MEETING MINUTES
COMMITTEE OF THE BOARD MEETING
May 5, 2015

PRESENT:

Board of Education: Keith Hardy, Mary Doran, John Brodrick, Anne Carroll (arrived 4:36 p.m.), Chue Vue (arrived 4:39 p.m.), Jean O'Connell (arrived 4:44 p.m. departed 8:49 p.m.) and Louise Seeba (arrived 5:33 p.m.)

Staff: Superintendent Silva, M. Walker, J. Ronnei, L. Sayles-Adams, H. Ott, S. Kuppen, N. Cameron, C. Osorio, M. Bierman, S. Freeman, A. Collins, M. Gilbert, I. Davis, H. Miller, E. Keenan, E. Agbamu, P. Duffy, T. Parent, J. Statum-Allen, K. Wilcox-Harris, J. Peterson, L. Cathey, J. Turner, T. Melhus, T. Battle, R. Vernosh, M. Schrul, J. Engen, J. Bobolink, S. Walsh,

Other: J. Byndry, J. Verges, T. Lonetree, J. Mitchell, A. Davis, K. Eicher, S. O'Duffy, D. Stampley, M. Vandewell, A. Cram Helwich, J. Bresette, R. Gonzalez, L. Harper, A. Harper, N. Martin Rogers, D. Cournnoyer

I. CALL TO ORDER

The meeting was called to order at 4:32 p.m.

II. AGENDA

A. Legislative Update

The Legislative Liaison reviewed the timeline for legislation in order for the House and Senate to adjourn by May 18. She outlined how the omnibus finance bill differs between House, Senate and the Governor's proposal and the obstacles facing reaching compromise. There is a good chance there will need to be a special session and the Governor is only one who can call a special session. However, once called, the legislature governs the length of the special session.

She then reviewed the Tax bills, both passed with major money and policy differences which she outlined. The conference committee will convene in the next few days to address the differences.

The E-12 bill moved into conference committee today and various provisions are being reviewed. She indicated the entire education community is lobbying leadership to meet the Governor's target, increase the general education formula, fund teacher evaluation and training and make a substantial investment into pre-K programs along with special ed and ELL.

She reviewed how each bill would impact SPPS.

- House - $61 per pupil (0.6%) total increase includes learning readiness and extended time ($2.34 million)
- Senate: $83 per pupil plus learning readiness increase ($3.2 million)
- Governor - $118 per pupil

She went on to make additional impact comparisons in the areas of: SPPS for FY 17, SPPS Levy impact, general education, compensatory, extended time, integration, QComp, learning readiness, the Principal Academy, Reading Corp, concurrent enrollment, Promise Neighborhood, full service community schools grants, ABE, breakfast/lunch aid and facilities.

QUESTIONS/DISCUSSION:

- It was noted QComp is included for State funding, if an application has been made and is approved, the money will be assigned.
- If the Senate agrees to the amount the Governor has proposed, can that pass without the House? Response: Any conference committee report must be approved by both bodies, it would be voted up or down on the entire package. Neither the House nor Senate bill are good so the community needs to encourage both to move closer to the Governor's proposal.
- Teacher licensure – does it look like that will pass? Response: The House wants candidates to pass a high stakes test, there will be some movement particularly in getting teachers for especially hard to fill areas.
- Timing – what provision has SPPS made to handle an extended legislative session regarding staffing, funding, etc. Response: The District is assuming a 1% increase and is moving forward with that until something changes. If there is a shut down, special masters will be set up to continue the flow of funds to schools. As negotiations go forward SPPS will have a better idea of what the end figures might be.
- Are there any particular legislators who should receive messages? Response: The final decision will be made by leadership so the Governor, Senator Bakk, Representative Daudt. Staff not living in St. Paul should contact their suburban seat holders.

B. Facilities Master Plan Update: Physical Environment and Learning

The Director of Facilities indicated they were now in Phase 3 (January-June 2015) of the FMP planning process in which schools and other district buildings develop their own plans on how to improve their buildings.

Board engagement will begin in May with information provided on background and influencing factors. Framework development will begin in August and plan refinement and finalization will begin in October.

He reviewed the FMP vision of versatile, equitable, healthy environments that balance the factors creating authentic, engaging and personalized learning experiences to sustain the academic mission and deepen connections to the communities and world. He then reviewed the three overarching themes: 1) quality of instructional space and enhancing the built environment's role in creating school culture, 2) equity of building systems and conditions and 3) alignment of growth and capacity.

