Board Special Meeting
Monthly Audit & Finance Meeting
Monday, May 20, 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 Pinkham and Mack were present.

Chief of Human Resource Officer Clover Codd staffed this meeting.

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

Approval of meeting minutes: Director Mack moved to approve the April 22, 2019 meeting minutes. Director Geary seconded. This motion passed.

Items Requiring Board Action

1. BAR: Head Start 2019-20 Grant Application for Preschool (Gousie/Toner)
Program Manager Head Start Eugene Gousie spoke about the annual Head Start grant, approval by which by the Board is a requirement from the federal government. He explained the grant amount is up from the previous year due to Cost of Living Adjustment (COLA) and increased funds to move part day classes to full day classes. He reviewed the grant application process. Mr. Gousie explained how the equity tool was used with the policy council. Mr. Gousie spoke about where each Head Start program was located within the District, and how two new full day classes are being added to Dunlap Elementary school as a result of the use of the racial equity tool. Mr. Gousie stated math scores are up for students that are enrolled in the program.
Director Mack asked to have a summary of the parent survey in the Board Action Report (BAR). She asked who the authorizing body for the policy council is. Mr. Gousie explained that the policy council is made up of parents, past parents and community members that are elected each year. Having a policy council is a federal requirement.
Director Mack asked do ratios of students to staff change based on funding or change of model from last year to next. Mr. Gousie stated no.
Director Mack made a motion to move this item forward to the full Board with a recommendation for Approval with edits Director Pinkham seconded. This motion passed unanimously.

2. BAR: Sign Language Interpreter Vendors (Mills)
Director of Special Education Elizabeth Mills spoke about how the sign language interpreters’ contracts are not to exceed 500K. She explained the special education interpreters are for students and it is expected to use three vendors. The vendors listed did go through the Request for Qualifications (RFQ) process.
Director Mack asked why can rates vary between vendors. Ms. Mills explained as the contracts go through the RFQ process it is also who is available. The vendor that has the high rate have the staff available which allows us to continue services without a break. Ms. Mills will clarify the amount of monthly cost in the BAR.
Director Mack made a motion to move this item forward to the full Board with a recommendation for Approval Director Pinkham seconded. This motion passed unanimously.
3. BAR: Specially Designed Instruction: Tutoring Services & Other Compensatory Education Services (Mills)
Ms. Mills spoke about the contracts under the RFQ for Specially Designed Instruction which is for IEP services.
Director Pinkham asked what the “other” compensatory services are. Ms. Mills stated it is where the District contracts outside for services for our students.
Director Geary arrived at 4:56pm.
Director Mack asked what the current year spending. Ms. Mills explained some situations are legal situations and we are required to go outside and some our positions we currently do not have within the District. Director of Special Education Trish Campbell stated we would prefer to service our students in house but if we are unable, we do use our outside partners.
Director Mack made a motion to move this item forward to the full Board with a recommendation for Approval Director Geary seconded. This motion passed unanimously.

4. BAR: Early Support for Infants & Toddlers (Mills)
Ms. Mills spoke about how this is the last year we will be receiving flow through funds for the early support for infant and toddlers. Ms. Mills explained we do not have the contacts yet, based on number of students and cost this is what is estimated.
Director Mack asked if we have to accept a contact from King County. Ms. Mills will look into that and get back with the Directors with an answer.
Director Geary asked is an increase of students expected. Ms. Mills will add the estimated increase number to the BAR prior to into.
Director Mack made a motion to move this item forward to the full Board with a recommendation for Consideration Director Pinkham seconded. This motion passed unanimously.

5. BAR: University of Washington Experimental Education Unit (EEU) (Mills)
Ms. Mills spoke about this agreement is for Preschool, kindergarten and technical assistance students.
Director Mack asked where funds come from to support this program. Ms. Mills explained it was from the State allocation for SPED students. Director Geary added some historical background on these dollars.
Directors discussed possible future analysis that staff can provide. Chief of Human Resources Clover Codd added that is a larger question and will be discussed upon the return of Chief of Finance JoLynn Berge.
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.

6. BAR: New England Center for Children (Mills)
Ms. Mills explained this is a residential school for one student that requires a special placement.
Director Geary asked how the student is doing on IEP goals. Ms. Mills stated goals are improving however it is limited.
Director Mack made a motion to move this item forward to the full Board with a recommendation for Approval Director Geary seconded. This motion passed unanimously.

