

**APPROVED MINUTES
ALUM ROCK ELEMENTARY SCHOOL DISTRICT
2930 Gay Avenue
San Jose, CA 95127**

**MINUTES OF THE REGULAR ORGANIZATIONAL MEETING OF
THE BOARD OF TRUSTEES
of the Alum Rock Union School District
Held on Thursday, December 13, 2018, 5:30 p.m. at the Alum Rock Union School
District Office Board Room, 2930 Gay Avenue, San Jose, CA 95127
Meeting #06-18/19**

1. OPEN SESSION

1.01 Call to Order / Roll Call

Vice-President Karen Martinez welcomed everyone in the audience. Vice-President Karen Martinez called the Board Meeting to order at 5:31 p.m. followed by Roll Call.

Board Members Present:

Karen Martinez	Vice-President
Dolores Marquez-Frausto	Clerk
Andrés Quintero	Member
Linda Chavez	Member
Ernesto Bejarano	Member

Administrative and Support Staff Members Present:

Dr. Hilaria Bauer	Superintendent
Rene Sanchez	Assistant Superintendent, Instructional Services
Jess Serna	Interim Assistant Superintendent, Human Resources
Kolvira Chheng	Assistant Superintendent, Business Services
Marie Sanchez	Sr. Executive Assistant, Superintendent's Office
Angel Rodriguez	Executive Assistant/Communications Support, Superintendent's Office
Jackie Guevara	Executive Assistant, Superintendent's Office

1. OPEN SESSION *(continued)*

1.02 Ceremonial Oath of Office for New and Re-Elected Trustees

The Ceremonial Oath of Office for re-elected and newly-elected Trustees took place as follows:

Superintendent Hilaria Bauer gave re-elected Trustee Andrés Quintero the Oath of Office and he was sworn in.

Superintendent Hilaria Bauer gave newly-elected Trustee Linda Chavez the Oath of Office and she was sworn in.

Councilmember Raul Peralez gave newly-elected Trustee Ernesto Bejarano the Oath of Office and he was sworn in.

Congratulations to all three newly-elected Trustees!

1.03 Nomination for Board President

Trustee Ernesto Bejarano nominated Trustee Andrés Quintero for Board President. There was no second made to this nomination and no vote was taken.

Vice-President Karen Martinez nominated Trustee Linda Chavez for Board President. There was no second made to this nomination. Trustee Linda Chavez accepted the nomination.

The nomination carried with a vote of three in favor (Dolores Marquez-Frausto, Karen Martinez, and Linda Chavez); 2 in opposition (Ernesto Bejarano and Andrés Quintero); 0 absent; and no abstention.

Linda Chavez is now the new Board President. Congratulations!

1.04 Nomination for Board Vice-President

Clerk Dolores Marquez-Frausto nominated Karen Martinez for Board Vice-President and she declined the nomination. Karen Martinez nominated Ernesto Bejarano for Board Vice-President and he accepted the nomination. Trustee Andrés Quintero seconded the nomination.

The nomination carried with a vote of 5 in favor, 0 opposition; 0 absent; and no abstention.

Ernesto Bejarano is now the new Board Vice-President. Congratulations!

1. OPEN SESSION *(continued)*

1.05 Nomination for Board Clerk

New-elected Board President Linda Chavez nominated Board Clerk Dolores Marquez-Frausto to continue as the Board Clerk. There was no second made to this nomination. Board Clerk Dolores Marquez-Frausto accepted the nomination.

The nomination carried with a vote of 4 in favor; 1 opposition (Trustee Andrés Quintero); 0 absent; and no abstention.

Dolores Marquez-Frausto will continue to be the Board Clerk. Congratulations!

1.06 Announcement and Public Comments Regarding Items to be Discussed in Closed Session

MOTION #06-01 by Trustee Andrés Quintero to address and take action on the following agenda items prior to going into Closed Session. MOTION #06-01 was seconded by newly-elected Vice-President Ernesto Bejarano.

Agenda items include:

- **8.03 Termination of the Leal Trejo, APC Contract with ARUSD**
- **8.04 Board will authorize staff to utilize the current contract with Lozano Smith as General Counsel on a temporary basis until the new General Counsel is hired**
- **8.05 Termination of the Del Terra Real Estate Services (Del Terra) Contract with ARUSD**
- **8.06 Response to the FCMAT Report**

Trustee Karen Martinez asked if the Board could compromise and leave the agenda as is because some of these items would be discussed during Closed Session. She requested, in public, that the fiscal financial advisors follow them into Closed Session—she would appreciate their support and assistance!

Trustee Andrés Quintero commented that the public has been waiting to see this happen for a long time—so it was time to stop putting this off any longer.

Clerk Dolores Marquez-Frausto stated that she would not be supporting this motion—these are potential litigation items and they belong in Closed Session. She asked who had put **Agenda Item 8.04** (see above) on this agenda. Superintendent Hilaria Bauer reported that she had put this item on the agenda. Clerk Dolores Marquez-Frausto commented that Superintendent Hilaria Bauer did not have authority to put this item on the agenda. Superintendent Hilaria Bauer replied that she was able to put this on the agenda.

