



1000 Fifth Avenue SE, Hutchinson, Minnesota 55350 320.234.6362(w) 320.234.6300(f) [www.newdiscoveries.org](http://www.newdiscoveries.org)

Official Board Meeting Agenda  
Monday, January 22, 2024 – 5:30 p.m. – on site at NDMA.  
(Contact [tara.erickson@newdiscoveries.org](mailto:tara.erickson@newdiscoveries.org) for full board packet)

1. Call Meeting to Order (Location of Board Packet) – Roll Call
2. Welcome/Introduction of Guests
3. Spotlight Report – Schlenner Wenner Audit Presentation
4. Approval of Agenda
5. Approval of Consent Agenda
  - a. Minutes of December 18, 2023 Meeting
  - b. Submitted Committee Reports
    - i. Financial Committee met January 16<sup>th</sup>, 2024
    - ii. Policy/Governance committee met January 16<sup>th</sup>, 2024
6. Financial Reports
  - a. December 2023 Financial Report
  - b. Approve December 2023 Supplemental Information Report
7. Reports
  - a. Executive Director
    - i. Personnel changes – resignations, dismissals, reassignments, and new employments
    - ii. Strategic Plan Update
    - iii. Environmental Education Update
    - iv. Academic Testing and Achievement Update
    - v. Enrollment Update
    - vi. Activities and Happenings related to the school, staff, students, families, community
  - b. Board Activities –
    - i. No More Boring Board Meetings – Read this article, we will go over it after we are finished with the Board Meeting.
    - ii. Recruitment of Charter School Board Members – Read this article as well, we will go over it after we are finished with the Board Meeting.
8. Unfinished Business
9. New Business
  - a. Approve the director and treasurer as signers on the line's of credit at Citizen's Bank. (Motion and Second from the Financial Committee).
  - b. First readings of the following policies
    - i. 536P – Student Fees
    - ii. 705P – Electronic Fund Transfer
    - iii. 760P – School Credit Card
  - c. Review and Approve Updates to the following policies
    - i. 208P – Development, Adoption, & Implementation of Policies

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*Providing a quality, comprehensive public education within a Montessori Context*

- ii. 404P – Employment Background Check
- iii. 406P – Public & Private Personnel Data
- iv. 406.1P – Data Practices
- v. 616P – School District System Accountability

10. Upcoming Meetings/Events/Announcements

- a. Next board meeting, February 26, 2024 – 5:30 p.m. \*4<sup>th</sup> Monday due to Holiday
- b. Finance Committee Meeting, February 12, 2024 – 11:45 a.m.
- c. Policy/Governance Committee Meeting, tbd
- d. Facilities Committee Meeting, tbd
- e. Administrative Review Committee, tbd
- f. Annual Meeting, April 15, 2024 – 3:30 p.m.
- g. Strategic Plan Workshop, May 3, 2024 – 12:45 p.m.

11. Adjournment

# New Discoveries Montessori Academy Hutchinson, Minnesota

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Report to the Members of  
Governance

December 18, 2023

**SCHLENNER  
WENNER & Co.**  
CPAs

**NEW DISCOVERIES MONTESSORI ACADEMY**  
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Members of the Board of Directors  
New Discoveries Montessori Academy  
Hutchinson, Minnesota

We are pleased to present this report related to our audit of the basic financial statements of New Discoveries Montessori Academy (the Academy) as of and for the year ended June 30, 2023. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for New Discoveries Montessori Academy's financial reporting process.

This report is intended solely for the information and use of the members of governance and management and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to New Discoveries Montessori Academy.



**SCHLENNER WENNER & CO.**  
St. Cloud, Minnesota  
December 18, 2023

## **NEW DISCOVERIES MONTESSORI ACADEMY REQUIRED COMMUNICATIONS**

Auditing standards generally accepted in the United States of America (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial and related compliance reporting process.

### **Our Responsibilities With Regard to the Financial Statement and Compliance Audit**

Our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States have been described to you in our engagement letter dated August 25, 2023. Our audit of the basic financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

### **Overview of the Planned Scope and Timing of the Financial Statement Audit**

We have issued a separate communication, dated August 25, 2023 regarding the planned scope and timing of our audit and identified significant risks.

### **Accounting Policies and Practices**

#### **Preferability of Accounting Policies and Practices**

Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

#### **Adoption of, or Change in, Accounting Policies**

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Academy.

The Academy did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.

#### **Significant Accounting Policies**

We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### **Significant Unusual Transactions**

We did not identify any significant unusual transactions.

#### **Management's Judgments and Accounting Estimates**

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The only estimates we have deemed significant to the financial statements are estimates associated with the following balances reported at year-end:

- Amounts due from the Minnesota Department of Education
- Net pension liability and related deferred outflows/inflows of resources

## **NEW DISCOVERIES MONTESSORI ACADEMY REQUIRED COMMUNICATIONS**

### **Audit Adjustments and Uncorrected Misstatements**

There were no material audit adjustments made to the original trial balance presented to us to begin our audit.

Uncorrected misstatements are summarized in the management representation letter and consist of an understatement of expenditures resulting from an overstatement of debt in the prior year. Uncorrected misstatements or matters underlying these uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if we have concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

### **Departure From the Auditor's Standard Report**

Our Independent Auditor's Report includes several additional or non-standard paragraphs that you should be aware of as follows:

- Other Matters related to Required Supplementary Information and Supplementary Information
- Other Reporting Required by *Government Auditing Standards*

### **Observations About the Audit Process**

#### **Disagreements with Management**

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the basic financial statements.

#### **Consultations with Other Accountants**

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

#### **Significant Issues Discussed with Management**

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

#### **Significant Difficulties Encountered in Performing the Audit**

We did not encounter any significant difficulties in dealing with management during the audit.

#### **Difficult or Contentious Matters That Required Consultation**

We did not encounter any significant and difficult or contentious matters that required consultation outside the engagement team.

### **Shared Responsibilities for Independence**

Independence is a joint responsibility and is managed most effectively when management, audit committees (when applicable), and audit firms work together in considering compliance with AICPA and Government Accountability Office (GAO) independence rules. For Schlenner, Wenner, & Co. to fulfill its professional responsibility to maintain and monitor independence, management, the audit committee (when applicable), and Schlenner, Wenner, & Co. each play an important role.

#### **Our Responsibilities**

- AICPA and GAO rules require independence both of mind and in appearance when providing audit and other attestation services. Schlenner, Wenner, & Co. is to ensure that the AICPA and GAO's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality management over compliance with independence rules and firm policies.

## **NEW DISCOVERIES MONTESSORI ACADEMY REQUIRED COMMUNICATIONS**

### **The Academy's Responsibilities**

- Timely inform Schlenner, Wenner, & Co., before the effective date of transactions or other changes, of the following:
  - New affiliates, members of governance, directors, or officers.
  - Changes in the organizational structure or the reporting entity impacting affiliates such as related entities, investments, joint ventures, component units, and jointly governed organizations.
- Provide necessary affiliate information such as new or updated structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the Academy and its affiliates, members of governance, or persons in a decision-making capacity, engaging in business relationships with Schlenner, Wenner, & Co.
- Not entering into arrangements of non-audit services resulting in Schlenner, Wenner, & Co. being involved in making management decisions on behalf of the Academy.
- Not entering into relationships resulting in close family members of Schlenner Wenner & Co. covered persons, temporarily or permanently acting as a member of governance or person in an accounting, financial reporting or compliance oversight role at the Academy.

### **Internal Control and Compliance Matters**

We have separately communicated any significant deficiencies and material weaknesses in internal control and compliance findings over financial reporting identified during our audit of the basic financial statements, as required by *Government Auditing Standards*. This communication is included within the compliance section of the Academy's financial report for the year ended June 30, 2023.

### **Significant Written Communications Between Management and Our Firm**

We have requested certain representations from management that are included in the management representation letter dated December 18, 2023.



# New Discoveries Montessori Academy Hutchinson, Minnesota

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Audited Financial Statements

June 30, 2023

**SCHLENNER  
WENNER & Co.**  
CPAs

**NEW DISCOVERIES MONTESSORI ACADEMY  
HUTCHINSON, MINNESOTA  
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## **INTRODUCTORY SECTION**

**NEW DISCOVERIES MONTESSORI ACADEMY  
BOARD OF DIRECTORS AND ADMINISTRATION  
FOR THE YEAR ENDED JUNE 30, 2023**

**BOARD OF DIRECTORS**

		<u>Term Expires</u>
Timothy Dezelske	Chairperson	June 30, 2025
Meytal Stancek	Vice-Chairperson	June 30, 2023
Chris LaPlante	Secretary	June 30, 2024
Spencer Kangas	Treasurer	June 30, 2025
Deanna Boettcher	Member	June 30, 2025
Shari Colvin	Member	June 30, 2024
Patti Hoerner	Member	June 30, 2023
Patrick Selchert	Member	June 30, 2023

**ADMINISTRATION**

Kirsten Kinzler	Executive Director
Tara Erickson	Office Manager

**NEW DISCOVERIES AFFILIATED BUILDING COMPANY BOARD OF DIRECTORS**

Kirsten Kinzler	President
Dave Conrad	Treasurer
Tara Erickson	Secretary

**FINANCIAL  
SECTION**

## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors  
New Discoveries Montessori Academy  
Hutchinson, Minnesota

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of New Discoveries Montessori Academy, Hutchinson, Minnesota (the Academy), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of New Discoveries Montessori Academy, Hutchinson, Minnesota, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Academy and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

The Academy's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule, and pension schedules listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise New Discoveries Montessori Academy, Hutchinson, Minnesota's basic financial statements. The introductory section, combining nonmajor fund financial statements, and the Uniform Financial Accounting and Reporting Standards Compliance Table are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and Uniform Financial Accounting and Reporting Standards Compliance Table are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and Uniform Financial Accounting and Reporting Standards Compliance Table are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2023, on our consideration of New Discoveries Montessori Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering New Discoveries Montessori Academy's internal control over financial reporting and compliance.



**SCHLENNER WENNER & CO.**

St. Cloud, Minnesota

December 18, 2023



**REQUIRED SUPPLEMENTARY  
INFORMATION**

**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

As management of New Discoveries Montessori Academy (the Academy), we offer readers of the Academy's financial statements this narrative overview and analysis of the financial activities of the Academy for the fiscal year ended June 30, 2023.

**FINANCIAL HIGHLIGHTS**

- The liabilities and deferred inflows of resources of the Academy exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$1,656,139 (negative net position). Of this amount, negative \$2,087,730 is considered the unrestricted portion of net position.
- The Academy's total net position increased \$232,123 as a result of current year operations.
- At the close of the current fiscal year, the Academy's governmental funds reported combined ending fund balances of \$206,664, an increase of \$153,939 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund is \$136,190, or 2.3 percent of total General Fund expenditures.
- The Academy's total debt decreased by \$158,679 (3.3 percent) in the current year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis is intended to serve as an introduction to the Academy's basic financial statements. The Academy's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

The major features of the Academy's financial statements, including the portion of the Academy's activities they cover and the types of information they contain are summarized in the following table. The remainder of the overview section of the Management Discussion and Analysis highlights the structure and contents of each of the statements.

**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

	<b>Government-Wide</b>	<b>Fund Financial Statements</b>
		<b>Governmental Funds</b>
<b>Scope</b>	Entire Academy (except fiduciary funds)	The activities of the Academy that are not proprietary or fiduciary, such as special education and building maintenance, food service, and community education
<b>Required financial statements</b>	Statement of Net Position  Statement of Activities	Balance Sheet  Statement of Revenues, Expenditures and Changes in Fund Balances
<b>Accounting basis and measurement focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
<b>Type of asset/deferred outflows/liability/ deferred inflows information</b>	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included
<b>Type of outflow/inflow information</b>	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

**Government-Wide Financial Statements**

The *government-wide financial statements* are designed to provide readers with a broad overview of the Academy's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the Academy's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the net difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Academy is improving or deteriorating.

The *Statement of Activities* presents information showing how the Academy's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., interest accrued on outstanding debt).

Both of the government-wide financial statements distinguish functions of the Academy that are principally supported by intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Academy include administration, district support services, regular instruction, exceptional instruction, community education and services, instructional support services, pupil support services, sites and buildings, fiscal and other fixed cost programs, and interest and other fiscal charges. The Academy currently does not report any business-type activities.

The government-wide financial statements start on page 20 of this report.

**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

**Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Academy, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Although governments often report multiple types of funds, all of the funds of the Academy are classified as governmental funds.

**Governmental Funds**

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the Academy's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Academy maintains two individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Building Company Fund, which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Academy adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 22 of this report.

**Notes to the Financial Statements**

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 26 of this report.

**Other Information**

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to the financial statements. Combining fund statements start on page 58 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Academy, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources, for a net balance of negative \$1,656,139 at the close of the most recent fiscal year.

A significant portion of the Academy's net position reflects its investment in capital assets (e.g., land, leasehold improvements, buildings and improvements, and equipment and furniture), less any related debt used to acquire those assets is still outstanding. The Academy uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the Academy's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Net Position  
Table 1**

	Governmental Activities		
	2023	2022	Increase (Decrease)
Assets			
Current and Other Assets	\$ 1,060,599	\$ 1,182,528	\$ (121,929)
Capital Assets	<u>4,972,298</u>	<u>5,137,394</u>	<u>(165,096)</u>
Total Assets	6,032,897	6,319,922	(287,025)
Deferred Outflows of Resources	1,407,411	1,435,714	(28,303)
Liabilities			
Current and Other Liabilities	853,935	1,129,803	(275,868)
Noncurrent Liabilities	<u>7,866,399</u>	<u>6,377,832</u>	<u>1,488,567</u>
Total Liabilities	8,720,334	7,507,635	1,212,699
Deferred Inflows of Resources	376,113	2,136,263	(1,760,150)
Net Position			
Net Investment in Capital Assets	329,463	335,880	(6,417)
Restricted	102,128	87,201	14,927
Unrestricted	<u>(2,087,730)</u>	<u>(2,311,343)</u>	<u>223,613</u>
Total Net Position	<u>\$ (1,656,139)</u>	<u>\$ (1,888,262)</u>	<u>\$ 232,123</u>

An additional portion of the Academy's net position (\$102,128) represent resources that are subject to external restrictions on how they may be used. The remaining unrestricted balance of net position is negative \$2,087,730 at year end. This unrestricted balance has been reduced by a total of \$2,192,266 as a result of recording the Academy's proportionate share of the net pension liability and related balances for the statewide pension plans in which the Academy employees participate.

**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Changes in Net Position**

The Academy's net position increased \$232,123 during the most recent fiscal year. Key elements of this increase are as follows:

**Changes in Net Position  
Table 2**

	Governmental Activities		
	2023	2022	Increase (Decrease)
Revenues			
Program Revenues			
Charges for Services	\$ 49,107	\$ 43,735	\$ 5,372
Operating Grants and Contributions	4,516,593	4,219,313	297,280
Capital Grants and Contributions	29,278	29,663	(385)
General Revenues			
State Aid Not Restricted to Specific Programs	1,711,320	1,674,837	36,483
Earnings on Investments	279	230	49
Gain (Loss) on Sale of Assets	-	100	(100)
Gifts and Donations	6,975	7,942	(967)
Miscellaneous	26,452	84,865	(58,413)
Total Revenues	6,340,004	6,060,685	279,319
Expenses			
Administration	276,456	178,435	98,021
District Support Services	325,752	273,749	52,003
Regular Instruction	1,060,170	1,126,220	(66,050)
Exceptional Instruction	1,943,171	1,880,502	62,669
Community Education and Services	23,245	13,390	9,855
Instructional Support Services	77,303	211,928	(134,625)
Pupil Support Services	1,704,503	1,815,434	(110,931)
Sites and Buildings	376,637	324,609	52,028
Fiscal and Other Fixed Costs Programs	24,346	24,673	(327)
Interest and Other Fiscal Charges	296,298	301,019	(4,721)
Total Expenses	6,107,881	6,149,959	(42,078)
Change in Net Position	232,123	(89,274)	321,397
Net Position - Beginning of Year	(1,888,262)	(1,798,988)	(89,274)
Net Position - End of Year	<u>\$ (1,656,139)</u>	<u>\$ (1,888,262)</u>	<u>\$ 232,123</u>

**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

Some significant items to note include the following:

- The current year increase in net position was \$232,123, compared to a decrease of \$89,274 in the prior year. This is a result of a 4.6 percent increase in revenues and a 0.7 percent decrease in expenses during fiscal year 2023.
- Operating grants and contributions increased \$297,280, primarily due to additional special education funding received from the State of Minnesota.
- Expenses related to instructional and pupil support services decreased \$134,625 and \$110,931, respectfully, due to decreased costs for technology devices and bussing transportation.

**Total and Net Cost of Governmental Activities**

The net cost of governmental activities is their total costs less program revenues applicable to each category. The following table presents these total and net costs.

**Total and Net Costs of Services  
Table 3**

	Total Cost of Services			Net Cost of Services		
	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)
Administration	\$ 276,456	\$ 178,435	\$ 98,021	\$ 276,456	\$ 178,435	\$ 98,021
District Support Services	325,752	273,749	52,003	325,752	273,749	52,003
Regular Instruction	1,060,170	1,126,220	(66,050)	321,083	405,187	(84,104)
Exceptional Instruction	1,943,171	1,880,502	62,669	(1,350,736)	(1,103,725)	(247,011)
Community Education and Services	23,245	13,390	9,855	3,600	-	3,600
Instructional Support Services	77,303	211,928	(134,625)	77,303	211,928	(134,625)
Pupil Support Services	1,704,503	1,815,434	(110,931)	1,482,887	1,566,568	(83,681)
Sites and Buildings	376,637	324,609	52,028	55,914	(586)	56,500
Fiscal and Other Fixed Costs Programs	24,346	24,673	(327)	24,346	24,673	(327)
Interest and Other Fiscal Charges	296,298	301,019	(4,721)	296,298	301,019	(4,721)
Totals	<u>\$ 6,107,881</u>	<u>\$ 6,149,959</u>	<u>\$ (42,078)</u>	<u>\$ 1,512,903</u>	<u>\$ 1,857,248</u>	<u>\$ (344,345)</u>

Some significant items to note include the following:

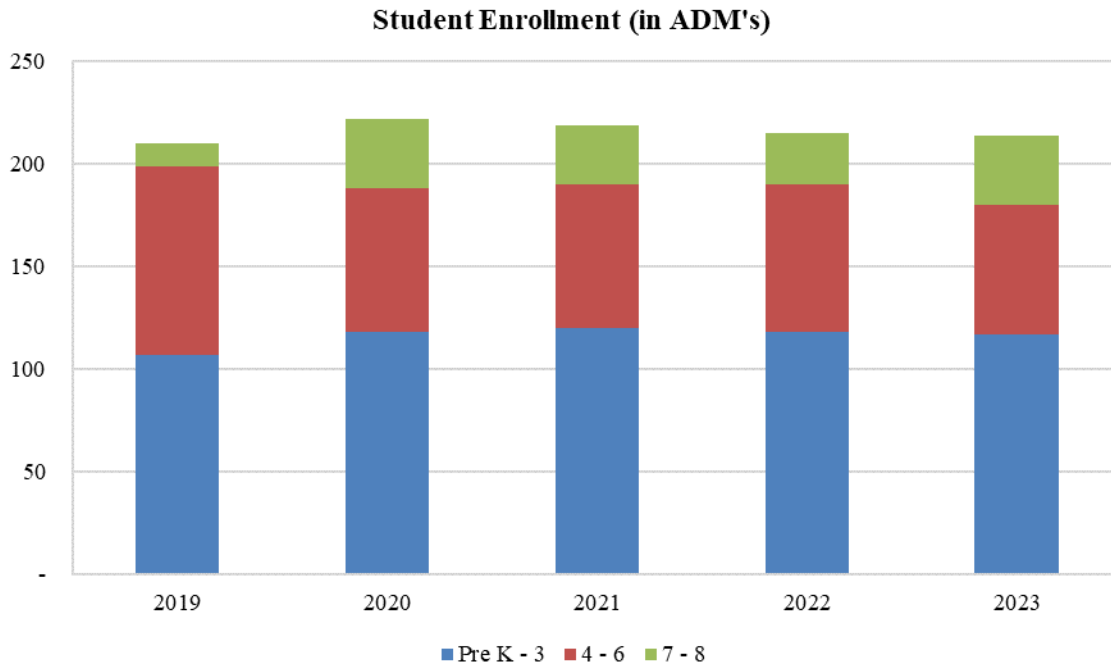
- Net costs related to exceptional instruction decreased \$247,011 (22.4 percent) primarily due to an increase in special education aid received from the State, as discussed on the previous page.
- Net costs related to instructional and pupil support services decreased \$134,625 (63.5 percent) and \$83,681 (5.3 percent), respectfully, primarily due to decreased costs for technology devices and bussing transportation, as discussed above.

**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**FINANCIAL ANALYSIS OF THE ACADEMY'S FUNDS**

The majority of the financial aid received by the Academy is determined based on the number of students enrolled during the year. Therefore, fluctuations in enrollment have a significant impact on the financial health of the Academy. The following graphs show the trend in student enrollment counts over the past five years.

	<b>Student Enrollment (Average Daily Membership)</b>				
	2019	2020	2021	2022	2023
Pre K - 3	107	118	120	118	117
4 - 6	92	70	70	72	63
7 - 8	11	34	29	25	34
Total Student for Aid	<u>210</u>	<u>222</u>	<u>219</u>	<u>215</u>	<u>214</u>
Percentage Change	17.32%	5.71%	-1.35%	-1.83%	-0.47%



As noted earlier, the Academy uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.



**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**FINANCIAL ANALYSIS OF THE ACADEMY'S FUNDS (Continued)**

**Governmental Funds**

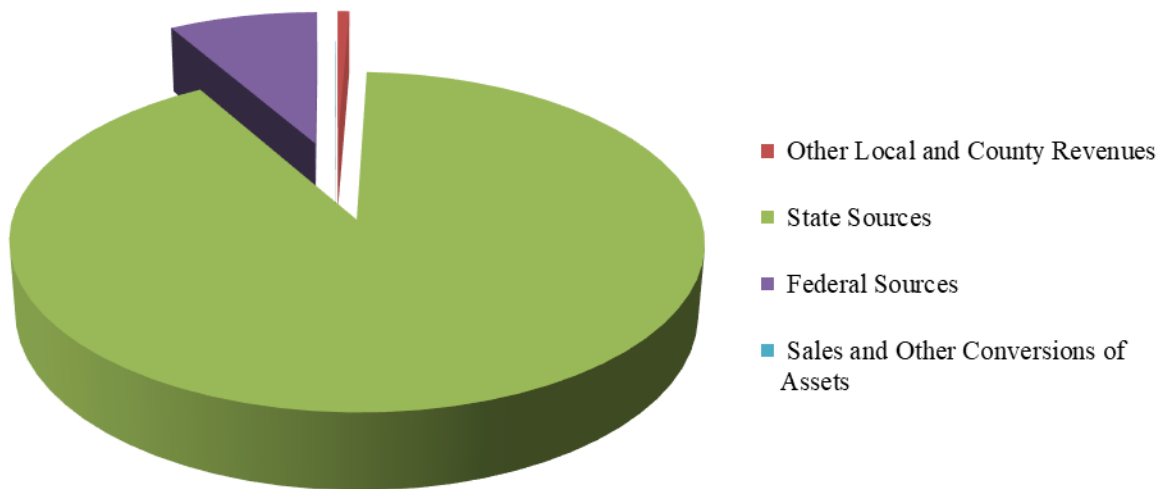
The focus of the Academy's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Academy's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Academy's governmental funds reported combined ending fund balances of \$206,664, an increase of \$153,939 in comparison with prior year. The following is a summary of the Academy's major funds:

Major Funds	Fund Balance June 30,		Increase (Decrease)
	2023	2022	
<b>General</b>	\$ 244,764	\$ 86,477	\$ 158,287

The fund balance of the General Fund increased by \$158,287. Revenues increased approximately 4.9 percent from the prior year, while expenditures decreased approximately 1.7 percent.

**General Fund Revenue**

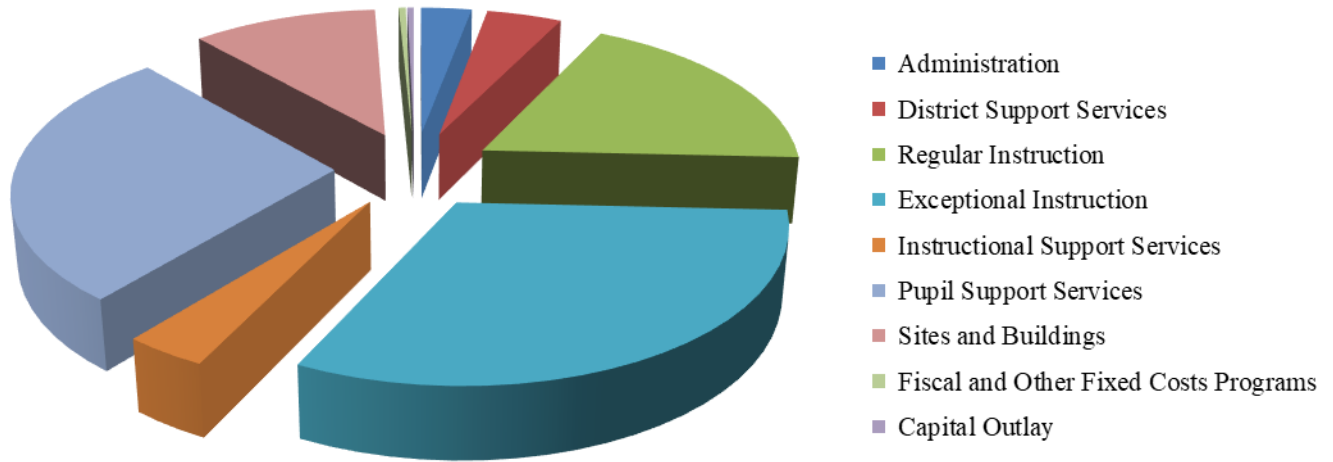


The Academy receives the vast majority of its funding in the General Fund from the State of Minnesota (91 percent), which is subject to fluctuation based on the number of pupils served by the Academy and changes in State legislation. In addition, the Academy receives approximately 8 percent of its General Fund revenues from Federal sources.

**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**FINANCIAL ANALYSIS OF THE ACADEMY'S FUNDS (Continued)**

**General Fund Expenditures**



A significant portion of the Academy's General Fund expenditures are used for regular and exceptional instruction (52 percent). Expenditures for various support services total 31 percent, and the remaining 17 percent consists of expenditures for administration, sites and buildings, and other items.

Major Funds	Fund Balance June 30,		Increase (Decrease)
	2023	2022	
<b>Building Company</b>	\$ (138,155)	\$ (118,291)	\$ (19,864)

The fund balance of the Building Company Fund decreased by \$19,864. Revenues and expenditures both remained consistent with the prior year.

**General Fund Budgetary Highlights**

The Academy's General Fund budget was amended during the year. The revenues budget was increased by \$478,217, and the expenditures budget was changed in several functions for an overall increase of \$310,824 from original to final. The final budget called for expenditures of \$6,115,421 and an increase in fund balance of \$208,958. Actual revenues and expenditures were less than budgeted amounts by \$279,345 and \$207,769, respectively.

**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The Academy's investment in capital assets for its governmental activities as of June 30, 2023, amounts to \$4,972,298 (net of accumulated depreciation). This investment in capital assets consists of land, leasehold improvements, buildings and improvements, and equipment and furniture. The total decrease in the Academy's investment in capital assets for the current fiscal year was approximately 3.2 percent.

Major capital asset events during the current fiscal year included the purchase of leasehold improvements and various equipment and furniture for the Academy.

**Capital Assets Net of Depreciation  
Table 4**

	Governmental Activities		
	2023	2022	Increase (Decrease)
Land	\$ 395,000	\$ 395,000	\$ -
Leasehold Improvements	67,872	75,733	(7,861)
Buildings and Improvements	4,249,666	4,352,747	(103,081)
Equipment and Furniture	259,760	313,914	(54,154)
Total	<u>\$ 4,972,298</u>	<u>\$ 5,137,394</u>	<u>\$ (165,096)</u>

Additional information on the Academy's capital assets can be found in Note 2.B. on page 33 of this report.

**Long-Term Debt**

At the end of the current fiscal year, the Academy had total long-term debt outstanding of \$4,642,835, excluding the Academy's net pension liability of \$3,223,564. A summary of long-term debt activity for the year ended June 30, 2023 follows:

**Long-Term Debt  
Table 5**

	Governmental Activities		
	2023	2022	Increase (Decrease)
Financing Arrangements	\$ -	\$ 27,736	\$ (27,736)
Loans Payable	4,642,835	4,773,778	(130,943)
Total	<u>\$ 4,642,835</u>	<u>\$ 4,801,514</u>	<u>\$ (158,679)</u>

The Academy's total debt decreased by \$158,679 (3.3 percent) during the current fiscal year. Additional information on the Academy's long-term debt can be found in Note 2.D. on page 34 of this report.

