

BYLAWS OF KIPP MINNESOTA

(the "Corporation")

ARTICLE I. PURPOSE

The purposes of the Corporation are as stated in its Articles of Incorporation and in particular to operate one or more Minnesota charter (public) schools as permitted under Minn. Stat. §124D.10 (the "Act") and other relevant provisions of Minnesota law.

ARTICLE II. OFFICES

The registered office of the Corporation in the State of Minnesota is as stated in the Articles of Incorporation. The Corporation may have such other offices within the State of Minnesota as the Board of Directors may determine or as the affairs of the Corporation may require. The registered office may be, but need not be, identical with the principal office in the State of Minnesota.

ARTICLE III. MEMBERSHIP

Section 1. Membership. The members of the Board of Directors shall be the Members of the Corporation. The Board of Directors may from time to time designate new members of the Corporation. There shall be one class of members. Members shall not be required to pay a membership fee or annual dues. The initial membership class shall have voting rights. The Board of Directors may from time to time create additional classes of membership. The terms and conditions of such additional membership classes, if any, shall be determined by the Board of Directors from time to time.

Section 2. Membership Criteria. Membership criteria shall be adopted by the Board of Directors, and all membership approval, classification and reclassification shall be the responsibility of the Board of Directors. Members may be reclassified by an action of the Board of Directors or upon the request of a member, followed by the approval of the Board. Members may resign at any time without the approval of the Board of Directors.

Section 3. Meetings. All meetings of the Members, if any, and the Board of Directors shall be noticed and conducted in accord with the provisions of the Minnesota Open Meeting Law, Minn. Stat. 13D.01 et. seq except to the extent that these By-Laws provide for greater periods of time for notice of meetings to members.

Section 3.1 Annual Meeting. The annual meeting of the members of the Corporation shall be held once a year at such time and location as determined by the Board of Directors. Notification shall be by newsletter or other postal service mailed first class at least fourteen (14) days prior to the meeting date. Such notice shall contain the date, time and place of the meeting.

Section 3.2 Special Meeting. A special meeting of the voting members may be called at any time by a majority vote of the Board of Directors or by the requisite number of voting members as provided in Minnesota Statutes, Section 317A.433. Notification shall be by newsletter or other first class postal service mailed no fewer than seven (7) days prior to date of the meeting. Such notice shall contain the date, time, place and purpose of the meeting. Only subjects listed on the agenda shall be acted upon at the meeting.

Section 4.Quorum. For any annual or special meeting, a majority of the total number of voting members shall constitute a quorum.

Section 5.Voting. At each meeting of the membership, every voting member shall have one (1) vote. Members may vote in person. The affirmative vote of a majority of a quorum of voting members shall constitute a duly authorized action of the membership.

ARTICLE IV. BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the Corporation shall be managed by its Board of Directors. Except as limited by the Articles of Incorporation, these Bylaws, Minnesota Statutes Section 124D.10, and by law, the Board of Directors shall have the power and authority to do all acts and perform all functions that the Corporation may do or perform.

Section 2. Number, Tenure and Qualifications. At all times, the Board of Directors shall consist of not less than five (5) or more than thirteen (13) members.

Section 2.1 Seat Assignment. Community members shall have 3-year terms. The teacher and parent representatives shall have two-year terms. Terms of office for elected Directors shall begin on June 1st in the year of the election. The Secretary shall maintain a schedule of terms of office for all seats on the Board of Directors. Ex Officio non-voting Board seats are exempt from this subsection. New members to the Board shall take their office upon being seated on June 1st at whereupon the member whose term is expiring shall step down. The election of the Board of Directors shall be in compliance with Section 124D.10 subd. 4(c) of the Minnesota Statutes.

Section 2.2 Term Limits. Each director shall hold office until a successor has been duly elected and qualified, or until the director dies, resigns, is removed or the term otherwise expires. A director may serve up to two (2) consecutive terms, however, the Board of Directors reserves the right to extend a board members term limit. If a seat is vacated before a term expires and a new director is appointed to fill the seat, that director will serve the time remaining for the term of the seat to which they are appointed and may be elected to serve one additional term.

Section 2.3 Nomination Process. Sixty (60) days prior to the Corporation's annual meeting, the Board of Directors will solicit nominations for all of the director positions that will be filled at the next annual meeting. Each nominee shall identify the category of board

membership: licensed teacher, parent/legal guardian, community member – for which s/he is seeking election. The Board will consist of one parent, one teacher and community members. The Board of Directors will compile the list of nominees and notify the Corporation's Members of the nominees for each position fifteen (15) days prior to the annual meeting. The Board of Directors shall prepare ballots for use by voters which shall segregate nominees by category of board membership.

Section 2.4 Eligible Voters. Any staff members who are employed at KIPP, including teachers, and all parents and legal guardians of students enrolled at KIPP are the voters eligible to elect the members of KIPP's Board of Directors.

Section 3. Regular Meetings. All meetings of the Board of Directors shall be noticed and conducted in accord with the provisions of the Minnesota Open Meeting Law, Minn. Stat. 13D.01 et. seq except to the extent that these By-Laws provide for greater periods of time for notice of meetings to members of the Board of Directors. Regular meetings of the Board of Directors shall be held at the call of the Board Chair, at the request of a majority of the Board of Directors by written notice received by mail, in person or by facsimile at least five (5) days prior to the meeting. The notice shall designate the time, place and date of such meeting.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called at any time, for any purpose, by the Board Chair. The Board Chair shall call a special meeting of the Board of Directors upon the written request of one-third (1/3) of the members of the Board. Notice of every special meeting of the Board of Directors shall be mailed to each director at least five (5) days before the day on which the meeting is to be held, or be delivered in person or by telephone, not later than twenty-four (24) hours before the meeting is to be held.

Section 5. Quorum and Adjourned Meeting. A meeting at which at least a majority of the members of the Board of Directors are present shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If, however, such quorum shall not be present at any such meeting, the director or directors present thereat shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present. Notwithstanding the foregoing, if a quorum is present when a duly called meeting is convened, and later enough directors withdraw from the meeting so that less than a quorum remains, the meeting must be adjourned.

Section 6. Voting. Each member of the Board of Directors shall have the power to exercise one (1) vote on all matters to be decided by resolution of the Board. The affirmative vote of a majority of a quorum of Board members shall constitute a duly authorized action of the Board.

Section 7. Resignation and Removal. Directors may resign at any time, effective immediately or at a specified later date, by giving written notice to the Board Chair or the Secretary of the Corporation. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. A director may be removed at any time, with or without cause, by a majority of members eligible to elect the director.

Section 8. Filling Vacancies. Unless otherwise provided by Minnesota Statutes, Section 317A.227, but in accord with the “participation” requirements of the Act., vacancies on the Board of Directors caused by death, disqualification, resignation, disability, removal or such other cause shall be filled by appointment of a new director by the affirmative vote of a majority of the remaining directors, even if less than a quorum.

Section 9. Compensation. Directors shall not receive compensation for their services as a Director. In addition, the directors of this Corporation may be reimbursed for reasonable out-of-pocket expenses incurred by them in rendering services to this Corporation, as the Board of Directors from time to time determines such services to be directly in furtherance of the purposes and in the best interest of the Corporation.

Section 10. Presence at Meetings. Members of the Board of Directors or of any committee, as applicable, may participate in a meeting of the Board of Directors or any committee by any means permitted under the Open Meeting Law.

Section 11. Committees of the Board. The Board of Directors may, by resolution passed by a majority of the Board of Directors, designate, define the authority of, set the number and determine the identity of, members of one or more committees. Committee members must be natural persons, but need not be members of the Board of Directors. The Board may, by similar vote, designate one or more alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee.

Section 11.1 Authority of Committees. Any committee, to the extent provided in these Bylaws or in the resolutions creating such committee, shall have and may exercise all of the powers and authority granted by the Board of Directors in the management and business affairs of the Corporation; provided, however, that no committee shall be granted any powers or authority exceeding that granted to the Board of Directors. Unless otherwise stated in the resolutions creating it, or in these Bylaws, committee actions shall be taken only upon the affirmative vote of a majority of the members of the committee. Failure of a committee to reach an agreement upon any issue before it shall require referral of such issue to the entire Board of Directors.

Section 11.2 Procedures for Conducting Meetings. In addition to compliance with the provisions of the Minnesota Open Meeting Law, the activities of all committees of this Corporation shall be conducted in such manner as will advance the best interest of the Corporation. Each committee shall fix its own rules of procedure and other regulations,

which shall be consistent with the Articles of Incorporation, these Bylaws and the policies of the Corporation. The Board Chair shall be an ex-officio member of all committees, unless he serves as a member of such committee. The meetings of all committees shall be open to attendance by all directors, which directors may participate in any such meeting but may not vote unless such director is a member of the committee.

Section 11.3 Limitation on Authority of Committees. Each committee shall be under the direction and control of the Board and shall keep regular minutes of their proceedings, and all actions of each committee shall be reported to the Board of Directors and shall be subject to revision and alteration by the Board of Directors. Each committee shall meet as provided by its rules or by resolution of the Board of Directors. Notice of all meetings of any committee shall be given to all members of that committee as determined by the committee, or pursuant to Section 4 above.

Section 12. Conflict of Interest. Each director must complete a conflict-of-interest statement for review by the Board's Sponsor within thirty (30) days of their election, and shall annually complete such statement on the anniversary of their election or on such an annual date that the Board of Directors may select.

ARTICLE V. OFFICERS AND EMPLOYEES

Section 1. Number; Election. The officers of the Corporation shall consist of a Board Chair, Treasurer, Secretary and such other officers as the Board of Directors shall determine from time to time. All officers shall be elected annually by the Board of Directors and shall be term limited to a maximum three year term of service.

Section 2. Vacancies. A vacancy in any office of this Corporation occurring by reason of death, disqualification, resignation or removal shall be filled for the unexpired portion of the term by appointment of a successor by the Board of Directors. If the Chair of the board vacates his or her seat midterm, the Vice-Chair automatically succeeds to the Chair's role.

Section 3. Board Chair. The Board Chair shall:

Section 3.1 Act as the chairman of the Board of Directors and exercise the functions of the office of the president of the Corporation;

Section 3.2 Preside at all meetings of the Board of Directors;

Section 3.3 Perform such duties and exercise such powers as are necessary or incident to the supervision and management of the business and affairs of the Corporation;

Section 3.4 Sign and deliver, in the name of the Corporation, all deeds, mortgages, bonds, contracts or other instruments requiring an officer's signature, unless otherwise directed by the Board;

Section 3.5 Have the general powers and duties usually vested in the office of the president; and

Section 3.6 Have such other powers and perform such other duties as are prescribed by Minnesota Statutes, Section 317A.305, subd. 2, and as the Board of Directors may from time to time prescribe.