1. OPEN SESSION *(continued)*

1.06 Announcement and Public Comments Regarding Items to be Discussed in Closed Session

Trustee Andrés Quintero stated that Superintendent Hilaria Bauer had put this agenda item per his request since he had asked Trustee Esau Ruiz Herrera to place this item on previous agendas and he had refused to do so.

The Board had more discussion on this agenda item.

Public Comments:

- 1) Mini Hernandez – Community member, commented and reminded President Linda Chavez that she was elected by the voters and as Board President -- she needs to know how to run the meeting. There is a motion on the floor, and it is time to take the vote!
- 2) Dilza Gonzalez – Community member, commented and also reminded President Linda Chavez that she was chosen by this community and was here to serve the community. The community is asking for transparency and accountability and the first thing to do is to approve Trustee Quintero's request.

MOTION #06-01 failed with a vote of 2 in favor (Andrés Quintero and Ernesto Bejarano); 3 in opposition (Dolores Marquez-Frausto, Karen Martinez, and Linda Chavez); 0 absent; and no abstention.

Newly-elected President Linda Chavez announced the items that would be discussed in Closed Session.

1.07 The Board will Adjourn to Closed Session at Approximately 5:35 p.m.

The Board recessed to Closed Session at 6:07 p.m. Newly-elected President Linda Chavez announced the Board would reconvene to Open Session in approximately one hour.

3. RECONVENE TO OPEN SESSION

3.01 Call to Order / Pledge of Allegiance

The Board reconvened to Open Session at 7:43 p.m. President Linda Chavez welcomed everyone and took a second Roll Call in which all Board Members were present.

3. RECONVENE TO OPEN SESSION *(continued)*

3.02 Report of Action Taken in Closed Session

Superintendent Hilaria Bauer reported that in Closed Session under ***Agenda Item 2.02 Public Employee Discipline/Dismissal/Release***, the Board took action to accept the staff's recommendation as stated.

Superintendent Hilaria Bauer reported that in Closed Session under ***Agenda Item 2.03 Public Employee Discipline/Dismissal/Release***, the Board took action to renew the contract for Interim Assistant Superintendent Jess Serna effective now through June 30, 2019.

3.03 Agenda Review and Adoption

Trustee Andrés Quintero asked to move the following agenda items after ***Agenda Item 3.03 Agenda Review and Adoption***.

Agenda items include:

- ***8.03 Termination of the Leal Trejo, APC Contract with ARUSD***
- ***8.04 Board will authorize staff to utilize the current contract with Lozano Smith as General Counsel on a temporary basis until the new General Counsel is hired***
- ***8.05 Termination of the Del Terra Real Estate Services (Del Terra) Contract with ARUSD***
- ***8.06 Response to the FCMAT Report***

Newly-elected Vice-President Ernesto Bejarano asked if the Board could reconsider moving these agenda items after ***Agenda Item 4.01 Winter Showcase Presentation instead of Agenda Item 3.03 Agenda Review and Adoption***.

Trustee Andrés Quintero also asked the Board if ***Agenda Item 9.03 Approve the First Interim Financial Report*** could be addressed after ***Agenda Item 8.06 Response to the FCMAT Report***.

There was consensus from the Board to accept the agenda as amended.

4. SPECIAL PRESENTATION

4.01 The Winter Showcase

Assistant Superintendent Rene Sanchez apologized to the Board and the audience that the students had to leave and could not wait for the Board to reconvene to Open Session.

4. SPECIAL PRESENTATION *(continued)*

4.01 The Winter Showcase

Assistant Superintendent Rene Sanchez introduced Mr. Noli Magsino, Coordinator of VAPA, PE and Sports Programs, Academic Services, who gave a Power Point presentation. A copy of the presentation was available for the audience. Some of the highlights were the following:

- Every Student Succeeds Act
- Instrumental Music
- Visual and Performing Arts
- Music Technology
- Calendar of Upcoming Winter Concerts

Mr. Noli Magsino shared with the audience some of the great things happening at various sites.

Vice-President Ernesto Bejarano gave thanks to Noli Magsino for doing a great job.

Trustee Karen Martinez gave thanks to Noli Magsino and commented that she learned a lot—there was great work happening at the various sites.

Clerk Dolores Marquez-Frausto thanked Noli Magsino for his great presentation and asked for more information on the piano lab.

Trustee Andrés Quintero thanked Noli Magsino for his great work with the VAPA Program.

President Linda Chavez also gave thanks to Noli Magsino for this great work and apologized for having missed some of the recent events.

8. SUPERINTENDENT / BOARD BUSINESS

8.03 Termination of the Leal Trejo, APC Contract with ARUSD

MOTION #06-02 by Trustee Andrés Quintero to Terminate the Leal Trejo Contract with Alum Rock Union Elementary School District. MOTION #06-02 was seconded by Trustee Karen Martinez.

Public Comments:

- 1) Dilza Gonzalez – Community member, stated she supports the termination of this contract. Let's start a new beginning.