**NEW DISCOVERIES MONTESSORI ACADEMY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Academy's appointed and elected officials considered many factors when setting the fiscal year 2024 budget. These factors included the following:

- The Academy's enrollment is projected to remain constant, which requires strategic planning of staffing and allocation of supplies as related to the budget.
- Budgets include normal inflationary increases in expenditures, with more significant increases expected in educational support staff, instructional materials, and equipment.
- Inflationary increases of 4.00 percent in FY2024 and 2.00 percent in FY2025 have been factored into future year budgets.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with general overview of the Academy's finances and to demonstrate the Academy's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact New Discoveries Montessori Academy, 1000 5<sup>th</sup> Ave SE, Hutchinson, MN 55350.

## **BASIC FINANCIAL STATEMENTS**

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	Governmental Activities
<hr/>	
<b>ASSETS</b>	
Cash and Temporary Investments	\$ 353,204
Accounts Receivable	224
Due from Minnesota Department of Education	459,502
Due from Federal through Minnesota Department of Education	126,223
Due from Federal Received Directly	20,130
Prepays	101,316
Capital Assets not Being Depreciated	395,000
Capital Assets Being Depreciated (Net)	<u>4,577,298</u>
<b>TOTAL ASSETS</b>	6,032,897
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pensions	1,407,411
<b>LIABILITIES</b>	
Accounts Payable	69,572
Salaries Payable	196,405
Payroll Deductions and Employer Contributions	70,551
Short-Term Debt	475,259
Unearned Revenue	42,148
Noncurrent Liabilities:	
Amount Due Within One Year	118,595
Amount Due After One Year	4,524,240
Net Pension Liability	<u>3,223,564</u>
<b>TOTAL LIABILITIES</b>	8,720,334
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pensions	<u>376,113</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	329,463
Restricted:	
General Fund Mandated Restrictions	2,662
Food Service	83,716
Community Service	15,750
Unrestricted	<u>(2,087,730)</u>
<b>TOTAL NET POSITION</b>	<u>\$ (1,656,139)</u>

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense)/ Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Administration	\$ 276,456	\$ -	\$ -	\$ -	\$ (276,456)
District Support Services	325,752	-	-	-	(325,752)
Regular Instruction	1,060,170	25,068	714,019	-	(321,083)
Exceptional Instruction	1,943,171	-	3,293,907	-	1,350,736
Community Education and Services	23,245	2,725	16,920	-	(3,600)
Instructional Support Services	77,303	-	-	-	(77,303)
Pupil Support Services	1,704,503	21,314	200,302	-	(1,482,887)
Sites and Buildings	376,637	-	291,445	29,278	(55,914)
Fiscal and Other Fixed Costs Programs	24,346	-	-	-	(24,346)
Interest and Other Fiscal Charges	296,298	-	-	-	(296,298)
Total Governmental Activities	<u>\$ 6,107,881</u>	<u>\$ 49,107</u>	<u>\$ 4,516,593</u>	<u>\$ 29,278</u>	(1,512,903)
General Revenues:					
State Aid Not Restricted to Specific Programs					1,711,320
Earnings on Investments					279
Gifts and Donations					6,975
Miscellaneous					<u>26,452</u>
Total General Revenues					<u>1,745,026</u>
<b>CHANGE IN NET POSITION</b>					232,123
<b>NET POSITION - BEGINNING OF YEAR</b>					<u>(1,888,262)</u>
<b>NET POSITION - END OF YEAR</b>					<u>\$ (1,656,139)</u>

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2023**

	General Fund	Building Company Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and Temporary Investments	\$ 143,330	\$ 85,075	\$ 124,799	\$ 353,204
Accounts Receivable	-	-	224	224
Due from Other Funds	160,971	-	-	160,971
Due from Minnesota Department of Education	459,502	-	-	459,502
Due from Federal through Minnesota Department of Education	126,223	-	-	126,223
Due from Federal Received Directly	20,130	-	-	20,130
Prepays	100,727	-	589	101,316
<b>TOTAL ASSETS</b>	<u>\$ 1,010,883</u>	<u>\$ 85,075</u>	<u>\$ 125,612</u>	<u>\$ 1,221,570</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 68,676	\$ -	\$ 896	\$ 69,572
Salaries Payable	192,755	-	3,650	196,405
Due to Other Funds	-	160,971	-	160,971
Payroll Deductions and Employer Contributions	54,538	-	16,013	70,551
Short-Term Debt	450,000	25,259	-	475,259
Unearned Revenue	150	37,000	4,998	42,148
Total Liabilities	766,119	223,230	25,557	1,014,906
<b>FUND BALANCES</b>				
Nonspendable	100,727	-	589	101,316
Restricted	2,662	-	99,466	102,128
Committed	5,185	-	-	5,185
Unassigned	136,190	(138,155)	-	(1,965)
Total Fund Balances	244,764	(138,155)	100,055	206,664
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,010,883</u>	<u>\$ 85,075</u>	<u>\$ 125,612</u>	<u>\$ 1,221,570</u>



**NEW DISCOVERIES MONTESSORI ACADEMY  
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2023**

Total Fund Balances - Governmental Funds	\$	206,664
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Amounts reported for governmental activities in the Statement of Net Position  
are different because:

Capital assets used in governmental activities are not current financial resources  
and, therefore, are not reported as assets in the governmental funds:

Capital Assets	\$ 6,048,114	
Accumulated Depreciation	<u>(1,075,816)</u>	
Capital Assets (Net)		4,972,298

Long-term liabilities are not due and payable in the current period and, therefore,  
are not reported as liabilities in the governmental funds:

Loans Payable	(4,642,835)
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The net pension liability and related deferred outflows/inflows represent the  
allocation of the pension obligations of the statewide plans to the Academy.

Such balances are not reported in the governmental funds:

Net Pension Liability	(3,223,564)	
Deferred Outflows - Pensions	1,407,411	
Deferred Inflows - Pensions	<u>(376,113)</u>	
		<u>(2,192,266)</u>

<b>TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b><u>(1,656,139)</u></b>
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**NEW DISCOVERIES MONTESSORI ACADEMY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	General Fund	Building Company Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Other Local and County Revenues	\$ 39,498	\$ 445,800	\$ 18,751	\$ 504,049
State Sources	5,521,526	-	26,702	5,548,228
Federal Sources	503,465	-	190,520	693,985
Sales and Other Conversions of Assets	<u>1,450</u>	<u>-</u>	<u>21,314</u>	<u>22,764</u>
<b>TOTAL REVENUES</b>	6,065,939	445,800	257,287	6,769,026
<b>EXPENDITURES</b>				
Current:				
Administration	290,748	-	-	290,748
District Support Services	298,497	16,233	-	314,730
Regular Instruction	1,061,703	-	-	1,061,703
Exceptional Instruction	1,973,093	-	-	1,973,093
Community Education and Services	-	-	23,245	23,245
Instructional Support Services	70,569	-	-	70,569
Pupil Support Services	1,470,554	-	218,526	1,689,080
Sites and Buildings	682,941	15,000	-	697,941
Fiscal and Other Fixed Cost Programs	24,346	-	-	24,346
Capital Outlay	14,655	-	-	14,655
Debt Service:				
Principal	-	140,187	-	140,187
Interest and Other Charges	<u>20,546</u>	<u>294,244</u>	<u>-</u>	<u>314,790</u>
<b>TOTAL EXPENDITURES</b>	<u>5,907,652</u>	<u>465,664</u>	<u>241,771</u>	<u>6,615,087</u>
<b>NET CHANGE IN FUND BALANCES</b>	158,287	(19,864)	15,516	153,939
<b>FUND BALANCES - BEGINNING</b>	<u>86,477</u>	<u>(118,291)</u>	<u>84,539</u>	<u>52,725</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 244,764</u>	<u>\$ (138,155)</u>	<u>\$ 100,055</u>	<u>\$ 206,664</u>

**NEW DISCOVERIES MONTESSORI ACADEMY  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balances - Total Governmental Funds	\$	153,939
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Amounts reported for governmental activities in the Statement of Activities are different due to the following:

Capital outlays are reported in the governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense:

Capital Outlay Capitalized	\$	10,282	
Depreciation Expense		<u>(175,378)</u>	
			(165,096)

The issuance of long-term debt provides current financial resources to governmental funds while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The amounts below detail the effects of these differences in the treatment of long-term debt and related items:

Financing Arrangement Principal Payments		27,736	
Mortgage Loan Principal Payments		<u>130,943</u>	
			158,679

Certain liabilities do not represent the impending use of current resources. Therefore, the change in such liabilities and related deferrals are not reported in the governmental funds:

Net Pension Liability and Deferred Outflows/Inflows of Resources		<u>84,601</u>
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<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b><u>232,123</u></b>
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**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.A. FINANCIAL REPORTING ENTITY**

New Discoveries Montessori Academy (the Academy) is an educational entity established in December 2005 in accordance with Minnesota Statutes. The Academy is authorized by Osprey Wilds Environmental Learning Center and is operating under a five-year contract extending through the 2024-2025 school year. The Academy is directed by an elected eight-member Board of Directors (the Board). The Board exercises legislative authority and determines all matters of policy. The Board appoints personnel responsible for the proper administration of all affairs relating to the Academy. The accompanying financial statements present the government entities for which the Academy is considered to be financially accountable.

The Academy has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the Academy are such that exclusion would cause the Academy's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government.

Aside from its authorizer relationship, Osprey Wilds Environmental Learning Center has no authority, control, power, or administrative responsibilities over New Discoveries Montessori Academy. Therefore, the Academy is not considered a component unit of Osprey Wilds Environmental Learning Center.

**Blended Component Units**

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Board of Directors or the component unit provides services entirely to the Academy. These component units' funds are blended into those of the Academy's by appropriate activity type to compose the primary government presentation. The Academy's blended component unit consists of:

**New Discoveries Affiliated Building Company (NDABC)**

The NDABC was established in 2017 as a nonprofit organization formed solely for the purpose of maintaining and managing a building rented to New Discoveries Montessori Academy. The revenues of the NDABC consist primarily of the rent received from the Academy, and the mortgage debt of the NDABC is guaranteed by the Academy as the sole tenant. The financial activity of the NDABC has been incorporated into the Academy's basic financial statements.

**Discretely Presented Component Units**

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. Currently, the Academy has no discretely presented component units.

**Tax Status**

The Academy is recognized by the Internal Revenue Service as a not-for-profit organization under IRS Code Section 501(c)(3). Due to the not-for-profit nature and provision of the Academy, all income and expenses attributable to the mission of the Academy are tax exempt and accordingly no provision or liability for income taxes have been made in the financial statements and contributions to the Academy are tax deductible to donors as allowed by IRS regulations. However, the Academy is required to pay state and federal income taxes on unrelated business income. If the Academy were to engage in any activities that resulted in unrelated business income, a tax would be assessed on that activity. The Academy is open and subject to examination generally for three years after the filing date.

**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1.B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all nonfiduciary activities of the primary government. For the most part, interfund activities have been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operations or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**1.C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

The financial statements of New Discoveries Montessori Academy have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenses are classified by function for governmental activities.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character	Current (further classified by function)
	Capital Outlay
	Debt Service

Intergovernmental revenue and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Academy.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the Academy receives value without directly giving equal value in return, include grants, entitlements, and donations. On an accrual basis, revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Academy must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Academy on a reimbursement basis.

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1.C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**  
(Continued)

The Academy reports the following major governmental funds:

The *General Fund* is the Academy's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Building Company Fund* is a special revenue fund used to account for the financial activity of the building company blended component unit. Activity of the building company consists primarily of rent charged to the Academy, which in turn is used to finance debt payments and other operational costs or improvements as needed.

Additionally, the government reports the following fund type:

The *Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**1.D. USE OF ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY**

**Deposits and Investments**

Cash balances from all funds are combined and invested to the extent available in various securities as authorized by Minnesota Statutes. Earnings from the pooled investments are allocated to the respective funds on the basis of applicable participation by each of the funds. Temporary cash investments are stated at cost which approximates fair value. Investments in external investment pools, if any, are valued at the pool's share price.

See Note 2.A. for additional information related to Deposits and Investments.

**Accounts Receivable**

Accounts receivable include amounts billed for services provided before year end. No substantial losses are anticipated from present receivable balances; therefore, no allowance for uncollectible accounts is deemed necessary.

**Due from Other Governments**

Amounts due from the Minnesota Department of Education, from the Federal Government through the Department of Education, and from other governmental units for general education aids and reimbursements under various specific programs are reported at the estimated amounts to be received based on available information at the date of this report. In some instances, adjustments and proration by these agencies, which are dependent upon the amount of funds available for distribution, and may result in differing amounts actually being received. Any such differences will be absorbed into operations as of the subsequent period.

**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY  
(Continued)**

**Inventory and Commodities**

Inventory is recorded using the consumption method of accounting and consists of purchased food, supplies, and surplus commodities received from the Federal Government. Food and supply purchases are recorded at invoice cost, computed on a first-in, first-out method, and surplus commodities are stated at standardized cost, as determined by the Department of Agriculture. The Academy does not carry any inventory or commodities as of June 30, 2023.

**Prepays**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**Capital Assets**

Capital assets are capitalized at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated acquisition value at the date of donation. The Academy maintains a threshold level of \$500 or more for capitalizing capital assets. The system for accumulation of capital asset cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.

Capital assets are recorded in the government-wide financial statements but are not reported in the fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the Academy, no salvage value is taken into consideration for depreciation purposes. Capital assets consist of land, leasehold improvements, buildings and improvements, and equipment and furniture owned by the Academy which are being depreciated over useful lives varying from five to fifty years.

Capital assets not being depreciated include land and construction in progress, if any.

The Academy does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of buildings or other improvable property.

**Accrued Payroll Liabilities**

Salaries pertaining to the school year ended June 30, 2023, which are payable in July and August 2023, are accrued as of June 30, 2023, and are shown as a liability on the accompanying financial statements. Liabilities for payroll taxes, amounts withheld from payroll checks and benefits accrued are also included.

**Short Term Debt**

The Academy's short-term debt consists of lines of credit held with a local financial institution to assist in financing immediate operating expenditures.

**Unearned Revenue**

Unearned revenue consists of local revenue received but not yet earned. Such amounts typically consist of grants and entitlements received before eligibility requirements are met and prepaid pupil lunch balances.

**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY  
(Continued)**

**Compensated Absences**

Unused paid time off at year end does not carry forward to subsequent years, and employees are not compensated for unused paid time off upon termination. Therefore, no amount has been accrued for accrued paid time off in the financial statements.

**Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Pensions**

The net pension liability represents the Academy's allocation of its pro-rata share of the Statewide Public Employees Retirement Association (PERA) and Teachers Retirement Association (TRA).

**PERA**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments, and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**TRA**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Teachers Retirement Association (TRA) and additions to/deductions from TRA's fiduciary net position have been determined on the same basis as they are reported by TRA.

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis, and Minneapolis School District. This direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association in 2015.

**Interfund Transactions and Balances**

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. If short-term in nature or incurred through goods and service type transactions, such interfund balances are reported as "due to/from other funds." Long-term interfund loans are reported as "advances to/from other funds." The Academy also reports lease revenue and expense resulting from an operating lease between the Academy and its building company blended component unit. These amounts are reported on the lines other local and county revenue and sites and building expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balances. Interfund transactions and balances between governmental funds are eliminated in the Statement of Net Position and Statement of Activities. Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers.

See additional information related to Interfund Transactions and Balances at Note 2.F.



**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY**  
(Continued)

**Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This element represents a consumption of net position that applies to future periods and, therefore, will not be recognized as an outflow of resources (expense) until that time. The Academy reports deferred outflows of resources in the government-wide Statement of Net Position in relation to the activity of the pension funds in which Academy employees participate.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This element represents an acquisition of net position that applies to future periods and, therefore, will not be recognized as an inflow of resources (revenue) until that time. The Academy reports deferred inflows of resources in the government-wide Statement of Net Position in relation to the activity of the pension funds in which Academy employees participate.

See Note 3 for additional information pertaining to the deferred outflows and deferred inflows recorded to account for pension activities.

**Fund Balance**

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the Academy is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable – Includes amounts that cannot be spent because they are either not in spendable form, or they are legally or contractually required to be maintained intact. The nonspendable fund balance at June 30, 2023 consists of prepaid expenditures.

Restricted – Amounts related to externally imposed constraints established by creditors, grantors, or contributors; or constraints imposed by state statutory provisions.

Committed – Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the Board of Directors (the Board), which is the Academy's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Board modifies or rescinds the commitment by resolution.

Assigned – Amounts that are neither restricted nor committed but are constrained by the Academy's intent to be used for specific purposes. The Board has delegated the authority to assign fund balances to the Academy's administration and Chief Financial Officer. The Academy has no assigned fund balances at June 30, 2023.

Unassigned – The residual classification for the General Fund and also negative residual amounts in other funds, if any. The Academy has formally adopted a policy under which it strives to maintain an unassigned fund balance greater than or equal to zero in each of its governmental funds.

When both restricted and unrestricted resources are available for use, it is the Academy's practice to first use restricted resources, and then use unrestricted resources as they are needed. If resources from more than one fund balance classification could be spent, the Academy will spend the resources from fund balance classifications in the following order: restricted, committed, assigned, and unassigned, in accordance with the Academy's policy.

See Note 2.E. for additional disclosures.

**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY  
(Continued)**

**Net Position**

Net position represents the difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources. Net position is displayed in three components:

Net Investment in Capital Assets – Consists of capital assets, net of accumulated depreciation, and reduced by any outstanding debt attributable to acquiring the capital assets.

Restricted Net Position – Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Unrestricted Net Position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

It is the Academy’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS**

**2.A. DEPOSITS AND INVESTMENTS**

**Deposits**

In accordance with applicable Minnesota Statutes, the Academy maintains deposits in financial institutions designated by the Academy Board. Minnesota Statutes require that all Academy deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds (100 percent if collateral pledged is irrevocable standby letters of credit issued by the Federal Home Loan Bank). The Academy complies with such laws.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- A general obligation of a state or local government, with taxing powers, rated “A” or better;
- A revenue obligation of a state or local government, with taxing powers, rated “AA” or better;
- Unrated general obligation securities of a local government, with taxing powers, pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letter of credit issued by a Federal Home Loan Bank accompanied by written evidence that the Federal Home Loan Bank’s public debt is rated “AA” or better by Moody’s or Standard and Poor’s; or
- Time deposits insured by any federal agency.

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)**

**2.A. DEPOSITS AND INVESTMENTS (Continued)**

Minnesota Statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the Academy.

At June 30, 2023, the Academy's deposits were exposed to custodial credit risk. The Academy's deposits were in excess of federal depository insurance or by collateral held by the Academy's agent in the Academy's name by \$15,506.

**Investments**

The Academy does not hold any investments as of June 30, 2023.

**2.B. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2023 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital Assets, not Being Depreciated					
Land	\$ 395,000	\$ -	\$ -	\$ -	\$ 395,000
Capital Assets, Being Depreciated					
Leasehold Improvements	162,825	3,409	-	(18,290)	147,944
Buildings and Improvements	4,672,486	-	-	(6,887)	4,665,599
Equipment and Furniture	<u>807,521</u>	<u>6,873</u>	<u>-</u>	<u>25,177</u>	<u>839,571</u>
Total Capital Assets Being Depreciated	5,642,832	10,282	-	-	5,653,114
Less Accumulated Depreciation for					
Leasehold Improvements	87,092	12,125	-	(19,145)	80,072
Buildings and Improvements	319,739	97,572	-	(1,378)	415,933
Equipment and Furniture	<u>493,607</u>	<u>65,681</u>	<u>-</u>	<u>20,523</u>	<u>579,811</u>
Total Accumulated Depreciation	<u>900,438</u>	<u>175,378</u>	<u>-</u>	<u>-</u>	<u>1,075,816</u>
Total Capital Assets Being Depreciated, Net	<u>4,742,394</u>	<u>(165,096)</u>	<u>-</u>	<u>-</u>	<u>4,577,298</u>
Governmental Activities					
Capital Assets, Net	<u>\$ 5,137,394</u>	<u>\$ (165,096)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,972,298</u>

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)**

**2.B. CAPITAL ASSETS (Continued)**

Depreciation expense was charged to functions of the Academy as follows:

Governmental Activities	
District Support Services	\$ 682
Regular Instruction	45,596
Exceptional Instruction	465
Instructional Support Services	6,117
Pupil Support Services	6,580
Sites and Buildings	<u>115,938</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 175,378</u></u>

**2.C. SHORT-TERM DEBT**

In January 2023, the Academy renewed a line of credit in the amount of \$400,000 to assist in financing immediate operating expenditures. Also in January 2023, the Academy renewed an additional line of credit in the amount of \$200,000. Both lines of credit have a variable interest rate calculated as the current index rate. At June 30, 2023, such rates are 8.00 percent. Both lines of credit mature on December 1, 2023. In addition, in April 2023 the Building Company renewed a line of credit in the amount of \$50,000, of which they have drawn \$25,259 as of June 30, 2023. The line of credit has an interest rate of 2.50 percent and matures in April 2024. Aggregate current year activity is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Lines of Credit - School	\$ 600,000	\$ 450,000	\$ (600,000)	\$ 450,000
Line of Credit - Building Company	<u>49,760</u>	<u>-</u>	<u>(24,501)</u>	<u>25,259</u>
 Totals	 <u><u>\$ 649,760</u></u>	 <u><u>\$ 450,000</u></u>	 <u><u>\$ (624,501)</u></u>	 <u><u>\$ 475,259</u></u>

**2.D. NONCURRENT LIABILITIES**

**Loans Payable**

In April 2019, the Academy's affiliated building company issued long-term debt to finance the acquisition and construction of capital facility additions. The component unit's long-term debt consists entirely of Loans Payable, which are expected to be repaid entirely using the resources of the Academy. Repayment generally occurs through a rent payment from the Academy to the Academy's Building Company Fund component unit that, in turn, pledges those payments as sources of repayment for the long-term debt.

Debt outstanding for the loan payable with Old National Bank is subject to debt service covenants for the year ended June 30, 2023, which requires that certain financial ratios be maintained. Specifically, the Academy must maintain a debt service coverage ratio of at least 1.20, as calculated at the end of each fiscal year. The Academy is in compliance with these ratios for the year ended June 30, 2023.

Loans payable are direct obligations and pledge the full faith and credit of the Academy's Building Company Fund blended component unit.

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)**

**2.D. NONCURRENT LIABILITIES (Continued)**

Loans payable currently outstanding are as follows:

Description	Loans Payable			
	Original Issue Amount	Interest Rate(s)	Final Maturity Date	Balance Outstanding
<i>Governmental Activities:</i>				
Business Loan - Old National Bank	\$ 4,800,000	5.69%	5/1/2044	\$ 4,401,305
Promissory Note - Propel Nonprofits	300,000	5.50%	5/2/2026	241,530
	<u>\$ 5,100,000</u>			<u>\$ 4,642,835</u>

**Annual Debt Service Requirements**

At June 30, 2023, estimated annual debt service requirements to maturity for the loans payable are as follows:

Year Ended June 30,	Governmental-Type Activities		
	Charter School Loans Payable		
	Principal	Interest	Total
2024	\$ 118,595	\$ 265,125	\$ 383,720
2025	136,260	256,853	393,113
2026	333,286	247,960	581,246
2027	133,243	230,446	363,689
2028	140,522	223,167	363,689
2029-2033	840,708	977,739	1,818,447
2034-2038	1,121,143	697,304	1,818,447
2039-2043	1,495,142	323,305	1,818,447
2044	<u>323,936</u>	<u>9,448</u>	<u>333,384</u>
	<u>\$ 4,642,835</u>	<u>\$ 3,231,347</u>	<u>\$ 7,874,182</u>

**Changes in Noncurrent Liabilities**

Noncurrent liability activity, excluding net pension liability, for the year ended June 30, 2023 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Governmental Activities:</i>					
Charter School Loans Payable	\$ 4,773,778	\$ -	\$ (130,943)	\$ 4,642,835	\$ 118,595
Financing Arrangements	<u>27,736</u>	<u>-</u>	<u>(27,736)</u>	<u>-</u>	<u>-</u>
Total Noncurrent Liabilities	<u>\$ 4,801,514</u>	<u>\$ -</u>	<u>\$ (158,679)</u>	<u>\$ 4,642,835</u>	<u>\$ 118,595</u>

Loans payable are typically funded through the Building Company blended component unit fund.

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)**

**2.D. NONCURRENT LIABILITIES (Continued)**

Government-wide interest and other fiscal charges for the year ended June 30, 2023 total \$296,298 on the Statement of Activities. Fund financial statement interest and other fiscal charges for the year ended June 30, 2023 total \$314,790. Interest expenses included in direct program expenses total \$0; all bond interest and fees are included in Interest and Other Fiscal Charges.

**2.E. FUND BALANCE CLASSIFICATIONS**

At June 30, 2023, governmental fund equity includes the following:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Unassigned</u>
General Fund				
Nonspendable - Prepays	\$ 100,727	\$ -	\$ -	\$ -
Restricted for Medical Assistance	-	2,662	-	-
Committed for Facility and Equipment				
Repairs and Maintenance	-	-	5,185	-
Unassigned	-	-	-	136,190
	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,190</u>
Total General Fund Balance	<u>\$ 100,727</u>	<u>\$ 2,662</u>	<u>\$ 5,185</u>	<u>\$ 136,190</u>
Building Company Fund				
Unassigned	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (138,155)</u>
Nonmajor Governmental Funds				
Nonspendable - Prepays	\$ 589	\$ -	\$ -	\$ -
Restricted for Food Service	-	83,716	-	-
Restricted for Community Service	-	15,750	-	-
	<u>-</u>	<u>15,750</u>	<u>-</u>	<u>-</u>
Total Nonmajor Governmental Fund Balance	<u>\$ 589</u>	<u>\$ 99,466</u>	<u>\$ -</u>	<u>\$ -</u>

Restricted for Medical Assistance - This amount represents the unspent resources available from medical assistance.

Restricted for Food Service - This amount represents restricted resources for food service stipulated by constitution, external resource providers, or through enabling legislation.

Restricted for Community Service - This amount represents restricted resources for community service stipulated by constitution, external resource providers, or through enabling legislation.

Committed for Equipment Repairs and Maintenance – This amount represents resources the Academy Board has formally committed for the repairs and maintenance of the Academy’s facilities and Equipment.

The Building Company Fund deficit fund balance is expected to be made positive with the collection of future rent receipts.

**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)**

**2.F. INTERFUND TRANSACTIONS AND BALANCES**

Interfund balances at June 30, 2023 are as follows:

Due To Fund	Due From Fund	Amount	Reason
General	Building Company	\$ <u>160,971</u>	Reimbursement for expenses paid by the Academy

The interfund balances above are to be repaid as cash flows become available in the Building Company Fund.

The Academy's funds also report lease revenue and expenditures resulting from an operating lease between the Academy and its Building Company Fund blended component unit totaling \$444,000. This amount has been eliminated in the government-wide financial statements.

**NOTE 3 DEFINED BENEFIT PENSION PLANS – STATEWIDE**

**3.A. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**

**Plan Description**

The Academy participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan

The General Employees Retirement Plan covers certain full time and part-time employees of the Academy. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

**Benefits Provided**

PERA provides retirement, disability, and death benefits. Benefit provisions are established by State Statute and can only be modified by the State Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

General Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3     DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)**

**3.A.     PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)**

**Contributions**

*Minnesota Statutes* Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2023 and the Academy was required to contribute 7.50 percent for Coordinated Plan members. The Academy's contributions to the General Employees Fund for the year ended June 30, 2023 were \$79,115. The Academy's contributions are equal to the required contributions as set by State Statute.

**Pension Costs**

General Employees Fund Pension Costs

At June 30, 2023, the Academy reported a liability of \$1,037,524 for its proportionate share of the General Employees Fund's net pension liability. The Academy's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the State's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the Academy totaled \$30,453.

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Academy's proportionate share of the net pension liability was based on the Academy's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The Academy's proportionate share was 0.0131 percent at the end of the measurement period and 0.0116 percent for the beginning of the period.

Academy's proportionate share of the net pension liability:	\$1,037,524
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State of Minnesota's proportionate share of the net pension liability associated with the Academy	<u>30,453</u>
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Total	<u>\$1,067,977</u>
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For the year ended June 30, 2023, the Academy recognized pension expense of \$176,696 for its proportionate share of the General Employees Plan's pension expense. In addition, the Academy recognized \$4,550 as grant revenue for its proportionate share of the State of Minnesota's pension expense for the annual \$16 million contribution.



