

# ***Red Oak Community School District***

***604 S Broadway***

***Red Oak, Iowa 51566***

***712.623.6600***

**[www.redoakschooldistrict.com](http://www.redoakschooldistrict.com)**

## **Regular Board of Directors Meeting**

Meeting Location: Red Oak Jr./Sr. Virtual Learning Center OR

VIA Internet and Phone – visit website for information

**GoToMeeting Link: <https://meet.goto.com/281407821>**

Wednesday, March 25, 2026 – 5:30 p.m.

## **Agenda**

### **Public Hearing on FY 2027 Proposed Tax Notice at Approximately 5:35 p.m.**

- 1.0 Call to Order – Board of Directors President Bret Blackman
- 2.0 Roll Call – Board of Directors Secretary Heidi Harris
- 3.0 Approval of the Agenda – President Bret Blackman
- 4.0 Communications
  - 4.1 Public Comment

The board invited members of the public to offer comments about items of interest or concern relating to the district. Public comments are limited to two (2) minutes. The Board will not respond to comments at this time, but may consider public input when the topic is raised on the agenda. Due to open meeting laws, the Board cannot discuss items not already on the agenda.
  - 4.2 Good News from Red Oak Schools
  - 4.3 Visitors and Presentations
- 5.0 Consent Agenda
  - 5.1 Review and Approval of Minutes from February 18 and March 6, 2026 Board Meetings.
  - 5.2 Review and Approval of Monthly Business Reports
  - 5.3 Personnel Considerations
    - 5.3.1 Hiring of Austin Duysen for Weight Training Sponsor at Jr/Sr High School for the 2026-2027 School Year
    - 5.3.2 Hiring of Ashlyn Blackman as Elementary Classroom Teacher at Inman for the 2026-2027 School Year
    - 5.3.3 Hiring of Roger Vannausdle as Facilities Director for the 2026-2027 School Year
    - 5.3.4 Hiring of Alec Ruskell as Sr High School Softball Coach Effective for the 2025-2026 School Year
    - 5.3.5 Approval of Josie McCunn as Sr High School Volunteer Assistant Softball Coach for the 2025-2026 School Year

- 5.3.6 Hiring of Tristin Johnson as Sr High School Baseball Coach Effective for the 2025-2026 School Year
- 5.3.7 Resignation of Dillon Wiser as Elementary Classroom Teacher at Inman Effective at the End of the 2025-2026 School Year
- 5.3.8 Resignation of Josie Wiser as Elementary Classroom Teacher at Inman Effective at the End of the 2025-2026 School Year
- 5.3.9 Resignation of Dillon Wiser as Jr High School Boys Track Coach Effective at the End of the 2025-2026 School Year
- 5.3.10 Resignation of Dillon Wiser as Sr High School Assistant Wrestling Coach Effective at the End of the 2025-2026 School Year
- 5.3.11 Resignation of Dillon Wiser as Jr High School Wrestling Coach Effective at the End of the 2025-2026 School Year
- 5.3.12 Resignation of Josie Wiser as Sr High School Assistant Large Group Speech Sponsor Effective at the End of the 2025-2026 School Year
- 5.3.13 Resignation of Josie Wiser as Sr High School Assistant Small Group Speech Sponsor Effective at the End of the 2025-2026 School Year
- 5.3.14 Resignation of Laura Horn as Sr High School Small Group Speech Sponsor Effective at the End of the 2025-2026 School Year
- 5.3.15 Resignation of Laura Horn as Sr High School Large Group Speech Sponsor Effective at the End of the 2025-2026 School Year
- 5.3.16 Resignation of Alec Ruskell as Sr High School Softball Assistant Coach Effective Immediately
- 5.3.17 Resignation of Emilie Binns as ROECC Paraprofessional Effective Immediately
- 5.3.18 Resignation of Melanie Rohrig as National Honor Society Sponsor Effective at the End of the 2025-2026 School Year
- 5.3.19 Resignation of Melanie Rohrig as Sr High School Prom Sponsor Effective at the End of the 2025-2026 School Year
- 5.3.20 Resignation of Tristin Johnson as Sr High School Assistant Baseball Coach Effective Immediately
- 5.3.21 Resignation of Bryan Brazeal as Sr High School Assistant Bowling Coach Effective at the End of the 2025-2026 School Year
- 5.3.22 Resignation of Rocky Rocha as Jr High School Football Coach Effective at the End of the 2025-2026 School Year
- 5.3.23 Resignation of Dillion Rocha as Jr High School Assistant Football Coach Effective at the End of the 2025-2026 School Year
- 5.3.24 Resignation of Rocky Rocha as Jr High School Boys Basketball Coach Effective at the End of the 2025-2026 School Year
- 5.3.25 Resignation of Dillion Rocha as Jr High School Boys Basketball Coach Effective at the End of the 2025-2026 School Year
- 5.3.26 Resignation of Donovan Rocha as Jr High School Assistant Football Coach Effective at the End of the 2025-2026 School Year
- 5.4 Open Enrollment Requests to Iowa Virtual School
  - 5.4.1 Denial of Open Enrollment for 1st grader from Davenport Community School District to Iowa Virtual School Due to a Lack of Appropriate Programming or Supports

- 5.4.2 Denial of Open Enrollment for 8th grader from Dike New Hartford Middle School to Iowa Virtual School Due to a Lack of Appropriate Programming or Supports
- 5.4.3 Denial of Open Enrollment for 6th grader from Hartley-Melvin-Sanborn Community School District to Iowa Virtual School Due to a Lack of Appropriate Programming or Supports
- 5.5 Contract Renewals, Service Agreements, and Memorandums of Understanding
  - 5.5.1 Renewal of Iowa Local Government Risk Pool (LGRP) Program Participation Agreement (i.e., Education Energy Group Program)
  - 5.5.2 Renewal of Head Start Program Agreement with West Central Community Action for the 2025-2026 School Year (Not to Exceed \$81,000)
  - 5.5.2 Approval of 2026-2027 Concurrent Enrollment (i.e., College Credit) Courses and Career and Technical Education Programs with Southwestern Community College (SWCC)
  - 5.5.3 Memorandum of Understanding with Green Hills AEA for Requested Services and Supports for the 2026-2027 School Year
  - 5.6.4 Memorandum of Understanding with Montgomery County Fair Board
- 6.0 General Business for the Board of Directors
  - 6.1 Old Business
  - 6.2 New Business
    - 6.2.1 Discussion/Approval of FY 2025 Independent Audit Report
    - 6.2.2 Discussion/Approval of 2026–2027 Wage and Salary Increases for Support Staff and Administrative Personnel, and Issuance of Letters of Assignment, Administrative Contracts, and Supplemental Contracts
    - 6.2.3 Discussion/Approval of Eliminating Activities Supervisor Stipends and Replacing them with an Assistant Activities Director Stipend for the 2026-2027 School Year
    - 6.2.4 Discussion of Proposed Budget in Light of Recent Legislative Changes
- 7.0 Reports
  - 7.1 Administrative
  - 7.2 Future Conferences, Workshops, Seminars
  - 7.3 Other Announcements
  - 7.4 Board Member Requested Item(s) for Next Meeting Agenda
- 8.0 Closed Session - Superintendent Performance Evaluation Pursuant to Iowa Code Section 21.5(1)(i)
- 9.0 Next Board of Directors Meeting:
 

Wednesday, April 15, 2026 – 5:30 pm  
Red Oak Virtual Learning Center  
Red Oak Jr/Sr High
- 9.0 Adjournment

**Red Oak Community School District  
Regular Meeting of the Board of Directors  
Meeting Location: Virtual Classroom/ Phone/Internet  
Red Oak Junior Senior High School Campus  
February 18, 2026**

The regular board meeting of the Board of Directors of the Red Oak Community School District was called to order by Vice President Scott Bruce at 5:30 p.m. at the Red Oak Junior Senior High School Virtual Classroom.

**Present**

Directors: Bret Blackman (arrived at 5:38 p.m.), Bryce Johnson, Scott Bruce, Pastor Ricky Rohrig (remote), and Kelly Carlson-Osheim.

Superintendent Ron Lorenz, Board Secretary/Business Manager, Heidi Harris, Leanne Fluckey, Curriculum Coordinator

**Approval of Agenda**

Motion by Director Johnson, second by Director Carlson-Osheim to approve the agenda with the order of agenda items at the discretion of the meeting chair. Motion carried unanimously.

**Public Hearing on Proposed 2026-2027 District Calendar**

Vice President Bruce opened the public hearing on the proposed 2026-2027 District Calendar at 5:34 p.m. Superintendent Ron Lorenz presented the proposed 2026-2027 District Calendar. There were no public comments. The public hearing was closed at 5:38 p.m.

**Good News**

Superintendent Ron Lorenz presented the Red Oak Community School District's good news.

**Consent Agenda**

Motion by Director Bruce, second by Director Carlson-Osheim to approve the consent agenda as presented including meeting minutes, business reports, personnel considerations, fundraisers, service quotes/agreements, and Iowa Virtual open enrollments. Motion carried unanimously.

**Board Policies 403 -406**

Motion by Director Carlson-Osheim, second by Director Bruce to approve the second reading of Board Policies 403-406. Motion carried unanimously.

**Board Policy 501.9**

Motion by Director Johnson, second by Director Bruce to approve the first reading of Board Policy 501.9 and waive subsequent readings. Motion carried unanimously.

**2026-2027 District Calendar**

Motion by Director Carlson-Osheim, second by Director Bruce, to approve the proposed 2026-2027 District Calendar. Motion carried unanimously.

**2026-2027 Medical and Ancillary Health Insurance Renewal**

Motion by Director Bruce, second by Director Carlson-Osheim to approve the renewal of the 2026-2027 medical and ancillary health benefits through Mercer/Iowa Educator Group Insurance Trust (i.e. Wellmark). Motion carried unanimously.

**District Phone System**

Motion by Director Johnson, second by Director Rohrig to approve the purchase of a new District phone system for approximately \$9,000. Motion carried unanimously.

**Phone Hardware Purchase**

Motion by Director Carlson-Osheim, second by Director Bruce to approve the purchase of new phone hardware for approximately \$13,803.25. Motion carried unanimously.

**2026-2027 District Dropout Prevention Plan**

Motion by Director Bruce, second by Director Johnson to approve the FY2026-2027 Dropout Prevention Plan. Motion carried unanimously.

**RFP for Food Service Company**

Motion by Director Johnson, second by Director Carlson-Osheim to approve the issuance of a request for proposal (RFP) for a food service management company in compliance with federal regulations and approved by the Iowa Department of Education. Motion carried unanimously.

**Maximum Proposed Certified Budget Property Tax Rate**

Motion by Director Bruce, second by Director Carlson-Osheim to approve the proposed FY2027 certified budget maximum property tax rate at \$15.56. Motion carried unanimously.

**Adjournment**

Motion by Director Johnson, second by Director Carlson-Osheim, to adjourn the regular meeting at 6:37 p.m. Motion carried unanimously.

**Next Board of Directors Meeting**

Wednesday, March 25, 2026 – 5:30 p.m.  
Virtual Classroom/Phone/Internet  
Red Oak Junior Senior High School Campus

---

Bret Blackman, President

---

Heidi Harris, Board Secretary

**Exempt Session**

The Board entered an exempt session to discuss negotiation strategy for the upcoming contract discussions with the Red Oak Education Associate Per Iowa Code section 20.17(3).

**Red Oak Community School District  
Special Meeting of the Board of Directors  
Meeting Location: Virtual Classroom/ Phone/Internet  
Red Oak Junior Senior High School Campus  
March 6, 2026**

The special board meeting of the Board of Directors of the Red Oak Community School District was called to order by President Bret Blackman at 7:30 a.m. The meeting was held remotely.

**Present**

Directors: Bret Blackman, Bryce Johnson, Scott Bruce, Pastor Ricky Rohrig, and Kelly Carlson-Osheim.

Superintendent Ron Lorenz, Board Secretary/Business Manager, Heidi Harris, Leanne Fluckey, Curriculum Coordinator

**Approval of Agenda**

Motion by Director Bruce, second by Director Carlson-Osheim to approve the agenda with the order of agenda items at the discretion of the meeting chair. Motion carried unanimously.

**Red Oak Education Association Master Contract for 2026-2027**

Motion by Director Carlson-Osheim, second by Director Rohrig to approve the Red Oak Education Association Master Contract and the issuance of Individual Teacher Contracts for the 2026-2027 school year. Motion carried unanimously.

**E-Rate Proposal Category I Internet and Transparent LAN Services**

Motion by Director Johnson, second by Director Rohrig to approve the E-Rate proposal for Category I Internet and Transparent LAN services for the 2026-2027 through 2030-2031 school year (5-year agreement). Motion carried unanimously.

**E-Rate Proposal Category I Internet Services for Outdoor Learning Complex**

Motion by Director Rohrig, second by Director Carlson-Osheim, to approve the E-Rate proposal for Category I Internet services for the Outdoor Learning Complex (i.e. Football Stadium) for the 2026-2027 through 2028-2029 school year (3-year agreement). Motion carried unanimously.

**E-Rate Proposal Category II Network Equipment Licensing**

Motion by Director Bruce, second by Director Carlson-Osheim to approve the E-Rate proposal for Category II network equipment licensing. Motion carried unanimously.

**Adjournment**

Motion by Director Johnson, second by Director Carlson-Osheim, to adjourn the special meeting at 7:37 a.m. Motion carried unanimously.

**Next Board of Directors Meeting**

Wednesday, March 25, 2026 – 5:30 p.m.  
Virtual Classroom/Phone/Internet  
Red Oak Junior Senior High School Campus

---

Bret Blackman, President

---

Heidi Harris, Board Secretary

Vendor Name	Invoice Number	Amount
Account Number	Detail Description	Amount
Checking Account ID 1	Fund Number 10	OPERATING FUND
AGTAC SERVICES, LLC	3733	33,894.64
10 9010 2630 000 0000 340	March Janitorial	33,894.64
AGTAC SERVICES, LLC	3802	4,489.54
10 9010 2620 000 0000 618	Janitorial Supplies	4,489.54
Vendor Name AGTAC SERVICES, LLC		<u>38,384.18</u>
AHLERS & COONEY	907849	447.00
10 9010 2310 000 0000 342	Professional Services	447.00
Vendor Name AHLERS & COONEY		<u>447.00</u>
ALLENSWORTH HEATING & COOLING	182211-1	88.50
10 0445 2620 000 0000 432	Mini Split	88.50
Vendor Name ALLENSWORTH HEATING & COOLING		<u>88.50</u>
ALPHA SCHOOL	13634	4,484.00
10 9010 1200 217 3303 580	Sped Services Feb 2026	4,484.00
Vendor Name ALPHA SCHOOL		<u>4,484.00</u>
AMAZON CAPITAL SERVICES, INC.	14x6-9vnk-914d	79.99
10 0418 1000 100 8001 612	PTO Supplies	79.99
AMAZON CAPITAL SERVICES, INC.	1CLM-XXWM-MFTQ	59.99
10 0109 2620 000 0000 618	toilet parts	59.99
AMAZON CAPITAL SERVICES, INC.	1DFP-WF4M-7FTL	91.98
10 0109 2620 000 0000 618	hanging outlet box	91.98
AMAZON CAPITAL SERVICES, INC.	1DTN-KDVG-LKQY	814.06
10 0418 1200 431 4501 618	Title Supplies	814.06
AMAZON CAPITAL SERVICES, INC.	1M3M-4CDR-HH1R	38.00
10 0109 2410 000 0000 611	staples for copier	38.00
AMAZON CAPITAL SERVICES, INC.	1YLM-MC4J-QDGW	39.99
10 9010 2235 000 0000 618	Logitech Wireless Mouse	39.99
AMAZON CAPITAL SERVICES, INC.	1YQL-PF67-3PXD	235.85
10 0445 1000 420 3233 618	Shared Vision Pk Supplies	235.85
Vendor Name AMAZON CAPITAL SERVICES, INC.		<u>1,359.86</u>
CAM COMMUNITY SCHOOL DISTRICT	Sped-SEM1-2526	6,478.20
10 9010 1200 211 3301 567	Sped lvl 1	6,478.20
Vendor Name CAM COMMUNITY SCHOOL DISTRICT		<u>6,478.20</u>
CASEY'S BUSINESS MASTERCARD	Fuel-Feb2026	35.32
10 9010 2700 000 0000 626	Activities Fuel - February	35.32
Vendor Name CASEY'S BUSINESS MASTERCARD		<u>35.32</u>
CHEMSEARCH	9527372	531.16
10 0418 2640 000 0000 433	IES Boiler	531.16
CHEMSEARCH	9533398	531.93
10 0109 2640 000 0000 433	HS Boiler	531.93
Vendor Name CHEMSEARCH		<u>1,063.09</u>

Vendor Name	Invoice Number	Amount
Account Number	Detail Description	Amount
CITY OF RED OAK	WaterFebruar y2026	1,660.72
10 0109 2620 000 0000 411	HS Water	568.35
10 0418 2620 000 0000 411	IES Water	617.51
10 0445 2620 000 0000 411	ROECC Water	359.72
10 9010 2620 000 0000 411	Admin/Bus Barn/BB/BBF	115.14
Vendor Name CITY OF RED OAK		<u>1,660.72</u>
CLAYTON RIDGE COMMUNITY SCHOOL DISTRICT	OE-SEM1-2526	8,535.25
10 9010 1000 130 3116 567	TLC	385.29
10 9010 1000 100 0000 567	OE	7,988.00
10 9010 1000 100 3376 567	PD	77.52
10 9010 1000 100 3216 567	EIC	84.44
Vendor Name CLAYTON RIDGE COMMUNITY SCHOOL DISTRICT		<u>8,535.25</u>
COUNCIL BLUFFS COMM SCHOOLS	20260311	26,596.95
10 9010 1200 217 3303 320	Sped LvL 3	26,596.95
Vendor Name COUNCIL BLUFFS COMM SCHOOLS		<u>26,596.95</u>
CREXENDO BUSINESS SOLUTIONS, INC	324587	1,477.22
10 9010 2510 000 0000 532	Interenet Phone	1,477.22
Vendor Name CREXENDO BUSINESS SOLUTIONS, INC		<u>1,477.22</u>
DAILY NONPARIEL	SITP3W5V- 0001	140.02
10 9010 2572 000 0000 540	PUBLICATIONS	140.02
Vendor Name DAILY NONPARIEL		<u>140.02</u>
DES MOINES STAMP MFG. CO.	1258446	59.15
10 0445 1000 420 3233 618	2 Signature stamps for Jane	59.15
Vendor Name DES MOINES STAMP MFG. CO.		<u>59.15</u>
FAREWAY FOOD STORES	20260223	94.23
10 0109 1300 340 0000 612	facs-groceries	94.23
FAREWAY FOOD STORES	20260312	33.75
10 0109 1300 340 0000 612	facs-groceries	33.75
Vendor Name FAREWAY FOOD STORES		<u>127.98</u>
FILTER SHOP, THE	273129	779.24
10 9010 2620 000 0000 618	air filters	779.24
Vendor Name FILTER SHOP, THE		<u>779.24</u>
FIRST BANKCARD - HH	20260313	260.00
10 0109 1000 100 0000 320	Iowa WBL Conference Registration	260.00
FIRST BANKCARD - HH	bouncie	89.35
10 9010 2700 000 0000 652	Bouncie Monthly Renewal	89.35
Vendor Name FIRST BANKCARD - HH		<u>349.35</u>
FIRST BANKCARD - OFFICE CARD 1	20260313	208.70
10 9010 2310 000 0000 320	Notary Renewal	208.70
FIRST BANKCARD - OFFICE CARD 1	20260313-	276.97

Vendor Name	Invoice Number	Amount
Account Number	Detail Description	Amount
	0001	
10 9010 2310 000 0000 320	Notary Association Fee	276.97
Vendor Name FIRST BANKCARD - OFFICE CARD 1		485.67
FIRST BANKCARD - OFFICE CARD 2	20260313-0002	59.77
10 0109 2620 000 0000 618	hvac duct repair plywood	59.77
Vendor Name FIRST BANKCARD - OFFICE CARD 2		59.77
FIRST BANKCARD - OFFICE CARD 3	20260313	264.90
10 9010 2620 000 0000 618	uratic salt remover	264.90
Vendor Name FIRST BANKCARD - OFFICE CARD 3		264.90
GOODWILL INDUSTRIES, INC.	10581	1,125.00
10 9010 1200 217 3303 320	WORK BASED LEARNING	1,125.00
Vendor Name GOODWILL INDUSTRIES, INC.		1,125.00
GRAINGER	9810817172	432.06
10 0109 2620 000 0000 618	toilets	432.06
GRAINGER	9829194852	852.09
10 0109 2620 000 0000 618	circulation pump	852.09
Vendor Name GRAINGER		1,284.15
GREEN HILLS AEA	6262	30,792.00
10 9010 6100 000 3214 961	Property Tax	10,589.30
10 9010 6100 000 3214 961	State Aid	20,202.70
Vendor Name GREEN HILLS AEA		30,792.00
GREEN TREE COMPANY, THE	11646	4,325.00
10 9010 2630 000 0000 424	Snow Removal	4,325.00
Vendor Name GREEN TREE COMPANY, THE		4,325.00
HALEY'S ELECTRIC	11407	246.89
10 0109 2620 000 0000 622	HS Repair	246.89
Vendor Name HALEY'S ELECTRIC		246.89
HY VEE FOOD STORES	20260223	65.35
10 0109 1300 340 0000 612	Facs-Groceries	65.35
HY VEE FOOD STORES	20260223-0001	68.54
10 0109 1300 340 0000 612	facs-groceries	68.54
HY VEE FOOD STORES	20260223-0002	122.64
10 0109 1300 340 0000 612	Groceries-facs	122.64
HY VEE FOOD STORES	20260303	199.82
10 0109 1300 340 0000 612	facs-groceries	199.82
HY VEE FOOD STORES	20260303-0001	50.34
10 0109 1300 340 0000 612	Facs-groceries	50.34
HY VEE FOOD STORES	20260312	111.55
10 0109 1300 340 0000 612	facs-groceries	111.55
Vendor Name HY VEE FOOD STORES		618.24
INTECONNEX	20260220	968.31

Vendor Name	Invoice Number	Amount
Account Number	Detail Description	Amount
10 9010 2235 000 0000 618	Keycards for Door Access	954.00
10 9010 2235 000 0000 618	Shipping	14.31
Vendor Name INTECONNEX		<u>968.31</u>
IOWA ASSOCIATION OF SCHOOL BOARDS	IASBEVT00029 493	125.00
10 9010 2310 000 0000 320	Day on the Hill KO	125.00
Vendor Name IOWA ASSOCIATION OF SCHOOL BOARDS		<u>125.00</u>
LAKESHORE LEARNING CO.	9340376	345.76
10 0418 1000 100 8001 612	PTO Supplies	345.76
Vendor Name LAKESHORE LEARNING CO.		<u>345.76</u>
MEDIACOM	0648MAR2026	180.22
10 9010 2236 000 0000 536	Interenet	180.22
MEDIACOM	1339MAR2026	91.28
10 9010 2236 000 0000 536	Interenet	91.28
MEDIACOM	1909FEB2026	346.90
10 9010 2236 000 0000 536	Internet	346.90
MEDIACOM	2692MAR2026	1,550.00
10 9010 2236 000 0000 536	Interenet	1,550.00
Vendor Name MEDIACOM		<u>2,168.40</u>
MIDAMERICAN ENERGY	577038702	8,191.65
10 0109 2620 000 0000 622	HS Electric	8,191.65
MIDAMERICAN ENERGY	577041564	152.67
10 9010 2620 000 0000 622	Admin Electric	152.67
MIDAMERICAN ENERGY	577045939	2,336.62
10 0445 2620 000 0000 622	ROECC Electric	2,336.62
MIDAMERICAN ENERGY	577046240	300.65
10 9010 2620 000 0000 622	FBF Electric	300.65
MIDAMERICAN ENERGY	577046675	4,085.20
10 0418 2620 000 0000 622	IES Electric	4,085.20
MIDAMERICAN ENERGY	577046982	8,191.65
10 0109 2620 000 0000 622	HS Electric	8,191.65
MIDAMERICAN ENERGY	577057452	269.27
10 9010 2620 000 0000 622	Bus Barn Electric	269.27
MIDAMERICAN ENERGY	577064627	226.15
10 9010 2620 000 0000 622	Sports Complex Electric	226.15
Vendor Name MIDAMERICAN ENERGY		<u>23,753.86</u>
MONTGOMERY CO. MEMORIAL HOSP.	16006	7,280.00
10 9010 2134 000 1134 597	Nurse Pay	7,280.00
MONTGOMERY CO. MEMORIAL HOSP.	241778	431.00
10 9010 2700 000 0000 346	DOT Drug Tests	431.00
Vendor Name MONTGOMERY CO. MEMORIAL HOSP.		<u>7,711.00</u>
NASSP	20260303	385.00
10 0109 2410 000 0000 810	National Honor Society Dues	385.00
Vendor Name NASSP		<u>385.00</u>
NEW COOPERATIVE INC	7874527	52.90
10 0109 1300 370 0000 612	2x4's for projects	52.90
Vendor Name NEW COOPERATIVE INC		<u>52.90</u>

Vendor Name	Invoice Number	Amount
Account Number	Detail Description	Amount
ONESOURCE THE BACKGROUND CHECK COMPANY	20260303	196.00
10 9010 2321 000 0000 531	OneSource	196.00
Vendor Name	ONESOURCE THE BACKGROUND CHECK COMPANY	<u>196.00</u>
PERRIEN, NATE	MileageFEB2026	575.00
10 0109 2410 000 0000 580	Mileage Reimbursement	575.00
Vendor Name	PERRIEN, NATE	<u>575.00</u>
PIONEER MANUFACTURING CO	286361	1,280.95
10 9010 2630 000 0000 618	field paint	1,280.95
Vendor Name	PIONEER MANUFACTURING CO	<u>1,280.95</u>
QUADIENT	PostageRefil 1Mar2026	1,000.00
10 9010 2321 000 0000 531	Postage Refill March 2026	1,000.00
Vendor Name	QUADIENT	<u>1,000.00</u>
QUILL LLC	47893112/478 89270	6.95
10 9010 1000 100 0000 618	Supplies	6.95
QUILL LLC	57923679	50.14
10 0418 1000 100 8001 612	PTO Supplies	50.14
Vendor Name	QUILL LLC	<u>57.09</u>
RED OAK COMMUNITY SCHOOL DISTRICT NUTRTION FUND	correction02 2626	200.00
10 0418 1920 000 8903	Lunch Donation Correction	200.00
Vendor Name	RED OAK COMMUNITY SCHOOL DISTRICT NUTRTION FUND	<u>200.00</u>
RED OAK PUBLISHING LLC	75629	283.25
10 9010 2572 000 0000 540	Publications	283.25
Vendor Name	RED OAK PUBLISHING LLC	<u>283.25</u>
RELAYHUB, LLC	21-14732	698.20
10 9010 2510 217 3303 359	MEDICAID BILLING	698.20
Vendor Name	RELAYHUB, LLC	<u>698.20</u>
SCHOOL SPECIALTY LATTA DIV.	208136776216	1,488.54
10 0445 1000 420 3233 618	Supplies - PK (Shared Vision)	1,488.54
SCHOOL SPECIALTY LATTA DIV.	208136776237	1,388.03
10 0418 1200 431 4501 618	Title Supplies	1,388.03
SCHOOL SPECIALTY LATTA DIV.	308104841378	709.74
10 0445 1000 420 3233 618	for Preschool supplies	364.62
10 0445 1000 420 3233 612	for Preschool supplies	345.12
Vendor Name	SCHOOL SPECIALTY LATTA DIV.	<u>3,586.31</u>
SHENANDOAH COMMUNITY SCHOOLS	Sped-SEN1-2526	5,609.00
10 9010 1200 211 3301 567	Sped LvL 1	5,609.00
Vendor Name	SHENANDOAH COMMUNITY SCHOOLS	<u>5,609.00</u>