He presented the results of a Wordle developed at the 6/19/14 FMP committee meeting which addressed "highest hopes" for the learning environment.

Several charts were presented showing enrollment trends by race and ethnicity from 1970 to the present as well as home languages other than English. Various examples of "then" and "now" were presented for various sites.

The discussion then moved to the design for learning/physical environment which has moved from static locations for learners (desks) to assorted arrangements and greater flexibility of use within classrooms and spaces that are student-centered, customizable and technology-enriched in order to meet the diverse needs of all students.

There was a brief review of research associated with physical environment and its effect on teaching and learning. Starting in 2012, the Office of Personalized Learning, Research, Evaluation and Assessment and the Facilities Department began to conduct pre- and post-occupancy surveys to identify the impact of different furniture on the learning process. Preliminary results indicate the new furniture offers greater support for: student interactions, flexibility in different learning structures, student group work and students' physical needs.

It was noted that SPPS has one million square feet of space that will turn 100 years old by 2025. A standard metric is needed around how meet academic standards in space use.

Facility principles and standards were reviewed.

- Flexible/adaptable space - design learning space to address short and longer term modifications in response to educational program - hourly/daily and longer-term/yearly change in use.
- Interdisciplinary learning - the school organization and its individual spaces will be designed to allow interdisciplinary and collaborative learning and strengthen natural connections between subject areas. Learning spaces grouped with other facilities allow teachers of different subjects to collaborate with an identified group of students.
- Furniture finishes for learning - colors, interior finishes and furniture will be selected to contribute to the quality of the learning environment and that are appropriate to the use of the space. Materials will be selected that are healthy and non-toxic.
- Personalized learning - space will be designed to support efforts to personalize learning for all students. Learner needs will be recognized for places that allow them to take the initiative and explore their interests and for a place they can make their own.

QUESTIONS/DISCUSSION:

- It was noted OWL came from an inclusive process.
- There is a demographic group who use mobility assistive devices, how will plans accommodate that. Response: Those issues are governed by the Americans With Disabilities Act. The FMP will contain more about respecting and meeting the needs of people with physical impairment. The plan will speak to the character and needs of all users in creating a welcoming, safe environment.
- When this is complete, SPPS will have shared conversations about what the community wants and needs and the district's capacity needs; how are those addressed without reducing meeting students' needs? Response: Facilities has been setting inputs around what the specific discussion is and placing ground work around what is or is not possible.

C. American Indian Parent Committee Resolution of Concurrence

The Saint Paul Public Schools Indian Education/Title VII Parent Committee acknowledged the ongoing collaborative efforts of the Parent Committee, the Indian Education Department, and the Saint Paul Public School District in working toward better outcomes for all American Indian students in Saint Paul.

The Resolution is part of the process that is required as a part of the Minnesota American Indian Education Act of 1988 (Minnesota Statute 124D.78, sub. 2). It was presented for the discussion with the Committee of the Board of Education for Saint Paul Public Schools on May 5, 2015 and will be followed at a later date by the District's administrative response. Then, the final Resolution will be submitted, with the District's administrative response, to the Minnesota Department of Education.

The Parent Committee and the Office of Indian Education requested SPPS work with them on the following:

1. Attendance and graduation rates of American Indian students in SPPS.
   Based on the data regarding the Native American high school students currently enrolled in Saint Paul Public Schools, a very large percent of the students are struggling and the parent committee is looking for cooperation and collaboration to turn these statistics around. It should be noted that some Indian Education (IE) students represented in this data are represented in two school lists, and their names have been left in the count.

   Native American students in Saint Paul Public Schools' high schools

School (grade level)	# of IE students enrolled throughout the 2014-15 school year	# of IE students who have failed or received an incomplete, one or more classes this school year	Percentage of IE students who have failed one or more classes
Central Senior High (9-12)	25	18	72%
Como Senior High (9-12)	36	25	69%
Harding Senior High (9-12)	79	60	76%
Highland Senior High (9-12)	17	9	53%
Humboldt Secondary (6-12)	24	16	67%
Johnson Senior High (9-12)	19	14	74%
Washington Technology (6-12)	21	15	71%

