

CHAPTER 3560
DEPARTMENT OF EDUCATION
MANAGEMENT INFORMATION SYSTEMS

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3560.0010 DEFINITIONS.

Subpart 1. **Scope.** The definitions in this part apply to this chapter.

Subp. 2. **Commissioner.** "Commissioner" means the commissioner of education or the commissioner's designee.

Subp. 3. **DARC.** "DARC" means the data acquisition review committee of the Department of Education.

Subp. 4. **Department.** "Department" means the Department of Education unless otherwise specifically identified.

Subp. 5. **District.** "District" has the meaning given in Minnesota Statutes, section 121.93, subdivision 2.

Subp. 6. **ESV computer council.** "ESV computer council" has the meaning given in Minnesota Statutes, section 121.93, subdivision 5.

Subp. 7. **ESV regional computer center.** "ESV regional computer center" means a governmental unit formed by a joint powers agreement entered into by school districts to provide computer and related services to its affiliated school districts.

ESV regional computer center, regional management information center, and regional computer center are synonymous terms.

Subp. 8. **ESV-IS.** "ESV-IS" has the meaning given in Minnesota Statutes, section 121.93, subdivision 3.

Subp. 9. **SDE-IS.** "SDE-IS" has the meaning given in Minnesota Statutes, section 121.93, subdivision 4.

Subp. 10. **State board.** "State board" means the State Board of Education or its designee.

Statutory Authority: *MS s 121.931*

History: *14 SR 518*

3560.0020 DATA STANDARDS.

Subpart 1. **Criteria.** The data standards referred to in this part cover only data submitted to the commissioner or state board by a district or an ESV computer center on behalf of its affiliated districts or itself. The data must conform to the data standards established in the data element dictionary published by the department. To be included in the data element dictionary, a data element must meet one of the following criteria:

A. The data element is used in the ESV-IS or the SDE-IS data bases, or the list of essential data elements that the department maintains according to Minnesota Statutes, section 121.932, subdivision 5.

B. A financial or property data element is established through the Uniform Financial Accounting and Reporting Standards (UFARS).

C. A student, personnel/payroll, curriculum, and other data element is individually defined. The definition also includes the standard name, computer

program name, system descriptors, values, and transaction methodology when appropriate.

Subp. 2. Review criteria. To be included in the Annual Data Acquisition Calendar (ADAC), data elements must be formatted into a form or another type of data collection instrument used to collect data from districts or regional computer centers. They must then be reviewed by DARC, which recommends approval or disapproval to the commissioner. The recommendation by DARC and the decision of the commissioner must be based on one of the following criteria:

(1) the data element is required by federal or state law or state board rule;

(2) the data element is required to calculate and distribute aids and levies or to distribute other funds;

(3) the data element is used to make program decisions in the management of the department;

(4) the data element is used to monitor compliance to statute or state board rule; or

(5) the data element is used to conduct research or analyze policy as approved by the commissioner.

Statutory Authority: *MS s 121.931*

History: *14 SR 518*

3560.0030 CREATION OF MANAGEMENT INFORMATION CENTERS.

Subpart 1. District board resolutions. Whenever two or more districts decide, by resolution of their respective boards, to establish a regional management information center, the center will come into existence according to Minnesota Statutes, section 121.935, subdivision 1.

Subp. 2. Approval criteria. After review and recommendation by the ESV computer council, the state board must approve the creation of a new regional computer center and its effective date if:

A. the proposed regional center has submitted an annual and biennial plan and budget to the state board conforming to Minnesota Statutes, section 121.935, subdivision 4;

B. the proposed regional center has acquired, or will acquire subject to approval of the proposal by the state board, computer and related equipment that has demonstrated its capability to process the ESV-IS or an approved alternative management information system and has demonstrated it is able to assemble and transmit the essential data elements to the department as required in Minnesota Statutes, section 121.932, subdivision 5; if any of the districts include a technical institute, then the ESV-IS must include the fixed assets property management information systems for technical institutes;

C. the proposed regional center has developed a disaster recovery plan;

D. the proposed regional center has established a management plan that includes:

(1) the organizational structure of the board of directors;

(2) the administrative, technical operations, field service, office support, and district training staff necessary to operate the center; and

(3) the type, level, and amount of services provided directly to affiliated districts and provided by other organizations if the regional center does not provide the required ESV-IS service; and

E. the cost of computer systems and staff services received by the districts in the new region, in total, is not greater than the cost for the same or equivalent computer systems and staff services in the region of disaffiliation.

Subp. 3. **Notice.** Notice of intent to establish a new regional management information center must be served on the board of directors of regions with disaffiliating districts, the commissioner, the state board, and the ESV computer council at least one year before July 1 of the proposed effective year of establishment, unless the regions with disaffiliating districts and the state board agree to waive the July 1 date as provided by Minnesota Statutes, section 121.935, subdivision 1.

Subp. 4. **Delay.** The state board may delay the effective date of establishment up to two years beyond the intended effective date if the region of disaffiliation protests the disaffiliation and presents evidence that the disaffiliation will cause financial hardship on the remaining districts in the region so that adjustments in the cost of equipment, staff, and administration cannot be implemented before the intended effective date.

Subp. 5. **Allocation formula.** Regional reporting subsidies appropriated by the legislature must be allocated to the new regional computer center applying the same formula used with the other regions.

Statutory Authority: *MS s 121.931*

History: *14 SR 518*

3560.0040 TRANSFER OF SCHOOL DISTRICT AFFILIATION.

Subpart 1. [Repealed, L 1990 c 562 art 8 s 46]

Subp. 2. **Effective date.** Upon resolution of the district board to transfer its affiliation from one regional management information center to another, the transfer will become effective on the next July 1, or another date mutually agreed upon, following approval by the state board.