Section 4. Treasurer. The Treasurer shall:

Section 4.1 Keep accurate accounts of all monies of the Corporation received or disbursed;

Section 4.2 Deposit all monies, drafts and checks in the name of, and to the credit of, the Corporation in such banks and depositories as the Board of Directors shall from time to time designate;

Section 4.3 Have the care and custody of the corporate funds and securities;

Section 4.4 Have the power to endorse for deposit all notes, checks and drafts received by the Corporation;

Section 4.5 Disburse the funds of the Corporation as ordered by the Board of Directors, making proper vouchers therefore;

Section 4.6 Render to the Board Chair and the Board of Directors, whenever required, an account of all of his transactions as Chief Financial Officer and of the financial condition of the Corporation; and

Section 4.7 Perform such other duties and have such other powers as may from time to time be prescribed by the Board of Directors or by the Board Chair.

Section 5. Secretary. The Secretary shall maintain the office of the Corporation and shall:

Section 5.1 Attend all meetings of the members, the Board of Directors and all committees (when requested);

Section 5.2 Record all proceedings of the minutes of the members, Board of Directors and committees in a book to be kept for that purpose;

Section 5.3 Preserve all documents and records belonging to the Corporation;

Section 5.4 Maintain a list of all members of the Corporation in good standing;

Section 5.5 Give or cause to be given notice of all meetings of the members and all meetings of the Board of Directors and committees; and

Section 5.6 Perform such other duties as may be prescribed by the Board of Directors or the Board Chair from time to time.

Section 6. Management and Administrative Employees. The Corporation may have such management and administrative employees as the Board of Directors deems necessary. Such employees shall be appointed in a manner, have the duties and responsibilities and hold their positions for the time prescribed by the Board of Directors.

Section 7. Compensation. The employees of the Corporation may be paid such reasonable compensation, if any, for their services rendered to the Corporation in such capacity, and may be reimbursed for reasonable out-of-pocket expenses, as the Board of Directors from time to time determines to be directly in furtherance of the purposes and in the best interests of the Corporation.

Section 8. Bond. The Board of Directors of this Corporation shall from time to time determine which, if any, of the officers, agents or employees of this Corporation shall be bonded and the amount of each bond.

Section 9. Removal of Officer. Any officer may be removed at any time, with or without cause, by the vote of a majority of a quorum of the Board of Directors at any regular meeting or at a special meeting called for that purpose.

Section 10. Resignation. Any officer may resign at any time. Such resignation shall be made in writing to the President or the Secretary of the Corporation and shall take effect at the time specified therein or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective.

ARTICLE VI. DISTRIBUTION OF ASSETS

Section 1. Right to Cease Operations and Distribute Assets. By a two-thirds (2/3) vote of all directors, the Board of Directors may resolve that the Corporation cease operations and voluntarily dissolve in accord with provisions of Federal and State law or rules as may apply. Such resolution shall set forth the proposed dissolution and direct designated officers of the Corporation to perform all acts necessary to effect a dissolution, including holding a meeting of the members. Written notice as required by these Bylaws shall be given to all voting members stating that the purpose of the meeting shall be to vote upon the dissolution of the Corporation. A resolution to dissolve the Corporation shall be approved only upon the affirmative vote of a two-thirds (2/3) of a quorum of voting members of the Corporation taken at a meeting during which the resolution is brought before the voting members. If such cessation and distribution is called for, the Board of Directors shall set a date for commencement of the distribution.

Section 2. Cessation and Distribution. When cessation of operations and distribution of assets has been called for, the Board of Directors and the designated officers shall cause the Corporation to discontinue its regular business activities and operations as soon as practicable, and shall liquidate and distribute all the Corporation's assets to other entities in accordance with Minnesota Statutes, Section 317A.735, Minnesota Statutes 124d.10,

such other Minnesota or federal law as might apply. Notice of intent to dissolve shall be filed with the Secretary of State pursuant to Minnesota Statutes, Section 317A.723.

ARTICLE VII. INDEMNIFICATION

Section 1. Indemnification. Each director, officer and employee of the Corporation, past or present, and each person who serves or may have served at the request of the Corporation as a director, officer, partner, trustee, employee, representative or agent of another organization or employee benefit plan, and the respective heirs, administrators and executors of such persons, shall be indemnified by the Corporation in accordance with, and to the fullest extent permitted by, Minnesota Statutes, Section 317A.521. The Corporation shall not be obligated to indemnify any other person or entity, except to the extent such obligation shall be specifically approved by resolution of the Board of Directors. The Corporation shall have the power to advance such person's expenses incurred in defending any such proceeding to the maximum extent permitted by law. This Section is and shall be for the sole and exclusive benefit of the individuals designated herein and no individual, firm or entity shall have any rights under this Section by way of assignment, subrogation or otherwise, whether voluntarily, involuntarily or by operation of law.

Section 2. Insurance. The Corporation may, but shall not be required to, purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, against any liability asserted against and incurred by such person in his or her official capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against liability under Minnesota Statutes, Section 317A.521, the Articles of Incorporation or these Bylaws.

ARTICLE VIII. AMENDMENTS

Subject to the right of the voting members to adopt, amend and repeal these Bylaws as set forth in Minnesota Statutes, Section 317A.181, Subd. 2(b), the power to adopt, amend or repeal the Bylaws is vested in the Board of Directors.

ARTICLE IX. FINANCIAL MATTERS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and any such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors or these Bylaws, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credit or to render it liable pecuniarily for any purpose or to any amount.

Section 2. Loans and Pledges. No loans shall be contracted nor pledges or guarantees given on behalf of the Corporation unless specifically authorized by the Board of Directors.

Section 3. Authorized Signatures. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation shall be signed by such person or persons and in such manner as shall from time to time be determined by the Board of Directors or these Bylaws.

Section 4. Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may designate and shall be disbursed under such general rules and regulations as the Board of Directors may from time to time determine.

Section 5. Corporate Seal. The Corporation shall not have a corporate seal.

Section 6. Documents Kept at Registered Office. Subject to and in accord with the provisions of the Open Meeting Law, the Board of Directors shall cause to be kept at the registered office of this Corporation originals or copies of:

Section 6.1 Records of all proceedings of the Board of Directors and all committees;

Section 6.2 Records of all votes and actions of the members;

Section 6.3 All financial statements of this Corporation; and

Section 6.4 Articles of Incorporation and Bylaws of this Corporation and all amendments and restatements thereof.

Section 7. Accounting System and Audit. The Board of Directors shall cause to be established and maintained, in accordance with Minnesota Statutes Section 124d.10, subd.8(i) and, to the extent not in conflict with Minnesota law, generally accepted accounting principles applied on a consistent basis, an appropriate accounting and financial reporting system for the Corporation. The Board shall cause the records and books of account of the Corporation to be audited at least once each fiscal year and at such other times as it may deem necessary or appropriate, and may retain such person or firm for such purposes as it may deem appropriate.

Section 8. Fiscal Year. The fiscal year of the Corporation shall run from July 1st of one calendar year to June 30th of the following calendar year.

ARTICLE X. MISCELLANEOUS

Section 1. Gender References. All references in these Bylaws to a party in the masculine shall include the feminine and neuter.

Section 2. Plurals. All references in the plural shall, where appropriate, include the singular and all references in the singular shall, where appropriate, be deemed to include the plural.

CERTIFICATE

SCHOOL POLICIES (PENDING FINAL REVIEW – FALL 2017)

Student and Employee Safety

- Harassment and Offensive
- Drug-free Workplace/Drug-Free School
- Chemical Use and Abuse
- Student Medication
- Student Transportation Safety
- School Weapons

Student and Employee Behavior

- Wellness
- Student Discipline
- Bullying Prohibition
- Hazing Prohibition
- Internet Acceptable Use and Safety
- Tobacco-Free Environment
- The Pledge of Allegiance

Student and Employee Rights and Protections

- Equal Educational Opportunity
- Out-of-state Travel By School Board Members
- Equal Employment Opportunity
- Disability Nondiscrimination Policy
- Student Disability Nondiscrimination
- Student Sex Nondiscrimination
- Employee Right To Know – Exposure to Hazardous Substances
- Students and Employees with Sexually Transmitted infections and Diseases and Certain Other Communicable Diseases and Infectious Conditions
- Search of Student Lockers, Desks, Personal Possessions and Student's Person
- Protection and Privacy of Pupil Records
- Public and Private Personnel Data
- Lottery Policy

Student and Employee Safety

- Harassment and Offensive Behavior
- Drug-free Workplace/Drug-free School
- Chemical Use and Abuse
- Student Medication
- Student Transportation Safety
- School Weapons Policy

Financial Policies

- Board Financial Management Policy
- Capitalization Policy

- Financial Commitment and Expenditure Authorization Policy
- Financial Audit Policy
- Loan / Credit Policy
- Gift Acceptance Policy
- Cash Receipts Policy
- Cash Disbursements & Expense Reporting Policy
- Reserve Policy
- Investment Policy

Federal Fund & Grant Management Policy

Governance

- Board Member Orientation Policy
- Religious Practice & Prayer Policy
- Conflict of Interest Policy
- Election Policy – pending

School Policies - see additional postings in Student/Parent Handbook

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 1.1.1

STATEMENT OF MISSION

I. PURPOSE

The purpose of this policy is to inform the school community of KIPP Minnesota's mission.

II. POLICY STATEMENT

A. It is the policy of the Board of KIPP Minnesota to adhere to and carry out the mission stated below in its governance, operational and financial decisions. Decisions made by the Board of KIPP Minnesota, will be consistent with the mission statement.

B. The following is a statement of the mission of KIPP Minnesota, as contained in the contract with the school's authorizer:

To create and sustain a respected, influential, and inspiring network of public schools that battles educational inequity by helping students develop the knowledge, skills, character strengths, and habits to succeed in college and the competitive world beyond.

Legal Reference: Minn. Stat. §124D.10 (Charter School Law)

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 2.5

OPEN AND CLOSED MEETINGS

I. PURPOSE

The purpose of this policy is to ensure members of the school community remain informed of school decisions and discussions relevant to KIPP Minnesota in accordance with applicable laws and regulations.

II. POLICY STATEMENT

All KIPP Minnesota Board of Director meetings will be open to the public except where closed as authorized by law. For purposes of this policy, a “meeting” is a gathering of a quorum or more members of the Board, or a quorum of a committee or subcommittee of Board members, at which members have been delegated the authority to act on behalf of the full Board. The term does not include chance or social gatherings or meetings of committees to receive information, but who have no authority to bind the full Board.

III. NOTICE OF MEETINGS

- A. A schedule of the regular meetings of the Board will be kept on file at KIPP Minnesota’s primary offices. If the Board decides to meet at a time or place different from the time or place stated in the regular schedule, it will provide notice in the same manner as for a special meeting.
- B. For a special meeting, the Board will post written notice of the date, time, place, and purpose of the meeting on KIPP Minnesota’s principal bulletin Board or on the door of the Board’s usual meeting room if there is no principal bulletin Board. The Board’s actions at the special meeting are limited to those topics included in the notice.
- C. The notice of special meetings will also be mailed or otherwise delivered at least three days before the meeting to each person who has filed a written request for notice of special meetings.
- D. As an alternative to mailing this notice, the Board may publish the notice once, at least three days before the meeting, in KIPP Minnesota’s official newspaper or if no official newspaper is designated, in a qualified newspaper of general circulation within the area served by KIPP Minnesota.
- E. The Board will establish an expiration date on requests for notice of special meetings and require re-filing once each year. Within 60 days of the expiration

date of request for notice, the Board will send notice of the re-filing requirement to each person who filed during the preceding year.