**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3     DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)**

**3.A.     PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)**

At June 30, 2023, the Academy reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 8,666	\$ 9,950
Changes in actuarial assumptions	208,736	4,317
Differences between projected and actual investment earnings	64,188	-
Changes in proportion	63,247	53,959
Contributions made to PERA subsequent to the measurement date	<u>79,115</u>	<u>-</u>
Total Deferred Outflows/Inflows	<u>\$ 423,952</u>	<u>\$ 68,226</u>

The \$79,115 reported as deferred outflows of resources related to pensions resulting from Academy contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expense
2024	\$ 97,835
2025	\$ 86,865
2026	\$ (1,918)
2027	\$ 93,829

**Total Pension Expense**

The total pension expense for all PERA plans recognized by the Academy for the year ended June 30, 2023, including amortization of prior year deferral balances, was \$72,275.

**Long-Term Expected Return on Investment**

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	<u>25.0%</u>	5.90%
Total	<u>100%</u>	

**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3     DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)**

**3.A.     PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)**

**Actuarial Methods and Assumptions**

The total pension liability in the June 30, 2022 actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.50 percent in the June 30, 2022 actuarial valuation and 7.00 percent in the June 30, 2023 actuarial valuation. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.50 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the General Employees Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.00 percent after 29 years of service and 6.00 percent per year thereafter.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2022:

General Employees Fund

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

**Discount Rate**

The discount rate used to measure the total pension liability in 2022 was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate is 7.00 percent in the June 30, 2023 actuarial valuation.

**Pension Liability Sensitivity**

The following presents the Academy's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Academy's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Sensitivity Analysis		
<i>Net Pension Liability (Asset) at Different Discount Rates</i>		
1% Increase in Discount Rate	7.50%	\$544,366
Current Discount Rate	6.50%	\$1,037,524
1% Decrease in Discount Rate	5.50%	\$1,638,824

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3     DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)**

**3.A.     PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)**

**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org).

**3.B.     TEACHERS RETIREMENT ASSOCIATION**

**Plan Description**

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with *Minnesota Statutes*, Chapters 354 and 356. TRA is a separate statutory entity and administered by a Board of Trustees. The Board consists of four active members, one retired member and three statutory officials.

Educators employed in Minnesota's public elementary and secondary schools, charter schools, and certain other TRA-covered educational institutions maintained by the State are required to be TRA members (except those employed by St. Paul schools or Minnesota State Colleges and Universities). Educators first hired by Minnesota State may elect either TRA coverage or coverage through the Defined Contribution Plan (DCR) administered by Minnesota State.

**Benefits Provided**

TRA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by Minnesota Statute and vest after three years of service credit. The defined retirement benefits are based on a member's highest average salary for any five consecutive years of allowable service, age, and a formula multiplier based on years of credit at termination of service.

Two methods are used to compute benefits for TRA's Coordinated and Basic Plan members. Members first employed before July 1, 1989 receive the greater of the Tier I or Tier II benefits as described.

*Tier I Benefits*

Tier I	Step Rate Formula	Percentage
Basic	First ten years of service	2.2 percent per year
	All years after	2.7 percent per year
Coordinated	First ten years if service years are up to July 1, 2006	1.2 percent per year
	First ten years if service years are July 1, 2006 or after	1.4 percent per year
	All other years of service if service years are up to July 1, 2006	1.7 percent per year
	All other years of service if service years are July 1, 2006 or after	1.9 percent per year

With these provisions:

- (a) Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
- (b) 3 percent per year early retirement reduction factor for all years under normal retirement age.
- (c) Unreduced benefits for early retirement under a Rule-of-90 (age plus allowable service equals 90 or more).

Or

**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3     DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)**

**3.B.     TEACHERS RETIREMENT ASSOCIATION (Continued)**

*Tier II Benefits*

For years of service prior to July 1, 2006, a level formula of 1.70 percent per year for coordinated members and 2.70 percent per year for basic members is applied. For years of service July 1, 2006 and after, a level formula of 1.90 percent per year for coordinated members and 2.70 percent per year for Basic members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under Minnesota Statute. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

Members first employed after June 30, 1989 receive only the Tier II benefit calculation with a normal retirement age that is their retirement age for full Social Security retirement benefits, but not to exceed age 66.

Six different types of annuities are available to members upon retirement. The No Refund Life Plan is a lifetime annuity that ceases upon the death of the retiree – no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary (ies) by selecting one of the five plans that have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is eligible for a refund of their employee contributions plus interest.

The benefit provisions stated apply to active plan participants. Vested, terminated employees who are entitled to benefits but not yet receiving them are bound by the plan provisions in effect at the time they last terminated their public service.

**Contribution Rate**

Per *Minnesota Statutes*, Chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year ended June 30, 2021, June 30, 2022, and June 30, 2023 were:

	<u>June 30, 2021</u>		<u>June 30, 2022</u>		<u>June 30, 2023</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
Basic	11.00%	12.13%	11.00%	12.34%	11.00%	12.55%
Coordinated	7.50%	8.13%	7.50%	8.34%	7.50%	8.55%

The following is a reconciliation of employer contributions in TRA 's fiscal year 2022 ACFR "Statement of Changes in Fiduciary Net Position" to the employer contributions used in Schedule of Employer and Non-Employer Pension Allocations.

	<i>in thousands</i>
Employer contributions reported in TRA's ACFR, Statement of Changes in Fiduciary Net Position	\$ 482,679
Employer contributions not related to future contribution efforts	(2,178)
TRA's contributions not included in allocation	<u>(572)</u>
Total employer contributions	\$ 479,929
Total non-employer contributions	<u>35,590</u>
Total contributions reported in <i>Schedule of Employer and Non-Employer Allocations</i>	<u>\$ 515,519</u>

Amounts reported in the allocation schedules may not precisely agree with financial statement amounts or actuarial valuations due to the number of decimal places used in the allocations. TRA has rounded percentage amounts to the nearest ten thousandths.

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3    DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)**

**3.B.    TEACHERS RETIREMENT ASSOCIATION (Continued)**

**Actuarial Assumptions**

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<u>Key Methods and Assumptions Used in Valuation of Total Pension Liability</u>	
<u>Actuarial Information:</u>	
Valuation date	July 1, 2022
Measurement date	June 30, 2022
Experience study	June 28, 2019 (demographic and economic assumptions)*
Actuarial cost method	Entry Age Normal
<u>Actuarial Assumptions:</u>	
Investment rate of return	7.00%
Price inflation	2.50%
Wage growth rate	2.85% before July 1, 2028 and 3.25% after June 30, 2028
Projected salary increase	2.85% to 8.85% before July 1, 2028 and 3.25% to 9.25% after June 30, 2028
Cost of living adjustment	1.00% for January 2019 through January 2023, then increasing by 0.10% each year up to 1.50% annually.
<u>Mortality Assumptions:</u>	
Pre-retirement:	RP-2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP-2015 scale.
Post-retirement:	RP-2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP-2015 scale.
Post-disability:	RP-2014 disabled retiree mortality table, without adjustment.

*\*The assumptions prescribed are based on the experience study dated June 28, 2019. For GASB 67 purposes, the long-term rate of return assumptions is selected by TRA management in consultation with actuary*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	<u>25.0%</u>	5.90%
Total	<u>100%</u>	

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3     DEFINED BENEFIT PENSION PLANS – STATEWIDE** (Continued)

**3.B.     TEACHERS RETIREMENT ASSOCIATION** (Continued)

The TRA actuary has determined the average of the expected remaining service lives of all members for fiscal year 2023 is six years. The *Difference between Expected and Actual Experience*, *Changes of Assumptions*, and *Changes in Proportion* use the amortization period of six years in the schedule presented. The amortization period for *Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments* is five years as required by GASB 68.

Changes in actuarial assumptions since the 2021 valuation:

- None.

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00 percent. There was no change in the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2022 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the State will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

**Net Pension Liability**

At June 30, 2023, the Academy reported a liability of \$2,186,040 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Academy's proportion of the net pension liability was based on the Academy's contributions to TRA in relation to total system contributions including direct aid from the State of Minnesota, City of Minneapolis, and Minneapolis School District. The Academy's proportionate share was 0.0273 percent at the end of the measurement period and 0.0247 percent for the beginning of the year.

The pension liability amount reflected a reduction due to direct aid provided to TRA. The amount recognized by the Academy as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the Academy were as follows:

Academy's proportionate share of net pension liability	\$2,186,040
State's proportionate share of the net pension liability associated with the Academy	\$161,979

For the year ended June 30, 2023, the Academy recognized pension expense of 344,759. It also recognized \$10,428 as an increase to pension expense for the support provided by direct aid.

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3     DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)**

**3.B.     TEACHERS RETIREMENT ASSOCIATION (Continued)**

On June 30, 2023, the Academy had deferred resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 28,242	\$ 15,977
Changes in actuarial assumptions	316,792	291,910
Differences between projected and actual investment earnings	126,071	-
Changes in proportion	367,596	-
Contributions made to TRA subsequent to the measurement date	144,758	-
	<u>983,459</u>	<u>-</u>
Total Deferred Outflows/Inflows	<u>\$ 983,459</u>	<u>\$ 307,887</u>

Deferred outflows of resources and (deferred inflows of resources) will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expense
2024	\$ (87,267)
2025	\$ 169,557
2026	\$ 111,687
2027	\$ 316,331
2028	\$ 20,506

**Pension Liability Sensitivity**

The following presents the net pension liability of TRA calculated using the discount rate of 7.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate.

Sensitivity of Net Pension Liability (NPL) to changes in the discount rate		
1 percent decrease (6.00%)	Current (7.00%)	1 percent increase (8.00%)
\$3,446,172	\$2,186,040	\$1,153,124

The Academy's proportion of the net pension liability was based on the employer contributions to TRA in relation to TRA's total employer contributions including direct aid contributions from the State of Minnesota, City of Minneapolis, and Minneapolis School District.

**Pension Plan Fiduciary Net Position**

Detailed information about the plan's fiduciary net position is available in a separately-issued TRA financial report. That report can be obtained at <https://minnesotatra.org>, by writing to TRA at 60 Empire Drive, Suite 400, St. Paul, MN, 55103-4000; or by calling 651-296-2409 or 800-657-3669.

**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION**

**4.A. COMMITMENTS AND CONTINGENCIES**

**Building Lease**

The Academy currently rents a building of approximately 40,000 square feet under an operating lease agreement. Such agreement has an expiration date of June 30, 2054. The lease calls for monthly base rent of \$37,000, for a total of \$444,000 annually through June 30, 2054. However, annual rent paid under this lease will be the greater of this base rent or the amount necessary to maximize the lease aid received from the Minnesota Department of Education. The lease also requires the Academy to pay 100% of the real estate taxes incurred through the duration of the lease.

The Academy's ability to make payments under this lease agreement is dependent on its ability to generate revenues, which in turn is largely dependent on sufficient enrollment being served at the Academy and sufficient state aids per student being authorized and received from the state of Minnesota. The Building Company believes the Academy's enrollment and aid entitlement will be sufficient to meet the lease obligations as they become due. It is expected that the Academy will need to receive charter school lease aid in order to meet its lease payments.

At June 30, 2023 estimated future minimum rent payments are as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2024	\$ 444,000
2025	444,000
2026	444,000
2027	444,000
2028	444,000
2029-2033	2,220,000
2034-2038	2,220,000
2039-2043	2,220,000
2044-2048	2,220,000
2049-2053	2,220,000
2054	<u>444,000</u>
	<u>\$ 13,764,000</u>

During the year ended June 30, 2023, the Academy incurred lease expenditures of \$444,000 under this lease agreement.

**Federal and State Programs**

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time. However, management of the Academy expects such amounts, if any, to be immaterial.



**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 4    OTHER INFORMATION** (Continued)

**4.B.    RISK MANAGEMENT**

**Claims and Judgments**

The Academy is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To manage these risks, the Academy purchases commercial insurance. The Academy retains risk for the deductible portions of the insurance. The amounts of these deductibles are considered immaterial to the financial statements. There were no significant reductions in insurance from the previous year settlements in excess of insurance for any of the past two years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported. The Academy's management is not aware of any incurred but no reported claims.

**4.C.    OTHER EMPLOYEE BENEFITS**

**Deferred Contribution Plan**

The Academy provides eligible employees future retirement benefits through the Academy's 403(b) Plan ("the Plan"). The Academy has contracted with a private brokerage firm to establish the Plan, and plan assets are not held in a formal trust meeting the criteria defined by GASB No. 73, par 4. The Academy's School Board acts as the plan administrator, but the Academy is not involved with the investment decisions for plan assets. Contributions are invested in tax deferred annuities selected and owned by Plan participants. Employees of the Academy are eligible to participate in the Plan commencing on the date of their employment. Eligible employees may elect to have a percentage of their pay contributed to the Plan. The Academy does not currently make employer contributions to the plan.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**NEW DISCOVERIES MONTESSORI ACADEMY  
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	
<b>REVENUES</b>				
Other Local and County Revenues	\$ 64,508	\$ 48,920	\$ 39,498	\$ (9,422)
State Sources	5,269,673	5,723,652	5,521,526	(202,126)
Federal Sources	531,560	571,212	503,465	(67,747)
Sales and Other Conversions of Assets	<u>1,326</u>	<u>1,500</u>	<u>1,450</u>	<u>(50)</u>
<b>TOTAL REVENUES</b>	<u>5,867,067</u>	<u>6,345,284</u>	<u>6,065,939</u>	<u>(279,345)</u>
<b>EXPENDITURES</b>				
Current:				
Administration	198,314	259,491	290,748	31,257
District Support Services	240,519	257,717	298,497	40,780
Regular Instruction	969,314	1,134,405	1,061,703	(72,702)
Exceptional Instruction	1,898,144	2,119,672	1,973,093	(146,579)
Instructional Support Services	109,683	68,642	70,569	1,927
Pupil Support Services	1,529,447	1,542,961	1,470,554	(72,407)
Sites and Buildings	728,585	675,149	682,941	7,792
Fiscal and Other Fixed Cost Programs	24,856	24,605	24,346	(259)
Capital Outlay	85,735	12,779	14,655	1,876
Debt Service:				
Interest and Other Charges	<u>20,000</u>	<u>20,000</u>	<u>20,546</u>	<u>546</u>
<b>TOTAL EXPENDITURES</b>	<u>5,804,597</u>	<u>6,115,421</u>	<u>5,907,652</u>	<u>(207,769)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>62,470</u>	<u>229,863</u>	<u>158,287</u>	<u>(71,576)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	<u>(9,257)</u>	<u>(20,905)</u>	<u>-</u>	<u>20,905</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 53,213</u>	<u>\$ 208,958</u>	<u>158,287</u>	<u>\$ (50,671)</u>
<b>FUND BALANCE - BEGINNING</b>			<u>86,477</u>	
<b>FUND BALANCE - ENDING</b>			<u>\$ 244,764</u>	

**NEW DISCOVERIES MONTESSORI ACADEMY  
SCHEDULE OF ACADEMY'S PROPORTIONATE  
SHARE OF NET PENSION LIABILITY  
LAST TEN YEARS (Presented Prospectively)**

For the Measurement Year Ended June 30,	Academy's Proportion of the Net Pension Liability (Asset)	Academy's Proportionate Share of the Net Pension Liability (Asset) (a)	State's Proportionate Share of the Net Pension Liability Associated with the Academy (b)	Academy's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the Academy (a+b)	Academy's Covered Payroll (c)	Academy's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<b><i>Public Employees Retirement Association</i></b>							
2022	0.0131%	\$ 1,037,524	\$ 30,453	\$ 1,067,977	\$ 950,213	112.4%	76.7%
2021	0.0116%	\$ 495,372	\$ 15,186	\$ 510,558	\$ 863,653	59.1%	87.0%
2020	0.0134%	\$ 803,391	\$ 24,750	\$ 828,141	\$ 958,747	86.4%	79.1%
2019	0.0123%	\$ 680,039	\$ 20,999	\$ 701,038	\$ 875,133	80.1%	80.2%
2018	0.0120%	\$ 665,711	\$ 21,837	\$ 687,548	\$ 796,959	86.3%	79.5%
2017	0.0097%	\$ 619,243	\$ 7,814	\$ 627,057	\$ 627,347	100.0%	75.9%
2016	0.0095%	\$ 771,353	\$ 10,154	\$ 781,507	\$ 583,920	133.8%	68.9%
2015	0.0134%	\$ 694,458	\$ -	\$ 694,458	\$ 767,874	90.4%	78.2%
2014	0.0150%	\$ 704,625	\$ -	\$ 704,625	\$ 801,725	87.9%	78.7%
<b><i>Teachers Retirement Association</i></b>							
2022	0.0273%	\$ 2,186,040	\$ 161,979	\$ 2,348,019	\$ 1,644,880	142.8%	76.2%
2021	0.0247%	\$ 1,080,946	\$ 91,223	\$ 1,172,169	\$ 1,564,305	74.9%	86.6%
2020	0.0231%	\$ 1,706,659	\$ 142,818	\$ 1,849,477	\$ 1,376,692	134.3%	75.5%
2019	0.0197%	\$ 1,255,682	\$ 110,899	\$ 1,366,581	\$ 1,191,375	114.7%	78.2%
2018	0.0172%	\$ 1,081,986	\$ 101,413	\$ 1,183,399	\$ 988,057	119.8%	78.1%
2017	0.0162%	\$ 3,233,814	\$ 313,201	\$ 3,547,015	\$ 907,333	390.9%	51.6%
2016	0.0143%	\$ 3,410,891	\$ 341,595	\$ 3,752,486	\$ 750,613	499.9%	44.9%
2015	0.0139%	\$ 859,852	\$ 105,436	\$ 965,288	\$ 704,841	137.0%	76.8%
2014	0.0153%	\$ 705,013	\$ 49,668	\$ 754,681	\$ 698,125	108.1%	81.5%

Note: The schedule is provided prospectively with the Academy's fiscal year ended June 30, 2015 (June 30, 2014 measurement date) and is intended to show a ten year trend. Additional years will be reported as they become available.

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**SCHEDULE OF ACADEMY PENSION CONTRIBUTIONS**  
**LAST TEN YEARS (Presented Prospectively)**

For the Fiscal Year Ended June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Academy's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b><i>Public Employees Retirement Association</i></b>					
2023	\$ 79,115	\$ 79,115	\$ -	\$ 1,054,869	7.50%
2022	\$ 71,266	\$ 71,266	\$ -	\$ 950,213	7.50%
2021	\$ 64,774	\$ 64,774	\$ -	\$ 863,653	7.50%
2020	\$ 71,906	\$ 71,906	\$ -	\$ 958,747	7.50%
2019	\$ 65,635	\$ 65,635	\$ -	\$ 875,133	7.50%
2018	\$ 59,772	\$ 59,772	\$ -	\$ 796,959	7.50%
2017	\$ 47,051	\$ 47,051	\$ -	\$ 627,347	7.50%
2016	\$ 43,794	\$ 43,794	\$ -	\$ 583,920	7.50%
2015	\$ 58,600	\$ 58,600	\$ -	\$ 767,874	7.63%
<b><i>Teachers Retirement Association</i></b>					
2023	\$ 144,758	\$ 144,758	\$ -	\$ 1,693,076	8.55%
2022	\$ 137,183	\$ 137,183	\$ -	\$ 1,644,880	8.34%
2021	\$ 127,178	\$ 127,178	\$ -	\$ 1,564,305	8.13%
2020	\$ 109,034	\$ 109,034	\$ -	\$ 1,376,692	7.92%
2019	\$ 91,855	\$ 91,855	\$ -	\$ 1,191,375	7.71%
2018	\$ 74,104	\$ 74,104	\$ -	\$ 988,057	7.50%
2017	\$ 68,050	\$ 68,050	\$ -	\$ 907,333	7.50%
2016	\$ 56,296	\$ 56,296	\$ -	\$ 750,613	7.50%
2015	\$ 53,327	\$ 53,327	\$ -	\$ 704,841	7.57%

Note: The schedule is provided prospectively beginning with the Academy's fiscal year ended June 30, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2023**

**NOTE 1 EXPENDITURES IN EXCESS OF BUDGET**

Actual expenditures in the General Fund did not exceed budgeted amounts for the year ended June 30, 2023.

A formal budget was not adopted for the Building Company major special revenue fund.

**NOTE 2 PUBLIC EMPLOYEES RETIREMENT PLAN – GENERAL EMPLOYEES FUND**

**2022 Changes**

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**2021 Changes**

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**2020 Changes**

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100 percent Joint & Survivor option changed from 35 percent to 45 percent. The assumed number of married female new retirees electing the 100 percent Joint & Survivor option changed from 15 percent to 30 percent. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.00 percent for the period July 1, 2020 through December 31, 2023 and 0.00 percent after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2023**

**NOTE 2 PUBLIC EMPLOYEES RETIREMENT PLAN – GENERAL EMPLOYEES FUND (Continued)**

**2019 Changes**

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

**2018 Changes**

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Annual benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

**2017 Changes**

Changes in Actuarial Assumptions

- The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and non-vested deferred members. The revised CSA loads are now 0.00 percent for active member liability, 15.00 percent for vested deferred member liability and 3.00 percent for non-vested deferred member liability.
- The assumed annual increase rate was changed from 1.00 percent per year for all years to 1.00 percent per year through 2044 and 2.50 percent per year thereafter.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

**NEW DISCOVERIES MONTESSORI ACADEMY  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2023**

**NOTE 2 PUBLIC EMPLOYEES RETIREMENT PLAN – GENERAL EMPLOYEES FUND (Continued)**

**2016 Changes**

Changes in Actuarial Assumptions

- The assumed annual increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study June 30, 2015. The assumed future salary increases, payroll growth, the inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**2015 Changes**

Changes in Actuarial Assumptions

- The assumed annual increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter to 1.00 percent per year through 2035 and 2.50 percent per year thereafter.

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6 million, which meets the special funding situation definition, was due September 2015.

**NOTE 3 TEACHERS RETIREMENT ASSOCIATION**

**2022 Changes**

Changes in Actuarial Assumptions

- There were no changes in actuarial assumptions since the previous valuation.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**2021 Changes**

Changes in Actuarial Assumptions

- The investment return assumption was changed from 7.50 percent to 7.00 percent.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**2020 Changes**

Changes in Actuarial Assumptions

- There were no changes in actuarial assumptions since the previous valuation.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.



**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2023**

**NOTE 3    TEACHERS RETIREMENT ASSOCIATION (Continued)**

**2019 Changes**

Changes in Actuarial Assumptions

- There were no changes in actuarial assumptions since the previous valuation.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**2018 Changes**

Changes in Actuarial Assumptions

- The COLA was reduced from 2.00 percent each January 1 to 1.00 percent, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.10 percent each year until reaching the ultimate rate of 1.50 percent on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.50 percent if the funded ratio was at least 90 percent for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.00 percent to 3.00 percent, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.50 percent to 7.50 percent, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71 percent in 2018, 7.92 percent in 2019, 8.13 percent in 2020, 8.34 percent in 2021, 8.55 percent in 2022, and 8.75 percent in 2023). In addition, the employee contribution rate will increase from 7.50 percent to 7.75 percent on July 1, 2023. The State provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**2017 Changes**

Changes in Actuarial Assumptions

- The Cost of Living Adjustment (COLA) was assumed to increase from 2.00 percent annually to 2.50 percent annually on July 1, 2045.
- The COLA was not assumed to increase to 2.50 percent, but remain at 2.00 percent for all future years.
- Adjustments were made to the combined service annuity loads. The active load was reduced from 1.40 percent to 0.00 percent, the vested inactive load increased from 4.00 percent to 7.00 percent and the non-vested inactive load increased from 4.00 percent to 9.00 percent.
- The investment return assumption was changed from 8.00 percent to 7.50 percent.
- The price inflation assumption was lowered from 2.75 percent to 2.50 percent.
- The payroll growth assumption was lowered from 3.50 percent to 3.00 percent.
- The general wage growth assumption was lowered from 3.50 percent to 2.85 percent for ten years followed by 3.25 percent thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2023**

**NOTE 3    TEACHERS RETIREMENT ASSOCIATION (Continued)**

**2016 Changes**

Changes in Actuarial Assumptions

- The COLA was not assumed to increase for funding or the GASB calculation. It remained at 2.00 percent for all future years.
- The price inflation assumption was lowered from 3.00 percent to 2.75 percent.
- The general wage growth and payroll growth assumptions were lowered from 3.75 percent to 3.50 percent.
- Minor changes as some durations for the merit scale of the salary increase assumption.
- The pre-retirement mortality assumption was changed to the RP-2014 white collar employee table, male rates set back 6 years and female rates set back 5 years. Generational projection uses the MP-2015 scale.
- The post-retirement mortality assumption was changed to the RP-2014 white collar annuitant table, male rates set back 3 years and female rates set back 3 years, with further adjustments of the rates. Generational projection uses the MP-2015 scale.
- The post-disability mortality assumption was changed to the RP-2014 disabled retiree mortality table, without adjustment.
- Separate retirement assumptions for members hired before or after July 1, 1989, were created to better reflect each group's behavior in light of different requirements for retirement eligibility.
- Assumed termination rates were changed to be based solely on years of service in order to better fit the observed experience.
- A minor adjustment and simplification of the assumption regarding the election of optional form of annuity payment at retirement were made.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**2015 Changes**

Changes in Actuarial Assumptions

- The annual COLA for the June 30, 2015, valuation assumed 2.00 percent. The prior year valuation used 2.00 percent with an increase to 2.50 percent commencing in 2034.
- The discount rate used to measure the total pension liability was 8.00 percent. This is a decrease from the discount rate at the prior measurement date of 8.25 percent.

Changes in Plan Provisions

- The DTRFA was merged into TRA on June 30, 2015.

