I. CALL TO ORDER
  A. Introductions

II. AGENDA
  A. OPEB Trust
     Time Certain 4:30 p.m.
     1. Introduction
     2. Presentation
     3. Discussion
  B. FY 2014 Auditor's Report
     1. Introduction
     2. Presentation
     3. Discussion
  C. Long Range Demographic Study
     1. Introduction
     2. Presentation
     3. Discussion
     4. Action (Board Input)
  D. Update on Substitute Teacher System
     1. Introduction
     2. Presentation
     3. Discussion
     4. Action (Board Input)
E. Talent Development and Accelerated Services (TDAS) Update
   1. Introduction
   2. Presentation
   3. Discussion
   4. Action (TBD)
F. Standing Item: Policy Update
   1. Gender Inclusion Policy
F. Standing Item: PLTT Update-No presentation
G. Standing Item: SSSC 2.0 Update-No presentation
H. Work Session
   1. Board Check-In
   2. 2015 Board Budget
   3. Board Committee Assignments to Outside Organizations
   4. Listening Sessions- Renaming & next steps
   5. Finalize Plans for Winter Retreat
III. ADJOURNMENT
St. Paul Public Schools – OPEB Trust

Investment Objective: Balanced
Risk Tolerance: Moderate
Portfolio Life: Greater than 10 years

Goals in order of priority:
1. Meet annual OPEB liability (liquidity management)
2. Seek competitive return consistent with risk profile (risk-adjusted return)

Agenda
1. OPEB Industry Update
2. OPEB Portfolio Review
3. Market Commentary
## Wells Fargo OPEB Client Summary

**Date:** 12/31/2014

<table>
<thead>
<tr>
<th>Location</th>
<th>Funding Value</th>
<th>Current Value</th>
<th>Total Contributions</th>
<th>Total Distributions</th>
<th>Investment Gain</th>
<th>Date of First Investment</th>
<th>Cash Target</th>
<th>Fixed Target</th>
<th>Equity Target</th>
<th>Comp / Real Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Bear Lake</td>
<td>$39,520,357</td>
<td>$35,140,118</td>
<td>$0</td>
<td>$17,707,643</td>
<td>$13,327,403</td>
<td>12/22/2008</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>Rosemount Eagan</td>
<td>$37,147,160</td>
<td>$49,288,605</td>
<td>$0</td>
<td>$1,314,918</td>
<td>$13,456,363</td>
<td>3/27/2009</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>Minnetonka</td>
<td>$21,943,760</td>
<td>$21,212,942</td>
<td>$803,857</td>
<td>$7,604,351</td>
<td>$6,069,676</td>
<td>7/2/2009</td>
<td>0.00%</td>
<td>35.00%</td>
<td>45.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>Eden Prairie</td>
<td>$14,889,018</td>
<td>$18,479,296</td>
<td>$500,000</td>
<td>$2,477,214</td>
<td>$5,567,492</td>
<td>3/12/2009</td>
<td>0.00%</td>
<td>27.00%</td>
<td>45.00%</td>
<td>28.00%</td>
</tr>
<tr>
<td>Moorhead</td>
<td>$10,151,897</td>
<td>$10,140,733</td>
<td>$0</td>
<td>$3,288,914</td>
<td>$3,277,750</td>
<td>3/4/2009</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>Inver Grove Heights</td>
<td>$9,087,433</td>
<td>$10,338,190</td>
<td>$0</td>
<td>$1,987,829</td>
<td>$3,238,586</td>
<td>3/9/2009</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>Columbia Heights</td>
<td>$4,556,356</td>
<td>$5,648,378</td>
<td>$1,150,032</td>
<td>$1,593,304</td>
<td>$1,535,294</td>
<td>5/22/2009</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>Milaca</td>
<td>$3,556,680</td>
<td>$3,415,566</td>
<td>$0</td>
<td>$1,255,584</td>
<td>$1,114,471</td>
<td>3/18/2009</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>Anoka Hennepin</td>
<td>$26,096,522</td>
<td>$32,576,824</td>
<td>$0</td>
<td>$6,480,302</td>
<td></td>
<td>12/1/2009</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>Red Wing</td>
<td>$12,758,315</td>
<td>$11,445,193</td>
<td>$0</td>
<td>$3,969,256</td>
<td>$2,656,134</td>
<td>12/14/2009</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>North Branch</td>
<td>$4,385,606</td>
<td>$4,043,235</td>
<td>$0</td>
<td>$1,230,599</td>
<td>$888,229</td>
<td>12/18/2009</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>South St. Paul</td>
<td>$5,055,070</td>
<td>$4,201,907</td>
<td>$0</td>
<td>$1,944,023</td>
<td>$1,090,860</td>
<td>2/2/2010</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>Saint Paul</td>
<td>$1,000,000</td>
<td>$8,498,650</td>
<td>$7,000,000</td>
<td>$0</td>
<td>$498,650</td>
<td>4/8/2011</td>
<td>0.00%</td>
<td>40.00%</td>
<td>40.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$190,148,174</strong></td>
<td><strong>$214,429,637</strong></td>
<td><strong>$9,453,889</strong></td>
<td><strong>$44,373,635</strong></td>
<td><strong>$59,201,209</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
St. Paul | Consolidated Portfolio

As of 1/9/15

<table>
<thead>
<tr>
<th>Account</th>
<th>Cash</th>
<th>Fixed Income</th>
<th>Equity</th>
<th>Alternative Investments</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Large Cap</td>
<td>Mid Cap</td>
<td>Small Cap</td>
</tr>
<tr>
<td>St. Paul - Main</td>
<td>$917,354</td>
<td>$542,835</td>
<td>$563,892</td>
<td>$340,503</td>
<td>$241,523</td>
</tr>
<tr>
<td>St. Paul - STM TAX</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>St. Paul - TMA INT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>St. Paul - MCM INT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>St. Paul - MFS LCV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>St. Paul - JEN LCG</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Asset Allocation Total</strong></td>
<td><strong>$917,354</strong></td>
<td><strong>$3,465,148</strong></td>
<td><strong>$1,143,910</strong></td>
<td><strong>$340,503</strong></td>
<td><strong>$241,523</strong></td>
</tr>
<tr>
<td><strong>Equity Style Allocation</strong></td>
<td></td>
<td></td>
<td>43%</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>% of Total Allocation</strong></td>
<td></td>
<td></td>
<td>11%</td>
<td>41%</td>
<td>3%</td>
</tr>
</tbody>
</table>

**Alternative Investments**
- S&P DJ Wilshire Int'l Real Estate: 2.6%
- E-TRACS Alexion MLP Infrastructure Fund: 3.4%
- Principal Enhanced Real Estate Fund: 2.2%
- Merger Fund: 4.5%
- Robeco BP Long/Short Research Fund: 4.5%

**Current Allocation**
- Real Assets: 8%
- Equity: 31%
- Fixed Income: 41%
- Cash: 11%
- Comp. Strategies: 9%

**Target Allocation**
- Real Assets: 10%
- Equity: 40%
- Fixed Income: 40%
Last 12 Months

March 2014
• Rebalanced portfolio – Within fixed income, sold both emerging markets debt funds. Added 3% to STAM. Within equities, shifted 1% of equity total from domestic large cap and 2% from international emerging market to international developed market equities. Further diversified international emerging market equities by adding another 2% of equity allocation to the Morgan Stanley Frontier Emerging Markets fund. Within complementary strategies, added 1% to the Merger and sold AQR managed futures fund.

April 2014
• Established investment in MLN Elements Rogers Agriculture fund (1% allocation).

September 2014
• Liquidated MLN Elements Rogers Agriculture fund (1% allocation).

October 2014
• Rebalanced portfolio – Within equities, moved back to neutral growth/value, from a 5% overweight to growth. Fully liquidated the large cap growth and international developed markets growth index funds as a result. Within complementary strategies, added to the Merger fund (increasing target to 4.5% from 4%) and added to the Robeco Boston Partners Long/Short Research fund (increasing target to 4.5% from 4%).
• Cash addition of $1 million received (10/9/2014).
• Rebalanced portfolio – Invested $1 million in cash across the portfolio in all asset classes. Established new investments in Jennison domestic large cap growth, MFS domestic large cap value, McKinley international developed markets growth and Templeton international developed markets value. Fully liquidated the international developed markets index fund.

December 2014
• Cash addition of $3 million received (12/16/2014).

January 2015
• Rebalanced portfolio – Invested $2.345 million in cash across the portfolio in all asset classes. Invested first round of three total rounds in the equity asset class.
<table>
<thead>
<tr>
<th>Receipts</th>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Funding of OPEB Trust</td>
<td>4/8/2011</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>Addition</td>
<td>11/1/2011</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>Addition</td>
<td>1/11/2013</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>Addition</td>
<td>11/6/2013</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>Addition</td>
<td>10/9/2014</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>Addition</td>
<td>12/16/2014</td>
<td>$3,000,000</td>
<td></td>
</tr>
</tbody>
</table>

**Total Receipts** $8,000,000

**Disbursements**

**Total Disbursements** $0

**Adjusted Balance** $8,000,000

**Current Market Value (12.31.2014)** $8,498,650

**Net Increase in Market Value** $498,650
PORTFOLIO PERFORMANCE SUMMARY (CONSOLIDATED) - REPORT PERIOD: 5/1/11 TO 11/30/14
AGG518627 ST PAUL PUBLIC SCHOOLS #625 TR

PORTFOLIO SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>LAST 3 MTHS</th>
<th>YEAR TO DATE</th>
<th>LAST 12 MTHS</th>
<th>LAST 3 YRS</th>
<th>SINCE INCEPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Value¹</td>
<td>4,577,584</td>
<td>4,400,278</td>
<td>4,359,561</td>
<td>1,981,110</td>
<td>1,000,038</td>
</tr>
<tr>
<td>Net Contributions &amp;</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>3,000,656</td>
<td>4,000,656</td>
</tr>
<tr>
<td>Withdrawals²,³</td>
<td>720</td>
<td>178,026</td>
<td>218,743</td>
<td>616,548</td>
<td>577,610</td>
</tr>
<tr>
<td>Investment Gain or</td>
<td>5,578,304</td>
<td>5,578,304</td>
<td>5,578,304</td>
<td>5,578,304</td>
<td>5,578,304</td>
</tr>
<tr>
<td>Loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PERFORMANCE SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>ENDING MARKET VALUE¹</th>
<th>CURRENT PORTFOLIO ALLOCATION</th>
<th>LAST 3 MTHS</th>
<th>YEAR TO DATE</th>
<th>LAST 12 MTHS</th>
<th>LAST 3 YRS</th>
<th>SINCE INCEPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL PORTFOLIO (Net of fees)²</td>
<td>5,578,304</td>
<td>100.00%</td>
<td>-0.28%</td>
<td>3.73%</td>
<td>4.70%</td>
<td>6.69%</td>
<td>4.61%</td>
</tr>
</tbody>
</table>

FIXED INCOME

- Barclays 1-3 Year Govt Index: 0.08% 1.67% 1.61% 2.11% 1.86%
- Barclays 1-3 Year Govt/Credit: 0.36% 0.89% 0.75% 0.61% 0.79%
- Barclays Intern Govt/Credit Index: 0.70% 3.46% 2.80% 2.40% 2.98%

EQUITIES

- MSCI All Country World Index: -0.18% 7.02% 9.31% 16.11% -
- Standard & Poor's 500 Stock Index: -0.63% 6.72% 8.60% 15.38% -
- MSCI EAFE Net Index: 3.72% 13.95% 16.83% 20.91% -

REAL ASSETS

- 538,606 9.66% -0.30% 10.08% 9.92% 5.74% -

¹ Values include Accrued Income.
² Starting June 2011, management fees have been incorporated into performance calculations.
³ As accounts are added to removed from the composite they are displayed as a contribution/withdrawal.
⁴ Annualized Return
## St. Paul Performance

As of 11/30/14

### PORTFOLIO PERFORMANCE SUMMARY (CONSOLIDATED) - REPORT PERIOD: 5/1/11 TO 11/30/14

**AGG518627 ST PAUL PUBLIC SCHOOLS #625 TR**

### PERFORMANCE SUMMARY

<table>
<thead>
<tr>
<th>Category</th>
<th>Ending Market Value</th>
<th>Current Portfolio Allocation</th>
<th>Last 3 Months</th>
<th>Year To Date</th>
<th>Last 12 Months</th>
<th>Last 3 Years</th>
<th>Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Complementary Strategies</strong></td>
<td>505,435</td>
<td>9.06%</td>
<td>0.12%</td>
<td>2.00%</td>
<td>4.02%</td>
<td>-0.32%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Cash &amp; Equivalents</strong></td>
<td>197,182</td>
<td>3.53%</td>
<td>0.01%</td>
<td>0.01%</td>
<td>0.01%</td>
<td>0.03%</td>
<td>0.04%</td>
</tr>
</tbody>
</table>

*Lower Money Market Index*  

---

1. Annualized Return  
2. Values include Accrued Income.
Investment Policy Statement

This Investment Policy Statement is being prepared for:
St. Paul Public Schools
390 Cubertson Street,
Saint Paul, MN 55102

REVISED: July 8, 2013 (Original did 04/25/2010)
Prepared by:
Marie Walters, CFA
Senior Vice President
Senior Investment Manager
Wells Fargo Wealth Management Group

The portfolio assets covered by this policy at inception were approximately $1,000,000. The market value of the OPED Trust at July 8, 2013 is $3,160,000.