- F. The Board may call an emergency meeting if, in the judgment of the Board, circumstances require immediate consideration. The Board will make good faith efforts to provide notice of the emergency meeting to news mediums that have filed a written request for notice if the request includes the news medium's telephone number. The notice will be provided by telephone and include the subject of the emergency meeting. Posted or published notice of emergency meetings is not required. If matters not directly related to the emergency are discussed or acted upon, the minutes of the meeting must include a specific description of those matters.
- G. If a meeting is a recessed or continued session of a previous meeting, and the time and place of the meeting was established during the previous meeting and recorded in the minutes of that meeting, then no further published or mailed notice is necessary.
- H. The Board will provide notice of closed meetings in the same manner as notice is provided for open meetings.

IV. CLOSED MEETINGS

- A. As authorized by Minnesota Statutes, the Board must or may close meetings for the following:
 - 1. Preliminary Consideration of Allegations or Charges. The Board must close one or more meetings for preliminary consideration of allegations or charges against an individual subject to its authority. If the Board members conclude that discipline may be warranted as a result of the allegations, further meetings or hearings relating to those specific charges or allegations must be open. A meeting must also be open at the request of the individual who is the subject of the meeting. If closed, the meeting must be electronically recorded. The recording is not available to the public.
 - 2. Discussion of Non-Public Data. The Board must close the portion of a meeting in which the following types of data are discussed:
 - a. Data that would identify alleged victims or reporters of criminal sexual conduct, domestic abuse, or maltreatment of minors or vulnerable adults;
 - b. Active investigative data collected or created by a law enforcement agency;

- c. Educational data, health data, medical data, welfare data, or mental health data that are not public data; or
 - d. An individual's personal medical records.
- 3. Performance Evaluations of Personnel. The Board may close a meeting to evaluate the performance of an individual subject to its authority. Prior to closing the meeting, the Board will identify the individual to be evaluated and at its next open meeting, the Board will summarize its conclusions regarding the evaluation. The meeting must be open at the request of the individual who is the subject of the meeting. If closed, the meeting must be electronically recorded. The recording is not available to the public.
- 4. Attorney – Client Discussions. The Board may close a meeting if permitted by the attorney-client privilege. The motion to close the meeting must specifically describe the matter to be discussed at the closed meeting, subject to relevant privacy and confidentiality considerations under state and federal law. By law, such meetings do not need to be recorded.
- 5. Pupil Fair Dismissal Act Meetings. A hearing on dismissal of a student pursuant to the Pupil Fair Dismissal Act will be closed unless the student or parent requests an open hearing. If closed, the meeting must be electronically recorded. The recording is not available to the public.
- 6. Purchase and Sale of Property. The Board may close a meeting:
 - a. To determine the asking price for real or personal property to be sold by the school;
 - b. To review confidential or nonpublic appraisal data; and
 - c. To develop or consider offers or counteroffers for the purchase or sale of real or personal property. Before closing the meeting, the Board must identify on the record the particular real or personal property that is the subject of the closed meeting. The meeting must be recorded and the recording preserved for eight years and be made available to the public after all real or personal property discussed at the meeting has been purchased or sold or the Board has abandoned the purchase or sale. The real or personal property that is the subject of the closed meeting must be specifically identified on the tape. A list of Board members and all other persons present at the closed meeting must be made available to the public after the closed meeting. The sale is contingent on its approval by the Board at an open meeting and the purchase or sale price is public data.

7. Security Matters. The Board may close a meeting to discuss certain school security matters as authorized by Minnesota Statutes Chapter 13D.
 8. Other Meetings. The Board may close other meetings if authorized by law. The Board must provide notice of a closed meeting just as for an open meeting. A meeting may be closed only after a majority vote at a public meeting. Before closing a meeting, the Board will state on the record the specific authority permitting the meeting to be closed and describe the subject to be discussed.
- B. If closed, the meeting must be electronically recorded. The recording is not available to the public.

V. JOURNAL

The votes of Board members will be recorded in a journal kept for that purpose, and the journal will be available to the public during all normal business hours at KIPP Minnesota's administrative offices.

VI. WRITTEN MATERIALS

In any open meeting, a copy of any printed materials relating to the agenda items prepared or distributed by the Board or its employees and distributed to or available to all Board members will be made available in the meeting room for inspection by the public while the Board considers their subject matter. This provision does not apply to materials not classified by law as public, or to materials relating to the agenda items of a closed meeting.

Legal References: Minn. Stat. §124D.10 (Minnesota Charter School Law)
 Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)
 Minn. Stat. Ch. 13D (Open Meeting Law)
 Minn. Stat. §121A.47 (Student Dismissal Hearing)
 Department of Administration Advisory Opinion 04-004 (February 3, 2004)
 Brainerd Daily Dispatch v. Dehen, 693 N.W.2d 435 (Minn. App. 2005)
 The Free Press v. County of Blue Earth, 677 N.W.2d 471 (Minn. App. 2004)

Prior Lake American v. Mader, 642 N.W.2d 729 (Minn. 2002)

Star Tribune v. Board of Education, Special School District No. 1, 507 N.W.2d 869 (Minn. App. 1993)

Minnesota Daily v. University of Minnesota, 432 N.W.2d 189 (Minn. App. 1988)

Moberg v. Independent School District No. 281, 336 N.W.2d 510 (Minn. 1983)

Sovereign v. Dunn, 498 N.W.2d 62 (Minn. App. 1993), rev. denied. (Minn.1993)

Board Financial Management Policy

Statement of Policy:

It is the policy of the KIPP Minnesota Board of Directors to:

- Require the Executive Director, in conjunction with the Chair of the Finance Committee, to prepare and present for adoption an annual budget prior to the beginning of each fiscal year. The annual budget shall include:
 - all revenues including state and local aid, federal, student, and grants/fundraising
 - all expenses including staffing plans and related compensation, instructional, administrative, and facilities related
 - capital asset investments
 - financing activities
- Require the Executive Director to seek and obtain Finance Committee approval and subsequently Board approval prior to making material adjustments to the Board-approved budget. Material adjustments are defined as follows:
 - Changes in aggregate which deviate from the budget by more than \$20,000. Deviations include losses of revenue as well as increase in expenses.
 - Changes to projected end of year cash on hand or outstanding debt of \$25,000 or more.
- Require the Executive Director to recommend expense reductions to the Finance Committee and subsequently the Board in instances in which losses of revenue cannot reasonably be offset with alternative revenue sources and/or the organization incurs unforeseen expenses (e.g., utilities) in excess of the Board-approved budget.
- Once the Board has approved changes to the budget by the Executive Director and Finance Committee, this will become the official Board-approved budget going forward.

Capitalization Policy for Capital Assets

A capital asset is a piece of property that meets all of the following requirements:

1. The asset is tangible and complete.
2. The asset is used in the operation of the school system's activities.
3. The asset has a useful life of longer than the current fiscal year.
4. The asset is of significant value.

The following significant values will be used for different classes of assets:

<u>Class of Capital Asset</u>	<u>Significant Value</u>
Machinery and Equipment	\$ <u>2,500</u> or more
Buildings & Building Improvements	\$ <u>2,500</u> or more
Land Improvements	\$ <u>2,500</u> or more
Land	Any amount

Capital assets may be acquired through donation, purchase or may be self-constructed.

- The asset value for donations will be the fair market value at the time of the donation.
- The asset value, when purchased, will be the initial cost plus the trade-in value of any old asset given up, plus all costs related to placing the asset into operation.
- The cost of self-constructed assets will include all costs of construction.

Per Minnesota Statute 2007 124D.11, Subd. 7, any Monies received from the state may not be used to purchase land or buildings. The school may own land and buildings if obtained through non-state sources.

Land

- Land acquired by purchase is recorded at cost to include the amount paid for the land itself and all incidental costs.
- Land acquired by gift or bequest is recorded at the fair market value at the date of the acquisition.
- When land is acquired with buildings erected thereon, total cost is allocated between the two in reasonable proportion at the date of acquisition. If the transfer document does not show the allocation, other sources of the information may be used such as an expert appraisal or the real estate tax assessment records.
- Land is not depreciable.

Land Improvements

- This category will include parking lots, outdoor lighting, covered walkways, fences, tennis courts, running tracks, and grandstands, etc.
- Landscaping is not capitalized.
- Land Improvements will be depreciated over their estimated useful lives.

Buildings

- Buildings will be recorded at either their acquisition cost or construction cost. If a building is acquired by purchase, the capitalized cost should include the purchase price and other incidental expenses at the time of acquisition.
- If a building is constructed, the capitalized cost should include all construction costs. The constructed building will be capitalized upon completion of the project. For the first year, all the component units of the building, such as HVAC, plumbing system, sprinkler systems, elevators, etc will be included in the capitalized cost of the building.

Building Additions

- Building additions will be recorded at their construction cost.
- Building additions will be capitalized separately and depreciated over their useful life.

Building Improvements

Component Units – (HVAC, plumbing systems, sprinkler systems, elevators, etc.)

- When building component units are replaced, the new component unit will be capitalized separately, and the old component (subsequent to original construction) will be removed from the property report.
- However, if the original component unit was included in the original construction, it will not be removed since it was not a separately valued component.
- The new component unit will be depreciated over the remaining useful life of the building.

Major Renovations or Alterations

- Any major renovations or alterations within an existing building will be added to the cost of the original building.
- These renovations/alterations will be depreciated over the remaining life of the building/structure.

Construction in Progress

- This includes all projects for buildings or land improvements construction that are not completed at the end of the fiscal year.

Machinery & Equipment

- Expenditures for machinery, equipment or furnishings costing \$ 2,500 or more per item and have an estimated life of more than one year will be capitalized.
- Library books and textbooks will not be capitalized.

Depreciation Policy

The “straight line” method of depreciation should be utilized to depreciate capital assets, except for land, over the estimated useful lives of the related assets principally as follows:

Buildings:

- Permanent Buildings: 30 years
- Building Additions: Remaining Useful Life up to 30 years
- Building Improvements: Remaining Useful Life up to 30 years

Machinery & Equipment:

- Mobile Classrooms 10 years
- Vehicles (trucks, vans, tractors, forklifts, etc) 7 years
- Kitchen Equipment 10 years
- Computer Hardware 3 years
- Outdoor Equipment 10 years
- Miscellaneous Equipment 10 years
- Buses 7 years

Land Improvements 30 years

- Leasehold Improvements Lesser of the Remaining Useful Life, up to 30 years, or the non-cancelable portion of the lease

Depreciation will be calculated utilizing the “Half-Year convention.”

- Under this convention, an asset is treated as though it were placed in service or disposed of the first day of the seventh month of the fiscal year.
- One-half of a full year’s depreciation is allowed for the asset in its first year placed in service, regardless of when it was actually placed in service during that year.

Disposition of Assets

- When capital assets are sold or otherwise disposed of, the inventory of Capital Assets should be relieved of the cost of the asset and the associated accumulated depreciation.
- Assets will be removed on an annual basis in conjunction with the annual update.
- The appropriate depreciation will be taken for the year of disposal.

