

Board Special Meeting

Monthly Audit & Finance Meeting

Monday, April 22, 2019, 4:30-6:30pm

Board Office Conference Room, John Stanford Center

2445 – 3rd Avenue South, Seattle WA 98134



Call to Order

This meeting was called to order at 4:30 pm Directors Geary interim for Director Pinkham and Director Mack. Director Pinkham was absent.

Chief Financial Officer JoLynn Berge staffed this meeting.

Approval of agenda: Director Mack moved to approve the agenda. John Cerqui requested to move his item from the first item to the 5th item under information. Director Geary amended the agenda by adding the PTA and private grants to school's timeline discussion, Director Geary seconded. This motion passed unanimously.

Approval of meeting minutes: Director Mack moved to approve the March 18, 2019 meeting minutes. Director Geary seconded. This motion passed.

Items Requiring Board Action

1.BAR: Amending Board Policy 5005, Employment (Codd/ Beszterda-Alyson) Volunteer Services Program Administrator Ania Beszterda-Alyson spoke about needing an additional option for volunteers to get background checks. There are two main reasons why the District conducts criminal background checks. One is State law requires us to capture the last 3 years of applicant's potential criminal history. Washington State also requires District to conduct background checks for anyone employed by the district. When Office of Superintendent of Public Instruction (OSPI) stopped offering fingerprinting of volunteers, SPS researched other options to fulfill this state requirements. Social Security Number-based criminal background checks are more affordable and can be performed entirely online. Ms. Beszterda-Alyson showed a graph and materials that supported her findings that going through the new online background checks are more timely, complete and more accurate than the Federal Bureau of Investigations (FBI) fingerprint background checks. Director Mack inquired how we have been doing background checks since OSPI took away the option in 2017. Ms. Beszterda-Alyson stated that volunteer coaches have continued to go through OSPI at the courtesy of OSPI until we implement a new policy. Other volunteers that are not considered high risk and have resided in Washington State for more than three years go through the WATCH background check while newer Washington State residents go through an online national background check. The Manager of Risk Management, Richard Staudt mentioned that in many ways SSN-based national background checks are more equitable because they get a current disposition of charge whereas FBI doesn't always receive updates on cases brought against a person.

Director Geary asked that they add this information to Board Action Report (BAR) under equity. Mr. Staudt mention that is on the BAR. Ms. Beszterda-Alyson stated that volunteer coached will be required to go through the Human Resources approved national background check but that we review background check results from other vendors for low-risk volunteers.

Director Geary requested that Ms. Beszterda-Alyson add the language under the portion that addresses all volunteers, Superintendent shall have her designee provide a basis upon which levels of background checks will be performed pursuant to the levels of risk. Director Mack would also like Ms. Beszterda to

talk to the appropriate staff and discuss possible revisions around the year limit based on staff's recommendations.

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

2. BAR: Smith-Brooks Estate Gift (Berge) Chief Financial Officer, JoLynn Berge spoke about the portion of the BAR that states problems with the estate. Directory Geary would like Ms. Berge to check into any environmental impacts, onsite oil tanks, who did the study and what are the bonds related to whoever is assuring the inspection.

Director Geary would also like the year of the home clearly stated on the BAR. If the questions cannot be answered by the time the BAR goes to the full Board, they can pull the BAR from the agenda until they have a clear finding of the property.

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

3. BAR: Kids in the Middle Grant Nesholm Foundation (Stone) Director of Grants & Strategic Partnership Michael Stone spoke he Nesholm's grant providing help with literacy for students in grade 6th through 8th grade in three of our schools. Nesholm's has provided over 8 Million dollars in grants thus far and this is a continuation of the work. Mr. Stone stated that they are seeing evidence of middle schools closing the opportunity gap from the time that the students walk in to 6th grade to the time they leave 8th grade.

Director Geary asked if Mr. Stone could provide more information regarding the money being well spent. Mr. Stone said he can expand the data section based on the recent information he received.

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

4. BAR: League of Educations Voters for Southshore (Stone) Director of Grants & Strategic Partnership Michael Stone spoke about long time funding that originally came in to support the new school, pre k-8 which is now Southshore. The anonymous donor originally came through the New School Foundation but recently changed their name to the League of Educations Voters foundation. The initial funding was to the early learning component since at the time the District was not funding preschool. Over the years the donor has continued to donate funding but now the focus is to the whole child. Their funding was one of the first schools using this funding to bring in the Ruler work in from Yale. The funder to continue the work for the next four years but will review outcomes after year to with an option to end the grant agreement.

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

Special Attention Items

1. Informational Only Contract Exceeding \$250k: Curran Law Firm (Cerqui) Deputy Chief Legal Counsel, John Cerqui spoke about the current contract with Curran Law Firm possibly exceeding the 250K threshold. The Curran Law Firm is handling a significant personal injury law suit for the District where we have already spent \$118,000.00 school year to date. According to the work that still needs to be

done with Labor and Employee Relation and our Special Education departments, Mr. Cerqui and his team think that the contract will go over \$250,000.

2. Informational Only: Potential RIF (Codd) Director of Strategy and Operations Sheila Redick spoke about the difference between a Reduction in Force (RIF) and displacement. Ms. Redick said that displacements happen every year based on enrollment and school program changes. Since the three years that Ms. Redick has worked for Seattle Public Schools there have been 100 to 200 yearly displacement. RIFs occur when there is a difference in numbers based on what the teachers can teach and what we think we are going to have available in terms of vacancies. At last look Seattle Public Schools has 222 displaced teachers. Ms. Redick said that her team will meet with Seattle Education Association (SEA) on May 1st to finalize the list. Her team will also notify Principal's and managers of any impacted staff by certified mail on May 6th, so they have time to meet with their team by May 15th. Our Employee Assistant Program will hold a support meeting for any staff impacted by changes on May 8th. This year we are looking at 31 certificate staff with 26.4 Full Time Employees (FTE). At this point Ms. Redick thinks they will have to lay off some Elementary counselors. If the funding comes in, they will be able to restore most of the elementary counselor positions. Ms. Redick noted that the program changes to the CTE positions will eliminate 7 positions. The biggest impact being Language Arts and Social Studies where they currently have 26 displaced teachers with only 8 positions posted. If there is some restoration in funding it could bring back some of displaced teachers. Ms. Redick is working closely with Michelle Ota regarding English Language Learners displacements due to contract language changes that is affecting the funding. Another big impact that Mr. Redick spoke about was regarding the 25 Assistant Principals with only one Assistant Principal position available. Ms. Redick mentioned that Classified staff will also be impacted by cuts.

3. Informational Only: Director of Grants & Strategic Partnership, Michael Stone presented the Grant inventory. Both Directors questioned why there wasn't information regarding self help information and donations on the inventory list Mr. Stone had provided. Mr. Stone explained that that funding is recorded separately. Ms. Berge stated that they can add District level foundations to the list that Mr. Stone had provided. Mr. Stone offered to sort the Grant inventor list for the Directors. Director Mack mentioned that it would be nice to see the different layers major funding sources that come in.

4. Informational Only: Big Sheet (Berge) Chief Financial Officer, JoLynn Berge stated that they will continue to add the information the Directors requested.

5. Informational Only: Committed/ Minimum Fund Balance per Policy 6022 (Berge) Chief Financial Officer, JoLynn Berge stated she could send the information to the Committee electronically. The information is was already discussed at the last budget work session and reached consensus on it.

Regular Agenda Items

1. Monthly Financial Status Update (Berge)

No update at this time.

2. Committee Annual Work Plan (Berge)

None at this time.

Adjourn: 6:35pm