



Minutes

Call to Order

1. The meeting was called to order at 4:32. Directors Harris and Director Blanford. The meeting was staffed by Clover Codd, Assistant Superintendent of Human Resources in the absence of JoLynn Berge, Assistant Superintendent of Audit and Finance. In recognition of a childcare issue the Board was asked if they could move the Board Action Report item number five up to number one. Director Burke joined the meeting at 4:35.
2. Approval of agenda was moved by Director Harris, Director Blanford seconded the motion.
3. Director Harris moved the amended meeting minutes for approval, Director Blanford seconded. The amended April 18, 2017 meeting minutes passed unanimously.

Board Action Reports (Discussion and/or Action)

1. Annual Head Start Grant

Eugene Gousie, Program Manager of Head Start, described current grant conditions in which 400 children are being served in part day classes at 9 elementary schools. Mr. Gousie identified two major changes for the coming year. To meet a projected deficit, the program will reduce services by two part time classes and reduce one administrative position. The program will also begin to serve 4 classes (80) children in a full day model with extra funding provided by the Head Start grant and by the City of Seattle. The reduction in slots will require approval from the Office of Head Start. Mr. Gousie reviewed documents with the Committee, including a graphic illustration of the change of services. The illustration shows class changes for this year and next. Director Harris asked if Mr. Gousie had spoken about these changes through the City collaboration at West Seattle and Broadview Thompson. Mr. Gousie explained that he had and that the schools were excited about the changes to full time. Mr. Gousie also went on to say that they had come to this decision with the input of parents, Policy Council and the Board.

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

2. **Accepting Funds from Grant for Two Tiered Transportation System**

Pegi McEvoy, Assistant Superintendent of Operations spoke about bringing the Board Action Report forward in anticipation of the City of Seattle providing funding for the 2-tier busing system. Ms. McEvoy highlighted two redline changes on the BAR. One being the date that the City of Seattle will approve the funding on or before June 15 and the other was the increase to the proposed School Crossing Guard Program, totaling 400,000. Ms. McEvoy stated that the funding would allow them to fill over 107 positions depending on the number of hours. Director Harris requested an update on the Levy oversight meeting. Ms. McEvoy spoke about the four to three vote recommendation to fund the project but not with Levy funds. The Counsel and the Mayor will look at the recommendation and make the final decision. Director Harris requested that Ms. McEvoy provide the names of the

Oversight committee members that voted yay or nay on the recommendation. Ms. McEvoy said she would let the Board know. Ms. McEvoy mentioned that she has had a number of requests from schools on what the schools would like to see so there might be slight recommendation to modify the BAR when she brings it to the Board. Director Blanford asked if the requests were only coming from the schools or also from the community. Ms. McEvoy stated that she is working with the school principals who are working with the community for input. Ms. Harris requested that Ms. McEvoy put a one-page letter addressing the analysis her team is doing on prioritizing bus schedules for schools without sports complex and in particular for athletes.

Action & Follow up: Director Harris moved to move the item forward for full Board with recommendation for approval. This motion passed unanimously. Ms. McEvoy will put together a one-page letter addressing the analysis of her team on bus schedule prioritization.

3. Family Education Levy (FEL)

Michael Stone, Director of Grants and Strategic Partnerships spoke about receiving annual funding of the 2011 Families and Education Levy for \$160,900,221 that would be going out to multiple elementary, middle and high schools; continued funding for Family Support Workers and school nursing. Mr. Stone went on to say that they added two more elementary schools this year; middle and high schools stayed the same. Additional funding expansion was given to Cleveland High School bringing Cleveland's levy total to \$900,00.00. Director Harris requested that Mr. Stone give her an update on the criteria by how progress is measured on these Levies. Mr. Stone spoke about the criteria being set by the schools but in the past, the criteria had been attendance, specific grade level or student based targets. Mr. Stone said he would find out if the criteria had changed for the 2017-2018 school year and update the information. Mr. Burke was concerned about accepting the funds without seeing the actual 2017-2018 project agreements. Mr. Stone had provided the 2016-2017 project agreements and said that the funding would be very similar to this year's allocations. Mr. Stone spoke about not being able to provide the information at this time because schools were still compiling the information. Mr. Stone then gave a timeline of when the information would be available. Director Harris asked that Mr. Stone provide the timeline at the next Intro committee meeting. Director Harris also asked Mr. Stone to add more information under the equity analysis portion of the BAR showing that the schools are all high needs schools. Move it forward to consideration.

Action & Follow up: Director Harris moved to move the item for consideration. Ms. Stone will provide a projection agreement timeline and update the equity analysis portion of the BAR.

4. Resolution 2016/17-23 Economic Stabilization Account Usage

Amy Fleming, Director of Accounting Services stated that this was phase 2 of the Economic Stabilization account to utilize 11.5M. Ms. Fleming spoke about the draft resolution attached to the BAR and the 2.3M repayment plan that would happen over the next five years to bring the stabilization account back to the minimum requirement of 3%. Ms. Fleming reminded the Board that the repayment plan would return to the Audit & Finance committee on a yearly basis to revisit and review.