Financial Commitment and Expenditure Authorization Policy

Statement of Policy:

It is the policy of the KIPP Minnesota Board of Directors that the following positions have authority to enter into financial commitments up to the following amounts:

	<u>In Budget</u>
Exec. Director	\$25,000
Principal	\$10,000

Financial commitments in excess of these authorized amounts require the prior written approval of the Board Treasurer. In his/her absence, the Board Chair is authorized to provide prior written approval.

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 7.2.1

BOARD APPROVAL OF VENDOR CONTRACTS

I. PURPOSE

The purpose of this policy is to ensure that all vendor contracts are approved by the Board.

II. POLICY STATEMENT

- A. The Board of KIPP Minnesota is responsible for policy matters related to the operation of the school, including budgeting, curriculum programming, personnel, and operating procedures. To ensure that the school operates in a fiscally prudent manner, within its budget and within applicable laws, all vendor contracts shall be presented to the Board for its approval. Absent a specific delegation as outlined in B. below, no contract shall be effective absent approval by a majority of the Board.
- B. At the Board’s discretion, the Board of KIPP Minnesota may delegate authority to the Executive Director to enter into certain vendor contracts. The delegation must be specific and may be for an amount no more than.
- C. See Financial Approval Matrix below for guidance:

KIPP Minnesota Financial Approval Matrix

	Operating Items	Capital Items	Pass-through items	Restricted Grants	Annual Budget
Executive Director	\$0-\$25,000	\$0-\$25,000	\$0-\$25,000	\$0-\$2,000,000	
Finance Committee	\$25,000-\$100,000	\$25,000-\$100,000	\$25,000-\$100,000	Greater than \$2,000,000	
Full Board	\$100,000+	\$100,000+	\$100,000+		Any amount

Legal Reference: Minn. Stat. §124D.10 (Charter School Law)

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 7.2.2

BIDDING FOR SERVICES FROM AUTHORIZER

III. PURPOSE

The purpose of this policy is to ensure that KIPP Minnesota observes state requirements related to contracting with its Authorizer.

IV. POLICY STATEMENT

The Board of KIPP Minnesota is responsible for policy matters related to the operation of the school, including budgeting, curriculum programming, personnel, and operating procedures. To ensure that the school operates within applicable laws, all contracts with the school's Authorizer shall be presented to the Board for its approval and the contract must satisfy the provisions of Section III of this Policy.

V. REQUIREMENTS

- A. As required by Minnesota's Charter School Law, any potential contract, lease, or purchase of service from KIPP Minnesota's authorizer must meet the following requirements:
 - 1. The potential contract must be disclosed to the commissioner,
 - 2. The contract must be accepted through an open bidding process; and
 - 3. The contract terms must be memorialized in a separate contract from the charter contract.
- B. If the contract is a contract to provide management and financial services for the school, the school must document that it received at least two competitive bids.

Legal Reference: Minn. Stat. §124D.10 (Charter School Law)

Board Financial Audit Policy

- In order to ensure financial accountability, KIPP Minnesota will have its financial statements audited by an independent auditing firm on an annual basis.
- The selection of the firm to conduct the audit will be approved by the board. The auditor's report, management letter, and IRS Form 990 will be presented to the board for approval.
- A copy of the audited statement will be distributed to the full board and the School Leader/ED.
- The audited financial statements will also be made available to anyone else who requests them.
- Additionally, the Minnesota Department of Education and office of the State Auditor require the annual audit to be submitted to them by December 31 of each year.

Board Financial Controls Policy--Loans

- No loan may be made to any officer, director, or employee of the organization.

Board Financial Controls Policy--Credit

- The board has the authority to approve the establishment of a charge account in KIPP Stand, including the credit limit of \$10,000.
- Credit cards will be used for school-related expenditures only.
- All charges must be supported by invoices or receipts to be eligible for payment by the school.
- All receipts should be filed with the appropriate expense documentation form in the filing cabinet.
- The School Leader/ED has the responsibility to establish and enforce written procedures for the use of all open charge accounts and credit cards.
- The finance committee will review all credit card procedures on an annual basis.

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 2.4.3

GIFTS TO EMPLOYEES AND BOARD MEMBERS

I. PURPOSE

- From time to time students, parents, and community groups may desire to show their appreciation to KIPP Minnesota employees and Board members. KIPP Minnesota will maintain bank and brokerage accounts, as necessary to accommodate its various needs. KIPP Minnesota receives gifts in the form of cash, checks, and securities. If Securities are received, KIPP Minnesota will be required to sell the investment and roll proceeds into one of its bank accounts. Gifts of securities will be acknowledged to the donor at the value received into the account, as of the day received.

However, the Board recognizes the need to avoid the appearance of impropriety or the appearance of a conflict of interest with respect to gifts given to school employees or Board members.

II. POLICY STATEMENT

It is the policy of KIPP Minnesota to discourage gift giving to employees and Board members and to require compliance with this policy.

III. DEFINITIONS

“Gift” means money, real or personal property, a service, a loan, a forbearance or forgiveness of indebtedness, or a promise of future employment, that is given without something of equal or greater value being received in return.

IV. PROHIBITION ON GIFTS

Prohibition on Gifts of More than Nominal Value. It is a violation of this policy for an employee or Board member to accept a gift from a student, parent, community member or community group if the gift has greater than nominal value.

V. ACCEPTABLE TOKENS OF APPRECIATION

- A. It is not a violation of this policy for an employee or Board member to accept from a student, parent, community member, or community group the following:
 1. Thank you notes or letters expressing appreciation; or

2. Small tokens of appreciation such as plaques if such token has only nominal value.
- B. When questions arise as to what constitutes “nominal value” for gifts to employees, the Executive Director shall determine whether the gift has more than nominal value. For gifts to Board members the full Board shall determine whether the gift has more than nominal value.

VI. SOLICITATION OF GIFTS

It is a violation of this policy for an employee or Board member to solicit or receive anything of value from any person or entity doing business with or seeking to do business with KIPP Minnesota.

VII. EXCEPTIONS

This policy does not prohibit teachers and educational staff from accepting free samples of textbooks or teaching materials. This policy also does not prohibit employees or Board members from accepting promotional items of nominal value (water bottles, binder clips, golf balls, etc.) provided by vendors at educational fairs or conferences.

VIII. NON-APPLICABILITY

This policy does not apply to gifts given to employees or Board members by personal friends, family members, or others where the reason for the gift does not arise out of the employee or Board member’s employment with KIPP Minnesota or service on the Board.

Cross References: Minn. Stat. §127A.10 (Disinterested School Board Members)
 Minn. Stat. §43A.38 (Code of Ethics for Executive Branch)
 Minn. Stat. §10A.071 (Gifts by Lobbyists and Principals)
 Minn. Stat. §471.895 (Gifts to Local Officials)

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 2.6

ACCEPTANCE AND ADMINISTRATION OF GIFTS TO KIPP MINNESOTA

I. PURPOSE

The purpose of this policy is to guide the Board of Directors in accepting gifts on behalf of KIPP Minnesota.

II. POLICY STATEMENT

This policy provides guidelines for the acceptance of and administration of gifts to KIPP Minnesota. The Board will accept gifts that are consistent with KIPP Minnesota's mission as a Minnesota public charter school in the progressive education tradition, are not duly risky or burdensome to administer, and are in compliance with law.

III. ACCEPTANCE OF GIFTS

- A. The Board of Directors may receive, for the benefit of the school, bequests, donations or gifts for any proper purpose. The board has the sole authority to determine whether any gifts or any precondition, condition, or limitation on use included in a proposed gift furthers the interest of or benefits KIPP Minnesota and whether it should be accepted or rejected. The board shall not accept gifts if its restrictions involve unlawful discrimination based upon race, religion, sex, age, national origin, color, disability or any other basis prohibited by federal, state, and local laws and regulations, or may violate KIPP Minnesota's charter contract with its authorizer, articles of incorporation, or bylaws.
1. Gifts in cash, by check, or by credit card may be accepted in any amount.
 2. Publicly traded securities closely held or unlisted securities may be accepted and should be sold as soon as feasible.
 3. Gifts of personal property having a value of \$500 or less may be accepted by the Executive Director or designee on behalf of the Board without the necessity of Board action.
 4. Gifts of real property (regardless of value) and gifts of personal property having a value of more than \$500 require acceptance by the Board upon approval by two-thirds of the members. The resolution should describe any conditions placed on the gifts.

IV. ADMINISTRATION OF GIFTS

- A. Professional appraisal and other fees required to complete a gift are to be paid by the donor, unless the Board authorizes payment by the school.
- B. If the Board accepts any bequest, donation, gift, grant or devise which has preconditions, conditions or limitations on use, the Board shall administer the gift in accordance with those terms.
- C. A gift becomes the property of KIPP Minnesota upon acceptance, unless the Board accepts it upon other terms as described in the school board resolution.
- D. No gift may be used for religious or sectarian purposes.

Legal Reference: Minn. Stat. §123B (School District Power and Duties)

Cash Receipts Policy

Cash Receipts

- All cash or cash equivalents received by any school employee should be sent immediately to the office manager for recording. The office manager will also be responsible for opening the mail.
- Any cash or cash equivalents received in the mail will also be recorded by the office manager.
- All recordings are made in the cash receipts ledger by the office manager and the cash/cash equivalents must be stored in a safe (or lockbox) until deposits are made.
- Bank deposit slips are prepared by the office manager and sent to the Executive Director with the cash/cash equivalents for review and deposit in the bank that same day.
- Deposits will be made every Wednesday by the Executive Director or Director of Operations.
- A deposit should be made earlier than scheduled Wednesday if amounts of cash total greater than \$250.
- The deposit slip should be placed in the mailbox of the financial manager.
- Additionally, for each weekly deposit, the office manager should support the deposit with a summarized report listing the major items that reconciles with the deposit slip(s).
- This report will also be placed in the mailbox of the financial manager for weekly updating of financial records.

Petty Cash

- KIPP Minnesota will maintain a petty cash fund not to exceed \$100.
- The Petty cash will maintained by the office manager and located in the safe (lockbox) separated from weekly collection of cash and cash equivalents.
- If amount needs to exceed \$100, the office manager should request greater amount with Executive Director.
- Once the balance in the Petty Cash fund falls below \$20, a new check should be issued to replenish the amount of the fund to the approved amount of Petty cash fund.
- Petty cash drawer is initiated by a \$100 check being cashed at bank. The documents supporting the \$100 are placed in a paper file where all supporting receipts are also maintained.
- Each time a teacher or staff member requests funds from petty cash, he/she must approach the office manager with the nature of the request.
- Once request is granted, funds are extended and petty cash ledger entry is made for disbursement.

- This includes date, amount, general purpose of expenditure, and signature of requestor.
- Once the purchase is made, the receipt and change is returned to the office manager who will reconcile and make a full accounting of the funds expended by reviewing the items purchased and amount paid and returned equaling the amount loaned to requestor.
- At the end of each month, the petty cash register is provided to the financial manager for recording in the accounting records and for replenishment of the Petty Cash fund.

Reconciliations

- All cash accounts should be supported by monthly bank reconciliations performed by the accounting manager.
- Each reconciliation should be prepared and then reviewed by the E.D.
- Bank reconciliations should be reviewed occasionally by the Board Treasurer.