Vendor Name	Invoice Number	Amount
Account Number	Detail Description	Amount
SOUTHWESTERN COMMUNITY COLLEGE	RED 1070	3,208.00
10 0109 1000 100 0000 565	College Classes	3,208.00
Vendor Name SOUTHWESTERN COMMUNITY COLLEGE		<u>3,208.00</u>
SPECIALTY UNDERWRITERS LLC	SW4534-4	16,547.00
10 9010 2310 000 0000 520	Quarterly Premium	16,547.00
Vendor Name SPECIALTY UNDERWRITERS LLC		<u>16,547.00</u>
STANTON COMMUNITY SCHOOL DIST.	15897	908.64
10 9010 1200 217 3303 320	Rising Hope Transportation	908.64
Vendor Name STANTON COMMUNITY SCHOOL DIST.		<u>908.64</u>
STREETSMARTS LLC	DriversEdFEB 2026	760.00
10 0109 1000 121 0000 320	Drivers Ed x 2	760.00
Vendor Name STREETSMARTS LLC		<u>760.00</u>
SW IA TIRE & SERVICE	15656	772.60
10 9010 2700 000 0000 434	E Brake and Left From Axle Seal	772.60
SW IA TIRE & SERVICE	15826	90.00
10 9010 2700 000 0000 434	Left Rear Tire Sensor #17	90.00
SW IA TIRE & SERVICE	15848	23.50
10 9010 2640 000 0000 618	mower tire repair	23.50
Vendor Name SW IA TIRE & SERVICE		<u>886.10</u>
SYNCQUIP LLC	2198	1,097.89
10 0109 2620 000 0000 618	HS Repair	1,097.89
SYNCQUIP LLC	2231	5,537.67
10 0109 2620 000 0000 432	HS Heat Pump	5,537.67
SYNCQUIP LLC	2233	1,130.56
10 0109 2620 000 0000 432	HS Repair	1,130.56
SYNCQUIP LLC	2234	4,950.20
10 0109 2620 000 0000 432	HS Repair DDC Controller	4,950.20
SYNCQUIP LLC	2252	765.08
10 0109 2620 000 0000 618	Commons Unit	765.08
Vendor Name SYNCQUIP LLC		<u>13,481.40</u>
TOWN & COUNTRY SANITATION	FEB2026	5,525.00
10 9010 2630 000 0000 421	Admin Office/BBF/BBF Trash	95.00
10 0109 2630 000 0000 421	HS Trash	1,830.00
10 0418 2630 000 0000 421	IES Trash	1,800.00
10 0445 2630 000 0000 421	ROECC Trash	1,800.00
Vendor Name TOWN & COUNTRY SANITATION		<u>5,525.00</u>
US CELLULAR	0788619712	23.28
10 9010 2236 000 0000 536	Fail Over Lines	23.28
US CELLULAR	788946799	644.65
10 0109 2410 000 0000 532	Principal Cell Phone	138.75
10 9010 2510 000 0000 532	FBF/BBF MiFi	228.40
10 9010 2490 000 0000 530	Bus Barn Cellphone	46.25
10 9010 2490 000 0000 530	Nurse Phone	46.25
10 9010 2490 000 0000 532	Maintenance Cell Phones	138.75
10 9010 2490 000 0000 532	Technology Cell Phones	46.25

Vendor Name	Invoice Number	Amount
Account Number	Detail Description	Amount
Vendor Name US CELLULAR		667.93
VISUAL EDGE IT dba COUNSEL	24AR3357579	752.22
10 0445 1000 100 0000 359	ROECC Copier Clicks	74.28
10 0109 1000 100 0000 359	HS Copier Clicks	181.58
10 0418 1000 100 0000 359	IES Copier Clicks	425.57
10 9010 2520 000 0000 618	Steady Serve	12.99
10 9010 2520 000 0000 618	Admin Office Copier Clicks	57.80
Vendor Name VISUAL EDGE IT dba COUNSEL		752.22
WESTLAKE ACE HARDWARE	20260313	69.99
10 0109 1300 370 0000 612	14 gage solid wire 500'	69.99
WESTLAKE ACE HARDWARE	2983127	364.80
10 0109 2620 000 0000 618	HS Supplies	252.09
10 0418 2620 000 0000 618	IES Supplies	3.59
10 9010 2620 000 0000 618	District Supplies	109.12
Vendor Name WESTLAKE ACE HARDWARE		434.79
WILSON LANGUAGE TRAINING CORPORATION	20260220	13,163.08
10 0418 1200 431 4501 612	Wilson Language materials	13,163.08
Vendor Name WILSON LANGUAGE TRAINING CORPORATION		13,163.08
XELLO INC.	20260220	31,500.00
10 9010 1000 420 1119 612	Xello curriculum with WBL modules	31,500.00
Vendor Name XELLO INC.		31,500.00
YOUNG AUTO PARTS INC.	20260303	171.95
10 9010 2700 217 3303 673	Wiper Arms and blades for #17	171.95
Vendor Name YOUNG AUTO PARTS INC.		171.95
Fund Number 10		268,269.79
Checking Account ID 1	Fund Number 33	CAPITAL PROJECTS - LOST
ALLEY, POYNER, MACCHIETTO, ARCHITECTURE, INC	24077-14	16,175.00
33 9010 2620 000 0000 490	IES Remodel	16,175.00
ALLEY, POYNER, MACCHIETTO, ARCHITECTURE, INC	24077.13	12,500.00
33 9010 2620 000 0000 490	IES Remodel	12,500.00
Vendor Name ALLEY, POYNER, MACCHIETTO, ARCHITECTURE, INC		28,675.00
RIVERSIDE TECHNOLOGIES, INC	RC0005536	920.00
33 9010 2231 000 0000 490	Managed Services	920.00
RIVERSIDE TECHNOLOGIES, INC	RC0005590	12.00
33 9010 2231 000 0000 490	DUO MFA	12.00
Vendor Name RIVERSIDE TECHNOLOGIES, INC		932.00
WELLS FARGO LEASING	5037680501	1,215.50
33 0109 2584 000 0000 739	HS Copier Lease	552.20
33 0418 2584 000 0000 739	IES Copier Lease	331.50
33 0445 2584 000 0000 739	ROECC Copier Lease	221.30
33 9010 2584 000 0000 739	Admin Copier Lease	110.50
Vendor Name WELLS FARGO LEASING		1,215.50

Vendor Name	Invoice Number	Amount
Account Number	Detail Description	Amount
Fund Number 33		30,822.50
Checking Account ID 1	Fund Number 36	PHYSICAL PLANT & EQUIPMENT
COUNCIL BLUFFS COMM SCHOOLS	20260311	3,633.84
36 9010 2620 000 0000 441	Rent	3,633.84
Vendor Name COUNCIL BLUFFS COMM SCHOOLS		3,633.84
Fund Number 36		3,633.84
Checking Account ID 1		302,726.13
Checking Account ID 2	Fund Number 61	SCHOOL NUTRITION FUND
OPAA! FOOD MANAGEMENT INC	IA00070742	40,485.61
61 9010 3110 000 0000 570	February Purchased Food	40,485.61
OPAA! FOOD MANAGEMENT INC	IA00070862	3,104.97
61 9010 3110 000 4557 631	FFVP	3,104.97
OPAA! FOOD MANAGEMENT INC	IA00070863	514.63
61 0445 3110 000 0000 631	PreK Snacks	514.63
Vendor Name OPAA! FOOD MANAGEMENT INC		44,105.21
Fund Number 61		44,105.21
Checking Account ID 2		44,105.21
Checking Account ID 3	Fund Number 21	STUDENT ACTIVITY FUND
BSN SPORTS	20260220	1,652.22
21 0109 1400 920 6730 618	Baseball Cleats	1,652.22
Vendor Name BSN SPORTS		1,652.22
CIRCLE C SIGNS	18306	89.60
21 0109 1400 950 7407 618	FFA Banquet Plaques	89.60
Vendor Name CIRCLE C SIGNS		89.60
EDIE, DUSTIN	EDIE021726	200.00
21 0109 1400 920 6790 340	JH Wrestling Official	200.00
Vendor Name EDIE, DUSTIN		200.00
FCCLA DISTRICT DUES	189824	205.00
21 0109 1400 950 7408 618	FCCLA Dues	205.00
Vendor Name FCCLA DISTRICT DUES		205.00
FIRST BANKCARD - HH	20260313-0001	269.50
21 0109 1400 920 6840 810	IATC Entry Fee	269.50
Vendor Name FIRST BANKCARD - HH		269.50
FIRST BANKCARD - OFFICE CARD 4	20260313	553.79
21 0109 1400 950 7421 618	ISASPS Testing	553.79
FIRST BANKCARD - OFFICE CARD 4	20260313-0001	848.92
21 0109 1400 920 6790 580	Wrestling Cheer Hotel, Food, & Parking	1,387.21
21 0109 1400 920 6790 580	Credit	(538.29)
FIRST BANKCARD - OFFICE CARD 4	20260313-0002	70.24
21 0109 1400 920 6845 580	State Bowling Food	70.24
Vendor Name FIRST BANKCARD - OFFICE CARD 4		1,472.95

Vendor Name	Invoice Number	Amount
Account Number	Detail Description	Amount
FIRST BANKCARD BUSINESS MANAGER	20260313	314.18
21 0109 1400 920 6845 580	State Bowling Hotel	314.18
FIRST BANKCARD BUSINESS MANAGER	20260313-0001	511.72
21 0109 1400 920 6790 580	State Wrestling Food	511.72
Vendor Name FIRST BANKCARD BUSINESS MANAGER		<u>825.90</u>
GIRRES, CHRIS	20260303	650.00
21 0109 1400 920 6600 618	Assigner Fee	650.00
Vendor Name GIRRES, CHRIS		<u>650.00</u>
HONNOLD, PAUL	HONNOLD021726	200.00
21 0109 1400 920 6790 340	JH Wrestling Official	200.00
Vendor Name HONNOLD, PAUL		<u>200.00</u>
IA HIGH SCHOOL SPEECH ASSOC.	20260303	78.00
21 0109 1400 910 6120 810	State Speech	78.00
Vendor Name IA HIGH SCHOOL SPEECH ASSOC.		<u>78.00</u>
IBSEN COSTUME GALLERY	2015	5,000.00
21 0109 1400 910 6210 618	Musical Costumes	5,000.00
Vendor Name IBSEN COSTUME GALLERY		<u>5,000.00</u>
IOWA HIGH SCHOOL ATHLETIC ASSO	INV8494	90.00
21 0109 1400 920 6600 618	Additional Coaches Bands - State Wrestli	90.00
Vendor Name IOWA HIGH SCHOOL ATHLETIC ASSO		<u>90.00</u>
IOWA HIGH SCHOOL MUSIC ASSOC	1152	285.00
21 0109 1400 910 6210 618	State Registration	285.00
Vendor Name IOWA HIGH SCHOOL MUSIC ASSOC		<u>285.00</u>
IRVIN, MICHAEL	IRVIN021726	200.00
21 0109 1400 920 6790 340	JH Wrestling Official	200.00
Vendor Name IRVIN, MICHAEL		<u>200.00</u>
JOSTENS	1437222	2,518.12
21 0109 1400 950 7426 618	HS Yearbook Order	2,518.12
Vendor Name JOSTENS		<u>2,518.12</u>
NATIONAL FFA ORGANIZATION	MDE379080	52.50
21 0109 1400 950 7407 618	FFA Pins	52.50
Vendor Name NATIONAL FFA ORGANIZATION		<u>52.50</u>
PEPPER & SON, INC.	368375764	123.99
21 0109 1400 910 6121 618	JH Music	123.99
Vendor Name PEPPER & SON, INC.		<u>123.99</u>
RED OAK LANES	20260303	3,050.00
21 0109 1400 920 6845 618	Bowling Fees and Repairs	3,050.00
Vendor Name RED OAK LANES		<u>3,050.00</u>

Vendor Name	Invoice Number	Amount
Account Number	Detail Description	Amount
TROPHIES PLUS	390048	231.88
21 9010 1400 920 6815 618	Chenilles	231.88
Vendor Name TROPHIES PLUS		<u>231.88</u>
WESTLAKE ACE HARDWARE	20260313-0001	145.86
21 0109 1400 910 6210 618	Musical Supplies	145.86
Vendor Name WESTLAKE ACE HARDWARE		<u>145.86</u>
WHYE'S CHOICE FUNDRAISING	126022706	2,713.00
21 0109 1400 910 6111 618	JH Music Fundraiser	2,713.00
Vendor Name WHYE'S CHOICE FUNDRAISING		<u>2,713.00</u>
WOOD, JACOB	WOOD021726	150.00
21 0109 1400 920 6790 340	JH Wrestling Medical	150.00
Vendor Name WOOD, JACOB		<u>150.00</u>
Fund Number 21		<u>20,203.52</u>
Checking Account ID 3		<u>20,203.52</u>



Local Government Risk Pool

Iowa Local Government Risk Pool Commission

1201 63rd Street

Des Moines, IA 50311

Phone: 1 (515) 251-5970

---

**Iowa Local Government Risk Pool Commission  
Program Participation Agreement**

THIS PARTICIPATION AGREEMENT is entered into by and between Iowa Local Government Risk Pool Commission (“28E”), 1201 63rd Street, Des Moines, Iowa, 50311, and Red Oak CSD (“District”), effective as of the 1st day of July, 2026.

WHEREAS, 28E has established a local government risk pool program called Education Energy Group Pool (the “Program”) to pool risks and stabilize gas prices for public entities in conjunction with Education Energy Group LLC to administer the Program in accordance with this agreement (“Program Administrator”), and other service providers including but not limited to WoodRiver Energy LLC as a Certified Natural Gas Provider (“CNGP”) and Iowa School Finance Information Services, Inc., an Iowa corporation (hereinafter collectively referred to as “Service Provider(s)”; and

WHEREAS, District is a member of the 28E pursuant to the Iowa Local Government Risk Pool Agreement (the “28E Agreement”), and has a need for such Program in connection with stabilization of natural gas costs within its budget;

NOW, THEREFORE, in consideration of mutual promises and warranties contained in this Agreement, the parties hereby agree to the following:

1) Services. District agrees to pay a premium to 28E for participation in Program for Enrolled Meters listed in Exhibit A of this Agreement, under the terms outlined herein. 28E agrees to meet natural gas requirements for Enrollment Meters listed in Exhibit A of this Agreement, under the terms outlined herein. District shall take title, possession, and control of gas delivered to each enrolled meter under the Program at the point of delivery.

2) Term. The term of this Agreement shall commence on the effective date listed above and shall be in effect until June 30, 2027.

3) Total Premium. The Total Premium shall be set as the sum of all District Enrolled Meters and is set forth in Exhibit B of this Agreement. Exceptions are also noted in Exhibit B of this Agreement. Premiums and any Premium Amendments shall be due and payable, within 30 days of receipt of invoice by the District to the 28E. Late charges may be assessed on Premiums not paid timely.

4) Limitation of Liability & Indemnification.

(a) District and 28E will fully indemnify and hold harmless one another and each of their respective officers, directors, agents, and employees, from and against all claims, actions, proceedings, or settlements based upon, arising out of, or sustained in connection with, any other program or service offered by District or 28E unrelated to this Agreement.

(b) Force Majeure – District shall fully indemnify 28E and Service Providers for acts of God, strikes, lock outs, pipeline explosions, pipeline maintenance, pipeline disturbances or other industrial disturbances, including those involving or affecting Service Providers producing or transporting gas on behalf of 28E.

5) 28E as Agent. Pursuant to the 28E Agreement, 28E has authority to enter into contracts and agreements to carry out the purposes of the 28E Agreement, including agreements with the Service Providers. District hereby assigns and grants 28E the right and discretion to contract with the Service Providers to administer and operate the Program, by and on behalf of the District, throughout the Term of this Agreement. The parties acknowledge that the 28E shall have no authority to undertake action on behalf of District that is beyond the scope of the authorization stated in the 28E Agreement and this Agreement. In no event shall 28E, in its capacity as agent or otherwise, take title to any gas purchased by and delivered to the District. Program Administrator has read and acknowledges the agency agreed to in this Agreement.

6) Assignment. The 28E may assign this Agreement to a designated Service Provider, upon notice to the District. Other assignments of this Agreement shall only be by mutual consent of the parties.

7) Severability. If any provision of this Agreement is held to be unenforceable, in whole or in part, such holding will not affect the validity of the other provisions of this Agreement.

8) Choice of Law. This Agreement will be governed and interpreted in accordance with the laws of the State of Iowa. The parties agree to venue and jurisdiction in the state court located in Polk County, Iowa.

9) Entire Agreement. This Agreement constitutes the complete and entire statement of all terms, conditions and representations of the Agreement between 28E and District with respect to its subject matter.

10) Modification, Waiver. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing signed by the parties via an amendment to this Agreement. Waiver by a Party of any breach of any provision of this Agreement will not operate as a waiver of any other subsequent breach.

**IN WITNESS THEREOF, the parties hereto have caused this instrument to be executed by their officers designated below.**

**Iowa Local Government Risk Pool (28E)**

**Red Oak CSD**

\_\_\_\_\_  
Signature  
  
\_\_\_\_\_  
Title  
  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature  
  
\_\_\_\_\_  
Title  
  
\_\_\_\_\_  
Date

**Read and acknowledge:**

Education Energy Group LLC "Program Administrator"



Athena Simpson  
WoodRiver Energy  
Date: 3/1/26





**RED OAK COMMUNITY SCHOOL DISTRICT & WEST CENTRAL COMMUNITY ACTION  
PRESCHOOL CONTRACTED SERVICES AGREEMENT**

West Central Community Action Head Start Program, hereinafter referred to as “Provider” and the Red Oak Community School District, hereinafter referred to as “Partner” wish to enter into an agreement under which Partner shall furnish certain designated services necessary to implementation of WCCA program operations funded by a Department of Health and Human Services Grant. For the purposes of this Agreement, the following terms and definitions shall be used:

<b>TERMS</b>	<b>DEFINITIONS</b>
Provider:	West Central Community Action (WCCA)
Provider Address:	1408 “A” Highway 44 PO Box 709 Harlan, IA 51537-0709
Partner:	Red Oak Community School District (ROCS D)
Partner Address:	Red Oak Community School District 2011 N. 8 <sup>th</sup> Street Red Oak, IA 51566
Site Location:	Red Oak Child Development Center 400 West 2 <sup>nd</sup> Street Red Oak, IA 51566
Covered Primary Services:	Health, Education, Nutrition and Disabilities portion of Center Based Head Start Programming.
Required Service Group for Primary Services:	The Partner will serve <b>20</b> Head Start income eligible children.
Minimum Services:	The Partner will operate the identified preschool classroom(s) working towards a minimum of 1,020 teacher/student contact hours per year exclusive of school holidays, weather-related closings and staff professional development days at all of the identified site locations.  The Partner will meet full funded enrollment number by September 30, 2026. If the full funded enrollment number is not met then Head Start will utilize the vacant slot and any vacant



TERMS	DEFINITIONS
	<p>needs and resources. Promote the involvement of members of the early child care and education communities.</p> <p>Share commitment, cooperation, and collaboration for a coordinated service delivery system.</p> <p>Both parties will provide Professional Development opportunities as prescribed by the Iowa Department of Education and HHS/ACF at no cost.</p>
<p>Program Curriculum and Head Start Program Performance Standards Monitoring:</p>	<p>The Connect4Learning (C4L) Curriculum and the Head Start Program Standards (HSPPS) will be followed at the identified ROCSD Preschool Classrooms.</p> <p>Head Start staff will support and monitor the identified ROCSD preschool classrooms at least three times annually to ensure that HSPPS are being met. Provider monitoring reports will be provided to the Partner staff by the 15<sup>th</sup> of the following month.</p> <p>The ROCSD is responsible to report any incidents, allegations, violations of the Standards of Conduct, or misconduct in classrooms with students who are Head Start funded to the Head Start Director within 24 hours of occurrence.</p> <p>Please see addendum for monitoring items.</p>
<p>Confidentiality:</p>	<p>The Provider and Partner acknowledge confidentiality requirements that each must follow regarding the sharing and release, with the consent of families, of personally identifiable information regarding children and families.</p> <p>Each party will protect the rights of young children with respect to records and reports created, maintained, and used by each. It is the intent of this agreement to ensure that</p>

TERMS	DEFINITIONS
	<p>parents have rights of access and rights of privacy with respect to such reports and records, and that applicable State and Federal laws for exercise of these rights be strictly followed.</p>
<p>Collaboration Meetings and Dispute Resolution:</p>	<p>The Partner and Provider will first attempt to resolve any disputes or to solve problems among themselves.</p> <p>Issues will be resolved as they arise at the lowest level possible. The chain of command will be followed.</p> <p>Schedule Administrative meetings on a monthly basis. Meetings will occur face-to-face or via Zoom to review local agreements, plan collaborative activities, and resolve issues.</p>
<p>Covered Primary Services: Partner Responsibilities:</p>	<p>Will assign a full time Preschool Administrator to oversee the preschool classrooms throughout the school district.</p> <p>Teachers will conduct two home visits per school year for each family.</p> <p>Teachers will conduct two parent conferences per school year.</p> <p>Provide nursing services.</p> <p>The hiring, supervision, employment and professional development of preschool certified teachers and qualified substitutes that comply with the Head Start Program Performance Standards.</p> <p>Maintain accreditations, perform the registration and participant screening process for 3 and 4 year old children.</p> <p>Provide meal service to children at the identified location(s).</p>

TERMS	DEFINITIONS
	Non-federal share match documentation for donated items such as: classroom staff wages, fringe benefits and associated costs not paid with Head Start funds, classroom materials/curriculum, furnishings, professional development and custodial services.
Covered Primary Services: Provider Responsibilities:	Provide a Head Start School and Community Partnership Coordinator who meets monthly with the preschool administrator as a Liaison between the two parties.  Provide one (1) Family Advocate to support the needs of the Head Start children and families being served at each of the Provider’s site locations and classrooms.
Non-Federal Share Match Documentation:	The Partner will complete and submit to the Provider the Head Start Non-Federal Share Form at the beginning of the 2026 – 2027 school year.
Agreement And Termination Terms:	August 1, 2026 through July 31, 2027  The Provider and Partner are not bound by this agreement for more than the 2026-2027 school year.

The parties agree to abide by the specific terms and provisions of the following attachments which are incorporated into this agreement by reference and made a part of it:

- Basic Contract Provisions.
- Non-Federal Share Match Contribution Form.
- Pre-K Contracted Items.

**Signature Page**

**Partner:**

**Provider:**

Red Oak Community School District:

West Central Community Action:

By: \_\_\_\_\_  
Superintendent

By: \_\_\_\_\_  
Wendy Mueller, Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **BASIC CONTRACT PROVISIONS**

### **I. PURPOSE AND SCOPE OF AGREEMENT:**

The purpose of this Agreement is to set out the terms and conditions between the Provider and Partner.

Achievement of the goals and objectives of the Head Start Program requires commitment from all levels and persons involved in the program. Policies, regulations and guidelines contribute to the effective and efficient process necessary for goal attainment. Both parties encourage and expect philosophical commitment to the Head Start goals, as well as compliance with the approved grant application, the Preschool Contracted Services Agreement, all policies, regulations, and guidelines of HHS/ACF.

The services to be provided under this Agreement are designed to provide the following services at the same site setting and subject to the availability of funding:

- A. Financial support for a minimum of 1,020 teacher/student contact time;
- B. Transportation services to eligible rural children;
- C. Professional development for Preschool Teachers and Assistant Teachers;
- D. Provider Monitoring Reports of ongoing monitoring of Head Start Program Performance Standards and
- E. Transition planning and implementation for children and families into the K-12 ROCSD system.

### **II. PARTNER SERVICE RESPONSIBILITIES:**

Partner shall provide the specified Covered Primary Services at the designated Location of Services for the specified Term of Agreement in accordance with Head Start Performance Standards. The maximum number of children to be served is **20**

In addition to the specific provisions of this Agreement, Partner shall comply with all applicable state, federal, and local laws, rules, and regulations.

### **III. FUNDING:**

Provider is responsible for no more than the specified Maximum Funding Level in Head Start Program funds to implement this Preschool Contracted Services Agreement. It is expressly understood and agreed that in no event will the total amount paid under this Agreement exceed the Maximum Funding Level for full and complete performance unless additional funding is specifically authorized in writing by the Provider.

#### IV. PROVIDER AND PARTNER METHODS FOR FISCAL MANAGEMENT:

Provider and Partner shall maintain such records and accounts, including property, personnel, and financial, as are deemed necessary by the Iowa Department of Education to assure proper accounting for all funds provided for this program. These records will be made available for audit purposes and will be retained for four(4) years after the expiration date of this contract and any renewals of it, unless permission to destroy them is granted by both the Partner and the Iowa Department of Education.

#### V. PARTNER PERSONNEL MANAGEMENT:

Partner shall assure, certify, document and maintain that they are in compliance with the Head Start Performance Standard 1302.90 Personnel Policies:

There is a personnel management system covering staff that is consistent with the regulations set forth in Head Start Program Performance Standard (1302.90) and provides the Provider access to the Partner's personnel files, policies and procedures. This shall include, but not be limited to, a current organizational chart, performance appraisals and the sections that outline the Partner's policies on conducting interviews, verifying references, conduct a sex offender registry check and obtain one of the following: (i) State criminal history records, including fingerprint checks; or (ii) Federal Bureau of Investigation criminal history records, including fingerprint checks. The Partner has ninety (90) days after an employee is hired to complete the background check process by obtaining: (i) Whichever check listed above was not obtained prior to the date of hire; and, (ii) Child abuse and neglect state registry check, if available.

Partner will establish and maintain written personnel policies and procedures that are approved by the ROCSD school board and are available to all district staff.

Before a person is hired, directly or through contract, including transportation staff and contractors, a program must conduct an interview, verify references, conduct a sex offender registry check and obtain one of the following: (i) State criminal history records, including fingerprint checks; or, (ii) Federal Bureau of Investigation criminal history records, including fingerprint checks. The district has 90 days after an employee is hired to complete the background check process by obtaining: (i) whichever check listed above of this section was not obtained prior to the date of hire; and, the child abuse and neglect state registry check, if available.

Partner must review the information found in each employment application and complete background check to assess the relevancy of any issue uncovered by the complete background check including any arrest, pending criminal charge, or conviction and must use Child Care and Development Fund (CCDF) disqualification factors described in 42 U.S.C. 9858f(c)(1)(D) and 42

U.S.C. 9858f(h)(1) to determine whether the prospective employee can be hired or the current employee must be terminated.

Partner must ensure a newly hired employee, consultant, or contractor does not have unsupervised access to children until the complete background check process is complete.

Partner must conduct the complete background check for each employee, consultant, or contractor at least once every five (5) years which must include each of the four checks listed in above, and review and make employment decisions based on the information as described above, unless the program can demonstrate to the Provider that it has a more stringent system in place that will ensure child safety.

Partner must consider current and former program parent for employment vacancies for which such parents apply and are qualified.

Partner must ensure all staff, consultants, contractors, and volunteers abide by the program's standards of conduct that: (i) Ensure staff, consultants, contractors, and volunteers implement positive strategies to support children's well-being and prevent and address challenging behavior; (ii) Ensure staff, consultants, contractors, and volunteers do not maltreat or endanger the health or safety of children, including, at a minimum, that staff must not:

- (A) Use corporal punishment;
- (B) Use isolation to discipline a child;
- (C) Bind or tie a child to restrict movement or tape a child's mouth;
- (D) Use or withhold food as a punishment or reward;
- (E) Use toilet learning/training methods that punish, demean, or humiliate a child;
- (F) Use any form of emotional abuse, including public or private humiliation, rejecting, terrorizing, extended ignoring, or corrupting a child;
- (G) Physically abuse a child;
- (H) Use any form of verbal abuse, including profane, sarcastic language, threats, or derogatory remarks about the child or child's family; or,
- (I) Use physical activity or outdoor time as a punishment or reward;

(iii) Ensure staff, consultants, contractors, and volunteers respect and promote the unique identity of each child and family and do not stereotype on any basis, including gender, race, ethnicity, culture, religion, disability, sexual orientation, or family composition; (iv) Require staff, consultants, contractors, and volunteers to comply with program confidentiality policies concerning personally identifiable information about children, families, and other staff members in accordance with subpart C of part 1303 of this chapter and applicable federal, state, local, and tribal laws; and, (v) Ensure no child is left alone or unsupervised by staff, consultants, contractors, or volunteers while under their care.

Partner will maintain personnel policies and procedures that include appropriate penalties for staff, consultants, and volunteers who violate the standards of conduct.

Partner must ensure staff and program consultants or contractors are familiar with the ethnic backgrounds and heritages of families in the program and are able to serve and effectively communicate, either directly or through interpretation and translation, with children who are dual language learners and to the extent feasible, with families with limited English proficiency. If a majority of children in a classroom speak the same language, at least one classroom staff member must speak such language.

Partner will ensure each staff member has an initial health examination; ensure that staff do not, because of communicable diseases, pose a significant risk to the health or safety of others in the classroom that cannot be eliminated or reduced by reasonable accommodations in accordance with the Americans with Disabilities Act and section 504 of the Rehabilitation Act.

Partner will make mental health and wellness information available to staff regarding health issues that may affect their job performance and provide regularly scheduled opportunities to learn about mental health, wellness and health education.

#### VI. SUBMISSION OF REPORTS, RECORDS AND EVALUATIONS:

Both parties agree to prepare, retain and permit either party to inspect, as each party considers necessary, all records required for this program by the Iowa Department of Education and ACF/HHS regulations. Both parties agree to carry out monitoring and evaluation activities to include; at a minimum, periodic observations of the daily program, conferring with staff and parents, validation of self-assessment procedures and on-site visits to conduct specific activities. Both parties shall insure the cooperation of employees, policy groups and board members in those efforts.

Both parties agree to submit such reports as may be required by Iowa Department of Education, HHS/ACF directives, including (but not exclusive of) computer reports, Self-Assessment Instruments, improvement plans and financial reports. Representatives by either parties shall have the right to inspect all such records and reports as related to the Head Start and West Monona preschool program.

#### VII. PROVIDER GENERAL RESPONSIBILITY FOR SERVICE:

The Provider shall monitor, evaluate, and make assistance available to the Partner in conducting all activities under this Agreement.

#### VIII. PROVIDER SPECIFIC RESPONSIBILITIES FOR SERVICE:

Provider shall provide the following services:

- A. Assist in assuring education program improvement through monthly monitoring site visits.
- B. Systematically provide monthly monitoring reports to the Partner to ensure compliance

with the Head Start Program Performance Standards.

- C. Provide and maintain one (1) Family Advocate to support Partner Head Start preschool children and families with support services that are required by the Head Start Program Performance Standards.
- D. Provide the required Head Start Program parent conferences and home visits required by the Head Start Program Performance Standards.
- E. Quarterly meetings to provide guidance on Head Start Program Performance Standards.

