

Board Special Meeting
Work Session: Budget; 2019 Board Goals Development
Wednesday, December 12, 2018, 4:30 – 6:00pm
Board Auditorium, John Stanford Center
2445 – 3rd Avenue South, Seattle WA 98134



Agenda

<u>Call to Order</u>	4:30pm
<u>Work Session: Budget</u>	4:30pm
<u>Work Session: 2019 Board Goals Development</u>	5:30pm
<u>Adjourn</u>	6:00pm*

*Special meetings of the Board, including work sessions and retreats, may contain discussion and/or action related to the items listed on the agenda. Executive sessions are closed to the public per RCW 42.30. *Times given are estimated.*

Budget Work Session

December 12, 2018

Agenda

1. Budget timeline
2. Recommendations from Superintendent and WSS Committee
3. Community Engagement update
4. Outcomes

Outcomes

1. Budget Timeline reviewed
2. Recommendations from Superintendent and WSS Committee are reviewed
3. Updated on budget/levy meetings
4. Consensus on any line items

FY 2019-20 Budget Development Calendar

- **September 26, 2018** Budget Work Session
- ~~**October 24, 2018** Budget Work Session~~
 - Review 2017-18 final numbers-Cancelled
- **November 28, 2018** - Budget Work Session
- **December 12** – Budget Work Session/WSS Committee recommendations
- **January 14 to April 30** - State Legislative Session
- **January 16, 2019** - Budget Work Session to review recommendations
 - Review WSS Changes
 - Review Overall major budget changes
 - Consensus on budget
- **January 30, 2019** – Budget Work Session
- **January 15 to February 1** - Central budgets developed
- **February 28, 2019** - Budget Allocations to Schools
- **March 6, 2019** - Budget Work Session
- **May 2019** - Final General Fund Balancing, Budget Book development
- **May 8, 2019** - Budget Work Session
- **June 10, 2019** - Board Action Report and Budget Resolution to A&F
- **June 26, 2019** - Introduce Budget to Board
- **July 3, 2019** – Required Public Hearing
- **July 10, 2019** - Board Action to adopt school year 2018-19 budget


Upcoming Work Session Timelines

- ✓ November 28 – Board receives overview of information
- ✓ December 12 – Board receives Superintendent and Senior Leader recommendations, as well as WSS Committee recommendations
- January 16 – Budget work session
- January 30 – Consensus reached on budget decisions

Summary of Superintendent Recommendations

1. Use \$8m of anticipated 2018-19 underspend for 2019-20
2. Reduce Economic Stabilization Account to 3% minimum
3. Move \$3m of eligible infrastructure costs to capital
4. Retain \$4m for Curriculum
5. Retain \$2m for 24 Credit resources
6. Retain \$2m for fall enrollment adjustments and mitigations
7. Reduce WSS cuts to \$12.2m