Cash Disbursements Policy

- All purchases greater than \$500 should be supported with a purchase order.
- A purchase order is prepared and sent to the vendor and a copy is also kept on file with the financial manager.
- Once the items are received, the purchase order is validated and compiled with the invoice in a paper file.
- All documents are sent to the financial manager for filing.
- All expenditures less than \$500 should be supported with an expenditures summary documentation.
- All disbursements are made on a bi-monthly basis (opposite week of payroll).
- Checks will be cut by the outsourced Accounting firm managing and electronic approval form is sent for any check that is greater than \$500 which requires dual signatures including either the Board Chair, the Board Treasurer, and the Executive Director.
- An exemption can be made to the \$500 threshold in emergency cases only and should be supported with a letter to the Finance committee explaining why the processing of the greater than \$500 check was made without a second signature.

Other disbursements policies include:

- There are three signers currently on the account: the Board Chair, Treasurer and the Executive Director.
 - All KIPP Minnesota expenditures must be supported with a business purpose.
 - Under no circumstances can a check be made out to and signed by the same person.

- All potential conflict of interests must be brought to the attention of the finance committee (for example: contracting board members for service, payments to relatives, hiring firms that the board members work for).
- A request for proposals (RFP) process must be followed for all vendor agreements in excess of \$5,000 United States dollars with no less than 3 proposals whenever possible.
 - Once three bids are obtained, the board will ratify the selected vendor.
 - If the state or MN Dept of Ed mandates a specific vendor, we are obligated to utilize that vendor and three bids are not needed.
 - If three bids cannot be obtained, the board must ratify an exception to the policy.
 - Any bid greater than \$50,000 requires a sealed bid process.
- In order for travel to be reimbursed, it must be a coach ticket, and due diligence must have been made to secure low cost airfare (for example, 14 day advance airfare, etc.).
 - An allowable per diem of \$30 USD per day reimbursement is recommended. This amount may vary based on travel location.
 - All invoices/expenses must be accompanied with a receipt in order to be reimbursed.
 - Group dinners may be reimbursed up to \$40 USD per person and must be accompanied with a receipt, business reason, and a list of attendees.

Fund Balances Policy

Date Approved/Revised: October 22, 2014

I. PURPOSE

The purpose of this policy is to create fund balance classifications to allow for more useful fund balance reporting and for compliance with the reporting guidelines specified in Statement No. 54 of the Governmental Accounting Standards Board (GASB). Financial stability is a key component to school financial planning. The purpose of this policy is to assure sufficient cash flow, taking into consideration the timing of state aid, unexpected revenue shortfalls, or any emergency or unexpected expenses.

II. GENERAL STATEMENT OF POLICY

The policy of KIPP Minnesota is to comply with GASB Statement No. 54. To the extent a specific conflict occurs between this policy and the provisions of GASB Statement No. 54, the GASB Statement shall prevail.

III. DEFINITIONS

- A. "Assigned" fund balance amounts are comprised of unrestricted funds constrained by the school's intent that they be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. In funds other than the general fund, the assigned fund balance represents the remaining amount that is not restricted or committed. The assigned fund balance category will cover the portion of a fund balance that reflects the school's intended use of those resources. The action to assign a fund balance may be taken after the end of the fiscal year. An assigned fund balance cannot be a negative number.
- B. "Committed" fund balance amounts are comprised of unrestricted funds used for specific purposes pursuant to constraints imposed by formal action of the school board and that remain binding unless removed by the school board by subsequent formal action. The formal action to commit a fund balance must occur prior to fiscal year end; however, the specific amounts actually committed can be determined in the subsequent fiscal year. A committed fund balance cannot be a negative number.
- C. "Enabling legislation" means legislation that authorizes a school to assess, levy, charge, or otherwise mandate payment of resources from external providers and includes a legally enforceable requirement that those resources be used only for the specific purposes listed in the legislation.
- D. "Fund balance" means the arithmetic difference between the assets and liabilities reported in a school fund.
- E. "Nonspendable" fund balance amounts are comprised of funds that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. They include items that are inherently unspendable, such as, but not limited to, inventories, prepaid

items, long-term receivables, non-financial assets held for resale, or the permanent principal of endowment funds.

- F. “Restricted” fund balance amounts are comprised of funds that have legally enforceable constraints placed on their use that either are externally imposed by resource providers or creditors (such as through debt covenants), grantors, contributors, voters, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.
- G. “Unassigned” fund balance amounts are the residual amounts in the general fund not reported in any other classification. Unassigned amounts in the general fund are technically available for expenditure for any purpose. The general fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted, and committed fund balances exceed the total net resources of that fund.
- H. “Unrestricted” fund balance is the amount of fund balance left after determining both nonspendable and restricted net resources. This amount can be determined by adding the committed, assigned, and unassigned fund balances.

IV. CLASSIFICATION OF FUND BALANCES

The school shall classify its fund balances in its various funds in one or more of the following five classifications: nonspendable, restricted, committed, assigned, and unassigned.

V. MINIMUM FUND BALANCE

The desired fund balance for the 2014-2015 school year shall be 10% of the current year’s budgeted expenditures. This will increase to 12.5% for the 2015-2016 school year; then to 16.5% for the 2016-2017 school year; then to 18% for the 2017-2018 school year. The fund balance will remain set at 20% hereafter. This will assist in maintaining an adequate level of fund balance to provide for cash flow requirements and contingency needs.

VI. ORDER OF RESOURCE USE

If resources from more than one fund balance classification could be spent, the school will strive to spend resources from fund balance classifications in the following order (first to last): restricted, committed, assigned, and unassigned.

VII. COMMITTING FUND BALANCE

A majority vote of the school board is required to commit a fund balance to a specific purpose and subsequently to remove or change any constraint so adopted by the board.

VIII. ASSIGNING FUND BALANCE

The school board, by majority vote, may assign fund balances to be used for specific purposes when appropriate. The board also delegates the power to assign fund balances to the following: Director or Accountant. Assignments so made shall be

reported to the school board on a monthly basis, either separately or as part of ongoing reporting by the assigning party if other than the school board.

An appropriation of an existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues satisfies the criteria to be classified as an assignment of fund balance.

IX. REVIEW

Provided that the reserve level is at or above the minimum requirement, the reserve level will be reviewed on a monthly basis by the Finance Committee. Should the reserves fall below the minimum build levels during year one, the Board must be notified as indicated below.

The Finance Committee recognizes that due to timing of certain revenue streams, there may be times when it will be required to dip into the reserves on a short-term basis. Should the Executive Director need to temporarily utilize a portion of the reserve, the ED must prepare a recovery plan to restore the reserve to the minimum requirement. Should the reserve remain below the minimum level in consecutive months, the Board must be notified.

Should the reserves drop below the minimum amount required and is projected to remain below the minimum in excess of an additional month, the Board must be notified during the next Board Meeting. If the next Board Meeting is not scheduled to occur within 45 days, a special Board Meeting will be called.

During this Board Meeting, the Finance Committee will provide the following documents for Board review and ratification:

- Review the past 6-months reserve levels complete with explanations around the drivers of the reduction of the reserves.
- A minimum of three-month forward looking cash flow projections including a solid plan to restore the reserve to the minimum requirement level.
- Based on the plan to restore the reserve minimum balance, the Board may vote on fund raising needs.
- The reserve levels will be published to the Board of Directors on a monthly basis until the minimum balance is restored.

This policy will be reviewed and amended as needed on an annual basis in October, at a minimum. The policy may be reviewed and amended more frequently as determined by a majority vote from the Finance Committee or the Board of

Directors. Any changes to the policy must be approved by the Board of Directors prior to implementation.

Legal References: Statement No. 54 of the Governmental Accounting Standards Board

Cross References: MSBA Service Manual, Chapter 7, Education Funding

Federal Fund Policy

The Finance Committee recognizes the need to comply with Federal Requirements around the use and reporting of Federal Funds.

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY NO. 2.10

NEW BOARD MEMBER ORIENTATION AND TRAINING

I. PURPOSE

The purpose of this policy is to ensure that all new board members receive orientation and that all board members receive appropriate training.

II. POLICY STATEMENT.

The KIPP Minnesota Board wishes to provide a thorough orientation process for new board members so that all members have access to the information and resources necessary to effectively govern the school. The Executive Director or the Chair of Development Committee is responsible for the implementation of this policy.

III. ORIENTATION OF NEW BOARD MEMBERS

Recognizing the importance of providing a thorough orientation to new board members, the orientation should be composed of the following:

- A. Upon election or appointment, each new board member shall be given an electronic version of the Board Handbook which includes the Articles and Bylaws of the School; the school's contract with its authorizer; a copy of Minnesota's Charter School Law and copies of the minutes of all meetings for the past year and the most recent financial statement provided to Board members.
- B. The Board Chair shall appoint an existing board member to serve as a mentor during the new member's first year of board service.
- C. Within 40 days of the commencement of each new board member's service, the Chair shall arrange the orientation to familiarize the new board member with the operation of the school.
- D. The chair of each standing, ad hoc and advisory committee is encouraged to meet with and/or invite new board members to attend a regular meeting of the group.

IV. TRAINING OF BOARD MEMBERS: REQUIREMENTS

As required by Minn. Stat. § 124E.07 subd. 7, every charter school board member shall attend annual training throughout the member's term. All new board members shall attend initial training on the board's role and responsibilities, employment policies and practices, and financial management. A new board member who does not begin the required initial training within six months after being seated and complete that training within 12 months after being seated is automatically ineligible to continue to serve as a board member.

Legal references: Minn. Stat. § 124E.07 subd. 7

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 2.2 BOARD MEMBER TRAINING

I. PURPOSE

KIPP Minnesota requires Board members to participate in training below and in compliance with Minnesota Charter School Law.

II. POLICY

- A. **Timing and Content of Training.** All new Board members shall attend initial training on the board's role and responsibilities, employment policies, and practices, and financial management.
- B. **Training Required.** Every member of the Board of KIPP Minnesota shall attend annual training throughout the member's term on the board.
- C. **Consequences for Failure to Attend Training.** A new Board member who does not begin the required initial training within six months after being seated and complete that training within 12 months of being seated on the board is automatically ineligible to continue to serve as a Board member. The school shall include in its annual report the training attended by each Board member during the previous year.

Legal Reference: Minn. Stat. §124D.10, subd. 4(f) (Charter School law)

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 2.8

TORT LIABILITY

I. PURPOSE

The purpose of this policy is to inform Board members and employees regarding defense claims.

II. POLICY STATEMENT

- A. KIPP Minnesota will meet its statutory obligations with respect to providing assistance to Board members and employees who are sued in connection with performance of school duties. Pursuant to Minn. Stat. §466.07, subd. 1, and to the extent permitted by Minn. Stat. §124D.10, KIPP Minnesota will defend and indemnify any Board member or school employee for damages in school-related litigation, including punitive damages, claimed or levied against the Board member or employee, provided that he or she was acting in the performance of the duties of the position and was not guilty of malfeasance, willful neglect of duty, or bad faith.
- B. KIPP Minnesota's authorizer, members of the Board of the authorizer in their official capacity, and employees of the authorizer are immune from civil or criminal liability with respect to all activities related to KIPP Minnesota.
- C. KIPP Minnesota's Board of Directors will obtain at least the amount of and types of insurance up to the applicable tort liability limits under Minnesota Statutes Chapter 466. The Board must submit changes in its insurance carrier or policy to its authorizer within 20 business days of the change.