The St. Paul Public Schools' OPED Trust was established by the school district with the intention that it qualify as a tax-exempt trust performing an essential governmental function within the meaning of Section 116 of the Code, and the Regulations issued thereunder, and as a trust for Postemployment Benefits under Minnesota Statutes Section 471.90175.

This document for the St. Paul Public Schools outlines the established objectives, policies, and guidelines for the investment of the OPED Trust assets as authorized by the OPED Trust and applicable Federal and State law.

Purpose of the Investment Policy Statement

The purpose of this Investment Policy Statement is to establish and communicate to the client the investment goals, objectives, and management policy for this portfolio.

Investment Horizon

The Client has an investment horizon that is considered long-term, in excess of 11 years or more.

Tax Status

The St. Paul Public Schools' OPED Trust is structured as the successor entity to the pension plan of the Saint Paul Public Schools under the meaning of Section 116 of the Code, and the Regulations issued thereunder, and as a trust for Postemployment Benefits under Minnesota Statutes Section 471.90175.

Investment Objective

Balanced

Balance in emphasis between current income and long-term capital appreciation. Assets are primarily invested in a mix of fixed income securities and equity securities, with a moderate emphasis on capital appreciation and current income. The objective can be considered for clients with average risk tolerance and intermediate to long-term investment horizons, in which to grow principal. Real estate and infrastructure investments such as real estate investment trusts (REITs), private equity, and commodity may be utilized to enhance the risk/return characteristics of the portfolio. Client suitability, liquidity needs, investment minimum requirements, and other qualifications will be considered before investing in these asset classes.

Risk Tolerance

Material capital market risks, together with a prudent investment strategy, indicate a relationship between the level of risk and the level of return that can be expected. Higher returns are typically associated with higher risk. The risk profile of the aggregate asset class should parallel the volatility of the total plan benchmark.

Moderate

Suitability

The risk tolerance of the Client can be described as moderate. The Client has an investment horizon of 11 years or more. The Client understands that the actual level of risk in the portfolio, as well as the overall performance of the portfolio, may be higher or lower than the Client's stated tolerance and objective.
Asset Allocation Strategy

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Value</th>
<th>Percent</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>$1,764,916</td>
<td>40%</td>
<td>30% - 50%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>$2,241,320</td>
<td>40%</td>
<td>30% - 50%</td>
</tr>
<tr>
<td>Real Assets</td>
<td>$736,034</td>
<td>10%</td>
<td>20%</td>
</tr>
<tr>
<td>Cash Equivalents</td>
<td>$164,290</td>
<td>10%</td>
<td>20%</td>
</tr>
<tr>
<td>Other</td>
<td>$16,268</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>$4,301,816</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

"Ranges may fluctuate and/or change from what is stated due to new asset allocation recommendations. Asset allocation does not guarantee or protect better performance and cannot eliminate the risk of investment losses.

Portfolio rebalancing shall be performed periodically to remain consistent with the established asset allocation. At a minimum, the trust's assets, governed by this policy, shall be reviewed annually, and trading costs shall be considered if cash flow is insufficient to effect the rebalancing. The advisor does not invest in illiquid assets but is intended to represent a diversified approach to investing based upon the client's investment horizon.

Client Investment Timing

The client has indicated a preference to have the portfolio represented in this plan fully allocated toward the recommended allocation within 3 months.

Performance Evaluation or Monitoring

1. The performance of the portfolio will be monitored, measured, and evaluated over a market cycle.

2. Performance will be measured against an appropriate benchmark given the client's risk tolerance and the strategic asset allocation that has been selected. The selected benchmark or indexes for the portfolio shall be:

   1) For total portfolio return we accept a long-term annualized rate of return near 6.75% net of fees consistent with a "balanced" strategy.

   2) Individual accounts account managers and/or funds will be evaluated against appropriate benchmarks.

Special Considerations

The OPPEF Trust will be structured to provide for all payments to retire as a whole or with OPPEF 45. Actual payment amounts may vary in amount and timing, and will be made at the discretion of the appropriate school districts. At this time there are no plans to make distributions, but sufficient cash will be given to the Investment Manager to pay required.

Restrictions

The following asset classes, securities, and/or sectors will be excluded from this portfolio:

- Trust investments are limited to investments authorized under statutes including Chapter 116A or Section 30A.10, subdivision 1.

Background

This program uses relevant state laws as the basis for investment decision making. Oppep 45 is funded by the Minnesota legislature to provide retirement benefits to school district employees.

The guidelines set forth in this program are intended to provide a framework for investment decision making.

Liquidity

No specific liquidity needs at this time.

Additional Information

None noted at this time.
Signatories

We, the Client(s) or the undersigned company, delegate Investment Authority for the issues under this Investment Policy Statement, accept the above description and direction of investment objectives.

By: ____________________________

The Client(s) or Authorized Signature

Date: ________________

By: ____________________________

The Client(s) or Authorized Signature of more than one

Date: ____________________________

The Bank acknowledges the Investment Policy as outlined herein and agrees to monitor and/or restructure the objectives of this policy as deemed necessary on an ongoing basis.

By: ____________________________

Authorized Signature

Date: ________________

INFORMATION PROVIDED IN THIS DOCUMENT IS NOT FDIC INSURED • NOT BANK GUARANTEED • NOT BANK DEPOSITS • NOT FEDERALURY

THE PRIVATE BANK
Market Overview

December 2014

The following information and opinions are provided courtesy of Wells Fargo Bank N.A. Please see important disclosures on last page.
U.S. Economic Overview

U.S. data included mixed results: Employment gains, but confidence wanes

- The U.S. economy generated 321,000 new jobs in November, the strongest hiring month since January 2012. The previous two months were revised higher by 44,000 jobs. The unemployment rate remained muted at 5.8 percent in November. Both the average workweek and the average hourly earnings for all employees edged higher during the month.

- Existing-home sales increased 1.5 percent in October to a seasonally adjusted 5.26-million-unit pace. New-home sales rose 0.7 percent to a seasonally adjusted annual rate of 458,000 units. We believe that growth in housing supply and further strengthening in the labor markets will be key drivers to a robust housing market in 2015.

- Durable goods orders rose 0.4 percent in October, but the increase was largely supported by a jump in defense aircraft orders. Factory orders for October came in weaker than expected, falling 0.7 percent.

- Consumer confidence stumbled to 88.7 points in November after a strong surge in October. Both the present-day conditions survey and the optimism survey were less favorable with regard to business conditions and the state of the job market. Despite this small setback, confidence remains at a fairly healthy level.
U.S. Economic Outlook

Forward-looking indicators imply continued growth with little inflation

- U.S. GDP increased at an annual rate of 3.9 percent in the third quarter, more than anticipated, on positive contributions from private inventory accumulation, personal consumption, and nonresidential investment. Real GDP growth has met or exceeded 3.5 percent in four of the last five quarters, and we expect this trend to continue through 2015.

- The Index of Leading Economic Indicators rose 0.9 percent in October after a downward revision to September’s reading. Eight of the ten components increased as they continue to signal expanding economic activity through the early months of 2015.

- Inflation remained unchanged in October from the previous month and came in at 1.7 percent over the previous year. With crude oil tumbling in recent months, consumers have seen gas prices drop, which we believe will help consumer spending during the holiday shopping season.

- The Institute for Supply Management (ISM) Manufacturing survey decreased slightly by 0.3 points to 58.7 in November. The Services survey increased 2.2 points to 59.3. In manufacturing, new orders showed gains while prices paid reflected a large drop. In services, there was notable strength in business activity and new orders, signaling that the economy remains on solid footing.

Source: FactSet, 12/8/14
Economic Outlook—International

Headwinds across Europe, China, and Japan take a toll on growth

- Economic growth in the Eurozone remains weak, with third-quarter GDP growth coming in at 0.2 percent, manufacturing activity cooling down to 51.1 in October, and the inflation rate falling to 0.3 percent year-over-year. Still, the European Central Bank decided to leave policy rates unchanged but is planning a broad stimulus package for some time next year.

- In the UK consumer spending has been driving the economy as exports and investments have declined. The unemployment rate held steady at six percent in September.

- China’s economic slowdown prompted additional stimulus from Beijing in November, with the central bank cutting lending rates for the first time in two years. Growth in investment, factory production, and retail sales all slowed in October.

- The Japanese economy fell into a recession in the third quarter, prompting Prime Minister Abe to call for an early election and delay a second planned sales-tax hike. Retail sales fell in October and inflation slowed for a third consecutive month to 2.9 percent from a year earlier.

- Russia might suffer in 2015 as sanctions over Ukraine and a slump in oil prices begin to take a toll on the economy. The Bank of Russia continued its currency interventions in an effort to protect the ruble from a further slump.

Source: Bloomberg Finance, LLP, 12/8/14
Stock Market Review and Strategy

Domestic equity prices continued to advance in November

- The S&P 500 picked up where it left off last month, rising to yet another record close on November 26. Returns were broad-based, led by the consumer staples, consumer discretionary, and information technology sectors. Energy was the sole losing sector, declining 8.5 percent during the month. The S&P 500 closed the month over 11 percent higher from the market bottom on October 15.

- The small-cap Russell 2000 Index had slightly positive returns, lagging behind its larger counterparts. Consumer discretionary was the best-performing of the five sectors that had positive returns, while the energy sector declined 19 percent.

- International developed markets, led by German stocks, continued to move upward as well. In fact, on a local currency basis, the MSCI EAFE Index was the best-performing major global equity index for the month. However, the strong dollar continued to negatively impact returns for U.S. investors.

- Emerging markets’ returns for U.S. investors also were impacted by the strong dollar, turning positive local currency returns into negative results.

- We currently favor equities over bonds, and have an overweight recommendation for Domestic Large Cap and Developed International Equity.