		Options	Superintendent's Recommendations	Notes
	Total projected deficit	(\$78,400,000)	(\$78,400,000)	
1	2017-18 underspend	\$22,000,000	\$22,000,000	Majority is savings from vacancies
2	Fund Balance planned to help 2019-20	\$5,000,000	\$5,000,000	
3	Unassigned Fund Balance	\$3,700,000	\$3,700,000	Would leave only the economic stabilization fund to fall back on
4	2018-19 Underspend	\$5,000,000	\$8,000,000	A large portion of the 2018-19 underspend will be needed for 2020-21
5	Remaining deficit	(\$42,700,000)	(\$39,700,000)	
	Items for Consideration			
6	Reduce Economic Stabilization Fund to 3%	\$2,000,000	\$ 2,000,000	Reduced the economic stabilization fund down to minimum of 3%
7	Move \$3m of infrastructure costs to capital	\$3,000,000	\$3,000,000	Total amount approved was \$4m, this is the amount that is capital eligible
8	Curriculum (18-19 \$6m and 19-20 \$5m)	\$11,000,000	\$7,000,000	\$6m of the \$7m for 2018-19 is not yet committed
9	24 Credit Resources (18-19 \$4m and 19-20 \$9m)	\$13,000,000	\$11,000,000	\$4m of the \$9m in 18-19 is still available
10	Transportation Changes			
11	Move Middle school to Metro (placeholder, waiting for estimate)	\$500,000	\$0	
12	Add third tier to buses (revert to previous 2/3 tier mix)	\$2,500,000	\$0	
13	Eliminate Option School buses (could result in loss of revenue, TBD)	\$0	\$0	
14	Central Reductions	\$2,500,000	\$2,500,000	2.5% reduction, not all previous reductions were restored
15	Fall Enrollment Adjustments and mitigations	\$4,000,000	\$2,000,000	Leaves \$4m in total
16	WSS - School Based Reductions	\$16,500,000	\$12,200,000	\$12.2m is a 2.5% reduction; \$16.5 is a 3.4% reduction
17	Total of Items for Consideration	\$53,000,000	\$ 39,700,000	
	Difference	\$10,300,000	\$0	

 <p>SEATTLE PUBLIC SCHOOLS</p>	<p>ECONOMIC STABILIZATION ACCOUNT</p>	<p>Policy No. 6022 May 17, 2017 Page 1 of 1</p>
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It is the policy of the Seattle School Board to maintain an economic stabilization account in the general fund to help protect against unforeseen circumstances.

The District created the Economic Stabilization Account (ESA) to fund activities that would otherwise be reduced in scope, suspended or eliminated due to

The School Board shall annually adopt a specific stabilization account percentage for the upcoming fiscal year. The ESA shall be informed by the economic climate and recommended between 3 and 5 percent of the total actual general fund expenditures of the most recently completed fiscal year.

amounts for the separate account code in the General Fund. The amounts committed in the Economic Stabilization Account (ESA) are to be used only for the purposes defined in this policy.

In the event the ESA balance falls below the recommended minimum level of 3%, a plan to replenish the fund will be developed and provided with the resolution authorizing use of the fund. The repayment plan must be reviewed annually as part of the budget process until the funds are fully restored.

minimum level of 3%, the resolution authorizing use of the fund. The repayment plan must be reviewed annually as part of the budget process until the funds are fully restored.

The Superintendent is granted the authority to establish procedures in order to implement this policy.

Adopted: August 2015
 Revised: May 2017
 Cross Reference: Policy Nos. 6020; 6040
 Related Superintendent Procedure:
 Previous Policies: Go6.00
 Legal References:
 Management Resources: Governmental Accounting Standards Board 54

Economic Stabilization Account

- 2018-19 Budget approved by the Board includes \$26,500,000 in the Economic Stabilization Account which is 3.2%
- 2017-18 actual expenditures of \$816,683,371 * 3% = \$24,500,501
- Board could chose to reduce Economic Stabilization Account to 3% minimum

\$3m of infrastructure costs to Capital

- Identified underspend in DoTS for BEX IV projects, all of which have been completed
 - Web Technology
 - Online Assessments
 - Server Upgrades
 - Disaster Recovery
 - Wireless Networks

\$4m for Curriculum

Still moving forward, but at slower pace

- Reduce science adoption from MS and HS and partial elementary down to MS only for 18-19. Allocate PD for adopted materials in 19-20
- Continue to provide PD for MS Math year 2 implementation for 19-20, add small amount for Year 3 K-5 ELA (not in original plan, but needed for 3rd gr. KPI)
- Delay World Language until 19-20, adopt Spanish 1 and 2 only (defer Spanish 3 and 4 and AP Spanish)
- Continue ethnic studies at reduced amount in 19-20
- Eliminate Career-Technical Education adoption for both 18-19 and 19-20

24 Credit Resources – Targeted \$2 million

Identify specific strategies and programs to help students stay on track towards graduation and postsecondary success.

