

Board Special Meeting

John Stanford Center – Board Office Conference Room



Audit and Finance Committee Meeting Minutes Thursday November 10, 2016 4:30 – 6:30 pm

Call to Order

Director Peters called the meeting to order at 4:30 pm.

School Board members present were Directors Peters and Geary. Director Harris arrived at 4:42pm.

Approval of Agenda

Director Peters moved to approve the agenda. Director Geary seconded. The agenda was unanimously approved.

Approval of Minutes

Director Peters called for a motion to approve the October 13, 2016 meeting minutes.

Director Harris asked add the estimates \$12k amount on page 1 section 2. Ms. Berge agreed that can be changed.

Director Harris seconded. Minutes were approved as amended.

Items Requiring Board Action

1. BAR: Creative Advantage/CTE Media Arts Skills Center Programs and Creative Advantage Regional Arts Showcase (Sehlhorst/Kinoshita)

Grants Director Michael Stone spoke about Creative Advantage and Career and Technical Education (CTE) media Arts Skills Center. He explained the grant for this was \$400k for the next two years. Program Manager of Visual & Perform Arts Gail Sehlhorst gave summary of the City Advantage program. She explained this grant is through a public and private partnership. Collectively they work on all elementary school having music and visual arts. Creative Advantage Project Manager Audrey Querns spoke about the process of grants process from Vulcan. Director of College & Career Readiness Dan Gallagher spoke about how the Skill Center service sustainability is dependent on having enough kids enrolled in the program.

Director Peters asked if there is a dollar matching component. Ms. Querns explained that they have no dollar matching piece in this grant.

Director Peters asked if this grant is renewable. Ms. Selhorst explained it is renewable, but we are thinking of it as a one time.

Director Harris asked where are the City of Seattle funds coming from. Ms. Querns explained the funds are from the City of Seattle Department of Arts and Culture.

Director Harris asked how do we notate our progress in 18 months from now and if we are online or on track. Assistant Superintendent of Business & Finance JoLynn Berge explained reports to the grantee can be reported on in the Friday memo or possibly they can be brought to another committee for an update. Ms. Berge suggested an update be done in August 2017 and again August 2018.

Director Geary asked if this is going into the Center School. Mr. Gallagher stated they will be using surveys and other stakeholder's communication to find the best locations.

Director Geary expressed concern that the Skills Centers are not centrally located.

Director Harris asked if we are working with the Center School. Ms. Sehlhorst explained how they are in correspondence with the Center School.

Director Harris stated she felt they are not letting enough people know we have an arts high school. Ms. Sehlhorst explained our arts school is to provide a pathway for outside partnerships to create an arts rich program.

Director Peters is excited for this program.

Action: Director Harris moved to move the item forward to the full Board with recommendation for approval. Directors Blanford and Peters seconded. This motion passed unanimously.

Special Attention Items

1. Moody's Local Government Issuer Comment Report (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge spoke about good news from Moody's Local Government Issuer Comment Report. Ms. Berge explained even though we do not have bonds we had a great report for the District. Some of our rating is based on our fund balance. The 2017-18 Budget may change this great rating.

Director Peters asked for additional information on how the budget would impact our rating. Ms. Berge explained she doesn't have the data for that, and stated our Office of Superintendent of Public Instruction (OSPI) rating would also go down. She explained that depending how far down we go in reserves the State Auditor's Office (SAO) could issue a finding.

Director Harris asked what is the OSPI rating. Ms. Berge explained a financial indicator for district financial solvency that came about from the Vader School District going bankrupt.

2. Informational Only: Simon Youth Foundation (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge spoke about how Director Peters had questions on the Simon Youth Foundation.

Director Peters asked if the Simon Youth Foundation is managed by the Alliance for Education.

Grants Director Michael Stone explained the \$7K is all that currently goes through the Alliance.

Director Peters asked if this aligns with our visions or goals as a District. Ms. Berge explained they have given us structure how to reach out to additional students and have given us tools, such as the online tool for supplemental curriculum.

Director Peters asked about scholarship dollars. Director Harris explained it was approximately \$30k offered in scholarships.

Director Harris explained the fact we are selling naming right is very concerning to her.

Director Peters asked the Memorandum of Understanding (MOU) be attached to this document.

She also asked if the MOU's were just signed last year, and are we still on the hook if we backed out. Ms. Berge explained based on the MOU we would be responsible.

Director Peters expressed concern that this was never brought to the Board Members and the Board only found out about it through television.

Director Harris if Mr. Stone was responsible for this. Mr. Stone explained MOU do not come through the Grants office. He then explained these funds never come through to the district but had gone directly through to the Alliance.

Director Harris asked what funds currently go through Alliance for the benefits for staff or students. Ms. Berge explained it is mostly PTA and athletic dollars.

Director Peters asked is there any curriculum chosen by Simon Youth. Mr. Stone explained the one item is Edutopia online courses.

Director Peters asked if the Simon Youth Foundation is a part of the same cooperation that owns malls and if this is a tax credit for them. Ms. Berge confirmed they are the same company that owns the malls and could not answer information regarding their tax credit on their behalf.

Director Harris stated she was sure it was a tax break for them and she found nothing wrong with

that.

