activity.

Purpose: A 2-Day VREP Institute is designed as a larger-scale “Kick-off” event to introduce VREP to a new state or region and to simultaneously train and inaugurate a large number of schools and students to the VREP community.

Key Goals:

1. To promote, market, and create awareness for VREP.
2. To get a larger number of schools and students up-and-running in the purposes, structures, and processes that drive successful VREP implementation.
3. To teach students the basics of the 3D/VR software application, Blender.
4. To help supporting teachers to clearly understand their role in VREP as a transformative educational initiative.

VREP Outcomes:

1. Provide students with self-directed, interest-driven, projectbased, rigorous learning in independent and collaborative environments where they can learn and demonstrate technical skills, content expertise, teamwork, discipline, and 21st century communication and employability skills.
2. Create a consortium of student-designers who develop and share virtual reality learning environments that assist others in their learning of critical standards and competencies.
3. Impact the role and perception of the teacher as “director of learning” to the role of the teacher as “facilitator of learning” through a very different approach to learning environments and approaches.

Item 7.0 – continued

7.2 Future Conferences, Workshops, Seminars

Shown below is an announcement for the upcoming IASB District Meetings. District 7 will be hosted by the Red Oak Board of Directors at the Red Coach Inn on Thursday, June 23 from 6 pm to 8:30 pm. Soon, the Webster Office will need to know if you can attend.

IASB District Meetings June 2011 6- 8:30 p.m.

The agenda is taking shape for the upcoming District Meetings in June. "The IASB Caravan" will be traveling around the state to kick off the organization's 66th year of providing services to Iowa's public school board/superintendent teams. Here's just some of what you can look forward to when we come to your area:

- Dinner!
- "Passing of the Baton": from Ronni Stalker to the new director
- "Meet and Greet": Tom Downs and Galen Howsare, the new executive director and CFO
- "The New Normal": Hear about the key initiatives planned as IASB moves into its new era
- "What's Up on the Hill?": Legislative summary - and how you can become an advocate
- "What's Up with YOU?": Share YOUR needs and legislative priorities - help decide the 2012 issues
- "The Commercial": Be awed by the wide array of services available to you from IASB
- "The Teaser": Hear about the amazing lineup for the IASB Convention and learn how your board can earn an award

Locations by Region: ([Click here](#) to view a district map).

A small registration fee of \$13 is charged to cover meal costs. Please [click here](#) to register.

**District 7: June 23 - Red Oak CSD, Red Coach Inn, 1200
Senate Ave, Hwy 34, Red Oak IA, 51566**

Participants earn 5 Better Boardmanship credits.

7.3 Other Announcements – to be provided