

CHAPTER 3545
STATE BOARD OF EDUCATION
SCHOOL FINANCING

COOPERATIVE SECONDARY FACILITIES GRANTS
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COOPERATIVE SECONDARY FACILITIES GRANTS

NOTE Parts 3545 3000 to 3545 3024 were adopted as parts 3445 3000 to 3445 3024. These rules have been renumbered after adoption.

3545.3000 DEFINITIONS.

Subpart 1. Scope. The definitions in this part apply in parts 3545.3000 to 3545.3024.

Subp. 2. CSFGA. "CSFGA" means the Cooperative Secondary Facilities Grant Act, Minnesota Statutes, sections 124.491 to 124.496.

Subp. 3. Pilot project. "Pilot project" means a plan for a grant under parts 3545.3000 to 3545.3024 for acquiring, constructing, remodeling, or improving the building or site of cooperative secondary facilities to be financed in part by the grant. "Pilot project" may include equipment for the building, but not books, supplies, and materials.

Subp. 4. Recipient. "Recipient" means the applicant joint powers district that receives a grant for cooperative secondary facility construction from the commissioner of education under parts 3545.3000 to 3545.3024.

Statutory Authority: *MS s 169.45*

History: *12 SR 1107*

3545.3002 APPLICATIONS FOR COOPERATIVE SECONDARY FACILITIES GRANTS.

Subpart 1. Who may apply. A group of three or more school districts, with kindergarten to grade 12 enrollments in each district of no more than 1,000 pupils and a combined current school year October 1 enrollment of at least 240 pupils in grades 10 to 12, or 320 pupils in grades 9 to 12, or 480 pupils in grades 7 to 12 may apply for a cooperative secondary facilities grant under parts 3545.3000 to 3545.3024 if they have entered into a joint powers agreement as provided by Minnesota Statutes, section 471.59 to govern the cooperative secondary facilities.

Subp. 2. Application forms. An application for a cooperative secondary facilities grant must be made on an application form available from the State Department of Education.

Statutory Authority: *MS s 169.45*

History: *12 SR 1107*

3545.3004 APPLICATION CONTENTS.

Subpart 1. Information required. The application must include the information required in this part.

Subp. 2. Resolution by joint powers board. The applicant must provide a copy of the resolution stating the proposed costs of the project, the purpose for which debt is to be incurred, and an estimate of the dates when the facilities for which the grant is requested will be contracted for and completed.

Subp. 3. Certificate by clerk and treasurer of joint powers board. The applicant must provide a copy of the certificate by the clerk and treasurer of the joint powers board showing the current outstanding indebtedness of each member district.

Subp. 4. Certificate by county auditor. The applicant must provide a copy of a certificate by the county auditor of each county in which a portion of the joint powers district is located showing the information in the auditor's official records that is required to be used in computing the debt limit of the districts under Minnesota Statutes, section 475.53, subdivision 4. For each member district's outstanding bonds, the certificate shall show the amount originally issued, the purpose for which issued, the date of issue, the amount remaining unpaid as of the date of the resolution required in subpart 2, and the interest rates and due dates and amounts of principal remaining.

Subp. 5. Review and comment. The applicant must submit a copy of the review and comment by the commissioner of education for the proposed facilities as provided by Minnesota Statutes, section 121.15 regardless of the amount of capital expenditure required.

Subp. 6. Pupil enrollment data. The applicant must provide for each member district a copy of current school year, October 1 enrollment data reported on the Fall Enrollment Report submitted to and audited by the Statistics Section, State Department of Education.

The applicant must also prepare and submit a report based on the current pupil enrollment data, broken down by grades kindergarten through grade 12 for all member districts combined.

Subp. 7. Educational plan. The applicant must provide a copy of the educational plan for the proposed project. The plan must contain the following information:

A. a description of how the planned secondary facilities will result in the joint powers district meeting the State Board of Education curriculum requirements in parts 3500.2010 and 3500.2110;

B. a description of how the education program to be developed will provide for more learning opportunities and course offerings for pupils than are currently available in any single member districts;

C. evidence that a plan to assess increased levels of student performance is provided;

D. provisions for instruction of any resident students in other districts when distance to the secondary education facilities makes attendance at the facilities unreasonably difficult or impractical;

E. a combined staff seniority list for all member districts as developed by the joint powers board; and

F. evidence that the development of the educational plan has included input from both community and professional staff, parents, and students.

Subp. 8. Building program. The applicant must provide a copy of the cooperative secondary facilities building program. The program must contain the following information:

A. the information required for review and comment under Minnesota Statutes, section 121.15, subdivision 7; and

B. a statement of need including reasons why the current secondary facilities are inadequate, unsafe, or inaccessible to the handicapped.

Subp. 9. Preliminary plans. The applicant must provide preliminary plans for the project, prepared by a Minnesota registered architect, including a site plan and vicinity maps, subsurface soil analysis, schematic design studies, and outlined specifications.

Subp. 10. Engineer's report. When the project is the remodeling of an existing

building or expansion of an existing building, the applicant must provide a report by an engineer licensed in Minnesota that evaluates the structural soundness, fire, and safety hazards of the existing building.