- School-based strategies:
 - Academic interventions and case management
 - Specific Tier 2 & Tier 3 instructional materials and academic supports
 - 0-period, after-school, summer credit-earning options
 - Tutoring
 - Targeted professional development
- Increased district options:
 - Summer school and vetted credit retrieval
 - Competency-based credits and cross-crediting

Central Admin Reductions

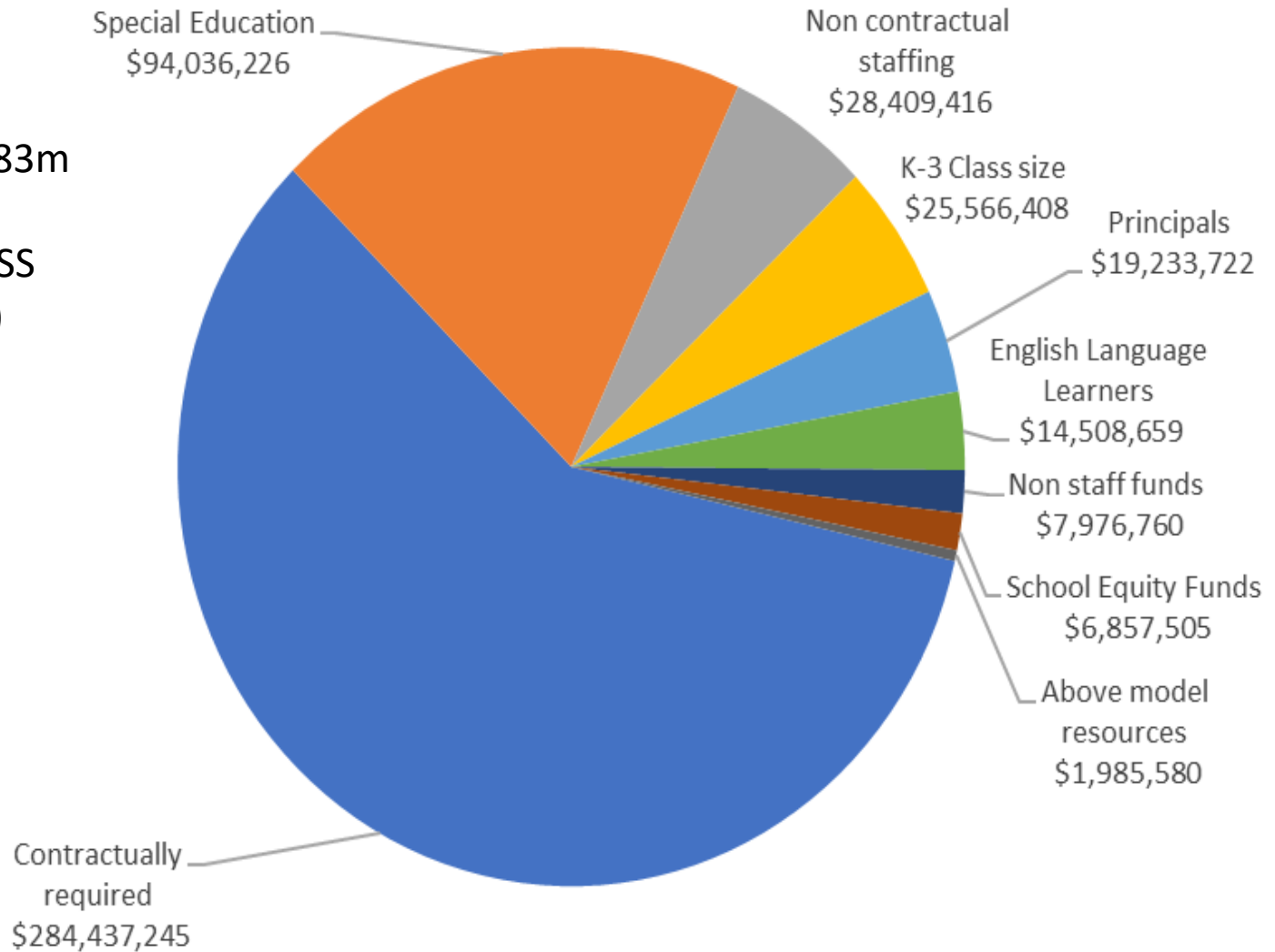
- Not all previous cuts were restored
- \$2.5m equals a 2.5% reduction
- Considerations include: equity, operational viability