8. SUPERINTENDENT / BOARD BUSINESS *(continued)*

8.03 Termination of the Leal Trejo, APC Contract with ARUSD

- 2) Maria Martinez – Community member, stated she supports the termination of this contract.
- 3) Flor DeLeon – Community member, stated she supports the termination of this contract – it is time we start with a new company.
- 4) Speaker (no name given) – Community member, we have been asking for this for a very long time!
- 5) Jocelyn Merz – AREA president, spoke on behalf of all the teachers – they are in support of the termination of this contract and this motion.

Clerk Dolores Marquez-Frausto reported that she will not be supporting this motion. She commented this is a good company and they have not done anything wrong. The district and the Santa Clara County Office of Education have failed to pay this company and now we are going to fire them – this was very wrong in so many levels!

Trustee Andrés Quintero commented that he wanted to make this clear, and out of an abundance of caution, he was going to keep his comments to himself because he did have a lot to say; however, his vote will speak for itself!

MOTION #06-02 carried with a vote of 4 in favor (Ernesto Bejarano, Andrés Quintero, Linda Chavez, and Karen Martinez); 1 opposition (Dolores Marquez-Frausto); 0 absent; and no abstention.

8.04 Board will authorize staff to utilize the current contract with Lozano Smith as General Counsel on a temporary basis until the new General Counsel is hired

MOTION #06-03 by Trustee Andrés Quintero to authorize staff to utilize the current contract with Lozano Smith as General Counsel on a temporary basis, with a limit of \$25,000, until the new General Counsel is hired and also direct staff to look for a separate Counsel to deal with SEC. MOTION #06-03 was seconded by Trustee Karen Martinez.

Trustee Andrés Quintero briefly explained that the last time we hired a firm to look into SEC and we received an invoice for \$64,000 for just two weeks and they did nothing!

Trustee Karen Martinez asked administration if it was possible to have the SCCOE's legal staff find a firm until we go out to bid? She suggested scheduling a special board meeting to ensure there is a proper bidding process.

Clerk Dolores Marquez-Frausto asked who had put this agenda item on the agenda? Why was Lozano Smith brought in and not another firm to consider? She suggested to table this

8. SUPERINTENDENT / BOARD BUSINESS *(continued)*

8.04 Board will authorize staff to utilize the current contract with Lozano Smith as General Counsel on a temporary basis until the new General Counsel is hired

agenda item until the Board figures out how they will deal with this and develop the process. The Board hires the General Counsel and the Superintendent!

Superintendent Hilaria Bauer reported that she worked with Trustee Karen Martinez to put this on the agenda together while she was the Board President to ensure the District was protected.

Superintendent Hilaria Bauer stated that, at this point, she could not ask the SCCOE to utilize their General Counsel—she would need to ask permission from County Superintendent of Schools, Dr. Mary Ann Dewan. She stated she certainly could not speak on her behalf!

Trustee Andrés Quintero stated that this was exactly the type of behavior that was not needed – the Board trying to micromanage—this needed to stop! The last time there was a legal contract on the agenda, the Board got heavily involved—and this led to criticism. Trustee Andrés Quintero gave thanks and his appreciation to the Superintendent for using foresight and having a backup legal counsel.

Vice-President Ernesto Bejarano commented that we have terminated the legal contract tonight and if we table this agenda item, the District will not have legal representation until the vetting process and then the District will be exposed.

Clerk Dolores Marquez-Frausto stated this was wrong—the Board needed to make the decision together. She is not micromanaging—this is about the process—how do you micromanage a process? She asked administration if we could utilize the current contract that we have with the Office of the County Counsel, County of Santa Clara until we go through the bidding process.

Superintendent Hilaria Bauer reported that she needed to clarify that we were not able to contract out with the Office of the County Counsel, County of Santa Clara because the Board was under investigation and they were unable to represent the District at this time.

President Linda Chavez stated that the District needed to have our own separate legal counsel from the County.

Public Comments:

- 1) Jocelyn Merz – AREA president, commented the bottom line was the issue was not about the process, but rather about the legal counsel. The District needs a legal counsel right now!

8. SUPERINTENDENT / BOARD BUSINESS *(continued)*

8.04 Board will authorize staff to utilize the current contract with Lozano Smith as General Counsel on a temporary basis until the new General Counsel is hired

- 2) Brenda Zendejas – Community member, commented this was a temporary legal firm and the District needed to be protected until the permanent legal firm was hired. She urged the Board to listen to Superintendent Hilaria Bauer.
- 3) Corina Herrera – Community member, commented this was only a temporary legal firm and anyone from the Board could go out and recruit a firm of their choice for the Board's final selection. She asked the Board to do the right thing for this District!
- 4) Maria Martinez – Community member, commented she was surprised by the question made by Clerk Dolores Marquez-Frausto about who put this agenda item on the agenda.

Trustee Andrés Quintero stated that after this discussion, he was willing to amend his motion and Trustee Karen Martinez was in agreement to accept his amendment since she seconded the motion.

FRIENDLY AMENDMENT TO MOTION #06-03 by Trustee Andrés Quintero to authorize staff to utilize the current contract with Lozano Smith as General Counsel on a temporary basis, with a cap limit of \$25,000, and then proceed with the RFQ process to solicit new legal services to the District and bring back to the Board for approval. FRIENDLY AMENDMENT TO MOTION #06-03 was accepted and seconded by Trustee Karen Martinez.

