

Board Special Meeting

Monthly Audit & Finance Meeting

Monday, December 11, 2017, 4:30-6:30pm

Board Office Conference Room, John Stanford Center

2445 – 3rd Avenue South, Seattle WA 98134



Minutes

Call to Order

This meeting was called to order at 4:30 pm Directors Pinkham, Mack and DeWolf were present. Director Burke arrived at 4:35pm.

Assistant Superintendent for Business & Finance JoLynn Berge staffed this meeting.

Approval of agenda: Director Mack moved to approve the agenda. Director DeWolf seconded. This motion passed unanimously.

The November 6, 2017 meeting minutes were not approved because none of the new A&F board member were present and so they will be presented at the Executive committee on December 14, 2017.

Special Attention Items

1. BTA and BEX Update (Coan)

Capital Projects Finance Manager Melissa Coan gave a summary of the capital programs within BTA and BEX showing fund balances. She explained she presents this same information to the Operations Committee on a monthly basis. She explained the funding sources of the BEXIV program, provided a BEX IV cost summary report, and reviewed the Fairmont Park budget.

Director Pinkham asked if the project savings is then rolls into the next levy savings. Ms. Coan confirmed that was correct. She spoke about the contingency budget being a separate line item which is based on State funding, SCAP (School Construction Assistance Program). Director of Capital Projects & Planning Richard Best added the District has not completed the bids for Queen Anne, Wing Luke and Bagley Elementary schools.

Director Mack asked where the additional funds for Lincoln came from. Ms. Coan explained it came from the BTAIV funds.

Ms. Coan spoke about how the District will be spending 100% of the levy funds and the District is begins receiving these State assistance dollars after completing 80% of the of the construction project. Ms. Coan provided a BTA IV cost summary report showing the BTAIV funding line items.

Director Mack asked if the BTAIV funding included the Magnolia project. Ms. Coan explained the current budget column would show the funding for this project.

Director Mack asked about capacity management. Ms. Coan explained that this cost is for portables and repurposing classroom spaces and it is for the life of the levy. Ms. Coan spoke about the specific line items that must be met because it is specific to the levy.

Director Burke asked about the annual funding under capacity from the State. Ms. Coan explained the District does not receive funds annually, and the District does have flexibility capacity funds. She explained we do have \$1.1M in capacity flexibility that is not currently earmarked for a project.

2. Informational Only: Minimum wage impacts on non-rep employee costs (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge gave an informational update on minimum wage at the District. She explained the city of Seattle minimum wage is will be going up to

\$15.45 per hour as of January 1, 2018. The District has some non-represented employees that we are mandated to increase their pay. The increased cost to the District will be approximately \$156K for 2017-18 school year including benefits. These costs have been factored in the current budget.

3. Superintendent Procedure 5010 Discrimination Complaint Process (Codd)

Assistant Superintendent for Human Resources (HR) Clover Codd spoke about the process that has been ongoing to revised policies and procedures regarding discrimination. She summarized the changes to the complaint process for the Superintendent procedure 5010. The hearing examiner will now hear from both sides of the complaint. The hearing examiner will then give recommendations to the Board members and the Board members will make the final decision on if discrimination occurred.

Director Mack asked how this ties in with other complaint policies. Ms. Codd explained the process of developing this procedure separate from the student 3000 series procedures and had it added to the 5000 series which is about employment and adults. She added the students' policies on discrimination is still in 3000 series.

Director DeWolf questioned why the hearing examiner recommendation is not the final say. Mr. Cerqui explained how the previous Board requested to maintain final decision making. Ms. Codd explained in one year she will bring this item back to the Audit & Finance committee to see if they would like to amend the ability to have final decision making in these cases.

Director Pinkham asked about President Trump's policy on transgender Veterans being dishonorably discharged and how that would affect a Veterans within the District. Ms. Codd confirmed language has been added at the November 1, 2017 board meeting to include language we would not discriminate against anyone dishonorably discharged from any protected classifications in an approved policy.

Ms. Codd explained if the Board members do not issue an decision within the mandatory 30 days then the hearing examiners decision will be the final decision.

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

Director of HR Strategy & Operations Shelia Redick explained how policy 5000 aligns with the District goals. She summarized the goals within HR and how policy is focused around recruitment and retention of teachers. She explained the reorganization within HR and the role of business partners at a school level.

Director Mack asked if the business partners are being well received. Ms. Redick explained the policy has been well received, she explained the policy started in August and the partners are in the process of visiting all the schools.

Ms. Redick summarized the 2017 recruitment numbers of teachers.

Director Mack asked about having a full-time substitute in a building. Ms. Codd explained the District does have some full-time subs in some buildings with a high rate needed, she added it is not ideal and will not solve teacher absences.

Director Pinkham asked where do emergency certification teachers fall under. Ms. Redick explained it was total substitutes and we did double our emergency substitutes this year.

Director Pinkham asked about collective bargaining. Ms. Codd stated that hiring isn't impacted by collective bargaining but rather by what is going on with the legislative.

Items Requiring Board Action

1. BAR: Amend Board Policy No. 5250 Reporting Improper Governmental Actions & Protecting Whistleblowers against Retaliation and adopt Board Procedure 5250BP, Reporting Improper Governmental Actions & Protecting Whistleblowers against Retaliation and repeal Superintendent Procedure 5250SP. (Codd)

Assistant Superintendent for HR Clover Codd summarized how Director Harris requested this procedure be a board policy rather than a superintendent procedure. Mr. Cerqui summarized the development of this policy and what changes have been made to the procedure.

Director Mack asked if Director Harris has reviewed this updated Policy. Mr. Cerqui confirmed she has seen this content when it originally was brought to the Audit and Finance Committee.

Director DeWolf made a motion to move this item forward to the full Board with a recommendation for **approval** Director Mack seconded. This motion passed unanimously.

2. BAR: Amend Superintendent's SMART Goal #3 2017-18 (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge explained this is a technical language change. Currently the goal states "program reviews" and committee has requested it be changed to "program summary". Staff has determined since the SMART goal was approved by the Board it would need to be approved by the Board for the language change.

Ms. Berge would also like this be moved to consent agenda and she offered additional suggestions for intro consent.

Director Mack made a motion to move this item forward to the full Board with a recommendation for **approval** Director DeWolf seconded. This motion passed unanimously.

Regular Agenda Items

1. Monthly Financial Status Update (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge summarized what could be found in the monthly financial report. Ms. Berge explained we have five funds, most districts have six. We only have five because we do not have a transportation fund because we contract out for transportation services. Director DeWolf asked about Director Geary's donation and what other donations would appear on this report. Ms. Berge explained that Director Geary's donation is not on here and it was donated to the Alliance. She spoke about how depending on what type of donation/grant it was would determine how it would be reflected on the report.

Ms. Berge explained in FTE enrollment we were down slightly. She summarized what factors would determine this from enrollment planning.

Director Burke asked if the FTE number will be adjusted next month. Ms. Berge confirmed that number will be adjusted.

Director Mack asked about revenue other school districts/ governments. Ms. Berge explained in the state accounting manual there no specific line item for PTA and City FEL and so they are included in this category, with these two items being the biggest amounts.

2. Monthly Budget Update (Berge)

No update, because of the public monthly budget work session.

3. SMART Goal #3 Budget (Berge)

No update, because of the public monthly budget work session.

4. Committee Annual Work Plan (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge requested to move 5253 – Maintaining Staff/Student Boundaries (HR/ WSSDA update); F12.00,.01 Job Sharing to June 2018 due to HR have being busy with updating currently policies. The committee agreed to this workplan update.

Meeting adjourned at 6:15pm