IX. DISCRIMINATION CLAUSE:

Partner and Provider will not discriminate against any person employed in the performance of this Agreement, or against any applicant for employment because of race, sex, age, creed, religion, color, national origin, sexual orientation, political affiliation, veteran's status, or handicapping condition. This requirement shall apply to, but not be limited to the following: employment, upgrading, demotion or transfer, selection for training, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and all other privileges, terms and conditions of employment.

No person shall, on the grounds of race, religion, sex, creed, color, national origin, sexual orientation, political affiliation, veteran's status, or handicapping condition be excluded from participation in, be denied the benefits of, or be subject to discrimination in the performance of this Agreement.

X. POLITICAL ACTIVITY PROHIBITED:

None of the funds, materials, property, services contributed by the Provider or the Partner under this Agreement shall be used for any partisan political activity, (1) to further the election or defeat of any candidate for public office, or to pay directly or indirectly, the salary or expenses of either party to this contract or their agent, to engage in any activity designed to influence legislation or appropriations pending before Congress, (2) to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election or (3) to assist any voter registration activity. Nothing in the above statement is intended in any way to inhibit or discourage any party from exercising its lawful rights to attempt to influence legislation pending before Congress as long as the costs are not charged to this Preschool Contracted Services Agreement or the Head Start Program.

XI. DRUG FREE ENVIRONMENT:

Provider and Partner shall not permit use of drugs, alcohol, or tobacco by its employees or contractors at any Location used for Primary or Secondary Services, in any motor vehicles owned or provided by either party or otherwise used in conjunction with providing Primary or Secondary Services, or in any manner in the presence or in the view of the children and families being served under this Agreement.

XII. COMPLIANCE WITH APPROVED PROGRAM:

Provider agrees to perform all activities authorized by this Agreement in accordance with the approved work program, the approved program funding, and the grant conditions inclusive of Head Start Program Performance Standards, Program Instructions, CFR 45 (Administration of Grants), Audit Guide, Head Start guidelines and all other HHS/ACF directives.

XIII. SCHEDULE OF PAYMENT:

Provider agrees to pay the Partner as stated in the Method of Payment terms section of the Agreement. In no event shall the Partner payments to the Provider exceed the Maximum Funding for Services under this Agreement.

XIV. CHANGES IN SERVICE:

Either party may request changes in the scope of the services to be performed under this Agreement. Mutually agreed upon changes, including any increase or decrease in the amount of the Provider's compensation or modification of the program funding, must be reduced to written form before they shall be enforceable by either party.

XV. COVENANT AGAINST CONTINGENT FEES:

Provider and Partner warrants that no person, selling agency or other organization has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee. For breach or violation of this warrant, either party shall have the right to annul this contract or otherwise recover the full amount of any such commission, percentage, brokerage or contingent fee, or to seek such other legal remedies as may be available.

XVI. HOLD HARMLESS, IDEMNIFICATION AND TERMINATION OF AGREEMENT:

Provider shall defend, indemnify, and hold harmless the Partner from and against any and all losses, claims, liabilities, damages, and expenses, including reasonable attorneys' fees and costs, arising out of any negligence, willful misconduct, violation of law, and/or breach of this Agreement by the Provider, its employees, or agents. The Partner shall defend, indemnify, and hold harmless the Provider from and against any and all losses, claims, liabilities, damages, and expenses, including reasonable attorneys' fees and costs, arising out of any negligence, willful misconduct, violation of law, and/or breach of this Agreement by the Provider, its employees, or agents. The provisions of this paragraph shall survive termination of this Agreement. Term and Termination.

The term of this Agreement shall commence on August 1, 2026 and end on July 31, 2027. The parties may renew this Agreement for an additional term as mutually

determined by the parties.

Either party may terminate this Agreement upon written notice to the other party if the other party fails to comply with any of the provisions of this Agreement, provided written notice of the breach shall be given to the breaching party and the breaching party shall have at least ten (10) days to cure the breach. Either party may terminate this Agreement immediately upon written notice to the other party if the other party becomes the subject of a proceeding under state or federal law for relief of debtors, or if an assignment is made for the benefit of creditors. In addition, either party may terminate this Agreement, with or without cause, and without penalty, upon at least thirty (30) days' written notice to the Provider. Upon the expiration or termination of this Agreement, the Provider will pay the Partner for all earned amounts up to the effective date of expiration or termination.

Except in the case of the Provider's loss of funding from HHS, financial assistance under this contract shall not be terminated or reduced, or an application for refunding denied or financial assistance suspended for longer than thirty (30) days unless the Provider has been afforded reasonable notice.

XVII. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION:

- A. Partner and Provider each certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- B. Partner or Provider is unable now, or at any time during the term of this Agreement to certify to any of the statements in this certification, either party shall immediately provide an explanation in writing to the other party and this contract shall be subject to immediate termination by either party in the event participation is disallowed as a result of that debarment or suspension.

XVIII. INSURANCE REQUIREMENTS:

General Liability:	\$1,000,000.00 each occurrence \$2,000,000.00 aggregate \$5,000.00 medical expense per person \$1,000,000.00 personal & adv injury \$2,000,000.00 products/completed op.
Excess Liability Umbrella:	\$1,000,000.00 each occurrence \$1,000,000.00 aggregate
Professional Liability:	\$2,000,000.00 each occurrence \$2,000,000.00 aggregate

Sexual Abuse Coverage:

\$50,000.00 each person  
\$250,000.00 maximum

Worker's Compensation:

\$500,000.00 each accident  
\$500,000.00 each employee  
\$500,000.00 total policy

# SOUTHWESTERN COMMUNITY COLLEGE EDUCATIONAL SERVICES CONTRACT

This contract establishes the terms and extent of a relationship between Southwestern Community College (Merged Area XIV), hereinafter referred to as "Provider" and the Red Oak Community School District, hereinafter referred to as "Participant" for providing Arts and Sciences courses for high school students by Provider to the Participant and citing the scope of this contractual relationship.

## SECTION I TITLE OF CONTRACT

SWCC and Red Oak Community School District enter into the contract for the purpose of providing college courses to high school students. Contract includes the following Arts and Sciences courses:

### Face to Face Courses

MAT 110	Math for Liberal Arts	3 Credits
MAT 120	College Algebra	3 Credits
MAT 127	College Algebra and Trigonometry	5 Credits
MAT 156	Statistics	3 Credits
MAT 210	Calculus I	4 Credits
MAT 216	Calculus II	4 Credits

### Face to Face & Online Courses (3 credits)

AGA 114	Principles of Agronomy
ART 101	Art Appreciation
BIO 151	Nutrition
BIO 168	Human Anatomy and Physiology I w/lab (4 credits)
BIO 173	Human Anatomy and Physiology II w/lab (4 credits)
BIO 186	Microbiology w/lab (4 credits)
BUS 121	Business Communications
CRJ 100	Introduction to Criminal Justice
CRJ 200	Criminology
CRJ 201	Juvenile Delinquency
CSC 110	Introduction to Computers
ECE 103	Introduction to Early Childhood Education
ECE 133	Child Health, Safety, and Nutrition
ECE 158	Curriculum I
ECE 159	Curriculum II
ECE 170	Child Growth and Development
ECE 221	Infant Toddler Care/Ed
ECE 243	Early Childhood Guidance
ECN 120	Principles of Macroeconomics
ECN 130	Principles of Microeconomics
EDU 151	Observation in Teaching I
EDU 213	Introduction to Education
EDU 245	Exceptional Learner
ENG 105	Composition I
ENG 106	Composition II
ENG 111	Technical Writing
GEO 121	World Regional Geography

HIS 110	Western Civilization: Ancient to Early Modern
HIS 111	Western Civilization: Early Modern to Present
HIS 151	U.S. History to 1877
HIS 152	U.S. History since 1877
HIS 268	American Experience in Vietnam
HSC 114	Medical Terminology
LIT 101	Introduction to Literature
LIT 110	American Literature to Mid-1800's
LIT 111	American Literature since Mid-1800's
LIT 150	World Literature I
LIT 178	Mythological and Biblical Literature
MGT 110	Small Business Management
MUS 100	Music Appreciation
PEC 108	Sports and Society
PEC 161	Sports Officiating
PHI 105	Introduction to Ethics
PNN 208	Pharmacology Basics
PSY 111	Introduction to Psychology
PSY 121	Developmental Psychology
SOC 110	Introduction to Sociology
SPC 112	Public Speaking

## SECTION II

### CONTRACT AGENCIES

Provider: Southwestern Community College (Merged Area XIV)

Participant: Red Oak Community School District

## SECTION III

### TERM OF COMMITMENT

Beginning Date: August 24, 2026

Ending Date: May 7, 2027

## SECTION IV

### UNDERSTANDING OF PROJECT AND MUTUAL AGREEMENT

It is hereby understood and mutually agreed: that the Provider and the Participant shall cooperate, along with other education agencies, in providing concurrent credit courses, activities and programs to students enrolled in the high school of the Participant District; that the Provider shall serve as administrator and fiscal agent for the project; that the Provider shall serve as the employing agent; that counseling, admissions and registration shall be the joint responsibility of Provider and Participant; that instructional services under this project shall be the responsibility of the Provider; that the governing body of the project shall be provided by the Provider; that each school district participating in a project shall designate their administrative representative for the project, to meet as provided in Section VIII of this contract.

## SECTION V

### FACILITIES, STUDENTS, PERSONNEL AND SERVICES TO BE PROVIDED

#### A. Facilities

1. By the Provider: The Provider hereby agrees to provide facilities for the project through lease or some

other contractual arrangement. When the Provider through such arrangement uses the facilities of a local education agency, it hereby agrees to abide by the rules and policies of that local education agency and will require compliance by all personnel who are part of this project.

2. By the Participant: The Participant School District hereby agrees: students provide transportation to and from the project instructional center or site; to cooperate in developing bus schedules, calendars, class schedules, procedures and provide other advice and counsel for the efficient and effective management of the project. The school district will provide their own transportation. Any liability arising there from shall be the responsibility of the school district.

B. Students and Personnel

1. By the Provider: The Provider shall provide administrative, instructional, and other necessary staff to carry out the purposes of this instructional project. The Provider shall make available to the Participant, staff members for consultative purposes from time to time as needed for activities related to this project. Students will be treated as young adults and appropriate and proper behavior will be expected. Jointly agreed upon rules common to the participant schools and community college will be administered.
2. By the Participant School District: The Participant will provide, under the terms of this contract, properly screened and counseled students who are appropriately enrolled in courses offered under this project. The Participant will align student eligibility to Senior Year Plus, including providing an option for students to meet the required proficiency requirements through measures of college readiness in alignment with the Provider's criteria for course placement information for entry-level advising. All rules, regulations, and personnel policies of the Provider shall apply to project personnel, including students, while they are in the Provider's facilities. The Participant School District staff may serve the Provider's instructional staff for consultative purposes from time to time and otherwise encourage a cooperative relationship with the Provider's personnel.

SECTION VI INSTRUCTIONAL EQUIPMENT AND MAINTENANCE

The Provider will enter into maintenance and repair contracts as required and will be responsible for keeping the instructional

equipment in proper working condition. Equipment on loan to the project from local education agencies will be labeled and inventoried.

## SECTION VII INSTRUCTIONAL RELATED SERVICES

The Provider shall make available Arts and Sciences courses, activities and programs to the students from Participant high schools. Said instructional offerings shall have been approved by the local school district boards, by the community college board and by the State of Iowa Department of Education. The Provider will provide counseling services as well as admissions, registration and record-keeping services to supplement those same services provided by the participant District.

Arts and Sciences courses will be selected on need, interest and demand as determined by the Provider. Course offerings will be started gradually and expanded slowly. Advisory committees will be appointed and articulation agreements put into place where appropriate. Adjustments in registration will be allowed after each semester course. Enrollment will be allowed and encouraged in non-project courses if space is available.

## SECTION VIII ADMINISTRATION AND COMMUNICATION

Provider staff will meet periodically with Participant staff to coordinate the program. Said meetings will be scheduled by individual school districts.

## SECTION IX TUITION, FEES, BOOKS AND BILLING

- A. Red Oak Community School District is contracting for college courses. The amount charged will be 90% of 2026-2027 tuition and fees rate per student enrolled.
- B. Billings will be sent in October (for students enrolled fall semester) and March (for students enrolled spring semester).
- C. Southwestern Community College will supply the required physical or embedded textbook. Courses requiring a Cengage Unlimited, single-use access code or lab kit, as well as any course not shown in section 1, will be billed to the district with the tuition and fees. Red Oak Community School District is responsible for collecting the loaned textbooks at the completion of the course. Any textbooks not returned or damaged beyond use will be billed to the Red Oak Community School District. Textbooks purchased by the district with a buyback option are the responsibility of the district.
- D. The provider shall reserve the right to control the maximum enrollment in each class.

- E. In any event, a course may be canceled if the total enrollment by all participating districts is insufficient.
- F. This contract must be signed and filed with Southwestern Community College, 1501 West Townline Street, Creston, IA 50801 by June 30, 2026.

SECTION X ESCAPE CLAUSES

- A. For the Participant: The Participant District may be automatically withdrawn from the provisions of that part of the contract for those classes that do not organize.
- B. For the Provider: The Provider, Southwestern Community College (Merged Area XIV) may reduce the number of students accepted for courses, activities and programs if circumstances require it. Further, the Provider shall have the right to withdraw from all parts of the Project if sufficient funds and/or students are not committed to the Project by Participants by May 1 prior to the beginning of any school year.

**NONDISCRIMINATION STATEMENT**

It is the policy of Southwestern Community College not to discriminate in its programs, activities, or employment on the basis of race, color, national origin, sex, disability, age, sexual orientation, gender identity, creed, religion, political party affiliation, and actual or potential family, parental, or marital status. If you have questions or complaints related to compliance with this policy, please contact: Lana Bartmess, Director of Human Resources/Equity/Title IX Coordinator (faculty or staff), Southwestern Community College, 1501 W. Townline St., Creston, IA, 50801, phone: 641.782.1456, or email: [TitleIXCoordinator@swcciowa.edu](mailto:TitleIXCoordinator@swcciowa.edu); Kim Bishop, Dean of Students/Deputy Title IX Coordinator (students), Southwestern Community College, 1501 W. Townline St., Creston, IA, 50801, phone: 641.782.1413; or email: [TitleIXCoordinator@swcciowa.edu](mailto:TitleIXCoordinator@swcciowa.edu); or the Director of the Office for Civil Rights, U.S. Department of Education, Cesar E. Chavez Memorial Building, 1244 Speer Boulevard, Suite 310, Denver, CO, 80204-3582, phone: 303.844.5695, fax: 303.844.4303, TDD: 800.877.8339, or email: [OCR.Denver@ed.gov](mailto:OCR.Denver@ed.gov).

**DISABILITY/SPECIAL NEEDS**

Southwestern provides a variety of accommodations for qualified students with disabilities. Services are designed to enhance the student's abilities and are based upon a student's individual needs. Southwestern makes every effort to assure that qualified students with disabilities have equal access to all services. Steps for obtaining such accommodations are listed in the Student Handbook (disability/special needs at Southwestern). For further assistance regarding accommodations or to identify special needs, students should contact Deb Pantini, Director of Student Development, Administration Center, at 641.782.1458.

**AUTHORIZATION**

We, the undersigned, hereby certify that we are the properly authorized officers of the organizations sought to be bound by this contract, and that we do hereby accept the terms and conditions provided herein, or attached hereto as supplementing any section hereof, and attest that we sign this document on behalf of the contracting entity to the contract:

PARTICIPANT SCHOOL DISTRICT  
IN THE COUNTY OF MONTGOMERY  
IN THE STATE OF IOWA

PROVIDER, SOUTHWESTERN COMMUNITY  
COLLEGE (MERGED AREA XIV)

By: \_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# SOUTHWESTERN COMMUNITY COLLEGE EDUCATIONAL SERVICES CONTRACT

This contract establishes the terms and extent of a relationship between Southwestern Community College (Merged Area XIV), hereinafter referred to as "Provider" and the Red Oak Community School District, hereinafter referred to as "Participant" for providing career and technical education programs for high school students by Provider to the Participant and citing the scope of this contractual relationship.

## SECTION I PURPOSE

SWCC and Red Oak Community School District enter into the contract for the purpose of providing college classes to high school students in Computer Networking and Information Technology Career Academy. Contract includes the following classes:

### Computer Networking and Information Technology

#### Fall Semester/First Year Students

- NET 122 Computer Hardware Basics 3 credits
- NET 132 Operating Systems Software Basics 3 credits
- CIS 630 Introduction to PowerShell 1 credit

#### Spring Semester/First Year Students

- NET 212 CISCO Networking 3 credits
- CIS 650 PC Operating Systems 3 credits

## SECTION II CONTRACT AGENCIES

Provider: Southwestern Community College (Merged Area XIV)  
Participant: Red Oak Community School District

## SECTION III TERM OF COMMITMENT

Beginning Date: August 24, 2026  
Ending Date: May 07, 2027

## SECTION IV UNDERSTANDING OF PROJECT AND MUTUAL AGREEMENT

It is hereby understood and mutually agreed: that the Provider and the Participant shall cooperate, along with other education agencies, in providing concurrent credit career and technical education courses, activities and programs to students enrolled in the high school of the Participant District; that the Provider shall serve as administrator and fiscal agent for the project; that the Provider shall serve as the employing agent; that counseling, admissions and registration shall be the joint responsibility of Provider and Participant; that instructional services under this project shall be the responsibility of the Provider; that the governing body of the project shall be provided by the Provider; that each school district participating in a project shall designate their administrative representative for the project, to meet as provided in Section VIII of this contract.

## SECTION V

## FACILITIES, STUDENTS, PERSONNEL AND SERVICES TO BE PROVIDED

### A. Facilities

1. By the Provider: The Provider hereby agrees to provide facilities for the project through lease or some other contractual arrangement. When the Provider through such arrangement uses the facilities of a local education agency, it hereby agrees to abide by the rules and policies of that local education agency and will require compliance by all personnel who are part of this project.
2. By the Participant: The Participant School District hereby agrees: students provide student transportation to and from the project instructional center or site; to cooperate in developing bus schedules, calendars, class schedules, procedures and provide other advice and counsel for the efficient and effective management of the project. The school district will provide their own transportation. Any liability arising therefrom shall be the responsibility of the school district.

### B. Students and Personnel

1. By the Provider: The Provider shall provide administrative, instructional, and other necessary staff to carry out the purposes of this instructional project. The Provider shall make available to the Participant, staff members for consultative purposes from time to time as needed for activities related to this project. Students will be treated as young adults and appropriate and proper behavior will be expected when participating in lab activities the provider is not responsible. Students are responsible for any liability arising as a result of injuries associated with lab. Jointly agreed upon rules common to the participant schools and community college will be administered.
2. By the Participant School District: The Participant will provide, under the terms of this contract, properly screened and counseled students who are appropriately enrolled in courses offered under this project. The Participant will align student eligibility to Senior Year Plus, including providing an option for students to meet the required proficiency requirements through measures of college readiness in alignment with the Provider's criteria for course placement information for entry-level advising. All

rules, regulations, and personnel policies of the Provider shall apply to project personnel, including students, while they are in the Provider's facilities. The Participant School District staff may serve the Provider's instructional staff for consultative purposes from time to time and otherwise encourage a cooperative relationship with the Provider's personnel.

## SECTION VI INSTRUCTIONAL EQUIPMENT AND MAINTENANCE

The Provider will enter into maintenance and repair contracts as required and will be responsible for keeping the instructional equipment in proper working condition. Equipment on loan to the project from local education agencies will be labeled and inventoried.

## SECTION VII INSTRUCTIONAL RELATED SERVICES

The Provider shall make available career and technical education courses, activities and programs to the students from Participant high schools. Said instructional offerings shall have been approved by the local school district boards, by the community college board and by the State of Iowa Department of Education. The Provider will provide counseling services as well as admissions, registration and record-keeping services to supplement those same services provided by the participant District.

Instructional programs will be selected on need, interest and demand as determined by the Provider. Programs will be started gradually and expanded slowly. Advisory committees will be appointed for each instructional program and articulation agreements put into place where appropriate. Flexibility will be built in to accommodate the students in new as well as existing career programs. Adjustments in registration will be allowed after each semester course. Enrollment will be allowed and encouraged in nonproject programs if space is available.

## SECTION VIII ADMINISTRATION AND COMMUNICATION

Provider staff will meet periodically with Participant staff to coordinate the program. Said meetings will be scheduled by individual school districts.

## SECTION IX TUITION, FEES, BOOKS AND BILLING

- A. Red Oak Community School District is contracting for students in Computer Networking and Information Technology Career Academy. The amount charged will be 90% of 2026-2027 tuition and fees rate per student enrolled.
- B. Billings will be sent in October and March.

- C. Southwestern Community College will supply the required physical or embedded textbook. Courses requiring a Cengage Unlimited, TestOut, or single-use access code will be billed to the district with the tuition and fees. Red Oak Community School District is responsible for collecting the textbooks at the completion of the course. Any textbooks not returned or damaged beyond use will be billed to the Red Oak Community School District.
- D. The provider shall reserve the right to control the maximum enrollment in each class.
- E. In any event, a program may be canceled if the total enrollment by all participating districts is insufficient.
- F. This contract must be signed and filed with Southwestern Community College, 1501 West Townline Street, Creston, IA 50801 by June 30, 2026.

## SECTION X ESCAPE CLAUSES

- A. For the Participant: The Participant District may be automatically withdrawn from the provisions of that part of the contract for those classes that do not organize.
- B. For the Provider: The Provider, Southwestern Community College (Merged Area XIV) may reduce the number of students accepted for courses, activities and programs if circumstances require it. Further, the Provider shall have the right to withdraw from all parts of the Project if sufficient funds and/or students are not committed to the Project by Participants by May 1 prior to the beginning of any school year.

## NONDISCRIMINATION STATEMENT

It is the policy of Southwestern Community College not to discriminate in its programs, activities, or employment on the basis of race, color, national origin, sex, disability, age, sexual orientation, gender identity, creed, religion, political party affiliation, and actual or potential family, parental, or marital status. If you have questions or complaints related to compliance with this policy, please contact: Lana Bartmess, Director of Human Resources/Equity/Title IX Coordinator (faculty or staff), Southwestern Community College, 1501 W. Townline St., Creston, IA, 50801, phone: 641.782.1456, or email: [TitleIXCoordinator@swcciowa.edu](mailto:TitleIXCoordinator@swcciowa.edu); Kim Bishop, Dean of Students/Deputy Title IX Coordinator (students), Southwestern Community College, 1501 W. Townline St., Creston, IA, 50801, phone: 641.782.1413; or email: [TitleIXCoordinator@swcciowa.edu](mailto:TitleIXCoordinator@swcciowa.edu); or the Director of the Office for Civil Rights, U.S. Department of Education, Cesar E. Chavez Memorial Building, 1244 Speer Boulevard, Suite 310, Denver, CO, 80204-3582, phone: 303.844.5695, fax: 303.844.4303, TDD: 800.877.8339, or email: [OCR.Denver@ed.gov](mailto:OCR.Denver@ed.gov).

**DISABILITY/SPECIAL NEEDS**

Southwestern provides a variety of accommodations for qualified students with disabilities. Services are designed to enhance the student’s abilities and are based upon a student’s individual needs. Southwestern makes every effort to assure that qualified students with disabilities have equal access to all services. Steps for obtaining such accommodations are listed in the Student Handbook (disability/special needs at Southwestern). For further assistance regarding accommodations or to identify special needs, students should contact Deb Pantini, Director of Student Development, Administration Center, at 641.782.1458.

**AUTHORIZATION**

We, the undersigned, hereby certify that we are the properly authorized officers of the organizations sought to be bound by this contract, and that we do hereby accept the terms and conditions provided herein, or attached hereto as supplementing any section hereof, and attest that we sign this document on behalf of the contracting entity to the contract:

PARTICIPANT SCHOOL DISTRICT  
IN THE COUNTY OF MONTGOMERY  
IN THE STATE OF IOWA

PROVIDER, SOUTHWESTERN COMMUNITY  
COLLEGE (MERGED AREA XIV)

By: \_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Date: \_\_\_\_\_

EDUCATIONAL SERVICES CONTRACT between  
SOUTHWESTERN COMMUNITY COLLEGE and  
RED OAK COMMUNITY SCHOOL DISTRICT for  
COLLEGE CREDIT JOINTLY ADMINISTERED COURSES  
2026-2027 ACADEMIC YEAR

Whereas, the Red Oak Community School District which is presently located in Red Oak, Iowa, and Southwestern Community College (Merged Area XIV), with its principal office located at Creston, Iowa, desire to form a partnership for the purpose of increasing accessibility of college courses to the students of Red Oak Community School District. The undersigned parties, Red Oak Community School District and Southwestern Community College, do hereby enter into this contract.

**ARTICLE I**  
**CREATION**

This Concurrent Enrollment Program (CEP) Contract is entered into between Southwestern Community College and Red Oak Community School District for the purpose of establishing a Welding career academy for Red Oak Community School District. No separate legal entity is created herein by this Contract.

**ARTICLE II**  
**COURSES**

Course(s) included under this Contract will be limited to approved Southwestern Community College courses.

Fall Semester/1<sup>st</sup> year

- WEL 111 Welding Blueprint Reading 3 credits
- WEL 225 Intro. to Gas Metal Arc Welding 3 credits

Spring Semester/1<sup>st</sup> year

- WEL 114 Introduction to Fabrication 3 credits
- WEL 162 Introduction to Shielded Metal Arc Welding (SMAW) 3 credits

**ARTICLE III**  
**CURRICULUM**

The CEP instructor will utilize College-approved syllabi, outcomes, and content used for the same course(s) held on the main campus of Southwestern Community College. The textbook must also be identical to the text used by full-time campus faculty or a College-approved equivalent to that text.

**ARTICLE IV**  
**INSTRUCTORS**

Instructor through local high school:

CEP instructors who are employees of the Red Oak Community School District and the individual instructor(s)' teaching contracts for any of the courses offered pursuant to this Contract shall be governed by the contract currently in effect between the instructor and the Red

Oak Community School District, and all instructors shall be entitled to receive all of the benefits and emoluments arising out of their contract in effect with the Red Oak Community School District. Additionally, for purposes of Chapter 279, Code of Iowa, Red Oak Community School District shall retain all responsibilities with regard to any said instructors.

Notwithstanding the foregoing, Red Oak Community School District shall assign to Southwestern Community College the responsibility for teaching the courses embraced under this Contract, and Southwestern Community College will consider the instructors who will teach these courses as members of its adjunct faculty. Red Oak Community School District further assigns to Southwestern Community College the responsibility for course evaluation. Southwestern Community College's Student Perception Survey will be completed for all CEP course sections.

Only SWCC-approved instructors can teach CEP courses. In the event a CEP instructor will be absent for an extended period of time, Red Oak Community School District is responsible for notifying Southwestern Community College's Secondary Programs Director of the situation. Every attempt will be made to secure a CEP instructor by following the instructor approval process. If a qualified substitute is unavailable, Southwestern Community College reserves the right to proceed as the college deems necessary. This may entail cancelling the course. When a CEP instructor resigns, retires, or is no longer teaching with the district, Red Oak Community School District must promptly contact Southwestern Community College's Secondary Programs Director. Southwestern Community College understand the transition challenges and the hiring of new instructors and will work to support you in the process.

## **ARTICLE V** **ACCEPTANCE AND PARTICIPANTS**

Any student wishing to take course(s) under this Contract who has not previously taken college credit courses through Southwestern Community College must complete a Southwestern Community College application for admissions.

Red Oak Community School District students enrolling in course(s) included under this contract must have been referred by Red Oak Community School District administration, meet Senior Year Plus guidelines and meet eligibility requirements as outlined below. Red Oak Community School District must properly screen and counseled students who are appropriately enrolled in courses offered under this project. The Participant will align student eligibility to Senior Year Plus, including providing an option for students to meet the required proficiency requirements through measures of college readiness in alignment with the Provider's criteria for course placement information for entry-level advising.

Students must have current ACT composite score of 19+, ACCUPLACER scores prior to registration, or high school transcript on file at SWCC.

Students wishing to enroll in course(s) offered under this Contract who are not high school students of Red Oak Community School District and who are not part of a contract through another Local Education Agency (LEA) may do so only if the course is not full. These students will enroll directly with the College.

## **ARTICLE VI** **CREDIT**

All students enrolling in course(s) under this Contract will be enrolled for concurrent credit, receiving high school credit from Red Oak Community School District and college credit from Southwestern Community College.

**ARTICLE VII**  
**TEXTBOOKS, MATERIALS, AND SUPPLIES**

The Red Oak Community School District will provide the required Southwestern Community College textbooks for all students enrolled in course(s) under this Contract. Classroom materials, supplies and equipment will be provided by Red Oak Community School District unless a separate contract is established prior to the beginning of a course.

**ARTICLE VIII**  
**ASSURANCES**

Red Oak Community School District assures that:

- a. That course(s) under this contract supplement, not supplant high school courses.
  - The course(s) do not replace an identical course offered at the high school in the preceding year or the second preceding year.
- b. The instructor has successfully completed a background investigation in accordance with Iowa Code section 272.2(17) prior to teaching a Southwestern course.
- c. In accordance with Iowa Code 279.69, a background investigation is completed at least every five years after the instructor's initial date of hire with the school district.
- d. In accordance with Iowa Code 232.69, mandatory reporter training is completed every three years after the instructor's initial date of hire with the school district.

Southwestern Community College assures the following:

- a. The course(s) is identified in the community college catalog, amendment, or addendum to the catalog.
- b. The course(s) is open to all registered community college students, not just high school students.
- c. The course(s) is for college credit and the credit will apply toward the completion of a college diploma/degree program.
- d. The course(s) is taught by a teacher meeting appropriate credentialing requirements for community college instructors.
- e. The course(s) is taught utilizing the community college course syllabus.
- f. The course(s) is of the same quality as a course offered on a community college campus.