FRIENDLY AMENDMENT TO MOTION #06-03 carried with a vote of 4 in favor (Linda Chavez, Ernesto Bejarano, Andrés Quintero, and Karen Martinez); 1 opposition (Dolores Marquez-Frausto); 0 absent; and no abstention.

8.05 Construction Management Agreement for Measure J. Terminate Contract between ARUSD and Del Terra Real Estate Services

MOTION #06-04 by Trustee Andrés Quintero to terminate the Del Terra Real Estate Services Construction Management Contract Agreement for Measure J with Alum Rock Union Elementary School District. MOTION #06-04 was seconded by Trustee Karen Martinez.

Clerk Dolores Marquez-Frausto stated she was confused and thought the Board had already dealt and taken action on this.

Superintendent Hilaria Bauer reported that the Board had already dealt and taken action on the Program Management Contracts but not the Construction Management Contracts.

8. SUPERINTENDENT / BOARD BUSINESS (continued)

8.05 Construction Management Agreement for Measure J. Terminate Contract between ARUSD and Del Terra Real Estate Services

President Linda Chavez asked that this not be discussed in public.

Public Comments:

- 1) Dilza Gonzalez – Community member, asked the Board to just terminate this contract—the community has been waiting for this to happen for the past two years with the corruption that they have been doing.
- 2) Flor DeLeon – Community member, apologized for the confusion and asked for clarification—what are we voting for the Del Terra Construction Contract or the contract with Leal & Trejo Law Firm?

MOTION #06-04 carried with a vote of 4 in favor (Linda Chavez, Ernesto Bejarano, Andrés Quintero, and Karen Martinez); 0 opposition; 0 absent; and 1 abstention (Clerk Dolores Marquez-Frausto).

8.06 Construction Management Agreement for Measure I. Terminate Contract between ARUSD and Del Terra Real Estate Services

MOTION #06-05 by Trustee Andrés Quintero to terminate the Del Terra Real Estate Services Construction Management Contract Agreement for Measure I with Alum Rock Union Elementary School District. MOTION #06-05 was seconded by Trustee Karen Martinez.

MOTION #06-05 carried with a vote of 4 in favor (Linda Chavez, Ernesto Bejarano, Andrés Quintero, and Karen Martinez); 0 opposition; 0 absent; and 1 abstention (Clerk Dolores Marquez-Frausto).

9. BUSINESS

9.03 Resolution No. 20-18/19 Establishing Agreement between the Governing Board of the ARUSD and the Santa Clara County Superintendent of Schools regarding necessary revisions for Compliance with Statutory Budget Requirements in Conjunction with the Local Control Accountability Plan

MOTION #06-06 by Trustee Karen Martinez to accept and approve Resolution No. 20-18/19 as presented. MOTION #06-06 was seconded by Trustee Andrés Quintero.

Clerk Dolores Marquez-Frausto requested that staff clarify what this resolution meant.

9. BUSINESS (continued)

9.03 Resolution No. 20-18/19 Establishing Agreement between the Governing Board of the ARUSD and the Santa Clara County Superintendent of Schools regarding necessary revisions for Compliance with Statutory Budget Requirements in Conjunction with the Local Control Accountability Plan

Superintendent Hilaria Bauer asked Assistant Superintendent Kolvira Chheng to explain what this resolution entailed.

Assistant Superintendent Kolvira Chheng reported that the SCCOE has not yet approved the District's budget and as a result, the State has assigned a committee to work with the District along with the SCCOE Fiscal Advisors. The State is requiring the District adopt this resolution in order to help the District stay solvent and meet its fiscal obligations. He reported this was the result of the Board not approving the waiver.

Public Comments:

- 1) Vanessa Rios – Community member, stated that the parents are requesting the Board work with the SCCOE to align the general budget with the LCAP.
- 2) Maria Martinez – Community member, commented that Clerk Dolores Marquez-Frausto is asking a question when she voted against the waiver. She commented how unprepared the board members are when they come to the meetings!

MOTION #06-06 carried with a vote of 4 in favor (Linda Chavez, Ernesto Bejarano, Andrés Quintero, and Karen Martinez); 0 opposition; 1 absent (Clerk Dolores Marquez-Frausto was temporarily absent); and no abstention.

6. COMMENTS AND COMMUNICATION

6.01 Teamsters

Mr. Tom Phu – Teamsters representative, gave congratulations to the new Board and especially to President Linda Chavez for taking charge of this meeting. He commented that the meeting started a little rough but now was back on the right track. He announced that Teamsters was here to support the Board and as an employee of 20 years, he hopes this Board keeps the District moving forward!

6.02 California School Employee's Association (CSEA)

There were no representatives from CSEA at this time.

6. COMMENTS AND COMMUNICATION *(continued)*

6.03 Alum Rock Administrator's Association (ARAA)

There were no representatives from ARAA at this time.