WSS Committee Recommendations

- Developed two Options
 - \$16.5m/3.4% reduction
 - \$12.2m/2.5% reduction
- Equity Tiering used to reduce cuts to those schools in Tier I or Tier 2
- **Recommendation being brought forward is \$12.2m Option**

WSS Allocations for 2018-19

- Total of \$483m allocated through WSS (4,447 FTE)



WSS – Total Amount Contractually able to be reduced

Options (Based on 18-19 rates)	With K3	Without K3
International Baccalaureate funds	\$ 500,000	\$ 500,000
Reduce librarians to half time	\$ 2,106,113	\$ 2,106,113
Elementary counselors	\$ 1,488,461	\$ 1,488,461
House Administrators	\$ 640,625	\$ 640,625
Assistant Principals	\$ 8,206,868	\$ 8,206,868
Cert Core <small>(added staff for large schools)</small>	\$ 2,363,542	\$ 2,363,542
School Equity Funds <small>(\$ for every free and reduced lunch student)</small>	\$ 6,857,505	\$ 6,857,506
Secondary class size to 30	\$ 3,439,152	\$ 3,439,152
Fourth and Fifth grade to 28	\$ 1,957,788	\$ 1,957,788
Kindergarten thru third grade to 26	\$ 25,566,408	\$ -
	Total	\$27,560,054
Total WSS FTE of 4,447		136.8 FTE

WSS Options

Options (Based on 18-19 rates)	Without K3	\$16.5m Option	\$12.2m Recommendation
International Baccalaureate funds	\$ 500,000	\$ 400,000	\$ 400,000
Reduce librarians to half time	\$ 2,106,113	\$ 2,106,113	\$ 1,710,924
Elementary counselors	\$ 1,488,461	\$ 1,488,461	\$ -
House Administrators	\$ 640,625	\$ 640,625	\$ 512,500
Assistant Principals	\$ 8,206,868	\$ 4,040,304	\$ 2,668,687
Cert Core <small>(added staff for large schools)</small>	\$ 2,363,542	\$ 2,363,542	\$ 2,108,024
School Equity Funds <small>(\$ for every free and reduced lunch student)</small>	\$ 6,857,506	\$ -	\$ -
Secondary class size to 30	\$ 3,439,152	\$ 3,439,152	\$ 2,842,077
Fourth and Fifth grade to 28	\$ 1,957,788	\$ 1,957,788	\$ 1,957,788
Kindergarten thru third grade to 26	\$ -	\$ -	\$ -
Total	\$27,560,054	\$16,435,985	\$ 12,200,000
Total WSS FTE of 4,447	136.8 FTE	122 FTE	90 FTE

WSS - \$12.2m Option

- IB funding is limited to \$100k (need identified so far in 2017-18)
- Librarians reduced to half time, except for schools in Tier 1 and 2
- Counselors – no reductions
- House administrators/Cert Core – eliminated, except for Tier 1 or 2 schools
- Assistant Principals – threshold for allocation increased except for schools in Tier 1 and 2,
- Secondary class size to 30:1 except for Tier 1 and 2 schools
- Fourth and Fifth grade class size to 28:1 except for Tier 1 and 2 schools
- Equity Funds (additional funding for every FRL student) – no reductions

Equity Tiering – Proposed Methodology

- Proposed definition for “Historically Underserved Students of Color”:

Students belonging to any racial group or racial subgroup with a greater than 25 point proficiency gap compared to the highest achieving racial group over the last 3 years

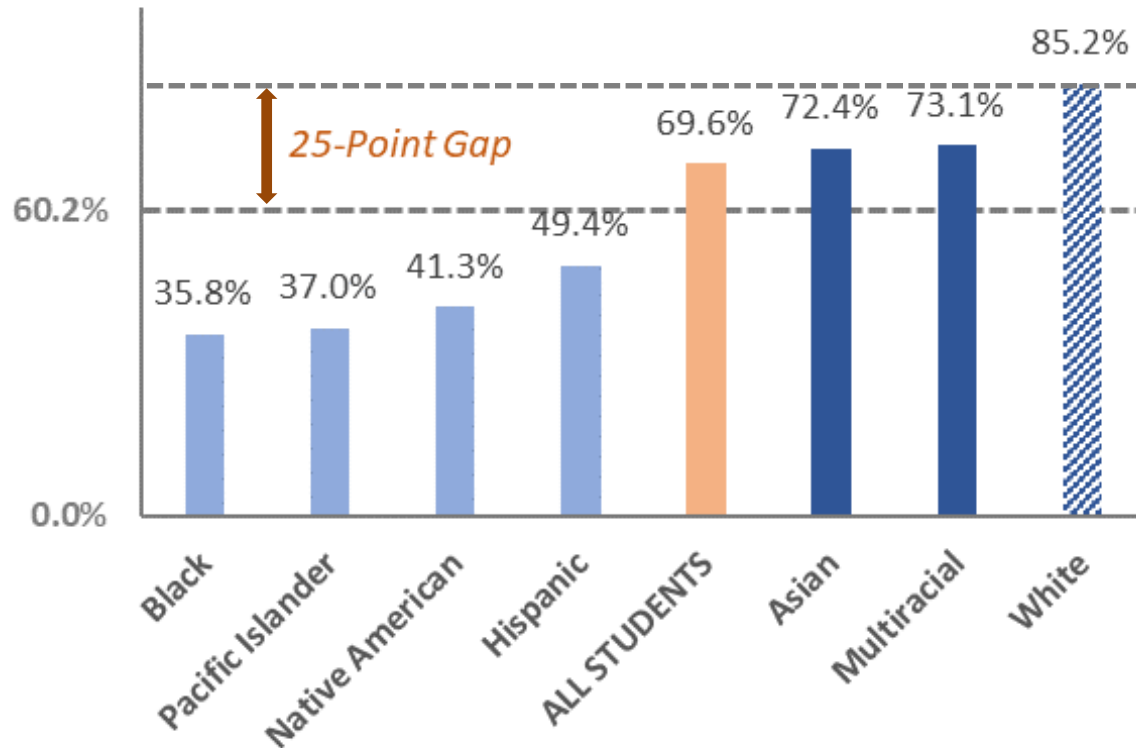
- Would bring in 330 Asian students (Cambodian, Hmong and Laotian), along with 2,900 Multiracial students, and would greatly increase the number of Native American students included.

Equity Tiering – Proposed Methodology

- New from Dec 10 meeting – scoring based on rolling 2 year average
- Impact – IF these changes are implemented, there is only minimal impacts from the methodology used for 2018-19.

Equity Tiering – Proposed Updates

Historical Achievement by Race/Ethnicity (ELA proficiency, SBA 2016 to 2018)