- The Committee requested the Research, Evaluation, and Assessment Department work with the Parent Committee and Indian Education to develop a reporting structure to ensure that timely and consistent information is received on all Native students. The Parent Committee requested summary data about attendance and progress toward graduation on a semi-annual basis by grade level. They indicated they believed Indian Education should receive individual student data on all Native students at the beginning of the school year and every other month thereafter and that Indian Education should use this data to ensure their supplemental services are targeted to the students who need them most.
- They stated their belief that there may be Native students, who are eligible for, but not receiving, the interventions that are available to address truancy, behavior issues, and academic failure (i.e., through the Student Assistance Team process). Better training and education is needed to help District and school staff understand that Indian Education services are supplemental and Native students should therefore be served by all of the standard programs -- interventions that are used for students of any other race.
- Role clarification is needed at the school level and among staff specialists regarding the purpose and role of Indian Education staff and programs. In person communication/training plus written documentation of these roles is important.
- They also requested additional resources to support home visiting, Check and Connect and/or other advocacy staff to serve Native students.
- They requested the District work with the Parent Committee, Indian Education and the community to better understand and address the basic needs of these students and their families and to develop better wraparound systems to serve and engage these students who are struggling with truancy and are not on track to graduate.

2. With regard to the District's racial equity code, they requested:
   - The District update its policy to ban the wearing or display of racist mascots in all SPPS sites and programs by students and staff. Specifically, they support the Harding student resolution to ban the R-word and other racist paraphernalia at

Harding and we want to ensure it is implemented District-wide as official policy with staff and student outreach, engagement, and education as needed to ensure it is enforced and that the reasons behind the ban are communicated effectively and empathetically to ultimately build the District community's inclusiveness.

- The Committee asked to learn more about the racial equity teams in order to ask some critical question like: what are these teams actually doing? How will it impact Native students? How is SPPS ensuring that the racial equity process is not a binary (African American vs. white) issue? They asked to invite appropriate District equity representatives to meet with the Parent Committee to discuss these topics.

3. With regard to culture and language, they requested the District fund a 1.0 FTE for a Lakota/Dakota language teacher to allow for one full-time teacher at each site – AIMS and Harding – and for more advanced language instruction. (Currently there is 1.0 FTE split between the two schools and only one level of Lakota is offered.) They stated they support current and ongoing conversations among American Indian Studies, Indian Education, Harding, and higher education institutions to offer more PSEO history classes, special needs English classes, etc. Additional staffing and resources to support these alternatives to meet their students' needs would also be supported by the Parent Committee.

4. In regard to the demonstration grant that Indian Education received to implement Ojibwas and Lakota into PreK programs, they encouraged the District and Indian Education to use the resources to design, implement, and study a rigorous model for American Indian AVID as well as the early childhood language immersion program. There are parents on the committee who have expertise that could assist with this process. In addition, they requested that Indian Education move swiftly to put a strong program design, logic model and evaluation plan in place and to communicate this to the Parent Committee so they understand and can be strong advocates for the program. They stated they expect a strong showing from SPPS Indian Education in terms of what can be accomplished during the grant period. They requested the District's matching funding) to support these efforts plus providing technical assistance, support and oversight as needed from staff across various departments with relevant expertise to ensure the best experience possible for their students and families as well as successful outcomes. They acknowledged the Office of Early Learning and Education has already been very supportive and helpful in hiring and training staff as well as providing space for the program. They recommended that the District's second language learning experts and other staff with relevant expertise be brought in as needed to help Indian Education design and implement a program that is culturally responsive and uses best practices in terms of curriculum and pedagogy.

5. Finally, they requested the District reinstate the quarterly wraparound meetings with various District departments and/or implement other strategies to ensure the District's administrative response to the Resolution is attended to and that data-based decision-making is used to ensure each Native student's individual needs are met. They requested that Parent Committee members be invited to participate in that meeting and that the District provide an update on their progress toward completion of the administrative response after each meeting.

QUESTIONS/DISCUSSION:

- Were parents notified of student academic status during the semester? Response: Information was dispersed across schools and not easily accessible.