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**Stock Market Total Returns**

<table>
<thead>
<tr>
<th>Equity Indexes</th>
<th>Nov</th>
<th>QTD</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year*</th>
<th>5 Year*</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSCI All Country World</td>
<td>1.7%</td>
<td>2.5%</td>
<td>6.7%</td>
<td>8.6%</td>
<td>15.4%</td>
<td>10.6%</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>2.7%</td>
<td>5.2%</td>
<td>14.0%</td>
<td>16.9%</td>
<td>20.9%</td>
<td>16.0%</td>
</tr>
<tr>
<td>Russell 1000 Growth</td>
<td>3.2%</td>
<td>5.9%</td>
<td>14.2%</td>
<td>17.5%</td>
<td>20.6%</td>
<td>16.8%</td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>2.0%</td>
<td>4.3%</td>
<td>12.8%</td>
<td>15.6%</td>
<td>21.5%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Russell Mid Cap</td>
<td>2.6%</td>
<td>5.7%</td>
<td>13.0%</td>
<td>16.3%</td>
<td>21.3%</td>
<td>18.4%</td>
</tr>
<tr>
<td>Russell 2000</td>
<td>0.1%</td>
<td>6.7%</td>
<td>2.0%</td>
<td>4.0%</td>
<td>18.4%</td>
<td>16.7%</td>
</tr>
<tr>
<td>MSCI EAFE</td>
<td>1.4%</td>
<td>-0.1%</td>
<td>-1.1%</td>
<td>0.4%</td>
<td>12.5%</td>
<td>6.9%</td>
</tr>
<tr>
<td>MSCI Emerging Markets</td>
<td>-1.1%</td>
<td>0.1%</td>
<td>2.9%</td>
<td>1.4%</td>
<td>5.6%</td>
<td>3.9%</td>
</tr>
<tr>
<td>MSCI Frontier Markets</td>
<td>-4.6%</td>
<td>-8.8%</td>
<td>11.7%</td>
<td>14.1%</td>
<td>15.1%</td>
<td>9.1%</td>
</tr>
</tbody>
</table>

**Stock Market Sector Returns**

- Utilities 24.6
- Health Care 27.0
- Industrials 10.0
- Consumer Staples 17.2
- Financials 13.2
- Consumer Discretionary 8.6
- Technology 22.2
- Telecom 9.7
- Materials 7.6
- Energy -8.2

*Annualized returns
**An index is unmanaged and not available for direct investment. Index returns do not reflect the deduction of fees, expenses or taxes. Past performance is no guarantee of future results. Sources: Bloomberg Finance LLP., FactSet, 12/14
Bond Market Review and Strategy

Bond prices were mixed in November

- Treasury yields declined despite quantitative easing’s end, lower unemployment, and stronger-than-expected economic growth. The yield curve continued flattening and returns were positive, with longer maturities gaining more than three percent. The promise of central bank bond purchases in Europe and Japan, along with China’s rate cuts, reinforced global growth concerns and capped rates.

- Investment-grade corporate bonds returned 0.7 percent, as heavy supply and low yields weighed on the market despite positive fund flows. Yields rose slightly, and spreads widened to YTD highs.

- High-yield bonds lost 0.7 percent as spreads widened and yields rose. Risk-averse investors favored BB-rated issuers. New issuance was strong, while fund inflows fluctuated.

- Unhedged developed market debt underperformed hedged bonds as the dollar continued rising. Dollar-denominated emerging market sovereign debt returned -0.4 percent vs. -1.6 percent for local-currency issues.

- With longer-term rates expected to trend higher, we recommend underweighting domestic investment-grade and developed international debt, and maintaining a below benchmark duration.

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<table>
<thead>
<tr>
<th>Bond Market Total Returns**</th>
<th>Period Ending November 30, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Indexes</td>
<td>Nov</td>
</tr>
<tr>
<td>Global Multiverse</td>
<td>-0.4%</td>
</tr>
<tr>
<td>U.S. Aggregate Bond</td>
<td>0.7%</td>
</tr>
<tr>
<td>U.S. Treasury</td>
<td>0.8%</td>
</tr>
<tr>
<td>U.S. Corporate</td>
<td>0.7%</td>
</tr>
<tr>
<td>U.S. Municipal</td>
<td>0.2%</td>
</tr>
<tr>
<td>U.S. TIPS</td>
<td>0.3%</td>
</tr>
<tr>
<td>U.S. High Yield</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Foreign Bond</td>
<td>-1.3%</td>
</tr>
<tr>
<td>EM Debt</td>
<td>-0.4%</td>
</tr>
</tbody>
</table>

Credit Spreads to Treasuries

Yield Spread (%)

*Annualized returns

**An index is unmanaged and not available for direct investment. Index returns do not reflect the deduction of fees, expenses or taxes. Past performance is no guarantee of future results. Sources: Bloomberg Finance LLP., Barclays Capital, 12/14.
Global REITs edged higher in November, with domestic REITs outperforming international REITs. U.S. commercial property prices were up 2.0 percent in the month and up 10.0 percent over the past year.

We maintain our neutral weighting for both domestic and international REITs. While future interest-rate volatility may be a headwind, a firming economic recovery is a distinct tailwind for REITs’ profitability through continued rental growth potential, higher demand for space, and greater capital availability.

We favor REIT sectors with the shortest lease periods, where landlords have pricing power and can react quickly to changing economic conditions.

Global policymakers are finally responding to the slower international economy since mid-year. New and aggressive monetary policy stimulus in Japan, Europe, and China should push gold and silver prices lower. Meanwhile, we continue to expect crude oil supply and demand to rebalance at prices above current levels, but OPEC’s apparent patience with current oil prices may delay the recovery in prices.

Despite recent dollar strength, our outlook for commodities remains neutral as supply and demand has become more balanced in many sectors.

Real Asset Total Returns**

<table>
<thead>
<tr>
<th>REIT/Commodity Indexes</th>
<th>Nov</th>
<th>QTD</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year*</th>
<th>5 Year*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global REITs</td>
<td>0.9%</td>
<td>7.6%</td>
<td>15.4%</td>
<td>15.6%</td>
<td>16.1%</td>
<td>12.7%</td>
</tr>
<tr>
<td>U.S. REITs</td>
<td>2.3%</td>
<td>11.5%</td>
<td>26.4%</td>
<td>27.2%</td>
<td>17.7%</td>
<td>18.2%</td>
</tr>
<tr>
<td>International REITs</td>
<td>-0.4%</td>
<td>2.9%</td>
<td>4.4%</td>
<td>4.5%</td>
<td>14.5%</td>
<td>8.9%</td>
</tr>
<tr>
<td>S&amp;P GSCI Commodity</td>
<td>-10.9%</td>
<td>-16.3%</td>
<td>-22.5%</td>
<td>-21.0%</td>
<td>-9.1%</td>
<td>-3.6%</td>
</tr>
<tr>
<td>Bloomberg Commodity</td>
<td>-4.1%</td>
<td>-4.8%</td>
<td>-10.2%</td>
<td>-9.0%</td>
<td>-8.2%</td>
<td>-3.6%</td>
</tr>
<tr>
<td>RICI Commodity</td>
<td>-6.5%</td>
<td>-8.1%</td>
<td>-14.8%</td>
<td>-13.5%</td>
<td>-6.6%</td>
<td>-1.5%</td>
</tr>
</tbody>
</table>

Crude Oil vs. Gold

Oil Price per Barrel (US$) vs. Gold Price per Ounce (US$)

*Annualized returns **An index is unmanaged and not available for direct investment. Index returns do not reflect the deduction of fees, expenses or taxes. Past performance is no guarantee of future results. Sources: Bloomberg Finance LLP., 12/14
Complementary Strategies Review and Strategy

Hedge funds post gains in November

- We maintain our neutral recommendation for Relative Value, but we are becoming increasingly optimistic that the expected increase in volatility over the coming months and quarters will provide a more fertile backdrop for the strategy.

- We are reevaluating our Macro underweight recommendation, becoming increasingly comfortable with the opportunity set for both systematic and discretionary strategies, and therefore moving closer to upgrading our recommendation to neutral. The environment remains stable enough for managers to isolate various trends across multiple asset classes.

- We are also reevaluating our overweight recommendation to Event Driven. Though we remain constructive on the strategy and expect opportunities to persist, we are less constructive on high-beta strategies, such as Activist, given current equity levels.

- We maintain our overweight outlook on Equity Hedge, and expect the environment for security and sector-level dispersion to increase in 2015. A stronger dollar, declining oil, and normalizing interest rates can all be significant drivers of valuation and should provide ample security selection opportunities.

### Complementary Strategies*** Total Returns**
**Period Ending November 30, 2014**

<table>
<thead>
<tr>
<th>Complementary Indexes</th>
<th>Nov</th>
<th>QTD</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year*</th>
<th>5 Year*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Hedge Funds</td>
<td>1.2%</td>
<td>0.9%</td>
<td>3.7%</td>
<td>4.8%</td>
<td>6.2%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Distressed Securities</td>
<td>0.1%</td>
<td>-1.7%</td>
<td>0.9%</td>
<td>2.1%</td>
<td>8.5%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Event Driven</td>
<td>1.2%</td>
<td>-0.5%</td>
<td>2.0%</td>
<td>3.3%</td>
<td>7.6%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Merger Arbitrage</td>
<td>1.3%</td>
<td>0.0%</td>
<td>1.7%</td>
<td>2.3%</td>
<td>3.1%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Equity Hedge</td>
<td>0.7%</td>
<td>0.7%</td>
<td>2.6%</td>
<td>4.1%</td>
<td>7.7%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Equity Market Neutral</td>
<td>2.1%</td>
<td>2.1%</td>
<td>4.0%</td>
<td>4.4%</td>
<td>4.6%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Macro</td>
<td>2.6%</td>
<td>2.4%</td>
<td>5.7%</td>
<td>6.2%</td>
<td>1.6%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Convertible Arbitrage</td>
<td>-0.6%</td>
<td>-1.8%</td>
<td>0.2%</td>
<td>0.8%</td>
<td>5.7%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Relative Value Arbitrage</td>
<td>0.3%</td>
<td>-0.5%</td>
<td>2.0%</td>
<td>3.3%</td>
<td>7.6%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Managed Futures</td>
<td>7.2%</td>
<td>8.4%</td>
<td>11.8%</td>
<td>13.0%</td>
<td>3.5%</td>
<td>1.6%</td>
</tr>
</tbody>
</table>

### U.S. Private Equity Index Returns

% Quarterly Change

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*Annualized returns
**An index is unmanaged and not available for direct investment. Index returns do not reflect the deduction of fees, expenses or taxes.
***Some alternative investments may be available only to pre-qualified investors. Past performance is no guarantee of future results.

Sources: Bloomberg Finance LLP., Cambridge Associates, 12/14
Disclosures

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- Yields are subject to change with economic conditions. Yield is only one factor that should be considered when making an investment decision. Treasuries are guaranteed by the U.S. government and, if held to maturity, offer a fixed rate of return and fixed principal value. Interest income from U.S. Treasury and some government agency securities is generally subject to federal income taxation, but may be exempt from some state and local taxes. Most federal agency bonds are not backed by the full faith and credit of the federal government, however, they may offer some type of guarantee by the issuing agency.
- Investing in foreign securities presents certain risks that may not be present in domestic securities. For example, investments in foreign and emerging markets present special risks including currency fluctuation, the potential for diplomatic and political instability, regulatory and liquidity risks, foreign taxation and differences in auditing and other financial standards. These risks are heightened in emerging markets.
- There are special risks associated with an investment in real estate, including the possible illiquidity of the underlying property, credit risk, interest rate fluctuations and the impact of varied economic conditions.
- The prices of small- and mid-company stocks are generally more volatile than large company stocks. They often involve higher risks because smaller companies may lack the management expertise, financial resources, product diversification, and competitive strengths to endure adverse economic conditions.
- Exposure to the commodities markets may subject an investment to greater share price volatility than an investment in traditional equity or debt securities. The commodities markets are considered speculative, carry substantial risks, and have experienced periods of extreme volatility. Investing in a volatile and uncertain commodities market may cause a portfolio to rapidly increase or decrease in value which may result in greater share price volatility which may expose investors to additional risks.
- Alternative investments carry specific investor qualifications which can include high income and net-worth requirements as well as relatively high investment minimums. They are complex investment vehicles which generally have high costs and substantial risks. The high expenses often associated with these investments must be offset by trading profits and other income. They tend to be more volatile than other types of investments and present an increased risk of investment loss. There may also be a lack of transparency as to the underlying assets. Other risks may apply as well, depending on the specific investment product.