**ARTICLE IX**  
**FINANCE**

Southwestern Community College enters into this contract with Red Oak Community School District under Chapter 257.11 – Supplementary Weighting Plan. Red Oak Community School District will submit, for supplemental weighting, the names of students enrolled for the portion of the day that they are enrolled in the jointly administered course(s).

The following pricing structure will apply for any college credit class offered under this Contract, with multiple sections of each course being considered a class under this contract.

Southwestern Community College will bill Red Oak Community School District 30% of 2026-2027 tuition and fees per credit hour each semester per student enrolled. Fall semester billing will include the OSHA training course fee per student.

Red Oak Community School District will provide the required textbooks and equipment. Red Oak School District reserves the right to bill the balance of program costs to partnership school districts in June. Amount charged to individual districts will be calculated by dividing the total actual costs of the program by the total number of students to establish a per pupil cost. The per pupil cost will then be multiplied by the number of students from the individual district.

As set out in Article IV above, for any course offered under this Contract, the course instructor shall continue to be an employee of the Red Oak Community School District, but shall be considered a member of the adjunct faculty of Southwestern Community College for the purpose of instructing the specified course. The minimum number of students is established by the high school with one exception: for course(s) of fewer than five students, the approval of the Vice President of Instruction is required.

**ARTICLE X**  
**COURSES OFFERED TO MULTIPLE DISTRICTS**

If two LEAs, both with contracts with Southwestern Community College, combine students in a single class, the fee structure will follow that outlined in Article IX.

**ARTICLE XI**  
**WITHDRAWAL**

Any student wishing to withdraw from a class offered under this contract must follow the process and dates outlined for all college students in the Southwestern Community College Student Handbook. A student who stops attending class is not considered withdrawn until the official withdrawal procedure is completed.

**ARTICLE XII**  
**REFUND**

The Red Oak Community School District is eligible for a fee refund according to the following schedule:

Prior to the end of the	Refund
1 <sup>st</sup> week.....	100%
2 <sup>nd</sup> week.....	50%
After the end of the 2 <sup>nd</sup> week.....	0%

**ARTICLE XIII**  
**DURATION**

Red Oak Community School District and Southwestern Community College enter into this contract for the 2025-2026 school year.

This contract must be signed and filed with Southwestern Community College, 1501 West Townline Street, Creston, IA 50801 by June 30, 2026.

**ARTICLE XIV  
NONDISCRIMINATION STATEMENT**

It is the policy of Southwestern Community College not to discriminate in its programs, activities, or employment on the basis of race, color, national origin, sex, disability, age, sexual orientation, gender identity, creed, religion, political party affiliation, and actual or potential family, parental, or marital status. If you have questions or complaints related to compliance with this policy, please contact: Lana Bartmess, Director of Human Resources/Equity/Title IX Coordinator (faculty or staff), Southwestern Community College, 1501 W. Townline St., Creston, IA, 50801, phone: 641.782.1456, or email: [TitleIXCoordinator@swccciowa.edu](mailto:TitleIXCoordinator@swccciowa.edu); Kim Bishop, Dean of Students/Deputy Title IX Coordinator (students), Southwestern Community College, 1501 W. Townline St., Creston, IA, 50801, phone: 641.782.1413; or email: [TitleIXCoordinator@swccciowa.edu](mailto:TitleIXCoordinator@swccciowa.edu); or the Director of the Office for Civil Rights, U.S. Department of Education, Cesar E. Chavez Memorial Building, 1244 Speer Boulevard, Suite 310, Denver, CO, 80204-3582, phone: 303.844.5695, fax: 303.844.4303, TDD: 800.877.8339, or email: [OCR.Denver@ed.gov](mailto:OCR.Denver@ed.gov).

**ARTICLE XV  
DISABILITY/SPECIAL NEEDS**

Southwestern provides a variety of accommodations for qualified students with disabilities. Services are designed to enhance the student's abilities and are based upon a student's individual needs. Southwestern makes every effort to assure that qualified students with disabilities have equal access to all services. Steps for obtaining such accommodations are listed in the Student Handbook (disability/special needs at Southwestern). For further assistance regarding accommodations or to identify special needs, students should contact Deb Pantini, Director of Student Development, Administration Center, at 641.782.1458.

**RED OAK COMMUNITY SCHOOL DISTRICT**

BY: \_\_\_\_\_  
Signature

Date: \_\_\_\_\_

**SOUTHWESTERN COMMUNITY COLLEGE**

BY: \_\_\_\_\_  
Signature

Date: \_\_\_\_\_

# SOUTHWESTERN COMMUNITY COLLEGE EDUCATIONAL SERVICES CONTRACT

This contract establishes the terms and extent of a relationship between Southwestern Community College (Merged Area XIV), hereinafter referred to as "Provider" and the Red Oak Community School District, hereinafter referred to as "Participant" for providing career and technical education programs for high school students by Provider to the Participant and citing the scope of this contractual relationship.

## SECTION I PURPOSE

SWCC and Red Oak Community School District enter into the contract for the purpose of providing college classes to high school students in Applied Engineering Technology, Health Science, and Carpentry & Building Trades. Contract includes the following classes:

### Applied Engineering Technology

- IND 195 Mechanical Drives 3 credits
- MFG 110 3-D Modeling 2 credits

### Health Science Pre-Nursing

- BIO 151 Nutrition 3 Credits

### Carpentry and Building Trades

- CON 115 Commercial Print Reading 3 Credits

## SECTION II CONTRACT AGENCIES

Provider: Southwestern Community College (Merged Area XIV)  
Participant: Red Oak Community School District

## SECTION III TERM OF COMMITMENT

Beginning Date: May 11, 2026  
Ending Date: August 2, 2026

## SECTION IV UNDERSTANDING OF PROJECT AND MUTUAL AGREEMENT

It is hereby understood and mutually agreed: that the Provider and the Participant shall cooperate, along with other education agencies, in providing concurrent credit career and technical education courses, activities and programs to students enrolled in the high school of the Participant District; that the Provider shall serve as administrator and fiscal agent for the project; that the Provider shall serve as the employing agent; that counseling, admissions and registration shall be the joint responsibility of Provider and Participant; that instructional services under this project shall be the responsibility of the Provider; that the governing

body of the project shall be provided by the Provider; that each school district participating in a project shall designate their administrative representative for the project, to meet as provided in Section VIII of this contract.

SECTION V FACILITIES, STUDENTS, PERSONNEL AND SERVICES TO BE PROVIDED

A. Facilities

1. By the Provider: The Provider hereby agrees to provide facilities for the project through lease or some other contractual arrangement. When the Provider through such arrangement uses the facilities of a local education agency, it hereby agrees to abide by the rules and policies of that local education agency and will require compliance by all personnel who are part of this project.
2. By the Participant: The Participant School District hereby agrees: students provide student transportation to and from the project instructional center or site; to cooperate in developing calendars, class schedules, procedures and provide other advice and counsel for the efficient and effective management of the project.

B. Students and Personnel

1. By the Provider: The Provider shall provide administrative, instructional, and other necessary staff to carry out the purposes of this instructional project. The Provider shall make available to the Participant, staff members for consultative purposes from time to time as needed for activities related to this project. Students will be treated as young adults and appropriate and proper behavior will be expected when participating in lab activities. Students are responsible for any liability arising as a result of injuries associated with lab. Jointly agreed upon rules common to the participant schools and community college will be administered.
2. By the Participant School District: The Participant will provide, under the terms of this contract, properly screened and counseled students who are appropriately enrolled in courses offered under this project. All rules, regulations, and personnel policies of the Provider shall apply to project personnel, including students, while they are in the Provider's facilities. The Participant School District staff may

serve as the Provider's instructional staff for consultative purposes from time to time and otherwise encourage a cooperative relationship with the Provider's personnel.

## SECTION VI INSTRUCTIONAL EQUIPMENT AND MAINTENANCE

The Provider will enter into maintenance and repair contracts as required and will be responsible for keeping the instructional equipment in proper working condition. Equipment on loan to the project from local education agencies will be labeled and inventoried.

## SECTION VII INSTRUCTIONAL RELATED SERVICES

The Provider shall make available career and technical education courses, activities, and programs to the students from Participant high schools. Said instructional offerings shall have been approved by the local school district boards, by the community college board and by the State of Iowa Department of Education. The Provider will provide counseling services as well as admissions, registration and record-keeping services to supplement those same services provided by the participant District.

Instructional programs will be selected on need, interest and demand as determined by the Provider. Programs will be started gradually and expanded slowly. Advisory committees will be appointed for each instructional program and articulation agreements put into place where appropriate. Flexibility will be built in to accommodate the students in new as well as existing career programs. Adjustments in registration will be allowed after each semester course. Enrollment will be allowed and encouraged in non-project programs if space is available.

## SECTION VIII ADMINISTRATION AND COMMUNICATION

Provider staff will meet periodically with Participant staff to coordinate the program. Said meetings will be scheduled by individual school districts.

## SECTION IX TUITION, FEES, BOOKS AND BILLING

- A. No tuition and/or fees will be billed to Red Oak Community School District or the enrolled student for the Applied Engineering Technology, Health Science, and Carpentry & Building Trades.
- B. Southwestern Community College is responsible for purchasing and distributing the required textbooks, along with collecting the textbooks at the completion of the course. Any textbooks not returned or damaged beyond use will be

billed to the student.

- C. The Provider shall reserve the right to control the maximum enrollment in each class.
- D. In any event, a program may be canceled if the total enrollment by all participating districts is insufficient.
- E. This contract must be signed and filed with Southwestern Community College, 1501 West Townline Street, Creston, IA 50801 by May 8, 2026.

## SECTION X ESCAPE CLAUSES

- A. For the Participant: The Participant District may be automatically withdrawn from the provisions of that part of the contract for those classes that do not organize.
- B. For the Provider: The Provider, Southwestern Community College (Merged Area XIV) may reduce the number of students accepted for courses, activities and programs if circumstances require it. Further, the Provider shall have the right to withdraw from all parts of the Project if sufficient funds and/or students are not committed to the Project by Participants by May 1 prior to the beginning of any school year.

## NONDISCRIMINATION STATEMENT

It is the policy of Southwestern Community College not to discriminate in its programs, activities, or employment on the basis of race, color, national origin, sex, disability, age, sexual orientation, gender identity, creed, religion, political party affiliation, and actual or potential family, parental, or marital status.

If you have questions or complaints related to compliance with this policy, please contact: Lana Bartmess, Director of Human Resources/Equity/Title IX Coordinator (faculty or staff), Southwestern Community College, 1501 W. Townline St., Creston, IA, 50801, phone: 641.782.1456, or email: [TitleIXCoordinator@swccciowa.edu](mailto:TitleIXCoordinator@swccciowa.edu); Kim Bishop, Dean of Students/Deputy Title IX Coordinator (students), Southwestern Community College, 1501 W. Townline St., Creston, IA, 50801, phone: 641.782.1413; or email: [TitleIXCoordinator@swccciowa.edu](mailto:TitleIXCoordinator@swccciowa.edu); or the Director of the Office for Civil Rights, U.S. Department of Education, Cesar E. Chavez Memorial Building, 1244 Speer Boulevard, Suite 310, Denver, CO, 80204-3582, phone: 303.844.5695, fax: 303.844.4303, TDD: 800.877.8339, or email: [OCR.Denver@ed.gov](mailto:OCR.Denver@ed.gov).

## DISABILITY/SPECIAL NEEDS

Southwestern provides a variety of accommodations for qualified students with disabilities. Services are designed to enhance the student's abilities and are based upon a student's individual needs. Southwestern makes every effort to assure that qualified students with disabilities have equal access to all services. Steps for obtaining such accommodations are listed in the Student Handbook (disability/special needs at Southwestern). For further assistance regarding accommodations or to identify special

needs, students should contact Deb Pantini, Director of Student Development, Administration Center, at 641.782.1458.

**AUTHORIZATION**

We, the undersigned, hereby certify that we are the properly authorized officers of the organizations sought to be bound by this contract, and that we do hereby accept the terms and conditions provided herein, or attached hereto as supplementing any section hereof, and attest that we sign this document on behalf of the contracting entity to the contract:

PARTICIPANT SCHOOL DISTRICT  
IN THE COUNTY OF MONGTOMERY  
IN THE STATE OF IOWA

PROVIDER, SOUTHWESTERN COMMUNITY  
COLLEGE (MERGED AREA XIV)

By: \_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# SOUTHWESTERN COMMUNITY COLLEGE EDUCATIONAL SERVICES CONTRACT

This contract establishes the terms and extent of a relationship between Southwestern Community College (Merged Area XIV), hereinafter referred to as "Provider" and the Red Oak Community School District, hereinafter referred to as "Participant" for providing career and technical education programs for high school students by Provider to the Participant and citing the scope of this contractual relationship.

## SECTION I PURPOSE

SWCC and Red Oak Community School District enter into the contract for the purpose of providing college classes to high school students in the Nurse Assisting Career Academy.

Contract includes the following classes:

- HSC 110 Introduction to Health Occupations 3 credits
- HSC 114 Medical Terminology 3 credits
- HSC 172 Nurse Aide 3 credits
- PNN 208 Pharmacology Basics 3 credits

## SECTION II CONTRACT AGENCIES

Provider: Southwestern Community College (Merged Area XIV)

Participant: Red Oak Community School District

## SECTION III TERM OF COMMITMENT

Beginning Date: August 24, 2026

Ending Date: May 07, 2027

## SECTION IV UNDERSTANDING OF PROJECT AND MUTUAL AGREEMENT

It is hereby understood and mutually agreed: that the Provider and the Participant shall cooperate, along with other education agencies, in providing concurrent credit career and technical education courses, activities and programs to students enrolled in the high school of the Participant District; that the Provider shall serve as administrator and fiscal agent for the project; that the Provider shall serve as the employing agent; that counseling, admissions and registration shall be the joint responsibility of Provider and Participant; that instructional services under this project shall be the responsibility of the Provider; that the governing body of the project shall be provided by the Provider; that each school district participating in a project shall designate their administrative representative for the project, to meet as provided in Section VIII of this contract.

## SECTION V

## FACILITIES, STUDENTS, PERSONNEL AND SERVICES TO BE PROVIDED

### A. Facilities

1. By the Provider: The Provider hereby agrees to provide facilities for the project through lease or some other contractual arrangement. When the Provider through such arrangement uses the facilities of a local education agency, it hereby agrees to abide by the rules and policies of that local education agency and will require compliance by all personnel who are part of this project.
2. By the Participant: The Participant School District hereby agrees: students provide student transportation to and from the project instructional center or site; to cooperate in developing bus schedules, calendars, class schedules, procedures and provide other advice and counsel for the efficient and effective management of the project. The school district will provide their own transportation. Any liability arising therefrom shall be the responsibility of the school district.

### B. Students and Personnel

1. By the Provider: The Provider shall provide administrative, instructional, and other necessary staff to carry out the purposes of this instructional project. The Provider shall make available to the Participant, staff members for consultative purposes from time to time as needed for activities related to this project. Students will be treated as young adults and appropriate and proper behavior will be expected when participating in lab activities the provider is not responsible. Students are responsible for any liability arising as a result of injuries associated with lab. Jointly agreed upon rules common to the participant schools and community college will be administered.
2. By the Participant School District: The Participant will provide, under the terms of this contract, properly screened and counseled students who are appropriately enrolled in courses offered under this project. The Participant will align student eligibility to Senior Year Plus, including providing an option for students to meet the required proficiency requirements through measures of college readiness in alignment with the Provider's criteria for course placement information for entry-level advising. All rules, regulations, and personnel policies of the

Provider shall apply to project personnel, including students, while they are in the Provider's facilities. The Participant School District staff may serve the Provider's instructional staff for consultative purposes from time to time and otherwise encourage a cooperative relationship with the Provider's personnel.

## SECTION VI INSTRUCTIONAL EQUIPMENT AND MAINTENANCE

The Provider will enter into maintenance and repair contracts as required and will be responsible for keeping the instructional equipment in proper working condition. Equipment on loan to the project from local education agencies will be labeled and inventoried.

## SECTION VII INSTRUCTIONAL RELATED SERVICES

The Provider shall make available career and technical education courses, activities and programs to the students from Participant high schools. Said instructional offerings shall have been approved by the local school district boards, by the community college board and by the State of Iowa Department of Education. The Provider will provide counseling services as well as admissions, registration and record-keeping services to supplement those same services provided by the participant District.

Instructional programs will be selected on need, interest and demand as determined by the Provider. Programs will be started gradually and expanded slowly. Advisory committees will be appointed for each instructional program and articulation agreements put into place where appropriate. Flexibility will be built in to accommodate the students in new as well as existing career programs. Adjustments in registration will be allowed after each semester course. Enrollment will be allowed and encouraged in nonproject programs if space is available.

## SECTION VIII ADMINISTRATION AND COMMUNICATION

Provider staff will meet periodically with Participant staff to coordinate the program. Said meetings will be scheduled by individual school districts.

## SECTION IX TUITION, FEES, BOOKS AND BILLING

- A. Red Oak Community School District is contracting for students in the Nurse Assisting Career Academy. The amount charged will be 90% of 2026-2027 tuition and fees rate per student enrolled.
- B. Billings will be sent in October and March.
- C. Southwestern Community College is responsible for

purchasing and distributing the required textbooks. Red Oak Community School District is responsible for collecting the textbooks at the completion of the course. Any textbooks not returned or damaged beyond use will be billed to the Red Oak Community School District.

- D. The provider shall reserve the right to control the maximum enrollment in each class.
- E. In any event, a program may be canceled if the total enrollment by all participating districts is insufficient.
- F. This contract must be signed and filed with Southwestern Community College, 1501 West Townline Street, Creston, IA 50801 by June 30, 2026.

## SECTION X ESCAPE CLAUSES

- A. For the Participant: The Participant District may be automatically withdrawn from the provisions of that part of the contract for those classes that do not organize.
- B. For the Provider: The Provider, Southwestern Community College (Merged Area XIV) may reduce the number of students accepted for courses, activities and programs if circumstances require it. Further, the Provider shall have the right to withdraw from all parts of the Project if sufficient funds and/or students are not committed to the Project by Participants by May 1 prior to the beginning of any school year.

## **NONDISCRIMINATION STATEMENT**

It is the policy of Southwestern Community College not to discriminate in its programs, activities, or employment on the basis of race, color, national origin, sex, disability, age, sexual orientation, gender identity, creed, religion, political party affiliation, and actual or potential family, parental, or marital status. If you have questions or complaints related to compliance with this policy, please contact: Lana Bartmess, Director of Human Resources/Equity/Title IX Coordinator (faculty or staff), Southwestern Community College, 1501 W. Townline St., Creston, IA, 50801, phone: 641.782.1456, or email: [TitleIXCoordinator@swcciowa.edu](mailto:TitleIXCoordinator@swcciowa.edu); Kim Bishop, Dean of Students/Deputy Title IX Coordinator (students), Southwestern Community College, 1501 W. Townline St., Creston, IA, 50801, phone: 641.782.1413; or email: [TitleIXCoordinator@swcciowa.edu](mailto:TitleIXCoordinator@swcciowa.edu); or the Director of the Office for Civil Rights, U.S. Department of Education, Cesar E. Chavez Memorial Building, 1244 Speer Boulevard, Suite 310, Denver, CO, 80204-3582, phone: 303.844.5695, fax: 303.844.4303, TDD: 800.877.8339, or email: [OCR.Denver@ed.gov](mailto:OCR.Denver@ed.gov).

**DISABILITY/SPECIAL NEEDS**

Southwestern provides a variety of accommodations for qualified students with disabilities. Services are designed to enhance the student’s abilities and are based upon a student’s individual needs. Southwestern makes every effort to assure that qualified students with disabilities have equal access to all services. Steps for obtaining such accommodations are listed in the Student Handbook (disability/special needs at Southwestern). For further assistance regarding accommodations or to identify special needs, students should contact Deb Pantini, Director of Student Development, Administration Center, at 641.782.1458.

**AUTHORIZATION**

We, the undersigned, hereby certify that we are the properly authorized officers of the organizations sought to be bound by this contract, and that we do hereby accept the terms and conditions provided herein, or attached hereto as supplementing any section hereof, and attest that we sign this document on behalf of the contracting entity to the contract:

PARTICIPANT SCHOOL DISTRICT  
IN THE COUNTY OF MONTGOMERY  
IN THE STATE OF IOWA

PROVIDER, SOUTHWESTERN  
COMMUNITY COLLEGE  
(MERGED AREA XIV)

By: \_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Date: \_\_\_\_\_



# Memorandum of Understanding

This Memorandum of Understanding (MOU) is entered into on **February 27, 2026**, by and between **Green Hills AEA**, hereafter referred to as "GHAEA", and **Red Oak Community School District**, hereafter referred to as the "District." The purpose of this MOU is to outline the responsibilities and expectations of both parties regarding services and supports that will be provided by GHAEA for the upcoming school year.

**Purpose:** GHAEA agrees to provide the District with the requested services and supports.

**Duration of Agreement:** This MOU will commence on July 1 of the contracted school year OR the start of the school year, depending on the service or support contracted, and will remain in effect until the last day of school OR June 30 of the contracted school year, unless terminated earlier by either party in accordance with the termination clause outlined in this document.

**Roles and Responsibilities:**

**Green Hills AEA** will provide the following services and supports based on your Service Request Form:

REQUESTED MEDIA SERVICES	
AEA Learning Online (\$.50-\$1.00/student TBD)	Separate Invoice
REQUESTED SPECIAL EDUCATION SERVICES	
Special Education Director - .6 FTE	\$82,095.00
REQUESTED EDUCATIONAL SERVICES	
Literacy - CLSD (.2 FTE)	\$30,456.00
REQUESTED CONTRACTED SERVICES	
School Based Interventionist (SBI) - 1.4 FTE	\$69,825.00
Virtual Chief Information Security Officer (vCISO) Cybersecurity Service	\$5,750.00
School Mental Health Practitioner (formerly MSW) - 1.0 FTE	\$111,600
HR Manager - .2 FTE	\$30,456.00
Access to GHAEA Crisis Response Supports and Services	\$0.00
<b>TOTAL REQUESTED SERVICES</b>	<b>\$330,182.00</b>

Specific contractual language for individual services provided by Green Hills AEA can be found [here](#).

**The District will:**

- Ensure reasonable access to district facilities and applicable on-site technology (e.g., network access and shared printers/copiers, when appropriate) for AEA staff delivering services. AEA personnel provide their own materials and equipment for service delivery.
- Provide a suitable workspace for GHAEA staff or consultants when services are delivered on-site.
- Maintain appropriate student and staff scheduling to facilitate service delivery.
- Secure parent or guardian consent when required for student services.

- Assign district personnel to actively engage in service implementation and follow-up actions when appropriate.
- The district acknowledges that all training materials, presentations, resources, and tools provided by Green Hills AEA are proprietary and may not be recorded, reproduced, or redistributed without prior written consent.
- District personnel may use provided materials for their own professional learning but may not alter, share, or publish them outside of the intended audience without permission.
- Any virtual or in-person training sessions facilitated by Green Hills AEA may not be recorded by the district without explicit written authorization.

**Payment Terms:** The District agrees to compensate GHAEA for services provided to be billed quarterly unless a different payment schedule is required for a specific service.

Additional services are available from Green Hills AEA at state-approved or local rates, depending on the service requested. Extra days of service provided by Educational Service Consultants, Media Services, Contracted Services, or any adjustment to this Memorandum of Understanding can be requested through the Educational Service Director. Any additional services requested by the district may result in an addendum to the MOU or be invoiced directly to the district.

**Employment:** Any consultant(s) employed pursuant to this Agreement shall be considered the sole employees of GHAEA, not the contracted school district, and shall be governed by the existing personnel policies and practices for GHAEA. GHAEA shall have the sole authority for recruiting, hiring, training, evaluating, disciplining, and terminating all such personnel.

**Renewal and Termination:** In most instances, a district will engage in completing a Service Request Form for the upcoming school year to identify services and supports from GHAEA.

This Agreement may be terminated only as follows:

- Automatically at the end of the current term if the parties have not agreed to extend the contract by the date shared from GHAEA of the current contract year.
- By mutual written agreement executed by both parties.
- In the event of a material breach of this Agreement by either party, provided the non-breaching party provides 30-day written notice to the other party, and the other party has not cured the breach within 30 days of receipt of written notice.

**Early Termination:** In the event the District chooses to terminate this agreement before its completion for any reason other than a material breach by GHAEA, the District agrees to assume full financial responsibility for the total contracted amount. This includes payment for all services rendered up to the date of termination.

**Notices:** Any notice or demand desired or required to be given hereunder shall be in writing and deemed given when personally delivered or three (3) days after it is deposited in the United States mail, postage prepaid, sent certified or registered and addressed as follows:

Red Oak Community School District  
 Attention: Mr. Ron Lorenz, Superintendent  
 604 S Broadway, Red Oak, IA 51566

Green Hills Area Education Agency  
 Attention: Chief Administrator  
 24997 Highway 92, Council Bluffs, IA 51503

**Dispute Resolution:** Any disputes arising from or in connection with this Memorandum of Understanding will be resolved through mutual discussion and negotiation between the Chief Administrator of GHAEA and the Superintendent of the District.

**Amendments:** This MOU may be amended only by a written agreement signed by both parties.

**Governing Law:** The agreement shall be governed by and construed under the laws of the State of Iowa.

**Severability:** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then such provisions shall be modified to the extent necessary to be valid and enforceable, and all other provisions of this Agreement shall remain in full force and effect.

**No Waiver:** The failure of either of the parties to enforce any right or provision under this Agreement shall not constitute a waiver of such right or provision unless acknowledged and agreed to by such party in writing.

**Assignment:** Neither party may assign any right or obligation under this Agreement, in whole or in part, without the other party's prior express written consent. Subject to the foregoing, this Agreement will be binding upon and will insure to the benefit of the parties and their respective successors and assignees.

**Independent Contractors:** The relationship between the parties is that of an independent contract. No joint venture, partnership, employment, or agency relationship exists between the parties as a result of this Agreement. Neither party has the authority to create any obligations for the other, or to bind the other to any representation, statement, or document.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute the same instrument.

\_\_\_\_\_  
Green Hills AEA Board President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Red Oak Community School District Board President

\_\_\_\_\_  
Date

# Partnership Agreement

*Between the Following Parties:*

**Montgomery County Agricultural Society  
Montgomery County Agricultural Extension District  
Griswold, Red Oak, Southwest Valley, and Stanton School Districts**

**Now**, on this 1<sup>st</sup> day of January 2026, this Partnership Agreement (hereafter "AGREEMENT") is entered into between Montgomery County Agricultural Society (hereafter "FAIR BOARD"), Montgomery County Agricultural Extension District (hereafter "COUNTY EXTENSION COUNCIL"), Griswold, Red Oak, Southwest Valley, and Stanton School Districts (hereafter "SCHOOL BOARD") for the purpose of coordinating the relationship, events, activities and responsibilities of the parties, including the presentation of the Montgomery County Fair (hereafter "County Fair").

## **Background, Iowa Code and Overarching rules.**

- A. FAIR BOARD is the Board of Directors of the corporate organization that has the authority and responsibility under Iowa Code, Section 174.3, to manage county fair events and the county fairgrounds.
- B. COUNTY EXTENSION COUNCIL, referred to as simply EXTENSION, is the elected officials that make up the County Agricultural Extension District and has the authority and responsibility under Iowa Code, Section 176A.8 to prepare for the educational program on extension work in agriculture, human sciences, community development and 4-H Club work in cooperation with ISU EXTENSION and OUTREACH.
- C. ISU EXTENSION and OUTREACH, part of Iowa State University, has the authority and responsibility under Iowa Code, 266.4 and 266.5, to organize and conduct agricultural and human sciences extension work, including 4-H Club youth development activities, and, under Federal law, 7 U.S.C. 3410349, 18 U.S.C 707 and 7CFR Part 8, has the responsibility to manage the events and activities involving 4-H Clubs and the use of the 4-H Name and Emblem.
- D. The IOWA FFA ASSOCIATION is comprised of nearly 15,000 members enrolled in over 235 local chapters. The Iowa FFA Association is supported, in part, by the Iowa FFA Foundation and the Iowa Department of Education. The Carl D. Perkins Act of 2006, is the funding source that the Iowa Department of Education uses to assist FFA. The Perkins Act specifically includes career and technical student organization activities as allowable uses of funds at the state and local level. Iowa's approved Perkins plan states: "The IDE will partner with secondary and post-secondary institutions to encourage student participation in Career and Technical Student Organizations (CTSOs). Participation in CTSOs not only provides the CTE student with an opportunity to gain leadership skills but also provides the CTE student with an opportunity to explore and consider the possibility of teaching in a CTE area. Perkins state leadership funding will be allocated in support of CTSOs to assist with membership recruiting and processing, financial management and oversight, coordination of state officers' activities, conference planning and organizational activities."

**Purpose of the County Fair:**

- County fairs are important to rural communities and honor Iowa's agricultural heritage and culture. This AGREEMENT addresses youth educational and exhibition activities that are important to developing confidence, leadership and integrity.
- Mission statement of each party.
  - Fair Board: To Advance and improve the economic, educational, social, and cultural interests of agriculture.
  - Extension and Outreach: ISU Extension and Outreach builds a strong Iowa by engaging all Iowans in research, education, and extension experiences to address current and emerging real-life challenges.
  - FFA: FFA makes a positive difference in the lives of students by developing their potential for premier leadership, personal growth and career success through agricultural education.