Director Peters felt the staff at the schools have expressed concern to her that the curriculum shifted after Simon Youth came on. Director Geary agrees.

Director Peters requested in the future agreements like this would be brought to them.

Follow up: Attach the MOU's

3. Informational Only: SMART Goal 4 Budget (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge spoke about how at the last board meeting Director Peters requested to amend SMART Goal 4 for Budget.

Director Peters explained she wanted amend the goal for additional clarity and to be more precise.

Ms. Berge explained we have no additional funding for that goal and would like a better understanding of what they would like changed.

Director Harris asked how is the District analyzing jobs within Central Administration. Ms. Berge explained there is a report that leadership is looking that will be presented at the work session on November 16th. Ms. Berge summarized what the Board can expect to see on the report. Ms. Berge has been meeting with cabinet members on budgets/costs to look at how to find efficiencies.

Director Peters asked if we are they looking for redundancy in jobs. Ms. Berge gave an example of what the process looks like within each division and how they should be reviewed with the board in the work sessions.

Ms. Berge explained she is hoping the additional budget work sessions will add clarity, the presentation will include central administration for the last three years.

Director Harris expressed concerned over this and asked what is the estimated timeline on a new budget development system. Ms. Berge stated the timeline is approximately 2 years.

Director Geary asked if there was a time when the school is upset because a position has been cut. Ms. Codd explained the money follows the students, if the student is not there then the funds do not go there. Ms. Codd summarized the collective bargaining agreement and explained the building has a choice to staff FTE employees, or use money in more flexible ways for supplies etc.

Director Harris asked what the goal and language would be for an outside consultant. Ms. Berge explained we would have to go have an RFP and have deliverable developed. And the cost would be over \$100K very small in scope and over \$250K for something bigger.

Board Policies and Procedures

1. Policy 5010, 5250 Non-Discrimination and Affirmative Action, and Protecting Whistleblowers Against Retaliation, and Anti-Retaliation (Codd)

Assistant Superintendent for Human Resources Clover Codd spoke about realistic timeline of when they can bring this forward, it was decided January would be the best timeline for Anti-Retaliation and May for Harassment, Intimidation & Bullying and Discrimination. Ms. Codd explained the additional policy's will take longer because we will work with our bargaining partners. The language will help resolve conflicts at the lowest level. In addition, Ms. Codd would like to write a civility policy.

Director Peters asked if any benchmarking has been done. Ms. Codd did have comparisons that they are looking at and to have the civility policy in place by June 2017.

2. Annual Report per Policy No. 5000, Recruitment & Selection of Staff (Codd)

Assistant Superintendent for Human Resources Clover Codd introduced Director Strategy & Operations Shelia Reddick. Ms. Codd spoke about policy 5000 which is recruitment and selection of staff. Ms. Codd summarized the strategic plan goal and how it aligns with policy

5000.

Ms. Reddick summarized the talent scouting cycle. She stated if the cycle works it will produce gradual improvement and better staff.

Director Harris asked for Ms. Reddick to give a history of her employment history. Ms. Reddick summarized her history.

Director Harris wants to know how we will prevent principals from scamming the system. Ms. Reddick explained we had 99% of all vacancies filled on the first day in her old district. Ms. Redick explained the role of the HR Business Partner and how they can help understand more intimately the staffing needs of the schools. And Ms. Codd explained additional ways they are working with principals to insure they are not hiding positions for fear of receiving a forced placed teacher. That alignment will be strategic and difficult, but doable.

Ms. Codd spoke about current teacher vacancies.

Director Harris asked why do we hear about certain schools more. Ms. Codd explained this is something they want to start tracking. Ms. Reddick explained that they have recently received the exit school information and will be looking at it more shortly.

Ms. Reddick explained what is ahead for hiring and better leverage for student teachers. We are continuing to recruit more diversity.

Director Harris thinks going to Chicago to recruit additional teachers would be a great idea.

Director Harris asked how many schools do the business partners handle. Ms. Reddick stated about 20 schools.

Regular Agenda

1. Monthly Budget Update (Berge)

Assistant Superintendent for Business and Finance JoLynn Berge spoke about the Budget Work Sessions coming up on November 16th and on 22nd. She explained the budget will also be discussed at the Board Retreat in December. Leadership will give a recommendation to the Board at that time. Ms. Berge explained we will be talking about what the Weighted Staffing Standard (WSS) says is essential. Ms. Berge explained based on initial analysis every part of the WSS will be touched if a worst case scenario occurs

Director Harris asked if there is ever a time we respond back to Soup for Teachers on social media due to inaccuracies. Ms. Berge explained we currently do not respond. We have had more community meetings, and have met with the PTSA on how to get the message out to the parents and communities to receive as much feedback as possible.

2. Monthly Financial Status Update (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge spoke about how we ended well financially and no red flags.

3. Committee Annual Work Plan (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge spoke about the how the nutrition program should not be here. It is currently being reported at the Operations Committee. Director Peters and Assistant Superintendent of Operations Pegi McEvoy will need to speak about where this should be going to in the future. Director Peters would also like to know how bell times have effective school food service.

Meeting was adjourned at 6:51pm