



2.1 regional service cooperative, or a regional management information center to create and  
2.2 implement a plan that maximizes the benefits of shared services.

2.3 Subd. 2. **Savings measurement.** School districts and charter schools that develop  
2.4 a shared services arrangement under subdivision 1 are encouraged to work with their  
2.5 employees and a shared services consultant to develop a method for measuring school  
2.6 district or charter school savings as a result of utilizing shared services under this section.  
2.7 This method must calculate savings for each individual district or charter school. The  
2.8 savings must be allocated to classroom education in each school district or charter school.  
2.9 Each school district and charter school must annually report the savings calculated under  
2.10 this section to the commissioner of education by January 15, 2013; January 15, 2014; and  
2.11 January 15, 2015.

2.12 Subd. 3. **Report.** The commissioner of education must annually report by February  
2.13 15, 2013; February 15, 2014; and February 15, 2015, to the education finance committees  
2.14 of the legislature on the savings that shared services generate for the state's school districts  
2.15 and charter schools. In addition, the report shall evaluate the total savings per adjusted  
2.16 average daily membership within each economic development region under Minnesota  
2.17 Statutes, section 462.385, in the state. The report shall identify the economic development  
2.18 region that generated the largest savings per adjusted average daily membership. Savings  
2.19 per adjusted average daily membership must be calculated as the total savings of  
2.20 participating school districts and charter schools divided by the adjusted average daily  
2.21 membership of participating school districts and charter schools.

2.22 Sec. 3. **SHARED SERVICES DEDUCTION.**

2.23 (a) Notwithstanding Minnesota Statutes, section 126C.13, subdivision 4, for fiscal  
2.24 years 2012, 2013, and 2014 only, a school district's or charter school's general education  
2.25 aid must equal the amount computed under Minnesota Statutes, section 126C.13,  
2.26 subdivision 4, minus five percent of the savings computed under section 2, subdivision 2.

2.27 (b) Notwithstanding paragraph (a), the deduction under this section shall be equal to  
2.28 the contracted percentage under section 1 between the Department of Education and the  
2.29 consultant. The department must reduce the deduction under this section if the department  
2.30 and the consultant agree to a contract under section 1, in which the consultant is paid as a  
2.31 percentage of savings that is less than five percent.

2.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.33 Sec. 4. **SAVINGS ALLOCATION.**

3.1 Notwithstanding section 2, in fiscal years 2012, 2013, and 2014 only, savings  
3.2 computed according to section 2, subdivision 2, minus the contracted percentage paid to  
3.3 the shared services consultant under section 1 must be allocated to classroom education  
3.4 in each school district or charter school.

3.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.6 Sec. 5. **SHARED SERVICES COMPETITION.**

3.7 (a) School districts within each economic development region under Minnesota  
3.8 Statutes, section 462.385, are encouraged to work together to share services to maximize  
3.9 the savings generated per adjusted average daily membership. For fiscal years 2012,  
3.10 2013, and 2014, the school districts and charter schools in each economic development  
3.11 region with the most shared services savings in each year are eligible for a shared services  
3.12 savings grant under paragraph (b).

3.13 (b) The commissioner shall award a shared services grant to the participating  
3.14 school districts and charter schools of the economic development region that generates  
3.15 the most savings per adjusted average daily membership, as reported according to section  
3.16 2, subdivision 3. The shared services grants shall be equal per adjusted average daily  
3.17 membership among all participating school districts and charter schools, and may be up to  
3.18 \$500 per adjusted average daily membership. The total grant per year may not exceed  
3.19 \$5,000,000 each year.

3.20 Sec. 6. **APPROPRIATION; SHARED SERVICES CONSULTANT.**

3.21 For fiscal years 2012 and 2013, the amount deducted from general education aid  
3.22 under section 3 is appropriated to the Department of Education for the costs of the contract  
3.23 associated with shared services consultation under section 1.

3.24 Sec. 7. **APPROPRIATION.**

3.25 Subdivision 1. **Department of Education.** The sums indicated in this section are  
3.26 appropriated from the general fund to the Department of Education for the fiscal years  
3.27 designated.

3.28 Subd. 2. **Shared services grants.**

3.29 \$ 5,000,000 ..... 2012

3.30 \$ 5,000,000 ..... 2013

3.31 The base appropriation is \$5,000,000 for fiscal year 2014 and \$0 for fiscal year 2015.