Legal References: Minn. Stat. §124D.10 (Charter School Law)

Minn. Stat. §466 *et. Seq.* (Tort Liability, Political Subdivisions)

Religious Practice and Prayer Policy

I. PURPOSE

The purpose of this policy is to identify the status of religious practice and prayer as it pertains to the program of KIPP.

II. GENERAL STATEMENT OF POLICY

A. The school district shall neither promote nor disparage any religious belief or non-belief. KIPP encourages all students and employees to have appreciation for and tolerance of each other's views and requires equal treatment and access to all religions.

B. The school will comply with Section 9542 of the Elementary and Secondary Education Act (ESEA) that requires districts to certify that no school policy prevents, or otherwise, denies participation in constitutionally protected prayer in the public school.

C. The school allows equal access to all religious groups to the property and facility during non-instructional time.

III. RESPONSIBILITY

A. It shall be the responsibility of the board chair to make sure that every school Board member knows and understands the policies of the school regarding religious practice and school prayer.

B. It shall be the responsibility of the school leader to make sure that every staff member understands the establishment clause and the policies and practices of the school regarding religious practice and prayer.

C. The school leader will make it possible that reasonable efforts will be made to accommodate any student who wishes to be excused from attendance at school for the purpose of religious instruction or observance of religious holidays.

D. The school leader will make it possible that reasonable accommodations will be made so that students and staff can pray at school as constitutionally permitted.

E. School employees shall not direct or lead students in prayer; nor may school employees attempt to persuade or compel students to participate in prayer or religious activities during the school day.

IV. RELEASE FOR RELIGIOUS EDUCATION

Pursuant to Minn. Stat. § 120A.22, Subd. 12(3) a student may be excused from school for a period not to exceed three aggregate hours in one week for religious instruction.

Legal References:

U. S. Const., amend. I

Minn. Stat. § 120A.22, Subd. 12(3)

Section 9542 of the Elementary and Secondary Education Act (ESEA)

Adopted: December 21, 2011

KIPP MINNESOTA POLICY No. 2.4.1

CONFLICT OF INTEREST – BOARD OF DIRECTORS

I. PURPOSE

The purpose of this policy is to ensure the Board of Directors does not engage in actions that create a conflict of interest.

II. POLICY STATEMENT

The Board of KIPP Minnesota is committed to full compliance with the applicable provisions of state law.

III. DEFINITIONS

- A. “Board” means the duly appointed or elected Board members of KIPP Minnesota.
- B. “Control” means the ability to affect the management, operations, or policy actions or decisions of a person.
- C. “Affiliate” means a person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with another person.
- D. “Person” means an individual or entity of any kind.
- E. “Immediate Family” means an individual whose relationship by blood, marriage, adoption, or partnering is no more remote than first cousin.
- F. “Related Party” means an affiliate or immediate relative of the other party in question, an affiliate of an immediate relative, or an immediate relative of an affiliate.

IV. LIMITATIONS ON BOARD MEMBERSHIP

- A. An individual is prohibited from serving as a member of the Board if:
 - 1. The individual, an immediate family member, or the individual's partner;
 - 2. Is a full or part owner or principal with;
 - 3. A for-profit, or nonprofit entity, or independent contractor;

4. With whom the Board contracts, directly or indirectly, for professional services, goods, or facilities.
- B. An individual is prohibited from serving as a Board member if an immediate family member is an employee of the school.
- C. Violations
1. Contract Voided. A violation of this policy renders a contract voidable at the option of the Commissioner of Education or the Board.
 2. Personal Liability. A member of the Board who violates this prohibition is individually liable to the school for any damage caused by the violation.
- D. Any employee, agent, or board member of KIPP Minnesota's authorizer who participates in the initial review, approval, ongoing oversight, evaluation, or the charter renewal or nonrenewal process or decision is ineligible to serve on the Board.

V. LIMITATION ON CONTRACT ADMINISTRATION

- A. No Board member, employee, officer, or agent of KIPP Minnesota shall participate in selecting, awarding, or administering a contract if a conflict of interest exists.
- B. A conflict exists when any of the following individuals or an organization employing one of these individuals, has a financial interest in an entity with which the school is contracting:
1. A board member, employee, officer, or agent of KIPP Minnesota;
 2. The immediate family of the board member, employee, officer, or agent; or
 3. The partner of the board member, employee, officer, or agent.
- C. A violation of this paragraph renders the contract void.
- D. The conflict of interest provisions under this policy do not apply to compensation paid to a licensed teacher employed by KIPP Minnesota who also serves as a member of the Board of Directors.

VI. LIMITATIONS ON LEASES AND OTHER CONTRACTS

- A. Contracts with Authorizer. KIPP Minnesota will disclose to the Commissioner of Education any potential contract, lease, or purchase of service from its authorizer.

- B. KIPP Minnesota will accept any such contract only through an open bidding process, properly documented, and the contract must be a separate contract from KIPP Minnesota contract. KIPP Minnesota will not enter into a contract with its authorizer to provide management and financial services for the school without documenting that it received at least two competitive bids.
- C. Leases of Property. KIPP Minnesota will not enter a lease of real property with a related party unless the lessor is a nonprofit corporation under Chapter 317A or a cooperative under Chapter 308A, and the lease cost is reasonably based on current market values.

Legal References: Minn. Stat. §124D.10, subd. 4a (Charter School Law–Conflict of Interest)

Minn. Stat. §124D.10, subd. 4(d) (Charter School Law– Formation of School)

Minn. Stat. §124D.10, subd. 23a. (Charter School Law–Related Party Lease Costs)

Minn. Stat. §317A (Non-Profit Law)

Article I

Purpose

The purpose of the conflict of interest policy is to protect the interests of KIPP Minnesota if it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Charity. The policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II

Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Charity has a transaction or arrangement,
- b. A compensation arrangement with the Charity or with any entity or individual with which the Charity has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Charity is negotiating a transaction or arrangement.
- d. Has a conflict of interest as defined in Minn. Stat. 124D.10 (See Exhibit 1 hereto for most current version).

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists,

3. Procedures for Addressing the Conflict of Interest.

Unless in conflict with Minn. Stat 124.10 (See Ex.2 hereto) in which event the state shall govern:

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the governing board or committee shall determine whether the Charity can obtain with reasonable efforts a more advantageous transaction or arrangement for a person or entity that would not give rise to a conflict of interest.
 - d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Charity's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
4. Violations of the Conflicts of Interest Policy
- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
 - b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV Records of Proceedings

The minutes for the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V

Compensation

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Charity for services is precluded from voting on matters pertaining to the member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Charity for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Charity, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI

Annual Statements

Each director, principal officer and member of a committee with governing board-delegated powers shall annually sign a statement, which affirms such person:

- a. Has received a copy of the conflict of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Charity is a charitable organization and in order to maintain its federal tax exemption it must engage in activities, which accomplish one or more of its tax-exempt purposes.

**Article VII
Periodic Reviews**

To ensure the Charity operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Charity's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement impermissible private benefit or in an excess benefit transaction.

**Article VIII
Use of Outside Experts**

When conducting the periodic reviews as provided for in Article VII, the Charity may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Review of Conflict of Interest Policy

I have received a copy of the KIPP Minnesota Conflict of Interest Policy and I have read and understand its provisions. I agree to comply with the Policy and will disclose to such Board any interests, which fall within this Policy. I understand the Charity is a charitable organization and in order to maintain its federal tax exemption it must engage in activities, which accomplish one or more of its tax-exempt purposes.

On File in KNSA Office

Signature	Date

Name	Date

Please return to Board Secretary.

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 2.9

NEPOTISM

I. PURPOSE

Charter Schools are required to have a Nepotism Policy. The purpose of this document is to provide KIPP Minnesota policy on nepotism.

II. POLICY STATEMENT

It is the policy of KIPP Minnesota to address the issue of nepotism while ensuring that the school complies with the Minnesota Human Rights Act.

III. DEFINITIONS

- A. “Nepotism” means the inappropriate action regarding appointment, employment, promotion or the advocacy of such action, by a public official in a position to influence directly or indirectly, these personnel decisions.
- B. “Relative” for this policy means an individual who is related to an employee as a father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, grandchild, grandparent, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, half-sister, or legal guardian. It also includes individuals of the same sex or the opposite sex living together in a committed relationship whether married or not.

IV. POLICY

- A. Employees and independent contractors or consultants will be hired based on meeting the objective criteria established by the administration for the position or the contract.

Employees will be hired or dismissed upon a majority vote of school board members.

- B. An employee may not hire, supervise, promote, evaluate or participate in the evaluation of a relative employed by or contracted with the school.

Legal References: Minn. Stat. §124D.10 (Charter Schools)
Minn. Stat. §363A (Human Rights)

Cross Reference: Policy 2.4.1 Conflict of Interest

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 3.1
RECORD RETENTION/DESTRUCTION

I. PURPOSE

KIPP Minnesota must establish a process so that staff may identify records, assess their value and determine how long to keep them in compliance with state requirements concerning record retention and destruction law.

II. POLICY STATEMENT

It is the policy of KIPP Minnesota to fully comply with the state law regarding record retention and destruction.

III. ADOPTION OF GENERAL SCHEDULE

KIPP Minnesota hereby adopts the General Record Retention Schedule for School Districts established by the state Records Disposition Panel pursuant to Minn. Stat. §138.17.

- A. KIPP Minnesota staff is directed to take the steps necessary to notify the State Archives that KIPP Minnesota has officially adopted the general schedule.
- B. KIPP Minnesota staff is also directed to develop a process for retaining and disposing of school records in a manner consistent with that schedule.

Legal References: Minn. Stat. §138.17 (Government Records; Administration)
Minn. Stat. §124D.10 (Charter School Law)

Resources: The schedule is available online at:
www.mnhs.org/preserve/records/retentionsched.html

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 3.2
ADMINISTRATION OF THE MINNESOTA GOVERNMENT DATA PRACTICES ACT

I. PURPOSE

The purpose of this policy of the Board of KIPP Minnesota is to fully comply with the Minnesota Government Data Practices Act (MGDPA).

II. POLICY STATEMENT

This policy will address the appointment of the Responsible Authority, Designee and Data Practices Compliance Official. It will also establish the duties of these officials.

III. APPOINTMENT AND DUTIES OF THE RESPONSIBLE AUTHORITY

A. The Executive Director (“ED”) is hereby appointed by the Board to be KIPP Minnesota Responsible Authority. The Responsible Authority (“RA”) is ultimately responsible for the collection, use, and dissemination of all KIPP Minnesota’s data, and for all of the school’s data practices decisions. The RA must also ensure that the school complies with all of the requirements of the MGDPA and the accompanying rules.