Subp. 3. [Repealed, L 1990 c 562 art 8 s 46]

Subp. 4. **Funding transfer.** The transferring district's share of regional reporting subsidies authorized by the legislature shall be paid to the new region of affiliation as of the effective date of the transfer.

Statutory Authority: *MS s 121.931*

History: *14 SR 518*

3560.0050 ALTERNATIVE FINANCIAL MANAGEMENT INFORMATION SYSTEMS.

Subpart 1. **Council review.** An alternative financial management system proposed for use by a district must be reviewed by the ESV computer council and approved by the state board before purchase, lease, or use.

Subp. 2. **Approval criteria.** After review and recommendation by the ESV computer council, the state board must approve the use of an alternative financial management information system if:

A. The vendor of the alternative financial management information system has applied to the department, the UFARS council, and the ESV computer council, and has received approval from the state board to market the alternative financial management system to Minnesota districts. The decision to approve the alternative financial management information system must be given if the alternative system meets the following requirements:

(1) The system must provide an accounting function based on generally accepted accounting principles with a double entry (debit/credit), modified accrual accounting system. It must meet the requirements in Minnesota law and in the Uniform Financial Accounting and Reporting Standards (UFARS).

(2) The system must allow for multidimensional coding.

(3) The system must allow the use of encumbrances.

(4) The system must allow period-end and year-end processing.

(5) The system must allow users to configure the system to the individual district.

(6) The system must produce Government Accounting and Auditing Financial Reports (GAAFR).

B. The district has made application to the department, the ESV computer council, and the ESV regional computer center to use an alternative financial management information system. The application must contain the following information:

- (1) vendor name, address, and system identification;
- (2) a list of computer and related equipment and software that will be used to operate the system;
- (3) purchase cost and annual operational costs of computer equipment, computer software, application software, district staff, and other cost items required to operate the system;
- (4) a list of benefits, financial and other, that the district expects to realize as a result of using the alternative system;
- (5) continuing cost to the district of services received from the ESV regional computer center to comply with state reporting requirements; and
- (6) certification by the vendor that any changes made to the logic or structure of the software are consistent with item A.

C. The ESV computer council has reviewed the application submitted under subpart 2, item A or B, and recommends to the state board that the application conforms to the current "Long Range Plan for the Elementary, Secondary, and Vocational (ESV) Information System" adopted by the state board.

Subp. 3. **Annual report.** Any district using an alternative management information system must annually report to its regional computer center and to the ESV computer council the name of the system, the vendor, and any changes made to the structure or logic of the software.

Statutory Authority: *MS s 121.931*

History: *14 SR 518*

3560.0060 REGIONAL MANAGEMENT INFORMATION CENTER PLANS AND BUDGETS.

Subpart 1. **Budget and plan.** By July 1 of each year, each regional management information center must submit for approval by the state board an annual plan and proposed budget for the next fiscal year. By July 1 of each even-numbered year, each regional management information center must submit a biennial budget and plan for the next biennium as defined in Minnesota Statutes, section 16A.011, subdivision 6, to the commissioner for review by the ESV computer council and approval by the state board.

Subp. 2. **No spending until approved.** A regional management information center must not spend money for administrative or computer center activities until the annual budget has been approved by the state board.

Subp. 3. **Minimum requirements of reports.** The annual plan and budget and the biennial budget must be in the form and format prescribed by the Uniform Financial Accounting and Reporting Standards (UFARS). The biennial plan must be in the form and format recommended by the ESV computer council and approved by the commissioner. At a minimum, the plan must report:

- A. actual and projected usage of each ESV computer system and alternative management information system;
- B. the actual and projected cost of computer equipment resources, staff support, and administrative overhead for each affiliated school district;
- C. projected or planned changes in affiliation by any school district;
- D. projected or planned changes in the amount or cost of computers and related equipment; and

E. projected or planned changes in the amount or cost of services to affiliated school districts.

Subp. 4. **State board criteria.** The criteria used by the state board for approval of the biennial plan and budget are:

A. the computer center complies with the current "Long Range Plan for the Elementary, Secondary, and Vocational (ESV) Information System" approved by the state board;

B. the computer center provides ESV-IS services to each of its affiliates or shows that the center has arranged for services to be provided by another center;

C. the computer center uses cost accounting procedures to account by district for resources consumed at the center for support of each ESV-IS system;

D. the ESV computer council has reviewed the budget, plan, and report and has made a recommendation to the state board; and

E. there is sufficient income and operating capital to pay the amount of expenses identified in the expenditure plan.

Statutory Authority: *MS s 121.931*

History: *14 SR 518*

3560.0070 INCORPORATIONS BY REFERENCE.

The documents described in this part are incorporated by reference in chapter 3560 to the extent referred to in chapter 3560.

A. "Data Element Dictionary," published by the Department of Education, is frequently changed and is accessible by computer terminal through the Department of Education library. The publication is continuously updated.

B. Uniform Financial Accounting and Reporting Standards (UFARS), published by the Department of Education, is frequently changed and is available through the Minitex interlibrary loan system. The publication is continuously updated.

C. Reporting Requirements of the Department of Education is published annually in the Annual Data Acquisition Calendar and is available through the Minitex interlibrary loan system.

D. Government Accounting and Auditing Financial Reports (GAAFR) is a series of reports used in the audit of a district. A set of sample reports is available through the Minitex interlibrary loan system.

E. "Long Range Plan for the Elementary, Secondary, and Vocational (ESV) Information System" is published by the Department of Education. The publication is updated at least biennially. The current update is available through the Minitex interlibrary loan system.

Statutory Authority: *MS s 121.931*

History: *14 SR 518*