

**ASBSD Board of Directors Meetings
November 17, 2023
Pierre Ramkota RiverCentre
Pierre, SD**

- I. **Call to Order** – President Louann Krogman called the meeting to order at 12:00 p.m. Present were board members, Louann Krogman, Eric Stroeder, Garret Bischoff, Duane Alm, Pam Haukaas, Lisa Snedeker, Shane Roth, Anita Peterson, Amber Vogt, Bishop Troy Carr and Rob Honomichl. Absent were board members: Susan Humiston, Jamie Lindner, Steve Kubik, Marc Murren, Tanya Gray and Julie Schwader. Ellie Saxer joined the meeting via telephone.
- II. **Welcome and Pledge** – President Krogman welcomed the board members and asked the board to please stand and join in the Pledge of Allegiance. Louann welcomed new board member, Bishop Troy Carr, to the board and asked him to briefly introduce himself.
- III. **Approval of Minutes** – Moved by Amber Vogt, second by Lisa Snedeker to approve the minutes of the August 7, 2023 meeting as presented. Motion carried.

IV. Finance

IV.A. Financial Report – Chief Financial Officer, Holly Nagel, reported October 31st marks the end of the first four months of the fiscal year. As of October 31st, we have received \$760,963, or 33.78%, of our revenue budget and expended \$811,360 or 36% of our expenditure budget.

At the same time last year, the Association had total revenue of \$913,720 or 42.25% of our revenue budget while expenditures were \$679,858 or 31.71% of our expenditure budget.

The Unassigned Net Position (Fund Balance) of the Association at the end of October is \$3,735,227 compared to last year at this time of \$3,128,034. Moved by Lisa Snedeker, second by Shane Roth to accept the financial reported as of October 31, 2023 as presented. Motion carried

IV.B. Protective Trust Update – Chief Financial Officer, Holly Nagel, presented the Protective Trust update reporting things were going well and they are beginning the process of setting renewal rates.

IV.C. ASBSD Audit Report – Chief Financial Officer, Holly Nagel, reported Scott Currier, our accountant will be available on Friday at 11:30a.m. for any questions relating to the audit. Holly further reported the audit was clean and the Association is in good financial standing. Moved by Pam Haukaas, second by Duane Alm to accept the audit report as presented. Motion carried.

ASBSD 2023 Form 990 – Moved by Amber Vogt, second by Shane Roth to accept the 990 and 990T as presented. Motion carried.

V. Advocacy

V.A. Delegate Assembly

B. Local Governance

10. Safe Schools Resources –

RESOLUTION

ASBSD supports additional State, Federal and local resources and funding for schools to create a safe learning environment for all students in K-12 public schools, so long as the resources and funding are not accompanied by a mandate that bypasses the local control decision making of a school board. Moved by Anita Peterson, second by Duane Alm to accept Resolution as presented. Motion carried.

22. School Board Policy Language In State Law

RESOLUTION

ASBSD opposes legislation requiring specific language school boards must implement in their local policies. Moved by Lisa Snedeker, second by Anita Peterson to accept Resolution as presented. Motion carried.

D. Taxation

4. Tax Collection Administrative Fee

RESOLUTION

ASBSD opposes legislation imposing a fee on local school districts to be paid to another local government entity for collecting and distributing property taxes. Moved by Lisa Snedeker, second by Rob Honomichl to accept Resolution as presented. Motion carried.

Madison Central School District proposed Resolution

C13. State-Funded Undergraduate Education Scholarship Program

RESOLUTION

ASBSD Supports a state-funded program for an undergraduate scholarship for education majors in each K-12 education certification area who enroll in South Dakota Board of Regent Universities. Moved by Bishop Troy Carr, second by Amber Vogt to accept Resolution as presented. Motion carried.

C14. State-Funded Teach for South Dakota Academy

RESOLUTION

ASBSD supports the creation of a state-funded Teach for South Dakota Academy, as well as a stipend program, for public school teachers holding a preliminary alternative certification or an alternative certification to assist in their completion of requirements for full certification. Moved by Eric Stroeder, second by Pam Haukaas to accept Resolution as presented. Motion carried. Amber Vogt voted no.

V.A. Delegate Assembly Priorities – ASBSD legislative priorities in no particular order were presented: B4. Public Funding for Non-Public Education; B19. Parent and Guardian Rights and Responsibilities; B20. School, Instructional and Library Materials Review; C6. Increasing State Aid; D3. Property Tax Reduction or Repeal. Moved by Amber Vogt, second by Rob Honomichl to accept the priorities as presented. Motion carried.