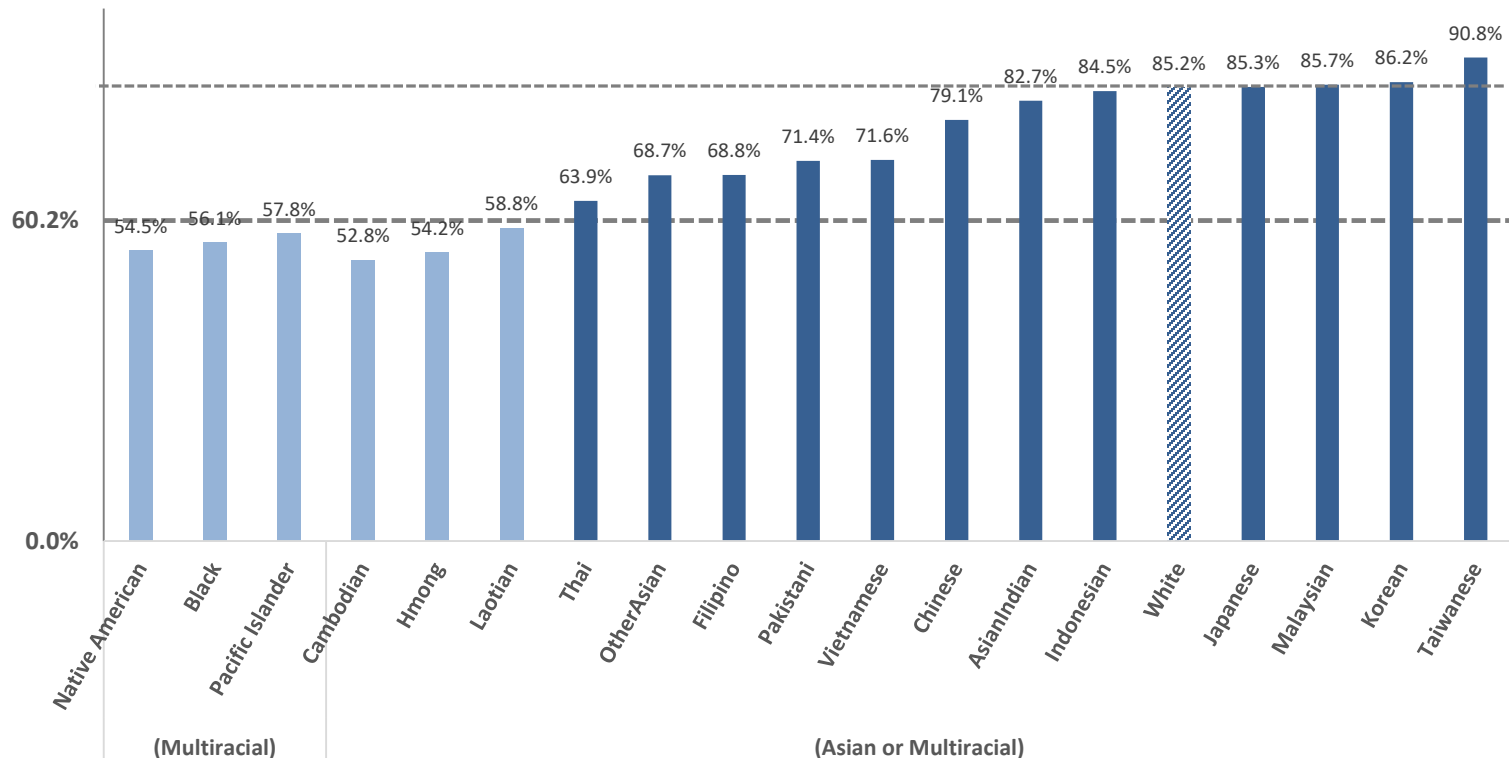


Federal 7 groups

Equity Tiering – Proposed Updates

Historical Achievement by Race/Ethnicity (ELA proficiency, SBA 2016 to 2018)