6.04 Alum Rock Educator's Association (AREA)

Jocelyn Merz, AREA President, gave her congratulations to the new Board for the start of a new beginning. AREA is looking for President Linda Chavez and Vice-President Ernesto Bejarano to make right the wrongdoings of their predecessors starting today with taking action to correct many of the wrong doings; fortunately, you have a rock-solid role model like Trustee Andrés Quintero. She commented that it takes a special person to go through the various investigations and still want to come back for more! Special thanks go to Trustee Andrés Quintero! In addition, she gave a big congratulations to Trustee Karen Martinez for winning the Evergreen College School Board seat. She also gave thanks to those candidates that did not make it for stepping up and giving it their all. Jocelyn Merz gave special thanks to Superintendent Hilaria Bauer for enduring everything she has endured. Tonight, she is very hopeful, for the first time in a very long while, that staff and students will finally get everything they deserve. Lastly, she also gave thanks to Superintendent Hilaria Bauer for extending the contract for Interim Assistant Superintendent Jess Serna!

6.05 Superintendent

Superintendent Hilaria Bauer reported that Ms. Jean Gallagher, Chief, Special Services Officer, had recently shared this with her. Apparently, the father of two of our special education students had been deployed to Iraq and the special education teacher decided to do a project-based learning project on the military during the Extended School Year Program. Superintendent Hilaria Bauer reported that the class made a banner and paper US Flags and wrote letters to support the troops. The goal of the teacher was to teach the students how important it was to support and respect our military—and her goal was met! Superintendent Hilaria Bauer reported that when the father arrived in the United States, he returned the banner, an American Flag, and a certificate signed by the crew stating that the student's banner had flown on Combat Missions over Iraq and Syria from August 27 through September 9, 2018, in a helicopter in support of Operation Inherent Resolve.

Superintendent Hilaria Bauer reported the District's Community Projects Committee held a special Holiday District Winter Family Luncheon on Saturday, December 8, 2018, at Mathson Institute of Technology. The goal was to provide a warm lunch to 25 needy families in the District as well as gifts and activities for the children. The management team donated a money contribution for this event. Superintendent Hilaria Bauer gave special thanks to staff, Apple, and Synopsys for their generous contributions.

6. COMMENTS AND COMMUNICATION *(continued)*

6.06 Board of Trustees

Vice-President Ernesto Bejarano took a moment to thank the community for their hard work. He stated that he was very eager at the opportunity to serve his community and was very humbled by the responsibility! He commented that even though we go through challenges every month, he wanted to remind all that everything done here is for our students. He hopes to move forward in a way that is respectful and strategic. Lastly, he stated he was pledging to be respectful to his colleagues, staff, and community – and if he did not, he asked that he please be reminded!

Trustee Andrés Quintero gave thanks to the voters of East San Jose for voting for him and returning him to this Board. He very much appreciated this and this validates the work that the community has done. He reported that some folks shared concerns that they have issues with him standing up and walking around. He reported that he has back problems and that is the reason for him doing so; however, he apologized for this. Another item he wanted to mention was that he was NOT going to back down. If this was the case, we would still be in contracts that were unfavorable to us. With this said, he reported that he would continue to serve the community because the voters were his priority.

President Linda Chavez gave thanks to the community for voting her in. She stated she will do her best to work together. She is still learning and understands that we are all passionate and sometimes we raise our voice but she knows not to take it personally (she said this in both Spanish and English).

Trustee Karen Martinez commented she hopes everyone has a wonderful holiday season! She stated she wanted to personally congratulate the re-elected and newly-elected Trustees. She wanted to have a fresh start and has confidence and faith that this will now happen. She gave special thanks to Trustee Andrés Quintero for not backing down. She commented that this Board can work together and agree to disagree at times. She gave kudos to the VAPA Program and was excited to see the wonderful work that was going on in the District. She gave special recognition to Marie Sanchez, Angel Rodriguez, and Jackie Guevara for the good work done in the Superintendent's Office. She also gave special thanks to Jess Serna, Kolvira Chheng, Rene Sanchez, and Superintendent Hilaria Bauer for their outstanding work and dedication to the families of Alum Rock – we will continue to work together!

Clerk Dolores Marquez-Frausto commented that everybody keeps talking about working together. She commented that she appreciated that Vice-President Ernesto Bejarano was willing to give up his seat for her—chivalry has not died!

7. BOND/FACILITIES

7.01 The Board will receive a written update on the status of Bond Projects

Assistant Superintendent Kolvira Chheng, reported that he had nothing to report at this time.

7.02 The Board will receive an update on the Citizen's Bond Oversight Committee

Mr. Frank Chavez, CBOC Secretary, reported that he had nothing to report at this time.

7.03 CBOC Appointments

Assistant Superintendent Kolvira Chheng, reported that he currently has multiple vacancies on the CBOC Board. He is recommending the Board approve the following:

- Ms. Flor DeLeon, PTA, active parent
- Robert Duran, Community-At-Large

MOTION #06-07 by Trustee Karen Martinez to approve the CBOC Appointments as presented. MOTION #06-07 was seconded by President Linda Chavez.