**Define the relationship of the Parties and the importance of regular and effective communication.**

The parties should:

- Determine if EXTENSION and FFA have formal representation on the FAIR BOARD and if it is a voting or non-voting seat. ISU and County Paid Extension staff should not be voting members of the Fair Board to avoid conflict of interest by the individual. Describe representation plan.  
Both EXTENSION and FFA will have a non-voting representative on the FAIR BOARD. Furthermore, FFA will have voting representation on the 4-H and Youth Committee while FAIR BOARD will have non-voting representation.
- Determine how frequently and when EXTENSION, FFA and FAIR BOARD meet to discuss the upcoming fair and wrap up the completed fair. This AGREEMENT and associated checklist should be discussed, confirmed or adjusted. Describe communication plan.  
Extension, FFA and Fair Board will complete a post fair verbal evaluation in September at a convenient time for all parties. All parties are also invited to attend the public post fair fall meeting.  
Extension, FFA and Fair Board will meet to discuss the upcoming fair in February. This AGREEMENT and associated checklist should be discussed, confirmed or adjusted.
- Determine and include dispute resolution policy in Partnership Agreement. Policy or reference to policy.  
Extension, FFA and Fair Board will meet to resolve the issue(s). If further discussion with their entity is needed, each party will have one week to discuss with their entity and reconvene to resolve the issue(s). Issues at county fair shall be resolved immediately by the afore mentioned parties.
- Determine the role of FFA in the fair and which Chapters are eligible to compete in the county. Also, who is responsible for discussions with School Boards about the fair and FFA entries.  
Current students enrolled in FFA Chapters of Griswold, Red Oak, Southwest Valley, and Stanton in grades 7 through 12, are eligible to compete in the Montgomery County Fair.

*Partnership Agreement continued*

- Determine and respect fundraising responsibilities such as youth livestock auctions, food stands, etc. and the use of the 4-H or FFA emblem for fund raising.  
EXTENSION will determine the fundraising responsibilities and organization of the livestock auction, scholarship fundraising, and 4-H food stand. FAIR BOARD will determine the use and responsibilities of non-4-H food stands and other buildings on the fairgrounds. EXTENSION, FFA and FAIR BOARD will determine the use of their own logos and emblems.
- Determine responsibilities and procedures sensitive external communication such as vendors displaying inappropriate merchandise, disruptive campaigns or demonstrations.  
FAIR BOARD will assume the responsibilities and procedures for external communication such as vendors displaying inappropriate merchandise, disruptive campaigns or demonstrations.

## **Risk Management**

- The AGREEMENT should include procedures for addressing risk management including preventative steps such as training and review, emergency management and evacuation plans during the fair. Be sure that volunteers are properly trained and covered by insurance.
- Each Party to this AGREEMENT is responsible for obtaining and maintaining appropriate insurance or self-insurance to protect it and its officers, employees or agents against liabilities that may arise from that Party's involvement in the activities or events that are the subject of this AGREEMENT. However, liabilities of members of the FAIR BOARD arising out of activities on behalf of the FAIR BOARD are addressed in the Fair Board Handbook.

### **Discuss and List the FAIR BOARD Responsibilities:**

FAIR BOARD will provide resources for infrastructure that help to make the county fair possible (source Iowa Code 174.13).

- Determine the dates of county fair
- Provide appropriate facilities for the fair
- Maintenance and upkeep of the county fair grounds
- Security during all fair related activities
- Pay premiums

FAIR BOARD shall provide for indemnification of BOARD members by policy or by its By-Laws. Service of ISU EXTENSION employees, COUNTY EXTENSION COUNCIL members or their appointees shall be contingent upon FAIR BOARD providing evidence of Directors and Officer's insurance protecting such persons from liability when acting on behalf of the FAIR BOARD.

### **Discuss and list EXTENSION responsibilities:**

EXTENSION, having ultimate authority and jurisdiction over the Montgomery County 4-H Program, will have final decision making authority over rules and guidelines pertaining to all 4-H events and activities, including 4-H involvement in the county fair.

All Livestock weigh-ins will be accomplished according to the state 4-H guidelines as outlined in the publications 4-H 202 (Iowa 4-H Animal and Poultry Identification, Weighing and Exhibiting Requirements for County, State and Interstate Shows), 4-H 106 a-f (Livestock Identification Forms) and the 4-H/FFA Code of Ethics.

- All rules and guidelines must be in compliance with the overall Iowa 4-H exhibiting rules and guidelines.
- Responsibility for the following
  - Creation, implementation, and enforcement of rules related to all 4-H events
  - Supervision of all necessary activities concerning the 4-H Program
  - Determining eligibility of 4-H members and projects
  - Approval and training of volunteers who work with the 4-H program or 4-H members
  - Approval, training and selection of judges for all 4-H shows

**Discuss and list School Board responsibilities, repeat for each School District:**

**Griswold** School Board, having ultimate authority and jurisdiction over the Griswold FFA Chapter, will have final decision making authority over rules and guidelines pertaining to all FFA events and activities, including FFA involvement in the county fair.

All Livestock weigh-ins will be accomplished according to the state FFA guidelines as outlined in FFA 202 Animal Identification, Weighing & Exhibition Requirements County, State and Interstate Shows and the 4-H/FFA Code of Ethics.

- All rules and guidelines must be in compliance with the overall Iowa FFA exhibiting rules and guidelines.
- Responsibility for the following
  - Creation, implementation, and enforcement of rules related to all FFA events
  - Supervision of all necessary activities concerning the FFA Program
  - Determining eligibility of FFA members and projects
  - Approval and training of volunteers who work with the FFA program or FFA members

**Red Oak** School Board, having ultimate authority and jurisdiction over the Red Oak FFA Chapter, will have final decision making authority over rules and guidelines pertaining to all FFA events and activities, including FFA involvement in the county fair.

All Livestock weigh-ins will be accomplished according to the state FFA guidelines as outlined in FFA 202 Animal Identification, Weighing & Exhibition Requirements County, State and Interstate Shows and the 4-H/FFA Code of Ethics.

- All rules and guidelines must be in compliance with the overall Iowa FFA exhibiting rules and guidelines.
- Responsibility for the following
  - Creation, implementation, and enforcement of rules related to all FFA events
  - Supervision of all necessary activities concerning the FFA Program
  - Determining eligibility of FFA members and projects
  - Approval and training of volunteers who work with the FFA program or FFA members

*Partnership Agreement continued*

**Corning/Villisca** School Boards, having ultimate authority and jurisdiction over the Southwest Valley FFA Chapter, will have final decision-making authority over rules and guidelines pertaining to all FFA events and activities, including FFA involvement in the county fair.

All Livestock weigh-ins will be accomplished according to the state FFA guidelines as outlined in FFA 202 Animal Identification, Weighing & Exhibition Requirements County, State, and Interstate Shows and the 4-H/FFA Code of Ethics.

- All rules and guidelines must comply with the overall Iowa FFA exhibiting rules and guidelines.
- Responsibility for the following
  - Creation, implementation, and enforcement of rules related to all FFA events
  - Supervision of all necessary activities concerning the FFA Program
  - Determining eligibility of FFA members and projects
  - Approval and training of volunteers who work with the FFA program or FFA members

**Stanton** School Board, having ultimate authority and jurisdiction over the Stanton FFA Chapter, will have final decision-making authority over rules and guidelines pertaining to all FFA events and activities, including FFA involvement in the county fair.

All Livestock weigh-ins will be accomplished according to the state FFA guidelines as outlined in FFA 202 Animal Identification, Weighing & Exhibition Requirements County, State and Interstate Shows and the 4-H/FFA Code of Ethics.

- All rules and guidelines must comply with the overall Iowa FFA exhibiting rules and guidelines.
- Responsibility for the following
  - Creation, implementation, and enforcement of rules related to all FFA events
  - Supervision of all necessary activities concerning the FFA Program
  - Determining eligibility of FFA members and projects
  - Approval and training of volunteers who work with the FFA program or FFA members

## **Protest**

Protest- Disciplinary Action. Any and all participants in any and all events described in the Montgomery County Fair Book hereby acknowledge that they are voluntarily agreeing to participate in said event. Any and all participants in any and all events covered by the Montgomery County Fair Book hereby expressly acknowledge in a knowing and informed manner that the participant has no constitutional or statutory right to participate or compete in any and events covered by the Montgomery County Fair Book and that the participant shall abide by and is subject to all rules and procedure applicable to the event entered as stated in the Montgomery County Fair Book. Any and all participants in any and all events covered by the Montgomery County Fair Book hereby expressly acknowledge the following as an express condition of their voluntary decision to participate in any and all events covered by the Montgomery County Fair book.

- A. The protest procedure and remedies set out in this section of the fair book are the exclusive procedure and remedies concerning any protest, discipline or complaint regarding any action of the fair arising in any way from participation in any and all events covered by the Montgomery County Fair Book.
- B. Any and all participants in any and all events covered in the Montgomery County Fair Book hereby expressly acknowledge in a knowing and informed manner that no right to pursue an action as a contested case pursuant to Iowa Code chapter 17A exists concerning any decision or action on any protest, discipline or complaint taken by the Fair arising in any way from participation in any and all events covered by the Montgomery County Fair Book. Any and all participants in any and all events covered in the Montgomery County Fair Book hereby acknowledge and expressly agree that the procedures and remedies set out in the Montgomery County Fair Book shall be the exclusive procedure and remedies available to any and all participants concerning any decisions or action taken by the fair on any protest, discipline or complaint in any and all events covered by the Montgomery County Fair Book.
- C. Any and all participants in any and all events covered by the Montgomery County Fair Book expressly acknowledge and expressly agree that they will have the burden of going forward and the burden of proof concerning the establishment of the grounds for any protest, discipline or complaint brought under the provisions of the Montgomery County Fair Book.
  - a. Any and all participants in any and all events covered by the Montgomery County Fair Book shall have 24 hours from the conclusion of the show involving the class in question to file any protests, challenges of disciplinary action or complaints brought under the provisions of the Montgomery County Fair Book which involve any issues other than the result of drug testing.
  - b. Any and all participants in any and all events covered by the Montgomery County Fair Book shall have 10 days following the receipt of testing results to file any protests, challenges of disciplinary action or complaints brought under the provisions of the Montgomery County Fair Book involving the results of drug testing.
  - c. The Montgomery County Fair will not consider any protest, challenges of disciplinary action or complaints based upon the statement that a judge or judges are incompetent.
  - d. Any and all protests, challenges of disciplinary action or complaints filed pursuant to this paragraph shall be in writing using **the Montgomery County Fair Official Protest Form** and shall be filed with the County Director of the Montgomery County Extension Office within the above-referenced time period(s).
  - e. Any and all protests, challenges and disciplinary action or complains file pursuant to this paragraph shall be accompanied by a deposit of \$100 which will be forfeited if the protest is not sustained. Deposits must be filed with the County Director of the Montgomery County Extension Office contemporaneously with any and all protests, challenges of disciplinary action or complaints.
  - f. The Discipline Committee, made up of one representative from 4-H & Youth Committee, one representative from Extension Council, and one representative from The Montgomery County Ag Society shall consider any protests, challenges of disciplinary action or complaints filed pursuant to this paragraph as speedily as possible and their decision may be appealed exclusively using the appeal procedure set out in the "appeals and disciplinary action" section of the Montgomery County Fair Book.

- D. The Montgomery County Extension Office shall only consider protest, challenges of disciplinary action or complaints filed by a participant entered in the same department as the participant that is the subject of the protest, challenge of disciplinary action or complaint.

### **Appeals and Disciplinary Action**

Appeals of Disciplinary Action- Any and all participants in any and all events described in the Montgomery County Fair Book hereby acknowledge that they are voluntarily agreeing to participate in said event. Any and all participants in any and all events covered by the Montgomery County Fair Book hereby expressly acknowledge in a knowing and informed manner that the participant has no constitutional or statutory right to participate or compete in any and events covered by the Montgomery County Fair Book and that the participant shall abide by and is subject to all rules and procedure applicable to the event entered as stated in the Montgomery County Fair Book. Any and all participants in any and all events covered by the Montgomery County Fair Book hereby expressly acknowledge the following as an express condition of their voluntary decision to participate in any and all events covered by the Montgomery County Fair book.

- A. The appeals procedure and remedies set out in this section of the fair book are the exclusive procedure and remedies concerning any appeals of any action of the fair arising in any way from participation in any and all events covered by the Montgomery County Fair Book.
- B. Any and all participants in any and all events covered by the Montgomery County Fair Book expressly acknowledge and expressly agree that the procedures and remedies outlined in the Montgomery County Fair Book shall be exclusive appellate procedures and remedies available to any and all participants in any and all events covered by the Montgomery County Fair Book.
- C. Any and all participants in any and all events covered by the Montgomery County Fair Book expressly acknowledge and expressly agree that they will have the burden of going forward and the burden of proof concerning the establishment of the grounds for any appeal brought under the provisions of the Montgomery County Fair Book.
- D. Specific procedures for appeals concerning positive drug tests or questions of animal identification are set out in board policy which are available upon request. These procedures are incorporated by reference herein.

The appeal procedures are as follows:

1. Any and all participants in any and all events covered by the Montgomery County Fair Book shall have 10 days from the entrance of decision of the Discipline Committee concerning any protests, challenges of disciplinary action or complaints brought under the provisions of the Montgomery County Fair Book to file an appeal of said decision.
2. The Montgomery County Extension Council will not consider any appeals based upon the statement that a judge or judges are incompetent.
3. Any and all appeals of any decision of the Discipline Committee concerning any protests, challenges or disciplinary action or complaints brought under the provisions of the Montgomery County Fair Book shall be in writing and shall be filed with the County Director for Montgomery County Extension within the above-referenced time period(s).
4. Any and all appeals of any decision of the Discipline Committee concerning any protests, challenges of disciplinary action or complaints brought under the provisions of the Montgomery County Fair Book shall be accompanied by a deposit of \$100 which will be forfeited if the appeal is not sustained. Deposit must be filed with the County Director of the Montgomery County Extension Office contemporaneously with any and all appeals.
5. The Montgomery County Extension Council shall consider any and all appeals of any decision of the Discipline Committee concerning any protests, challenges of disciplinary action or complaints brought under the provisions of the Montgomery County Fair Book filed pursuant to this paragraph as speedily as possible and the decision in the matter shall be on file. In considering appeals from the Discipline Committee the board may follow procedures set forth in 371 Iowa Administrative Code 1.3(3).

### Determine and List Other Responsibilities

The parties have determined responsibility for other activities as provided in the attached document entitled "Other Fair Related Tasks." Add and delete tasks as appropriate.

	<u>Extension</u>	<u>Fair Board</u>	<u>Griswold FFA</u>	<u>Red Oak FFA</u>	<u>Southwest Valley FFA</u>	<u>Stanton FFA</u>
<b>Communication about the fair?</b>						
Fair Book Schedule	X	X	X	X	X	X
Promotion and advertising prior to, during & after the fair?	X	X	X	X	X	X
Emergency communication, during the fair?	X	X	X	X	X	X
Reporting results, pictures of participants, etc.?	X	X	X	X	X	X
Recognition and thank you of sponsors?	X	X	X	X	X	X
<b>Volunteer Management:</b>						
Volunteer responsibilities and the liability?	X	X	X	X	X	X
How volunteers will be recruited and screened?	X	X	X	X	X	X
Their term of service and grounds and method for dismissal?	X	X	X	X	X	X
<b>Risk Management:</b>						
Who is responsible for fair goer safety?		X				
Emergency planning and communicating with authorities?		X				
Communicating the emergency plan for natural disasters	X	X	X	X	X	X
Security and biosecurity	X	X				
Liability (and insurance) for what areas or activities?	X	X				
Provides overnight security?		X				
<b>Finance:</b>						
Incidental costs?	X	X				
Fund raising?	X	X				
Premiums and funding for them?		X				
Auction organization and use of funds?	X	X				
Maintains hog insurance fund (Houghton Acct #764833)		X				
<b>Participation:</b>						
Eligible to enter the youth shows at your fair?	X		X	X	X	X
Entry process and actual entries?	X		X	X	X	X
Hires and pays the 4-H/FFA judges?	X	X				

Partnership Agreement continued

	<u>Extension</u>	<u>Fair Board</u>	<u>Griswold FFA</u>	<u>Red Oak FFA</u>	<u>Southwest Valley FFA</u>	<u>Stanton FFA</u>
<b>(Participation Continued)</b>						
Hires and pays the Open Class Judges?		X				
Awards and secures funding for them?	X	X				
Orders ribbons and trophies, including open class	X					
Preparation and printing of the fair book, including open class?	X					
Resolves disputes	X	X	X	X	X	X
Contacts the fair veterinarian	X					
Print and collect Fair Queen Applications	X					
Organizes Livestock Judging Contest				X		X
Organizes and oversees Pedal Pull Contest				X		X
<b>Grounds:</b>						
Setting up barns & static building prior to fair	X	X	X	X	X	X
Cleaning up barns & static building after fair	X	X	X	X	X	X
Monitors arrival and release compliance of fair entries	X	X	X	X	X	X
Arrange animal stalling at fair	X					
Operates Youth Food Stand	X		X	X	X	X
Static building host	X		X	X	X	X
Take reservations for fair camping spots?	X					
Owens all pens (hog, poultry, rabbit)?		X				
Owens livestock scales (scale head @ Extension)?		X				
Pays to have scales calibrated annually?		X				
Provides shavings for show arena		X				
Provides Wi-Fi for fair, including 4-H Office Building		X				
Responsible for grounds maintenance		X				

This AGREEMENT was entered on this date January 1, 2026, and will be revisited every (2) years.

Signature: \_\_\_\_\_ Print: \_\_\_\_\_

**FAIR BOARD President**

Signature: \_\_\_\_\_ Print: \_\_\_\_\_

**COUNTY EXTENSION COUNCIL Chair**

Signature: \_\_\_\_\_ Print: \_\_\_\_\_

**GRISWOLD SCHOOL BOARD President**

Signature: \_\_\_\_\_ Print: \_\_\_\_\_

**RED OAK SCHOOL BOARD President**

Signature: \_\_\_\_\_ Print: \_\_\_\_\_

**CORNING SCHOOL BOARD President**

Signature: \_\_\_\_\_ Print: \_\_\_\_\_

**VILLISCA SCHOOL BOARD President**

Signature: \_\_\_\_\_ Print: \_\_\_\_\_

**STANTON SCHOOL BOARD President**

Signature: \_\_\_\_\_ Print: \_\_\_\_\_

RED OAK COMMUNITY SCHOOL DISTRICT  
INDEPENDENT AUDITOR'S REPORTS  
BASIC FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2025

Table of Contents

		<u>Page</u>
Officials		3
Independent Auditor's Report		4-6
Management's Discussion and Analysis		7-15
Basic Financial Statements:	<u>Exhibit</u>	
Government-wide Financial Statements:		
Statement of Net Position	A	18
Statement of Activities	B	19
Governmental Fund Financial Statements:		
Balance Sheet	C	20
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	D	21
Statement of Revenues, Expenditures and Changes in Fund Balances	E	22
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	F	23
Proprietary Fund Financial Statements:		
Statement of Net Position	G	24
Statement of Revenues, Expenses and Changes in Fund Net Position	H	25
Statement of Cash Flows	I	26
Fiduciary Fund Financial Statements:		
Statement of Fiduciary Net Position	J	27
Statement of Changes in Fiduciary Net Position	K	28
Notes to Financial Statements		29-45
Required Supplementary Information:		
Budgetary Comparison Schedule of Revenues, Expenditures/Expenses and Changes in Balances - Budget and Actual - All Governmental Funds and Proprietary Fund		48
Notes to Required Supplementary Information - Budgetary Reporting		49
Schedule of the District's Proportionate Share of the Net Pension Liability		50
Schedule of District Contributions		51
Notes to Required Supplementary Information - Pension Liability		52
Schedule of Changes in the District's Total OPEB Liability and Related Ratios		53
Notes to Required Supplementary Information - OPEB Liability		54
Supplementary Information:	<u>Schedule</u>	
Nonmajor Governmental Funds:		
Combining Balance Sheet	1	56
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	2	57
Capital Projects Fund Accounts:		
Combining Balance Sheet	3	58
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	4	59
Schedule of Changes in Special Revenue Fund, Student Activity Accounts	5	60
Schedule of Changes in Private Purpose Trust Fund, Scholarship Accounts	6	61
Schedule of Revenues by Source and Expenditures by Function - All Governmental Funds	7	62
Schedule of Expenditures of Federal Awards	8	63
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>		64-65
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance		66-68
Schedule of Findings and Questioned Costs		69-73

**Red Oak Community School District**

**Officials**

<b><u>Name</u></b>	<b><u>Title</u></b>	<b><u>Term Expires</u></b>
<b>Board of Education</b>		
Bret Blackman	President	2025
Kathy Walker	Vice President	2025
Scott Bruce	Board Member	2027
Bryce Johnson	Board Member	2025
Aaron Schmidt	Board Member	2027
	Resigned 12/11/2024	
Pastor Ricky Rohrig	Board Member	2027
	Appointed 1/8/2025	
<b>School Officials</b>		
Ron Lorenz	Superintendent	2025
Heidi Harris	Board Secretary/Business Manager	2025
Ahlers & Cooney, P.C.	Attorney	2025

**NOLTE, CORNMAN & JOHNSON P.C.**  
**Certified Public Accountants**  
(a professional corporation)  
115 North 3rd Avenue West, Newton, Iowa 50208-3218  
Telephone (641) 792-1910

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education of Red Oak Community School District:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Red Oak Community School District, Red Oak, Iowa, as of and for the year ended June 30, 2025, and the related Notes to Financial Statements, which collectively comprise the District's basic financial statements listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Red Oak Community School District as of June 30, 2025 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 15 to the financial statements, Red Oak Community School District adopted new accounting guidance related to Governmental Accounting Standard Board (GASB) Statement No. 101, Compensated Absences. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

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

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

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

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

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the District's Proportionate Share of the Net Pension Liability, the Schedule of District Contributions and the Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes on pages 7 through 15 and 48 through 54 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Red Oak Community School District's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2024 (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 through 8, including the Schedule of Expenditures of Federal Awards required by Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information, including the Schedule of Expenditures of Federal Awards, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information in Schedules 1 through 8, including the Schedule of Expenditures of Federal Awards, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

### Other Information

Management is responsible for the other information in the independent auditor's report. The other information comprises the officials page but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 11, 2026 on our consideration of Red Oak Community School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Red Oak Community School District's internal control over financial reporting and compliance.



NOLTE, CORNMAN & JOHNSON, P.C.

March 11, 2026  
Newton, Iowa

---

## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

Red Oak Community School District provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2025. We encourage readers to consider this information in conjunction with the District's financial statements, which follow.

### 2025 FINANCIAL HIGHLIGHTS

- The District implemented Governmental Accounting Standards Board Statement (GASBS) No. 101, Compensated Absences, during fiscal year 2025. The implementation of this standard revised certain liability accounts related to compensated absences, decreasing the governmental activities beginning net position by \$44,161.
- The District's total net position increased from \$20,961,069, restated at July 1, 2024, to \$21,651,082 at June 30, 2025. Total revenues increased 7.83% from \$18,759,079 in fiscal year 2024 to \$20,228,077 in fiscal year 2025, while total expenses increased 5.87% from \$18,454,710 in fiscal year 2024 to \$19,538,064 in fiscal year 2025. The increase in total revenues was due in part to increases in revenues from unrestricted state grants and property tax. The increase in total expenses occurred primarily in the instruction function.
- General Fund revenues increased from \$13,861,014 in fiscal year 2024 to \$15,110,221 in fiscal year 2025, while General Fund expenditures increased from \$14,482,394 in fiscal year 2024 to \$15,463,610 in fiscal year 2025. The District's General Fund balance decreased from \$4,363,822, at June 30, 2024, to \$4,010,433 at June 30, 2025.
- The increase in total General Fund revenues was mainly due to an increase in state funding compared to the prior year. The increase in total General Fund expenditures mainly occurred in the instruction functional area.

### USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of Red Oak Community School District as a whole and present an overall view of the District's finances.

The Fund Financial Statements tell how governmental and business type activities were financed in the short term as well as what remains for future spending. Fund financial statements report Red Oak Community School District's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which Red Oak Community School District acts solely as an agent or custodian for the benefit of those outside of the District.

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of the District's budget for the year, the District's proportionate share of the net pension liability and related contributions, as well as presenting Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes.

Supplementary Information provides detailed information about the nonmajor governmental funds. In addition, the Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting the District.

Figure A-1 shows how the various parts of this annual report are arranged and relate to one another.

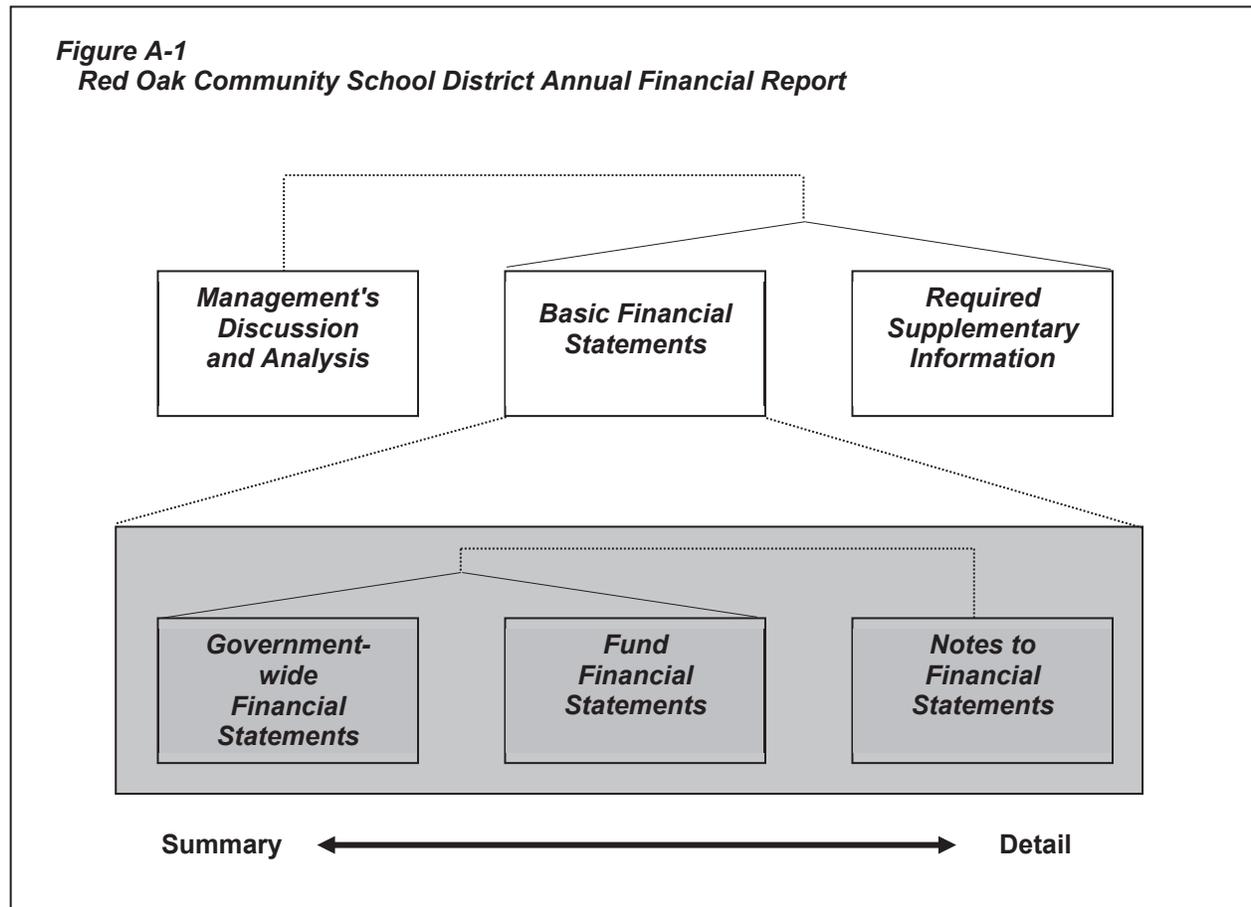


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain.

**Figure A-2**  
**Major Features of the Government-Wide and Fund Financial Statements**

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food service, before and after school	Instances in which the district administers resources on behalf of someone else, such as scholarship programs
Required financial statements	<ul style="list-style-type: none"> <li>· Statement of net position</li> <li>· Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>· Balance sheet</li> <li>· Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>· Statement of net position</li> <li>· Statement of revenues, expenses and changes in fund net position</li> <li>· Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>· Statement of fiduciary net position</li> <li>· Statement of changes in fiduciary net position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of deferred outflow / inflow information	Consumption/acquisition of net position that is applicable to a future reporting period	Consumption/ acquisition of fund balance that is applicable to a future reporting period	Consumption/ acquisition of net position that is applicable to a future reporting period	Consumption/ acquisition of net position that is applicable to a future reporting period.
Type of inflow / outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

## REPORTING THE DISTRICT’S FINANCIAL ACTIVITIES

### Government-wide Financial Statements

The government-wide financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District’s assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. All of the current year’s revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide financial statements report the District’s net position and how it has changed. Net position is one way to measure the District’s financial health or financial position. Over time, increases or decreases in the District’s net position are an indicator of whether financial position is improving or deteriorating. To assess the District’s overall health, additional non-financial factors, such as changes in the District’s property tax base and the condition of school buildings and other facilities, need to be considered.