VI. Directors Report – Dr. Wermedal shared the following:

- a) Jacob Boyko has been hired as an intern to work from January 3 – July 4th
- b) Space on the third floor has been leased to UJS

- c) Wednesdays with Wermedal were well attended and the work of school boards is in good hands
- d) Highlights and Insights – revamped newsletter is being prepared to be launched
- e) ASBSD and Dakota Ed will be hosting a leadership course for school board members

VII. Board Engagement Webinar Planning – Dr. Wermedal led the discussion on plans for the Sunday evening board engagement meetings. The preliminary dates are December 3 and December 10 with the starting times of 6 and 8 p.m. Central time.

VIII. Policy Changes

VIII.A. Policy AEE – Publications – Moved by Amber Vogt, second by Lisa Snedeker to approve changes to Policy AEE - Publications as presented. Motion carried. Attachment 1

VIII.B. Policy BD – The Role of the ASBSD Board – Moved by Shane Roth, second by Rob Honomichl to approve changes to Policy BD – The Role of the ASBSD Board as presented. Motion carried. Attachment 2

VIII.C. Policy DFA – Investment Policy and Standards – Moved by Amber Vogt, second by Duane Alm to approve changes to Policy DFA – Investment Policies and Standards. Motion carried. Attachment 3

IX. NSBA Report – Eric Stroeder briefly reported on the National School Boards activities. Eric advised the overall organization has been downsized to twenty employees. NSBA has planned a Rural Education Virtual Summit, scheduled for December 13, the cost is free and he invited board members to attend. The advocacy portion of NSBA is outsourced to a PR6 group in Washington. Summer Leadership will be held in Detroit, Michigan.

X. Good News – President Krogman thanked the board members for their hard work and asked they please briefly share their Good News.

Shane Roth – DeSmet's enrollment has increased by 26 students. New elementary is coming along nicely and will be fully enclosed before snow flies. The electric bus is not working out as anticipated.

Lisa Snedeker – The new reading program implemented has been a success with the reading performance of the students improving. Elementary "Flight School" program is a success.

Anita Peterson – Haakon school district's enrollment is also up. Their football and volleyball coaches were selected as "Coach of the Year" by their peers. Their Cross-Country Coach was selected All-Academic. Floriculture State Champions will be representing Philip High at the National FFA Convention that took place in Indianapolis.

Pam Haukaas – New school addition is fully enclosed. They have successfully completed Plans of Improvement for both reading and math.

Rob Honomichi – Madison Central's enrollment is up. Roofing project on the middle school is complete and the Madison culinary class is once again doing fantastic things.

Amber Vogt – The Lead-Deadwood district passed DOE's 5 year review. A "wellness day" for personal well-being has been implemented in the district. Middle School and High School students are working with Sanford Labs on sharing resources for labs.

Bishop Troy Carr – New web page is complete with a space available for board president to write. The new south middle school is 80% complete. A General Beadle Elementary School educator was named Crazy Horse Memorial Educator of the Year. Black Hawk's Music Teacher was named Outstanding Young Music Educator.

Eric Stroeder – Mobridge teacher was a finalist for Teacher of the Year. Mobridge Robotics team going to Denver for competition. Website shows new track complex.

Duane Alm – Veteran's Program was well attended, Senator Rounds spoke and elementary schools performed three songs. Board members are planning on a pre-legislative meeting with their legislators.

Louann Krogman – Veteran program was presented a day early with every level participating in some way. District is having discussions on a new building.

Garret Bischoff – Huron's enrollment is up. Huron Education is in its first year and board travelled to Aberdeen to tour their foundation. Preschool is in its second year and DOE stated that are a model school for a preschool. District building projects are finalized. Facility planning for addition to CTE building is being discussed.

XI. Other Business – No other business

XII. Adjournment – Moved by Garret Bischoff, second by Bishop Troy Carr to adjourn meeting. Motion carried.

PUBLICATIONS

To keep board members and administrators throughout the state informed on matters of educational interest, the Association will research, create and disseminate information that supports association goals. ASBSD publications should leverage technology, to the fullest extent possible, to maximize effectiveness and efficiency in association communications. Publications shall be reviewed by ASBSD staff annually to make sure they are accomplishing intended purpose.