## **SUPPLEMENTARY INFORMATION**

**NEW DISCOVERIES MONTESSORI ACADEMY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2023**

	Food Service Fund	Community Service Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>			
Cash and Temporary Investments	\$ 108,889	\$ 15,910	\$ 124,799
Accounts Receivable	224	-	224
Prepays	589	-	589
<b>TOTAL ASSETS</b>	<u>\$ 109,702</u>	<u>\$ 15,910</u>	<u>\$ 125,612</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 896	\$ -	\$ 896
Salaries Payable	3,650	-	3,650
Payroll Deductions and Employer Contributions	16,013	-	16,013
Unearned Revenue	4,838	160	4,998
Total Liabilities	25,397	160	25,557
<b>FUND BALANCES</b>			
Nonspendable:			
Prepays	589	-	589
Restricted for:			
Food Service	83,716	-	83,716
Community Service	-	15,750	15,750
Total Fund Balances	84,305	15,750	100,055
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 109,702</u>	<u>\$ 15,910</u>	<u>\$ 125,612</u>

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Food Service Fund	Community Service Fund	Total Nonmajor Governmental Funds
<b>REVENUES</b>			
Other Local and County Revenues	\$ 12,426	\$ 6,325	\$ 18,751
State Sources	9,782	16,920	26,702
Federal Sources	190,520	-	190,520
Sales and Other Conversions of Assets	<u>21,314</u>	<u>-</u>	<u>21,314</u>
<b>TOTAL REVENUES</b>	234,042	23,245	257,287
<b>EXPENDITURES</b>			
Current:			
Community Education and Services	\$ -	\$ 23,245	\$ 23,245
Pupil Support Services	<u>218,526</u>	<u>-</u>	<u>218,526</u>
<b>TOTAL EXPENDITURES</b>	<u>218,526</u>	<u>23,245</u>	<u>241,771</u>
<b>NET CHANGE IN FUND BALANCES</b>	15,516	-	15,516
<b>FUND BALANCE - BEGINNING</b>	<u>68,789</u>	<u>15,750</u>	<u>84,539</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ 84,305</u></u>	<u><u>\$ 15,750</u></u>	<u><u>\$ 100,055</u></u>

**NEW DISCOVERIES MONTESSORI ACADEMY**  
**UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS**  
**COMPLIANCE TABLE**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<b><u>01 GENERAL FUND</u></b>	<b>Audited</b>	<b>UFARS</b>	<b>Difference</b>	<b><u>06 BUILDING CONSTRUCTION</u></b>	<b>Audited</b>	<b>UFARS</b>	<b>Difference</b>
Total Revenue	6,065,939	6,065,937	2	Total Revenue	-	-	-
Total Expenditures	5,907,652	5,907,651	1	Total Expenditures	-	-	-
Non Spendable:				Non Spendable:			
460 Non Spendable Fund Balance	100,727	100,727	-	460 Non Spendable Fund Balance	-	-	-
Restricted/Reserve:				Restricted/Reserve:			
401 Student Activities	-	-	-	407 Capital Projects Levy	-	-	-
402 Scholarships	-	-	-	413 Projects Funded by COP	-	-	-
403 Staff Development	-	-	-	467 LTFM	-	-	-
407 Capital Projects Levy	-	-	-	Restricted:			
408 Cooperative Revenue	-	-	-	464 Restricted Fund Balance	-	-	-
413 Project Funded by COP	-	-	-	Unassigned:			
414 Operating Debt	-	-	-	463 Unassigned Fund Balance	-	-	-
416 Levy Reduction	-	-	-				
417 Taconite Building Maint	-	-	-	<b><u>07 DEBT SERVICE</u></b>			
424 Operating Capital	-	-	-	Total Revenue	-	-	-
426 \$25 Taconite	-	-	-	Total Expenditures	-	-	-
427 Disabled Accessibility	-	-	-	Non Spendable:			
428 Learning & Development	-	-	-	460 Non Spendable Fund Balance	-	-	-
434 Area Learning Center	-	-	-	Restricted/Reserve:			
435 Contracted Alt. Programs	-	-	-	425 Bond Refundings	-	-	-
436 St. Approved Alt. Program	-	-	-	433 Max Effort Loan	-	-	-
438 Gifted & Talented	-	-	-	451 QZAB Payments	-	-	-
440 Teacher Development & Eval	-	-	-	467 LTFM	-	-	-
441 Basic Skills Programs	-	-	-	Restricted:			
448 Achievement & Integration	-	-	-	464 Restricted Fund Balance	-	-	-
449 Safe Schools Levy	-	-	-	Unassigned:			
451 QZAB Payments	-	-	-	463 Unassigned Fund Balance	-	-	-
452 OPEB Liab Not in Trust	-	-	-				
453 Unfunded Sev. & Retirement	-	-	-	<b><u>08 TRUST</u></b>			
459 Basic Skills Ext Time	-	-	-	Total Revenue	-	-	-
467 LTFM	-	-	-	Total Expenditures	-	-	-
472 Medical Assistance	2,662	2,662	-	401 Student Activities	-	-	-
Restricted:				402 Scholarships	-	-	-
464 Restricted Fund Balance	-	-	-	422 Net Assets	-	-	-
475 Title VII - Impact Aid	-	-	-				
476 PILT	-	-	-	<b><u>18 CUSTODIAL FUND</u></b>			
Committed:				Total Revenue	-	-	-
418 Committed for Separation	-	-	-	Total Expenditures	-	-	-
461 Committed Fund Balance	5,185	5,185	-	401 Student Activities	-	-	-
Assigned:				402 Scholarships	-	-	-
462 Assigned Fund Balance	-	-	-	448 Achievement & Integration	-	-	-
Unassigned:				464 Restricted Fund Balance	-	-	-
422 Unassigned Fund Balance	136,190	136,191	(1)				
				<b><u>20 INTERNAL SERVICE</u></b>			
<b><u>02 FOOD SERVICE</u></b>				Total Revenue	-	-	-
Total Revenue	234,042	234,040	2	Total Expenditures	-	-	-
Total Expenditures	218,526	218,526	-	422 Net Assets	-	-	-
Non Spendable:							
460 Non Spendable Fund Balance	589	589	-	<b><u>25 OPEB REVOCABLE TRUST FUND</u></b>			
Restricted/Reserve:				Total Revenue	-	-	-
452 OPEB Liab. Not in Trust	-	-	-	Total Expenditures	-	-	-
Restricted:				422 Net Assets	-	-	-
464 Restricted Fund Balance	83,716	83,716	-				
Unassigned:				<b><u>45 OPEB IRREVOCABLE TRUST FUND</u></b>			
463 Unassigned Fund Balance	-	-	-	Total Revenue	-	-	-
				Total Expenditures	-	-	-
<b><u>04 COMMUNITY SERVICE</u></b>				422 Net Assets	-	-	-
Total Revenue	23,245	23,245	-				
Total Expenditures	23,245	23,245	-	<b><u>47 OPEB DEBT SERVICE FUND</u></b>			
Non Spendable:				Total Revenue	-	-	-
460 Non Spendable Fund Balance	-	-	-	Total Expenditures	-	-	-
Restricted/Reserve:				Non Spendable:			
426 \$25 Taconite	-	-	-	460 Non Spendable Fund Balance	-	-	-
431 Community Education	-	-	-	Restricted:			
432 E.C.F.E.	-	-	-	425 Bond Refundings	-	-	-
440 Teacher Development & Eval	-	-	-	464 Restricted Fund Balance	-	-	-
444 School Readiness	-	-	-	Unassigned:			
447 Adult Basic Education	-	-	-	463 Unassigned Fund Balance	-	-	-
452 OPEB Liab. Not in Trust	-	-	-				
Restricted:							
464 Restricted Fund Balance	-	15,750	(15,750)				
Unassigned:							
463 Unassigned Fund Balance	-	-	-				

**OTHER REQUIRED  
REPORTS**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Members of the Board of Directors  
New Discoveries Montessori Academy  
Hutchinson, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of New Discoveries Montessori Academy (the Academy) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise New Discoveries Montessori Academy's basic financial statements, and have issued our report thereon dated December 18, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered New Discoveries Montessori Academy's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of the Academy's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Academy's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Academy's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



## Minnesota Legal Compliance

In connection with our audit, we noted that New Discoveries Montessori Academy failed to comply with provisions of the charter schools section of the *Minnesota Legal Compliance Audit Guide for Charter Schools*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters as described in the *Schedule of Findings and Responses* as item 2023-001. Also, in connection with our audit, nothing came to our attention that caused us to believe that the Academy failed to comply with the provisions of the uniform financial accounting and reporting standards (UFARS) section of the *Minnesota Legal Compliance Audit Guide for Charter Schools*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Academy's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

## Academy's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on New Discoveries Montessori Academy's response to the findings identified in our audit and described in the accompanying *Schedule of Findings and Responses* and *Corrective Action Plans*. The Academy's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Academy's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**SCHLENNER WENNER & CO.**

St. Cloud, Minnesota

December 18, 2023

**NEW DISCOVERIES MONTESSORI ACADEMY  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2023**

**LEGAL COMPLIANCE FINDINGS**

**Finding 2023-001          Deposits in Excess of Insured Limits**

*Condition:*                      The Academy held deposits in excess of FDIC limits with a financial institution, without sufficient collateral pledged.

*Criteria:*                        In accordance with MN Statute § 118A.03, subd. 1 & 3, the Academy is required to obtain a bond or collateral which, when computed at its market value, shall be at least ten percent more than the amount of deposits being held in excess of deposit insurance.

*Cause:*                          The deposits held by the Academy have not exceeded FDIC limits in recent years. The balance of such deposits increased during the current fiscal year, to the extent that the balance exceeded FDIC limits. This issue was not immediately identified, resulting in the condition noted above.

*Effect:*                         The failure to timely identify when deposits did not have sufficient pledged collateral resulted in temporary noncompliance with the requirements set forth in Minnesota Statutes.

*Recommendation:*              We recommend the Academy implement a process of reviewing bank account balances on a regular basis and making corrective actions as necessary.

*Views of Responsible  
Officials And Planned  
Corrective Actions:*

Management agrees with the recommendation. See corresponding Corrective Action Plan.

**NEW DISCOVERIES MONTESSORI ACADEMY  
CORRECTIVE ACTION PLANS  
FOR THE YEAR ENDED JUNE 30, 2023**

**LEGAL COMPLIANCE FINDINGS**

**Finding 2023-001          Deposits in Excess of Insured Limits**

1. Explanation of Disagreement with Audit Finding  
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding  
The Academy will contact the financial institution to remedy the issue and regain compliance with MN Statutes.
3. Official Responsible  
Kirsten Kinzler, Executive Director, is the official responsible for ensuring corrective action.
4. Planned Completion Date  
June 30, 2024.
5. Plan to Monitor Completion  
The Board of Directors will be monitoring this Corrective Action Plan.



1000 5th Avenue SE, Hutchinson, Minnesota 55350 320.234.6362(w) 320.234.6300(f) www.newdiscoveries.org

**DRAFT Official Board of Directors  
Meeting Minutes**

Monday December 18, 2023 – 5:30 p.m.  
on site at NDMA in the conference room

The Official Board Meeting of New Discoveries Montessori Academy of Hutchinson, MN was held at New Discoveries Montessori Academy, Hutchinson, MN.

1. Call Meeting to Order – The meeting was called to order at 5:31 p.m.

Voting members present: Deanna Boettcher, Spencer Kangas, Tim Dezelske, Christine La Plante, Patti Hoerner, Shari Colvin, Melanie Schiroo.

Absent: Kyle Kovack.

Non-voting member present: Kirsten Kinzler, Director.

Tara Erickson, Recorder

Dustin Reeves, Business Manager – absent.

2. Guests:
3. Spotlight Report – none
4. Agenda – MS (Dezelske/La Plante) to approve the agenda, roll call vote all aye; motion carries unanimously.
5. MS (Dezelske/ Hoerner) to approve the consent agenda, roll call vote all aye; motion carries unanimously.
  - a. Minutes of November 20, 2023 Meeting
  - b. Submitted Committee Reports
    - i. Financial Committee met December 11<sup>th</sup>, 2023
    - ii. Policy/Governance committee met December 11<sup>th</sup>, 2023
6. Financial Reports
  - a. Received November 2023 Financial Report
  - b. MS (Dezelske/Boettcher) to approve November 2023 Supplemental Information Report, noted that there was nothing out of line and we are low on our expenditures, roll call vote unanimous; motion carries.
7. Reports
  - a. Executive Director - see attached directors report.
    - i. Personnel changes – resignations, dismissals, reassignments, and new employments – Michael Stutelberg: CH SpEd Teacher.
    - ii. Strategic Plan Update – Kinzler shared the swot statements and goals updates.
    - iii. Environmental Education Update – outings, E1 science experiments outside.
    - iv. Academic Testing and Achievement Update – FAST testing is still happening,

*Providing a quality, comprehensive public education within a Montessori context*

- v. Enrollment Update – down by 3, two moved from the area/state and one transferred.
- vi. Activities and Happenings related to the school, staff, students, families, community – E2 went to Orchestra Hall. NDMA has already collected and delivered 354 pounds of food for our local food shelf.
- b. Board Activities – Dezelske shared the latest Sounding Boards for information.
  - i. New board members, make sure you have started your trainings that are required for new board members.

8. Unfinished Business

9. New Business

- a. MS (finance committee) to approve the lines of credit at Citizen's Bank, roll call vote unanimous; motion carries.
  - i. \$400,000 Line of Credit
  - ii. \$200,000 Line of Credit
- b. MS (Dezelske/Boettcher) to approve the Strategic Plan for FY24, all aye; motion carries unanimously.
- c. Reviewed and Receive the Formative Environmental Education Performance Evaluation from Osprey Wilds
- d. Reviewed and Received the Board Observation Feedback from Osprey Wilds

10. Upcoming Meetings/Events/Announcements

- a. Next board meeting, January 22, 2024 – 5:30 p.m. \*4<sup>th</sup> Monday due to Holiday
- b. Finance Committee Meeting, January 16, 2024 – 11:45 a.m.
- c. Policy/Governance Committee Meeting, January 16, 2024 – 12:45 p.m.
- d. Facilities Committee Meeting, tbd
- e. Administrative Review Committee, tbd
- f. Strategic Plan Workshop, May 3<sup>rd</sup> 12:45 p.m.

11. Adjournment 6:06

Respectfully submitted,  
Tara Erickson  
Recorder



NDMA Finance Committee Meeting  
Minutes  
Tuesday, January 16<sup>th</sup>, 2024, 11:45am

Members Present:

Shari Colvin, Tim Dezelske, Spencer Kangas, Kirsten Kinzler, Tommi Martinson

Members Absent:

Dustin Reeves

1. Review financial statements and supplemental information

a. Financial Statements

- i. Bring down ADMs to Match actual numbers to revise budget.
- ii. Revenue is in line for being halfway through
- iii. Expenditures is a little lower. Which is common
- iv. Foodservice takes longer for us to get those funds.
- v. Are revenues going to match with the foodservice and the free meals for the kids? Trying to figure this out. Could effect our bottom line. No one knows what to predict for the future. Wasn't planned out well from state.
- vi. Overbudget on some expenses: Non-instrucional computer software and licenses, Instructional Supplies. Looking at making sure it is coded right.
- vii. Voluntary PreK was at 14 and now 3. We are eligible for 6.

- viii. Pg8 Line 100 and 200 at only 38% and 36%. Did we budget too much? Do we need to adjust this?
- b. Supplementals
  - i. Integrated Systems Corp on Page 1 (digital 2) Why is it split into two? Looking into it.
  - ii. Bergan KDV 213 Check Number, does it have to do with the audit or something else?
  - iii. Visa Outbreak looks good.
- 2. 2023-2024 Financial Report: We will adjust our enrollment to match actual.
- 3. 2023-2024 Enrollment
  - a. PreK3: 8, PreK4: 22, K: 30, 1<sup>st</sup>: 28, 2<sup>nd</sup>: 25, 3<sup>rd</sup>: 25, 4<sup>th</sup>: 27, 5<sup>th</sup>: 17, 6<sup>th</sup>: 20, 7<sup>th</sup>: 13, 8<sup>th</sup>: 9
  - b. Total PreK-8<sup>th</sup>: 224
  - c. Total K-8<sup>th</sup>: 194
- 4. 2022-2023 Audit costs – presentation: Similar in price? Looks like it was more. Looking at the bill.
- 5. Employee Retention Credit (ERC): Still in stall. Some places that have gotten it, have had to pay it back.
- 6. Lines of Credit at Citizen's Bank – who are the signers?  
Last year it was Kirsten and Dustin. Make a motion and second it to direct the director and treasurer as signers on the line's of credit at Citizen's Bank.

7. Other: Sick and Safe leave. Where is the extra money coming from? Why? No extra tax dollars to cover this?



## **Policy/Governance Committee Meeting Notes – 1/16/24**

The Policy/Governance Committee Meeting of the NDMA board at 12:30 p.m. Tuesday, January 16, 2024 in NDMA conference/board room

Present: Shari Colvin, Tim Dezelske, Kirsten Kinzler

Agenda:

### **I. OW Required Policies**

Committee members went through the OW Required Policies Revised 10.10.2023 document to determine the school's compliance.

It was determined a number of policies need to be added to the annual review list. These include 404P - Employment Background Check, 406P - Public & Private Personnel Data, 406.1P - Data Practices, 536P - Student Fees, and 705P - Electronic Fund Transfer

It was determined that "strive for the world's best workforce should be added to the "Purpose" of 616P - School-District-System-Accountability

It was determined the following new policies should be drafted:

536P - Student Fees

705P - Electronic Fund Transfer

760P - School Credit Card

We believe we are meeting all other requirements listed in the document

### **II. Additional Work on Policies to be done this FY**



Update 410P - Family & Medical Leave, 411P - Sick Leave Policy, and 506P - Student Discipline policies to comply with new Minnesota laws.




Call a meeting of the Wellness Committee


### **III. Next Meeting – TBD**


Continue review of policies in the 100s through 400s this fiscal year.

Respectfully submitted,  
Shari Colvin


Required Policy Name	Statute / Contract Reference Requirements	Review Timeline
Public Data Access Policy	MN §13.025 Subd. 2 / MN §124E.03 Subd. 5 / Annual CS Assurances  "The responsible authority shall prepare a written data access policy and update it no later than August 1 of each year, and at any other time as necessary to reflect changes in personnel, procedures, or other circumstances that impact the public's ability to access data."	N/A
Data Subject Rights and Access Policy	MN §13.025 Subd. 3 / MN §124E.03 Subd. 5 / Annual CS Assurances  "The responsible authority shall prepare a written policy of the rights of data subjects under section 13.04 and the specific procedures used by the government entity for access by the data subject to public or private data on individuals. The written policy must be updated no later than August 1 of each year, and at any other time as necessary to reflect changes in personnel, procedures, or other circumstances that impact the public's ability to access data."	August 1
Sexual, Religious, and Racial Harassment and Violence Policy	MN §121A.03 Subd. 2 / MN §124E.03 Subd. 2(a) "A school board must adopt a written sexual, religious, and racial harassment and sexual, religious, and racial violence policy that conforms with chapter 363A. The policy shall apply to pupils, teachers, administrators, and other school personnel, include reporting procedures, and set forth disciplinary actions that will be taken for violation of the policy."	N/A
Malicious & Sadistic Conduct Policy	MN §121A.0312 "A school board of a district or charter school must adopt a written policy to address malicious and sadistic conduct and sexual exploitation by a district or school staff member, independent contractor, or student enrolled in a public school against a staff member, independent contractor, or student that occurs as described in section 121A.031, subdivision 1, paragraph (a)."	N/A
Crisis Management Policy	MN §121A.035, Subd. 2 "A school board and a charter school must adopt a crisis management policy to address potential violent crisis situations in the district or charter	N/A

	school. [...] The policy must include at least five school lock-down drills, five school fire drills consistent with section 299F.30, and one tornado drill."	
Pledge of Allegiance Policy (Required if the school waives the requirement to recite the pledge)	MN §121A.11 Subd. 3(d) / MN §124E.03 Subd. 2(e) "A local school board or a charter school board of directors that waives the requirement to recite the Pledge of Allegiance under paragraph (a) may adopt a district or school policy regarding the reciting of the Pledge of Allegiance."	Annually
Wellness Policy (Required if participating in the National School Lunch Program)	MN §121A.215 / MN §124E.03 Subd. 2(a) "When available, a school district must post its current local school wellness policy on its Web site."	N/A
Discipline Policies and Procedures	MN §121A.55 / MN §124E.03 Subd. 2(j) / OW Contract Sect. 8.1(e) "Each school board shall establish uniform criteria for dismissal and adopt written policies and rules to effectuate the purposes of sections 121A.40 to 121A.56."	N/A
Use of Peace Officers and Crisis Teams to Remove Students with IEPs from School Grounds	MN §121A.55 / MN §124E.03 Subd. 2(j) "Each school district shall develop a policy and report it to the commissioner on the appropriate use of peace officers and crisis teams to remove students who have an individualized education program from school grounds."	N/A
Employee and Service Provider Background Check Policy	MN §123B.03 Subd. 1(e)  "At the beginning of each school year or when a student enrolls, a school hiring authority must notify parents and guardians about the school hiring authority's policy requiring a criminal history background check on employees and other individuals who provide services to the school, and identify those positions subject to a background check and the extent of the hiring authority's discretion in requiring a background check."	Annually 
Student Fees Policy (Required if the school charges fees for textbooks, workbooks, and library books)	MN §123B.37 / MN §124E.03 Subd. 2(c)  "...a board may charge fees for textbooks, workbooks, and library books, lost or destroyed by students. The board must annually notify parents or guardians and students about its policy to charge a fee under this paragraph."	Annually

School Meals Policies	MN §124D.111 Subd. 1(a) "Each Minnesota participant in the national school lunch program must adopt and post to its website, or the website of the organization where the meal is served, a school meals policy."	N/A
Concussion Procedures (Required if the school provides school-sponsored youth athletic activities)	MN §124E.03 Subd. 7(c) "A charter school that provides school-sponsored youth athletic activities must comply with section 121A.38 governing policies on concussions."	N/A
Teacher Evaluation Process	MN §124E.03 Subd. 2(h) "A charter school must develop and implement a teacher evaluation and peer review process..."	N/A
WBWF Policy	MN §124E.03 Subd. 2(h)i  "A charter school must adopt a policy, plan, budget, and process, consistent with section 120B.11, to review curriculum, instruction, and student achievement and strive for the world's best workforce."	N/A
Bullying Policy	MN §121A.031 Subd. 3(a) / MN §124E.03 Subd. 4(c) "Districts and schools, in consultation with students, parents, and community organizations, to the extent practicable, shall adopt, implement, and, on a cycle consistent with other district policies, review, and revise where appropriate, a written policy to prevent and prohibit student bullying consistent with this section."	N/A
Nepotism Policy	MN §124E.07 Subd. 6 "The board shall adopt a nepotism policy."	N/A
Evaluation policies and practices	MN §124E.07 Subd. 6 "The board shall adopt personnel evaluation policies and practices that, at a minimum...[see statute]."	N/A
Lottery Policy	MN §124E.11(b) "The charter school must develop and publish, including on its website, a lottery policy and process that it must use when accepting pupils by lot."	N/A
Early K/1 Admission Policy (if applicable)	MN §124E.11(d)	N/A

	"...a charter school may establish and publish on its website a policy for admission of selected pupils at an earlier age [than required by statute]..."	
Personnel Policies (Employee / Staff Handbook)	MN §124E.12 Subd. 1 / OW Contract Exhibit P, Operations Evaluation Performance Framework Indicator Area 5.3 "When offering employment to a prospective employee, a charter school must give that employee a written description of the terms and conditions of employment and the school's <u>personnel policies</u> ."	N/A
Group Health Insurance Coverage Policy (Required if the school provides group health insurance coverage)	MN §124E.12 Subd. 5(b) "A charter school board or a cooperative of teachers that provides group health insurance coverage must establish and publish on its website the policy for purchasing group health insurance coverage. A charter school board policy must include a sealed proposal process, which requires all proposals to be opened at the same time."	N/A
Admission Policies and Procedures	MN §124E.10 Subd. 1(a)4 / OW Contract Section 7.4 "The contract must include at least the following: ... a statement of admission policies and procedures;"	N/A
Records Retention Schedule	MN §138.17 Subd. 7 "Public officials shall prepare an inclusive inventory of records in their custody, to which shall be attached a schedule, approved by the head of the governmental unit or agency having custody of the records, establishing a time period for the retention or disposal of each series of records."	N/A
Bylaws	MN §317A.181 / MN §124E.07 Subd. 1 "Board bylaws shall outline the process and procedures for changing the board's governance structure, consistent with chapter 317A."	N/A
Electronic Funds Transfer Policy 	MN §471.38 Subd. 3(a) / MN §124E.16 Subd. 1 "The authorization in subdivision 3 extends only to a local government that has enacted all of the following policy controls: (a) the governing body shall annually delegate the authority to make electronic funds transfers to a designated business administrator or chief financial officer or the officer's designee;	Annually

	<p>(b) the disbursing bank shall keep on file a certified copy of the delegation of authority;</p> <p>(c) the initiator of the electronic transfer shall be identified;</p> <p>(d) the initiator shall document the request and obtain an approval from the designated business administrator, or chief financial officer or the officer's designee, before initiating the transfer as required by internal control policies;</p> <p>(e) a written confirmation of the transaction shall be made no later than one business day after the transaction and shall be used in lieu of a check, order check or warrant required to support the transaction;</p> <p>(f) a list of all transactions made by electronic funds transfer shall be submitted to the governing body at its next regular meeting after the transaction."</p>	
Conflict of Interest Policy	<p>Required appendix to IRS Form 1023 (Application for Recognition of Exemption, i.e. 501(c)3 application)</p> <p>Also required for Federal Charter Schools Program (CSP) Grant: "The school's board of directors is responsible for compliance with state and federal (2 CFR 200.112) conflict of interest provisions and must ensure that conflicts of interest, actual, potential or perceived, are avoided at all times."</p>	N/A
Religious Accommodation Policy	Annual Charter School Assurances require a "board-adopted religious accommodation policy that accords equal treatment of and access to all religions."	N/A
Equal Access Policy (Required if the charter school allows religious or other activities on school property during non-instructional time)	Annual Charter School Assurances require a "board-adopted policy allowing equal access to all groups and that such access otherwise complies with MN §124E.06, Subd. 3(c)."	N/A
Dress Code Policy	Annual Charter School Assurances require "a neutral dress code and / or uniform policy that does not promote a particular religion or particular religious customs and that the school does not, through its enforcement of dress code and / or uniform policy, restrict opportunity to participate in school activities."	N/A

Whistleblower Policy	Annual Charter School Assurances require the school follows state data practices law, "including regarding staff ability to report unethical or fraudulent actions of a charter where they work" (i.e. whistleblower).	N/A
Contracting / Purchasing Policy (i.e. Procurement Policy)	Required for Federal Charter Schools Program (CSP) Grant / OW Contract Exhibit P, Financial Evaluation Performance Framework Indicator Area 1.2 "Grantees must follow procurement guidelines when using federal funds to purchase materials, products or services under the CSP: 1. Follow a free and open competitive process; 2. Document purchasing activities and decisions; 3. Maintain all records related to procurements; and 4. Follow rules for particular kinds of purchases as noted in the school's procurement policy."	N/A
Credit Card Policy 	Federal Charter Schools Program (CSP) Grant / OW Contract Exhibit P, Financial Evaluation Performance Framework Indicator Area 1.2 "If the school plans to use a purchasing card (i.e., credit and/or debit card) to make CSP purchases, the school must provide a copy of its board-approved credit and/or debit card use policy, or combined purchasing card policy. The use of a third party or vendor acting a "pass-through" creditor is unallowable."	N/A
Fair and Open Hiring Practices Policy	Federal Charter Schools Program (CSP) Grant "The grantee must demonstrate that a fair and open hiring process was followed before being reimbursed for staff time charged to the grant."	N/A
Contributions and Fundraising	OW Contract Section 6.13 "The School may solicit and receive contributions and donations as permitted by law. The school shall have an approved policy regarding the acceptance and administration of such gifts."	N/A
Fund Balance Policy	OW Contract Exhibit P, Financial Evaluation Performance Framework Indicator Area 1.2	N/A

**Note:** These lists were developed from applicable laws, charter assurances, audit requirements, MDE requirements, requirements for participation in federal programs such as the School Nutrition Program and CSP, and the school's contract with Osprey Wilds. The lists are not exhaustive. Consult with your school's legal counsel when developing policies.