In the government-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property tax and state aid finance most of these activities.
- *Business type activities*: The District charges fees to help cover the costs of certain services it provides. The District's school nutrition and before and after school programs are included here.

## **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs.

Some funds are required by state law and by bond covenants. The District establishes other funds to control and manage money for particular purposes, such as accounting for student activity funds, or to show that it is properly using certain revenues, such as federal grants.

The District has three kinds of funds:

- 1) *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash, and other financial assets that can readily be converted to cash, flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

The District's governmental funds include the General Fund, the Special Revenue Funds, the Capital Projects Fund and the Debt Service Fund.

The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

- 2) *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. The District's Enterprise Fund, one type of proprietary fund, is the same as its business type activities, but provide more detail and additional information, such as cash flows. The District's Enterprise Fund is the School Nutrition Fund.

The required financial statements for proprietary funds include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position and a Statement of Cash Flows.

- 3) *Fiduciary funds*: The District is the trustee, or fiduciary, for assets that belong to others. These funds include the Private Purpose Trust Fund.

- Private Purpose Trust Fund - The District accounts for outside donations for scholarships for individual students in this fund.

The District is responsible for ensuring that the assets reported in the fiduciary funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

The required financial statements for fiduciary funds include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Reconciliations between the government-wide financial statements and the governmental fund financial statements follow the governmental fund financial statements.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Figure A-3 below provides a summary of the District's net position at June 30, 2025 compared to June 30, 2024.

	Governmental Activities		Business Type Activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	Restated 2025	2024	Not restated 2025	2024	Restated 2025	2024	2024-25
Current and other assets	\$ 22,021,732	21,644,601	929,914	744,332	22,951,646	22,388,933	2.51%
Capital assets	28,644,217	30,493,081	3,260	4,794	28,647,477	30,497,875	-6.07%
Total assets	50,665,949	52,137,682	933,174	749,126	51,599,123	52,886,808	-2.43%
Deferred outflows of resources	992,713	1,374,211	-	-	992,713	1,374,211	-27.76%
Long-term liabilities	20,778,513	23,612,818	-	-	20,778,513	23,612,818	-12.00%
Other liabilities	2,397,869	2,161,691	94,765	54,599	2,492,634	2,216,290	12.47%
Total liabilities	23,176,382	25,774,509	94,765	54,599	23,271,147	25,829,108	-9.90%
Deferred inflows of resources	7,669,607	7,470,842	-	-	7,669,607	7,470,842	2.66%
Net position:							
Net investment in capital assets	11,189,864	11,087,377	3,260	4,794	11,193,124	11,092,171	0.91%
Restricted	9,717,497	8,879,917	-	-	9,717,497	8,879,917	9.43%
Unrestricted	(94,688)	299,248	835,149	689,733	740,461	988,981	-25.13%
Total net position	\$ 20,812,673	20,266,542	838,409	694,527	21,651,082	20,961,069	3.29%

The District's total net position increased 3.29%, or \$690,013, over the prior year.

The largest portion of the District's net position is invested in capital assets (e.g., land, infrastructure, intangibles, buildings, equipment and right-to-use leased assets), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets.

Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The District's restricted net position increased 9.43%, or \$837,580, over the prior year. The increase in restricted net position was primarily a result of an increase in the amount restricted for physical plant and equipment and school infrastructure compared to the prior year.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - decreased 25.13%, or \$248,520. The decrease in unrestricted net position was mainly due to the decrease in the District's unassigned General Fund balance.

Figure A-4 shows the changes in net position for the year ended June 30, 2025 compared to the year ended June 30, 2024.

	Figure A-4 Changes in Net Position						
	Governmental Activities		Business Type Activities		Total District		Total Change
		Not restated		Not restated		Not restated	
	2025	2024	2025	2024	2025	2024	2024-25
Revenues:							
Program revenues:							
Charges for service	\$ 1,244,458	872,168	160,470	148,725	1,404,928	1,020,893	37.62%
Operating grants, contributions and restricted interest	1,424,128	1,684,000	622,372	537,380	2,046,500	2,221,380	-7.87%
General revenues:							
Property tax	6,985,761	6,302,081	-	-	6,985,761	6,302,081	10.85%
Income surtax	108,314	447,439	-	-	108,314	447,439	-75.79%
Statewide sales, services and use tax	1,401,524	1,363,338	-	-	1,401,524	1,363,338	2.80%
Unrestricted state grants	7,773,655	7,081,586	-	-	7,773,655	7,081,586	9.77%
Unrestricted investment earnings	443,484	284,522	12,014	9,582	455,498	294,104	54.88%
Other	33,956	27,482	17,941	776	51,897	28,258	83.65%
Total revenues	<u>19,415,280</u>	<u>18,062,616</u>	<u>812,797</u>	<u>696,463</u>	<u>20,228,077</u>	<u>18,759,079</u>	<u>7.83%</u>
Program expenses:							
Instruction	10,214,523	9,163,420	-	-	10,214,523	9,163,420	11.47%
Support services	5,697,705	5,569,034	-	-	5,697,705	5,569,034	2.31%
Non-instructional programs	4,467	3,996	668,915	644,520	673,382	648,516	3.83%
Other expenses	2,952,454	3,073,740	-	-	2,952,454	3,073,740	-3.95%
Total expenses	<u>18,869,149</u>	<u>17,810,190</u>	<u>668,915</u>	<u>644,520</u>	<u>19,538,064</u>	<u>18,454,710</u>	<u>5.87%</u>
Excess of revenues over expenses	546,131	252,426	143,882	51,943	690,013	304,369	126.70%
Transfers	-	8,050	-	(8,050)	-	-	0.00%
Change in net position	546,131	260,476	143,882	43,893	690,013	304,369	126.70%
Net position beginning of year, as restated	<u>20,266,542</u>	<u>20,050,227</u>	<u>694,527</u>	<u>650,634</u>	<u>20,961,069</u>	<u>20,700,861</u>	<u>1.26%</u>
Net position end of year	<u>\$ 20,812,673</u>	<u>20,310,703</u>	<u>838,409</u>	<u>694,527</u>	<u>21,651,082</u>	<u>21,005,230</u>	<u>3.07%</u>

In fiscal year 2025, property tax and unrestricted state grants accounted for 76.02% of governmental activities revenues while charges for service and operating grants, contributions and restricted interest accounted for 96.31% of business type activities revenues.

The District's total revenues were approximately \$20.23 million, of which approximately \$19.42 million was for governmental activities and approximately \$0.81 million was for business type activities.

As shown in Figure A-4, the District as a whole experienced a 7.83% increase in revenues and a 5.87% increase in expenses. The increase in total revenues was due in part to increases in revenues from unrestricted state grants and property tax. The increase in total expenses occurred primarily in the instruction function.

### Governmental Activities

Revenues for governmental activities were \$19,415,280 and expenses were \$18,869,149 for the year ended June 30, 2025.

The following table presents the total and net cost of the District's major governmental activities: instruction, support services, non-instructional programs and other expenses for the year ended June 30, 2025 compared to those expenses for the year ended June 30, 2024.

	Total Cost of Services			Net Cost of Services		
	2025	2024	Change 2024-25	2025	2024	Change 2024-25
Instruction	\$ 10,214,523	9,163,420	11.47%	8,140,114	7,351,877	10.72%
Support services	5,697,705	5,569,034	2.31%	5,539,617	5,318,607	4.16%
Non-instructional programs	4,467	3,996	11.79%	4,467	3,996	11.79%
Other expenses	2,952,454	3,073,740	-3.95%	2,516,365	2,579,542	-2.45%
Total	<u>\$ 18,869,149</u>	<u>17,810,190</u>	<u>5.95%</u>	<u>16,200,563</u>	<u>15,254,022</u>	<u>6.21%</u>

For the year ended June 30, 2025:

- The cost financed by users of the District's programs was \$1,244,458.
- Federal and state governments, along with contributions from local sources, subsidized certain programs with grants and contributions totaling \$1,424,128.
- The net cost of governmental activities was financed with \$6,985,761 in property tax, \$108,314 in income surtax, \$1,401,524 in statewide sales, services and use tax, \$7,773,655 in unrestricted state grants, \$443,484 in interest income and \$33,956 in other general revenues.

### Business Type Activities

Revenues of the District's business type activities during the year ended June 30, 2025 were \$812,797, representing a 16.70% increase over the prior year, while expenses totaled \$668,915, a 3.78% increase over the prior year. The District's business type activities include the School Nutrition Fund. Revenues of these activities were comprised of charges for service, federal and state reimbursements, interest and other income.

### INDIVIDUAL FUND ANALYSIS

As previously noted, Red Oak Community School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported combined fund balances of \$12,436,402, above last year's ending fund balances of \$12,269,846. The primary reason for the increase in combined fund balances was the increase in the Capital Projects Fund balance.

### Governmental Fund Highlights

- The District's General Fund financial position is the product of many factors. General Fund revenues increased due primarily to an increase in state funding. The increase in General Fund expenditures primarily occurred in the instruction functional area. In total, expenditures outpaced revenue causing the General Fund balance to decrease from \$4,363,822 at June 30, 2024, to \$4,010,433 at June 30, 2025.
- The Capital Projects Fund balance increased from \$6,601,035 at June 30, 2024 to \$7,605,333 at June 30, 2025. Total revenues increased \$40,032 from the prior year, while total expenditures decreased \$515,551.
- The Debt Service Fund balance increased from \$250,842 at June 30, 2024 to \$295,757 at June 30, 2025.

## Proprietary Fund Highlights

The School Nutrition Fund net position increased from \$694,527 at June 30, 2024 to \$838,409 at June 30, 2025. This increase was attributable to an increase in federal reimbursements compared to the prior year.

## BUDGETARY HIGHLIGHTS

Over the course of the year, Red Oak Community School District amended its budget one time to reflect additional expenditures.

The District's revenues were \$828,555 more than budgeted revenues, a variance of 4.22%. The most significant variance resulted from the District receiving more from local sources than originally anticipated.

It is the District's practice to budget expenditures at the maximum authorized spending authority for the General Fund. The District then manages or controls General Fund spending through its line-item budget. As a result, the District's certified budget should always exceed actual expenditures for the year.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At June 30, 2025, the District had invested approximately \$28.65 million, net of accumulated depreciation/amortization, in a broad range of capital assets, including land, buildings, athletic facilities, computers, audio-visual equipment and transportation equipment. (See Figure A-6) This amount represents a net decrease of 6.07% from last year. More detailed information about the District's capital assets is presented in Note 3 to the financial statements. Depreciation/amortization expense for the year was \$2,183,462 for governmental activities and \$1,534 for business type activities.

The original cost of the District's capital assets was approximately \$51.54 million. Governmental activities accounted for approximately \$51.13 million, with the remainder of approximately \$0.41 million accounted for in the Enterprise, School Nutrition Fund.

The largest change in capital asset activity during the year occurred in the buildings category. The District's buildings, net of accumulated depreciation, totaled \$27,376,939 at June 30, 2025, compared to \$28,884,239 reported at June 30, 2024. This decrease primarily resulted from depreciation expense recognized during the year.

	Governmental Activities		Business Type Activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2025	2024	2025	2024	2025	2024	2024-25
Land	\$ 233,938	233,938	-	-	233,938	233,938	0.00%
Construction in progress	105,912	129,934	-	-	105,912	129,934	-18.49%
Buildings	27,376,939	28,884,239	-	-	27,376,939	28,884,239	-5.22%
Land improvements	483,118	529,899	-	-	483,118	529,899	-8.83%
Machinery and equipment	322,716	477,481	3,260	4,794	325,976	482,275	-32.41%
Right-to-use leased assets	121,594	237,590	-	-	121,594	237,590	-48.82%
Total	\$ 28,644,217	30,493,081	3,260	4,794	28,647,477	30,497,875	-6.07%

## Long-Term Debt

At June 30, 2025, the District had \$17,454,353 in total long-term debt outstanding. This represents a decrease of 10.06% during the year. (See Figure A-7) Additional information about the District's long-term debt is presented in Note 6 to the financial statements.

The District had outstanding general obligation bonded indebtedness of \$13,670,000 at June 30, 2025.

The District had outstanding revenue bonded indebtedness of \$3,340,000 at June 30, 2025, payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District.

The District had outstanding indebtedness from equipment purchase agreements of \$214,714 at June 30, 2025.

The District had outstanding indebtedness from lease agreements of \$229,639 at June 30, 2025.

	Figure A-7		
	Outstanding Long-Term Obligations		
	Total District		Total Change
	June 30,		June 30,
	2025	2024	2024-25
General obligation bonds	\$ 13,670,000	14,970,000	-8.68%
Revenue bonds	3,340,000	4,130,000	-19.13%
Equipment purchase agreements	214,714	-	100.00%
Lease agreements	229,639	305,704	-24.88%
Total	<u>\$ 17,454,353</u>	<u>19,405,704</u>	<u>-10.06%</u>

## ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of existing circumstances that could affect its financial health in the future:

Current economic factors that may affect the District financially include, current economic climate of high inflation, supply shortages, teacher shortages, and the need to increase compensation packages to be more competitive in the hiring market and to retain quality teachers.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the central office of Red Oak Community School District, 604 S Broadway St, Red Oak, Iowa 51566.



## BASIC FINANCIAL STATEMENTS

RED OAK COMMUNITY SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2025

	Governmental Activities	Business Type Activities	Total
<b>Assets</b>			
Cash and pooled investments	\$ 14,001,471	829,886	14,831,357
Receivables:			
Property tax:			
Delinquent	59,307	-	59,307
Succeeding year	7,108,608	-	7,108,608
Income surtax	129,432	-	129,432
Accounts	6,786	-	6,786
Lease	499	-	499
Due from other governments	715,629	74,075	789,704
Inventories	-	25,953	25,953
Capital assets not being depreciated/amortized	339,850	-	339,850
Capital assets, net of accumulated depreciation/amortization	28,304,367	3,260	28,307,627
<b>Total assets</b>	<b>50,665,949</b>	<b>933,174</b>	<b>51,599,123</b>
<b>Deferred Outflows of Resources</b>			
Pension related deferred outflows	967,844	-	967,844
OPEB related deferred outflows	24,869	-	24,869
<b>Total deferred outflows of resources</b>	<b>992,713</b>	<b>-</b>	<b>992,713</b>
<b>Liabilities</b>			
Accounts payable	1,018,591	56,135	1,074,726
Salaries and benefits payable	1,328,212	-	1,328,212
Advances from grantors	-	29,184	29,184
Accrued interest payable	51,066	-	51,066
Unearned revenue	-	9,446	9,446
Long-term liabilities:			
Portion due within one year:			
General obligation bonds	915,000	-	915,000
Revenue bonds	805,000	-	805,000
Lease agreements	223,594	-	223,594
Equipment purchase agreements	67,373	-	67,373
Compensated absences	42,147	-	42,147
Portion due after one year:			
General obligation bonds	12,755,000	-	12,755,000
Revenue bonds	2,535,000	-	2,535,000
Lease agreements	6,045	-	6,045
Equipment purchase agreements	147,341	-	147,341
Net pension liability	2,863,640	-	2,863,640
Total OPEB liability	418,373	-	418,373
<b>Total liabilities</b>	<b>23,176,382</b>	<b>94,765</b>	<b>23,271,147</b>
<b>Deferred Inflows of Resources</b>			
Succeeding year property tax revenue	7,108,608	-	7,108,608
Pension related deferred inflows	274,775	-	274,775
OPEB related deferred inflows	285,737	-	285,737
Lease related deferred inflows	487	-	487
<b>Total deferred inflows of resources</b>	<b>7,669,607</b>	<b>-</b>	<b>7,669,607</b>
<b>Net Position</b>			
Net investment in capital assets	11,189,864	3,260	11,193,124
Restricted for:			
Categorical funding	1,342,594	-	1,342,594
Debt service	244,691	-	244,691
Management levy purposes	469,629	-	469,629
Student activities	55,250	-	55,250
School infrastructure	3,917,395	-	3,917,395
Physical plant and equipment	3,687,938	-	3,687,938
Unrestricted	(94,688)	835,149	740,461
<b>Total net position</b>	<b>\$ 20,812,673</b>	<b>838,409</b>	<b>21,651,082</b>

SEE NOTES TO FINANCIAL STATEMENTS.

**RED OAK COMMUNITY SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest	Govern- mental Activities	Business Type Activities	Total
<b>Functions/Programs:</b>							
Governmental activities:							
Instruction:							
Regular	\$ 5,842,026	546,348	249,172	-	(5,046,506)	-	(5,046,506)
Special	2,147,523	465,374	61,508	-	(1,620,641)	-	(1,620,641)
Other	2,224,974	179,943	572,064	-	(1,472,967)	-	(1,472,967)
	<u>10,214,523</u>	<u>1,191,665</u>	<u>882,744</u>	<u>-</u>	<u>(8,140,114)</u>	<u>-</u>	<u>(8,140,114)</u>
Support services:							
Student	331,318	-	-	-	(331,318)	-	(331,318)
Instructional staff	1,029,055	-	5,000	-	(1,024,055)	-	(1,024,055)
Administration	1,709,008	42,428	-	-	(1,666,580)	-	(1,666,580)
Operation and maintenance of plant	2,155,016	9,618	98,500	-	(2,046,898)	-	(2,046,898)
Transportation	473,308	747	1,795	-	(470,766)	-	(470,766)
	<u>5,697,705</u>	<u>52,793</u>	<u>105,295</u>	<u>-</u>	<u>(5,539,617)</u>	<u>-</u>	<u>(5,539,617)</u>
Non-instructional programs:							
Community service operations	4,467	-	-	-	(4,467)	-	(4,467)
Long-term debt interest	672,815	-	-	-	(672,815)	-	(672,815)
Other expenditures:							
AEA flowthrough	436,089	-	436,089	-	-	-	-
Depreciation/amortization (unallocated)*	1,843,550	-	-	-	(1,843,550)	-	(1,843,550)
	<u>2,279,639</u>	<u>-</u>	<u>436,089</u>	<u>-</u>	<u>(1,843,550)</u>	<u>-</u>	<u>(1,843,550)</u>
Total governmental activities	<u>18,869,149</u>	<u>1,244,458</u>	<u>1,424,128</u>	<u>-</u>	<u>(16,200,563)</u>	<u>-</u>	<u>(16,200,563)</u>
Business type activities:							
Non-instructional programs:							
Food service operations	668,915	160,470	622,372	-	-	113,927	113,927
Total	<u>\$ 19,538,064</u>	<u>1,404,928</u>	<u>2,046,500</u>	<u>-</u>	<u>(16,200,563)</u>	<u>113,927</u>	<u>(16,086,636)</u>
<b>General Revenues:</b>							
Property tax levied for:							
General purposes				\$ 4,391,041	-		4,391,041
Debt service				1,889,867	-		1,889,867
Capital outlay				704,853	-		704,853
Income surtax				108,314	-		108,314
Statewide sales, services and use tax				1,401,524	-		1,401,524
Unrestricted state grants				7,773,655	-		7,773,655
Unrestricted investment earnings				443,484	12,014		455,498
Other				33,956	17,941		51,897
Total general revenues and transfers				<u>16,746,694</u>	<u>29,955</u>		<u>16,776,649</u>
Change in net position				546,131	143,882		690,013
Net position beginning of year, as restated				<u>20,266,542</u>	<u>694,527</u>		<u>20,961,069</u>
Net position end of year				<u>\$ 20,812,673</u>	<u>838,409</u>		<u>21,651,082</u>

\* This amount excludes the depreciation/amortization that is included in the direct expense of various programs.

SEE NOTES TO FINANCIAL STATEMENTS.

RED OAK COMMUNITY SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2025

	General	Capital Projects	Debt Service	Nonmajor	Total
<b>Assets</b>					
Cash and pooled investments	\$ 5,608,260	7,584,984	281,665	526,562	14,001,471
Receivables:					
Property tax:					
Delinquent	37,188	6,060	16,059	-	59,307
Succeeding year	4,603,753	719,011	1,385,845	399,999	7,108,608
Income surtax	64,716	64,716	-	-	129,432
Accounts	3,502	-	-	3,284	6,786
Lease	499	-	-	-	499
Due from other governments	568,355	146,974	-	300	715,629
<b>Total assets</b>	<b>\$ 10,886,273</b>	<b>8,521,745</b>	<b>1,683,569</b>	<b>930,145</b>	<b>22,021,732</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 878,672	132,685	1,967	5,267	1,018,591
Salaries and benefits payable	1,328,212	-	-	-	1,328,212
Total liabilities	2,206,884	132,685	1,967	5,267	2,346,803
Deferred inflows of resources:					
Unavailable revenues:					
Succeeding year property tax	4,603,753	719,011	1,385,845	399,999	7,108,608
Income surtax	64,716	64,716	-	-	129,432
Lease	487	-	-	-	487
Total deferred inflows of resources	4,668,956	783,727	1,385,845	399,999	7,238,527
Fund balances:					
Restricted for:					
Categorical funding	1,342,594	-	-	-	1,342,594
Debt service	-	-	295,757	-	295,757
Management levy purposes	-	-	-	469,629	469,629
Student activities	-	-	-	55,250	55,250
School infrastructure	-	3,917,395	-	-	3,917,395
Physical plant and equipment	-	3,687,938	-	-	3,687,938
Assigned	276,570	-	-	-	276,570
Unassigned	2,391,269	-	-	-	2,391,269
Total fund balances	4,010,433	7,605,333	295,757	524,879	12,436,402
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 10,886,273</b>	<b>8,521,745</b>	<b>1,683,569</b>	<b>930,145</b>	<b>22,021,732</b>

SEE NOTES TO FINANCIAL STATEMENTS.

RED OAK COMMUNITY SCHOOL DISTRICT  
 RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF NET POSITION  
 JUNE 30, 2025

<b>Total fund balances of governmental funds (page 20)</b>		\$ 12,436,402
 <b>Amounts reported for governmental activities in the Statement of Net Position are different because:</b>		
Net capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		28,644,217
Accounts receivable income surtax is not available to finance expenditures of the current year and, therefore, is recognized as deferred inflows of resources in the governmental funds.		129,432
Accrued interest payable on long-term liabilities is not due and payable in the current year and, therefore, is not reported as a liability in the governmental funds.		(51,066)
Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:		
Deferred outflows of resources	\$ 992,713	
Deferred inflows of resources	<u>(560,512)</u>	432,201
Long-term liabilities, including bonds payable, lease agreements payable, equipment purchase agreements payable, compensated absences payable, net pension liability and total OPEB liability, are not due and payable in the current year and, therefore, are not reported in the governmental funds.		<u>(20,778,513)</u>
<b>Net position of governmental activities (page 18)</b>		<b><u>\$ 20,812,673</u></b>

RED OAK COMMUNITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2025

	General	Capital Projects	Debt Service	Nonmajor	Total
<b>Revenues:</b>					
<b>Local sources:</b>					
Local tax	\$ 4,693,259	765,297	1,889,867	-	7,348,423
Tuition	953,525	-	-	-	953,525
Other	365,406	288,958	7,450	218,301	880,115
<b>State sources</b>					
Federal sources	8,399,791	1,409,839	2	-	9,809,632
Federal sources	677,933	-	-	-	677,933
Total revenues	15,089,914	2,464,094	1,897,319	218,301	19,669,628
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	6,139,618	-	-	2,157	6,141,775
Special	2,133,683	-	-	-	2,133,683
Other	2,116,585	-	-	228,702	2,345,287
	10,389,886	-	-	230,859	10,620,745
<b>Support services:</b>					
Student	351,220	-	-	-	351,220
Instructional staff	763,995	333,164	-	-	1,097,159
Administration	1,485,711	34,066	-	116,290	1,636,067
Operation and maintenance of plant	1,700,936	174,175	-	376,734	2,251,845
Transportation	297,068	-	-	38,971	336,039
	4,598,930	541,405	-	531,995	5,672,330
<b>Non-instructional programs:</b>					
Other service operations	4,467	-	-	-	4,467
<b>Capital outlay</b>					
	-	176,447	-	-	176,447
<b>Long-term debt:</b>					
Principal	-	-	2,246,551	-	2,246,551
Interest and fiscal charges	-	-	667,444	-	667,444
	-	-	2,913,995	-	2,913,995
<b>Other expenditures:</b>					
AEA flowthrough	436,089	-	-	-	436,089
Total expenditures	15,429,372	717,852	2,913,995	762,854	19,824,073
Excess (Deficiency) of revenues over (under) expenditures	(339,458)	1,746,242	(1,016,676)	(544,553)	(154,445)
<b>Other financing sources (uses):</b>					
Insurance proceeds	17,807	-	-	-	17,807
Proceeds from the sale of real property	-	2,000	-	-	2,000
Proceeds from the sale of equipment	-	5,994	-	-	5,994
Proceeds from equipment purchase agreements	-	295,200	-	-	295,200
Transfer in	2,500	-	1,061,591	17,785	1,081,876
Transfer out	(34,238)	(1,045,138)	-	(2,500)	(1,081,876)
Total other financing sources (uses)	(13,931)	(741,944)	1,061,591	15,285	321,001
Change in fund balances	(353,389)	1,004,298	44,915	(529,268)	166,556
Fund balances beginning of year	4,363,822	6,601,035	250,842	1,054,147	12,269,846
Fund balances end of year	\$ 4,010,433	7,605,333	295,757	524,879	12,436,402

SEE NOTES TO FINANCIAL STATEMENTS.

RED OAK COMMUNITY SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025

**Change in fund balances - total governmental funds (page 22)** \$ 166,556

***Amounts reported for governmental activities in the Statement of Activities are different because:***

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are not reported in the Statement of Activities and are allocated over their estimated useful lives as depreciation/amortization expense in the Statement of Activities. Capital outlay expenditures and depreciation/amortization expense in the current year are as follows:

Capital outlay	\$ 334,598	
Depreciation/amortization expense	<u>(2,183,462)</u>	(1,848,864)

Income surtax receivable is not considered available revenue and is recognized as deferred inflows of resources in the governmental funds. (254,348)

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Current year issuances and repayments are as follows:

Issued	(295,200)	
Repaid	<u>2,246,551</u>	1,951,351

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the governmental funds when due. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. (5,371)

The current year District IPERS contributions are reported as expenditures in the governmental funds but are reported as deferred outflows of resources in the Statement of Net Position. 704,168

Some expenses reported in the Statement of Activities do not require the use current financial resources and, therefore, are not reported as expenditures in the governmental funds, as follows:

Compensated absences	2,014	
Pension expense	(169,820)	
Total OPEB liability and related expenses	<u>445</u>	<u>(167,361)</u>

**Change in net position of governmental activities (page 19)** \$ 546,131

SEE NOTES TO FINANCIAL STATEMENTS.

RED OAK COMMUNITY SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2025

	Enterprise, School Nutrition
<b>Assets</b>	
Current assets:	
Cash and pooled investments	\$ 829,886
Due from other governments	74,075
Inventories	25,953
Total current assets	929,914
Noncurrent assets:	
Capital assets, net of accumulated depreciation	3,260
<b>Total assets</b>	933,174
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	56,135
Advances from grantors	29,184
Unearned revenue	9,446
<b>Total liabilities</b>	94,765
<b>Net Position</b>	
Net investment in capital assets	3,260
Unrestricted	835,149
<b>Total net position</b>	\$ 838,409

SEE NOTES TO FINANCIAL STATEMENTS.

RED OAK COMMUNITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2025

	Enterprise, School Nutrition
Operating revenues:	
Local sources:	
Charges for service	\$ 160,470
Miscellaneous	17,941
Total operating revenues	178,411
Operating expenses:	
Non-instructional programs:	
Food service operations:	
Services	261,111
Supplies	406,270
Depreciation	1,534
Total operating expenses	668,915
Operating loss	(490,504)
Non-operating revenues:	
State sources	3,642
Federal sources	618,730
Interest income	12,014
Total non-operating revenues	634,386
Change in net position	143,882
Net position beginning of year	694,527
Net position end of year	\$ 838,409

SEE NOTES TO FINANCIAL STATEMENTS.

RED OAK COMMUNITY SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2025

	Enterprise, School Nutrition
Cash flows from operating activities:	
Cash received from sale of lunches and breakfasts	\$ 161,540
Cash received from miscellaneous	17,941
Cash payments to suppliers for goods or services	(587,346)
Net cash used in operating activities	(407,865)
Cash flows from non-capital financing activities:	
State grants received	3,642
Federal grants received	498,412
Net cash provided by non-capital financing activities	502,054
Cash flows from investing activities:	
Interest on investments	12,014
Net increase in cash and pooled investments	106,203
Cash and pooled investments beginning of year	723,683
Cash and pooled investments end of year	\$ 829,886
<b>Reconciliation of operating loss to net cash used in operating activities:</b>	
Operating loss	\$ (490,504)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Commodities consumed	46,243
Depreciation	1,534
Change in assets and liabilities:	
Inventories	(5,304)
Accounts payable	39,096
Unearned revenue	1,070
Net cash used in operating activities	\$ (407,865)

**Non-cash investing, capital and related financing activities:**

During the year ended June 30, 2025, the District received \$46,243 of federal commodities.

SEE NOTES TO FINANCIAL STATEMENTS.

RED OAK COMMUNITY SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
JUNE 30, 2025

	Private Purpose Trust
	Scholarship
<b>Assets</b>	
Cash and pooled investments	\$ 197,383
<b>Liabilities</b>	
	-
<b>Net Position</b>	
Restricted for scholarships	197,383

SEE NOTES TO FINANCIAL STATEMENTS.