MOTION #06-07 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

8. SUPERINTENDENT / BOARD BUSINESS

8.01 Appoint the Superintendent as the Secretary of the Board

MOTION #06-08 by Trustee Andrés Quintero to appoint Superintendent Hilaria Bauer as the Secretary of the Board. MOTION #06-08 was seconded by Trustee Karen Martinez.

Clerk Dolores Marquez-Frausto commented that she did not recall ever voting for this on any previous agenda.

President Linda Chavez reported that this was adopted in the Board Bylaws in 2013.

MOTION #06-08 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

8. SUPERINTENDENT / BOARD BUSINESS *(continued)*

8.02 Accept the County of Santa Clara Registrar of Voters Certified Statement of Election Results from November 6, 2018 Election

MOTION #06-09 by Trustee Karen Martinez to accept and approve the County of Santa Clara Registrar of Voters Certified Statement of Election Results from the November 6, 2018 Election as presented. MOTION #06-09 was seconded by President Linda Chavez.

MOTION #06-09 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

8.07 Response to the FCMAT Report

President Linda Chavez asked her colleagues if this agenda item could be tabled until next month due to lack of time. The Board was in consensus to accept her request.

8.08 Proposed Board Meeting Calendar for 2019

MOTION #06-10 by Trustee Karen Martinez to accept and approve the Proposed Board Meeting Calendar for 2019 as presented. MOTION #06-10 was seconded by Clerk Dolores Marquez-Frausto.

Trustee Karen Martinez asked why the July meeting was listed 'if needed'.

Superintendent Hilaria Bauer explained that if two board meetings were held in June, the July meeting might not be needed. She reported that having a July meeting had been very challenging for staff to put together and be able to take time off. The month of July is when the majority of the staff go on vacation.

Public Comments:

- 1) Female parent (*no name given*) – Community member, stated that she would like to request that board meetings take place at various middle schools throughout the calendar year. Many times, due to lack of transportation, parents have a difficult time attending the board meetings. Another benefit would be for the community and board members to see the needs of the middle schools.
- 2) Olivia (*no last name given*) – Community member, requested that the Board reconsider moving the December 12 board meeting to a different date because this date is a huge event for the Mexican community.
- 3) Dilza Gonzalez – Community member, commented that she was in agreement with changing the December 12 board meeting because it was an important date for the Hispanic community. In addition, she wants to echo having the board meetings at various middle schools.

8. SUPERINTENDENT / BOARD BUSINESS *(continued)*

8.08 Proposed Board Meeting Calendar for 2019

The Board had additional dialogue on this agenda item.

Superintendent Hilaria Bauer and the Board were in consensus to start with having two board meetings at two middle schools for 2019 and later would increase the number.

Vice-President Ernesto Bejarano suggested looking into livestreaming the board meetings – more dialogue to follow in the near future.

MOTION #06-10 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

8.09 Board Retreats and Governance Team Trainings

MOTION #06-11 by Trustee Andrés Quintero to accept and approve selecting a series of board retreats and governance team trainings during the 2019 calendar year. MOTION #06-11 was seconded by Trustee Karen Martinez.

The Board had dialogue on this agenda item.

Vice-President Ernesto Bejarano commented that he thinks the board retreats are a great idea. He also thinks that providing training to parents would benefit them as well.

Superintendent Hilaria Bauer reported that all board meetings are open to the public—only the topic is specific. Superintendent Hilaria Bauer stated that Marie Sanchez would be polling the Trustees on preferred dates from the suggested dates.

MOTION #06-11 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

8.10 Call for Nominations to CSBA's Delegate Assembly

MOTION #06-12 by President Linda Chavez to nominate Trustee Andrés Quintero to the CSBA Delegate Assembly. MOTION #06-12 was seconded by Trustee Karen Martinez. Trustee Andrés Quintero accepted the nomination.

MOTION #06-12 carried with a vote of 4 in favor; 0 opposition; 1 absent; (Clerk Dolores Marquez-Frausto was temporarily absent); and no abstention.

8. SUPERINTENDENT / BOARD BUSINESS *(continued)*

8.11 Naming the Board of Representative for the Annual County Committee Election for 2019.

Vice-President Ernesto Bejarano asked his colleagues what the responsibility is of this available seat.

Clerk Dolores Marquez-Frausto explained that monthly meetings are held and they are similar to board meetings where discussion is held on a county level.

MOTION #06-13 by President Linda Chavez to nominate Vice-President Ernesto Bejarano for the Board Representative for the Annual County Committee Election for 2019. MOTION #06-13 was seconded by Trustee Karen Martinez. Vice-President Ernesto Bejarano accepted the nomination.

MOTION #06-13 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

9. BUSINESS

9.01 Fiscal Expert Update

Assistant Superintendent Kolvira Chheng reported that there was nothing to report at this time; however, he wanted to take this time to personally give thanks to Dr. William Gillaspie and Dr. Donald Zimring for all the help they had given to him, his staff, and the District. Many thanks!

