

Board Special Meeting
Monthly Audit & Finance Meeting
Monday, November 6, 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 Harris and Blanford were present. Director Burke arrived at 4:35.

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

Approval of agenda: Approval to move regular agenda item, monthly financial status update as the first item after the approval of the October 09, 2017 meeting minutes. Director Blanford approved the change and Director Harris seconded.

Approval of meeting minutes as amended Director Blanford moved to approve the October 09, 2017 meeting minutes. Director Harris seconded. This motion passed.

Approval to move regular agenda item, monthly financial status update as the first item after the approval of the October 09, 2017 meeting minutes. Director Blanford approved the change and Director Harris seconded.

Regular Agenda Items

1. Monthly Financial Status Update (Fleming)

Director of Accounting Services, Amy Fleming presented the August 2017 final financial statement report. Ms. Fleming spoke about the monthly budget status report, specifically the general fund and that it was trending nicely. Ms. Fleming also mentioned that they were paying back the economic stabilization per Board approval, noting that they would see the committed fund balance of 22M, which is reflective of the resolution. Ms. Fleming mentioned that Special Education's budget was over by a little but that they were aware of the overage. Superintendent of Business and Finance, JoLynn Berge mentioned that they would be discussing the ending fund balance in detail at the next work session. Ms. Fleming spoke about the negative fund balance on the Capital Projects components. She mentioned that they anticipated the overage due to the acceleration of some of the projects. They anticipate the fund balance to carry over to next year.

Director Harris noticed that there were still funds in BEX II and BTA II. Ms. Berge stated that she was working with Capital Projects finance person to spend the funds. Both BEX and BTA have very specific qualification on how the funds can be used in accordance to the levy.

Director Harris asked Ms. Berge to report to the Board all the funds that still have end balances at the next Audit and Finance meeting.

Board Action Reports (Discussion and/or Action)

1. Community Care Contract (Mills)

Director of Special Education, Elizabeth Mills spoke about Community Care being one of the many outside agencies that her department works with to meet the needs of student Individual Educational Plans (IEP). The contract consists of nine separate contracts that will exceed the \$250,000 threshold. Director Harris requested to know if they could predict an overage at the end of next year. Ms. Berge is hoping to do a better job at projections for the following school year.

Director Harris made a motion to amend the second sentence under number five on the Board Action Report (BAR) to say that the funding is coming from both State, Federal and Levy funds. The change was amendment. Director Burke seconded the amendment. Ms. Berge said that she would make the changes.

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

2. BAR: City of Seattle Families & Education Levy Funding for Seattle Public Schools for Middle School our of School Program Transportation, Northgate Elementary Transportation and Middle School Athletics (Berge)

Ms. Berge stated that through the Families & Education Levy (FEL) funding the City of Seattle Parks and Recreation Department allocated funding specifically to support the expansion of middle school athletics across the City of Seattle. \$546,292 has been budgeted to support the cost of stipends for coaches and transportation costs to transport middle school teams to each school for events. The Out of School time funding has also been awarded to Northgate Elementary for transportation costs, \$11,108, for their afterschool program. The final amount of \$95,224 is for Summer Learning Opportunity sites throughout the FEL funded programs. SPS has received this funding for these programs since 2014. In the past this process was part of the FEL funding approval by the Board in the spring. City of Seattle was late in notifying us of this amount so we are bringing it to the Board now.

Director Harris asked if the BAR took into account Special Education sports. Ms. Berge responded by saying that the contract had not been changed. Ms. Berge stated that she was not aware if there was a Special Education component to the BAR.

Director Harris asked that Ms. Berge give the Board a summary with respect to unified funding both for middle school and high School. Ms. Harris requested that Ms. Berge's team speak with our legal department to see if we were maintaining our compliance and being nondiscriminatory with all of athletics. Ms. Berge said that she would look into it.

Director Burke noticed that the dates on some of the paperwork stated that they were from 2014. Ms. Berge said that she would have to look into it since she did not have specifics about those pages.

Director Burke requested that the information either be updated and replaced or if it is not relevant, that it be removed.

Director Harris made a motion to move this item forward to the full Board with a recommendation for **consideration**. Director Burke seconded. This motion passed unanimously.

Regular Agenda Items

1. SMART Goal #3 Budget (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge mentioned that the Program Summaries under "Special Attention Items" has similar information. Ms. Berge spoke about outlining some areas for follow up at the last work session. One of the changes will be changing out the language from program review to program summary. The change will come to the next Audit and Finance (A&F) meeting as a Board Action Report (BAR) based on A&F committee members. Ms. Berge spoke about reformatting her

list to line up with Eric Anderson's classifications. Ms. Berge spoke about adding Thurgood Marshall, Fairmount Park and Decatur to the sixty something items on the list and eliminating Athletic Directors from the list since we do not have any. The addition was made from the suggestion of the Board at the last work session. Ms. Berge went on to say that they combined athletic programs and athletic transportation into athletics. They also re-titled Nurses Health Services to Health Service because nurses are a part of the Weighted Staffing Standards (WSS) process. Ms. Berge spoke about having the recommendation for the selection of the final ten summaries that she would like the A&F committee to help with the decision. Ms. Berge suggested taking all three schools off the list and replacing them with the Resources Conversation Program and Open Doors. Director Harris, Blanford and Burke all agreed. Ms. Berge said she would compile the information and report back at the next budget work session.

2. Committee Annual Work Plan (Berge)

Ms. Berge mentioned that the budget development calendar was addressed as a slide and completed at the October budget work session. Assistant Superintendent of Human Resource, Clover Codd noted all the policies that had recently come to the Board on Nov 1, 2017 for approval and suggested bringing back policy 5245 and 5010 as information items only at the next Audit and Finance (A&F) meeting in December. Ms. Codd mentioned that due to the time it took to bring several policies to the Board for approval last year she has not been able to work on the December items that are still on the work plan. Director Burke asked Ms. Codd if she could cliff note what the policy meant by "staff and student boundaries". Ms. Codd explained that the procedure includes professional boundaries between staff and students. Ms. Codd went on to say that the procedure was out date and that she would like to consult labor partners and staff to make necessary updates.

Director Harris asked if we have job sharing in our Collective Bargaining Agreement (CBA). Ms. Codd shared that our CBA mentions partial Full Time Employee (FTE) and not job sharing but that it is permitted. Ms. Codd requested to move policies 5253 and F1202 to May 2018 on the Committee Annual Work Plan. Director Harris made a motion to move the two items to May and Director Burke and Director Blanford Seconded the motion.

Special Attention Items

1. Budget Development Calendar (Berge)

No Update.

2. PTA vs. Equity Funding (Berge)

Ms. Berge spoke about addressing a follow up question that Director Harris had regarding PTSA funding equity concerns and options. Ms. Berge mentioned that the staff's recommendation remained the same and that equity funding was best addressed through the district's allocations formula for schools. Ms. Berge spoke about two options for possible alternatives to change the policy on PTSA grants. The first would be to set aside "tax" dollars that would then be redistributed to other schools. The second alternative would be to prohibit paying for staff FTE. Ms. Berge referred to the allocation formula she brought to the Board showing that high poverty schools do get a lot of funding with their formula. Director Blanford suggested that it would be a good idea to bring this kind of decision making to the public for their input. Director Harris asked if we had the formula day lighted as the equity fund. Ms. Berge stated that we did and that it is all online.

3. Program Summaries (Berge)

This item was discussed along with SMART Goal #3.

Adjourned at 5:34pm