Investment and Insurance Products:
- Are NOT insured by the FDIC or any other federal government agency
- Are NOT deposits of or guaranteed by the Bank or any Bank affiliate
- May Lose Value
Disclosures

- S&P 500 Index is a capitalization-weighted index calculated on a total-return basis with dividends reinvested. The index includes 500 widely held U.S. market industrial, utility, transportation and financial companies.
- Russell 1000® Growth Index represents the large-cap growth segment of the U.S. equity universe.
- Russell 1000® Value index represents the large cap value segment of the U.S. equity universe.
- Russell Midcap Index measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 25% of the total market capitalization of the Russell 1000 Index.
- Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index, which represents approximately 8% of the total market capitalization of the Russell 3000®.
- The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 46 country indexes comprising 23 developed and 23 emerging market country indexes. The developed market country indexes included are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The emerging market country indexes included are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.
- The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. The Index consists of the following 21 developed market country indexes: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.
- The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 23 emerging market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.
- The MSCI Frontier Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of frontier markets. The MSCI Frontier Markets Index consists of the following 24 frontier market country indexes: Argentina, Bahrain, Bangladesh, Bulgaria, Croatia, Estonia, Jordan, Kenya, Kuwait, Lebanon, Lithuania, Morocco, Kazakhstan, Mauritius, Nigeria, Oman, Pakistan, Romania, Serbia, Slovenia, Sri Lanka, Tunisia, Ukraine, and Vietnam.
- Barclays U.S. Corporate Bond Index includes publicly issued U.S. corporate and Yankee debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
- Barclays U.S. High Yield Bond Index is an unmanaged index that tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market.
- Barclays U.S. Municipal Bond Index represents municipal bonds with a minimum credit rating of at least Baa, an outstanding par value of at least $3 million, and a remaining maturity of at least one year. The Index excludes taxable municipal bonds, bonds with floating rates, derivatives, and certificates of participation.
- Barclays U.S. Treasury Index includes public obligations of the U.S. Treasury with a remaining maturity of one year or more.
- Barclays Treasury Inflation Protected Securities (TIPS) Index includes all publically issued, investment-grade U.S. TIPS with an outstanding face value of more than $250 million and that have at least one year to maturity.
Disclosures

- Barclays Multiverse. The Multiverse Index provides a broad-based measure of the global fixed-income bond market. The index represents the union of the Global Aggregate Index and the Global High-Yield Index and captures investment grade and high yield securities in all eligible currencies. Standalone indices such as the Euro Floating-Rate ABS Index and the Chinese Aggregate Index are excluded. The Multiverse Index family includes a wide range of standard and customized sub-indices by sector, quality, maturity, and country.

- NAREIT (National Association of Real Estate Investment Trusts) Index is an unmanaged index that reflects performance of all publicly traded equity REITs.

- Global REITs. FTSE/EPRA NAREIT Developed Index is designed to track the performance of listed real estate companies and REITs worldwide.

- Domestic REITs. FTSE NAREIT US All Equity REITs Index is designed to track the performance of REITs representing equity interests in (as opposed to mortgages on) properties.

- International REITs. S&P Developed ex-US Property Index measures the performance of several hundred publicly traded property companies from 21 countries outside the U.S.

- S&P Goldman Sachs Commodity Index (GSCI) is a composite index of commodity sector returns representing unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities. The index is includes futures contracts on 24 physical commodities of which Energy represents nearly 70%.

- Bloomberg Commodity Index is designed to be a highly liquid and diversified benchmark for commodities as an asset class. The index is composed of futures contracts on 22 physical commodities. No related group of commodities (e.g., energy, precious metals, livestock and grains) may constitute more than 33% of the index as of the annual re-weightings of the components. No single commodity may constitute less than 2% of the index.

- The Rogers International Commodity Index is a U.S. dollar based index representing the value of a basket of commodities consumed in the global economy. Representing futures contracts on 37 physical commodities, it is designed to track prices of raw materials not just in the U.S. but around the world.

- Credit Suisse Managed Futures Liquid Index seeks to gain broad exposure to the Managed Futures strategy using a pre-defined quantitative methodology to invest in a range of asset classes including: equities, fixed income, commodities and currencies. Index systematically tracks 18 of the most liquid and widely traded instruments in seeking to reflect the returns the Managed Futures sector.

- Macro. The HFRX Macro Index includes a broad range of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency and commodity markets. A variety of techniques are employed: discretionary and systematic analysis, combinations of top down and bottom up theses, quantitative and fundamental approaches and long and short term holding periods. Macro strategies’ primary investment thesis is predicated on predicted or future movements in the underlying instruments, and the impact movements in underlying macroeconomic variables may have on security prices. You cannot invest directly in an index.

- Merger Arbitrage. HFRX Merger Arbitrage Index strategies employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are currently engaged in a corporate transaction. Merger Arbitrage involves primarily announced transactions, typically with limited or no exposure to situations which pre-, post-date or situations in which no formal announcement is expected to occur. Opportunities are frequently presented in cross border, collared and international transactions which incorporate multiple geographic regulatory institutions, with typically involve minimal exposure to corporate credits. Merger Arbitrage strategies typically have over 75 percent of positions in announced transactions over a given market cycle.

- Equity Hedge. Equity Hedge strategies maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques.

- Relative Value Arbitrage: Investment Managers who maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities.

- Global Hedge Funds. HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of eight strategies; convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry.
Equity Market Neutral. The HFRX Equity Market Neutral Index strategies employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities, select securities for purchase and sale. These can include both Factor-based and Statistical Arbitrage/Trading strategies. Factor-based investment strategies include strategies in which the investment thesis is predicated on the systematic analysis of common relationships between securities. In many but not all cases, portfolios are constructed to be neutral to one or multiple variables, such as broader equity markets in dollar or beta terms, and leverage is frequently employed to enhance the return profile of the positions identified. Statistical Arbitrage/Trading strategies consist of strategies in which the investment thesis is predicated on exploiting pricing anomalies which may occur as a function of expected mean reversion inherent in security prices; high frequency techniques may be employed and trading strategies may also be employed on the basis on technical analysis or opportunistically to exploit new information believed to have not been fully, completely or accurately discounted into current security prices. Equity Market Neutral Strategies typically maintain characteristic net equity market exposure no greater than 10% long or short. You cannot invest directly in an index.

Distressed Securities. HFRX Distressed Securities Index strategies employ an investment process focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near-term proceedings. Fundamental credit processes employed are focused on valuation and asset coverage of securities of distressed firms; in most cases portfolio exposures are concentrated in instruments which are publicly traded, in some cases actively and in others under reduced liquidity but in general for which a reasonable public market exists.

Convertible Arbitrage. HFRX Convertible Arbitrage Index includes strategies in which the investment thesis is predicated on realization of a spread between related instruments in which one or multiple components of the spread is a convertible fixed income instrument. Strategies employ an investment process designed to isolate attractive opportunities between the price of a convertible security and the price of a non-convertible security, typically of the same issuer. Convertible arbitrage positions maintain characteristic sensitivities to credit quality the issuer, implied and realized volatility of the underlying instruments, levels of interest rates and the valuation of the issuer’s equity, among other more general market and idiosyncratic sensitivities.

Event Driven. HFRX Event Driven Index maintains positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated, and frequently involve additional derivative securities. Event Driven exposure includes a combination of sensitivities to equity markets, credit markets and idiosyncratic, company-specific developments. Investment theses are typically predicated on fundamental characteristics (as opposed to quantitative), with the realization of the thesis predicated on a specific development exogenous to the existing capital structure.

The Institute of Supply Management (ISM) Purchasing Manager’s Index gauges internal demand for raw materials/goods that go into end-production. An Index value over 50 indicate expansion; below 50 indicates contraction. The values for the index can be between 0 and 100.

BBA LIBOR rate is a consensus derived from those submitted by major banks in London at 11:00 am London time. It is an average derived from sixteen quotations provided by banks determined by the British Bankers’ Association. The four highest and four lowest are then eliminated and an average of the remaining eight is calculated to arrive at the fix at 11:00 am. The fix is rounded to five decimal places. Eurodollar LIBOR is calculated on an ACT/360 basis and settlement is for two days hence. Prior to January 1995, the BBA did not "fix" LIBOR.

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INDEPENDENT SCHOOL DISTRICT NO. 625
SAINT PAUL, MINNESOTA

Audit Report
Year Ended June 30, 2014
Opinion on Financial Statements
  ▪ District Audit
Internal Controls and Compliance
  ▪ Financial Statement Audits
  ▪ Federal “Single Audit”
  ▪ State Laws and Regulations
  ▪ Manual for Activity Fund Accounting
District Audit

- Clean Opinion on Basic Financial Statements
- Internal Control and Compliance Reports
  - 2014-001 Payroll Internal Controls and Reconciliations
  - 2014-002 Internal Control and Compliance with Federal Procurement, Suspension, and Debarment Requirements
  - 2014-003 Claims and Disbursements
  - 2014-004 Collateral
  - 2014-005 Contracting and Bid Laws Compliance
### General Education Aid—Basic Formula Allowance

<table>
<thead>
<tr>
<th>Fiscal Year Ended June 30,</th>
<th>Formula Allowance</th>
<th>Percent Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>$4,601</td>
<td>– %</td>
</tr>
<tr>
<td>2006</td>
<td>$4,783</td>
<td>4.0 %</td>
</tr>
<tr>
<td>2007</td>
<td>$4,974</td>
<td>4.0 %</td>
</tr>
<tr>
<td>2008</td>
<td>$5,074</td>
<td>2.0 %</td>
</tr>
<tr>
<td>2009</td>
<td>$5,124</td>
<td>1.0 %</td>
</tr>
<tr>
<td>2010</td>
<td>$5,124</td>
<td>– %</td>
</tr>
<tr>
<td>2011</td>
<td>$5,124</td>
<td>– %</td>
</tr>
<tr>
<td>2012</td>
<td>$5,124</td>
<td>– %</td>
</tr>
<tr>
<td>2013</td>
<td>$5,224</td>
<td>1.0 %</td>
</tr>
<tr>
<td>2014</td>
<td>$5,302</td>
<td>1.5 %</td>
</tr>
<tr>
<td>2015</td>
<td>$5,831</td>
<td>2.0 % *</td>
</tr>
</tbody>
</table>

* The $529 increase in 2015 is offset by changes to pupil weightings and the general education aid formula that reduced the increase to the equivalent of $105, or 2.0 percent, state-wide.
General Fund Financial Position
Year Ended June 30,

- Cash and Investments (Net of Restricted Cash and Borrowing)
- Unrestricted Fund Balance
- Expenditures

General Fund Financial Position
Year Ended June 30,
### GENERAL FUND

#### FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonspendable fund balances</td>
<td>$1,625,529</td>
<td>$1,400,399</td>
<td>$1,814,285</td>
<td>$1,860,947</td>
<td>$1,507,340</td>
</tr>
<tr>
<td>Restricted fund balances (1)</td>
<td>6,376,529</td>
<td>7,324,865</td>
<td>10,909,179</td>
<td>13,079,222</td>
<td>9,981,020</td>
</tr>
<tr>
<td>Unrestricted fund balances</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Committed</td>
<td>–</td>
<td>24,915,748</td>
<td>27,915,748</td>
<td>27,915,748</td>
<td>27,915,748</td>
</tr>
<tr>
<td>Assigned</td>
<td>24,556,048</td>
<td>11,643,646</td>
<td>21,986,678</td>
<td>39,759,461</td>
<td>25,221,374</td>
</tr>
<tr>
<td>Unassigned</td>
<td>28,505,328</td>
<td>29,494,166</td>
<td>47,624,770</td>
<td>32,315,708</td>
<td>34,192,357</td>
</tr>
<tr>
<td><strong>Total fund balance</strong></td>
<td><strong>$61,063,434</strong></td>
<td><strong>$74,778,824</strong></td>
<td><strong>$110,250,660</strong></td>
<td><strong>$114,931,086</strong></td>
<td><strong>$98,817,839</strong></td>
</tr>
<tr>
<td>Unrestricted fund balances as a percentage of expenditures</td>
<td>10.2%</td>
<td>12.8%</td>
<td>19.0%</td>
<td>18.7%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Unassigned fund balances as a percentage of expenditures</td>
<td>5.5%</td>
<td>5.7%</td>
<td>9.3%</td>
<td>6.0%</td>
<td>6.1%</td>
</tr>
</tbody>
</table>