7. BAR: Therapeutic Day Treatment Service Providers (Mills)
Ms. Mills spoke about how this is also an RFQ provider. The students are going to school and receiving therapeutic services.
Director Geary asked if the District has received any complaints about the restraint and isolation of services these students receive. Ms. Campbell stated no complaints have been received. 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.

8. BAR: Seattle Children’s Hospital for Hospital-Based Educational Services (Mills)  
Ms. Mills spoke about how this is for services at Seattle Children’s and flow through dollars from Office of Superintendent for Public Instruction (OSPI). Director Approval made a motion to move this item forward to the full Board with a recommendation for Approval Director Geary seconded. This motion passed unanimously.

9. BAR: Private Schools Proportional Share (Mills)  
Ms. Mills explained this is to insure private school students have an equitable share to access a proportional share plan. Under IDEA we are required to set aside a percent of our grants for students re in private schools and if they choose to access a service plan. If they want an IEP they can do that by partially enrolling with our District. Director Geary asked if they need to be a Non-Public Agency (NPA). Ms. Mills stated no they do not need to be an NPA. Director Mack asked are these services only offered through this provider. Ms. Mills confirmed they would have the services provided. The private school students have chosen not to have an IEP and we are then not required to provide Free Appropriate Public Education (FAPE) and do want a service plan. 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.

10. BAR: McGilvra PTA Grant (Stone)  
Grants Director Michael Stone spoke about the 2019-20 McGilvra Parent Teacher Association (PTA) grant funding. This will support their Tier 2 and multi-tier intervention support academic and social and emotional. Mr. Stone explained how this will be used for staffing positions that are not funded by the Weighed Staffing Standard (WSS). Director Mack asked if this supports the entire school or just specific students. Mr. Stone explained it supports students that are considered Tier 2. And data is showing an increase in performance and student efficacy in the students that are supported. Director Geary asked if the school was able to have more students would they receive addition LAP or WSS dollars. Principal Maria Breuder stated they have been at capacity and above before but not able to have a position like a math specialist. Director Mack made a motion to move this item forward to the full Board with a recommendation for Approval Director Geary seconded. This motion passed unanimously.

11. BAR: Replacement Fleet Vehicles (Sebring)  
Director Mack asked if these are capital dollars. Budget Director Linda Sebring stated no they are not capital dollars because capital funds were not until recently not allowed to purchase vehicles. Ms. Sebring spoke about how some changes will happen in the next biennium (2019-20 and 2020-21) school budget which would allow the District to move some capital funds to purchase maintenance vehicles. Some of these are not maintenance vehicles and would still not be eligible for capital funding. Ms. Sebring explained this is 8% of the fleet. We have vehicles that are over 30 years old. We are proposing to use the State contract to get the most of our buying power. Ms. Sebring explained the board did approve these funds previously for vehicle replacement when the Fiscal Year 2018-19 budget was developed. Ms. Sebring will update the BAR to state it is only for vehicles that are either not eligible for the capital dollars or are critical for summer maintenance needs. Director of Accounting
Amy Fleming added the priority list would need to be discussed with the Maintenance Department to confirm what vehicles are in greatest need to be replaced. Director Mack would like to see cars that are able to use capital funds be prioritize at the greatness need. Director Geary would like it to maxmize the use of capital dollars. Director Mack made a motion to move this item forward to the full Board with a recommendation for **Consideration** with edits Director Geary seconded. This motion passed unanimously.

**Special Attention Items**

1. **Informational Only: Renew Employment Agreement with Amendment No. 7. (Boy)**
   Interim Chief Legal Counsel Ronald Boy spoke about how the Director Internal Audit & Ethics Officer has an employment contract which Audit and Finance Committee looks at his contract each year. It will extend his contract to 2019-20. Based on the information that has been given to Mr. Boy the contract will be executed and extended for an additional year unless the committee does not want it to be extended.
   Director Mack asked why the other internal auditors also not have an employment agreement. Ms. Codd explained they report to the head internal auditor, and the head auditor reports to the chair of Audit and Finance.
   Director Geary asked how the position evaluated. Director Pinkham explained he evaluates the position on an annual basis.
   Directors Geary and Mack offered performance feedback. Mr. Boy can seek to add additional specifics around the board research request timing. Ms. Codd suggested a closed session with the Board to give additional feedback on scope of work. Committee agreed a closed session would be welcomed.