9.02 Resolution No. 13-18/19 Supplemental Employee Retirement Plan (SERP)

Assistant Superintendent Kolvira Chheng introduced Ms. Debra DeSpain, Keenan Financial Services Representative, who gave a brief Power Point presentation. Ms. Debra DeSpain stated that SERP is a program designed to create incentives that effectively and efficiently increase and accelerate the retirement rate, in excess of the natural attrition rate. Many public agencies throughout California are looking for cost containment and cash flow strategies. SERP is an innovative turn-key program which has been used by many public entities to:

- **Create Fiscal Savings**

SERP generates fiscal savings as a result of the salary differential of a retiring employee and a new hire. Keenan will evaluate numerous factors such as (1) expected retirees without providing any incentives; (2) expected retirees if an incentive is implemented; and (3) age and service demographics.

9. BUSINESS (continued)

9.02 Resolution No. 13-18/19 Supplemental Employee Retirement Plan (SERP)

- Assist with Staff Reorganization

SERPs can be used very effectively as a restructuring tool. By generating a higher attrition rate, agencies can create a greater opportunity for: (1) Reorganizing departments; (2) revitalizing staff; (3) creating upward mobility opportunities for existing staff; and (4) implementing a comprehensive, long-term hiring strategy.

A SERP used for human resource purposes can either take the form of a one-time incentive, or a multi-year plan.

- Reward Long-Term Employees

Another objective of a supplemental retirement plan is to reward employees who have been loyal to the District and have achieved certain milestones in their service, while contributing to the success of the District's goals and objectives.

- Enhance Retirement Benefits

Any SERP that is offered enhances the retirement benefits of the participating employees. Some districts have chosen to permanently enhance retirement benefits, which can be done district-wide or for a select group of employees. SERP plans in this category are often implemented on a permanent basis and typically have stringent vesting provisions.

Ms. Debra DeSpain reported that Keenan has been dedicated to providing solutions to the public sector for more than 40 years and is the only firm that provides brokerage and consulting services to existing employees as well as retirees.

Ms. Debra DeSpain provided a district summary sheet listing various plan types. In addition, she provided a chart of an analysis of demographics and service along with an estimated benefits sheet.

Clerk Dolores Marquez-Frausto asked if this agenda item could be more of an informational vs. action item?

Interim Assistant Superintendent Jess Serna reported that this is a supplemental retirement plan. Approximately 9 teachers retire in a year. The district believes we can get up to 35 teachers and then the district would be able to save some good dollars. The District needs to know by February.

Assistant Superintendent Kolvira Chheng stated this was an incentive to get more retirees—we are trying to shift the seasoned staff from the top end of the salary scale.

AREA President Jocelyn Merz clarified that the District does have a lot of the teachers from that group; however, they are not going to go anywhere without a good incentive---then there is no reason to leave the District. This program can be a good incentive.

9. BUSINESS (continued)

9.02 Resolution No. 13-18/19 Supplemental Employee Retirement Plan (SERP)

MOTION #06-14 by Trustee André Quintero to accept Resolution No 13-18/19 as presented. MOTION #06-14 was seconded by President Linda Chavez.

MOTION #06-14 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

MOTION #06-15 by Trustee Andrés Quintero to extend the Board Meeting until 11:00 p.m. to finish unfinished business. MOTION #06-15 was seconded by Trustee Karen Martinez.

MOTION #06-15 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

9.04 To Receive and Approve the First Interim Financial Report

Assistant Superintendent Kolvira Chheng gave a Power Point presentation on the First Interim Budget, 2018-19. A copy of the presentation was available for the audience. Some of the highlights included the following:

- Budget Cycle
- Purpose/Reason for First Interim Reporting
- Changes from Adopted Budget to First Interim
- Multi-Year Projections
- Next Steps

Budget Cycle

- Adopted Budget, June 2018
- First Interim Budget, December 2018
- Second Interim Budget, March 2019
- Unaudited Actuals, September 2019
- Audited Financials, December 2019

Purpose for the First Interim

- Assumptions change constantly. Administration utilizes the most current information available and continually monitors significant assumption changes, including, but not limited to:
 - Enrollment and ADA (Average Daily Attendance)
 - Funding per ADA and COLA
 - Staffing changes
 - State Budget
 - Federal, State and Local funding amounts (LCFF, Lottery, Parcel Tax, Property Tax, Title I)

9. BUSINESS (continued)

9.04 To Receive and Approve the First Interim Financial Report

- Labor negotiations
- Cash flow
- New laws impacting financials

Enrollment History

Changes in Enrollment from Adopted Budget to First Interim

Changes in Revenue and Expenditures in Unrestricted General Fund

Changes in Unrestricted General Fund

Key Assumptions in MYP Unrestricted General Fund

- **Revenues**
 - Prior year P-2 ADA due to declining enrollment for LCFF calculation
 - COLA based on DOF's recommendation
 - Remove one-time funds
- **Expenditures**
 - Increase Step and Column for all three years
 - Increase STRS and PERS rates for all three years
 - Increase contribution for Special Education Program for all three years
 - Maintain same level of contribution to Routine Restricted Maintenance Account (RRMA) for all three years
 - Comply with LCAP's Minimum Proportionality Percentage (MPP) requirements
 - Savings in 2019-20 for 40 certificated positions at an average salary of \$85K through attrition to align with declining enrollment
 - Savings in 2020-21 for 40 certificated positions at an average salary of \$85K through attrition to align with declining enrollment
 - Saving of \$454K in classified salaries and benefits in 2019-20 through attrition to align with declining enrollment and district's needs
 - Saving of \$3.8M starting in 2019-20 in contract services to align with declining enrollment and district's needs
 - Savings of \$5.7M in 2019-20 to be determined pending on outcome of SERP and Governor's January budget proposal
 - Savings of \$6.6M in 2020-21 to be determined pending on outcome of SERP and Governor's January budget proposal