<b>Required Plan / Report Name</b>	<b>Statute / Contract Reference Requirements</b>	<b>Review Timeline</b>
WBWF Plan	MN §124E.03 Subd. 2(h)i "A charter school must adopt a policy, plan, budget, and process, consistent with section 120B.11, to review curriculum, instruction, and student achievement and strive for the world's best workforce."	N/A
WBWF Report Summary	MN §120B.11 Subd. 5 / MN §124E.03 Subd. 2(h)i "The school board must transmit an electronic summary of its report to the commissioner in the form and manner the commissioner determines."	December 15
Annual Report	MN §124E.16 Subd. 2(a) / OW Contract Section 6.14 "A charter school must publish an annual report approved by the board of directors."	November 1
Local Literacy Plan (Required for schools that serve students in Grades K-3)	MN §120B.12, Subd. 4a "Consistent with this section, a school district must adopt a local literacy plan to have every child reading at or above grade level every year beginning in kindergarten and to support multilingual learners and students receiving special education services in achieving their individualized reading goals."	June 15
Assessment Calendar and Testing Rationale	MN §120B.301(c) "A district or charter school must publish on its website a comprehensive calendar of standardized tests to be administered in the district or charter school during that school year. The calendar must provide the rationale for administering each assessment and indicate whether the assessment is a local option or required by state or federal law."	At least one week prior to any eligible assessments being administered but no later than October 1
Restrictive Procedures Plan (Required if the school uses restrictive procedures)	MN §125A.0942 Subd. 1 "Schools that intend to use restrictive procedures shall maintain and make publicly accessible in an electronic format on a school or district website or	Annually



	make a paper copy available upon request describing a restrictive procedures plan for children with disabilities.”	
E-Learning Day Plan (Required if the school plans to offer online instruction due to inclement weather)	MN §120A.414 “A school board, including the board of a charter school, may adopt an e-learning day plan after meeting and negotiating with the exclusive representative of the teachers. If a charter school's teachers are not represented by an exclusive representative, the charter school may adopt an e-learning day plan after consulting with its teachers.”	Annually
TSES Manual	OW Contract Exhibit P, Operations Evaluation Performance Framework Indicator Area 1.4	N/A
English Learner Plan of Service	OW Contract Exhibit P, Operations Evaluation Performance Framework Indicator Area 1.5	N/A
Nursing Services and Plan for Dispensing Pharmaceuticals	OW Contract Exhibit P, Operations Evaluation Performance Framework Indicator Area 3.2	N/A
Safe Learning Plan	Required to accept federal ESSER III funds	Annually

### Recommended Policies

- Mandated Reporting of Child Neglect or Physical or Sexual Abuse
- Nondiscrimination (student and staff re: all protected classes)
- Whole Grade Acceleration
- Adoption of School Budget and Expenditure Authority (i.e. spending limit without board approval)
- Out-of-State Travel by Board Members
- Expense Reimbursement
- Development, Adoption, and Implementation of Policies (Policy policy)
- Roles & Responsibilities of Board of Directors
- Selection, Recruitment, Obligations, Expectations of Board Members
- Board and Volunteer Background Checks
- Family and Medical Leave and Long-term Leave
- Employee Right to Know – Exposure to Hazardous Substances
- Safe and Acceptable Use of Technology/Internet

- Chemical Use and Abuse
- Drug-Free Workplace/Drug-Free School
- Tobacco-Free Environment
- School Weapons Policy
- Search of Student Lockers, Desks, Personal Possessions, and Student's Person
- Speech and Distribution of Materials
- Transportation



New Discoveries Montessori Academy  
Hutchinson, Minnesota  
District 4161

Financial Report

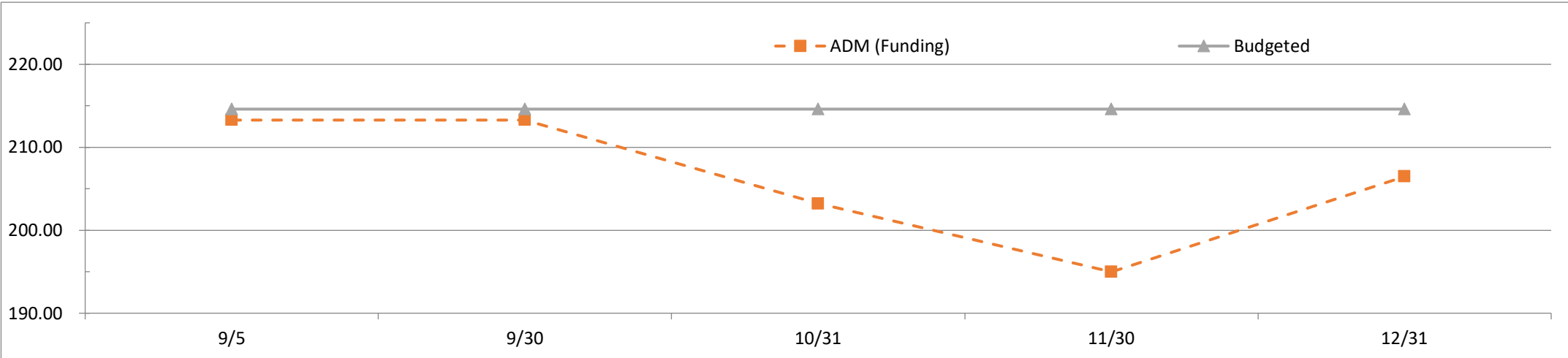
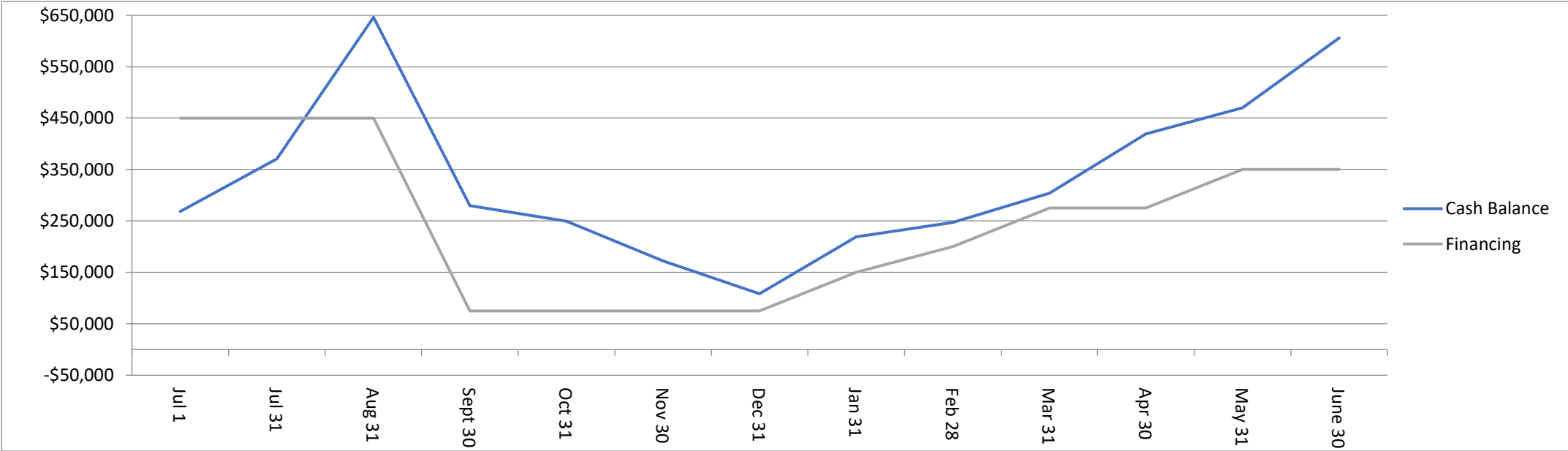
December 31, 2023

New Discoveries Montessori Academy  
Hutchinson, Minnesota

December 2023 Financial Report

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Supplemental Information – See Separate Document	

New Discoveries Montessori Academy Hutchinson, Minnesota Financial Report Overview As of December 31, 2023				
Financial Summary				
Resources to Operate Programs (Revenues)		Funds Used to Provide Programs and Services (Expenses)		Excess / Deficit
Approved Budget	\$ 6,484,467	Approved Budget	\$ 6,429,875	\$ 54,592
Working Budget	6,531,189	Working Budget	6,476,342	54,847
Year to Date	3,311,157	Year to Date	2,554,086	757,071
	50.70%		39.44%	
Student Enrollment Summary				
				
Cash Balance Projection				
				
Comments and Analysis				
Enrollment Summary - Voluntary Pre-K, Early Childhood Disabled, and Grades K - 8				
Original Budget Estimate	215	Weighted Average Daily Membership	222	
Working Budget Estimate	215	Weighted Average Daily Membership	222	
Enrollment as of the First Day of School	226			
Enrollment as of End of the Month	206	Weighted Average Daily Membership	211	
Finances "At A Glance"				
Shows Actual Audited data for FY23.				
Shows the Original budget for FY24.				
Shows the Working Budget for FY24.				
Actual year to date amounts are shown, along with a percentage of the current Working Budget.				
Balance Sheet				
The beginning balances on the Balance Sheet are based on audited information as of July 1, 2023. Based on audited actual data, the school had a fund balance of \$344,819.				
Assets				
The cash balance as of the end of the month was \$108,420 at Citizens Bank. This is down from the prior month.				
Due from Other Funds represents \$144,627 of costs paid by the school on behalf of the Building Company that will be reimbursed to the school (legal fees, IRS registration fee, property taxes, and construction fees for remodeling projects).				
An estimate of State Aids receivable for the prior year (the holdback) was \$184,446 at the end of the month.				
An estimate of State Aids receivable for the current year (the holdback) was \$655,239 at the end of the month.				
Federal aids receivable for the current year were \$146,559 based on expenditures incurred.				
Prepaid expenditures, including benefits total \$87,379 at month-end.				
Liabilities				
Salaries and benefits payable as of the end of the month were \$120,059; this is for the portion of FY23 contracts that will be paid out in September 2024.				
There was a \$75,000 outstanding balance on the line of credit as of the end of the month.				
Total Accounts Payable at the end of the month were \$5,148, which includes deferred revenues for Food Service.				

*Fund Balance*

*2023-2024 School Year*

The original budget reflected in the financial report document predicts an operating surplus of \$54,590, and will provide for an ending Fund Balance of \$399,409, or 6.2% of total expenditures.

**Statement of Revenues and Expenditures**

The projected enrollment for this year is estimated at 215 students in the Working Budget, for funding in grades PK through 8th.

Revenues

Year to date, 50.77% of budgeted revenues have been received (including the state aid holdback estimate).

Expenditures

Year to date, 39.44% of budgeted expenditures have been incurred (including the salary/benefits payable estimate).

**Cash Flow Projection**

The Cash Flow Projection for this year indicates that the school will need to use a line of credit to meet cash flow needs during the current school year.

**Supplemental Information**

A separate Supplemental Information packet is provided that shows checks that were written during the month and receipts that were posted this month. These reports are intended to inform the administration and board members of activity that has happened in the school’s financial records.

*The projections shown on this report are prepared using both the school leadership’s estimates and consultant estimates. This report is prepared for internal use only. This report has not been compiled, reviewed, or audited and should not be relied on for other uses.*

*The actual Year to Date Activity figures are reported on a cash basis (with the exception of the state aid holdback amount, known accounts and Food Service Fund aids receivable, and Accounts Payables). This results in a year-to-date loss in net income in some cases. However, the numbers in the Working Budget column are indicators of where the school's finances will be at the end of the fiscal year once all accruals are made.*

New Discoveries Montessori Academy  
Hutchinson, Minnesota

Finances "At A Glance"  
As of December 31, 2023

	2022-2023 Audited Actual	2023-2024 Original Budget	2023-2024 Working Budget	Year to Date Actual Totals	50.00% Percent of Working Budget
<b>Enrollment Kindergarten - Grade 8</b>	214	215	215	206	96.04%
Estimated Pupil Units	221	222	222	211	95.04%
<b>General Fund - 01</b>					
Beginning fund balance	86,477	244,764	244,764	244,764	
Revenues	6,065,939	6,206,299	6,260,026	3,207,217	51.23%
Expenditures	(5,907,652)	(6,132,343)	(6,178,810)	(2,443,318)	39.54%
Transfers to other funds	-	(19,365)	(19,365)	-	
Change	158,287	54,591	61,851	763,899	
Ending fund balance	\$ 244,764	\$ 299,355	\$ 306,615	\$ 1,008,663	
<b>Food Servies Fund - 02</b>					
Beginning fund balance	\$ 68,789	\$ 84,305	\$ 84,305	\$ 84,305	
Revenues	234,040	238,802	251,162	91,011	36.24%
Expenditures	(218,524)	(258,167)	(277,532)	(110,768)	39.91%
Transfer from general fund	-	19,365	19,365	-	
Change	15,516	-	(7,005)	(19,757)	
Ending fund balance	\$ 84,305	\$ 84,305	\$ 77,300	\$ 64,548	
<b>Community Services Fund - 04</b>					
Beginning fund balance	\$ 15,750	\$ 15,750	\$ 15,750	\$ 15,750	
Revenues	23,245	20,000	20,000	12,929	64.64%
Expenditures	(23,245)	(20,000)	(20,000)	-	0.00%
Transfer from general fund	-	-	-	-	
Change	-	-	-	12,929	
Ending fund balance	\$ 15,750	\$ 15,750	\$ 15,750	\$ 28,679	
<b>Total All Funds</b>					
Beginning fund balance	171,016	344,819	344,819	344,819	
Revenues	6,323,224	6,465,101	6,531,188	3,311,157	50.70%
Expenditures	(6,149,421)	(6,410,510)	(6,476,342)	(2,554,086)	39.44%
Transfer between funds	-	-	-	-	
Change	173,803	54,590	54,845	757,071	
Ending fund balance	\$ 344,819	\$ 399,409	\$ 399,664	\$ 1,101,890	
Ending Fund Balance as a Percentage of Expenditures	5.6%	6.2%	6.2%		

New Discoveries Montessori Academy  
Hutchinson, Minnesota

Balance Sheet  
As of December 31, 2023

	Audited Balance 07-01-23	Month Ending Balance 12-31-23
<b>Assets</b>		
Current assets		
101 Checking - Citizens Bank and Trust Co.	\$268,129	\$ 108,420
115 Accounts receivable	224	-
118 Due from building company	160,971	144,627
121 State aids receivable	459,502	184,446
Current year state holdback	-	655,239
122 Federal aids receivable through MDE	146,353	146,559
131 Prepaid expenses and deposits	101,315	38,500
215 Prepaid employee insurance premiums	-	48,879
	<hr/>	<hr/>
Total all assets	1,136,494	\$ 1,326,670
	<hr/>	<hr/>
<b>Liabilities and Fund Balance</b>		
Current liabilities		
201 Salaries and wages payable	196,405	120,059
202 Citizens Bank and Trust line of credit advances	450,000	75,000
206 Accounts payable	69,572	-
215 Payroll deductions and contributions payable	70,551	24,573
230 Deferred revenue	5,148	5,148
	<hr/>	<hr/>
Total liabilities	791,675	224,780
	<hr/>	<hr/>
Fund balance		
Unreserved fund balance	235,657	235,657
Nonspendable fund balance (inventories, prepaids)	101,315	101,315
Committed fund balance (facility/equipment fund)	5,185	5,185
Reserved fund balance (medical assistance pmts)	2,662	2,662
Net income to date	-	757,071
	<hr/>	<hr/>
Investment in fixed assets	-	-
Total fund balance	344,819	1,101,890
	<hr/>	<hr/>
Total liabilities and fund balance	\$ 1,136,494	\$ 1,326,670
	<hr/>	<hr/>
Days Cash on Hand	16	15
Current Ratio	1.44	5.90
Requirement - Days Cash on Hand	60	60
Requirement - Current Ratio	1.10	1.10



New Discoveries Montessori Academy  
Hutchinson, Minnesota

Summary Revenue and Expenditure Statement  
As of December 31, 2023

	<i>Months to Date</i>			<i>6</i>	<i>50.00%</i>
	2022 - 2023 Audited Actual	2023 - 2024 Original Budget	2023-2024 Working Budget	FY24 Year to Date Actual	Year to Date Percent of Original Budget
<b>Projected Enrollment (Average Daily Membership)</b>	215	215	215	206	96.04%
Weighted average daily membership	220	222	222	211	95.04%
<b>General Fund - 01</b>					
Revenues					
State revenues					
211 General education aid	1,884,891	2,230,740	2,245,220	1,210,916	53.93%
335-300 Q comp aid	56,324	56,341	56,341	50,065	88.86%
212 Literacy incentive aid	-	14,129	14,129	5,159	36.51%
201 Endowment fund apportionment	10,317	9,180	9,180	6,183	67.36%
343 School Library Aid	-	-	19,944	17,949	90.00%
373 Student Support Personnel Aid	-	-	19,304	17,373	90.00%
348-300 Charter school lease aid	290,381	291,424	291,424	93,931	32.23%
317 Long-term facilities maintenance revenue	29,171	29,275	29,275	22,277	76.10%
Special education aid	3,130,260	3,316,919	3,316,919	946,826	28.55%
071 Medical assistance billing revenue	5,556	15,619	15,619	6,919	44.30%
Pension Adjustment Revenue	-	15,513	15,513	-	0.00%
Prior year over/under accrual	120,182	-	-	-	0.00%
Estimated state holdback	-	-	-	655,239	
Total state revenues	5,527,082	5,979,141	6,032,868	3,032,837	50.27%
Federal revenues					
401 Title I program	71,697	105,848	105,848	19,969	18.87%
414 Title II program	10,983	10,955	10,955	-	0.00%
151 CARES Funds	351,702	-	-	78,501	0.00%
419 Special education aid - 419	39,047	47,434	47,434	45,530	95.99%
420 Special education aid - 420	2,090	-	-	-	0.00%
425 Special education aid - 425	7,815	7,787	7,787	3,431	44.06%
514 Reap grant	20,130	20,000	20,000	192	0.96%
Total federal revenues	503,464	192,024	192,024	147,623	76.88%
Local revenues					
060 Fees collected	3,589	4,500	4,500	3,990	88.68%
050 Field trip fees collected	14,473	10,000	10,000	10,311	103.11%
092 Interest earned	279	253	253	255	100.64%
093 Rental of facilities	470	354	354	100	28.25%
096 Gifts and donations	2,905	10,000	10,000	12,142	121.42%
099 Erate reimbursements	-	4,720	4,720	-	0.00%
099 Other local revenues	12,225	3,791	3,791	-	0.00%
621 Sales of materials purchased for resale	1,450	1,516	1,516	(41)	-2.72%
Total local revenues	35,391	35,134	35,134	26,757	76.16%
<b>Total revenues</b>	<b>\$6,065,937</b>	<b>\$6,206,299</b>	<b>\$6,260,026</b>	<b>\$3,207,217</b>	<b>51.23%</b>

	2022 - 2023 Audited Actual	2023 - 2024 Original Budget	2023-2024 Working Budget	FY24 Year to Date Actual	Year to Date Percent of Original Budget
Expenditures					
100 Salaries and wages	\$ 849,662	\$ 1,003,804	\$ 1,003,804	\$ 385,361	38.39%
200 Employee benefits	271,227	329,471	329,471	120,480	36.57%
Projected salaries and wages payable	-	-	-	120,000	100.00%
Total salaries, wages and benefits	1,120,889	1,333,275	1,333,275	625,841	46.94%
305 Contracted services	127,465	136,218	136,218	84,603	62.11%
306 Contracted grounds/snowplowing services	8,350	8,389	8,389	-	0.00%
308 Advertising fees	4,895	5,023	5,023	3,705	73.76%
320 Communication services	12,483	17,850	17,850	5,073	28.42%
329 Postage	1,106	1,413	1,413	825	58.42%
330 Utilities expense	54,583	61,396	61,396	22,414	36.51%
331 Refuse removal fees	8,385	7,733	9,000	5,095	56.61%
340 Property and liability insurance	24,346	22,128	27,000	26,805	99.28%
350 Repairs and maintenance services	29,565	26,809	26,809	7,629	28.46%
351 Copier usage fees	(54)	-	-	(17)	0.00%
360 Contracted transportation	209,202	206,000	230,000	74,021	32.18%
366 Travel, conferences, and staff training	24,505	21,138	21,138	4,227	20.00%
369 Field trip registrations and other fees	17,121	15,467	15,467	6,114	39.53%
348-570 Building lease	444,000	444,000	444,000	222,000	50.00%
370 Other rentals and operating leases	-	365	365	-	0.00%
380 Computer and tech related hardware rentals	4,821	5,245	5,245	2,026	38.62%
376 Licensed nursing services	7,830	7,733	7,733	-	0.00%
389 Staff tuition reimbursements	4,824	1,561	2,950	2,925	99.14%
390 Educational payments to mn school district	395	2,081	2,081	1,208	58.06%
401 Non instructional supplies	47,456	51,556	51,556	18,962	36.78%
405 Non instructional computer software and licenses	15,040	12,425	12,425	14,454	116.33%
406 Instructional software licensing agreements	10,711	-	-	5,404	0.00%
430 Instructional supplies	10,228	10,311	12,250	17,347	141.61%
440 Fuels	1,022	773	773	469	60.73%
455 Noninstructional technology supplies	61	562	562	-	0.00%
456 Instructional technology supplies	1,715	1,289	1,289	277	21.49%
460 Textbooks and workbooks	-	1,031	1,031	-	0.00%
461 Standardized tests	2,831	2,919	2,919	-	0.00%
466 Instructional technology devices	-	-	3,000	2,937	97.90%
470 Media books	3,009	1,186	1,186	348	29.38%
490 Food (not for food service)	3,720	3,642	3,642	420	11.52%
510 Site improvements	-	516	516	-	0.00%
520 Building improvements	1,850	1,020	1,020	-	0.00%
530 Equipment purchased	7,387	3,851	3,851	85	2.21%
556 Instructional technology equipment	5,418	9,231	9,231	-	0.00%
740 Interest cost on line of credit	20,546	20,000	30,000	9,491	31.64%
820 Dues, memberships, other certain fees	31,161	32,640	32,640	24,498	75.06%
895 Indirect program costs	(4,690)	-	-	-	0.00%
Total general education expenditures	2,262,176	2,476,778	2,523,245	1,188,931	47.12%

	2022 - 2023 Audited Actual	2023 - 2024 Original Budget	2023-2024 Working Budget	FY24 Year to Date Actual	Year to Date Percent of Original Budget
REAP grant					
556 Instructional technology equipment	20,130	20,000	20,000	192	0.96%
Total reap grant	20,130	20,000	20,000	192	0.96%
Title program - title I					
100 Salaries	59,107	78,981	78,981	15,663	19.83%
200 Benefits	12,590	24,283	24,283	4,306	17.73%
401 Supplies - non-instructional	-	992	992	-	0.00%
430 Instructional supplies	-	1,592	1,592	-	0.00%
Total Title I Expenditures	71,697	105,848	105,848	19,969	18.87%
Title program - title II					
100 Salaries	550	-	-	-	0.00%
200 Benefits	96	-	-	-	0.00%
303 Contracted Services	7,580	10,440	10,440	-	0.00%
401 Supplies - non-instructional	2,757	516	516	-	0.00%
Total title II expenditures	10,983	10,955	10,955	-	0.00%
CARES Funds					
100s Salaries and Wages	262,974	-	-	60,371	0.00%
200s Benefits	71,541	-	-	18,126	0.00%
303 Purchased Services	2,625	-	-	-	0.00%
401 Non-Instructional Supplies	7,327	-	-	-	0.00%
456 Instructional Technology Supplies	12,664	-	-	-	0.00%
Total CARES expenditures	357,131	-	-	78,498	0.00%

	2022 - 2023 Audited Actual	2023 - 2024 Original Budget	2023-2024 Working Budget	FY24 Year to Date Actual	Year to Date Percent of Original Budget
State special education					
100 Salaries	1,513,282	1,668,972	1,668,972	567,000	33.97%
200 Benefits	397,894	357,220	357,220	147,922	41.41%
360 Contracted transportation	1,212,502	1,340,469	1,340,469	388,019	28.95%
366 Travel, conferences, and staff training	-	685	685	-	0.00%
394 Special education fees for services	-	85,638	85,638	2,125	2.48%
396 Reimb. salaries from another school district	-	3,977	3,977	-	0.00%
397 Reimb. Benefits from another school district	-	851	851	-	0.00%
433 Individualized instructional materials	-	-	-	1,698	100.00%
530 Equipment purchased	2,413	-	-	-	0.00%
533 Student equipment	-	5,729	5,729	-	0.00%
Total state special education expenditures	3,126,091	3,463,541	3,463,541	1,106,764	31.95%
Federal special education - finance 419					
200 Benefits	615	-	-	-	0.00%
303 Federal contracted services < \$25,000	42,225	15,787	15,787	30,323	192.07%
366 Travel, conferences and staff training	2,203	2,631	2,631	399	15.17%
401 Supplies - non instructional	-	3,162	3,162	-	0.00%
405 Non instructional computer software and licenses	1,712	1,610	11,860	10,232	86.27%
433 Individualized instructional materials	2,782	21,608	11,358	3,254	28.65%
456 Instructional technology supplies	-	2,635	2,635	-	0.00%
820 Dues, memberships; other certain fees	-	-	-	1,326	0.00%
895 Indirect costs	-	-	-	-	-
Total federal special education - finance 419	49,537	47,434	47,434	45,533	95.99%
Federal special education - finance 420					
100 100 salaries	2,090	-	-	-	0.00%
Total federal special education - finance 420	2,090	-	-	-	0.00%
Federal special education - finance 425					
100 100 salaries	5,980	-	-	-	0.00%
200 200 Benefits	1,836	-	-	-	0.00%
Total federal special education - finance 425	7,816	-	-	-	-
Federal special education - finance 429					
100 100 salaries	-	6,166	6,166	2,700	43.79%
200 200 benefits	-	1,621	1,621	731	45.12%
Total federal special education - finance 429	-	7,787	7,787	3,431	44.06%
Subtotal expenditures	5,907,652	6,132,343	6,178,810	2,443,318	39.54%
Transfer to food service fund	-	19,365	19,365	-	0.00%
Total expenditures	\$ 5,907,652	\$ 6,151,708	\$ 6,198,175	\$ 2,443,318	39.42%
General fund net income	\$ 158,285	\$ 54,590	\$ 61,850	\$ 763,899	

	2022 - 2023 Audited Actual	2023 - 2024 Original Budget	2023-2024 Working Budget	FY24 Year to Date Actual	Year to Date Percent of Original Budget
<b>Food Services Fund - 02</b>					
Revenues					
300 State revenues	\$ 9,761	\$ 4,798	\$ 11,798	\$ 10,544	89.37%
400 Federal revenues	190,520	213,488	206,488	77,077	37.33%
474 USDA commodities received	12,426	8,634	8,634	-	0.00%
600s Sales of lunches, breakfasts, and milk	21,313	4,878	4,878	3,390	69.50%
608 Catering sales	20	7,005	-	-	0.00%
Subtotal revenues	234,040	238,802	231,797	91,011	39.26%
Transfer from general fund	-	19,365	19,365	-	
<b>Total revenues</b>	<b>\$ 234,040</b>	<b>\$ 258,167</b>	<b>\$ 251,162</b>	<b>\$ 91,011</b>	<b>36.24%</b>
Expenditures					
100 Salaries and wages	\$ 81,013	\$ 96,819	\$ 96,819	\$ 32,453	33.52%
200 Employee benefits	23,519	28,358	28,358	9,401	33.15%
300 Purchased services	1,019	7,194	7,194	1,172	16.28%
400 Supplies and materials	100,028	118,310	118,310	66,454	56.17%
491 Federal commodities used	11,603	5,921	5,921	-	0.00%
820 Dues, memberships, other fees	1,342	1,565	1,565	1,289	82.34%
<b>Total expenditures</b>	<b>\$ 218,524</b>	<b>\$ 258,167</b>	<b>\$ 258,167</b>	<b>\$ 110,768</b>	<b>42.91%</b>
<b>Food services fund net income</b>	<b>\$ 15,516</b>	<b>\$ -</b>	<b>\$ (7,005)</b>	<b>\$ (19,757)</b>	
<b>Community Services Fund - 04</b>					
Revenues					
State revenues	\$ 16,920	\$ 18,000	\$ 16,500	\$ 9,520	57.70%
Childrens house program fees	6,325	2,000	3,500	3,409	97.39%
Subtotal revenues	23,245	20,000	20,000	12,929	64.64%
<b>Total revenues</b>	<b>\$ 23,245</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 12,929</b>	<b>64.64%</b>
Expenditures					
100 Salaries and wages	\$ 23,245	\$ 15,136	\$ 15,136	\$ -	0.00%
200 Employee benefits	-	2,801	2,801	-	0.00%
400 Supplies and materials	-	2,063	2,063	-	0.00%
<b>Total expenditures</b>	<b>\$ 23,245</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Community services fund net income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,929</b>	

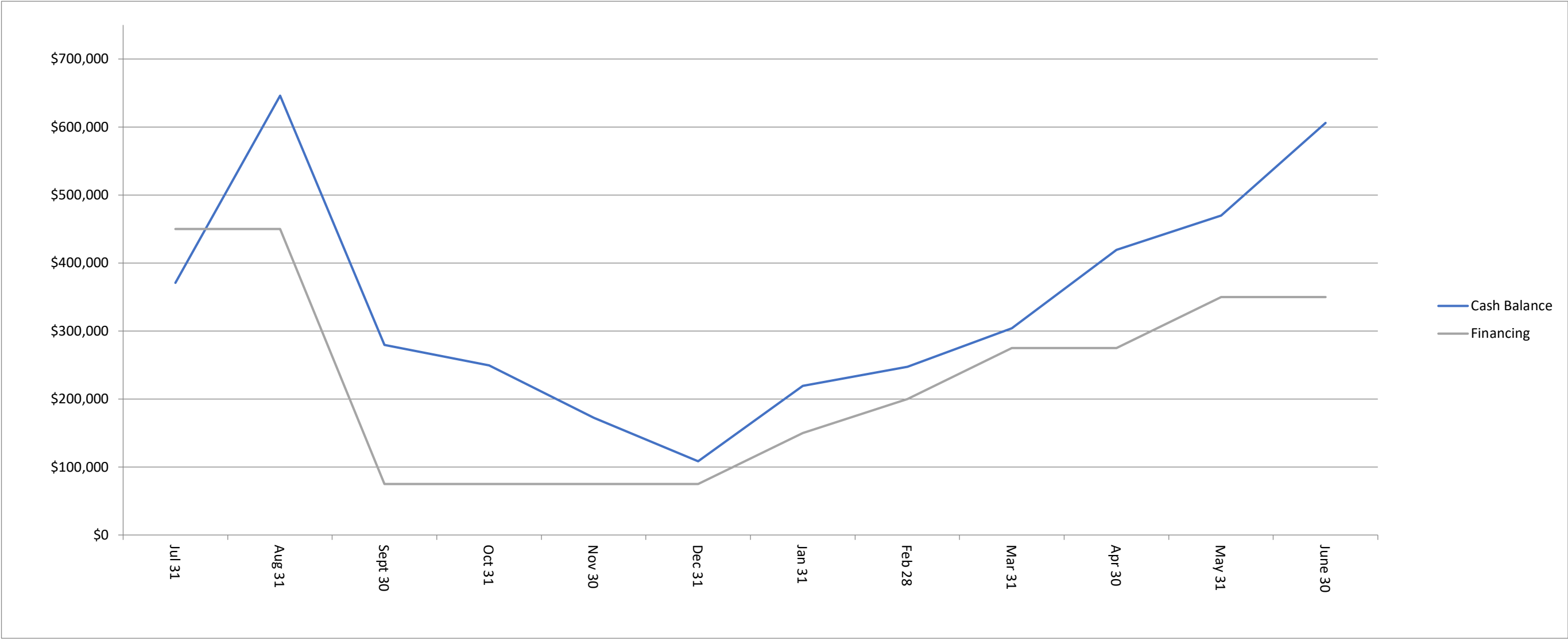
	2022 - 2023 Audited Actual	2023 - 2024 Original Budget	2023-2024 Working Budget	FY24 Year to Date Actual	Year to Date Percent of Original Budget
<b>Total All Funds</b>					
Revenues					
State revenues	\$ 5,553,763	\$ 6,001,939	\$ 6,061,166	\$ 3,052,902	50.37%
Federal revenues	706,410	414,146	407,146	224,700	55.19%
Local revenues	63,049	49,017	43,512	33,555	77.12%
Fund transfers	-	19,365	19,365	-	0.00%
Total revenues	\$ 6,323,222	\$ 6,484,467	\$ 6,531,189	\$ 3,311,157	50.70%
Expenditures					
Salaries and wages	\$ 2,670,017	\$ 2,869,878	\$ 2,869,878	\$ 1,183,549	41.24%
Employee benefits	696,739	743,754	743,754	300,966	40.47%
Purchased services	2,324,716	2,458,221	2,489,749	890,688	35.77%
Supplies and materials	415,959	244,103	249,042	142,257	57.12%
Facilities and equipment	106,616	40,347	40,347	277	0.69%
Short term financing costs	19,868	20,000	30,000	9,491	31.64%
Dues and memberships, fees, other expenses	26,420	34,205	34,205	26,858	78.52%
Fund transfers	-	19,365	19,365	-	0.00%
Total revenues all funds	\$ 6,323,222	\$ 6,484,466	\$ 6,531,188	\$ 3,311,157	50.70%
Total expenditures all funds	\$ 6,149,421	\$ 6,429,875	\$ 6,476,342	\$ 2,554,086	39.44%
Net income - all funds	\$ 173,801	\$ 54,590	\$ 54,845	\$ 757,071	

The estimated amount of the state aid holdback that has been earned as of the end of this month is shown for informational purposes.