- Parents need information much earlier to address failing students to keep them on track to graduate on time. Response: Administration has made new commitments to communicate with families with their "focus on freshmen" that tracks their academic credit status through the grade levels.
- Kids might be failing in class but be unaware of interventions or supports they are eligible for – parents and SPPS need a full picture for each student. There needs to be district-wide consistency in the reporting structure across all schools. Response: SPPS is in conversations with Generation Next about early notification processes in order to find ways for consistent reporting. SPPS has a system of schools not a school system and administration has been working to remedy that in order to establish consistency across the district.
- Thanks were extended to the group for their work done over the years and the specificity of requests made in the resolution.
- Parents requested, in the administrative response, having Legal look into expanding policies on the racial implications of mascots, etc. within the system.
- What are challenges the community faces in regard to regular attendance and on-time graduation? Response: American Indian families and students have a way of learning that modern education does not fit into. Additionally, the community is still dealing with the historic issues created by the boarding schools. That was an extremely negative experience and the issues continue on even in today though there has been improvement over time.
- A Board member stated she liked the groups balance of advocacy with collaboration and pushing down to the student level while getting families involved.
- Is there anything else to coalesce efforts with native American families to help in student achievement? Response: SPPS has a lot of professional expertise that could be shared better with Indian Ed relative to best practices and effective models in order to raise the level of services provided to American Indian students.

RECOMMENDED MOTION: Ms. Carroll moved, seconded by Ms. O'Connell, that the Board accept the report pending the administrative response.

The motion passed.

D. FY 15 Quarterly Report (Period ending March 31, 2015)

The March 31, 2015 Quarterly Financial Repot provides an update to the Board on the current fiscal year 2014-15 budget and includes a projection of Revenue, Expenditures and Fund Balance as of June 30, 2015.

The CFO stated a budget is a living, viable document. Once it has been adopted in June, the Board is asked three times during the following year to look at and approve the changes that occur in the District's revenue and expenditures in each of the seven funds. The final determination, by fund, occurs each fall following the acceptance of the audit report. She reminded the Board the fund balance accounts within the General Fund are prescribed by the Governmental Accounting Standards Board, (GASB 54). The unassigned fund balance in the General Fund is the balance of 5% referred to in Board policy. The fund balance in the Food Service fund is controlled by Federal USDA regulations.

In the **General Fund** (which includes the five fund balance categories) revenue is projected to have a decrease of $7.1 million in the areas of Special Education ($5.6m), State Aid ($0.7m) and Early Learning Scholarship ($0.8m) revenue that was reallocated to the Community Service Fund as required by UFARS reporting. Expenditures are projected to be under spent by $16.9 million in the areas of: Alternative Facilities "Pay as you go" anticipated fund balance due to project timing ($6.7m), Personalized Learning Through Technology

($0.4m), Intra-school ($1.5m) and operational savings in various programs, including Transportation. These changes result in a projected unassigned fund balance of 5.2% which is within the 5% BOE policy for unassigned fund balance.

General Fund Fully Financed (Expenditures must equal revenue in this fund) has no change at this time.

Food Service Fund has revenue decreasing by $0.7m due to decreases in participation, however, reimbursement rates have offset most of the revenue loss in this fund. Expenditures are projected to increase slightly due to food expenditures. In addition, a phase out of the Fresh Fruit and Vegetable Program is anticipated in April as grant funding is spent down. Fund balance is projected to decrease by $0.8m.

Community Service Fund revenue is projected to have minimal changes as compared to budget. Expenditures are projected to decrease by $0.4m to support additional community service programming. Fund balance is projected to decrease by $0.4m.

Community Service Fund Fully Financed shows revenue projected to have minimal change and expenditures projected to decrease by $0.4m due to overall reduced salary and non-salary expenditures. Fund balance is projected to increase by $0.4m.

Building Construction Fund has revenue projected to decrease slightly as less interest is generated due to the expedited rate of spending proceeds. Expenditures are projected to increase by $4.0m as projects are completed in preparation for the FMP. Fund balance is projected to decrease by $13.3m as the remaining alternative facilities proceeds are fully spent and capital projects are completed.

Debt Service fund balance is projected to decrease by $13.1m due to the net effect of the escrow activity for bond refunding and the net increase of revenue over expenditures.

QUESTIONS/DISCUSSION:

- The Board congratulated SPPS on the $16.9 million savings in expenditures with $9 million in operational savings Thanks for finding better ways to do things.
- What are Community Service Funds? Response: Fee based services such as community ed, Discovery Club, early childhood education, drivers education. The fund balance must be used for specific programs.

RECOMMENDED MOTION: Ms. Carroll moved, seconded by Ms. Doran, the Board approve the FY 15 Quarterly Report for the period ending March 31, 2015.