(1) Includes deficits in restricted fund balance accounts allowed to accumulate deficits under UFARS, which are part of unassigned fund balance on the accounting principles generally accepted in the United States of America-based financial statements.
General Fund Cash Flow
Month-End Balances

- Cash and Investments – 2012
- Cash and Investments – 2013
- Cash and Investments – 2014
ADJUSTED ADM AND PUPIL UNITS SERVED

Adjusted ADM and Pupil Units Served

<table>
<thead>
<tr>
<th>Year</th>
<th>ADM</th>
<th>Pupil Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>37,945</td>
<td>43,522</td>
</tr>
<tr>
<td>2011</td>
<td>37,836</td>
<td>43,363</td>
</tr>
<tr>
<td>2012</td>
<td>37,708</td>
<td>43,084</td>
</tr>
<tr>
<td>2013</td>
<td>37,756</td>
<td>43,036</td>
</tr>
<tr>
<td>2014</td>
<td>37,569</td>
<td>42,819</td>
</tr>
</tbody>
</table>
CHANGE IN STUDENTS SERVED

Change in ADM and Pupil Units Served

- 0.5%
- (0.5%)
- (1.0%)
- (1.5%)

2010 2011 2012 2013 2014

ADM  Pupil Units
<table>
<thead>
<tr>
<th>Other Operating Funds</th>
<th>Total Fund Balances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Service Special Revenue</td>
<td>2010</td>
</tr>
<tr>
<td>Community Service Special Revenue</td>
<td>2010</td>
</tr>
</tbody>
</table>
Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement No. 27*
FACILITIES MASTER PLANNING
Demographic Assessment and Enrollment Projection

Through the Facilities Master Planning process, Saint Paul Public Schools (SPPS) is working with a broad cross-section of internal and external stakeholders to develop the criteria the district will use to guide facility projects and improvements over the next decade. In order to produce a sound 10-year Facilities Master Plan (FMP), the district must extend the short-term models it has used for enrollment projections.

TRADITIONAL DISTRICT ENROLLMENT FORECASTING MODEL

Historically, SPPS has used a one-year projection model to inform annual budgeting, programming and other decisions. The current model serves its purpose for annual resource allocation and student placement, but is not enough to address long-term planning needs such as facilities and programming. Generally, the farther out a prediction is extended, the less accurate it will be, because more factors can change as more time passes. However, with additional data and understanding of trends, long-term forecasts can be more helpful.

<table>
<thead>
<tr>
<th>What?</th>
<th>1 year Forecasting Model</th>
<th>10 year (NEW) Forecasting Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Why?</td>
<td>Plan school budgets and staffing; school capacity (class size, enrollment); programming</td>
<td>Guide long-term planning for facilities and programming investments</td>
</tr>
</tbody>
</table>
| How?  | **Cohort Survival method**, utilizing: | **1)** Cohort survival method: Similar to SPPS’ one-year projection, with additional information, e.g., suburbanization  
                  - **Birth rates**: Historical ratio of births to kindergarteners five years later  
                  - **Cohort survival**: Historical retention ratios between each grade and the next grade  
                  - **Historical and Recent rates** of continuation in Areas and pathways  
                  - Adjust for effects of **one-time policy changes** such as moving 6th grade to middle school | **2)** Housing unit method: Use information about housing types to understand how long-term changes will influence the population of school-age children |
| Who?  | SPPS | SPPS with external demographers and planners |

Continued >
NEW 10-YEAR DISTRICT ENROLLMENT FORECASTING MODEL

What? A new demographic forecasting model will be informed by historical enrollment data, combined with data provided by the Metropolitan Council, City of St. Paul and Ramsey County.

Why? A 10-year forecast can be used to inform long-range planning, including:

- Capital investments such as the potential need for more or different school facilities.
- Programming such as program growth/ expansion and/or grade-level configuration.
- Preparation to meet growing student needs such as multilingual programming for refugee and immigrant communities.

How? To fully capture the complexity of issues that affect student enrollment, two distinct enrollment projection models will be employed:

1) “Cohort Survival” Method: This model is based on historical patterns of overall student enrollment and retention from one grade to the next. This is the method used for SPPS’ annual projections, though the 10-year model would include additional information to understand factors that could shift existing patterns. For example, this method could provide insight as to what extent the Karen community might stay in St. Paul or move to the suburbs and to what extent Karen students might open enroll into or out of SPPS schools.

2) Housing Unit Method: This method examines the number and type of housing in a particular area and the number of school-aged children in each housing type. This method helps to understand how many students will be in the city beyond the current birth rates, and can help predict demographic changes when there are changes in housing. For example, certain types of apartments tend to attract families to the city, while condos may attract adults without school-age children. It should be noted that perhaps for the first time in decades, St. Paul housing patterns will change considerably due to the mixed-use housing development planned on the former Ford property as well as increased density along the Green Line light rail corridor. The housing unit method will help to understand how much this will impact the number of school-age children in Saint Paul.

TIMELINE

Phase 1 – December 2014: Enrollment projections by grade for 10 years into the future for the district as a whole and for each of the district’s six geographic Areas.

Phase 2 – February 2015: Enrollment projections by grade, school-by-school, for 10 years.

Phase 3 – Spring 2015: Creation and transition of enrollment projection model to SPPS staff for on-going use and re-calibration as trend data evolves.

QUESTIONS TO CONSIDER

Does this new model produce dramatically different results from our current projections?

How does the housing model explain this variance?

If the new model does indicate a significant difference in projections, to what extent will housing patterns inform district projections going forward?
ENROLLMENT PROJECTIONS
Hazel H. Reinhardt
January 13, 2015
This analysis:

- Focuses on the factors that influence K-12 enrollment
- Quantifies:
  - Kindergarten enrollment
  - Cohort survival and net migration of students in each grade
  - The impact of housing types and development

The next phase of the analysis:

- Will refine the student profile, factoring in race and poverty information.
- Will project enrollment school-by-school, not just by geographic areas
EXECUTIVE SUMMARY

- In the past ten years, enrollment decreased by -1,734 students or -4.6 percent
  - Resident enrollment decreased only -2.8 percent and was at its lowest in 2010-11. Since then resident enrollment has increased as has the size of the resident kindergarten class
  - In 2014-15, nonresidents make up 4.3 percent of K-12 enrollment
    - Nonresident students are concentrated in the elementary grades
  - Estimated school age population decreased as well during the recession years
EXECUTIVE SUMMARY

- Today, the Saint Paul Public Schools capture 62.4 percent of the district’s school age population or 65.6 percent when special programs are included
  - The largest number of students not attending the Saint Paul Public Schools attend traditional nonpublic schools and charter schools
- The Saint Paul Public Schools experience net out migration every year
  - The net outflow between Grade 5 and Grade 6 is unusual
  - Like most Minnesota public school systems, there is a net inflow between Grade 8 and Grade 9
EXECUTIVE SUMMARY

• Enrollment projected to increase 4.2 to 8.2 percent in the next ten years
  • In 2024-25, projected enrollment ranges from 37,551 to 38,983 students. This compares to 36,040 students in 2014-15.

  Approximately 1,800 students need to be added to these projections to reflect ALCs, special education and other special populations not projected

• Enrollment will increase by no less than 400 students in the next five years
• Growth is faster in the second five projection years as the number of kindergarten students increases
SUMMARY

• The City of Saint Paul estimates that
  • 2,600 multi-family units will be built in the next five years
    • Only 10 percent of these units will be subsidized; others will be senior housing or market rate units
    • Probably no more than 55-105 Saint Paul Public School students from these developments
MANY CHANGING FACTORS

- Today, enrollment changes result from
  - Demographic changes
    - Age of the population
    - Fertility rates
    - Amount of residential development
  - Education marketplace
    - Education choices
      - Nonpublic
      - Public
        - Open enrollment
        - Charter schools
        - ALCs, etc.
SAINT PAUL PUBLIC SCHOOLS

- Saint Paul Public Schools have some advantages
  - City and school district are coterminous
    - No conflicts in identity
  - The school district’s shape and natural boundaries are barriers to open enrollment out
### COMPONENTS OF ENROLLMENT CHANGE

<table>
<thead>
<tr>
<th>Fall to Fall</th>
<th>Total</th>
<th>Natural Increase/Decrease</th>
<th>Net Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>2005 to 2006</td>
<td>-461</td>
<td>-1.2</td>
<td>654</td>
</tr>
<tr>
<td>2006 to 2007</td>
<td>-819</td>
<td>-2.2</td>
<td>423</td>
</tr>
<tr>
<td>2007 to 2008</td>
<td>-1,075</td>
<td>-2.9</td>
<td>519</td>
</tr>
<tr>
<td>2008 to 2009</td>
<td>-352</td>
<td>-1.0</td>
<td>547</td>
</tr>
<tr>
<td>2009 to 2010</td>
<td>-192</td>
<td>-0.5</td>
<td>580</td>
</tr>
<tr>
<td>2010 to 2011</td>
<td>409</td>
<td>1.2</td>
<td>728</td>
</tr>
<tr>
<td>2011 to 2012</td>
<td>67</td>
<td>0.2</td>
<td>1,015</td>
</tr>
<tr>
<td>2012 to 2013</td>
<td>600</td>
<td>1.7</td>
<td>1,157</td>
</tr>
<tr>
<td>2013 to 2014</td>
<td>89</td>
<td>0.2</td>
<td>991</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-1,734</td>
<td></td>
<td>6,614</td>
</tr>
</tbody>
</table>
COMPONENTS OF ENROLLMENT CHANGE

- In the past ten years
  - Natural increase resulted in +6,614 students
    - District has young families with children
  - Net migration resulted in -8,348 students
    - Families move out of the district while children are young
    - Students transfer to charter schools
      - Charter enrollment doubled in past ten years
    - Students leave before entering middle school
    - Students return for high school
    - Students transfer to ALCs
# EDUCATION CHOICES

## 2012-13

<table>
<thead>
<tr>
<th></th>
<th>Minnesota</th>
<th>Saint Paul</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonpublic settings</td>
<td>9.5%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Traditional schools</td>
<td>7.7%</td>
<td>13.7%</td>
</tr>
<tr>
<td>Home schools</td>
<td>1.8%</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