B. The specific duties of the RA are as follows:

1. To prepare access procedures for members of the public and data subjects;
2. To establish procedures to ensure that data on individuals are accurate, complete and current;
3. To establish security safeguards for data on individuals;
4. To establish procedures to ensure that KIPP Minnesota responds to requests for government data appropriately and promptly;
5. To prepare summary data;
6. To apply to the Commissioner of Administration for temporary classification of data;
7. To ensure that KIPP Minnesota complies with the MGDPA and the accompanying rules;
8. To appoint designees;
9. To appoint a Data Practices Compliance Official;

10. To respond to requests for data;
11. To be responsible for files and systems containing government data; and
12. To answer inquiries from the public concerning the MGDPA and the accompanying rules.

IV. APPOINTMENT AND DUTIES OF THE DESIGNEE

- A. The RA may appoint a Designee if appropriate.
- B. The Designee shall help administer and implement the requirements of the MGDPA and the accompanying rules. These duties include:
 1. Receiving and complying with requests for government data;
 2. Answering inquiries from the public concerning the MGDPA and the accompanying rules;
 3. Being in charge of and responsible for individual files or systems containing government data.

V. APPOINTMENT OF THE DATA PRACTICES COMPLIANCE OFFICIAL

- A. The RA may appoint a Data Practices Compliance Official (“DPCO”) if appropriate.
- B. If appointed, the DPCO will receive and respond to questions or concerns about data practices problems, including problems in obtaining access to data that KIPP Minnesota maintains.

Legal References: Minn. Stat. §124D.10 (Charter School law)
Minn. Stat. §13.02 (Compliance with MGDPA)
Minn. Stat. §13.03 (Access Procedures Under MGDPA)
Minn. Stat. §13.05 (Procedures to Ensure Accuracy Under MGDPA)

Resources: Data Practices sample access policies are available at:
www.ipad.state.mn.us/docs/accesspol.html

Adopted: March 15, 2017

Revised: _____

**KIPP MINNESOTA POLICY No. 8.3
CRISIS MANAGEMENT**

I. PURPOSE

The purpose of this policy is to establish the Board’s expectations regarding crisis management.

II. POLICY STATEMENT

It is the intent of the Board of KIPP Minnesota to adopt a crisis management policy that will enable administration and staff to address any and all crises in an orderly and safe manner.

III. ADOPTION OF MODEL CRISIS MANAGEMENT POLICY.

The Board hereby adopts the Model Crisis Management Policy prepared by the Minnesota Department of Education (attached hereto). Administration is directed to review the same and provide the Board with any revisions necessary to adapt the model policy to the specific needs of KIPP Minnesota.

Legal Reference: Minn. Stat. §124D.10 (Charter School Law)
Minn. Stat. §121A.035 (MDE Model Crisis Management Policy)

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 8.5 INSURANCE COVERAGE

I. PURPOSE

The purpose of this policy is to describe the types of insurance KIPP Minnesota shall keep in force and effect.

II. POLICY STATEMENT

It is the policy of the Board of KIPP Minnesota to comply with the provisions in Minn. Stat. § 124D.10 regarding insurance coverage.

III. REQUIRED INSURANCE

The administrative team of KIPP Minnesota shall ensure that the school has the following insurance coverage:

A. Insurance required by authorizer. The types and amounts of insurance liability coverage required by the contract with KIPP Minnesota's authorizer. Any changes in insurance carrier or policy must be provided to KIPP Minnesota's authorizer within 20 business days of the change.

B. Insurance required by statute. Liability insurance for its officers, employees and agents, for damages, including punitive damages, resulting from its torts and those of its officers, employees and agents including torts specified in Minn. Stat. §466.03.

C. Insurance limits. The insurance limits shall be as described in Minnesota Statutes chapter 466.

Legal Reference: Minn. Stat. §124D.10 subd. 6(9) and subd. 20 (Charter School Law)
Minn. Stat. §466

Adopted: March 15, 2017

Revised: _____

**KIPP MINNESOTA POLICY No. 8.6
APPLICABILITY OF NON PROFIT LAW**

I. PURPOSE

The purpose of this policy is to describe the applicability of non-profit law to Minnesota's Charter School Law.

II. POLICY STATEMENT

It is the policy of the Board of KIPP Minnesota to comply with applicable non-profit law to the extent that it does not conflict with the law applicable to charter schools under Minn. Stat. § 124D.10.

III. Minnesota's Non-Profit Law apply to the operation of KIPP Minnesota except to the extent that provisions of Minnesota's Charter School Law conflict with the same. The Board shall ensure that when policies including but not limited to conflict of interest and board governance issues are adopted, such policies shall conform to the more restricted language in Minnesota Statutes section 124D.10.

Legal Reference: Minn. Stat. §124D.10 subd. 4 (Charter School Law)
Minn. Stat. §317A (Non-profit law)

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 8.11

EDUCATION OF HOMELESS and HIGHLY MOBILE STUDENTS POLICY

I. PURPOSE

The Board recognizes that homelessness alone should not be a sufficient reason to separate students from the mainstream school environment. KIPP Minnesota will strive to ensure that homeless students are identified and provided access to the same free and appropriate public education provided to other students in the school system. In accordance with federal and state law and regulations, KIPP Minnesota will provide homeless students with access to the instructional programming that supports achievement of the content standards of Minnesota's Department of Education and to other services for which they are eligible. Students shall not be segregated into a separate school or program based on their status as homeless, nor shall they be stigmatized in any way.

II. POLICY STATEMENT

The Board of KIPP Minnesota recognizes the desirability of having the school's facilities used as much as possible by community groups to promote educational, recreational, cultural and civic activities of the community.

Public school facilities exist primarily for the purpose of serving the educational needs of the youth in the community. No group or organization will be scheduled if the requested use interferes with the regular school programs or school sponsored activities. The Board, or its designee, will determine the most appropriate and available use of the MTS' facility space.

I. DEFINITIONS

A. "Homeless" students are those who lack a fixed, regular, and adequate nighttime residence and include the following:

1. Children and youths who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement.
2. Children and youths who have a primary nighttime residence that is a public or private place not designated for or ordinarily used as regular sleeping accommodation for human beings.

3. Children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings.

4. Migratory children who meet one of the above-described circumstances.

B “School of origin” means the school that the child or youth attended when permanently housed or the school in which the child or youth was last enrolled.

C. “Unaccompanied youth” refers to a youth not in the physical custody of a parent or guardian.

II. ENROLLMENT/PLACEMENT

KIPP Minnesota will collaborate with the families and resident school district and adhere to McKinney Vento in determining the best interest of the child or youth.

If the youth is unaccompanied by a parent or guardian, the homeless liaison will assist in placement and enrollment decisions, with the views of the youth taken into consideration.

The school selected shall immediately enroll the homeless child or youth, even if the child or youth is unable to produce records normally required for enrollment, such as previous academic records, immunization records, evidence of residency, or other documentation.

KIPP Minnesota may require a parent or guardian of a homeless child or youth to provide contact information.

KIPP Minnesota must provide a written explanation, including a statement regarding the right to appeal, to the parent or guardian of the homeless child or youth if KIPP Minnesota sends the child or youth to a school other than the school requested by the parent or guardian.

In the case of an unaccompanied youth, the homeless liaison will provide notice of the right to appeal.

The enrollment office shall contact the school last attended by the child or youth to obtain relevant academic and other records. If the child or youth needs to obtain immunizations or immunization or medical records, the parent or guardian of the homeless child or youth will be referred to the homeless liaison for assistance.

III. ENROLLMENT DISPUTES

If there is a dispute concerning enrollment, the child or youth shall be immediately enrolled in the school in which enrollment is sought, pending resolution of the dispute. The parent or guardian will be provided, in writing, with a written explanation of KIPP Minnesota's decision and the right to appeal the decision.

The homeless liaison shall ensure that an unaccompanied youth is enrolled in school, pending resolution of a dispute.

IV. SERVICES

Homeless students shall be provided services comparable to services available to other students in Network including, but not limited to, transportation services; educational services for which the student meets the eligibility criteria, such as educational programs for disadvantaged students, students with disabilities, gifted and talented students, and students with limited English proficiency; vocational and technical programs; preschool programs; before and after school-care programs; and school meals/nutrition programs.

V. TRANSPORTATION

Homeless students are entitled to transportation to their school where they are enrolled. KIPP Minnesota will coordinate transportation services necessary for the student and will share in the cost of the transportation services equally.

VI. RECORDS

Any records ordinarily kept by the school, including immunization records, medical records, academic records, birth certificates, guardianship records, and evaluations for special services or programs, regarding each homeless student, shall be maintained so that records may be transferred when a student enters a new school system. Access to records will be available to parents and students in accordance with the Family Educational Rights and Privacy Act (FERPA).

VII. HOMELESS STUDENT LIAISON

A The School Social Worker of the appropriate school shall designate an individual to act as KIPP Minnesota's Homeless Student Liaison. KIPP Minnesota shall inform school personnel, service providers and advocates working with homeless families of the duties of KIPP Minnesota's Homeless Student Liaison.

B. The Homeless Student Liaison will be responsible for ensuring that:

1. Homeless children and youths are identified by school personnel and are assisted with coordinating activities with other entities and agencies;
2. Homeless children and youths enroll in and have a full and equal opportunity to succeed within KIPP Minnesota;
3. Homeless families, children, and youths receive educational services for which they are eligible and referrals to health care services, dental services, mental health services, and other appropriate services;
4. The parents or guardians of homeless children and youths are informed of the educational and related opportunities available to their children and are provided with meaningful opportunities to participate in the education of their children;
5. Public notice of the educational rights of homeless children and youths is disseminated where such children and youths receive services, such as schools, family shelters, and soup kitchens;
6. Enrollment disputes are mediated in accordance with law;
7. The parent or guardian of a homeless child or youth, and any unaccompanied youth, is fully informed of all transportation services to and from school.
8. Unaccompanied youths are assisted in placement or enrollment decisions and provided notice of the right to appeal; and
9. Children or youths who need to obtain immunizations or immunization medical records receive assistance.

Adopted: March 15, 2017

Revised: _____

KIPP MINNESOTA POLICY No. 8.1 DISSOLUTION AND CLOSURE

Notes to user:

- *This process is a general one based on nonprofit law and processes outlined by several different authorizers. You should refer to the process specifically outlined in the contract with your authorizer to make certain that you are complying with any additional requirements that authorizer may have.*
- *This process also assumes that you have been advised by your authorizer that the school will need to be closed and the board dissolved.*

I. PURPOSE

The purpose of this policy is to establish the processes that will be followed in the event the school must be closed and the Board dissolved.

II. POLICY STATEMENT

It is the policy of KIPP Minnesota to comply with state law and the school's contract with its authorizer in the event that the school must be closed and the Board dissolved.

III. NOTICE OF INTENT TO DISSOLVE AND DESIGNATION OF WIND UP COMMITTEE

A. Meeting to declare Notice of Intent to Dissolve and Designating Wind Up Committee.

1. **Resolution of Notice of Intent to Dissolve.** As soon as practical after the Board has been notified that the dissolution and closure process must be commenced, the Board will meet to consider and vote on a motion to dissolve. The Motion must pass by a majority of the board members. That resolution will reference and include the plan of distribution of assets.
2. **Agenda.** When the Board is ready to approve this resolution, the board agenda will specifically indicate that the purpose of the meeting is to approve of the dissolution.
3. **Wind Up Committee to be Designated.**
 - a. At the meeting the Board will also designate a wind-up committee to handle the details of the closure.
 - b. The Board will delegate authority to a non-officer (such as the Executive Director or legal counsel) to act as legal representative

in signing the documents for filing required notices and any other documents necessary to wind up the affairs of the corporation.