The motion passed

E. FY 16 Budget Update

The Chief Financial Officer reviewed the SSSC 2.0 Goals and the FY 15-16 Budget Guidelines. She stated the FY 15-16 General Fund revenue is relatively flat compared to current year. The budget meets required contractual obligations. She stated all schools do not receive the same amount of money per pupil because some school funding is categorical (having specific criteria on its spending), funding for Comp Ed and Title I follows the students on a one year delay (previous year's 10/1 count) and higher poverty schools have greater access to categorical dollars than lower poverty sites. School enrollment also affects the dollars allocated.

1. FY 2015-16 General Fund Preliminary Big Picture

	FY 15 Adopted (in millions)	FY 16 Preliminary (in millions)	Difference	% Change
Revenue	$529.1	$530.4	$1.3	0.25%

Use of Fund Balance	8.1	2.5*	(5.6)	(69.1%)
Expenditures	537.2	532.9	(4.3)	(0.8%)
Balance	0	0		

* The ending FY 14-15 (6/30/15) Unassigned Fund Balance is projected to be 5.2% (As of the December 2014 quarterly report). The $2.5m use of fund balance for FY 15-16 has been accounted for in the projection.

2. Fund Balance

Fund balance is a residual, assets over liabilities (equity). It can be part Restricted and part Unrestricted. Additional revenue will increase fund balance while additional expenditures will decrease it. It plays an essential role to mitigate current and future risks. Unrestricted (unassigned) fund balance level is crucial in long-term financial planning. Credit agencies monitor Unassigned fund balance to determine creditworthiness. They favor an increased level of fund balance. The SPPS Board sets an Unassigned General Fund balance of at least 5% of annual general fund expenditures.

Fund balance categories for SPPS (projected as of 6/30/15) are:

• **Non-Spendable** - includes amounts not in spendable form (inventory & pre-paids)	$1.4*
• **Restricted** - includes amounts that are subject to externally enforceable legal restrictions outside the control of local government (OPEB Trust)	15.9
• **Committed** - includes amounts constrained for a specific purpose using its highest decision-making authority, the School Board (severance, Retiree Health insurance)	27.9
• **Assigned** - includes amounts constrained with the intent to be used for a specific purpose, authorized by the School Board or individual authorized by the governing body (Next year operations, SSSC 2.0 initiatives, Site carryover)	14.8
• **Unassigned** - Board Policy sets the minimum at 5% of annual General Fund expenditures	30.0
	or 5.2%
Total Fund Balance (estimated as of 6/30/15)	$90.0

* Figures are in millions

3. FY 2015-16 General Fund Projected Shortfall Maintaining FY 2014-15 levels (No Changes)

• Inflationary increases to all expenditures (i.e., salary & benefit increases utilities, contracts, supplies and equipment)	$14.7*
• If the District retained all one-time only expenditures and expenditures for school and program transitions	6.3
• Additional projected FY 16 contractual commitments for Kindergarten class size and Board resolutions	2.8
TOTAL	$23.8
• Inflation offset by a projected revenue increase	(1.3)
• Unassigned Fund balance available to offset costs	(2.5)
TOTAL SHORTFALL	$20.0

* Figures are in millions

4. **Preliminary Plan to Address FY 15-16 General Fund Projected Shortfall**

• Most District departmental/program budgets will receive 0% inflationary increases along with a 5% reduction	$(7.0)
• Reducing one time only expenditures that supported school and program transitions in the 2014-15 school year	(4.5)
• Reducing program budgets that have decreasing revenues	(4.7)
• Reducing program budgets that have had operational efficiencies	(3.8)
TOTAL REDUCTION	($20.0)

5. FY 16 General Fund Big Picture - Expenditures

	FY 15 Adopted (in millions)	FY 16 Preliminary (in millions)	Difference	% Change
Schools	$246.1	$249.3	3.2	1.3%
School Service Support	185.0	175.1	(9.9)	(5.3%)
District-wide Support*	102.0	104.6	2.6*	2.5%
Central Administration	4.1	3.9	(0.2)	(5.0%)
TOTAL	$537.2	$532.9		

* District-wide support: there is a funding increase due to restricted funding for alternative facilities and health & safety, plus inflationary increases for employee benefits, insurance and utilities. Schools receive inflation (built into FTEs)

6. **FY 16 General Fund Budget Reductions & Impact**

- **CENTRAL ADMINISTRATION PROGRAMS**

  All Central Administration programs had a 5% reduction and an additional 2% reduction as no inflationary funding was allocated. Over impact is FTE reductions, fees for services reductions, other non-salary reductions.