New Discoveries Montessori Academy  
Cash Flow Projection Summary  
2023 - 2024 Fiscal Year

Period Ending	Cash Inflows (Revenues)					Cash Outflows (Expenditures)				Cash Flow Financing	Balance	Cumulative Cash Flow Financing
	State Aid Payments	Federal Aid Payments	Other Receipts	Prior Year State & Federal Holdback	Total Receipts	Payroll	Building Lease Payments	Other Expenditure s	Total Expenses			
Jul 1										<i>\$ 450,000</i>	<i>\$ 268,129</i>	<i>\$ 450,000</i>
Jul 31	396,004	4,270	5,649	20,130	\$ 426,054	58,049	37,000	228,157	323,206	-	370,976	450,000
Aug 31	395,991	-	7,730	193,274	596,995	175,157	37,000	109,740	321,896	-	646,075	450,000
Sept 30	393,772	710	4,824	143,761	543,067	160,171	37,000	337,374	534,545	(375,000)	279,597	75,000
Oct 31	392,969	-	34,057	61,036	488,062	167,941	37,000	313,345	518,285	-	249,374	75,000
Nov 30	403,431	10,771	32,848	2	447,052	168,536	37,000	318,681	524,217	-	172,209	75,000
Dec 31	393,930	-	43,013	11	436,954	166,533	37,000	297,210	500,743	-	108,420	75,000
Jan 31	393,925	29,379	23,197	31,275	477,776	177,874	37,000	227,123	441,997	75,000	219,200	150,000
Feb 28	394,398	-	23,197	2,564	420,159	177,874	37,000	227,123	441,997	50,000	247,361	200,000
Mar 31	400,700	-	23,197	-	423,897	177,874	37,000	227,123	441,997	75,000	304,261	275,000
Apr 30	393,925	48,965	23,197	90,880	556,967	177,874	37,000	227,123	441,997	-	419,231	275,000
May 31	394,398	-	23,197	-	417,595	177,874	37,000	227,123	441,997	75,000	469,829	350,000
June 30	393,933	97,930	23,197	62,922	577,981	177,874	37,000	227,123	441,997	-	605,813	350,000
Projected	5,455,050	192,024	267,303	605,855	#####	1,963,632	444,000	2,967,243	5,374,875			
Totals	4,747,377	192,024	267,303	605,855	#####	1,963,632	444,000	2,967,243	5,374,875	350,000		

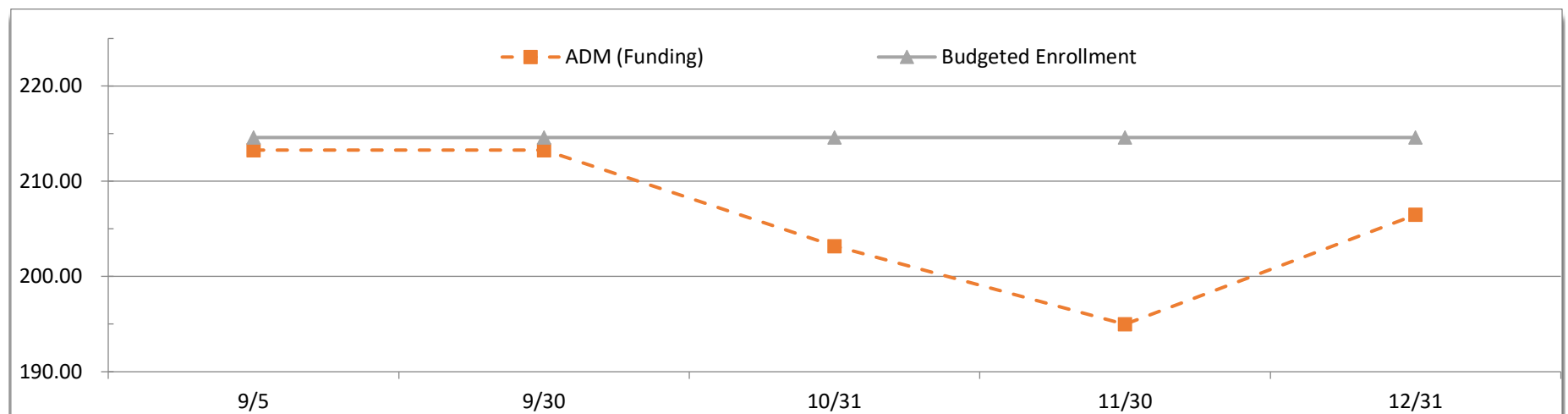
Assumptions: 10% State Aid Holdback



New Discoveries Montessori Academy  
Hutchinson, Minnesota  
Attendance / Enrollment Report  
As of December 31, 2023

Average Daily Membership (ADM)												
Grade		9/5	9/30	10/31	11/30	12/31	1/31	2/28	3/31	4/30	5/31	EOY
3 yr old half day	PA	0	0	0	0	0	0	0	0	0	0	0
3 yr old half day	PB	0	0	1	0	0	0	0	0	0	0	0
4 yr old half day	KA	9	9	0	0	0	0	0	0	0	0	0
4 yr old half day	KB	2	2	0	0	0	0	0	0	0	0	0
4 yr old full day	PC	0	0	3	3	3	0	0	0	0	0	0
Preschool SpEd	EC	3	3	2	3	5	0	0	0	0	0	0
Voluntary Pre-K	PK	14	14	4	3	3	0	0	0	0	0	0
Kindergarten SpEd	HK	0	0	0	0	0	0	0	0	0	0	0
Kindergarten	KG	29	29	29	28	30	0	0	0	0	0	0
First Grade	1	26	26	24	24	27	0	0	0	0	0	0
Second Grade	2	26	26	28	26	28	0	0	0	0	0	0
Third Grade	3	25	25	25	24	25	0	0	0	0	0	0
Fourth Grade	4	27	27	28	26	28	0	0	0	0	0	0
Fifth Grade	5	18	18	19	18	18	0	0	0	0	0	0
Sixth Grade	6	21	21	21	20	20	0	0	0	0	0	0
Seventh Grade	7	15	15	15	14	14	0	0	0	0	0	0
Eighth Grade	8	9	9	9	8	8	0	0	0	0	0	0
Total Enrollment for Funding		213	213	203	195	206	0	0	0	0	0	0
Total Overall Enrollment		224	224	207	198	210	0	0	0	0	0	0

Budgeted Enrollments as of:												
Grade		9/5	9/30	10/31	11/30	12/31	1/31	2/28	3/31	4/30	5/31	EOY
3 yr old half day	PA	0	0	0	0	0	0	0	0	0	0	0
3 yr old half day	PB	0	0	0	0	0	0	0	0	0	0	0
4 yr old half day	KA	0	0	0	0	0	0	0	0	0	0	0
4 yr old half day	KB	0	0	0	0	0	0	0	0	0	0	0
4 yr old full day	PC	0	0	0	0	0	0	0	0	0	0	0
Preschool SpEd	EC	4	4	4	4	4	4	4	4	4	4	4
Voluntary Pre-K	PK	4	4	4	4	4	4	4	4	4	4	4
Kindergarten SpEd	HK	11	11	11	11	11	11	11	11	11	11	11
Kindergarten	KG	13	13	13	13	13	13	13	13	13	13	13
First Grade	1	18	18	18	18	18	18	18	18	18	18	18
Second Grade	2	27	27	27	27	27	27	27	27	27	27	27
Third Grade	3	26	26	26	26	26	26	26	26	26	26	26
Fourth Grade	4	23	23	23	23	23	23	23	23	23	23	23
Fifth Grade	5	25	25	25	25	25	25	25	25	25	25	25
Sixth Grade	6	24	24	24	24	24	24	24	24	24	24	24
Seventh Grade	7	22	22	22	22	22	22	22	22	22	22	22
Eighth Grade	8	18	18	18	18	18	18	18	18	18	18	18
Total Enrollment for Funding		215	215	215	215	215	215	215	215	215	215	215
Total Overall Enrollment		215	215	215	215	215	215	215	215	215	215	215







New Discoveries Montessori Academy  
Hutchinson, Minnesota  
District 4161

Supplemental Information

December 31, 2023

CHECK				ACCOUNT						
CHECK DATE	NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT	NUMBER					
12/18/2023	189	Ace Hardware Hutchinson	FY24 Maintenance supplies	3.04	01	E	010	810	000	401
12/18/2023	189	Ace Hardware Hutchinson	FY24 Maintenance supplies	27.58	01	E	010	810	000	401
12/18/2023	189	Ace Hardware Hutchinson	FY24 Maintenance supplies	13.98	01	E	010	810	000	401
12/18/2023	189	Ace Hardware Hutchinson	FY24 Maintenance supplies	1.00	01	E	010	810	000	401
12/18/2023	189	Ace Hardware Hutchinson	FY24 Maintenance supplies	36.36	01	E	010	810	000	401
			Totals for 189	81.96						
12/18/2023	190	Cintas Corporation	FY24 Towels	64.51	01	E	010	810	000	305
			Totals for 190	64.51						
12/18/2023	191	City Therapy Services	FY24 Initial Emails for SPED Services	5,760.00	01	E	010	420	000	419 303
			Totals for 191	5,760.00						
12/18/2023	192	Coborn's, Inc.	NSLP Lunch	31.92	02	E	010	770	000	701 490
12/18/2023	192	Coborn's, Inc.	FY24 After school Group	26.23	01	E	010	203	000	000 430
12/18/2023	192	Coborn's, Inc.	FY24 NSLP Lunch/PTO	5.00	02	E	010	770	000	701 490
12/18/2023	192	Coborn's, Inc.	FY24 NSLP Lunch/PTO	63.19	01	E	005	110	000	000 490
12/18/2023	192	Coborn's, Inc.	FY24 After school Group	31.92	01	E	010	203	000	000 430
			Totals for 192	158.26						
12/18/2023	193	Colvin, Shari	Reimbursement - Classroom Ins. Supplies	68.76	01	E	010	203	000	000 430
			Totals for 193	68.76						
12/18/2023	194	Erickson, Tara	FY24 Reimb.- Cell phone: Nov 23	75.00	01	E	005	105	000	000 320
			Totals for 194	75.00						
12/18/2023	195	Further	FY24 HSA participant fee - Dec 2023	25.00	01	E	005	115	000	000 305
			Totals for 195	25.00						
12/18/2023	196	Heger's Dairy	Fy24 Milk Delivery -Nov 23	1,171.50	02	E	010	770	000	701 305
			Totals for 196	1,171.50						
12/18/2023	197	Hutchinson Co-Op	FY24 Gas for van-11.11-11.27.23	70.14	01	E	010	760	000	720 440
			Totals for 197	70.14						
12/18/2023	198	Innovative Office Solutions, LLC	FY24 Paper-Office	284.91	01	E	005	110	000	000 401
12/18/2023	198	Innovative Office Solutions, LLC	FY24 Paper-Office	241.14	01	E	005	110	000	000 401
			Totals for 198	526.05						
12/18/2023	199	Integrated Systems Corporation	Skyward hosting Jan 2024 - Dec 2024	1,500.00	01	A		131	00	
12/18/2023	199	Integrated Systems Corporation	Skyward hosting Jan 2024 - Dec 2024	1,500.00	01	E	005	108	000	000 405
			Totals for 199	3,000.00						
12/18/2023	200	Invision Services Inc	SPED consulting services - Nov2023	132.00	01	E	010	406	000	419 303
			Totals for 200	132.00						
12/18/2023	201	Labraaten Bus Company LLC	FY24 Sped Transportation- Nov 23	105,910.00	01	E	010	760	000	723 360
12/18/2023	201	Labraaten Bus Company LLC	FY24 Reg Transportation- Nov 23	22,110.00	01	E	010	203	111	733 360
12/18/2023	201	Labraaten Bus Company LLC	FY24 Field Trips Nov 23	748.00	01	E	010	203	111	733 360
			Totals for 201	128,768.00						
12/18/2023	202	Loffler Companies Inc - 131511	FY24 Copier Contract 11.2-12.1.23	63.55	01	E	005	630	000	000 315

CHECK			ACCOUNT						
CHECK DATE	NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT	NUMBER				
12/18/2023	202	Loffler Companies Inc - 131511	FY24 Copier Contract 11.9-12.8.23	1,370.10	01 E 005 630 000 000 315				
			Totals for 202	1,433.65					
12/18/2023	203	McLeod County HHW	FY24 Electronics recycling fee	30.00	01 E 010 810 000 000 820				
			Totals for 203	30.00					
12/18/2023	204	Menards - Hutchinson	FY24 Maintenance supplies	12.27	01 E 010 810 000 000 401				
12/18/2023	204	Menards - Hutchinson	FY24 Maintenance supplies	52.11	01 E 010 810 000 000 401				
12/18/2023	204	Menards - Hutchinson	FY24 Maintenance supplies	17.98	01 E 010 810 000 000 401				
			Totals for 204	82.36					
12/18/2023	205	MRI Software LLC	FY24 Background checks -Nov 23	56.00	01 E 005 105 000 000 305				
			Totals for 205	56.00					
12/18/2023	206	Nadeau, Michelle	FY24 Reimbursement Christmas crafts for class	69.89	01 E 010 203 000 000 430				
			Totals for 206	69.89					
12/18/2023	207	Pan-O-Gold Baking Co.	Fy24 Bread	97.06	02 E 010 770 000 701 490				
12/18/2023	207	Pan-O-Gold Baking Co.	Fy24 Bread	71.94	02 E 010 770 000 701 490				
12/18/2023	207	Pan-O-Gold Baking Co.	Fy24 Bread	75.30	02 E 010 770 000 701 490				
			Totals for 207	244.30					
12/18/2023	208	Pulver, Tamera	FY24 SpEd services (2nd qtr)	3,750.00	01 E 010 420 000 419 303				
			Totals for 208	3,750.00					
12/18/2023	209	Sysco Western MN	FY24 Food Service	31.23	02 E 010 770 000 701 401				
12/18/2023	209	Sysco Western MN	FY24 Food Service	12.11	02 E 010 770 000 701 401				
12/18/2023	209	Sysco Western MN	FY24 Food Service	353.03	02 E 010 770 000 705 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	747.29	02 E 010 770 000 701 401				
12/18/2023	209	Sysco Western MN	FY24 Food Service	18.90	02 E 010 770 000 701 401				
12/18/2023	209	Sysco Western MN	FY24 Food Service	52.99	02 E 010 770 000 701 401				
12/18/2023	209	Sysco Western MN	FY24 Food Service	256.04	02 E 010 770 000 705 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	33.01	02 E 010 770 000 706 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	547.00	02 E 010 770 000 701 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	74.91	02 E 010 770 000 705 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	536.66	02 E 010 770 000 701 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	18.62	02 E 010 770 000 705 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	24.82	02 E 010 770 000 701 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	418.54	02 E 010 770 000 701 401				
12/18/2023	209	Sysco Western MN	FY24 Food Service	389.88	02 E 010 770 000 705 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	11.49	02 E 010 770 000 705 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	72.39	02 E 010 770 000 701 401				
12/18/2023	209	Sysco Western MN	FY24 Food Service	114.09	02 E 010 770 000 701 401				
12/18/2023	209	Sysco Western MN	FY24 Food Service	57.65	02 E 010 770 000 706 490				
12/18/2023	209	Sysco Western MN	FY24 Food Service	249.61	01 E 005 110 000 000 490				

CHECK				ACCOUNT			
CHECK DATE	NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT	NUMBER		
12/18/2023	209	Sysco Western MN	FY24 Food Service	779.00	02 E 010	770 000	701 490
12/18/2023	209	Sysco Western MN	FY24 Food Service	124.67	01 E 005	110 000	000 490
12/18/2023	209	Sysco Western MN	FY24 Food Service	125.72	02 E 010	770 000	705 490
			Totals for 209	5,049.65			
12/18/2023	210	WD Tech Online LLC	FY24 Monthly Tech Support	1,600.00	01 E 010	630 000	000 315
			Totals for 210	1,600.00			
12/18/2023	211	West Music	FY24 Student recorders for music	181.17	01 R 010	258 000	000 619
			Totals for 211	181.17			
12/29/2023	212	Accident Fund Insurance Co of Ameri	FY24 Work Comp:	10,368.50	01 L	215 19	
			Totals for 212	10,368.50			
12/29/2023	213	BerganKDV Outsourced Services LLC	FY24 Financial Manag. & Account. serv. Dec 23	5,066.00	01 E 005	113 000	000 305
12/29/2023	213	BerganKDV Outsourced Services LLC	FY24 ABC Acct. serv. Dec 23	3,156.00	01 A	118 00	
			Totals for 213	8,222.00			
12/29/2023	214	Cintas Corporation	FY24 Towels	64.51	01 E 010	810 000	000 305
			Totals for 214	64.51			
12/29/2023	215	DVS Renewal	Acct: 00-021257511 - Tabs for school van - BY84150	45.25	01 E 010	760 000	733 820
12/29/2023	215	DVS Renewal	Acct: 00-041720753-Tabs-Plate #970255	21.25	01 E 010	760 000	733 820
			Totals for 215	66.50			
12/29/2023	216	Erickson, Tara	FY24 Reimb.- Cell phone: Dec 23	75.00	01 E 005	105 000	000 320
			Totals for 216	75.00			
12/29/2023	217	Kinzler, Kirsten	Reimbursement -Nurse Supplies	25.88	01 E 005	720 000	000 401
			Totals for 217	25.88			
12/29/2023	218	Marcus, Ethan	Reimbursement - Classroom Inst. Supplies	53.90	01 E 010	203 000	000 430
			Totals for 218	53.90			
12/29/2023	219	Martig, Michelle	Reimbursement: Classroom Inst. Supplies	75.24	01 E 010	203 000	000 430
			Totals for 219	75.24			
12/29/2023	220	Menards - Hutchinson	FY24 Maintenance supplies	119.26	01 E 010	810 000	000 401
			Totals for 220	119.26			
12/29/2023	221	Scharpe, Bernadete	Reimbursement - Postage	9.35	01 E 005	110 000	000 329
			Totals for 221	9.35			
12/29/2023	222	Schlenner Wenner & Co	FY23 Audit Services/ABC Audit services	9,500.00	01 E 005	116 000	000 305
12/29/2023	222	Schlenner Wenner & Co	FY23 Audit Services/ABC Audit services	2,500.00	01 A	118 00	
			Totals for 222	12,000.00			
12/29/2023	223	Sysco Western MN	FY24 Food Service	289.39	02 E 010	770 000	705 490
12/29/2023	223	Sysco Western MN	FY24 Food Service	508.60	02 E 010	770 000	701 490
12/29/2023	223	Sysco Western MN	FY24 Food Service	42.59	02 E 010	770 000	701 401
12/29/2023	223	Sysco Western MN	FY24 Food Service	129.87	02 R 010	000 000	701 601

CHECK			DESCRIPTION	ACCOUNT						
CHECK DATE	NUMBER	VENDOR NAME		AMOUNT	NUMBER					
12/29/2023	223	Sysco Western MN	FY24 Food Service	790.20	02 E 010	770 000	701 490			
12/29/2023	223	Sysco Western MN	FY24 Food Service	243.14	02 E 010	770 000	705 490			
12/29/2023	223	Sysco Western MN	FY24 Food Service	13.07	02 E 010	770 000	701 490			
12/29/2023	223	Sysco Western MN	FY24 Food Service	18.65	02 E 010	770 000	705 490			
Totals for 223				2,035.51						
12/12/2023	202201482	Amazon.Com	Credit Card Payment AP Invoice.	14.38	01 E 010	203 000	000 430			
12/12/2023	202201482	Amazon.Com	Credit Card Payment AP Invoice.	42.69	01 E 010	420 000	419 433			
12/12/2023	202201482	Target	Credit Card Payment AP Invoice.	65.77	01 E 010	420 000	419 433			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	100.27	01 E 010	203 000	000 430			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	16.09	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	23.00	01 E 010	203 000	000 430			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	95.02	01 E 010	203 000	000 430			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	115.00	01 E 010	203 000	000 430			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	43.99	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	139.00	01 E 005	110 000	000 820			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	10.91	01 E 010	720 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	38.96	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	22.18	01 E 010	203 000	000 456			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	62.93	01 E 010	203 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	288.77	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	223.25	01 E 010	203 000	000 430			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	12.91	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	141.89	01 E 010	420 000	419 433			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	-18.89	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	19.04	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	29.84	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	24.99	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	21.98	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	47.06	01 E 010	050 000	000 401			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	543.75	01 E 010	203 000	000 369			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	75.00	01 E 010	203 000	000 430			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	120.00	01 E 005	010 000	000 305			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	31.23	01 E 005	105 000	000 490			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	17.16	01 E 005	105 000	000 490			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	32.26	01 E 005	105 000	000 490			
12/12/2023	202201482	Visa	Credit Card Payment AP Invoice.	29.84	01 E 005	105 000	000 490			
12/12/2023	202201482	Wal Mart	Credit Card Payment AP Invoice.	7.44	02 E 010	770 000	701 490			
12/12/2023	202201482	Wal Mart	Credit Card Payment AP Invoice.	53.37	01 E 010	203 000	000 490			
12/12/2023	202201482	Wal Mart	Credit Card Payment AP Invoice.	51.90	01 E 005	105 000	000 490			

CHECK		VENDOR NAME	DESCRIPTION	ACCOUNT	
CHECK DATE	NUMBER			AMOUNT	NUMBER
			Totals for 202201482	2,542.98	
12/01/2023	202300215	Further	Payroll accrual	1,065.83	01 L 215 17
12/01/2023	202300215	Further	Payroll accrual	97.92	02 L 215 17
			Totals for 202300215	1,163.75	
12/01/2023	202300216	Further	Payroll accrual	1,187.50	01 L 215 17
12/01/2023	202300216	Further	Payroll accrual	62.50	02 L 215 17
			Totals for 202300216	1,250.00	
12/01/2023	202300217	Internal Revenue Service	Payroll accrual	525.00	01 L 215 02
12/01/2023	202300217	Internal Revenue Service	Payroll accrual	30.00	02 L 215 02
			Totals for 202300217	555.00	
12/01/2023	202300218	Internal Revenue Service	Payroll accrual	4,825.82	01 L 215 02
12/01/2023	202300218	Internal Revenue Service	Payroll accrual	153.36	02 L 215 02
			Totals for 202300218	4,979.18	
12/01/2023	202300219	Internal Revenue Service	Payroll accrual	6,911.42	01 L 215 02
12/01/2023	202300219	Internal Revenue Service	Payroll accrual	220.39	02 L 215 02
			Totals for 202300219	7,131.81	
12/01/2023	202300220	Internal Revenue Service	Payroll accrual	1,616.36	01 L 215 02
12/01/2023	202300220	Internal Revenue Service	Payroll accrual	51.54	02 L 215 02
			Totals for 202300220	1,667.90	
12/01/2023	202300221	Internal Revenue Service	Payroll accrual	6,911.42	01 L 215 02
12/01/2023	202300221	Internal Revenue Service	Payroll accrual	220.39	02 L 215 02
			Totals for 202300221	7,131.81	
12/01/2023	202300222	Internal Revenue Service	Payroll accrual	1,616.36	01 L 215 02
12/01/2023	202300222	Internal Revenue Service	Payroll accrual	51.54	02 L 215 02
			Totals for 202300222	1,667.90	
12/01/2023	202300223	Minnesota Child Support Payment Cen	Payroll accrual	50.00	01 L 215 12
			Totals for 202300223	50.00	
12/01/2023	202300224	MN Department Of Revenue	Payroll accrual	270.00	01 L 215 03
12/01/2023	202300224	MN Department Of Revenue	Payroll accrual	20.00	02 L 215 03
			Totals for 202300224	290.00	
12/01/2023	202300225	MN Department Of Revenue	Payroll accrual	3,515.21	01 L 215 03
12/01/2023	202300225	MN Department Of Revenue	Payroll accrual	102.53	02 L 215 03
			Totals for 202300225	3,617.74	
12/01/2023	202300226	Public Employee Retirement Associat	Payroll accrual	3,435.97	01 L 215 07
12/01/2023	202300226	Public Employee Retirement Associat	Payroll accrual	234.67	02 L 215 07
			Totals for 202300226	3,670.64	
12/01/2023	202300227	Public Employee Retirement Associat	Payroll accrual	3,964.59	01 L 215 07
12/01/2023	202300227	Public Employee Retirement Associat	Payroll accrual	270.77	02 L 215 07
			Totals for 202300227	4,235.36	

CHECK				ACCOUNT		
CHECK DATE	NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT	NUMBER	
12/01/2023	202300228	Teachers Retirement Association	Payroll accrual	4,904.28	01 L	215 06
Totals for 202300228				4,904.28		
12/01/2023	202300229	Teachers Retirement Association	Payroll accrual	5,537.08	01 L	215 06
Totals for 202300229				5,537.08		
12/15/2023	202300231	Further	Payroll accrual	1,540.83	01 L	215 17
12/15/2023	202300231	Further	Payroll accrual	97.92	02 L	215 17
Totals for 202300231				1,638.75		
12/15/2023	202300232	Further	Payroll accrual	1,625.00	01 L	215 17
12/15/2023	202300232	Further	Payroll accrual	62.50	02 L	215 17
Totals for 202300232				1,687.50		
12/15/2023	202300233	Internal Revenue Service	Payroll accrual	565.00	01 L	215 02
12/15/2023	202300233	Internal Revenue Service	Payroll accrual	30.00	02 L	215 02
Totals for 202300233				595.00		
12/15/2023	202300234	Internal Revenue Service	Payroll accrual	4,282.80	01 L	215 02
12/15/2023	202300234	Internal Revenue Service	Payroll accrual	139.76	02 L	215 02
Totals for 202300234				4,422.56		
12/15/2023	202300235	Internal Revenue Service	Payroll accrual	6,150.63	01 L	215 02
12/15/2023	202300235	Internal Revenue Service	Payroll accrual	202.23	02 L	215 02
Totals for 202300235				6,352.86		
12/15/2023	202300236	Internal Revenue Service	Payroll accrual	6,150.63	01 L	215 02
12/15/2023	202300236	Internal Revenue Service	Payroll accrual	202.23	02 L	215 02
Totals for 202300236				6,352.86		
12/15/2023	202300237	Internal Revenue Service	Payroll accrual	1,438.47	01 L	215 02
12/15/2023	202300237	Internal Revenue Service	Payroll accrual	47.29	02 L	215 02
Totals for 202300237				1,485.76		
12/15/2023	202300238	Minnesota Child Support Payment Cen	Payroll accrual	50.00	01 L	215 12
Totals for 202300238				50.00		
12/15/2023	202300239	MN Department Of Revenue	Payroll accrual	270.00	01 L	215 03
12/15/2023	202300239	MN Department Of Revenue	Payroll accrual	20.00	02 L	215 03
Totals for 202300239				290.00		
12/15/2023	202300240	MN Department Of Revenue	Payroll accrual	3,075.06	01 L	215 03
12/15/2023	202300240	MN Department Of Revenue	Payroll accrual	96.59	02 L	215 03
Totals for 202300240				3,171.65		
12/15/2023	202300241	Public Employee Retirement Associat	Payroll accrual	2,776.54	01 L	215 07
12/15/2023	202300241	Public Employee Retirement Associat	Payroll accrual	213.61	02 L	215 07
Totals for 202300241				2,990.15		
12/15/2023	202300242	Public Employee Retirement Associat	Payroll accrual	3,203.67	01 L	215 07
12/15/2023	202300242	Public Employee Retirement Associat	Payroll accrual	246.46	02 L	215 07
Totals for 202300242				3,450.13		