Subp. 11. Architect's certification. The applicant must provide a certificate from a Minnesota registered architect that the project's facilities are designed to make them accessible to and usable by physically disabled persons as required by Minnesota Statutes, sections 471.465 to 471.469.

Subp. 12. Budget. The applicant must provide the project budget including estimated expenditures for site acquisition and preparation, consultant fees, planning costs, and administration costs; contracts for the construction for a new building and expansion or remodeling of an existing building; architectural, engineering, and inspection costs; initial equipment, furniture, utilities, and floor coverings; and moving expenses for existing books, equipment, supplies, and furniture.

Subp. 13. Evidence of title to land. The applicant must provide evidence that it holds fee title to the project site including right of access, or that the applicant can complete negotiations for fee title to the site within 30 days of approval of the application.

Subp. 14. Assurances. The applicant must give written assurance of compliance with all provisions of the CSFGA and all applicable state laws and rules, including the following:

A. no more than one superintendent shall be employed by the joint powers board as a result of the cooperative secondary facilities agreement;

B. to the extent possible the joint powers board is encouraged to provide for severance pay for early retirement incentives under Minnesota Statutes, section 125.611, for any teacher or administrator who is placed on unrequested leave as a result of the cooperative secondary facilities agreement;

C. the applicant must comply with Minnesota Statutes, sections 177.41 to 177.43, relating to prevailing wage rates;

D. the applicant shall assure that the funds allotted to it will be used only for cooperative secondary facility construction activities in this item. The activities are:

(1) erection costs for new buildings for a cooperative secondary facility;

(2) costs for expansion, remodeling, and alteration of existing buildings for a cooperative secondary facility;

(3) site acquisition, grading, and improvement of land on which the secondary facility is to be located;

(4) architectural, engineering, and inspection expenses incurred after site selection;

(5) moving expenses for existing books, supplies, equipment, and furniture;

(6) expenses related to acquisition and installation of initial equipment including all necessary building fixtures, utilities, and furniture;

(7) services of consultants related to the pilot project; and

(8) expenses other than interest and the carrying charges on bonds related to the acquisition of an existing building or of land on which there is to be construction of new buildings or expansion of existing buildings to be used for cooperative secondary facilities. The expenses must constitute an actual cost or transfer of public funds; and

E. the applicant shall assure that the funds allotted to it as a recipient for cooperative secondary facilities construction are not used for the purchase of books, materials, or other supplies.

Subp. 15. Additional information. The State Department of Education may

request additional information from the applicant to clarify and evaluate the application. If the additional information requested has not been received at the State Department of Education within ten working days after the request for additional information, the grant application shall be evaluated and approved or disapproved solely on the basis of the information it contains.

Statutory Authority: *MS s 169.45*

History: *12 SR 1107*

3545.3005 APPLICATION DATES.

For state fiscal year 1988 only, the cooperative secondary facilities grant application must be filed on or before November 16, 1987, for January 1, 1988, grant award consideration, and on or before April 15, 1988, for July 1, 1988, grant award consideration. In subsequent years, applications must be filed on or before November 1 and April 15 for January 1 and July 1 grant award consideration respectively, unless a different date is established by the commissioner of education and published in Education Update, official publication of the State Department of Education, not less than 60 days before the application due date.

Statutory Authority: *MS s 169.45*

History: *12 SR 1107*

3545.3008 RECEIPT OF APPLICATION.

When an application is received, the State Department of Education shall obtain information from the commissioner of revenue, public utilities commission, or other official records that are required to be used in computing the debt limit of the joint powers district under Minnesota Statutes, section 475.53, subdivision 4. If any joint powers district is found not qualified according to the requirements of CSFGA, it shall be notified promptly by the commissioner of education.

Statutory Authority: *MS s 169.45*

History: *12 SR 1107*

3545.3010 MAXIMUM GRANT.

Grant funds provided under this program may constitute up to 75 percent of the approved construction costs of the cooperative secondary education facilities. To the extent money is available, the commissioner of education may approve not more than two pilot projects from the applications submitted under this chapter.

Statutory Authority: *MS s 169.45*

History: *12 SR 1107*

3545.3014 APPLICATION RATING.

To measure relative need, all applications must be rated in part by State Department of Education staff. The rating results and application materials must be forwarded under part 3545.3018 to the commissioner of education.

A. A numerical rating must be determined for each pilot project based on the number of school districts in the joint powers district and their combined current secondary grade enrollment. Pilot projects will be awarded points as follows:

(1) pilot projects where the joint powers district contains three member school districts, eight points, and three points for each additional member school district up to six districts; and

(2) pilot projects where the most recent October 1 student enrollment of the joint powers district in the secondary grades to be contained in the cooperative facilities averages 80 or more students per grade, eight points.