  Areas impacted include: Board of Education, Superintendent's Office, CEO, Chief Academics Officer, Chief of Operations, General Counsel, Office of Elementary and Secondary Education.

FY 15 Adopted	FY 16 Proposed	Reduction Amount	Reduction %	Inflation Amt Not Allocated	% Total Reduction
$4,071,021	$3,866,970	($204,051)	(5.0%)	($81,420)	(7.0%)

- **DISTRICT-WIDE SUPPORT PROGRAMS**

  Overall impact is FTE reductions, fees for service reductions, delays in support services to schools and programs.

  Areas impacted are: Office of Engagement, Finance, Enterprise Resource Planning, Office of Equity, Out for Equity, MRC, Family & Community Engagement, Communications, MIS, HR, REA, Referendum Technology, Technology Infrastructure, Operations & Maintenance, Grounds, Custodial, Safety & Security, Facility Planning/Leases/Health & Safety, Employee Benefits and Insurance

FY 15 Adopted	FY 16 Proposed	Difference Amount	Reduction %	Inflation Amt Not Allocated	% Total Reduction
$102,018,439	$104,576,036	$2,557,597	2.5%*	($661,591)	1.9%

*There is a 2.5% funding increase due to restricted funding for alternative facilities and health and safety, plus inflationary increases for employee benefits, insurance and utilities.

District-wide Support programs that had a 5% reduction and an additional 2% reduction as no inflationary funding was allocated: Office of Engagement, Finance, Enterprise Resource Planning, Family & Community Engagement, Communications, HR, REA, Grounds.

District-wide programs that were impacted by another funding source reduction:
- o Office of Equity - Title I reduction, resulting in a 22.4% overall reduction
- o Family & Community Engagement - Title I reduction, resulting in an additional 12.4% reduction.

District-wide Support programs that had a 2% reduction as no inflationary funding was allocated: MIS, Referendum Technology and Technology Infrastructure

District-wide Support programs that had limited inflationary increases or targeted reductions: Operations & Maintenance, Custodial, Safety & Security

- **SCHOOL SERVICE SUPPORT PROGRAMS**
  Overall impact is FTE reductions, fees for service reductions, delays in support services to schools and programs.

  Areas impacted are: Student Placement, Indian Ed, Valley Branch, American Indian Studies, TDAS, MLL, Substitutes, Athletics, Pre-K Support, Referendum Family Ed, School to Work, Special Education, Third Party Reimbursement, Instructional Services, Staff Development, Leadership Development, Achievement Plus, Career in Education, Counseling/Guidance, OCCR, Student Wellness, Attendance Action Center, Alternative to Suspension, Transportation, Referendum-PLTT, Peer Assistance/Review.

FY 15 Adopted	FY 16 Proposed	Reduction Amount	Inflation Reduction %	Amt Not Allocated	% Total Reduction
$184,977,526	$175,097,185	($9,880,341)	(5.3%)	($3,102,819)	(7.0%)

School Service Support programs that had a 5% reduction and an additional 2% reduction as no inflationary funding was allocated: Student Placement Center, Valley Branch, Substitutes, Referendum Family Education, Instructional Services, Third Party Reimbursement, Peer Assistance/Review, Counseling & Guidance Services, Attendance Action Center.

School Service Support programs that were impacted by another funding source reduction: Instructional Services - Title I reduction resulting in an additional 16.1% reduction.

School Service Support programs that had a 2% reduction as no inflationary funding was allocated: Indian Ed, American Indian Studies, Alternative to Suspension, Achievement Plus and Student Wellness.

School Service Support programs that had limited inflationary increases or targeted reductions: TDAS, MLL, Athletics, Pre-K Support, Special Ed, Staff Development, Career in Education, OCCR and Transportation.

7. **Staffing the Schools**
   SSSC 2.0 class size ranges at higher poverty sites are:

Grade	FY 16 Target Ranges
Pre-K	20
Kindergarten	20-24
1-3	22-25
4-5	25-28
6-8	29-33
9-12	30-35

The higher poverty threshold is the top 30 schools per the teacher's contract (these change from year to year). Effective FY 2015-16, the Target Range for Kindergarten changed to 20-24.