CHECK				ACCOUNT			
CHECK DATE	NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT	NUMBER		
12/15/2023	202300243	Teachers Retirement Association	Payroll accrual	4,835.67	01 L	215	06
			Totals for 202300243	4,835.67			
12/15/2023	202300244	Teachers Retirement Association	Payroll accrual	5,459.61	01 L	215	06
			Totals for 202300244	5,459.61			
12/15/2023	202300245	Internal Revenue Service	Payroll accrual	1,438.47	01 L	215	02
12/15/2023	202300245	Internal Revenue Service	Payroll accrual	47.29	02 L	215	02
			Totals for 202300245	1,485.76			
12/14/2023	202300246	Stoneburner Law Offices	Payroll accrual	356.91	01 L	215	14
			Totals for 202300246	356.91			
12/07/2023	202300247	Empower Retirement Plan	FY24 Retirement-Dec	135.52	01 L	215	11
			Totals for 202300247	135.52			
12/20/2023	202300248	Empower Retirement Plan	FY24 Retirement-Dec	135.52	01 L	215	11
			Totals for 202300248	135.52			
12/18/2023	202300249	Hutchinson Utilities Commission	FY24 Utilites - Nov	3,579.86	01 E 010 810 000 000 330		
			Totals for 202300249	3,579.86			
12/26/2023	202300250	Waste Management -Of WI-MN	Fy24 water service-Dec	843.09	01 E 010 810 000 000 331		
			Totals for 202300250	843.09			
12/21/2023	202300251	Stoneburner Law Offices	Payroll accrual	265.74	01 L	215	14
			Totals for 202300251	265.74			
12/07/2023	202300252	Bix Produce Co LLC	FY24 FFVP and Lunch	53.62	02 E 010 770 000 701 490		
12/07/2023	202300252	Bix Produce Co LLC	FY24 FFVP and Lunch	171.10	02 E 010 770 000 706 490		
			Totals for 202300252	224.72			
12/11/2023	202300253	Nuvera	FY24 Services - Dec	510.80	01 E 010 630 000 000 315		
12/11/2023	202300253	Nuvera	FY24 Services - Dec	501.91	01 E 005 810 108 000 320		
12/11/2023	202300253	Nuvera	FY24 Services - Dec	270.20	01 E 005 810 000 000 320		
			Totals for 202300253	1,282.91			
12/11/2023	202300254	Loffler Companies - Dallas	FY24 Copier Lease	405.13	01 E 010 630 000 000 560		
			Totals for 202300254	405.13			
12/27/2023	202300255	City Of Hutchinson (water)	FY24 outside Irrigation -Nov 23	24.31	01 E 010 810 000 000 330		
			Totals for 202300255	24.31			
12/27/2023	202300256	City Of Hutchinson (water)	FY24 Water and Sewer -Nov 23	448.97	01 E 010 810 000 000 330		
			Totals for 202300256	448.97			
12/27/2023	202300257	Bill.com	FY24 Service Charge -Dec 23	114.77	01 E 005 112 000 000 305		
			Totals for 202300257	114.77			
12/29/2023	202300258	Further	Payroll accrual	1,840.83	01 L	215	17
12/29/2023	202300258	Further	Payroll accrual	97.92	02 L	215	17
			Totals for 202300258	1,938.75			
12/29/2023	202300259	Further	Payroll accrual	1,312.50	01 L	215	17
12/29/2023	202300259	Further	Payroll accrual	62.50	02 L	215	17



CHECK				ACCOUNT			
CHECK DATE	NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT	NUMBER		
			Totals for 202300259	1,375.00			
12/29/2023	202300260	Internal Revenue Service	Payroll accrual	565.00	01 L	215	02
12/29/2023	202300260	Internal Revenue Service	Payroll accrual	30.00	02 L	215	02
			Totals for 202300260	595.00			
12/29/2023	202300261	Internal Revenue Service	Payroll accrual	5,294.85	01 L	215	02
12/29/2023	202300261	Internal Revenue Service	Payroll accrual	149.79	02 L	215	02
			Totals for 202300261	5,444.64			
12/29/2023	202300262	Internal Revenue Service	Payroll accrual	7,078.07	01 L	215	02
12/29/2023	202300262	Internal Revenue Service	Payroll accrual	225.64	02 L	215	02
			Totals for 202300262	7,303.71			
12/29/2023	202300263	Internal Revenue Service	Payroll accrual	1,655.37	01 L	215	02
12/29/2023	202300263	Internal Revenue Service	Payroll accrual	52.78	02 L	215	02
			Totals for 202300263	1,708.15			
12/29/2023	202300264	Internal Revenue Service	Payroll accrual	7,078.07	01 L	215	02
12/29/2023	202300264	Internal Revenue Service	Payroll accrual	225.64	02 L	215	02
			Totals for 202300264	7,303.71			
12/29/2023	202300265	Internal Revenue Service	Payroll accrual	1,655.37	01 L	215	02
12/29/2023	202300265	Internal Revenue Service	Payroll accrual	52.78	02 L	215	02
			Totals for 202300265	1,708.15			
12/29/2023	202300266	Minnesota Child Support Payment Cen	Payroll accrual	50.00	01 L	215	12
			Totals for 202300266	50.00			
12/29/2023	202300267	MN Department Of Revenue	Payroll accrual	270.00	01 L	215	03
12/29/2023	202300267	MN Department Of Revenue	Payroll accrual	20.00	02 L	215	03
			Totals for 202300267	290.00			
12/29/2023	202300268	MN Department Of Revenue	Payroll accrual	3,671.50	01 L	215	03
12/29/2023	202300268	MN Department Of Revenue	Payroll accrual	109.60	02 L	215	03
			Totals for 202300268	3,781.10			
12/29/2023	202300269	Public Employee Retirement Associat	Payroll accrual	3,459.39	01 L	215	07
12/29/2023	202300269	Public Employee Retirement Associat	Payroll accrual	240.17	02 L	215	07
			Totals for 202300269	3,699.56			
12/29/2023	202300270	Public Employee Retirement Associat	Payroll accrual	3,991.57	01 L	215	07
12/29/2023	202300270	Public Employee Retirement Associat	Payroll accrual	277.12	02 L	215	07
			Totals for 202300270	4,268.69			
12/29/2023	202300271	Teachers Retirement Association	Payroll accrual	5,816.79	01 L	215	06
			Totals for 202300271	5,816.79			
12/14/2023	202300272	Bix Produce Co LLC	Fy24 FFVP	247.80	02 E 010 770 000 706 490		
			Totals for 202300272	247.80			
12/21/2023	202300273	Bix Produce Co LLC	FY24 FFVP	335.60	02 E 010 770 000 706 490		
			Totals for 202300273	335.60			

CHECK			ACCOUNT		
CHECK DATE	NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT	NUMBER
12/29/2023	202300274	Stoneburner Law Offices	Payroll accrual	348.02	01 L 215 14
Totals for 202300274				348.02	
Totals for checks				334,209.66	

FUND SUMMARY

<u>FUND</u>	<u>DESCRIPTION</u>	<u>BALANCE SHEET</u>	<u>REVENUE</u>	<u>EXPENSE</u>	<u>TOTAL</u>
01	GENERAL FUND	151,704.74	181.17	168,879.16	320,765.07
02	FOOD SERVICE	4,465.43	129.87	8,849.29	13,444.59
***	Fund Summary Totals ***	156,170.17	311.04	177,728.45	334,209.66

\*\*\*\*\* End of report \*\*\*\*\*

Batch	Acct Nbr	Description	Post Date	Amount
23-50061	01 R 010 000 000 000 050	FY24 School Supplies	11/08/2023	-190.00
23-50061	04 R 010 581 000 321 060	FY24 PreK Tuition	11/08/2023	-1,000.00
23-50061	04 R 010 581 000 321 060	FY24 PreK app fee	11/08/2023	-65.00
23-50061	01 R 010 203 111 000 050	FY24 Field trip Fees	11/08/2023	-285.00
23-50061	01 E 005 105 000 000 490	FY24 PTO Reimbursements	11/08/2023	-983.47
23-50061	01 E 010 720 000 000 401	FY24 Nursing: Hair treatment	11/08/2023	-136.45
23-50061	01 E 010 203 000 000 369	FY24 Field Trip Fund	11/08/2023	-500.00
23-50061	01 R 010 000 000 372 071	FY24Medical Assistance	11/08/2023	-1,174.56
23-50061	02 R 010 000 000 701 601	FY24 Food Service	11/08/2023	-30.00
		Totals for 23-50061		-4,364.48
23-50062	01 R 010 000 000 000 050	FY24 School Supplies	11/08/2023	190.00
23-50062	04 R 010 581 000 321 060	FY24 PreK Tuition	11/08/2023	1,000.00
23-50062	04 R 010 581 000 321 060	FY24 PreK app fee	11/08/2023	65.00
23-50062	01 R 010 203 111 000 050	FY24 Field trip Fees	11/08/2023	274.00
23-50062	01 E 005 105 000 000 490	FY24 PTO Reimbursements	11/08/2023	983.57
23-50062	01 E 010 720 000 000 401	FY24 Nursing: Hair treatment	11/08/2023	136.45
23-50062	01 E 010 203 000 000 369	FY24 Field Trip Fund	11/08/2023	500.00
23-50062	01 R 010 000 000 372 071	FY24Medical Assistance	11/08/2023	1,174.56
23-50062	02 R 010 000 000 701 601	FY24 Food Service	11/08/2023	30.00
		Totals for 23-50062		4,353.58
23-50063	04 R 010 581 000 337 300	FY24 Pre- K Scholarships from Prairie Fi	12/31/2023	1,800.00
		Totals for 23-50063		1,800.00
23-50064	01 R 010 000 000 000 211	FY24 GenEd	12/31/2023	196,725.61
		Totals for 23-50064		196,725.61
23-50066	02 R 010 000 000 703 300	FY24 State Milk	12/31/2023	80.80
23-50066	02 R 010 000 000 701 300	FY24 State Lunch	12/31/2023	2,158.29
23-50066	02 R 010 000 000 705 300	FY24 State breakfast	12/31/2023	878.90
23-50066	02 R 010 000 000 705 476	FY24 Fed. Breakfast	12/31/2023	6,587.65
23-50066	02 R 010 000 000 701 472	FY24 Free and Reduced Lunch	12/31/2023	11,014.85
23-50066	02 R 010 000 000 701 471	FY24 Lunch	12/31/2023	1,325.60
23-50066	02 R 010 000 000 701 471	FY24 HHFKA	12/31/2023	265.12
23-50066	02 R 005 770 000 706 471	FY24 FFVP	12/31/2023	1,040.04
23-50066	04 R 010 581 000 337 300	FY24 Elsa pathways II	12/31/2023	2,080.00
		Totals for 23-50066		25,431.25
23-50067	01 R 010 000 000 000 092	FY24 Interest - Dec 2023	12/31/2023	21.82
		Totals for 23-50067		21.82
23-50068	01 R 010 000 000 000 211	FY24 GenEd	12/31/2023	195,141.30
23-50068	01 R 005 000 000 312 300	FY24 Literacy Incentive	12/31/2023	2,063.52
		Totals for 23-50068		197,204.82
23-50069	01 R 010 000 000 000 050	FY24 School Supplies	12/31/2023	40.00
23-50069	04 R 010 581 000 321 060	FY24 PreK Tuition and App Fee	12/31/2023	175.00
23-50069	01 R 010 203 111 000 050	FY24 Fieldtrip Fees	12/31/2023	590.00
23-50069	01 E 005 105 000 000 329	FY24 Stamps	12/31/2023	2.00
23-50069	01 E 010 605 000 000 351	FY24 Laminating and Photocopies	12/31/2023	9.00
23-50069	01 R 005 000 740 000 096	FY24 SpEd Dept. Donation	12/31/2023	200.00
23-50069	01 R 010 810 080 000 093	FY24 Facility Rental	12/31/2023	100.00

Batch	Acct Nbr	Description	Post Date	Amount
23-50069	01 E 005 105 000 000 490	FY24 PTO Conference Lunch Reimb.	12/31/2023	97.75
23-50069	01 E 005 105 000 000 490	FY24 PTO Conference Lunch Reimb.	12/31/2023	92.98
23-50069	01 R 010 000 116 000 096	FY24 Prairecare Grant	12/31/2023	4,450.00
23-50069	01 E 010 203 000 000 369	FY24 Ridgewater College Field Trip Reimb	12/31/2023	110.00
23-50069	02 R 010 000 000 701 601	FY24 Food Service	12/31/2023	1,158.30
23-50069	01 E 005 112 000 000 305	FY24 Garnishee Fee-Stoneburner	12/31/2023	15.00
		Totals for 23-50069		7,040.03
23-50070	04 R 010 581 000 321 060	FY24 Preschool Tuition	12/31/2023	900.00
23-50070	04 R 010 581 000 321 060	FY24 PreK registration fee	12/31/2023	25.00
23-50070	01 R 010 258 000 000 621	FY24 Recorders	12/31/2023	133.00
23-50070	02 E 010 770 000 701 401	FY24 Cooler	12/31/2023	2,000.00
23-50070	01 R 010 000 000 000 096	FY24 NDMA PTO Reimb.	12/31/2023	1,970.49
23-50070	01 R 010 000 000 372 071	FY24 3rd party billing-SPED	12/31/2023	2,681.51
23-50070	02 R 010 000 000 701 601	FY24 Food Service	12/31/2023	99.00
23-50070	01 E 010 203 000 000 899	FY24 Reimb for Sysco food purchased from	12/31/2023	254.54
23-50070	01 E 005 105 000 000 329	FY24 Stamps	12/31/2023	20.00
		Totals for 23-50070		8,083.54
23-50071	04 R 010 581 000 321 060	FY24 PK3 Tuition	12/31/2023	584.30
23-50071	01 E 010 203 000 000 430	FY24 Classroom Supplies	12/31/2023	24.25
		Totals for 23-50071		608.55
23-50072	01 R 010 000 000 000 092	Interest - Endowment Fund - Dec 2023	12/31/2023	0.84
		Totals for 23-50072		0.84
23-50073	01 R 010 000 000 000 096	FY24 Charities Aid Foundation	12/31/2023	48.52
		Totals for 23-50073		48.52
		Total for Cash Receipts		436,954.08

FUND SUMMARY

<u>FUND</u>	<u>DESCRIPTION</u>	<u>BALANCE SHEET</u>	<u>REVENUE</u>	<u>EXPENSE</u>	<u>TOTAL</u>
01	GENERAL FUND	0.00	404,155.61	625.62	404,781.23
02	FOOD SERVICE	0.00	24,608.55	2,000.00	26,608.55
04	COMMUNITY SERVICE	0.00	5,564.30	0.00	5,564.30
***	Fund Summary Totals ***	0.00	434,328.46	2,625.62	436,954.08

\*\*\*\*\* End of report \*\*\*\*\*

Batch	Description	Debit	Credit Acct Nbr	Post Date
	0.00 Totals for			
	0.00 Total for Journal Entries			

FUND SUMMARY

<u>FUND</u>	<u>DESCRIPTION</u>	<u>BALANCE SHEET</u>	<u>REVENUE</u>	<u>EXPENSE</u>	<u>TOTAL</u>
***	Fund Summary Totals ***	0.00	0.00	0.00	0.00

\*\*\*\*\* End of report \*\*\*\*\*



<i>Nienhuis - Montessori instructional materials</i>	100.27
<i>Amazon - office supplies</i>	16.09
<i>Amazon - Montessori instructional materials</i>	23.00
<i>Book Outlet - library</i>	95.02
<i>Amazon - Montessori instructional materials</i>	115.00
<i>Amazon - office supplies</i>	43.99
<i>Amazon - Prime membership fee</i>	139.00
<i>Amazon - nurse office</i>	10.91
<i>Amazon - supplies</i>	38.96
<i>Amazon - tech supplies</i>	22.18
<i>Amazon - supplies</i>	62.93
<i>Amazon - candy for Trick or Treat - NDMA PTO reimburse- ck 1402</i>	288.77
<i>Keyboarding Online - tech insructional materials</i>	223.25
<i>Amazon - office supplies</i>	12.91
<i>Social Thinking - SpEd</i>	141.89
<i>Acropro Subs - CREDIT - tax refund</i>	-18.89
<i>Amazon - office supplies</i>	19.04
<i>Amazon - facility supplies</i>	29.84
<i>Amazon - supplies</i>	24.99
<i>Amazon - reading instructional materials</i>	21.98
<i>Amazon - staff supplies - NDMA PTO reimburse - ck 1403</i>	47.06
<i>Amazon - instructional supplies</i>	14.38
<i>Amazon - OT materials - SpEd</i>	42.69
<i>MN Orchestra - field trip</i>	543.75
<i>Target - SpEd materials</i>	65.77
<i>Math Counts - student membership</i>	75.00
<i>Secretary of State - Online Notary Commission fee</i>	120.00
<i>Sam's Club - beverage for staff - NDMA PTO reimburse - ck 1404</i>	31.23
<i>WalMart - NSLP \$7.44 - family night \$53.37</i>	60.81
<i>Sam's Club - Thanksgiving dinner - NDMA PTO reimburse - ck 1405</i>	17.16
<i>WalMart - Thanksgiving dinner - NDMA PTO reimburse - ck 1405</i>	51.90
<i>Aldi - Thanksgiving dinner - NDMA PTO reimburse - 1405</i>	32.26
<i>WalMart - Thanksgiving dinner - NDMA PTO reimburse - ck 1405</i>	<u>29.84</u>
	2542.98

## BOARD MEETINGS

**No More Boring Board Meetings!**

BY JOAN GARRY



Do you have a boring board report? [Here's one I developed](#) that you can use that will actually get read and remembered.



If you're anything like me, when a new year begins you think about your big priorities.

What can I do to have the biggest possible impact? What boundaries can I set to make sure I have time to focus? After all, [when you say no](#) to one thing, you can say yes to something more important.

And as you begin to think about your big priorities for this year, it can start to feel daunting, right? Not just because the list is long. But also because of the "lift" associated with some of them.

Maybe you need to manage someone out.

Maybe you have been approached to acquire a smaller organization.

Maybe you have to grapple with a lack of diversity in your revenue stream and you're planning to launch an individual giving program.

And there's another reason it all feels so daunting. So much of it depends on you. It sure feels that way, even if you have a sizable staff. Even if you have a terrific board.

For reasons you don't quite get and don't have time to figure out, your board takes so much time to get stuff done. It adds **to** your plate when ideally your board should be leading **with** you.

What if I told you there's a move you could make with your board that could be a total game changer? And what if I told you it's not complex at all.

I believe I may have your attention..

Ready?

The short answer: ***Stop boring your board members.***

How? By renovating your board meetings.

I know. Boring board meetings were not on your already very long big priority list. You may be thinking, "*Joan, you are supposed to help me work smarter, not harder.*"

This advice will check that box. I promise.

## 10 STATEMENTS YOU WANT FROM BOARD MEMBERS

Let's start with the end in mind, shall we?

We want to get board buy-in from the get go. Because however your board meetings are planned, whatever the agendas look like, I bet that most board members wish for something different.

Here's what we *want* them to think at the end of each board meeting...

1. I left feeling proud that I was a part of this org.
2. I learned about the work we are doing and I can't wait to share it with my friends and family.
3. My voice was valued as we worked with the E.D. to untangle a big knot / explore a new opportunity.
4. I learned something that helps me understand the systemic root problems that have led to the challenge we are working to solve.
5. I am more equipped to be an enthusiastic ambassador who can cultivate new relationships for the organization.
6. My time was valued; the meeting was well planned and executed.
7. I feel I need to fulfill my duties.
8. I learned about my fellow board members as people, not just as resumes,
9. It was exciting to see that our committees are doing important, smart work.
10. The E.D. and staff reports were informative, compelling, and inspiring.

Yes, I know this list feels aspirational, perhaps even north of aspirational. But imagine what would be possible if your board members left board meetings feeling many of these. You would be nurturing thought partners and leaders who could tackle some of your priorities for the year ***with you.***

## IT ALL BOILS DOWN TO THIS

All 10 of these statements boil down to a simple equation:

$$\text{Inform} + \text{Enrich} + \text{Engage} = \text{Ignite}$$

Let's be honest. Boring board meetings never get past "INFORM" and board members leave these meetings and their mission light is not brighter; in fact we generally run board meetings that risk snuffing that light right out.

But we need to remember that each board member arrived with their light shining for the work of your organization. (Note: if they didn't, [revisit how they landed on your board](#)). The job of the E.D. and the Board Chair is to ensure that this flame is stoked.

My equation is simple. A board member should be informed, should learn something that enriches their understanding of your work, and they should have a voice that is understood to be valuable.

If you do those things, you'll get board members with brighter mission lights who will go home and utter the ten statements you want to hear from board members – the ten statements that reflect how your board members are anxious to feel about board service.

## LET ME FLESH OUT THE EQUATION

### Inform

This is typically where the most time is focused before and during a board meeting and often information is repetitive with materials sent ahead.

Think differently about how you inform during your board meetings. For a finance presentation, what is the story the numbers are telling? For an executive director, your board presentation should not just be informative – it should be inspiring and filled with impact stories.

### Enrich

As a board member I am seen as a leader in the sector, not just at the organization. How can I learn more about systemic root causes, about the work of other colleagues in the sector or in our community.

Two ideas: Bring in a sector expert, a funder, a client. Another messenger who can help enrich me and get me out of the weeds. Or send an article out ahead of time and allocate time to discuss the article and its implications.

### Engage

Don't just tell board members their voice matters. Show time. Even asking them to help you renovate boring board meetings is a start!

I was an executive director and I know that there are times when your board just doesn't know enough, is not close enough to be able to help think through a challenge. But that shouldn't lead you to boxing them out.

One approach that can help you frame discussions and get valuable input: Present an issue you are facing. Ask your board, "What questions should we be asking as we tackle it?"

Another approach works well too. Present a strategic decision that needs to be made along with several paths the organization could take. Ask the board – how should we be approaching the decision about which path to take? What do you see as the pros and cons?

Engagement can also look like this: a storytelling workshop where board members develop stories and **exercise their ability to talk to folks about the organization** in a clear and compelling way.

And oh by the way. The better you are at **informing** and the more you commit to **enriching** the more valuable the **engagement** will be and the more board members will feel valued.

And that gets us to **ignite**.

*Inform + Enrich + Engage = Ignite*

## 5 PRACTICAL STEPS TO GET TO IGNITE

1. Share this blog post with your co-pilot (board chair or E.D.) and use this planning tool to set anchor topics for each board meeting of the year. Then start building out enrichment opportunities based on these anchor topics.
2. Assess your last few board meeting agendas against the equation.
3. Secure input from the board – share this blog post along with the agenda from the prior board meeting. Use a **survey monkey** to garner input.
4. Design the first board meeting based on my equation.
5. Have every board member fill out a meeting evaluation form.

I feel really strongly that board meetings are huge missed opportunities for nonprofits. How often I hear about board meetings that were endured, boards that are not engaged, low attendance at meetings.

Is all of that about **them**? I don't think so.

Renovate your boring board meetings and find out just how valuable your board can be.

Make this a new year's resolution. No more "bored" meetings!

**>> RELATED POSTS**



**My Commitment to Diversity,  
Equity, and Inclusion Runs Deep**



**Ignite Your Board Members' Passion**



**How to Raise Serious Money For  
Your Nonprofit In the Next 30 Days**

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## About Joan Garry

Joan Garry is an internationally recognized champion for the nonprofit sector and a highly sought after executive coach for CEOs of some of the nation's largest orgs. She is called upon by large organizations to tackle substantial change management / crisis management / leadership transitions requiring a compassionate truth-teller, a hands-on strategy advisor, a communications expert, and a focus on strong internal and external messaging. She is also the founder of the Nonprofit Leadership Lab.

**CONTACT ME**

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# Sounding Board

*A publication of Osprey Wilds Environmental Learning Center Charter School Division*

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*Promoting Quality Charter School Governance*  
ISSUE 15



## Recruitment of Charter School Board Members

We know one of the keys to a great school is engaged and inspired board members. But one of the consistent struggles is attracting top-level talent while giving them an honest assessment of what to expect as a charter school board member. A charter school, and its board in particular, must be accountable and responsive to its constituents. Given the current climate, it is more important than ever to engage and inspire board members while maintaining an unwavering commitment to the school's mission.

Arguably, the hardest part of recruiting board members might be coming up with messaging. What is it that your organization is tasked with doing, and what are the types of skills and mentalities required to achieve those goals? Is every member clear on a common understanding of key priorities to push the organization forward? While each of you might have different reasons as to why you have specifically come to this line of work, finding common language helps build the collective narrative of who you are as an organization, along with your hopes and dreams for the future. Recognizing that all public charter schools are governed by an independent board, it is crucial to acknowledge that each of you plays a critical role in shaping the direction and future success of the school.

**Take a moment to listen to this [TedTalk](#) with Carrie Irvin, founder of Charter Board Partners. She shares the impact charter schools can have on their students due to board members' involvement. Have a discussion with your board regarding the effect you want to have with your students and the school community. Envision how you could make an impact while unearthing ways to design marketing and recruiting materials to help tell your story.**

<https://youtu.be/-dQFkhRFH9Q>



Now, where are we going to find these individuals to support on our school boards? Often, schools don't cast a wide enough net when thinking about sources for our referrals. The people in our immediate networks surrounding the school come to mind initially, but where should you go after you think you have tapped your personal resources?

- Reconnect with colleagues from college or any professional networks
- Local community groups or the Chamber of Commerce
- Local businesses you support; often there is synergy with other passions you support
- Engage with other nonprofit boards, especially if they have similar missions
- Social media (like Facebook and LinkedIn); don't be afraid to "cold call" (or message) people to gauge their interest.

As a team, read through the [Tips for Finding and Recruiting Exceptional Board Members](#) developed by Board On Track. They have even provided a board candidate evaluation form, which can support understanding what gaps currently exist on the board and how you can intentionally recruit to fill those areas.

Learn more at  
[OspreyWilds.org](https://OspreyWilds.org)



## ***Explore these questions to guide the narrative as you begin your search:***

What's the narrative of the board? What is the story...the good, the bad, and ugly?

How is each member personally connected to the mission within the school and engaged and inspired by the work?

What are the recruiting goals of the board? What is the primary mission/vision to meet these goals? Have we thought through our goals on a 3-5 year timeline or only in the short term?

What gaps are we looking to fill on our board?  
(How do we align those characteristics with our school's mission?)

Who do we know that can fulfill these common skills necessary for any board:

- Finance, Education, HR, Communications / Marketing, Strategic Planning, Fundraising, Real Estate, Governance, Legal, and experience relevant to school's mission / context
- If we don't specifically know these people within our networks, who can help us find these individuals?

How are we tapping into local professional associations and organizations?

How does our interview process indicate the goals and expectations of board members? How are we thinking about all the touchpoints through the interview process? (Initial contact, connecting with school leader through a school tour, interview with the board, observing a board meeting, etc.) How do we maintain communication and adhere to our timeline?

How do our interview questions support the overall mission of the school? Will the applicant leave with a true understanding of a board member's role and responsibilities?



## **536P STUDENT FEES**

### **I. PURPOSE**

The purpose of this policy is to establish guidelines for the collection of student fees.

### **II. GENERAL STATEMENT OF POLICY**

It is the policy of the state of Minnesota that public school education shall be free and no pupil shall be denied an education because of economic inability to furnish educational books and supplies necessary to complete educational requirements necessary for graduation. Any practice leading to suspension, coercion, exclusion, withholding of grades or diplomas, or discriminatory action based upon nonpayment of fees denies pupils their right to equal protection and entitled privileges. It is recognized that the Board of Directors of New Discovery Montessori Academy has the right to accept voluntary contributions, to make certain charges and to establish fees in areas considered extra curricular, noncurricular or supplementary to the requirements for the successful completion of a class or educational program, and to waive those fees under certain circumstances

### **II. SCOPE**

New Discoveries Montessori Academy is authorized to require payment of fees in the following areas:

1. In any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil
2. Admission fees or charges for extracurricular activities, where attendance is optional and where the admission fees or charges a student must pay to attend or participate in an extracurricular activity is the same for all students
3. Items of personal use or products that a student has an option to purchase such as student publications and yearbooks
4. Field trips considered supplementary to the NDMA educational program
5. Transportation of pupils to and from extracurricular activities conducted at locations other than school, where attendance is optional
6. Personal or consumable items including pencils, paper, pens, erasers and notebooks
7. Textbooks, workbooks, electronic equipment and library books, lost or destroyed by students

### **III. WAIVER OF STUDENT FEES**

NDMA may waive any fee:

1. For any pupil whose parent is serving in, or within the past year has served in, active military service as defined under section 190.05.(b)
2. If any pupil or the pupil's parent or guardian is unable to pay it.

*Legal References:* Minn. Stat. 123B.34 - 37 (MN Public School Fee Law)

## **705P ELECTRONIC FUND TRANSFER**

### **I. PURPOSE**

The purpose of this policy is to establish guidelines for the electronic fund transfers of school district funds.

### **II. GENERAL STATEMENT OF POLICY**

It is the policy of New Discoveries Montessori Academy (NDMA) to comply with all state laws relating to electronic fund transfers and to guarantee that investments meet certain primary criteria.

### **II. SCOPE**

This policy applies to all electronic funds of NDMA.

### **III. PROGRAM RESTRICTIONS**

The School Credit Card has been assigned a credit limit. All credit card purchases must be pre-approved. In some cases this may include pre approval of a certain dollar amount rather than a particular item to be purchase.