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

5. Early Support for Infants and Toddlers (Birth to 3 Intervention Services)

Elizabeth Carter, Special Education Services Supervisor, spoke about bringing the second and final renewal of the contract and the current RFQ for providing birth to 3 services for children that reside within Seattle Public Schools. Ms. Carter went on to say that the reason they provide these services was based on the changes to the law in 2009 that required districts to provide these services for students. Ms. Carter spoke about the program being run through early support for infants and toddlers which is under the department of Early Learning but oversight for these programs is given to Public Schools through the Office of Superintendent of Public Instruction (OSPI). The funds flow through us for 3 agencies to provide services. We currently work with 4 agencies and the amount of the contracts is increasing due to the agreement that the increase will happen every year based on the "Basic Education

Allocation” rate and the numbers on that we have been serving historically. Ms. Carter noted that her department went through an RFQ process and but ended up with the same vendors.

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

Annual Reports

1. Annual Head Start Report

Eugene Gousie, Program Manager Head Start spoke about being at the midway point of the year and everything is going well, there are no issues to report. Mr. Gousie presented the current year’s Head Start budget. Expenditures this year are in line with projections and the program anticipates having sufficient funds for program needs through the remainder of this grant year

Board Policies and Procedures

1. **D51.00 (New 5245SP), Anti-Retaliation; 5010, Non-discrimination and Affirmative Action; 5250, Reporting Improper Governmental Actions and Protecting Whistleblowers Against Retaliation; NEW 5207, Harassment, Intimidation and Bullying (HIB)**

Assistant Superintendent of Human Resources, Clover Codd spoke about the work they have been doing on updating policy 5010 and 5207. Our HIB policy had been tucked into the 3000 series which is our student series, Superintendent A for students and Superintendent B for adults. We are taking this policy out of the 3000 series and creating a 5000 series so we can separate out the student series with the adult series. Dr. Codd went on to say Human Resource worked with PERC to facilitate a meeting with Local 609. One of the outcomes from the meeting was to align the policies and procedures to the current law, make procedures clear, align timelines and revise complaint forms. John Cerqui in Legal has been working very hard to make these revision and we are now ready to take the drafts and run them by other internal departments for review. Dr. Codd’s timeline consisted of aligning the work with internal partners in May and June, taking it to Labor and Employee Relations June and July for multiple reviews and then Intro and action in September with final Board approval. Dr. Codd also spoke about looking into making some suggestions around Seattle Public Schools appeals processes and how there is room for improvement.

Special Attention Items

1. **Notification of Contract Exceeding \$250,000: Soliant**

Spencer Pan, Special Education Services Supervisor spoke on behalf of Michaela Clancy, Director of Special Education about needing to make a modification on the Soliant contract that ended in January. They were hoping to fill the Educational Staff Associate (ESA) positions through hiring of district staff, but when they were unable to they had to rely on agency contractors, including Soliant. Mr. Pan mentioned that the reason he was coming to the Audit and Finance Committee meeting was to inform the Board that the combined Soliant contract with all service providers (e.g. OT, PT, SLP) would be increasing past the 250,000 threshold, when previously contracts generated by specific disciplines. Director Harris spoke about the concern she had that Mr. Pan’s department did not follow the normal procedure of submitting paperwork to the Board for review prior to the meeting. Director Harris asked that they meet the deadline in the future so that the Board has time to go over the paperwork and give it the attention it deserves. This was an informational item, without specific documentation procedures. Additional templates have been provided for informational items for board committees. Going forward, the special

educational department will ensure that informational items with documentation will be provided to board committees within submission timelines for committee review.

2. Changes to Financial Statement Audit Reports

Amy Fleming, Director of Accounting spoke about future changes to audit reports issued by the State Auditor's Office beginning with the 2016-17 audit. Ms. Fleming spoke about conversations that have been taking place with the State Auditor's office and the School District Accounting Advisory Committee regarding School District audit reports. Ms. Fleming explained that the current year audit provides a clean opinion about financial presentation in accordance with Generally Accepted Accounting Principles. However, next year's audit cycle will change with a dual audit opinion. The first will be the report indicating we have fair presentation of our financial statements based on regulatory compliance under the school district accounting manual issued jointly by OSPI and the State Auditor's Office. The second part of the report will indicate our financial statements were not issued in accordance with Generally Accepted Accounting Principles which means we did not provide government wide financial statements and or a management discussion and analysis report as required under those guidelines. Ms. Fleming spoke about not preparing GAAP financial statements because of the high cost and the amount of work it takes to gather the information with little to no return. Ms. Fleming spoke about giving the Board a heads up so when they hear about the two-opinion report from the State auditors, our Board will know that we decided to keep business as is and not follow GAAP guidelines.

Regular Agenda Items

1. Monthly Financial Status Update (Fleming) Ms. Fleming spoke about the monthly financial status for the month of March 2017 operating as intended with no red flags. Ms. Fleming pointed to page five on the report showing "unassigned fund balance" in the negative that is trending as expected due to property tax collections. Director Harris inquired about page seven A, the percentage of budget remaining and why it was negative 100%. Ms. Fleming said she would need to look at Community Services revised budget and follow up with an email.

Follow up: Ms. Fleming will email the Board an explanation on why page seven A is at negative 100%.

2. Committee Annual Work Plan

Dr. Codd spoke about working with Assistant Superintendent of Finance, JoLynn Berge and Nate Van Duzer to move the policies from May to the timeline she had spoken about earlier. Director Harris said she would work with Ms. Berge in the interim to move the dates. Director Burke spoke about adding a request to the calendar to speak about internal audit function and re-defining school audits. Director Harris felt it would fit appropriately in the June Audit and Finance committee meeting when the Internal Auditors are present.

Adjourn

This meeting adjourned at 5:43pm.