SSSC 2.0 class size ranges for lower poverty sites are:

Grade	FY 16 Target Ranges
Pre-K	20
Kindergarten	22-26
1-3	22-27

4-5	25-29
6-8	29-35
9-12	30-37

Site staffing criteria for FY 15-16 has the following site configurations: Pre-K-5, K-8, Dual Campus, 6-8, 6-12 and 9-12. Staffing categories are:

- Principal
- Assistant principal
- Administrative intern
- Clerk (minimum, additional 10 month, mobility and attendance)
- Learning support (counselors)
- Library support
- SSSC 2.0 site staff for program articulation.

FY 2015-16 additional site staffing supports per Board Resolution are:

Position	FY 15 FTEs	FY 16 Additional FTEs	Total Additional FTEs
Licensed media specialists	10	5	15
Elementary school counselors	10	5	15
Licensed school nurses	7	-	7
School social workers	5	-	5
TOTAL	32 FTEs	10 FTEs	42 FTEs

8. **FY 2015-16 Title I Budget Projection** indicates a reduction of $3.9 million.
   - $2.1 million in carryover funds from post ARRA funding are gone creating a funding cliff (without post ARRA funds and special waivers, impacts of Title I reductions would have been felt sooner)
   - $1.8 million in Title I funds due to Minnesota receiving less of the Federal share (Minnesota has fewer students in poverty as compared to other states with higher concentrations of poverty)
   - FY 16 budget base estimated on previous year reduction of 6%.

   The FY 2015-16 New Title I Budget Model works to:
   - Minimize impact directly to schools, programs took majority of Title I cuts, schools only 2%
   - New model distributes Title I funds to schools to lessen the impact of cuts
   - Tiered approach funds all eligible Title I schools and minimizes the impact on schools with high concentrations of poverty.

   By law SPPS must fund 75% or greater F&R.
   Model:

Percentage Concentration (>=)	75% F&R	50% F&R	40% F&R
Percent of the PPFU	100%	93%	70%
Per Pupil Amount	$540.00	$500.00	$380.00

9. **Other factors influencing the budget** are:
   - Third quarter projections impact fiscal year end fund balance
   - Enrollment fluctuations impact revenue, class size and building capacity
   - Contractual settlements impact expenditure levels
   - Legislative adjustments impact revenue
   - Previous year's October 1 Free & Reduced lunch count impacts revenue
   - Bond ratings
   - Funding has not kept up with inflation.

The CFO reviewed the budget adoption schedule and engagement efforts to introduce the budget to various groups and communities.

QUESTIONS/DISCUSSION:

- How much of the $4 million is salary? Response: About 85%.
- How soon will the Board be able to see more specifically what and how departments have been affected? What is the real impact? Response: Administration is getting a better picture every day and should have a pretty firm idea by the end of the week. Communications to non-teaching staff will be communicated by May 18 with some staff have already received notification of changes on May 1. This is crunch time for budget administrators who need to make the reductions in either FTEs or expense. An example was noted the in Family and Community Engagement Title I only reductions amounted to $12.4 million. Cuts will happen in all district-wide support programs.
- There was a brief discussion about trying to go back to zero based budgeting in order to get at what makes up the essentials in each area/department/program.
- It was noted SPPS will not see the effects of the cuts to coaches and PD this year only, it will have long term impacts.
- Is this proposed solution a recommendation or is administration still working on closing a budget gap? Response: It is a proposal from administration on how to address the $20 million shortfall.
- It was suggested administration look at PLC time as a possible area for reductions. Response: PLCs are not a contractual area. Staff noted that if PLC time is taken away it would result in cutting specialists positions (i.e., science); it would mean teacher cuts.
- If you allow job embedded PD time for one group and not another will there be an HR issue? Response: It depends on the situation but generally if things are equal, no.
- Making cuts to programs essential to kids is not ideal Response: No, that is true, however administration is trying to keep cuts as far from classrooms as possible.
- Staff noted SPPS has to make budget with its current contractual obligations. It is therefore coming out of this process with an understanding of what budget parameters are and then it can move to try to keep future contractual obligations within real bounds.
- What about the "resolution"? That was the Board's decision. Response: That would be $4.2 million.
- It was noted that PLCs have a very positive impact for students.
- OPEB contributions could be reduced at some point for a time. Response: The levy for OPEB liabilities does not cover all the current liabilities as it now stands. OPEB are committed funds that the Board could un-commit but that would just be pushing the problem down the road. .
- Has administration considered what things would come back if the legislative allocation increases? Response: Yes.
- What about academically successful programs such as AVID, the Urban Debate League? Response: Staff has looked at spending in many areas - the Celebration of Excellence, Parent Fair and many others. Debate League was embedded in the school category and is being retained. There has been several allocations embedded in the budget to be retained but not increased.
- What is happening with funding IT staff in support of PLTT? Response: Field Techs and Tech TOSAs are embedded within school allocations. For IT there was a reduction so staff is having to rethink some things – virtualization, a new ticketing system may be shifted or held off on. IT is rethinking its staffing structure to keep impacts as far away from schools as possible – Field Techs and Tech TOSAs are important to the program. Administration is working to find a sustainable budget for IT across the district.
- A Board member noted they were unwilling to touch OPEB money.
- Another noted PLCs could be looked at but they were not willing to give science up.
- Would people be willing to take no inflation cuts? Response: That is highly unlikely.