Multiracial & Asian students only



Budget/ Levy Presentations

	Date	Where	Apx time	
1	9/12/2018	Ingraham	90	Community levy meeting
2	9/13/2018	West Seattle HS	90	Community levy meeting
3	9/20/2018	Mercer MS	90	Community levy meeting
4	9/24/2018	Roosevelt HS	90	Community levy meeting
5	9/25/2018	Meany MS	90	Community levy meeting
6	10/16/2018	Montlake	90	Community levy meeting
7	10/23/2018	West Woodland	120	PTA community meeting
8	11/13/2018	Bryant	60	PTA School meeting
9	11/15/2018	1511 3rd Ave.	120	League of Women Voters
10	11/16/2018	Columbia City Library	120	Family & Community Partners
11	11/27/2018	John Rogers / Olympic Hills	90	PTA School meeting
12	11/27/2018	Jane Addams / Cedar Park	90	PTA School meeting
13	11/28/2018	Work Session	90	Budget
14	11/29/2018	Cascadia	120	<i>Levy Meeting</i>
15	12/3/2018	Dearborn Park	90	PTA community meeting
16	12/6/2018	Washington MS	120	<i>Levy Meeting</i>
17	12/11/2018	Rainier Beach	120	<i>Levy Meeting</i>
18	12/12/2018	Chief Sealth	120	<i>Levy Meeting</i>
19	12/12/2018	Work Session	60	Budget
20	12/13/2018	McGilvra	60	PTA School meeting
21	12/18/2018	Salmon Bay/ John Adams	60	Budget
22	1/8/2019	John Rogers	90	Community levy meeting
23	1/9/2019	North Beach	60	PTA School meeting

Budget/ Levy Presentations (cont.)

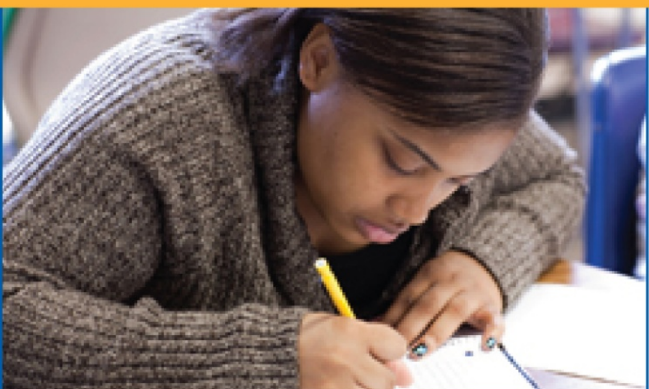
	Date	Where	Apx time	
24	1/10/2019	Thornton Creek School	60	Budget
25	1/10/2019	Montlake	90	Community levy meeting
26	1/14/2019	Whittier Elementary	60	Budget
27	1/14/2019	Northgate Elementary	60	PTA School meeting
28	1/14/2019	Lawton	60	PTA School meeting
29	1/14/2019	View Ridge	60	PTA School meeting
30	1/15/2019	Skyline Retirement home	60	Community levy meeting
31	1/15/2019	Lowell	60	PTA/ Jr. League
32	1/15/2019	Alki Elementary/Lafayette	60	PTA School meeting
33	1/15/2019	Robert Eagle Staff/Licton Springs/Cascadia	60	PTA School meeting
34	1/16/2019	Work Session	90	Budget
35	1/17/2019	MLK	60	PTA School meeting
36	1/17/2019	Coe/ Queen Anne / John Hay	60	PTA School meeting
37	1/17/2019	Genesse Hill	60	PTA School meeting
38	1/18/2019	Olympic Hills	60	Budget
39	1/22/2019	Rainier Beach	90	Community levy meeting
40	1/22/2019	Fairmont Park	60	PTA School meeting
41	1/23/2019	Hazel Wolf	60	Budget
42	1/24/2019	Pathfinder	60	PTA School meeting
43	1/25/2019	John Muir	30	PTA School meeting
44	1/30/2019	Work Session	90	Budget
45	1/31/2019	Sacajawea	60	PTA School meeting

Outcomes

1. Budget Timeline reviewed
2. Recommendations from Superintendent and WSS Committee are reviewed
3. Updated on budget/levy meetings
4. Consensus on any line items



Seattle Public Schools



2019 Board Goals Work Session

December 12, 2018

Work Session Agenda

- Review Board Policies related to goal-setting and self evaluation
- Review work done to develop 2019 Board Goals
- Gather feedback on and affirm approach toward 2019 Board Goals
- Outline next steps

Background Info

- **Board Policy No. 1810, Annual Goals & Objectives**

“Each year the Board will formulate goals and objectives. The goals and objectives may include but are not limited to the Board functions of vision, structure, accountability and advocacy.