RED OAK COMMUNITY SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
YEAR ENDED JUNE 30, 2025

	Private Purpose Trust
	Scholarship
Additions:	
Local sources:	
Interest income	\$ 25
Deductions:	
Instruction:	
Scholarships awarded	1,725
Change in net position	(1,700)
Net position beginning of year	199,083
Net position end of year	\$ 197,383

SEE NOTES TO FINANCIAL STATEMENTS.

RED OAK COMMUNITY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025

**(1) Summary of Significant Accounting Policies**

Red Oak Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve and special education pre-kindergarten. The geographic area served primarily includes the City of Red Oak, Iowa, and the predominate agricultural territory of Montgomery, Page and Pottawattamie counties. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

The District's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board.

**A. Reporting Entity**

For financial reporting purposes, Red Oak Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the District. The Red Oak Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organizations - The District participates in a jointly governed organization that provides services to the District but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Montgomery, Page and Pottawattamie County Assessors' Boards.

**B. Basis of Presentation**

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for service.

The Statement of Net Position presents the District's nonfiduciary assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Net position is reported in the following categories:

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

*Restricted net position* results when constraints placed on net position use are either externally imposed or are imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net position* consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants, contributions and

interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements - Separate financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other nonmajor governmental funds. Combining schedules are also included for the Capital Projects Fund accounts.

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, including instructional, support and other costs.

The Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities and other capital assets.

The Debt Service Fund is utilized to account for property tax and other revenues to be used for the payment of principal and interest on the District's long-term debt.

The District reports the following non-major proprietary funds:

The Enterprise, School Nutrition Fund is used to account for the food service operations of the District.

The District also reports fiduciary funds which focus on net position and changes in net position. The District's fiduciary funds include the following:

The Private Purpose Trust Fund is used to account for assets held by the District under trust agreements which require income earned to be used to benefit individuals through scholarship awards.

### C. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments, and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the District's policy is generally to first apply the expenditure toward restricted fund balance and then to less restrictive classifications - committed, assigned and then unassigned fund balances.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's Enterprise Funds are charges to customers for sales and services. Operating expenses for Enterprise Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity/Net Position

The following accounting policies are followed in preparing the financial statements:

Cash, Pooled Investments and Cash Equivalents - The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust which is valued at amortized cost and non-negotiable certificates of deposit which are stated at amortized cost.

For purposes of the Statement of Cash Flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, they have a maturity date no longer than three months.

Property Tax Receivable - Property tax in governmental funds is accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax asking is certified by the Board of Education. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is reported as a deferred inflow of resources in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2023 assessed property valuations; is for the tax accrual period July 1, 2024 through June 30, 2025 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2024.

Due from Other Governments - Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories - Inventories are valued at cost using the first-in, first-out method for purchased items and government commodities. Inventories of proprietary funds are recorded as expenses when consumed rather than when purchased or received.

Capital Assets - Capital assets are tangible and intangible assets, which include property, furniture and equipment are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed under "Leases" below) if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Intangible assets follow the same capitalization policies as tangible capital assets and

are reported with tangible assets in the appropriate capital asset class. Reportable capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Land	\$ 2,500
Buildings	2,500
Land improvements	2,500
Intangibles	2,500
Right-to-use leased assets	2,500
Machinery and equipment:	
School Nutrition Fund equipment	500
Other machinery and equipment	2,500

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment and the right-to-use leased assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings	50 years
Land improvements	20 years
Intangibles	2+ years
Right-to-use leased assets	2+ years
Machinery and equipment	5-15 years

Leases - Red Oak Community School District is the lessee for noncancellable leases of equipment. The District has recognized a lease liability and an intangible right-to-use lease equipment (lease asset) in the government-wide financial statements. The District recognized leases with an initial, individual value of \$5,000 or more.

At the commencement of the lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how Red Oak Community School District determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

Red Oak Community School District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments, as well as any purchase option price included in the agreement that the District would be reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Red Oak Community School District is a lessor for a noncancellable lease of District buildings. The District recognizes a lease receivable and deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the Red Oak Community School District determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

Red Oak Community School District uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Deferred Outflows of Resources - Deferred outflows of resources represent a consumption of net position applicable to a future year(s) which will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense, the unamortized portion of the net difference between projected and actual earnings on pension plan investments and contributions from the District after the measurement date but before the end of the District's reporting period.

Salaries and Benefits Payable - Payroll and related expenditures for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

Advances from Grantors - Grant proceeds which have been received by the District but will be spent in a succeeding fiscal year.

Unearned Revenues - Unearned revenues are monies collected for lunches that have not yet been served. Patrons will either be reimbursed or served lunches. The lunch account balances are reflected on the Statement of Net Position in the Proprietary, School Nutrition Fund.

Long-term Liabilities - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the Statement of Net Position.

Compensated Absences - District employees accumulate a limited amount of earned but unused vacation, sick leave and paid time off hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when each of the following have occurred: the leave is attributable to services already rendered, the leave accumulates and carries forward from one reporting period to the next and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability for these amounts is reported in the governmental funds only for employees who have resigned or retired. The compensated absences liability has been computed based on rates in effect at June 30, 2025.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The net pension liability attributable to the governmental activities will be paid by the General Fund, while the portion attributable to the business type activities will be paid by the School Nutrition Fund.

Total OPEB Liability - For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information has been determined based on the District's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total OPEB liability attributable to the governmental activities will be paid by the General Fund.

Deferred Inflows of Resources - Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the fund financial statements consist of property tax receivables and other receivables not collected within sixty days after year end and succeeding year property tax receivables that will not be recognized until the year for which it is levied.

Deferred inflows of resources on the Statement of Net Position consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied and unrecognized items not yet charged to pension and OPEB expense.

Fund Equity - Board Policy number 701.4 describes the District's fund balance designations. In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts which cannot be spent because they are legally or contractually required to be intact or are not expected to be converted to cash.

Restricted - Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or are imposed by law through constitutional provisions or enabling legislation.

Assigned - Amounts are not available for appropriation but are set aside for a specific purpose. The assigned fund balances are for specific use at the high school, middle school and the elementary buildings. The District's Board of Directors authorizes the Superintendent or school business manager to assign General Fund balance amounts pursuant to Board policy #701.4.

Unassigned - All amounts not included in the preceding classifications.

#### E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information.

#### **(2) Cash and Pooled Investments**

The District's deposits in banks at June 30, 2025 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

The District is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Education; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

At June 30, 2025, the District had investments in the Iowa Schools Joint Investment Trust Direct (ISJIT) Government Obligations Portfolio which are value at an amortized cost \$5,275,030. There were no limitations or restrictions on withdrawals of the ISJIT investments. The investments in ISJIT were rated AAAM by Standard & Poor's Financial Services.

### (3) Capital Assets

Capital assets activity for the year ended June 30, 2025 was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
<b>Governmental activities:</b>				
Capital assets not being depreciated/amortized:				
Land	\$ 233,938	-	-	233,938
Construction in progress	129,934	265,447	289,469	105,912
Total capital assets not being depreciated/amortized	<u>363,872</u>	<u>265,447</u>	<u>289,469</u>	<u>339,850</u>
Capital assets being depreciated/amortized:				
Buildings	44,798,115	289,469	271,000	44,816,584
Land improvements	1,993,945	-	-	1,993,945
Machinery and equipment	3,441,239	69,151	15,200	3,495,190
Right-to-use leased assets	483,442	-	-	483,442
Total capital assets being depreciated/amortized	<u>50,716,741</u>	<u>358,620</u>	<u>286,200</u>	<u>50,789,161</u>
Less accumulated depreciation/amortization for:				
Buildings	15,913,876	1,796,769	271,000	17,439,645
Land improvements	1,464,046	46,781	-	1,510,827
Machinery and equipment	2,963,758	223,916	15,200	3,172,474
Right-to-use leased assets	245,852	115,996	-	361,848
Total accumulated depreciation/amortization	<u>20,587,532</u>	<u>2,183,462</u>	<u>286,200</u>	<u>22,484,794</u>
Total capital assets being depreciated/amortized, net	<u>30,129,209</u>	<u>(1,824,842)</u>	<u>-</u>	<u>28,304,367</u>
Governmental activities capital assets/amortized, net	<u>\$ 30,493,081</u>	<u>(1,559,395)</u>	<u>289,469</u>	<u>28,644,217</u>
<b>Business type activities:</b>				
Machinery and equipment	\$ 415,911	-	-	415,911
Less accumulated depreciation	411,117	1,534	-	412,651
Business type activities capital assets, net	<u>\$ 4,794</u>	<u>(1,534)</u>	<u>-</u>	<u>3,260</u>

Depreciation/amortization expense was charged to the following functions:

Governmental activities:		
Instruction:		
Regular		\$ 40,958
Special		505
Other		5,190
Support services:		
Administration		89,329
Operation and maintenance of plant		62,874
Transportation		141,056
		<u>339,912</u>
Unallocated depreciation/amortization		1,843,550
Total governmental activities depreciation/amortization expense		<u>\$ 2,183,462</u>
Business type activities:		
Food service operations		<u>\$ 1,534</u>

### (4) Construction Commitment

The District entered into a contract totaling \$264,500 for the construction of the Inman Elementary Remodel project. As of June 30, 2025, costs of \$105,912 had been incurred against the contract. The balance of \$158,588 remaining at June 30, 2025 will be paid as work on the project progress.

**(5) Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2025 is as follows:

Transfer to	Transfer from	Amount
Student Activity	General	\$ 17,785
General	Management	2,500
Debt Service	Capital Projects: Statewide Sales, Services and Use Tax	887,468
Debt Service	General	16,453
Debt Service	Capital Projects: Physical Plant and Equipment Levy	157,670
Total		<u>\$ 1,081,876</u>

The transfer from the General Fund to the Student Activity Fund was a reimbursement for protective equipment purchased.

The transfer from the Management Levy Fund to the General Fund was reimbursement for the payment of an insurance deductible.

The transfer from the Capital Projects: Statewide Sales, Services and Use Tax to the Debt Service Fund was for revenue bond principal and interest payments.

The transfer from the General Fund to the Debt Service Fund was for the copier and postage meter lease agreements.

The transfer from the Capital Projects: Physical Plant and Equipment Levy to the Debt Service Fund was for computer purchase agreements and bus lease agreements.

**(6) Long-Term Liabilities**

Changes in long-term liabilities for the year ended June 30, 2025 are summarized as follows:

	Restated, Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 14,970,000	-	1,300,000	13,670,000	915,000
Revenue bonds	4,130,000	-	790,000	3,340,000	805,000
Lease agreements	305,704	-	76,065	229,639	223,593
Equipment purchase agreements	-	295,200	80,486	214,714	67,373
Compensated absences	44,161	-	2,014 *	42,147	42,147
Net pension liability	3,709,123	-	845,483	2,863,640	-
Total OPEB liability	453,830	-	35,457	418,373	-
Total	<u>\$ 23,612,818</u>	<u>295,200</u>	<u>3,129,505</u>	<u>20,778,513</u>	<u>2,053,113</u>

\*The change in compensated absences liability is presented as a net change.

## General Obligation Bonds

Details of the District's June 30, 2025 general obligation indebtedness is as follows:

Year Ending June 30,	Bonds Issued Dated August 28, 2018			
	Interest Rate	Principal	Interest	Total
2026	4.00 %	\$ 915,000	469,244	1,384,244
2027	3.00	955,000	432,644	1,387,644
2028	3.00	980,000	403,994	1,383,994
2029	3.13	1,010,000	374,594	1,384,594
2030	3.25	1,045,000	343,032	1,388,032
2031-2035	3.38-3.63	5,765,000	1,159,506	6,924,506
2036-2038	3.50-3.63	3,000,000	183,818	3,183,818
Total		<u>\$ 13,670,000</u>	<u>3,366,832</u>	<u>17,036,832</u>

On August 28, 2018, the District issued \$19,990,000 of general obligation bonds to finance various capital improvement projects. The bonds bear interest at rates ranging from 3.00% to 5.00% per annum. For the fiscal years ended June 30, 2022, 2023, 2024, and 2025, the District collected surplus debt service levies of \$145,000, \$205,000, \$200,000, and \$425,000, respectively.

In addition to the scheduled principal payment of \$875,000 and interest payment of \$548,338, the District used surplus debt service levies on June 1, 2025 to call \$975,000 of principal originally scheduled to mature on June 1, 2038. The early redemption resulted in estimated interest cost savings of \$459,468.

## Revenue Bonds

Details of the District's June 30, 2025 statewide sales, services and use tax revenue bonded indebtedness are as follows:

Year Ending June 30,	Bonds Issued Dated December 1, 2017			
	Interest Rate	Principal	Interest	Total
2026	2.36 %	\$ 805,000	78,824	883,824
2027	2.36	825,000	59,826	884,826
2028	2.36	845,000	40,356	885,356
2029	2.36	865,000	20,414	885,414
Total		<u>\$ 3,340,000</u>	<u>199,420</u>	<u>3,539,420</u>

The District has pledged future statewide sales, services and use tax revenues to repay the \$8,490,000 of bonds issued in December 2017. The bonds were issued to finance renovations at the District's high school building. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2029. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. Annual principal and interest payments on the bonds are expected to require approximately 62% of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the bonds is \$3,539,420. For the current year, \$790,000 in principal and \$97,460 in interest was paid on the bonds and total statewide sales, services and use tax revenues were \$1,401,524.

The resolution providing for the issuance of the statewide sales, services and use tax revenues bonds requires the District to set aside each month an amount equal to 1/6 of the upcoming bi-annual interest payments and 1/12 of the upcoming annual principal payments.

## Lease Agreements

Details of the District's June 30, 2025 indebtedness resulting from lease agreements are as follows:

Year Ending June 30,	Copiers - June 14, 2021				Postage Meter - February 17, 2021			Bus Lease - August 28, 2023			Total		
	Interest Rate	Principal	Interest		Interest Rate	Principal	Interest	Interest Rate	Principal	Interest	Principal	Interest	Total
2026	2.12 %	\$ 14,293	293		1.92 %	\$ 1,695	16	6.32 %	\$ 207,605	13,120	223,593	13,429	237,022
2027	2.12	6,046	32			-	-		-	-	6,046	32	6,078
Total		<u>\$ 20,339</u>	<u>325</u>			<u>\$ 1,695</u>	<u>16</u>		<u>\$ 207,605</u>	<u>13,120</u>	<u>229,639</u>	<u>13,461</u>	<u>243,100</u>

In August 2021, the District entered into a sixty-three month copier lease agreement. The agreement requires monthly payments of \$1,216 and has an implicit interest rate of 2.12%. During the year ended June 30, 2025, principal and interest paid were \$13,994 and \$592, respectively.

In February 2021, the District entered into a sixty-three month lease agreement for a postage meter. The agreement requires monthly payments of \$156 and has an implicit interest rate of 1.92%. During the year ended June 30, 2025, principal and interest paid were \$1,815 and \$52, respectively.

In August 28, 2023, the District entered into a four-year lease agreement for a bus. The agreement requires annual payments of \$77,184, with a final payment of \$220,725 and has an implicit interest rate of 6.32%. During the year ended June 30, 2025, principal and interest paid were \$60,256 and \$16,928, respectively.

Equipment Purchase Agreements

In July 2024, the District entered into an agreement to finance the purchase of computers. The agreement bears interest at 6.11% per annum. During the year ended June 30, 2025, principal and interest paid were \$80,486 and \$0, respectively. Details of the District’s June 30, 2025 equipment purchase agreement indebtedness are as follows:

Year Ending June 30,	Purchase Agreement dated July 1, 2024				
	Interest Rate	Principal	Interest	Total	
2026	6.11 %	\$ 67,373	13,113	80,486	
2027	6.11	71,488	8,998	80,486	
2028	6.11	75,853	4,632	80,485	
Total		<u>\$ 214,714</u>	<u>26,743</u>	<u>241,457</u>	

**(7) Pension Plan**

Plan Description - IPERS membership is mandatory for employees of the District, except for those covered by another retirement system. Employees of the District are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by the Iowa Public Employees’ Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at P.O. Box 9117, Des Moines, Iowa 50306-9117 or at [www.ipers.org](http://www.ipers.org).

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general information purposes only. Refer to the plan documents for more information.

Pension Benefits - A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, anytime after reaching age 62 with 20 or more years of covered employment, or when the member’s years of service plus the member’s age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member’s first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member’s monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member’s highest five-year average salary, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

If a regular member retires before normal retirement age, the member’s monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month the member receives benefits before the member’s earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits - A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions - Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2025, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the District contributed 9.44% of covered payroll, for a total rate of 15.73%.

The District's contributions to IPERS for the year ended June 30, 2025 were \$704,168.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2025, the District reported a liability of \$2,863,640 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2024, the District's proportion was 0.078639%, which was a decrease of 0.003536% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$169,820. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 227,862	1,779
Changes of assumptions	-	40
Net difference between projected and actual earnings on IPERS' investments	35,814	-
Changes in proportion and differences between District contributions and the District's proportionate share of contributions	-	272,956
District contributions subsequent to the measurement date	704,168	-
<b>Total</b>	<b>\$ 967,844</b>	<b>274,775</b>

\$704,168 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2026	\$ (493,215)
2027	632,951
2028	(18,987)
2029	(125,015)
2030	(6,833)
Total	<u>\$ (11,099)</u>

There were no non-employer contributing entities at IPERS.

Actuarial Assumptions - The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.60% per annum.
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2024 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

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

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	21.0%	3.52%
International equity	13.0	5.18
Global smart beta equity	5.0	4.12
Core plus fixed income	25.5	3.04
Public credit	3.0	4.53
Cash	1.0	1.69
Private equity	17.0	8.89
Private real assets	9.0	4.25
Private credit	5.5	6.62
Total	<u>100.0%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

- The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 7,027,321	2,863,640	(623,465)

IPERS' Fiduciary Net Position - Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

**(8) Other Postemployment Benefits (OPEB)**

Plan Description - The District administers a single-employer benefit plan which provides medical and prescription drug benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits - Individuals who are employed by Red Oak Community School District and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical and prescription drug benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Retired participants must be age 55 or older at retirement. At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	4
Active employees	<u>134</u>
Total	<u><u>138</u></u>

Total OPEB Liability - The District's total OPEB liability of \$418,373 was measured as of June 30, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions - The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation	2.60% per annum.
Rates of salary increase	3.25-16.25% variable based upon years of service, including inflation.
Discount rate	5.20% compounded annually, including inflation.
Healthcare cost trend rate	8.00% for FY2025 decreasing to an ultimate rate of 4.14% in 2042.

Discount Rate - The discount rate used to measure the total OPEB liability was 5.20% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates for pre-retirement members are from the PubG-2010 employee table, generational using MP-2021, applied on a gender specific basis. Mortality rates for post-retirement members are from the PubG-2010 Healthy Annuitant, generational using MP-2021, applied on a gender specific basis.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB liability beginning of year	\$ 453,830
Changes for the year:	
Service cost	41,696
Interest	19,021
Differences between expected and actual experience	(26,924)
Changes in assumptions	(45,903)
Benefit payments	<u>(23,347)</u>
Net changes	<u>(35,457)</u>
Total OPEB liability end of year	<u>\$ 418,373</u>

Changes of assumptions reflect a change in the discount rate from 3.93% in fiscal year 2024 to 5.20% in fiscal year 2025.

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate 1% lower (4.20%) or 1% higher (6.20%) than the current discount rate.

	<u>1% Decrease (4.20%)</u>	<u>Discount Rate (5.20%)</u>	<u>1% Increase (6.20%)</u>
Total OPEB liability	\$ 454,309	418,373	385,294

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates 1% lower (8.00%) or 1% higher (10.00%) than the current healthcare cost trend rates.

	<u>1% Decrease (7.00%)</u>	<u>Healthcare Cost Trend Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
Total OPEB liability	\$ 371,628	418,373	473,783

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2025, the District recognized OPEB expense of \$22,902. At June 30, 2025, the District reported deferred outflows and inflows of resources related to OPEB from the following resources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,380	224,466
Changes in assumptions	21,489	61,271
Total	<u>\$ 24,869</u>	<u>285,737</u>

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended June 30,	Amount
2026	\$ (37,107)
2027	(37,313)
2028	(38,200)
2029	(37,990)
2030	(31,371)
Thereafter	<u>(78,887)</u>
Total	<u>\$ (260,868)</u>

**(9) Risk Management**

The Red Oak Community School District is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**(10) Area Education Agency**

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the Area Education Agency. The District's actual amount for this purpose totaled \$436,089 for the year ended June 30, 2025 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

**(11) Change in Area Educational Agency Funding**

The Governor signed House File 2612 on March 27, 2024, which changes the percentage of educational and media services funding generated through local property taxes by Districts which flow through to each Area Education Agency (AEA) beginning July 1, 2024. For fiscal year 2026, 100% of the educational and media services funds generated by the Districts will be received directly by the District and none will flow through the AEAs. Also, for fiscal year 2026, Districts will flow through 90% (instead of 100%) of special education support services funds to AEAs, who will code the funds as a combination of state aid and property taxes.

**(12) Tax Abatements**

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

Tax Abatements of Other Entities

Other entities within the District provide tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa. Property tax revenues of the District were reduced by the following amounts for the year ended June 30, 2025 under agreements entered into by the following entity:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Red Oak	Urban renewal and economic development projects	\$ 54,145

The State of Iowa reimburses the District an amount of equivalent to the increment of valuation on which property is divided times \$5.40 per \$1,000 of taxable valuation. For the year ended June 30, 2025, this reimbursement amounted to \$35,166.

**(13) Categorical Funding**

In accordance with Iowa Administrative Code Section 98.1, categorical funding is financial support from the state and federal governments targeted for particular categories of students, special programs, or special purposes. This support is in addition to school district or area education agency general purpose revenue, for purposes beyond the basic educational program and most often has restrictions on its use. Any portion of categorical funding provided by the state that is not expended by the end of the fiscal year must be carried forward as a restricted fund balance.

The following is a schedule of the categorical funding restricted in the General Fund at June 30, 2025.

Program	Amount
Limited English Proficient (LEP)	\$ 9,860
At-Risk Programs	10,983
Gifted and Talented Programs	124,043
Returning Dropouts and Dropout Prevention	351,055
Teacher Leadership State Aid	283,378
Four-Year-Old Preschool State Aid	57,124
FLEXIBILITY Account Excess HSAP	1,802
FLEXIBILITY Account Excess Professional Development	22,730
Beginning Teacher Mentoring and Induction	8,822
Iowa Early Intervention Block Grant	182,138
School Beyond School Fund Balance	1,077
Career and Technical Education Aid	20,620
Successful Progression for Early Readers	14,996
Professional Development	253,908
Iowa Skilled Worker and Job Creation Fund	58
Total	<u><u>\$ 1,342,594</u></u>

**(14) Reconciliation of Governmental Fund Balances to Net Position**

Detailed reconciliation of certain governmental fund balances to net position is as follows:

	Net investment in Capital Assets	Debt Service	Unassigned/ Unrestricted
Fund balance (Exhibit C)	\$ -	295,757	2,391,269
Capital assets, net of accumulated depreciation/amortization	28,644,217	-	-
General obligation bond capitalized indebtedness	(13,670,000)	-	-
Revenue bond capitalized indebtedness	(3,340,000)	-	-
Indebtedness from equipment purchase agreements	(214,714)	-	-
Indebtedness from lease agreements	(229,639)	-	-
Accrued interest payable	-	(51,066)	-
Income surtax	-	-	129,432
Compensated absences	-	-	(42,147)
Pension related deferred outflows	-	-	967,844
Pension related deferred inflows	-	-	(274,775)
Net pension liability	-	-	(2,863,640)
Total OPEB liability	-	-	(418,373)
OPEB related deferred outflows	-	-	24,869
OPEB related deferred inflows	-	-	(285,737)
Assigned fund balance	-	-	276,570
Net position (Exhibit A)	<u><u>\$ 11,189,864</u></u>	<u><u>244,691</u></u>	<u><u>(94,688)</u></u>

**(15) Accounting Change/Restatement**

Governmental Accounting Standards Board Statement No. 101, Compensated Absences, was implemented during fiscal year 2025. The statement establishes revised financial reporting requirements for state and local governments with employees who can accumulate a limited amount of earned but unused vacation, sick leave, comp time, paid time off, holidays, parental leave, bereavement leave and sabbatical leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when each of the following have occurred: the leave is attributable to services already rendered, the leave accumulates and carries forward from one reporting period to the next and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Beginning net position for governmental activities was restated to retroactively report the change in valuation of the beginning liability for compensated absences, as follows:

	<u>Governmental Activities</u>
Net position June 30, 2024, as previously reported	\$ 20,310,703
Net compensated absences liability restatement for GASBS No. 101	<u>(44,161)</u>
Net position July 1, 2024, as restated	<u>\$ 20,266,542</u>



REQUIRED SUPPLEMENTARY INFORMATION

RED OAK COMMUNITY SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES AND  
 CHANGES IN BALANCES - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS  
 AND PROPRIETARY FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 YEAR ENDED JUNE 30, 2025

	Governmental Funds Actual	Proprietary Fund Actual	Total Actual	Budgeted Amounts		Final to Actual Variance
				Original	Final	
Revenues:						
Local sources	\$ 9,182,063	190,425	9,372,488	8,592,434	8,592,434	780,054
State sources	9,809,632	3,642	9,813,274	9,975,695	9,975,695	(162,421)
Federal sources	677,933	618,730	1,296,663	1,085,741	1,085,741	210,922
Total revenues	19,669,628	812,797	20,482,425	19,653,870	19,653,870	828,555
Expenditures/Expenses:						
Instruction	10,620,745	-	10,620,745	10,527,019	10,777,019	156,274
Support services	5,672,330	-	5,672,330	6,401,462	6,401,462	729,132
Non-instructional programs	4,467	668,915	673,382	634,004	1,134,004	460,622
Other expenditures	3,526,531	-	3,526,531	3,811,441	3,811,441	284,910
Total expenditures/expenses	19,824,073	668,915	20,492,988	21,373,926	22,123,926	1,630,938
Excess (Deficiency) of revenues over (under) expenditures/expenses	(154,445)	143,882	(10,563)	(1,720,056)	(2,470,056)	2,459,493
Other financing sources, net	321,001	-	321,001	72,656	72,656	248,345
Excess (Deficiency) of revenues and other financing sources over (under) expenditures/expenses	166,556	143,882	310,438	(1,647,400)	(2,397,400)	2,707,838
Balances beginning of year	12,269,846	694,527	12,964,373	15,456,011	15,456,011	(2,491,638)
Balances end of year	\$ 12,436,402	838,409	13,274,811	13,808,611	13,058,611	216,200

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

RED OAK COMMUNITY SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY REPORTING  
YEAR ENDED JUNE 30, 2025

This budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds except Private Purpose Trust and Custodial Funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on a GAAP basis.

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functions, not by fund. These four functions are instruction, support services, non-instructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. During the year, the District adopted one budget amendment increasing budgeted expenditures by \$750,000.

RED OAK COMMUNITY SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
FOR THE LAST TEN YEARS\*  
REQUIRED SUPPLEMENTARY INFORMATION

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability	0.078639%	0.082175%	0.088320%	0.034125%	0.087058%	0.093028%	0.095174%	0.097287%	0.103113%	0.107797%
District's proportionate share of the net pension liability	\$ 2,863,640	3,709,123	3,336,870	117,807	6,115,604	5,386,956	6,022,830	6,480,531	6,489,209	5,325,692
District's covered payroll	\$ 7,306,364	7,214,693	7,116,081	6,821,928	6,909,110	7,079,820	7,153,193	7,261,999	7,405,635	7,392,482
District's proportionate share of the net pension liability as a percentage of its covered payroll	39.19%	51.41%	46.89%	1.73%	88.52%	76.09%	84.20%	89.24%	87.63%	72.04%
IPERS' net position as a percentage of the total pension liability	92.30%	90.13%	91.40%	100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%

\* In accordance with Governmental Accounting Standards Board Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding year.

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

RED OAK COMMUNITY SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
FOR THE LAST TEN YEARS  
REQUIRED SUPPLEMENTARY INFORMATION

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 704,168	685,001	681,448	671,758	643,990	652,220	668,334	638,791	648,496	660,871
Contributions in relation to the statutorily required contribution	(704,168)	(685,001)	(681,448)	(671,758)	(643,990)	(652,220)	(668,334)	(638,791)	(648,496)	(660,871)
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
District's covered payroll	\$ 7,459,410	7,306,364	7,214,693	7,116,081	6,821,928	6,909,110	7,079,820	7,153,193	7,261,999	7,405,635
Contributions as a percentage of covered payroll	9.44%	9.44%	9.44%	9.44%	9.44%	9.44%	9.44%	8.93%	8.93%	8.93%

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

RED OAK COMMUNITY SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION LIABILITY  
YEAR ENDED JUNE 30, 2025

Changes in benefit terms:

There are no significant changes in benefit terms.