A motion was made and passed to extend discussion by 15 minutes.

- With Technology - are expenses associated with iPads and referendum taking funds away from the general fund? Response: No, dedicated staff, leases, etc. are allocated in the current year budget to the referendum. Going into next year, SPPS has utilized some

referendum funds differently to support lease agreements and has embedded non-referendum funding into the schools to support accessories, etc.

- Is SPPS subsidizing the referendum initiative with funds that would normally support the Technology Department? Response: No, referendum dollars are be utilized as promised and funds within the General Fund are utilized for other IT needs.
- The discussion returned to zero based budgeting and how it might be used. Response: Once SPPS has met its contractual obligations and class size agreements there is not a lot left to go around. Even now some essentials are not being met so this budget reflects an effort to balance needs against a very unfavorable financial picture from the legislature.
- The CFO indicated that when SPPS actually did experiment with zero based budgeting a few years ago it was found it could not afford the essentials that were identified. Under the current situation SPPS needs to right size things again against a very unfavorable financial outlook.
- Looking at PLC time was brought up again with the request not to cut across the board but with an effort to keep PLCs in the elementary area where it seems to work best and every effort should be made to keep science.
- Several areas to be looked into were indicated. The seven period day is allowing kids to graduate. The Board resolution needs to be reviewed Committed and Assigned fund balances could be looked at. Regarding OPEB, SPPS will have to commit to put additional money into trust from already committed dollars. Fund balance could be slightly reduced.
- Staff noted that staffing movement will be on-going over the next two months. 200 positions will possibly be affected.
- Board members requested information on what levy maximums are.
- Administration was admonished to be very sure it is communicating effectively on the budget to all families**.**

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RECOMMENDED MOTION: Director Doran moved, seconded by Director Seeba the Board accept the report/update on the FY 16 budget.

The motion passed.

F. Communications: Demonstration of SPPS App

The SPPS Digital Media Manager provided a demonstration of the MySPPS app developed as a way to expedite communications with students and families. It provides news feeds, notifications, SPPS sports feeds and a multiplicity of applications related to the schools (phone address/map, calendar, infinite campus, nutrition services menu, a transportation app to check on bus status) as well as Facebook and Twitter to name a few other applications.

The app is currently being piloted with 10 schools and will be publically launched before summer in order to be available to promote summer events and back to school information.

G. Standing Item: Policy Update - No Report

H. Standing Item: PLTT Update - No Report

I. Standing Item: SSSC 2.0 Update - No Report

J. Work Session

1. **Board Check In**
   Subject areas for the next Board equity session were discussed.

2. **Update on Superintendent Mid-Year Review**
   The Board's work group will work with the Superintendent and her team to begin the process of developing mid-year goals that tie to the SPPS Strategic Plan. When

developed these will be utilized for the annual Superintendent's review in December. It was noted the upcoming mid-year review (July) will follow the format used previously. The Board secretary was instructed to begin the process of establishing a date.

3. **Update on Student Involvement with the Board**
   The Vice Chair indicated the Chief Engagement Officer and he will discuss the information gathered on options for student involvement with the Board in a teleconference. Ms. Carroll indicated she and Ms. O'Connell would be available to participate in the telecom if desired.

4. **Policy/Public Comment**
   The Board Secretary was asked to review Section 200 policies. She was also asked to provide the history for the public comment process for Board review. A policy work group was established for a review of Section 200 policies -- Anne Carroll, John Brodrick and Mary Doran.

III. ADJOURNMENT

MOTION: Director Carroll moved the meeting adjourn. Director Brodrick seconded the motion.
The motion passed.

The meeting adjourned at 10:21 p.m.

Respectfully submitted,
Marilyn Polsfuss
Assistant Clerk