### Public Options

#### Open enrollment

<table>
<thead>
<tr>
<th></th>
<th>Minnesota</th>
<th>Saint Paul (equivalent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>In</td>
<td>7.2%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Out</td>
<td>7.2%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Charter schools</td>
<td>4.5%</td>
<td>13.1%</td>
</tr>
</tbody>
</table>

| Capture Rate (with ALCs) | 78.7% (n.a.) | 61.8% (65.8%) |
MACRO TRENDS

- Aging population
  - Less mobility
  - Decrease in school age population per household
  - Shift in size of adult age groups
    - Less demand for single-family detached housing, which yields the most school age population
- More births this decade and the next (Gen Y)
  - Another enrollment cycle (third)
    - Rising elementary enrollment in the first half of the cycle
    - Another large graduating class about 2040 (end of cycle)
KINDERGARTEN POOL
<table>
<thead>
<tr>
<th>Birth Years</th>
<th>Kindergarten Pool</th>
<th>Percentage</th>
<th>Kindergarten</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999; 2000</td>
<td>5,123</td>
<td>62.5%</td>
<td>2005-06</td>
</tr>
<tr>
<td>2000; 2001</td>
<td>5,123</td>
<td>61.9%</td>
<td>2006-07</td>
</tr>
<tr>
<td>2001; 2002</td>
<td>5,062</td>
<td>57.9%</td>
<td>2007-08</td>
</tr>
<tr>
<td>2002; 2003</td>
<td>5,084</td>
<td>60.8%</td>
<td>2008-09</td>
</tr>
<tr>
<td>2003; 2004</td>
<td>5,060</td>
<td>61.5%</td>
<td>2009-10</td>
</tr>
<tr>
<td>2004; 2005</td>
<td>5,123</td>
<td>60.5%</td>
<td>2010-11</td>
</tr>
<tr>
<td>2005; 2006</td>
<td>5,199</td>
<td>62.1%</td>
<td>2011-12</td>
</tr>
<tr>
<td>2006; 2007</td>
<td>5,229</td>
<td>65.6%</td>
<td>2012-13</td>
</tr>
<tr>
<td>2007; 2008</td>
<td>5,276</td>
<td>66.1%</td>
<td>2013-14</td>
</tr>
<tr>
<td>2008; 2009</td>
<td>5,160</td>
<td>64.7%</td>
<td>2014-15</td>
</tr>
<tr>
<td>2009; 2010</td>
<td>4,988</td>
<td></td>
<td>2015-16</td>
</tr>
<tr>
<td>2010; 2011</td>
<td>5,027</td>
<td></td>
<td>2016-17</td>
</tr>
<tr>
<td>2011; 2012</td>
<td>5,154</td>
<td></td>
<td>2017-18</td>
</tr>
<tr>
<td>2012; 2013</td>
<td>5,207</td>
<td></td>
<td>2018-19</td>
</tr>
</tbody>
</table>
AVERAGE GRADE SIZE

“Average” grade size

- 3,079 K-5
- 2,459 6-8
- 2,548 9-12

The current elementary and middle school grade sizes suggest that enrollment will continue to increase modestly if kindergarten is near today’s level.
NET MIGRATION BY GRADE

[Graph showing net migration by grade from K to 12.]
## NET MIGRATION BY GRADE

<table>
<thead>
<tr>
<th>Grade</th>
<th>05 to 06</th>
<th>06 to 07</th>
<th>07 to 08</th>
<th>08 to 09</th>
<th>09 to 10</th>
<th>10 to 11</th>
<th>11 to 12</th>
<th>12 to 13</th>
<th>13 to 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>K to 1</td>
<td>-24</td>
<td>-71</td>
<td>-43</td>
<td>-83</td>
<td>-31</td>
<td>-39</td>
<td>-29</td>
<td>-112</td>
<td>-176</td>
</tr>
<tr>
<td>1 to 2</td>
<td>-81</td>
<td>-123</td>
<td>-156</td>
<td>-79</td>
<td>-100</td>
<td>-45</td>
<td>-76</td>
<td>-75</td>
<td>-113</td>
</tr>
<tr>
<td>2 to 3</td>
<td>-39</td>
<td>-46</td>
<td>-105</td>
<td>-68</td>
<td>-51</td>
<td>-59</td>
<td>-86</td>
<td>-84</td>
<td>-90</td>
</tr>
<tr>
<td>3 to 4</td>
<td>-44</td>
<td>-51</td>
<td>-100</td>
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<td>97</td>
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<td>9 to 10</td>
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<td>-28</td>
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<td>1</td>
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<td>11 to 12</td>
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<td>-271</td>
<td>-144</td>
<td>-153</td>
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<td>-772</td>
<td>-319</td>
<td>-948</td>
<td>-557</td>
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</table>
These projections are K-12 only, and do not factor in ALCs, early childhood education, and other specialized programs. Those programs account for approximately 1,800 additional students in 2014-2015.
<table>
<thead>
<tr>
<th></th>
<th>K-5</th>
<th>6-8</th>
<th>9-12</th>
<th>Total</th>
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<td>18,473</td>
<td>7,377</td>
<td>10,190</td>
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<tr>
<td><strong>2019-20</strong></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Low K/Low Mig</td>
<td>18,173</td>
<td>8,052</td>
<td>10,226</td>
<td>36,450</td>
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<tr>
<td>Low K/High Mig</td>
<td>18,493</td>
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<td>10,128</td>
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<td>8,052</td>
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<tr>
<td>High K/High Mig</td>
<td>18,910</td>
<td>8,118</td>
<td>10,128</td>
<td>37,156</td>
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<td><strong>2024-25</strong></td>
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</tr>
<tr>
<td>Low K/Low Mig</td>
<td>18,969</td>
<td>7,721</td>
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<td>7,949</td>
<td>10,931</td>
<td>38,183</td>
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<td>High K/Low Mig</td>
<td>19,474</td>
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<td>19,818</td>
<td>8,162</td>
<td>11,003</td>
<td>38,983</td>
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*These projections are K-12 only, and do not factor in ALCs, early childhood education, and other specialized programs. Those programs account for approximately 1,800 additional students in 2014-2015.*
# 5 Year Enrolled Resident Projection

## Cohort Survival Method Resident Projections by Area

<table>
<thead>
<tr>
<th>Area</th>
<th>2014-15</th>
<th>2019-20</th>
<th>Change</th>
</tr>
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<tr>
<td></td>
<td>#</td>
<td>#</td>
<td>#</td>
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<tr>
<td>A</td>
<td>6,425</td>
<td>6,812</td>
<td>387</td>
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<td>5,338</td>
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<td>C</td>
<td>6,181</td>
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<td>D</td>
<td>1,923</td>
<td>1,792</td>
<td>-131</td>
</tr>
<tr>
<td>E</td>
<td>5,172</td>
<td>5,558</td>
<td>386</td>
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<tr>
<td>F1</td>
<td>7,303</td>
<td>7,365</td>
<td>62</td>
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<tr>
<td>F2</td>
<td>2,160</td>
<td>2,341</td>
<td>181</td>
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<tr>
<td>Total</td>
<td>34,502</td>
<td>35,347</td>
<td>845</td>
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</tbody>
</table>

*Projections shown are based on cohort survival analysis.*
*These projections are K-12 only, and do not factor in ALCs, early childhood education, and other specialized programs.*
*Area (A-F2) projections are for student residents of those areas; some of these students may attend a school in another part of town.*
5 Year Enrolled Resident Projection

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5 Year Enrolled Resident Projection

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- Area (A-F2) projections are for student residents of those areas; some of these students may attend a school in another part of town.
## 5 Year Enrolled Resident Projection

### Area Resident Projections

<table>
<thead>
<tr>
<th></th>
<th>K-5</th>
<th></th>
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<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
<td>E</td>
<td>F1</td>
<td>F2</td>
<td>Total</td>
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<td>2014-15</td>
<td>3,247</td>
<td>2,640</td>
<td>3,015</td>
<td>1,059</td>
<td>2,758</td>
<td>3,745</td>
<td>1,117</td>
<td>17,581</td>
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<tr>
<td>2019-20</td>
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<td>2,768</td>
<td>3,019</td>
<td>988</td>
<td>2,942</td>
<td>3,567</td>
<td>1,136</td>
<td>17,773</td>
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<tr>
<td>2014-15</td>
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</tr>
<tr>
<td>9-12</td>
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<tr>
<td>2014-15</td>
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<td>1,564</td>
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<td>1,355</td>
<td>2,092</td>
<td>563</td>
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<td>1,419</td>
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<td>64</td>
<td>100</td>
<td>63</td>
<td>2</td>
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</table>

*Projections shown are based on cohort survival analysis
*Changes in projected enrolled students are based geographically on where the student resides, not where they attend school*
## HOUSING YIELDS

### Saint Paul Public Schools

**Housing Type by Student Yield**

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>Units*</th>
<th>K-12 Students</th>
<th>K-12 Yield</th>
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</thead>
<tbody>
<tr>
<td>Single-Family Detached</td>
<td>56,967</td>
<td>20,087</td>
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<tr>
<td>Single-Family Attached**</td>
<td>992</td>
<td>194</td>
<td>0.20</td>
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<tr>
<td>Apartments</td>
<td>49,329^</td>
<td>10,386</td>
<td>0.21^</td>
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<tr>
<td>Condos</td>
<td>696</td>
<td>196</td>
<td>0.28</td>
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<tr>
<td>Duplex</td>
<td>11,320</td>
<td>3,463</td>
<td>0.31</td>
</tr>
<tr>
<td>Split Duplex</td>
<td>1,191</td>
<td>176</td>
<td>0.15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>120,795^</td>
<td>34,502</td>
<td>0.29^</td>
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*As of July 2014

**Townhomes

^Estimate
## PROJECTION COMPARISONS

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<tr>
<th>Area</th>
<th>Projections 2019-20</th>
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<td>Cohort Survival</td>
<td>Housing Unit</td>
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<td>6,868</td>
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<td>B</td>
<td>5,550</td>
<td>5,706</td>
</tr>
<tr>
<td>C</td>
<td>5,929</td>
<td>6,312</td>
</tr>
<tr>
<td>D</td>
<td>1,792</td>
<td>1,898</td>
</tr>
<tr>
<td>E</td>
<td>5,558</td>
<td>5,291</td>
</tr>
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<td>F1</td>
<td>7,365</td>
<td>7,255</td>
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<tr>
<td>F2</td>
<td>2,341</td>
<td>2,136</td>
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<tr>
<td>Total</td>
<td>35,347</td>
<td>35,466</td>
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</table>
QUESTIONS?
SPPS Enrollment Projections and the Facilities Master Plan

Tom Parent, AIA, LEED AP
Facilities Director
January 13, 2015
AGENDA

• How enrollment projections will be used in the FMP process

• Why long range facility planning benefits from utilizing the highest projected enrollment
HOW PROJECTIONS IMPACT THE FMP

• Align capacity and projected enrollment across the city

• Provide context on student profile and factors that influence student migration

• Inform milestones for critical interventions

The right school at the right time
WHY PLAN TO THE HIGHEST ENROLLMENT?

• Conservative assumptions lead to most robust long range plan

• The variance between lowest and highest projections from the report are modest in a facilities context
  • “Functional Capacity”
Questions?

Tom Parent, AIA, LEED AP

Facilities Director
January 13, 2015
Substitute Update

Committee of the Board
January 13, 2015
Laurin Cathey, Executive Director Human Resources
Agenda

- What the data says
- Results against the 200 Threshold
- Influences
- Responses to current results
Data 2013 (SPPS) vs 2014 (ToC)

Monthly Fill Rates

- **Dec**: ToC 82%, SPPS 88%
- **Nov**: ToC 83%, SPPS 91%
- **Oct**: ToC 85%, SPPS 93%
- **Sept**: ToC 88%, SPPS 95%

Target Daily fill rate is 90%

Monthly Substitute Need

- **Dec**: ToC 3255, SPPS 3546
- **Nov**: ToC 3699, SPPS 3819
- **Oct**: ToC 4480, SPPS 3601
- **Sept**: ToC 2346, SPPS 2851

Total need is up 13.5% vs previous year
The 200 Threshold

• There were 38 days this school year where the need exceeded 200 substitute teachers. This is 72% higher than the number of days last year that had the same need.

• Teachers on Call was able to provide 200 or more subs 14 times this school year. SPPS provided 200 or more subs 12 times during same period last year.

• In 2013 the average need for days over 200 was 230.5 with a high need of 295. In 2014 the average need for days over 200 was 242.3 with a high need of 296.
Influences on Unfilled Jobs

• 90% of unfilled jobs were requested less than 24 hours in advance.

• While need was influenced by iPAD implementation, illness (self or others) remained the largest reason for substitute need.