B. A numerical rating for the adequacy of each of the member district's secondary (grades seven through 12 inclusive) facilities must be determined based on the age of the secondary facilities currently used. Pilot projects will be awarded points as follows:

(1) where 50 percent or more of the total secondary square footage was occupied for school use during or before 1920, five points;

(2) where 50 percent or more of the total secondary square footage was occupied for school use during or before 1945, three points;

(3) where 50 percent or more of the total secondary square footage was occupied for school use during or before 1970, one point; and

(4) where a member district does not currently provide its own secondary facilities for 50 percent or more of its students on a full-time basis, three points.

C. A numerical rating based on the adequacy of the educational plan submitted by the joint powers district shall be assigned to each pilot project as follows:

(1) additional, specific learning outcomes provided through more learning opportunities and course offerings for students than currently available in any member district, and a plan to assess the learning outcomes and increased levels of student performance, up to 18 points;

(2) evidence of input in the development of the educational plan by professional staff, up to eight points;

(3) evidence of input in the development of the educational plan by community members, parents, and students, up to eight points;

(4) evidence of meeting the State Board of Education curriculum requirements, eight points; and

(5) a plan for more efficient use of staff than currently available in any member district, up to eight points.

D. A numerical rating based on the adequacy of the provisions for instruction of any resident students in other districts when distance to the secondary education facilities makes attendance at the facilities unreasonably difficult or impractical, up to ten points.

E. A numerical rating must be determined for each pilot project based upon the school tax burden of the joint powers district. The weighted average auditor mill rate must be calculated for each joint powers district. Pilot projects must be awarded points as follows:

(1) if the weighted average auditor mill rate is in the 75th percentile or above among Minnesota school districts, ten points;

(2) if the weighted average auditor mill rate is at or above the 50th percentile but below the 75th percentile among Minnesota school districts, five points;

(3) if the weighted average auditor mill rate is below the 50th percentile among Minnesota school districts, zero points.

Statutory Authority: *MS s 169.45*

History: *12 SR 1107*

3545.3018 APPROVAL OF PILOT PROJECTS.

State Department of Education staff shall advise the commissioner of education of applications meeting the requirements of parts 3545.3000 to 3545.3024 and the results of the application rating performed in part 3545.3014. An application must receive a minimum of 75 application rating points under part 3545.3014 in order to receive consideration for a grant award by the commissioner of education. The commissioner of education shall award grants based on the total points assigned in the application rating and total grant funds available. The

commissioner shall use state geographic balance as a deciding factor if application ratings are within ten points of each other.

The commissioner of education must not approve an application for a grant unless the facility receives a favorable review and comment as provided in Minnesota Statutes, section 121.15 and the requirements under parts 3545.3000 to 3545.3024 are fully complied with. The commissioner shall promptly certify to each qualified joint powers district the amount, if any, of the grant awarded.

Statutory Authority: *MS s 169.45*

History: *12 SR 1107*

3545.3020 REFERENDUM; BOND ISSUE.

Within 90 days after being awarded a grant under part 3545.3018, the joint powers board shall submit the question of authorizing the borrowing of funds for the cooperative secondary facilities to the voters of the member districts at a special election. The question submitted shall state the total amount of funding needed from all sources. A majority of those voting in the affirmative on the question is sufficient to authorize the joint powers board to issue the bonds on public sale in accordance with Minnesota Statutes, chapter 475. The clerk of the joint powers board must certify the vote of the bond election to the State Department of Education. If the bonds are authorized by the voters, the State Department of Education shall notify the county auditor of each county in which a member district is located that the grant amount certified in part 3545.3018 is available and appropriated for payment of principal and interest on the bonds issued under this part, and the auditor shall reduce the joint power district's debt service levies accordingly. If a majority of those voting on the question do not vote in the affirmative, the grant must be canceled.

Statutory Authority: *MS s 169.45*

History: *12 SR 1107*

3545.3022 COOPERATIVE SECONDARY FACILITIES GRANT CONTRACT.

Each grant must be evidenced by a contract between the joint powers board and the state acting through the commissioner of education. A contract must be entered into within 15 months after each grant is awarded. It obligates the joint powers board and the state acting through the commissioner of education. It obligates the state to pay to the joint powers board an amount computed under part 3545.3018, upon receipt by the State Department of Education of a certified resolution of the joint powers board estimating the costs, and verifying that contracts have been entered into for construction or remodeling of the facilities for which the grant is awarded and that bonds of the joint powers district have been issued and sold in the amount necessary to pay all pilot project costs in excess of the amount of the grant.

Statutory Authority: *MS s 169.45*

History: *12 SR 1107*

3545.3024 RETURN OF GRANT FUNDS.

If a project is completed for an amount lower than the amount in the project budget in the application, or if the recipient is unable to complete the pilot project, the recipient shall amend its grant contract and return any unexpended funds to the State Department of Education. The grant amount must be reduced by the same percentage as the total project budget has been reduced. The commissioner of education shall offer those returned funds to the other grant recipient under part 3545.3018, if that grant recipient's pilot project was funded at less than the requested amount. That recipient shall have 60 days to modify its project to the satisfaction of the State Department of Education to expend an increased grant amount up to the amount in its application.

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Statutory Authority: *MS s 169.45*

History: *12 SR 1107*