At the conclusion of the school year the Board shall reflect on the degree to which the goals and objectives have been accomplished by conducting a Board self-evaluation and engaging in Board development activities where needed.”

Background Info

- **Board Policy No. 1820, Evaluation of the Board**

“At the conclusion of each school year, the Board shall evaluate its own performance in terms of generally accepted principles of successful Board operations and in relation to its annual goals and objectives. The Board’s self-evaluation shall address performance in the key functions of school Boards - vision, structure, accountability and advocacy. The results of the self-evaluation shall be used in setting goals for the subsequent year.”

Timeline

- **June 2018:** Board waived Policy No. 1810 for 2018, citing the Board's workload and other pressing priorities.
- **September 2018:** Executive Committee began development of proposed Board goals for 2019, and staff gathered feedback from each Director regarding their goals for the Board.
- **October 2018:** Staff shared common themes with the Executive Committee, and Directors present proposed that the Board's goals for 2019 focus on Racial Equity, Board Governance & Collaboration, and Community Engagement.
- **November 2018:** Executive Committee members stated their support for these three goals and requested that Director Geary prepare a BAR for the Board's consideration.
- **Today:** Presentation of Executive Committee-proposed 2019 Board Goals and opportunity for full Board's feedback before a BAR is brought to the Board in January.

Proposed Goal 1: Board Racial Equity Training

The Board will engage in a racial equity training during the 2018-19 school year. In consultation with District staff, the Board President and Executive Committee will work to determine the priorities, methodology, and timing of training. All Directors will participate in the training.

Questions for Board Feedback

- 1. Does this goal resonate with you?**
- 2. Are any refinements needed?**
- 3. Looking forward, what feedback do you have for implementing the Board's work on this goal?**

Proposed Goal 2:

Board Collaboration & Governance

The Board will review and discuss those Board Series 1000 policies speaking to the role of the Board, its officers, and committees. This review will be led by the Executive Committee and will focus on Director collaboration, the role of Committee Chairs, and the current system of communications amongst Directors.

The purpose of the review will be to develop a shared understanding of and commitment to existing Board policy on these topics in order to foster stronger internal alignment, better communication, and increased trust and respect amongst Directors. Where gaps in the existing policies or practice are identified, the Board will work toward developing policy or practice updates.

Questions for Board Feedback

- 1. Does this goal resonate with you?**
- 2. Are any refinements needed?**
- 3. Looking forward, what feedback do you have for implementing the Board's work on this goal?**

Proposed Goal 3: Community Engagement

The Board will hold one work session off-site as a pilot during the 2018-19 school year. The Executive Committee will identify the work session, giving consideration to the topic and location so as to elicit the greatest community interest and attendance. The Executive Committee will evaluate lessons learned from the pilot.

Questions for Board Feedback

- 1. Does this goal resonate with you?**
- 2. Are any refinements needed?**
- 3. Looking forward, what feedback do you have for implementing the Board's work on this goal?**

Next Steps

- **December 19, 2018:** Executive Committee will consider a BAR adopting 2019 Board Goals
- **January 9, 2019:** Board Goals BAR will be introduced to the Board
- **January 23, 2019:** Anticipated Board adoption of 2019 Board Goals
- **January – October 2019:** Board implements 2019 Board Goals
- **November 2019:** Board holds work session to evaluate its performance in relation to adopted 2019 Board Goals