2. **Informational Only: Contracts Exceeding $250k: TERP (Mills)**
   Director of Special Education Elizabeth Mills spoke about how the TERP contract was previously under 250K and now needs to be modified. It is for interpreting services.
   Director Geary asked about complaints around availability of interpreters. This is for students, and TERP are able to meet our needs and fill our vacancies.

3. **Informational Only: Policy 5253 Maintaining Staff/Student Boundaries (Codd)**
   Chief of Human Resource Officer Clover Codd explained this is an informational item to give the committee some background on the policy and what the timeline will be for it going forward. Ms. Codd explained Washington State School Directors Association (WASDA) recently revised their policy model in March, 2014-2018 sexual assault rose 53% in the state of Washington, this cause them to rethink 5253. Now that the District has the recommendations Ms. Codd will be working with Office of Student Civil Rights, Legal and Communications Departments. Directors discussed other stakeholder groups who should be engaged. Ms. Codd acknowledged that the engagement on any policy revisions will need to be more extensive. Ms. Codd is asking for additional time to bring the BAR for this policy forward in 2020. Directors agreed due to the complexity and the large number of stakeholders the additional time is needed.

4. **Informational Only: Grant Inventory (Stone)**
   Grants Director Michael Stone spoke about how he added foundations into the spreadsheet based on committee previous requests. Mr. Stone explained why additional funding comes in after the budget is locked on May 1st.
   Director Mack asked if it is at zero does that mean nothing has been committed. Mr. Stone stated that is correct they have not committed at this time. The school can come in after September 1st and some items are not up for renewal yet.
Director Mack asked what the difference between what has been pledged and given for last year. Mr. Stone confirmed the amount was approximately 2M.

5. Informational Only: Big Sheet (Sebring)
Budget Director Linda Sebring gave background on the big sheet and what funding it shows. It aligns with the recommended budget that comes to the School board as of May 1st. She reviewed the Grant capacity and the cut-off date for Grants to be entered was earlier in April. Ms. Sebring highlighted the dollar per pupil excluding special education and English Language Learners (ELL) vs. total dollars per students. Directors discussed the amount that is spent on Middle Schools.

6. Informational Only: EHB2242 Requirement for New Policy on Audit Findings (Sebring)
Ms. Sebring explained the requirement that was from the latest legislative session policy update. She explained the language from EHB2242 states at minimum if the District has any audit findings related to our use of levy funds a public hearing needs to be held within 30 days of the issuance of the findings. Documents mistakenly were not included in the packet sent to directors. Director Mack asked if Legal has begun to draft this policy. Ms. Sebring stated a WASDA model has provided a redline version. This also needs to be completed prior to the start of the year. Due to the need for a quick adoption of this policy change Director Geary asked if we could just implement the minimum legal requirement now and further modify the policy later when there is more time. Ms. Sebring agreed that could be done.

7. Informational Only: New Revenue Policy 6100 Required (Sebring)
Ms. Sebring explained the policy the District does have it a lot smaller than what the WASDA currently has. We will take some knowledge from the WASDA policy and use our equity tool to revise 6100. Director Mack asked are additional things to be added and revised. Ms. Sebring explained we will have some items but not all of WASDA.
Directors have requested missed documents be sent to them after the committee for them to review. Director Geary would like the minimum items added to 6100 and sent to Directors for review and feedback.

8. Informational Only: Revising Policy 6020 for New Levy Local Sub Funds (Fleming)
Accounting Director Amy Fleming spoke about the current policy and the WASDA changes are minimal. She will be bringing the redlined policy to the June Audit and Finance committee meeting.

**Regular Agenda Items**
1. Monthly Financial Status Update (Fleming)
Ms. Fleming reviewed the March 2019 financial statements. Nothing is unusual and the District is on trending as expected.
Director Geary asked about the gap in the fund balance. Ms. Fleming stated part of it was due to what is held in reserves, but she will have additional follow up at the June meeting.

Adjourn 7:01pm