4. **Filing Notice.** The legal representative will file the appropriate “Notice of Intent to Dissolve” with the Secretary of State and the Attorney General’s office after the resolution has been passed.

IV. GENERAL PROCESSES TO ENSURE ORDERLY CLOSURE.

To ensure orderly closure, the legal representative will also ensure the following:

- A. **Authorizer involvement.** That the authorizer is kept apprised throughout the process.
- B. **Notification of parents, employees and benefit providers.** The legal representative will notify parents, employees and benefit providers of the closure as soon as possible.
- C. **Employee termination date.** The legal representative will determine final termination dates for employees.
- D. **MDE notification.** The Minnesota Department of Education will be notified of the closure as soon as possible.
- E. **Insurance.** The legal representative will ensure that insurance coverage is maintained to protect the assets of the school.
- F. **Records.** The legal representative will have a plan to ensure maintenance and security of all records that is consistent with the school’s records retention policy.
- G. **Segregated fund.** The legal representative will consult with the authorizer to determine how much money should be deposited into a segregated checking account into which funds can be deposited to assist in the closure.

V. DEVELOPMENT OF THE SCHOOL’S WIND UP PLAN.

- A. **Formulation of the wind-up plan.** In order to formulate an appropriate wind-up plan (see III.A.1 above) the following steps will be taken:
 1. A review will be made of all the assets currently available;
 2. An inventory of all assets with item numbers and quantities will be prepared;
 3. All assets encumbered by the terms of a contingent grant, gift or security interest will be identified;
 4. A review will be made of all the school’s debts;
 5. A plan will be drafted that establishes how the school’s debts should be paid and in what order of priority.
- B. **Considerations for determining priority of creditor payments.**
 1. **Wages.** Minnesota law contains significant penalties when public service employers do not make timely wage payments. Thus the wind-up committee will ensure that all outstanding wages are paid.

2. **Special purpose.** Minnesota Non-Profit law also requires the school to determine whether it has assets that were provided for a “special purpose”. The wind up committee must ensure that those assets are used only to pay for the specific purpose.
 3. **Federal funds.** The wind up committee will review the Federal Official Grant Award Notification to determine which federal funds the school may have received. (Federally-purchased property may not be sold to pay creditors, and must either be returned to the Department of Education or distributed for similar use to another eligible entity, depending on the type of program under which funds were received).
 4. **TRA.** The Board must ensure that the Teachers’ Retirement Association obligations are met pursuant to Minnesota Statutes, chapter 354 and the Board will cover staff payroll and benefits as outlined in the school’s employee contracts.
- C. **Determination of priority of creditor payments and distribution plan.**
The school’s plan will, at a minimum provide for the following priorities:
1. Distribution of assets received and held for a special use or purpose as defined by Minnesota Statutes section 317A.735 subd.2;
 2. Payment of costs and expenses of the dissolution proceedings, including attorney fees and disbursements;
 3. Payment of debts, obligations, and liabilities of the school;
 4. Distribution of assets pursuant to articles or bylaws of the school.
- D. **45 Day waiting period.** Filing the Notice of Intent to Dissolve triggers a 45 day waiting period. During that time the school will not transfer or convey any assets.
- E. **Notice to creditors.** After the Notice of Intent to Dissolve has been filed with the Secretary of State, the legal representative should give notice of this filing to each creditor of and claimant against the school, known or unknown, present or future, and contingent or non-contingent.
- i. **Publication of notice.** If notice to creditors and claimants is given, it must be given by publishing the notice once each week for four successive weeks in a legal newspaper in the county where the registered office of the corporation is located and by giving written notice to known creditors and claimants under Minnesota Statutes section 317A.011, subdivision 14.
 - ii. **Contents of notice.** The notice to creditors and claimants must contain:
 - a. a statement that the corporation is in the process of dissolving;

- b. a statement that the corporation has filed a notice of intent to dissolve with the secretary of state;
- c. the date of filing the notice of intent to dissolve;
- d. the address of the office to which written claims against the corporation must be presented; and
- e. the date by which the claims must be received, which is the later of 90 days after published notice or, with respect to a particular known creditor or claimant, 90 days after the date on which written notice is given to that creditor or claimant. Published notice is considered given on the date of first publication for determining this date.

VI. DISTRIBUTION OF ASSETS.

- A. **Collecting and paying debts.** After the waiting period has expired and after creditors have been notified the wind up committee shall, as soon as is reasonably possible, begin to make provision for the collection of debts due or owing to the school and to pay or make provision for the payment of debts, obligations, and liabilities of the corporation according to their priorities under V.B.
- B. **Consideration of creditors' claims.**
 - 1. The Board has 30 days from the receipt of each claim filed according to the procedures set forth by the Board on or before the date set forth in the notice to accept or reject the claim by giving written notice to the person submitting it, a claim not expressly rejected in this manner is considered accepted; and
 - 2. If the Board rejects a claim from a creditor that creditor has 60 days from the date of rejection, or 180 days from the date the corporation filed the notice of intent to dissolve with the secretary of state, or 90 days after the date on which notice was given to the creditor or claimant, whichever is longer, to pursue other remedies with respect to the claim”.
- C. **Closeout of State and Federal Grants.** The wind-up committee will ensure that all state and federal grants have been closed out in accordance with guidance
- D. **Final Distribution of Assets.** The wind-up committee will ensure that any remaining assets are distributed in accordance with the wind-up plan and shall further ensure that any remaining bank accounts are closed and that all credit cards are cancelled.

VII. FILING ARTICLES OF DISSOLUTION AND REMAINING WRAP UP.

- A. **Articles of Dissolution.** After funds have been distributed according to the Board's plan, the Board will approve Articles of Dissolution for filing with the Office of the Secretary of State.
- B. **Reports to Authorizer.** The wind up committee will ensure that any final statements required by the authorizer are provided.
- C. **Audit.** The wind-up committee will ensure that a final financial statement audit prepared and filed.
- D. **Tax documents.** The legal representative will ensure that tax documents are filed as advised by the school's accountant or CPA.as advised by the school's accountant or CPA.

Legal References: Minn. Stat. §124D.10, subd. 16 (Charter school law)

Minn. Stat. § 317A.711; 723; 725; 727; 729; 733; 735; 811 (Non-profit law dissolution provisions)

POLICIES NOT ADOPTED, BUT PROVIDED FOR FUTURE ADOPTION OR GUIDANCE.

Note: This policy has not been officially adopted by KIPP Minnesota and should be used only as a reference guide.

KIPP MINNESOTA POLICY No. 2.1

BOARD ELECTION PROCESS

I. PURPOSE

The Board shall appoint a Board Development Committee that will follow the election procedures described below for the KIPP Minnesota Board of Directors.

II. POLICY STATEMENT

In accordance with the KIPP Minnesota Bylaws and Minnesota law, elections for the Board of Directors will held in June of every year.

III. SELECTING POSSIBLE BOARD CANDIDATES

- A. The Board Development Committee should have to least 1 candidate to present to the Board.
- B. The Board of Directors Nomination Form (*see Attachment A*) should be completed for each candidate.
- C. The Board Development Committee shall present the list of prospective candidates to the Board of Directors.
- D. The Board of Directors must be composed of at least five members who are not related or affiliated with one another, with at least one of each of the following: 1) licensed teachers teaching in the classroom; 2) a parent or legal guardian who is not an employee of KIPP Minnesota; and 3) a community member who is not an employee or parent of KIPP Minnesota.
- E. Immediate family members of school employees are not eligible to serve on the Board.

IV. CONTACTING POSSIBLE BOARD CANDIDATES

- A. Once the Board has chosen the prospective Board candidates the Board Development Committee members will then contact the prospects. The Board Development Committee will use the following materials:
1. A personalized cover letter that informs the prospect of the Board's interest in him/her, a brief description of the recruitment and nominations process, and an invitation to be considered for the KIPP Minnesota Board of Directors (*see Attachment B*).
 2. A copy of the position description that details the roles and responsibilities of a Board Director (*see Attachment C*).
 3. Additional material about the KIPP Minnesota Board and its responsibilities.
 4. A response form that the prospect can return indicating he/she would like more information and/or they want to be considered for the Board of Directors (*see Attachment D*).
 5. A completed background check.
- B. This mailing will be followed by a personal phone call from designated members of the Board Development Committee. This will give Board Development Committee members a chance to respond to any questions that the prospect might have. During this conversation the Board Development Committee member will be able to determine the prospect's level of interest in being considered for the Board of Directors, to invite them to a school function if they are unfamiliar with KIPP Minnesota, and to invite them to talk with administration and other staff.

V. ORIENTATION

- A. The Board Development Committee will then schedule an orientation with all prospective Board Directors who responded to the mailing and phone calls.

In this orientation, the agenda will consist of:

1. Welcome and introductions;
2. Overview of the mission, vision and educational goals of the school;
3. Overview of the roles and responsibilities of the Board of Directors;

4. Review of the individual job description detailing specific expectations (for example, committee work, meeting attendance, involvement in community outreach, etc.);
 5. Opportunity for Board candidates to ask questions; and
 6. Declarations of willingness to serve by the Board candidates.
- B. After the orientation session is completed, individuals who wish to continue in the process, will be asked to fill out the questionnaire that provides some background information (*see* Attachment E). Some of this information can be included in their profiles that will be distributed to all individuals who are eligible to vote (*see* Attachment F). A deadline date to return the questionnaire will be given or it will be sent to them prior to the orientation.

VI. FINAL SELECTION OF CANDIDATES

- A. After the orientation is completed, the Board Development Committee will meet to review all of the individuals who participated.
- B. When reviewing the prospective Board Directors, the Board Development Committee should ask the following questions:
1. Does the candidate appear to be committed to the mission and educational philosophy of KIPP Minnesota?
 2. Can the candidate contribute the time necessary to be an effective Board Director?
 3. Does the candidate possess some of the key skills, knowledge and other assets that match the Board to recruiting priorities?
 4. Does it appear that the candidate can place KIPP Minnesota purposes and interest above their own professional and personal interest when making decisions as a Board Director?

VII. ELECTION

- A. After the Board Development Committee has finished the nomination process, it then will create ballots and other election materials. An outside, independent organization will facilitate the distribution and tabulation of ballots to all eligible voters. Each student's mother and father or legal guardians have one vote, with a maximum of two voters per family; each school employee has one vote.

- B. KIPP Minnesota must notify eligible voters of the Board of Directors' election at least 30 days before the election. No elections will be held during holidays or school breaks. Elections must be held during the school year.
- C. Once all votes are in and tabulated, the new appointed Board of Directors will be notified, sign the Board Member Profile Agreement (see Attachment G), and take their place on the Board of Directors at the Organizational Meeting in [MONTH].

Legal Reference: Minn. Stat. §124D.10 (Charter School Law)