### **IV. AUTHORITY/OBJECTIVES**

- A. The funds of the NDMA shall be transferred in accordance with this policy, Minn. Stat. Ch. 471.381 and any other applicable law or written administrative procedures.
- B. The primary criteria for electronic fund transfers of the school district are as follows
  - 1. The Board of Directors shall annually delegate the authority to make electronic funds transfers to a designated business administrator.
  - 2. The disbursing bank shall keep on file a certified copy of the delegation of authority.
  - 3. The initiator of the electronic transfer shall be identified.
  - 4. The initiator shall document the request and obtain an approval

from the designated business administrator before initiating the transfer.

5. A written confirmation of the transaction shall be made no later than one business day after the transaction and shall be used in lieu of a check, order check or warrant required to support the transaction.
6. A list of all transactions made by electronic funds transfer shall be submitted to the Board of Directors at its next regular meeting after the transaction.

## **V. DELEGATION OF AUTHORITY**

The NDMA Financial Manager, Board Chair, Board Treasurer and Board Appointed Administrator are responsible for electronic fund transfers and activities under the direction of the Board of Directors.

### *Legal References:*

Minn. Stat. 118A.01 (Public Funds; Depositories and Investments)  
Minn. Stat. 118A.02 (Authorization for Deposit and Investment)  
Minn. Stat. 118A.03 (Depositories and Collateral)  
Minn. Stat. 118A.04 (Investments)  
Minn. Stat. 118A.05 (Contracts and Agreements)  
Minn. Stat. 118A.06 (Delivery and Safekeeping)

## **760P SCHOOL CREDIT CARD**

### **I. PURPOSE**

The New Discoveries Montessori Academy (NDMA) Credit Card is an opportunity to expedite the purchasing process at the department level and reduce NDMA expenses.

It is important to use good judgment and act within the authorized budget when using the school credit card. The School Credit Card is provided to purchase school commodities. Simple but accurate records and receipts must be maintained for auditing purposes.

### **II. ACCEPTABLE CREDIT CARD PURCHASES**

Any purchases using the credit card must be within NDMA expenditure policies, procedures, practices and Minnesota Statute 123B.02 Subd. 23. The following information provides examples of purchases that are appropriate for the NDMA School Credit Card:

1. Fuel (NDMA owned vehicles only unless approved by administration for school use of personal vehicle.
2. Conferences/Seminar registrations
3. Travel/Conference expenses (Employee Only)
4. On-Line Purchases

### **II. UNACCEPTABLE CREDIT CARD PURCHASES**

The following items define where the Credit Card is **not** an appropriate choice:

1. Personal purchases (i.e. including spouse/family costs for attending a conference such as room costs, meals, etc.)
2. Alcoholic Beverages/Tobacco
3. Lottery Tickets
4. Cash Advances, or ATM's

This list is not to be all-inclusive. Contact the administrative office with specific questions or for assistance.

### **III. PROGRAM RESTRICTIONS**

The School Credit Card has been assigned a credit limit. All credit card purchases must be pre-approved. In some cases this may include pre approval of a certain dollar amount rather than a particular item to be purchase.

#### **IV. RECONCILIATION AND PAYMENT**

The NDMA School Credit Card carries corporate, not individual, liability. The invoice will be paid each month by the accounting department/firm.

To meet State and District payment policies, it is required that all original receipts be submitted with the monthly statement for all purchases made using the credit card. If a purchase is made via phone or mail, require the merchant to include a receipt with the goods when the product is shipped. If that is not possible, obtain a packing slip when the shipment is received to document the purchase.

#### **V. MISUSE OF THE SCHOOL CREDIT CARD**

The following items define the misuse of the School Credit Card:

1. Using the School Credit Card for personal purchases
2. Purchase of unauthorized items
3. Fraudulent or inaccurate record keeping
4. Diverting legitimate school purchases to personal use

In the case of misuse, the individual responsible will pay all transaction fees and forfeit further use of the credit card.

#### **VI. SALES TAX**

Purchases of items by public schools for their own use are generally exempt from sales tax. The exemption applies to the public schools, not to the individual.

It is the employee's responsibility to notify the merchant that NDMA is tax exempt. The state tax exempt number and form are available from the administrative office. Contact the administrative office with questions or for assistance.

*Adopted: 06/20/2011*

*Revised: 01/15/18*

*Reviewed: ~~11/20/23~~10/22/24*

*New Discoveries Montessori Academy Policy 208P*

## **208P DEVELOPMENT, ADOPTION, AND IMPLEMENTATION OF POLICIES**

### **I. PURPOSE**

The purpose of this policy is to emphasize the importance of the policy-making role of the New Discoveries Montessori Academy Board of Directors and provide the means for it to continue to be an ongoing effort.

### **II. GENERAL STATEMENT OF POLICY**

Formal guidelines are necessary to ensure the school community that the school system responds to its mission and vision and operates in an effective, efficient and consistent manner. A set of written policy statements shall be maintained and modified as needed. Policies should define the desire and intent of the Board of Directors and should be in a form which is sufficiently explicit to guide administrative action.

### **III. DEVELOPMENT OF POLICY**

- A. The New Discoveries Montessori Academy Board of Directors has jurisdiction to legislate policy for the school with the force and effect of law. NDMA Board of Directors' policy provides the general direction as to what the NDMA Board of Directors wishes to accomplish while delegating implementation of policy to the administration.
- B. The Board of Directors' written policies provide guidelines and goals to the school community. The policies shall be the basis for the formulation of guidelines and directives by the administration. The NDMA Board of Directors shall determine the effectiveness of the policies by evaluating periodic reports from the administration.
- C. Policies may be proposed by a member of the Board of Directors, employee, student or a student's parent or guardian of New Discoveries Montessori Academy. Proposed policies or ideas shall be submitted to the policy/governance committee for review prior to possible placement on the Board of Directors meeting agenda.

### **IV. ADOPTION OF POLICY**

- A. The New Discoveries Montessori Academy Board of Directors shall give notice of proposed policy changes or adoption of new policies by placing the item on the agenda of two school board meetings. The proposals shall be distributed and public comment will be allowed at both meetings prior to final school board action.
- B. The final action taken to adopt the proposed policy shall be approved by a simple majority vote of the school board at a subsequent meeting after the meetings at which public input was received. The policy will be effective on the later of the date of passage or the date stated in the motion.
- C. In the case of an emergency, a new or modified policy may be adopted by a majority vote of a quorum of the Board of Directors. A statement regarding the emergency and the need for immediate adoption of the policy shall be included in the minutes. The emergency policy shall expire within one year following the emergency action unless the policy adoption procedure stated above is followed and the policy is reaffirmed. The Board of Directors shall have discretion to determine what constitutes an emergency situation.
- D. If a policy is modified because of a legal change over which the Board of Directors has no control, the modified policy may be approved at one meeting at the discretion of the Board of Directors.

## **V. IMPLEMENTATION OF POLICY**

- A. It shall be the responsibility of the board appointed administrator to implement board policies, and to develop administrative guidelines and directives to provide greater specificity and consistency in the process of implementation. These guidelines and directives, including employee and student handbooks, shall be subject to annual review and approval by the Board of Directors.
- B. Each member of the Board of Directors shall have access to this policy manual, and a copy shall be placed in the school office. Manuals shall be made available for reference purposes to other interested persons.
- C. It shall be the responsibility of the board appointed administrator, employees designated by the board appointed administrator, and individual members of the Board of Directors to keep the policy manuals current.
- D. The NDMA Board of Directors shall review policies at least once every three years. The policy/governance committee shall be responsible for developing a system of periodic review, addressing approximately one



third of the policies annually. In addition, the Board of Directors shall review the following policies annually: 214P Out-of-State Travel by School Board Members; 404P - Employment Background Check; 406.1P - Data Practices; 406P - Public & Private Personnel Data; 410P Family & Medical Leave; 412P Expense Reimbursement Policy; 413P Harassment and Violence; 414P Mandated Reporting of Child Neglect or Physical or Sexual Abuse; 415P Mandated Reporting of Maltreatment of Vulnerable Adults; 506P Student Discipline; 514P Bullying Prohibition; 522P Student Sex Nondiscrimination; 524P and 524F Internet Acceptable Use and Safety Policy; 533P Wellness; 536P - Student Fees; ~~and~~ 616P School District System Accountability; and 705P - Electronic Fund Transfer.

- E. When there is no Board of Directors policy in existence to provide guidance on a matter, the board appointed administrator is authorized to act appropriately under the circumstances keeping in mind the educational philosophy and financial condition of the school district. Under such circumstances, the board appointed administrator shall advise the Board of Directors of the need for a policy and present a recommended policy to the Board of Directors for approval.

***Legal References:*** Minn. Stat. § 123B.02, Subd. 1 (School District Powers)  
Minn. Stat. § 123B.09, Subd. 1 (School Board Powers)

## **404P EMPLOYMENT BACKGROUND CHECKS**

### **I. PURPOSE**

The purpose of this policy is to maintain a safe and healthful environment at New Discoveries Montessori Academy in order to promote the physical, social, and psychological well-being of its students. To that end, NDMA will seek a criminal history background check for applicants who receive an offer of employment or such other background checks as provided by this policy. NDMA may also elect to do background checks of volunteers, independent contractors and student employees.

### **II. GENERAL STATEMENT OF POLICY**

- A. New Discoveries Montessori Academy shall require that applicants for positions who receive an offer of employment submit to a criminal history background check. The offer of employment shall be conditioned upon a determination by NDMA that an applicant's criminal history does not preclude the applicant from employment.
- B. New Discoveries Montessori Academy specifically reserves any and all rights it may have to conduct background checks regarding current employees or applicants without the consent of such individuals.
- C. Adherence to this policy shall in no way limit New Discoveries Montessori Academy right to require additional information, or to use procedures currently in place or other procedures to gain additional background information concerning employees, applicants, volunteers, independent contractors and student employees.

### **III. PROCEDURES**

- A. Normally an applicant will not commence employment until New Discoveries Montessori Academy receives the results of the criminal history background check. NDMA may conditionally hire, for no more than 30 days, an applicant pending completion of the background check, but shall notify the applicant that the applicant's employment may be terminated based on the result of the background check. Background checks will be performed by or through the Minnesota Bureau of Criminal Apprehension (hereinafter "the BCA"); NDMA reserves the right to also have criminal history background checks conducted by other organizations or agencies, providing NDMA complies with the basic requirement of the state law.
- B. An applicant who is offered employment must sign a criminal history consent form, which provides permission for New Discoveries Montessori Academy to conduct a criminal history background check. If the applicant fails to provide the District with a signed Background Investigation Authorization Form at the time the applicant

receives a job offer, the applicant will be considered to have voluntarily withdrawn the application for employment.

- C. New Discoveries Montessori Academy may use the results of a criminal background check conducted at the request of another school hiring authority if:
  - 1. the results of the criminal background check are on file with the other school hiring authority or otherwise accessible;
  - 2. the other school hiring authority conducted a criminal background check within the previous 12 months;
  - 3. the applicant executes a written consent form giving the District access to the results of the check; and
  - 4. there is no reason to believe that the applicant has committed an act subsequent to the check that would disqualify the applicant for employment.
- D. For all non Minnesota residents who are offered employment, or the opportunity to provide athletic coaching services or other extracurricular academic coaching services (paid or unpaid), New Discoveries Montessori Academy shall request a criminal history background check on such applicants from the Superintendent of the BCA and from the government agency performing the same function in the resident state, or if no government entity performs the same function in the resident state, from the Federal Bureau of Investigation. NDMA may contract with a private vendor or company to provide these services. Such applicants must provide an executed criminal history consent form.
- E. When required, applicants must provide fingerprints to assist in a criminal history background check. If the fingerprints provided by the applicant are unusable, the applicant will be required to submit another set of prints.
- F. Copies of this policy shall be available in the School's Office, and will be distributed to applicants for employment and individuals who are offered the opportunity to provide athletic coaching services or other extra curricular academic coaching services upon request. The need to submit to a criminal history background check may be included with the basic criteria for employment in the job posting and job advertisements.
- G. The applicant will be informed of the results of the criminal background check(s) to the extent required by law.
- H. If the criminal history background check precludes employment with the District, the applicant will be so advised.
- I. New Discoveries Montessori Academy may apply these procedures to volunteers, independent contractors or student employees as though they were applicants for employment.

#### **IV. INVESTIGATION OF DISCIPLINARY ACTIONS TAKEN AGAINST PROSPECTIVE TEACHERS**

- A. At the time New Discoveries Montessori Academy conducts the criminal history background check required under subdivision 1 on an individual offered employment as a teacher, NDMA must contact the Minnesota Board of Teaching to determine whether the Board has taken disciplinary action against the teacher based on a Board determination that sexual misconduct or attempted sexual misconduct occurred

- between the teacher and a student. If disciplinary action has been taken based on this type of misconduct, NDMA must obtain access to data that are public under section 13.41, subdivision 5, that relate to the substance of the disciplinary action. In addition, NDMA must require the individual to provide information in the employment application regarding all current and previous disciplinary actions in Minnesota and other states taken against the individual's teaching license as a result of sexual misconduct or attempted sexual misconduct with a student and indicate to the applicant that intentionally submitting false or incomplete information is a ground for dismissal.
- B. New Discoveries Montessori Academy may hire or otherwise allow an individual to provide a service to a school pending completion of a background check under subdivision 1 or obtaining notice of a Minnesota Board of Teaching action under subdivision 1a but shall notify the individual that the individual's employment or other service may be terminated based on the result of the background check or Minnesota Board of Teaching action. NDMA is not liable for failing to hire or for terminating an individual's employment or other service based on the result of a background check or Minnesota Board of Teaching action under this section.
  - C. For purposes of this paragraph, New Discoveries Montessori Academy must inform an individual if the individual's application to be an employee or volunteer in the District has been denied as a result of a background check conducted under this section. NDMA must also inform an individual who is a current employee or volunteer if the individual's employment or volunteer status with NDMA is being terminated as a result of a background check conducted under subdivision 4.
  - D. Definitions. For purposes of this section:
    - 1. "School or district" shall mean a school as defined by Minnesota law, except a home school, and shall include a service cooperative, a special education cooperative, a charter school, an intermediate school district and a joint powers district.
    - 2. "Security violation" means failing to prevent or failing to institute safeguards to prevent the access, use, retention, or dissemination of information in violation of the security and management control outsourcing standard established by the state compact officer under section 299C.58, article I, paragraph (2), clause (B).
    - 3. new information: "criminal history" shall mean all data maintained in criminal history records compiled by the Bureau of Criminal Apprehension, the Federal Bureau of Investigation or similar governmental agency of states other than Minnesota or countries other than the United States of America, including, but not limited to:
      - a. fingerprints;
      - b. photographs;
      - c. identification data;
      - d. arrest data;
      - e. prosecution data;
      - f. criminal court data;
      - g. custody and supervision data.
    - 4. "provider of children's services" shall mean a business or organization, whether public, private, for profit, nonprofit or

voluntary, that provides children's services, including a business or organization that licenses or certifies others to provide children's services.

5. "children's services" means the provision of care, treatment, education, training, instruction or recreation to children.

6. "child or children" means persons under the age of eighteen (18).

7. "conviction or conviction of a crime" means a criminal conviction or adjudication of delinquency for an offense that would be a crime if committed by an adult. This shall be limited to convictions for felonies, gross misdemeanors, and misdemeanors for which a jail sentence may be imposed.

## **V. CRIMINAL HISTORY CONSENT FORM**

A form to obtain consent for a criminal history background check is included with this policy.

### **Legal References:**

Minn. Stat. § 13.04, Subd. 4 (Inaccurate or Incomplete Data)

Minn. Stat. § 123B.03 (Background Checks)

Minn. Stat. § 123B.03, Subd. 1 (Background Checks Required)

Minn. Stat. § 123B.03, Subd. 1., Subd. 1a (Investigation of Disciplinary Actions Taken Against Prospective Teachers)

Minn. Stat. §§ 299C.60-299C.64 (Minnesota Child Protection Background Check Act)

Minn. Stat. § 364.09(b) (Exception for School Districts)

Adopted: 08/01/06

New Discoveries Montessori Academy Policy 406P

Revised: 02/27/12

Reviewed: ~~01/25/21~~01/22/24

## **406P PUBLIC AND PRIVATE PERSONNEL DATA**

*[Note: The provisions of this policy accurately reflect the Minnesota Government Data Practices Act and are not discretionary in nature.]*

### **I. PURPOSE**

The purpose of this policy is to provide guidance to New Discoveries Montessori Academy employees as to the data the school collects and maintains regarding its personnel.

### **II. GENERAL STATEMENT OF POLICY**

- A. All data on individuals collected, created, received, maintained or disseminated by New Discoveries Montessori Academy, which is classified by statute or federal law as public, shall be accessible to the public pursuant to the procedures established by NDMA.
- B. All other data on individuals is private or confidential.

### **III. DEFINITIONS**

- A. “Public” means that the data is available to anyone who requests it.
- B. “Private” means the data is available to the subject of the data and to school district staff who need it to conduct the business of the school district.
- C. “Confidential” means the data is not available to the subject.
- D. “Parking space leasing data” means the following government data on an application for, or lease of, a parking space: residence address, home telephone number, beginning and ending work hours, place of employment, location of parking space, and work telephone number.
- E. “Personnel data” means data on individuals collected because they are or were employees of New Discoveries Montessori Academy, applicants for employment, volunteers for the school district, or members of or applicants for an advisory board or commission. Personnel data include data submitted to NDMA by an employee as part of an organized self-evaluation effort by NDMA to request suggestions from all employees on ways to cut costs, make the school more efficient, or to improve school operations. An employee who is identified in a

suggestion shall have access to all data in the suggestion except the identity of the employee making the suggestion.

- F. “Finalist” means an individual who is selected to be interviewed by NDMA for a position.
- G. “Protected health information” means individually identifiable health information transmitted in electronic form by a school district acting as a health care provider. “Protected health information” excludes health information in education records covered by FERPA and employment records held by a school district in its role as employer.

#### **IV. PUBLIC PERSONNEL DATA**

- A. The following information on employees, including volunteers and independent contractors, is public:
  - 1. name;
  - 2. employee identification number, which may not be the employee’s social security number;
  - 3. actual gross salary;
  - 4. salary range;
  - 5. contract fees;
  - 6. actual gross pension;
  - 7. the value and nature of employer-paid fringe benefits;
  - 8. the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary;
  - 9. job title;
  - 10. bargaining unit;
  - 11. job description;
  - 12. education and training background;
  - 13. previous work experience;
  - 14. date of first and last employment;

15. the existence and status of any complaints or charges against the employee, regardless of whether the complaint or charge resulted in a disciplinary action;
16. the final disposition of any disciplinary action, as defined in Minn. Stat. § 13.43, Subd. 2(b), together with the specific reasons for the action and data documenting the basis of the action, excluding data that would identify confidential sources who are employees of the school;
17. the terms of any agreement settling any dispute arising out of the employment relationship, including director buyout agreements, except that the agreement must include specific reasons for the agreement if it involves the payment of more than \$10,000 of public money, and such agreement may not have the purpose or effect of limiting access to or disclosure of personnel data or limiting the discussion of information or opinions related to personnel data;
18. work location;
19. work telephone number;
20. badge number;
21. honors and awards received; and
22. payroll time sheets or other comparable data that are used only to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data.

B. The following information on applicants for employment or to an advisory board/ commission is public:

1. veteran status;
2. relevant test scores;
3. rank on eligible list;
4. job history;
5. education and training; and
6. work availability.



- C. Names of applicants are private data except when certified as eligible for appointment to a vacancy or when they become finalists for an employment position.
- D. Regardless of whether there has been a final disposition as defined in Minn. Stat. § 13.43, Subd. 2(b), upon completion of an investigation of a complaint or charge against a public official, as defined in Minn. Stat. § 13.43, Subd. 2(e), or if a public official resigns or is terminated from employment while the complaint or charge is pending, all data relating to the complaint or charge are public, unless access to the data would jeopardize an active investigation or reveal confidential sources.

## **V. PRIVATE PERSONNEL DATA**

- A. All other personnel data are private and will only be shared with school staff whose work requires such access. Private data will not be otherwise released unless authorized by law or by the employee's informed written consent.
- B. Data pertaining to an employee's dependents are private data on individuals.
- C. Data created, collected or maintained by the school to administer employee assistance programs are private.
- D. Parking space leasing data are private.
- E. Personnel data may be disseminated to labor organizations to the extent the school determines it is necessary for the labor organization to conduct its business or when ordered or authorized by the Commissioner of the Bureau of Mediation Services.
- F. New Discoveries Montessori Academy may display a photograph of a current or former employee to prospective witnesses as part of the school's investigation of any complaint or charge against the employee.
- G. New Discoveries Montessori Academy may, if the responsible authority or designee reasonably determines that the release of personnel data is necessary to protect an employee from harm to self or to protect another person who may be harmed by the employee, release data that are relevant to the concerns for safety to:
  - 1. The person who may be harmed and to the attorney representing the person when the data are relevant to obtaining a restraining order;
  - 2. A pre-petition screening team conducting an investigation of the employee under Minn. Stat. § 253B.07, Subd. 1; or

3. A court, law enforcement agency or prosecuting authority.
- H. Private personnel data or confidential investigative data on employees may be disseminated to a law enforcement agency for the purpose of reporting a crime or alleged crime committed by an employee, or for the purpose of assisting law enforcement in the investigation of such a crime or alleged crime.
  - I. A complainant has access to a statement provided by the complainant to New Discoveries Montessori Academy in connection with a complaint or charge against an employee.
  - J. When allegations of sexual or other types of harassment are made against an employee, the employee shall not have access to data that would identify the complainant or other witnesses if the school determines that the employee's access to that data would:
    1. threaten the personal safety of the complainant or a witness; or
    2. subject the complainant or witness to harassment.
- If a disciplinary proceeding is initiated against the employee, data on the complainant or witness shall be available to the employee as may be necessary for the employee to prepare for the proceeding.
- K. New Discoveries Montessori Academy shall make any report to the board of teaching or the state board of education as required by Minn. Stat. § 122A.20, Subd. 2, and shall, upon written request from the licensing board having jurisdiction over a teacher's license, provide the licensing board with information about the teacher from the school's files, any termination or disciplinary proceeding, and settlement or compromise, or any investigative file in accordance with Minn. Stat. § 122A.20, Subd. 2.
  - L. Private personnel data shall be disclosed to the department of economic security for the purpose of administration of the unemployment insurance program under Minn. Stat. Ch. 268.
  - M. When a report of alleged maltreatment of a student in a school is made to the Commissioner of Education, data that are relevant and collected by the school about the person alleged to have committed maltreatment must be provided to the Commissioner on request for purposes of an assessment or investigation of the maltreatment report.
  - N. New Discoveries Montessori Academy shall release to a requesting school district or charter school private personnel data on a current or former employee related to acts of violence toward or sexual contact with a student, if an investigation conducted by or on behalf of the school district or law enforcement affirmed the

allegations in writing prior to release and the investigation resulted in the resignation of the subject of the data.

- O. The identity of an employee making a suggestion as part of an organized self-evaluation effort by the school to cut costs, make the school more efficient, or to improve school operations is private.
- P. Health information on employees is private unless otherwise provided by law. To the extent that New Discoveries Montessori Academy transmits protected health information, the school will comply with all privacy requirements.

## **VI. MULTIPLE CLASSIFICATIONS**

If data on individuals are classified as both private and confidential by Minn. Stat. Ch. 13, or any other state or federal law, the data are private.

## **VII. CHANGE IN CLASSIFICATIONS**

New Discoveries Montessori Academy shall change the classification of data in its possession if it is required to do so to comply with other judicial or administrative rules pertaining to the conduct of legal actions or with a specific statute applicable to the data in the possession of the disseminating or receiving agency.

## **VIII. RESPONSIBLE AUTHORITY**

New Discoveries Montessori Academy has designated the board appointed administrator as the authority responsible for personnel data. If you have any questions, contact the board appointed administrator.

## **IX. EMPLOYEE AUTHORIZATION/RELEASE FORM**

An employee authorization form is included as an addendum to this policy.

***Legal References:*** Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)  
Minn. Stat. § 13.02 (Definitions)  
Minn. Stat. § 13.37 (General Nonpublic Data)  
Minn. Stat. § 13.39 (Civil Investigation Data)  
Minn. Stat. § 13.43 (Personnel Data)  
Minn. Stat. § 122A.20, Subd. 2 (Mandatory Reporting)  
P.L. 104-191 (HIPAA)  
45 C.F.R. Parts 160 and 164 (HIPAA Regulations)

***Cross References:***

NDMA Policy 515P (Protection and Privacy of Pupil Records)  
MSBA Service Manual, Chapter 13, School Law Bulletin “T” (School  
Records – Privacy – Access to Data)

*Adopted: 11/21/11*

*New Discoveries Montessori Academy Policy 406.1P*

*Reviewed: ~~01/25/21~~01/22/24*

## **406.1P DATA PRACTICES**

### **I. PURPOSE**

The purpose of this policy is to ensure compliance with the Minnesota Government Data Practices Act.

### **II. GENERAL STATEMENT OF POLICY**

New Discoveries Montessori Academy (NDMA) complies with all data practices requests in accordance with federal, state, and local laws. NDMA will not release data considered private or nonpublic unless required by applicable law.

### **III. RESPONSIBILITY**

NDMA Administrative Assistant is responsible for fulfilling data practices requests.

All requests for NDMA's data must be sent in writing to the individual identified above who will review the request to determine whether the request is for public/non-private data and may be honored. All requests will be honored in a reasonable manner and time frame and in accordance with and as allowed by applicable federal, state, and local laws.

New Discoveries Montessori Academy may charge a fee for fulfilling such requests, as allowed by law. An estimate of the charge will be provided upon request.

## **616P SCHOOL DISTRICT SYSTEM ACCOUNTABILITY**

### **I. PURPOSE**

The purpose of this policy is to focus public education strategies on a process which promotes higher academic achievement for all students and ensures broad-based community participation in decisions regarding the implementation of the Minnesota Academic Standards and the Every Child Succeeds Act and strive for the world's best workforce. -

### **II. GENERAL STATEMENT OF POLICY**

Implementation of the Minnesota Academic Standards and Every Child Succeeds Act will require a new level of accountability for New Discoveries Montessori Academy. New Discoveries Montessori Academy will establish a system to transition to the graduation requirements of the Minnesota Academic Standards. New Discoveries Montessori Academy also will establish a system to review and improve instruction, curriculum, and assessment which will include substantial input by students, parents or guardians, and local community members. New Discoveries Montessori Academy will be accountable to the public and the state through annual reporting.

### **III. ESTABLISHMENT OF GOALS; IMPLEMENTATION; EVALUATION AND REPORTING**

#### **A. School District Goals**

1. The NDMA Board of Directors has established school-wide goals which provide broad direction for New Discoveries Montessori Academy. Incorporated in these goals are the education standards contained in the Minnesota Academic Standards and the Every Child Succeeds Act. The broad goals shall be reviewed annually and approved by the NDMA Board of Directors. The Board shall adopt annual goals based on the recommendations of the NDMA Leadership Team.
2. The improvement goals should address recommendations identified through the Leadership Team process.

- #### **B. System for Reviewing All Instruction and Curriculum.** Incorporated in the process will be analysis of New Discoveries Montessori Academy progress toward implementation of the Minnesota Academic Standards.

1. Administration and instructional staff review and evaluate the strengths and weaknesses of instruction and curriculum weekly through the work we do at our 90 minute Professional Learning Communities (PLC). In addition, instructional leaders - lead and mentor teachers, Title teacher, Special Education teacher, School psychologist, Board member, parent, and administration - meet monthly as an Instructional Leadership Team (ILT) to consistently and carefully review instruction, evidence of student work, assessment data, objective observational data, instructional walk-through data, and evaluation data.
2. The Year Long Learning Progression (YLLP) is NDMA's curriculum scope and sequence document that is aligned to state academic standards and is used to provide guidance in the lesson planning process.

***Legal References:*** Minn. Stat. § 120B.02 (Educational Expectations for Minnesota's Students)  
Minn. Stat. § 120B.11 (School District Process)  
Minn. Stat. § 120B.35 (Student Achievement Levels)  
Minn. Stat. § 123B.04 (Site Decision Making Agreement)  
Minn. Rules Parts 3501.0010-3501.0180 (Graduation Standards - Mathematics and Reading)  
Minn. Rules Parts 3501.0200-3501.0290 (Graduation Standards - Written Composition)  
Minn. Rules Part 3501.0160 (District Reporting Requirements)  
Minn. Rules Parts 3501.0505-3501.0550 (Academic Standards for Language Arts)  
Minn. Rules Parts 3501.0700-3501.0745 (Academic Standards for Mathematics)  
Minn. Rules Parts 3501.0800-3501.0815 (Academic Standards for the Arts)  
Minn. Rules Parts 3501.0900-3501.0955 (Academic Standards in Science)  
Minn. Rules Parts 3501.1000-3501.1190 (Graduation-Required Assessment for Diploma)  
20 U.S.C. § 6301, *et seq.* (No Child Left Behind Act)