DATE APPROVED: 08-08-79

DATE REVISED: 04-27-91; 02-01-94; 08-08-01; 04-17-04; 01-25-06; 11-17-07; 11-20-14; 11-16-23

The Role of the ASBSD Board

The purpose of the ASBSD Board of Directors, on behalf of the members, is to govern the Associated School Boards of South Dakota with a strategic and continuous improvement perspective while focusing on ASBSD's vision, mission and beliefs.

The governing body of the Association shall be a Board of Directors consisting of at least sixteen members who are duly elected board members of a member board of this Association. Directors shall be representative of the school districts from the Central Region; Northeast Region; Southeast Region; and Western Region. Directors from each region will represent member districts in assigned enrollment categories as follows: one from a school district in the enrollment category of 1400 – 9999 students; one from a school district in the enrollment category of 700 – 1399 students; one from a school district in the enrollment category of 266 – 699 students; and one from a school district in the enrollment category of 265 & Under students. In addition, each school district with an enrollment of 10,000 students or more will have a seat on the Board of Directors. Representatives of school districts in the category of 10,000 or more students shall be elected by their local school boards for a one year term, from August 1 to July 30. Only school board members elected from the four regions and the board members elected for the one year term by the school boards in the category of 10,000 or more students may serve on the Board of Directors; no substitutions permitted. Should a board member who has been elected for the one year term by a school board in the category of 10,000 or more students cease to be on the local school board, the school board may elect another school board member to serve the balance of the one year term. The Board of Directors will review and adjust school districts in each region every three years with adjustments made based on student enrollments.

The board represents ASBSD members by determining and demanding appropriate organizational performance. The board's main outcomes focus on:

1. Acting as a link between the organization and members;
2. Producing written governing policies that, at the broadest levels, address major areas of organizational decision;
3. Hiring the executive director and producing assurance of his or her performance as an indication of organizational performance.

In performance of governance responsibilities:

1. The board will use governance leadership to produce:
 - a. Progress toward the ASBSD's vision, mission and strategic plan;
 - b. Greater support for public education;
 - c. Improved achievement in all students' learning.
2. The board will model school board development through continuous learning and applying what is learned.
3. The board will be an effective team, whose members' value, reinforce, and challenge each other.

4. The board will be made up of elected leaders who will represent the best interests of all school board members and students within their region while helping to accomplish the association's Mission at local, state, regional and national levels by:
 - a. Regular participation in association activities;
 - b. Being an ambassador for school board leadership and ASBSD;
 - c. Open communications with school boards, board members and districts;
 - d. Preparing for and accepting leadership responsibilities.
5. The board's governance style will emphasize vision, encourage diverse viewpoints, provide strategic leadership, distinguish the roles of board and executive director, make collective decisions, and be future-oriented and proactive.
6. The board will assess its own members on attendance, preparation, respecting roles, and continual board development. Each meeting the board will monitor its progress and results.

Members of the ASBSD Board of Directors are expected to:

1. Regularly participate in meetings of the ASBSD Board of Directors, which normally occur five times per year in Pierre, South Dakota;
2. Serve in their official role as a region director at the ASBSD Region Meetings, which are held annually in various locations within each of ASBSD's four regions;
3. Attend other meetings and seminars in which ASBSD Board Members operate in an official capacity.

DATE APPROVED: 8-8-79

DATE REVISE: 8-14-97; 10-11-03; 11-16-07; 01-10-09, 02-20-2017; 11-16-23

INVESTMENT POLICIES AND STANDARDS

**INVESTMENT POLICY STATEMENT FOR ASSOCIATED SCHOOL
BOARDS OF SOUTH DAKOTA**

Purpose

The purpose of this Statement is to establish a clear understanding of the investment policies and objectives of the Associated School Boards of South Dakota (ASBSD).

This Statement establishes policies and restrictions to be placed on investments. However, these are not intended to impede efforts to attain the overall objectives of the Association. The ASBSD gives the Investment Managers or Executive Director discretion in investment selection and diversification for the purposes of increasing returns or reducing risk exposure. The ASBSD also gives the Investment Managers or Executive Director responsibility to shift the Association's asset commitment among securities and market sectors to pursue opportunities presented by secular changes within the capital markets.

Investment Guidelines

The Association's assets must be invested with the care, skill and diligence that a prudent investor acting in this capacity would use to comply with controlling statutes governing this type of plan.