Multi-Year Projection Unrestricted General Fund

9. **BUSINESS** *(continued)*

9.04 To Receive and Approve the First Interim Financial Report

PER ADA Revenues vs. Expenditures

Changes in CALPERS & CALSTRS Rate

Special Education Contribution

Unrestricted General Fund Historical Trend

Next Steps

- January Governor's Budget Proposal
- Budget Development Process Begins – January 2019
- Second Interim – March 2019
- Collaborative Efforts with Academic Services to Develop LCAP
- May Revise
- Public Hearing for 2018-19 Budget and LCAP – June 2019
- Adoption of Budget and LCAP – June 2019

Clerk Dolores Marquez-Frausto commented that she would like to hear more from the SCCOE Fiscal Experts on this agenda item.

Trustee Karen Martinez asked administration if, when a student leaves our district, we ask the reason why the student is leaving.

Superintendent Hilaria Bauer clarified the district does not have an exit interview for parents.

MOTION #06-16 by Trustee Andrés Quintero to accept and approve the First Interim Financial Report as presented. MOTION #06-16 was seconded by Trustee Karen Martinez.

Public Comment:

- 1) Maria Martinez – Community member, commented on this agenda item.

MOTION #06-16 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

10. HUMAN RESOURCES

10.01 Information regarding Resignations

There was consensus from the Board to accept the resignations as submitted.

11. CONSENT CALENDAR

Trustee Andrés Quintero asked to pull *Agenda Item 11.03 Contracts for Professional Services-Firms* for separate discussion.

Clerk Dolores Marquez-Frausto asked to pull the following *Agenda Items* for separate discussion:

11.11 *Out of State Travel, PBIS Northwestern Conference, Portland, OR, February 27-March 1, 2019 for Sandra Rivera & Nereida Astorga*

11.13 *Out of State Travel, PBIS Northwestern Conference, Portland, OR, February 27-March 1, 2019, for Ana Gonzalez*

11.14 *Out of State Travel, PBIS Northwestern Conference, Portland, OR, February 27-March 1, 2019, for Evelyn Loughran, Julio Villalobos, George Kleidon, Ariana Arenas, and Juan Flores*

MOTION #06-17 by Trustee Andrés Quintero to accept and approve the Consent Calendar as amended. **MOTION #06-17** was seconded by Trustee Karen Martinez.

MOTION #06-17 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

11.03 Contracts for Professional Services-Firms

Trustee Andrés Quintero asked to pull this item to discuss the Southwest Key Programs, Inc. Contract submitted by Student Services. He commented there was an issue with this contract that needed additional information. The Board had discussion on this item.

Public Comment:

- 1) Flor DeLeon – Community member, commented she also had a concern with this group mentoring program.

MOTION #06-18 by Trustee Andrés Quintero to approve the Professional Services-Firms except the Southwest Key Programs, Inc. Contract until the Board received additional information. **MOTION #06-18** was seconded by Clerk Dolores Marquez-Frausto.

11. CONSENT CALENDAR *(continued)*

11.03 Contracts for Professional Services-Firms

MOTION #06-18 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

11.11 Out of State Travel, PBIS Northwestern Conference, Portland, OR, February 27-March 1, 2019 for Sandra Rivera & Nereida Astorga

11.13 Out of State Travel, PBIS Northwestern Conference, Portland, OR, February 27-March 1, 2019, for Ana Gonzalez

11.14 Out of State Travel, PBIS Northwestern Conference, Portland, OR, February 27-March 1, 2019, for Evelyn Loughran, Julio Villalobos, George Kleidon, Ariana Arenas, and Juan Flores

The Board was in consensus to discuss all three agenda items together since they were related.

Clerk Dolores Marquez-Frausto asked administration why did all three travel forms have different fundings.

Assistant Superintendent Rene Sanchez explained the reason for the different fundings.

The Board had discussion on these agenda items.

MOTION #06-19 by Trustee Andrés Quintero to accept and approve Agenda Items 11.11, 11.13, and 11.14 (listed above) as presented. MOTION #06-19 was seconded by Clerk Dolores Marquez-Frausto.

MOTION #06-19 carried with a vote of 5 in favor; 0 opposition; 0 absent; and no abstention.

12. FUTURE BOARD AGENDA REQUESTS

12.01 Requests from Board of Trustees and/or from the Board

There were no requests made at this time.

13. ADJOURNMENT

13.01 President Adjourns the Meeting

President Linda Chavez adjourned the meeting at 11:04 p.m.

Respectfully submitted,



Dolores Marquez-Frausto
Board Clerk