• Flu virus approaching epidemic proportions in Minnesota.
Responses under consideration

**Short Term**
Evaluating a plan to use TOSA’s for the post spring break segment of the school year

**Mid Term**
Reintroduce the dedicated sub cadre by recruiting an additional 15 teachers for 2015-2016. We will dedicate 5 subs to each level.

**Long Term**
Restructure the PD delivery model to have less connection to substitute need.
 Continue to partner with ToC to build substitute workforce.
QUESTIONS
Talent Development and Accelerated Services Update

COB
January 13, 2015

Dr. Rev Hillstrom
Assistant Director, Office of Teaching and Learning
Objectives of the Presentation

- Review the progress of Talent Development & Accelerated Services (TDAS) in meeting the needs of students and families
- Review the 2014 administration of the Cognitive Abilities Test (CogAT7) and results
- Highlight program insights from 2014-15 and identify key issues moving forward
TDAS Acceleration Assessment
Major Activities – 2014-2015

- Refined student learner and identification (CogAT7)
- Revised Portfolio review process (standards and performance based)
- Auditing the assessment process and calendar
- Updating procedures for family, community and school site engagement and communication
- Shifting from a G/T model to a Talent Development Model
CogAT7 Administration 2014

- Administration timeline reviewed during opening week w/site staff. Changes made based on their input.
- Kindergarten students took screener
- REA developed the suggested administration window to avoid overlapping grade testing processes
- Testing practice materials were translated into Hmong, Karen, and Somali by SPPS Translations Dept. (Spanish was available through Riverside)
Pathways to Identification for Accelerated Services

2 Grade Norms
- Top 10% in each battery district- (Q,V,N)
- Top 10% composite at the building level

Kindergarten Norms
- Top 10% Composite at district and building

Portfolio Review Process (K-5)
*Note: Use of Kindergarten screener required the use of the overall score rather than the discrete batteries
CogAT7 2014-15

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<td>*Non-SPPS Students Tested</td>
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<tr>
<td># Identified as eligible for accelerated services</td>
<td>1182</td>
</tr>
<tr>
<td># recommended for portfolio</td>
<td>224</td>
</tr>
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</table>

*There were three test dates available for non-spps students – staffed with TDAS staff members.*
<table>
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</tr>
</thead>
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<td>14.3%</td>
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</tr>
<tr>
<td>Asian American</td>
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<td>14.6%</td>
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</tr>
<tr>
<td>Hispanic</td>
<td>18.9%</td>
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<td>9.4%</td>
<td>9.9%</td>
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<tr>
<td>African American</td>
<td>7.3%</td>
<td>6.8%</td>
<td>7.5%</td>
<td>7.5%</td>
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<tr>
<td>Caucasian</td>
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<tr>
<td>Students of Color/AI</td>
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<td>10.6%</td>
<td>10.8%</td>
</tr>
<tr>
<td><strong>GRADE 2</strong></td>
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<tr>
<td>American Indian</td>
<td>3.0%</td>
<td>16.6%</td>
<td>21.7%</td>
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<tr>
<td>Asian American</td>
<td>8.9%</td>
<td>21.2%</td>
<td>22.2%</td>
<td>9.8%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>3.8%</td>
<td>11.8%</td>
<td>23.1%</td>
<td>25.9%</td>
</tr>
<tr>
<td>African American</td>
<td>2.5%</td>
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<td>17.6%</td>
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<tr>
<td>Caucasian</td>
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<tr>
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<tr>
<td>Asian American</td>
<td>16.7%</td>
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<td>30.0%</td>
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<tr>
<td>Hispanic</td>
<td>8.3%</td>
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<tr>
<td>African American</td>
<td>5.6%</td>
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<tr>
<td>Caucasian</td>
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<tr>
<td>Students of Color/AI</td>
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<tr>
<td><strong>All Grades</strong></td>
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<td>19.6%</td>
<td>20.1%</td>
<td>19.3%</td>
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<tr>
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<td>11.4%</td>
<td>18.6%</td>
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<td>11.1%</td>
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<tr>
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<td>21.0%</td>
<td>20.6%</td>
</tr>
<tr>
<td>African American</td>
<td>10.1%</td>
<td>15.2%</td>
<td>15.3%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Caucasian</td>
<td>4.5%</td>
<td>10.0%</td>
<td>11.4%</td>
<td>11.8%</td>
</tr>
<tr>
<td>Students of Color/AI</td>
<td>8.4%</td>
<td>12.9%</td>
<td>15.7%</td>
<td>15.5%</td>
</tr>
</tbody>
</table>
### KINDERGARTEN

<table>
<thead>
<tr>
<th>Gender</th>
<th>District</th>
<th>Building</th>
<th>Number of Identified Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>71.0%</td>
<td>29.0%</td>
<td>259</td>
</tr>
<tr>
<td>Male</td>
<td>73.0%</td>
<td>27.0%</td>
<td>222</td>
</tr>
</tbody>
</table>

### GRADE 2

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>District</th>
<th>Building</th>
<th>Number of Identified Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Indian</td>
<td>60.0%</td>
<td>40.0%</td>
<td>5</td>
</tr>
<tr>
<td>Asian American</td>
<td>61.3%</td>
<td>38.7%</td>
<td>142</td>
</tr>
<tr>
<td>Hispanic</td>
<td>60.9%</td>
<td>39.1%</td>
<td>46</td>
</tr>
<tr>
<td>African American</td>
<td>44.7%</td>
<td>55.3%</td>
<td>76</td>
</tr>
<tr>
<td>Caucasian</td>
<td>91.5%</td>
<td>8.5%</td>
<td>212</td>
</tr>
<tr>
<td>SOC/At</td>
<td>56.5%</td>
<td>43.5%</td>
<td>269</td>
</tr>
</tbody>
</table>

### ALL OTHER GRADES

<table>
<thead>
<tr>
<th>Home Language</th>
<th>District</th>
<th>Building</th>
<th>Number of Identified Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>English</td>
<td>80.2%</td>
<td>19.8%</td>
<td>324</td>
</tr>
<tr>
<td>Hmong</td>
<td>48.1%</td>
<td>51.9%</td>
<td>54</td>
</tr>
<tr>
<td>Spanish</td>
<td>58.3%</td>
<td>41.7%</td>
<td>36</td>
</tr>
<tr>
<td>Other</td>
<td>58.2%</td>
<td>41.8%</td>
<td>67</td>
</tr>
</tbody>
</table>

### ALL GRADES

<table>
<thead>
<tr>
<th>ELL</th>
<th>District</th>
<th>Building</th>
<th>Number of Identified Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>80.1%</td>
<td>19.9%</td>
<td>327</td>
</tr>
<tr>
<td>Yes</td>
<td>54.5%</td>
<td>45.5%</td>
<td>154</td>
</tr>
</tbody>
</table>

### Special Ed

<table>
<thead>
<tr>
<th>Lunch Status</th>
<th>District</th>
<th>Building</th>
<th>Number of Identified Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Eligible</td>
<td>90.0%</td>
<td>10.0%</td>
<td>260</td>
</tr>
<tr>
<td>Free or Reduced</td>
<td>50.7%</td>
<td>49.3%</td>
<td>221</td>
</tr>
</tbody>
</table>
TDAS: Future Steps

- Support the alignment of accelerated services district-wide to provide foundational offerings with fidelity for all students

- Engage communities in the development of culturally relevant practices to enhance students’ academic success

- Continue to use multiple measurements to illustrate and enhance student talents and gifts through the talent development model

- Deepen Elementary and Middle schools opportunity pathways to increase student preparation
TDAS: Areas for Future Consideration

- Finding a better balance between access to services across the system versus access at particular schools

- Role of testing for identification:
  - Time spent on testing students, especially in Kindergarten, for identification purposes
  - Building a culture where CogAT results are used for more than eligibility for specialized services or enrollment
  - Review the multi-year impact of CogAT on identification trends and make recommendations in SY 15-16 regarding future implementation

- Continually monitor identification and implementation data through a racial equity lens
Gender Inclusion Policy

Committee of the Board

January 13, 2015
Purpose

The purpose of this presentation is to provide the Board with an overview of the Gender Inclusion Policy.
Presentation Agenda

During the presentation we will provide the following information about the draft policy’s:

• Terminology
• Background
• Rationale
• Legal Responsibility
• Policy Tenets
Terminology
Terminology

• Gender Identity: A person’s deeply held sense or knowledge of their own gender

• Cisgender: An adjective describing a person whose gender identity aligns with their gender assigned at birth

• Transgender: An adjective describing a person whose gender identity or expression is different from that traditionally associated with the sex at birth
Background
Background

• Policy work group began meeting in February, 2014

• Our inquiry into the Gender Inclusion Policy began as a result of

  – Transgender student denied access to participate in high school athletics due to prior MSHSL guidelines
  – The MSHSL beginning a transgender student athlete policy study
  – Increasing concerns from our youth about harassment and discriminatory practices
  – A continual effort to create and support an equitable learning environment for all students
Background

• Consulted numerous resources during research phase
  – Local, state, national organizations
  – Districts and states across the nation
  – Students, families, teachers, and administrators

• Draft policy is the result of outreach efforts and is grounded in student voice
Rationale
Rationale

• Transgender and gender nonconforming students report staggering levels of bullying, harassment, violence, and intimidation
  – 78% harassment
  – 36% physically assaulted
  – 12% sexually assaulted

• 51% of students who experienced harassment, physical or sexual violence reported attempting suicide

Rationale

Transgender and gender non-conforming students in SPPS report:

- Lack of access to facilities resulting in an increased rate of health issues such as urinary tract infections
- Violations of personal privacy and data privacy
- Intimidation from peers and some adults
- Higher level of homelessness
- Lack of respect and understanding of gender identity and gender expression from adults
- Fear of harassment and discrimination from intentional or unintentional outing
Rationale

Transgender and gender non-conforming students in SPPS ask

– To be treated with dignity
– Have their humanity seen
– For consistent use of preferred names and pronouns
– For equitable access to facilities
– Adults to rethink arbitrary groupings based upon sex
– Have their truth heard and understood
Legal Responsibility
Minnesota Human Rights Act

- Sexual Orientation is defined as having or being perceived as having a self-image or identity not traditionally associated with one’s biological maleness or femaleness. *(363A.03)*

- It is unfair and discriminatory practice to deny any person the full and equal enjoyment of the services, facilities, privileges and accommodations of a place of public accommodation because of race, color...sexual orientation, or sex. *(363A.11)*
Minnesota Human Rights Act

• It is an unfair discriminatory practice to discriminate in any manner in the full utilization of or benefit from any *educational institution*, or the services rendered thereby to any person because of race, color... sexual orientation, or disability. (363A.13)

• *Goins v. West Group (2001)*
  – MN Supreme court ruled that an employer can assign facility use based upon biological sex, however, employers are not required to do so
  – While not explicitly stated, ruling would likely apply to educational institutions
Title IX of Education Amendments of 1972

- Title IX’s sex discrimination prohibition extends to claims of discrimination based on gender identity or failure to conform to stereotypical notions of masculinity or femininity and OCR accepts such complaints for investigation. Similarity the actual or perceived sexual orientation or gender identity of the parties does not change a school’s obligation.

-U.S. Department of Education, April 29, 2014
Title VII of the Civil Rights Act

- It is determined that the best reading of Title VII’s prohibition of sex discrimination is that it encompasses discrimination based on gender identity, including transgender status.