The greatest concerns should be generating income and modest principal growth. The ASBSD understands that fluctuating rates of return are characteristic of the securities markets. Portfolio risk levels should be established and maintained to meet the objectives set forth in this policy.

Objectives Standards

The Investment Manager's primary objective should be to provide income and principal growth through a diversified portfolio of investments. The primary benchmark for comparing performance will comprise of 60% S&P, 1500 and 40% Barclay's US Aggregate Bond index. As a secondary objective, the Managers should seek to provide net average annual returns exceeding the Consumer Price Index by at least 1% annually over a rolling three-year time period.

Securities Classes

Fixed Income Securities

Investments in fixed income securities shall be managed actively to pursue opportunities presented by the capital markets. The Investment Managers should choose from U.S. Government bills, notes and bonds; U.S. Government agency securities, high-grade corporate bonds, and insured certificates of deposit. Maximum maturity of any security shall be ten years. Effective duration of the portfolio shall be limited to five years or less.

No single security shall comprise more than 10% of the total portfolio.

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Corporate bonds must be rated BBB or better by Moody's or Standard & Poor's. Mutual funds investments are allowed provided that the ASBSD, by prospectus, adheres to the specifications listed above.

South Dakota School District Bonds

The Investment Managers will discuss with the Executive Director and Chief Financial Officer all new South Dakota school district bond issues to determine if appropriate for investment by the ASBSD investment account.

Equity Securities

The Investment Manager will utilize ETFs (Exchange Traded Funds) and Mutual Funds to gain exposure to the Equity markets in the investment account. The ETFs and Mutual Funds will be regularly monitored by the investment manager and a thorough review will be completed annually by the investment committee.

Cash Equivalents

The investment Managers or Executive Director may invest in commercial paper, repurchase agreements, Treasury Bills, certificates of deposit and money market funds to provide income, liquidity for expense payments, and preservation of the fund's principal value. All such assets must represent maturities of less than one year at the time of purchase. Commercial paper assets must be rated A-1 or P-1 by Standard and Poor's and Moody's respectively. The Investment Managers may not purchase short-term financial instruments with speculative characteristics (uncertainty of principal and/or interest). The Investment Managers also may not invest more than 5% of the Association's market value in the obligations of a single issuer with the exception of the U.S. Government and its fully-guaranteed agencies.

The Investment Managers or Executive Director is prohibited from investing in private placements, common and preferred stock, short sales margin transactions, options and futures contracts and other derivative securities.

Asset Allocation

The Client (ASBSD) expects the Association's asset allocation policies to reflect the investment objectives and risk tolerances expressed throughout this Statement. Ranges of allowable investment within the asset classes cited above are herein specified:

| Asset | Minimum | Maximum |
|----------------------------|---------|---------|
| Cash Equivalents | 2% | 20% |
| Corporate Bonds | 0% | 40% |
| School Bonds | 0% | 10% |
| Certificates of Deposit | 0% | 75% |
| U.S. Government Securities | 0% | 40% |
| Agency Securities | 0% | 25% |
| Equities | 0% | 70% |

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Communications

Unless otherwise requested, the Investment Managers or Executive Director must furnish the Client with a quarterly account review detailing investment performance (time-weighted), portfolio holdings, and the market value. The ASBSD must receive timely information about changes in any investment philosophy, management, ownership, and key personnel.

Meetings between ASBSD and the Investment Manager will be held on an annual basis. They will cover the following topics:

1. The Managers' investment performance and risk levels, in light of the stated policies and objectives.
2. The Investment Managers' views on important developments within the economy and the securities markets, as well as their potential effect on investment strategy, asset allocation, and fund performance.
3. Changes in the Investment Managers' organization, professional staff, investment style, investment process, and brokerage practices; and the effects on investment philosophy, strategy, and performance.
4. Amendments to the Statement's policies and objectives.

The ASBSD may call more frequent meetings if significant concerns arise about the Managers' investment strategy or performance, or if key changes occur in the Managers' personnel or organizational structure.

Acknowledgments

By acknowledging in writing the receipt of this statement, the Investment Managers agree to its terms and conditions. Should the Managers believe at any time that changes, additions, or deletions to this statement are advisable, he will be responsible for communicating these in writing for review.

This Statement shall be reviewed on an annual basis. Any modifications to this policy shall be reviewed with the Investment Managers prior to implementation.