Changes in assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

RED OAK COMMUNITY SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN THE DISTRICT'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
FOR THE LAST EIGHT YEARS  
REQUIRED SUPPLEMENTARY INFORMATION

	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 41,696	47,762	44,944	56,219	49,529	41,999	39,636	42,571
Interest cost	19,021	17,543	21,391	13,609	12,774	16,951	21,358	19,201
Differences between expected and actual experience	(26,924)	(151,616)	(34,969)	(17,768)	6,895	(71,530)	-	-
Changes in assumptions	(45,903)	(393)	(4,600)	(27,696)	2,031	1,710	13,551	(10,074)
Benefit payments	(23,347)	(22,974)	(44,766)	(33,750)	(17,524)	(20,989)	(35,195)	(31,284)
Net change in total OPEB liability	(35,457)	(109,678)	(18,000)	(9,386)	53,705	(31,859)	39,350	20,414
Total OPEB liability beginning of year	453,830	563,508	581,508	590,894	537,189	569,048	529,698	509,284
Total OPEB liability end of year	\$ 418,373	453,830	563,508	581,508	590,894	537,189	569,048	529,698
Covered-employee payroll	\$ 6,534,572	6,908,852	5,884,626	6,297,501	6,252,497	6,548,772	5,852,500	6,165,027
Total OPEB liability as a percentage of covered-employee payroll	6.40%	6.57%	9.58%	9.23%	9.45%	8.20%	9.72%	8.59%

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

RED OAK COMMUNITY SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB LIABILITY  
YEAR ENDED JUNE 30, 2025

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

Year ended June 30, 2025	5.20%
Year ended June 30, 2024	3.93%
Year ended June 30, 2023	3.65%
Year ended June 30, 2022	3.54%
Year ended June 30, 2021	2.16%
Year ended June 30, 2020	2.21%
Year ended June 30, 2019	3.50%
Year ended June 30, 2018	3.87%
Year ended June 30, 2017	3.58%

## SUPPLEMENTARY INFORMATION

RED OAK COMMUNITY SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2025

	Special Revenue		
	Management Levy	Student Activity	Total
<b>Assets</b>			
Cash and pooled investments	\$ 469,629	56,933	526,562
Receivables:			
Property tax:			
Succeeding year	399,999	-	399,999
Accounts	-	3,284	3,284
Due from other governments	-	300	300
<b>Total assets</b>	<b>\$ 869,628</b>	<b>60,517</b>	<b>930,145</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ -	5,267	5,267
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year property taxes	399,999	-	399,999
Fund balances:			
Restricted for:			
Management levy purposes	469,629	-	469,629
Student activities	-	55,250	55,250
Total fund balances	469,629	55,250	524,879
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 869,628</b>	<b>60,517</b>	<b>930,145</b>

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

RED OAK COMMUNITY SCHOOL DISTRICT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2025

	Special Revenue		
	Management Levy	Student Activity	Total
Revenues:			
Local sources:			
Other	\$ 14,441	203,860	218,301
Expenditures:			
Current:			
Instruction:			
Regular	2,157	-	2,157
Other	-	228,702	228,702
Support services:			
Administration	116,290	-	116,290
Operation and maintenance of plant	376,734	-	376,734
Transportation	38,971	-	38,971
Total expenditures	534,152	228,702	762,854
Deficiency of revenues under expenditures	(519,711)	(24,842)	(544,553)
Other financing sources (uses):			
Transfer in	-	17,785	17,785
Transfer out	(2,500)	-	(2,500)
Total other financing sources (uses)	(2,500)	17,785	15,285
Change in fund balances	(522,211)	(7,057)	(529,268)
Fund balances beginning of year	991,840	62,307	1,054,147
Fund balances end of year	\$ 469,629	55,250	524,879

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

RED OAK COMMUNITY SCHOOL DISTRICT  
COMBINING BALANCE SHEET  
CAPITAL PROJECTS FUND ACCOUNTS  
JUNE 30, 2025

	Capital Projects		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
<b>Assets</b>			
Cash and pooled investments	\$ 3,814,129	3,770,855	7,584,984
Receivables:			
Property tax:			
Delinquent	-	6,060	6,060
Succeeding year	-	719,011	719,011
Income surtax	-	64,716	64,716
Due from other governments	146,974	-	146,974
<b>Total assets</b>	<b>\$ 3,961,103</b>	<b>4,560,642</b>	<b>8,521,745</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ 43,708	88,977	132,685
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year property tax	-	719,011	719,011
Income surtax	-	64,716	64,716
Total deferred inflows of resources	-	783,727	783,727
Fund balances:			
Restricted for:			
School infrastructure	3,917,395	-	3,917,395
Physical plant and equipment	-	3,687,938	3,687,938
Total fund balances	3,917,395	3,687,938	7,605,333
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 3,961,103</b>	<b>4,560,642</b>	<b>8,521,745</b>

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

RED OAK COMMUNITY SCHOOL DISTRICT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE  
 CAPITAL PROJECTS FUND ACCOUNTS  
 YEAR ENDED JUNE 30, 2025

	Capital Projects		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
Revenues:			
Local sources:			
Local tax	\$ -	765,297	765,297
Other	88,945	200,013	288,958
State sources	1,401,524	8,315	1,409,839
Total revenues	<u>1,490,469</u>	<u>973,625</u>	<u>2,464,094</u>
Expenditures:			
Current:			
Support services:			
Instructional staff	-	333,164	333,164
Administration	-	34,066	34,066
Operation and maintenance of plant	110,812	63,363	174,175
Capital outlay	-	176,447	176,447
Total expenditures	<u>110,812</u>	<u>607,040</u>	<u>717,852</u>
Excess of revenues over expenditures	1,379,657	366,585	1,746,242
Other financing sources (uses):			
Proceeds from the sale of real property	-	2,000	2,000
Proceeds from the sale of equipment	-	5,994	5,994
Proceeds from equipment purchase agreements	-	295,200	295,200
Transfer out	(887,468)	(157,670)	(1,045,138)
Total other financing sources (uses)	<u>(887,468)</u>	<u>145,524</u>	<u>(741,944)</u>
Change in fund balances	492,189	512,109	1,004,298
Fund balances beginning of year	<u>3,425,206</u>	<u>3,175,829</u>	<u>6,601,035</u>
Fund balances end of year	<u>\$ 3,917,395</u>	<u>3,687,938</u>	<u>7,605,333</u>

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

RED OAK COMMUNITY SCHOOL DISTRICT  
 SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND, STUDENT ACTIVITY ACCOUNTS  
 YEAR ENDED JUNE 30, 2025

Account	Balance Beginning of Year	Revenues	Expenditures	Interfund/ Intrafund Transfer	Balance End of Year
MS Drama	\$ 4,030	1,447	2,925	-	2,552
MS Music	446	2,765	1,485	-	1,726
MS Yearbook	-	280	-	-	280
HS Drama	797	771	502	-	1,066
HS Speech	-	1,339	912	-	427
HS Vocal Music	16,543	10,509	14,893	-	12,159
HS Band	814	5,490	6,917	613	-
HS Athletics	16,071	151,385	171,851	17,400	13,005
HS FBLA	727	-	-	-	727
HS FFA	6,072	15,011	12,810	-	8,273
HS FCCLA	1,842	2,167	1,237	-	2,772
Junior Class	2,336	4,670	3,336	-	3,670
HS Media	57	-	-	(57)	-
HS Student Council	6,891	2,524	3,367	-	6,048
HS Yearbook	3,821	4,310	8,242	111	-
HS Minnisingers	-	100	-	-	100
Basketball Cheer Club	150	-	-	-	150
HS Track Team Account	-	-	225	225	-
K-12 Interest	1,203	1,092	-	-	2,295
K-3 General	507	-	-	(507)	-
Total	\$ 62,307	203,860	228,702	17,785	55,250

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

RED OAK COMMUNITY SCHOOL DISTRICT  
 SCHEDULE OF CHANGES IN PRIVATE PURPOSE TRUST FUND, SCHOLARSHIP ACCOUNTS  
 YEAR ENDED JUNE 30, 2025

Account	Net Position Beginning of Year	Additions	Deductions	Net Position End of Year
Plank Scholarship	\$ 2,852	-	900	1,952
Klopping Scholarship	22,618	1	250	22,369
Bloom Scholarship	20,228	1	75	20,154
Lingo Scholarship	140,663	12	-	140,675
Murphy Scholarship	12,956	11	500	12,467
Miscellaneous Scholarship	(234)	-	-	(234)
Total	<u>\$ 199,083</u>	<u>25</u>	<u>1,725</u>	<u>197,383</u>

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

**RED OAK COMMUNITY SCHOOL DISTRICT**  
**SCHEDULE OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION**  
**ALL GOVERNMENTAL FUNDS**  
**FOR THE LAST TEN YEARS**

	Modified Accrual Basis									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Revenues:</b>										
<b>Local sources:</b>										
Local tax	\$ 7,348,423	6,718,031	6,529,501	6,542,926	6,428,595	6,489,139	6,092,228	5,830,698	5,691,611	6,129,521
Tuition	953,525	571,685	463,315	492,816	375,418	523,489	382,356	512,532	410,703	461,326
Other	880,115	747,386	611,966	523,078	650,551	589,914	905,026	620,386	647,806	577,777
State sources	9,809,632	9,212,241	9,527,826	8,800,137	8,494,191	8,104,901	8,200,273	8,317,092	8,479,403	8,295,952
Federal sources	677,933	781,784	1,245,649	2,333,473	1,366,268	409,277	532,319	518,063	567,464	541,530
<b>Total</b>	<b>\$ 19,669,628</b>	<b>18,031,127</b>	<b>18,378,257</b>	<b>18,692,430</b>	<b>17,315,023</b>	<b>16,116,720</b>	<b>16,112,202</b>	<b>15,798,771</b>	<b>15,796,987</b>	<b>16,006,106</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular	\$ 6,141,775	5,512,218	5,988,403	5,980,114	5,597,735	5,157,347	5,315,038	5,096,051	5,138,066	5,363,180
Special	2,133,683	1,692,565	1,224,374	1,174,406	1,215,593	1,375,515	1,480,248	1,566,177	1,651,682	1,763,367
Other	2,345,287	2,336,341	2,053,258	2,006,868	2,098,602	1,981,523	2,040,239	2,019,075	2,108,354	2,107,885
<b>Support services:</b>										
Student	351,220	303,290	320,949	310,342	304,468	306,145	355,433	370,772	352,788	251,624
Instructional staff	1,097,159	925,892	1,113,969	1,068,296	1,152,663	922,629	1,022,192	1,000,255	1,066,065	989,703
Administration	1,636,067	1,706,101	1,359,935	1,364,562	1,321,975	1,233,929	1,242,547	1,625,196	1,456,503	1,476,242
Operation and maintenance of plant	2,251,845	1,922,045	1,859,000	1,727,611	1,471,579	1,320,519	1,158,228	1,120,931	1,240,210	1,206,443
Transportation	336,039	896,007	404,069	358,264	342,068	426,611	347,845	480,787	469,923	381,963
Non-instructional programs	4,467	3,996	3,133	2,084	1,241	996	1,510	1,344	10,478	4,726
Capital outlay	176,447	400,408	331,631	7,000	83,263	8,068,244	19,848,787	1,796,702	873,985	775,125
<b>Long-term debt:</b>										
Principal	2,246,551	2,916,043	1,882,040	1,765,991	1,420,000	1,370,000	690,000	2,145,000	660,000	645,000
Interest	667,444	806,637	786,813	845,847	882,126	932,218	805,221	26,611	91,180	110,465
<b>Other expenditures:</b>										
AEA flowthrough	436,089	494,198	510,133	489,115	485,408	480,081	481,501	486,952	477,877	484,273
<b>Total</b>	<b>\$ 19,824,073</b>	<b>19,915,741</b>	<b>17,837,707</b>	<b>17,100,500</b>	<b>16,376,721</b>	<b>23,575,757</b>	<b>34,788,789</b>	<b>17,735,853</b>	<b>15,597,111</b>	<b>15,559,996</b>

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

RED OAK COMMUNITY SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2025

Grantor/Program	Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures
<b>Indirect:</b>			
<b>U.S. Department of Agriculture:</b>			
Passed through Iowa Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	FY25	\$ 85,527
National School Lunch Program	10.555	FY25	333,276 *
Summer Food Service Program for Children	10.559	FY25	166,971
Fresh Fruit and Vegetable Program	10.582	FY25	32,956
Total - Child Nutrition Cluster			<u>618,730 **</u>
<b>Total U.S. Department of Agriculture</b>			<u>618,730</u>
<b>U.S. Department of the Treasury:</b>			
Passed through Iowa Department of Homeland Security and Emergency Management:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	FY25	<u>75,719</u>
<b>U.S. Department of Education:</b>			
Passed Through Iowa Department of Education:			
Title I Grants to Local Educational Agencies	84.010	FY25	<u>293,675</u>
Supporting Effective Instruction State Grants	84.367	FY25	<u>42,860</u>
Student Support and Academic Enrichment Program	84.424	FY25	<u>27,878</u>
Education Stabilization Fund:			
COVID-19 Learning Beyond the Bell Grant	84.425	FY25	<u>139,317</u>
Passed Through Green Hills Area Education Agency:			
Special Education Cluster (IDEA):			
Special Education Grants to States	84.027	FY25	<u>50,221 ***</u>
Passed Through Southwest Valley Community School District:			
Career and Technical Education - Basic Grants to States	84.048	FY25	<u>13,095</u>
<b>Total U.S. Department of Education</b>			<u>567,046</u>
<b>Total</b>			<u>\$ 1,261,495</u>

\* - Includes \$46,243 of non-cash awards.

\*\* - Total for Child Nutrition Cluster is \$618,730.

\*\*\* - Total for Special Education Cluster (IDEA) is \$50,221.

**Basis of Presentation** - The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Red Oak Community School District under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Red Oak Community School District, it is not intended to and does not present the financial position, changes in financial position or cash flows of Red Oak Community School District.

**Summary of Significant Accounting Policies** - Expenditures reported in the Schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Subrecipients** - No federal expenditures presented in this schedule were provided to subrecipients.

**Indirect Cost Rate** - Red Oak Community School District did not elect to use a federally negotiated indirect cost rate as allowed under the Uniform Guidance.

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

**NOLTE, CORNMAN & JOHNSON P.C.**  
**Certified Public Accountants**  
(a professional corporation)  
115 North 3rd Avenue West, Newton, Iowa 50208-3218  
Telephone (641) 792-1910

Independent Auditor's Report on Internal Control  
over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance with  
Government Auditing Standards

To the Board of Education of Red Oak Community School District:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Red Oak Community School District as of and for the year ended June 30, 2025, and the related Notes to Financial Statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 11, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in Part II of the accompanying Schedule of Findings and Questioned Costs as item 2025-001 that we consider to be a material weakness.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Red Oak Community School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters which are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance or other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2025 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

## Red Oak Community School District's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedure on Red Oak Community School District's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Red Oak Community School District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

## Purpose of this Report

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

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Red Oak Community School District during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



NOLTE, CORNMAN & JOHNSON, P.C.

March 11, 2026  
Newton, Iowa

**NOLTE, CORNMAN & JOHNSON P.C.**  
**Certified Public Accountants**  
(a professional corporation)  
115 North 3rd Avenue West, Newton, Iowa 50208-3218  
Telephone (641) 792-1910

Independent Auditor's Report on Compliance  
for Each Major Federal Program and on Internal Control over Compliance  
Required by the Uniform Guidance

To the Board of Education of Red Oak Community School District:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Red Oak Community School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of Red Oak Community School District's major federal programs for the year ended June 30, 2025. Red Oak Community School District's major federal programs are identified in the summary of auditor's results section of the Schedule of Findings and Questioned Costs.

In our opinion, Red Oak Community School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Red Oak Community School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Red Oak Community School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Red Oak Community School District's federal programs.

## Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Red Oak Community School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence judgement made by a reasonable user of the report on compliance about Red Oak Community School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Red Oak Community School District's compliance with the compliance requirements referred to above and performing other such procedures as we considered necessary in the circumstances.
- Obtain an understanding of Red Oak Community School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Red Oak Community School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance we identified during the audit.

## Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2025-002 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Red Oak Community School District's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Red Oak Community School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Handwritten signature in black ink that reads "Nolte, Cornman & Johnson PC". The signature is written in a cursive, flowing style.

NOLTE, CORNMAN & JOHNSON, P.C.

March 11, 2026  
Newton, Iowa

RED OAK COMMUNITY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025

**Part I: Summary of the Independent Auditor's Results:**

- (a) Unmodified opinions were issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
- (b) A material weakness in internal control over financial reporting was disclosed by the audit of the financial statements. No significant deficiencies were reported.
- (c) The audit did not disclose any noncompliance which is material to the financial statements.
- (d) A material weakness in internal control over major programs was disclosed by the audit of the financial statements.
- (e) An unmodified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit disclosed an audit finding which is required to be reported in accordance with the Uniform Guidance, Section 200.516.
- (g) Major programs were as follows:
  - Child Nutrition Cluster
    - Assistance Listing Number 10.553 - School Breakfast Program
    - Assistance Listing Number 10.555 - National School Lunch Program
    - Assistance Listing Number 10.559 - Summer Food Service Program for Children
    - Assistance Listing Number 10.582 - Fresh Fruit and Vegetable Program
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (i) Red Oak Community School District did not qualify as a low-risk auditee.

RED OAK COMMUNITY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025

**Part II: Findings Related to the Financial Statements:**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCIES:**

2025-001 Segregation of Duties

Criteria - Management is responsible for establishing and maintaining internal control. A good system of internal control provides for adequate segregation of duties so no one individual handles a transaction from its inception to completion. In order to maintain proper internal control, duties should be segregated so the authorization, custody and recording of transactions are not under the control of the same employee. This segregation of duties helps prevent losses from employee error or dishonesty and maximizes the accuracy of the District's financial statements.

Condition - We noted one individual has control over one or more of the following areas for the District:

- 1) Cash - initiating cash receipt and disbursement transactions and handling and recording cash.
- 2) Investments - investing, detailed recordkeeping, custody of investments and reconciling earnings.
- 3) Receipts - collecting, recording, depositing, journalizing, posting and reconciling.
- 5) Capital assets - recording and reconciling.
- 6) Wire transfers - processing and approving.
- 7) Financial reporting - preparing, reconciling and approving.
- 8) Journal entries - writing, posting and approval

Cause - The District has a limited number of employees and procedures have not been designed to adequately segregate duties or provide compensating controls through additional oversight of transactions and processes.

Effect - Inadequate segregation of duties could adversely affect the District's ability to prevent or detect and correct misstatements, errors, or misappropriation on a timely basis by employees in the normal course of performing their assigned functions.

Recommendation - We realize that with a limited number of office employees, segregation of duties is difficult. However, the District should review its control procedures to obtain the maximum internal control possible under the circumstances.

Response and Corrective Action Plan - For A/P - the District Office has the Secretary open all mail and deliver to intended recipients. When delivered to A/R, money is deposited in a timely manner (within 24 hours). A/R then prepares the deposit. The Deposit is then double-checked and initialed by another District Office employee before depositing. All accounts are reconciled weekly by A/R and monthly by the SBO. For Investments, there are two signers on the Bank Iowa accounts. All transactions are authorized by the Board, Superintendent, and then transactional is taken care of by the SBO. ACH/Wire Transfers - all ACH and Wire Transfers initiated by payroll are sent to the SBO by the Bank so there are two sets of eyes on them. Financial reporting is reviewed by the Superintendent and Board monthly. Journal entries are not initialed by another District Office Employee. We have made very concerted efforts to distribute duties without compromising accuracy.

Conclusion - Response accepted.

RED OAK COMMUNITY SCHOOL DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED JUNE 30, 2025

**Part III: Findings and Questioned Costs for Federal Awards:**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCIES:**

**Assistance Listing Number 10.553: School Breakfast Program**  
**Assistance Listing Number 10.555: National School Lunch Program**  
**Assistance Listing Number 10.559: Summer Food Service Program from Children**  
**Assistance Listing Number 10.582: Fresh Fruit and Vegetable Program**  
**Pass-Through Entity Identifying Number: FY25**  
**Federal Award Year: 2025**  
**Prior Year Finding Number: 2024-002**  
**U.S. Department of Agriculture**  
**Passed through the Iowa Department of Education**

2025-002 Segregation of Duties

One important aspect of the internal control structure is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. We noted one individual has control over portions of one or more of the following areas for the District relating to major federal programs; cash, investments, receipting, disbursements, capital assets, wire transfers, financial reporting and journal entries. See finding 2025-001.

**Part IV: Other Findings Related to Required Statutory Reporting:**

2025-A Certified Budget - District expenditures for the year ended June 30, 2025 did not exceed the amended certified budget.

2025-B Questionable Expenditures - No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

2025-C Travel Expense - No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.

2025-D Business Transactions - Business transactions between the District and District employees are detailed as follows:

Name, Title and Business Connection	Transaction Description	Amount
Heidi Harris, School Business Official Spouse Manages Healthy Turf Landscaping	Services	\$2,845
Leanne Fluckey, Curriculum Director Daughter owns Lynn's Home Baked Eats & Treats	Services	\$42
Lori Vanderhoof, Administrative Assistant Spouse owns Randy's Body Shop	Services	\$850

Name, Title and Business Connection	Transaction Description	Amount
<i>continued:</i>		
Janelle Erickson, Teacher		
Chris Vannausdle, Maintenance Worker		
Father of Janelle Erickson		
Roger Vannausdle, Maintenance Director		
Uncle of Janelle Erickson		
Tracy Vannausdle, School Counselor		
Aunt of Janelle Erickson		
Miranda Vannausdle, Teacher		
Sister-in-law of Janelle Erickson		
Bryce Johnson, Board Member		
Brother-in-law of Janelle Erickson		
Mark Erickson, Athletic Director		
Married to Janelle Erickson		
Co Owns Vann Brands Custom Designs, LLC	Supplies	\$12,382

In accordance with an Attorney General's opinion dated July 2, 1990, the above transactions with District employees do not appear to represent a conflict of interest.

In accordance with an Attorney General's opinion dated November 9, 1976, the above transactions with relatives of District employees do not appear to represent a conflict of interest.

2025-E Restricted Donor Activity - No transactions were noted between the District, District officials or District employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

2025-F Bond Coverage - Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.

2025-G Board Minutes - We noted no transactions requiring Board approval which have not been approved by the Board. However, we noted an instance of the Board going into closed session where the votes of each board member were not documented in the minutes. According to Chapter 21.5 of the Code of Iowa, "The vote of each member on the question of holding the closed session and the reason for holding the closed session by reference to a specific exemption under this section shall be announced publicly at the open session and entered in the minutes."

Recommendation - The District should review its procedures to ensure compliance with the Code of Iowa.

Response - The District will review procedures and make every effort to confirm Iowa Code.

Conclusion - Response accepted.

2025-H Certified Enrollment - We noted the enrollment data certified to the Iowa Department of Education was understated by 1.00 student.

Recommendation - The District should contact the Iowa Department of Education and the Iowa Department of Management to resolve this matter.

Response - The District's auditors will contact the Iowa Department of Education and the Iowa Department of Management to resolve this matter.

Conclusion - Response accepted.

2025-I Supplementary Weighting - No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.

- 2025-J Deposits and Investments - We noted no instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District's investment policy.
- 2025-K Certified Annual Report - The Certified Annual Report was certified timely to the Iowa Department of Education.
- 2025-L Categorical Funding - No instances of categorical funding being used to supplant rather than supplement other funds were noted.
- 2025-M Statewide Sales, Services and Use Tax - No instances of non-compliance with the allowable uses of the statewide sales, services and use tax revenue provided in Chapter 423F.3 of the Code of Iowa were noted. Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales, services and use tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2025, the District reported the following information regarding the statewide sales, services, and use tax revenue in the District's CAR:

Beginning balance		\$ 3,425,206
Revenues:		
Sales tax revenues	\$ 1,401,524	
Other local revenues	<u>88,945</u>	<u>1,490,469</u>
Expenditures/transfers out:		
Other	110,812	
Transfers to Debt Service	<u>887,468</u>	<u>998,280</u>
Ending balance		<u><u>\$ 3,917,395</u></u>

For the year ended June 30, 2025, the District did not reduce and levies as a result of the moneys received under Chapter 423E and 423F of the Code of Iowa.

**Aid and Levy Input and Result - AID AND LEVY INPUTS**

**Example Budget Adjustment (Guarantee) Resolution:**

RESOLVED, that the Board of Directors of RED OAK community school district, will levy property taxes for fiscal year 2026-2027 for the regular program budget adjustment as allowed under section 257.14, Code of Iowa.

Grand Total Levy Rate: 15.27496

FY 2027 Regular Program Budget Adjustment: 96,418

"Budget Adjustment (Guarantee) Resolution" was verified by Department of Management and will be in effect for the upcoming fiscal year if you qualify for the adjustment

		Amount	Maximum	
<b>Audited Change in Enrollment</b>				
Certified Enrollment Change		1.0		
Supplementary Weight - Sharing - Community College Course		0		
Supplementary Weight Change - ELL		0		
<b>Aid and Levy Inputs</b>				
Enter Regular Program State Percent of Growth		% 2.0000		
Enter Teacher Salary Supplement State Percent of Growth		% 2.0000		
Enter Professional Development Supplement State Percent of Growth		% 2.0000		
Enter Early Intervention Supplement State Percent of Growth		% 2.0000		
Enter Teacher Leadership Supplement State Percent of Growth		% 2.0000		
<b>COMBINED DISTRICT COST SUMMARY</b>				
FY27 SBRC Modified Supplemental Amount - Dropout	5.17	17,991		
<b>PRESCHOOL FOUNDATION AID</b>				
Audited Change in October 2024 Preschool Budget Enrollment	7.31	-1.0		
<b>INSTRUCTIONAL SUPPORT PROGRAM</b>				
Maximum Portion (Can't exceed 10.00%)	10.4	% 10.00	% 10	- Maximum ISL Portion on File with DOM.
Instructional Support Income Surtax Rate	10.15	% 8	% 20	- Maximum ISL Surtax Rate on File with DOM - Must have at least 1%.
District Income Tax Paid in 2024	10.16	5,569,477		
<b>EDUCATIONAL IMPROVEMENT PROGRAM</b>				
Voted Maximum Portion - Educational Improvement	11.2			
Ed Improvement Income Surtax Rate	11.4			
<b>SUMMARY OF GENERAL FUND LEVIES</b>				
Cash Reserve Levy - SBRC	15.9	441,513	441,513	- Maximum Cash Reserve Levy 15.9 +15.10
Cash Reserve Levy - Other	15.10	0		
Use of Fund Balance to Reduce Levy	15.11	0		
<b>VOTED PHYSICAL PLANT &amp; EQUIPMENT (VPPEL)</b>				
Voted PPEL Rate Limit	19.2	1.34000	1.34000	- Maximum VPPEL Rate on File with DOM.
Voted PPEL Income Surtax Rate	19.4	% 1	% 20	- Maximum Voted PPEL Surtax Rate on File with DOM - Must have at least 1%.
<b>OTHER PROPERTY &amp; UTILITY REPLACEMENT TAXES</b>				
Management	21.1	1,200,500		
Amana Library	21.2			
Regular Physical Plant & Equipment	21.3	162,849	162,849	- Maximum Regular Physical Plant & Equipment Levy.
Reorganization Equalization Levy	21.4			
Emergency Levy (for Disaster Recovery)	21.5			
Public Education and Recreation	21.6			
Debt Service (Complete Long Term Debt Schedule Tab)	21.7	1,387,644		

**Aid and Levy Input and Result - RESULTS**

<b>AID AND LEVY RESULTS</b>			
FY27 Regular Program District Cost without Adjustment	4.3		7,752,822
FY27 Regular Program Budget Adjustment	4.8		96,418
Teacher Salary Supplement District Cost	4.22		1,010,240
Professional Development Supplement District Cost	4.30		75,439
Early Intervention Supplement District Cost	4.38		89,954
Teacher Leadership Supplement District Cost	4.46		374,849
Combinded District Cost	5.19		11,190,449
Total Preschool Foundation Aid	7.35		175,342
State Foundation Aid	9.13		7,716,285
Instructional Support Income Surtax Dollars	10.17		445,538
Instructional Support Property & Utility Replacement Tax Dollars	10.21		149,807
Total Levy to Fund Combined District Cost	15.3		3,543,323
Ed Improvement Levy (Line 11.9)	15.5		0
Cash Reserve Levy - SBRC	15.9		441,513
Cash Reserve Levy - Other	15.10		0
Use of Fund Balance to Reduce Levy	15.11		0
Subtotal General Fund Levy without Instructional Support	15.14		3,984,836
Instruction Support Levy (Line 10.21)	15.13		149,807
Total General Fund Levy	15.12		4,134,643
Subtotal General Fund Levy Rate	15.16		8.14768
Instructional Support Levy Rate	15.19		0.30357
Total General Fund Levy Rate	15.21		8.45125
<b>Dollars Generated for District from Resident ESA Students</b>			
Resident Students Receiving an Education Savings Account (ESA)			0
Teacher Salary Supplement			0
Professional Development Supplement			0
Early Intervention Supplement			0
Teacher Leadership Supplement			0
<b>Total Dollars Generated for District from Resident ESAs:</b>			0
<b>TAX CERT RESULTS</b>			
		<b>Rate</b>	<b>Total Dollars</b>
Subtotal General Fund Levy (A&L line 15.14)		8.14768	3,984,836
+ Instructional Support Levy (A&L line 15.13)		0.30357	149,807
= Total General Fund Levy (A&L line 15.12)		8.45125	4,134,643
Management		2.45463	1,200,500
Amana Library		0.00000	0
Voted Physical Plant & Equipment (Loan Agreement)			0
+ Voted Physical Plant & Equipment (Capital Project)			605,571
= Subtotal Voted Physical Plant & Equipment		1.22714	605,571
+ Regular Physical Plant & Equipment		0.33000	162,849
= Total Physical Plant & Equipment			768,420
Reorganization Equalization Levy		0.00000	0
Emergency Levy (for Disaster Recovery)		0.00000	0
Public Education/Recreation (Playground)		0.00000	0
Debt Service		2.81194	1,387,644