- Attorney General Eric Holder, December 15, 2014
Legal Precedent

• John Doe et al. v. Regional School Unit 26 (2014)
  – School allowed Jane Doe, a transgender 5th grade girl to use the girls’ bathroom
  – A cisgender boy, under encouragement from his grandfather who disagreed with the school, followed Jane Doe into the girls’ bathroom claiming that he too should be allowed to use the girls’ bathroom.
  – School revoked Jane Doe’s access to the girls’ bathroom, requiring her to use the staff, single stall, bathroom
  – Maine Supreme Court interpreted the Maine Human Rights Act to extend protection of equal access to facilities to include gender identity
  – Ruled in favor of Jane Doe an award of $75,000
Legal Precedent

• DOE and DOJ Resolution Agreement with Arcadia Unified School District (2013)
  – District denied student, a transgender boy, access to
    • sex-specific facilities designated for male students at school for use during school and extracurricular activities
    • Sex-specific student cabins for male students during a school-sponsored overnight academic camp
  – District entered an agreement mandating that they allow access to sex separated facilities and programming for students that best align to students’ gender identity and expression
Policy Tenets
Policy Tenets

• The tenets of the draft policy have been created and grounded in student voice as well as family, teacher, and administrator outreach

• Policies are only as effective as their implementation and support structures allow

• Procedures are being developed concurrently during the policy development and the three readings process
Policy Tenets

1. Respect all students’ gender identity and gender expression by honoring the right of students to be identified and addressed by their preferred name and pronoun.

   My name is part of my identity. If you cannot call me by my name, you cannot see me. I refuse to be invisible.

   -Student, grade 11
Policy Tenets

2. Prohibit, within academic programming, the separation of students based upon gender unless it serves as a compelling pedagogical tool.

I remember in elementary school having to be in the boys’ line. But I knew I was not a boy. Why did I have to be in that line? Why did we even have a boys’ line? I mean it makes no sense.

-Student, grade 10
Policy Tenets

3. Permit all students to participate in co-curricular and extracurricular activities including, but not limited to, intramural and interscholastic athletics, in a manner consistent with their gender identity.

I just want my daughter to have the same opportunities as my other daughter.

-Parent of a middle school student
Policy Tenets

4. Provide all students access to facilities that best align with students’ gender identity.

You can’t do equity half way.
- Parent of high school student.

We are not some sort of predator. We just want to be able to use the bathroom without getting a tardy.
- Student, grade 9

I may not even want to use the “boy’s” bathroom, but I should be able to since I am a boy.
- Student, grade 11
Questions?
Level 100 Policy

GENDER INCLUSION

Purpose
The students of Saint Paul Public Schools (SPPS) deserve respectful and inclusive learning environments that value students’ gender identity and gender expression. SPPS ensures that all students have access to programming and facilities in which they feel comfortable and safe.

This policy addresses the inequities some students, including intersex, transgender, and gender nonconforming students, confront as they navigate a system designed using a gender binary model.

Definitions
1. Gender refers to the socially constructed roles, behaviors, activities, and attributes that a given society attaches to femininity or masculinity.
2. Gender Binary refers to the social construction of a gender dichotomy between masculinity and femininity. The gender binary often ignores or denigrates alternate gender constructions.
3. Gender Expression refers to the manner in which persons represent or express gender to others, often through behavior, clothing, hairstyles, activities, voice, or mannerisms.
4. Gender Identity refers to a person’s deeply held sense or knowledge of their own gender.
5. Gender Nonconforming is a term for persons whose gender expression differs from stereotypical expectation. This includes persons who identify outside traditional gender categories or identify as both genders.
6. Sex refers to a person’s biology and is generally categorized as male, female, or intersex.
7. Intersex refers to a combination of features that distinguish male and female anatomy.
8. Transgender is an adjective describing persons whose gender identity or expression is different from that traditionally associated with the sex at birth.

Ensure Gender Inclusiveness
SPPS staff and systems ensure inclusive access to programming and facilities. In accordance with procedure, the District will:

1. Respect all students’ gender identity and gender expression by honoring the right of students to be identified and addressed by their preferred name and pronoun.
2. Prohibit, within academic programming, the separation of students based upon gender unless it serves as a compelling pedagogical tool.
3. Provide all students the opportunity to participate in co-curricular and extracurricular activities including, but not limited to, intramural and interscholastic athletics, in a manner consistent with their gender identity.

4. Provide all students access to facilities that best align with students’ gender identity.

Legal References

Cross References
Outline of Potential Gender Inclusion Procedures

This document is intended to be an overview summary of current thinking around procedures based upon the draft policy. Each point (1-5) will be a separate procedure in our customary format. Procedures will be revised as the policy is revised during the three reading process and as additional feedback is received during our stakeholder consultation efforts.

This document is for internal use only and is **EMBARGOED** until further notice.

1. **Respect all students’ gender identity and gender expression by honoring the right of students to be identified and addressed by their preferred name and pronoun.**
   a. **Staff expectations**
      i. A student is to be addressed by a name and pronoun that corresponds to the student’s gender identity and/expression
      ii. School personnel shall privately ask transgender or gender variant students how they want to be addressed in communications to home or at conferences with the student’s parent(s)/legal guardian(s)
      iii. For initial communications with a student’s parent(s)/legal guardian(s), school personnel shall use the student’s legal name, unless specifically told otherwise by the student.
      iv. Inadvertent, honest mistakes in the use of a student’s preferred name or pronoun may occur, the intentional and persistent refusal to respect a student’s gender identity is discriminatory and subject to disciplinary measures.

   b. **Student Records**
      i. The District will change a student’s official records to reflect a change in legal name or gender upon receipt of documentation
      ii. ‘District Defined Elements’ of the District’s student identification system will include sections for preferred name, preferred pronoun, and gender
         1. A form shall be completed and submitted to the principal or administrative designee
            a. Form will include preferred name and preferred pronoun
            b. Students over the age of 13 may complete form on their own with the support of a student advocate of their choice
            c. Students under the age of 13 may complete form with parent consent
            d. Forms may be updated annually as needed
2. **Prohibit, within academic programming, the separation of students based upon gender unless it serves as a compelling pedagogical tool.**
   a. Arbitrary separation of students based upon sex and/or gender shall be prohibited
      i. Such prohibited separation includes but is not limited to:
         1. Boys vs. girls competition
         2. Lining up according to sex and/or gender;
            a. Lining up to access sex separated restrooms and/or locker room facilities that are not adjacent is permissible
   b. Determination of compelling pedagogical tool
      i. Staff will reflect and shall provide, upon request, the reasoning behind any gender based separation
   ii. Permissible sex based separation includes but it not limited to
      1. Sex education
      2. Gender based affinity groups
   c. In any permissible grouping by sex and/or gender, students shall have the option to self-select into the group that best aligns with the students' gender identity or expression

3. **Permit all students to participate in co-curricular and extracurricular activities including, but not limited to, intramural and interscholastic athletics, in a manner consistent with their gender identity**
   a. **Eligibility for MSHSL sponsored athletics for transgender or gender non-conforming students**
      i. Eligibility will be determined according to the gender listed on the district defined portion of the District’s student information system,
      
      OR

   ii. The student and student's parent(s)/legal guardian(s) shall notify the school's administrative designee, in writing, that the student’s gender identity is different from the student’s gender identity assigned at birth and that the student wishes to participate in athletics in a manner consistent with the student’s gender identity.

   b. **Eligibility for non-MSHSL sponsored extra-curricular or cocurricular activities**
      i. Students, whose gender identity or expression is other than their biological sex, shall be given the opportunity to self-select into the
group or team that best aligns with the student’s gender identity and expression.

4. **Provide all students access to facilities that best align with students’ gender identity.**
   
a. Students shall have access to facilities, including but not limited to, restrooms and locker rooms, that best align with a student’s gender identity
   
i. If a student does not wish to use the facility that aligns with their gender identity, they may develop a plan for alternative, non-stigmatizing alternatives such as
   
   1. Use of an all gender restroom
   2. Use of health/nurse/office restroom
   3. Any other solution agreeable to the student care team.

   b. If any student declares a desire for increased privacy and/or safety, regardless of reason or cause, a student support team consisting of the student, advocate of student’s choice, and the principal or administrative designee shall meet to determine a facilities accessibility plan
      
i. Restroom Accessibility
         
   1. Details of the student care plan shall include:
      
   a. Use of a gender neutral restroom,
   b. Use of a health/nurse/office restroom
   c. Any other solution agreeable to the student care team

      ii. Locker Room Accessibility
         
   1. Details of the student care plan may include, but is not limited to:
      
   a. Use of a private area in the public area of the locker room facility (i.e. a nearby restroom stall with a door, an area separated by a curtain, or a P.E. instructor’s office within the locker room)
   b. A separate changing schedule (utilizing the locker room before or after the other students)
   c. Use of a nearby private area such as a nearby restroom or a health/office restroom
   d. Any other solution agreeable to the student care team

   iii. All student care team plan information shall be considered confidential, private and/or private data in accordance to the Minnesota Data Practices Act
5. Professional Development

a. The District shall conduce staff training for staff, including but not limited to, teachers, administrators, counselors, social workers, and health staff.

b. The professional development shall aim to improve the knowledge, will, skill, and capacity of all staff members to prevent, identify, and respond to bullying, harassment, discrimination, violence, or any other marginalizing action. The content of such professional development may include, but not be limited to:
   i. Terms, concepts, and current developmental understandings of gender identity, gender expression, and gender diversity in children and adolescents
   ii. Developmentally appropriate strategies for communication with students and parents about issues related to gender identity and gender expression that protect student privacy
   iii. District policies and procedures regarding bullying, harassment, discrimination, violence, or any other marginalizing action based upon gender identity and/or expression.
Board of Education
External Committee Appointments
2014

Association of Metropolitan School Districts (AMSD)
1667 Snelling Ave. N., Ste. B301, St. Paul 55108
Phone: 651-999-7325
Board Representative: Chue Vue
Jackie Statum-Allen, Superintendent Designee

Children’s Collaborative
% Advance Consulting (Laurie Davis)
10 Russell Court, Minneapolis, MN  55419
Phone: 651-266-4266
SPCC@advance-consulting.com
Board Representatives: Jean O’Connell
Superintendent’s Designee: Jackie Turner

Council of Great City Schools
1301 Pennsylvania Ave. NW, Ste. 702, Washington D.C.  02004
Board Representative: Mary Doran
Alternate: Anne Carroll
Superintendent

Council of Urban Boards of Education (CUBE)
1680 Duke St., Alexandria, VA  22314
Representative: Keith Hardy
Alternate: Louise Seeba

Inter-District Joint Powers Board (EMID)
Crosswinds Middle School
600 Weir Dr., Woodbury, MN  55125
Phone: 651-379-2679 (Jean Lubke)
Representative: John Brodrick
Alternate: Chue Vue

Joint Property Tax Advisory Committee (JPTAC)
15 W. Kellogg Blvd., Ste. 390, City Hall, St. Paul 55102
Representatives: Anne Carroll, Louise Seeba, Chue Vue
Alternate: Jean O’Connell

Joint Property Tax Advisory Committee (3 County Project)
Jeff Van Wyken
140 Melborne Ave. S.E., Mpls.  55414

Metro Educational Cooperative Service Unit (Metro ECSU)
3055 Old Highway 8 Suite 302, St. Anthony, MN  55418
Phone:  612-638-1500
Representative: Mary Doran

Minnesota Minority Education Partnership (MMEP)
2233 University Ave. W., St. Paul 55114
651-645-7400
mmep@mmep.org
Representative: Anne Carroll
Alternate: Keith Hardy

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Minnesota School Boards Association (MSBA)
1900 West Jefferson Avenue. Peter, MN  56082-3015
Phone:  507-934-2450 or 1-800-324-4459
Representative:  

Minnesota State High School League
2100 Freeway Blvd., Brooklyn Ctr., MN  55430
Phone:  763-560-2262
Representative:  John Brodrick
Alternate:  Mary Doran

Ramsey County League of Local Governments
480 Cedar St., St. Paul 55101
Representative:  Keith Hardy

St. Paul Teachers Retirement Assn. Board of Trustees
1619 Dayton Ave., Rm 309, St. Paul 55104-6206
Phone:  651-642-2550
Representative:  John Brodrick

Revised  2/6/2014