

**MEETING MINUTES  
COMMITTEE OF THE BOARD MEETING  
November 30, 2010**

PRESENT: Board of Education: John Brodrick, Jean O'Connell, Vally Varro, Elona Street-Stewart, Anne Carroll (arrived 4:43); Keith Hardy (arrived 4:49), Kazoua Kong-Thao (arrived 6:05)

Staff: Suzanne, Kelly, Kate Wilcox-Harris, Michelle Walker, Jaber Alsiddiqui, Tim Caskey, Lynn Gallandat, Kathy Brown, Andrew Collins, Denise Quinlan, Marie Schrul, Michael Baumann, Joe Munnich, Sharon Freeman, John Atkin, Donald Sysyn, Joanne Freidlund, Evelyn Belton-Kocher, Matt Mohs, Marilyn Baeker, Christine Keller, Jan McGrane, Jean Luebke

Other: Chris Omdahl, Raydenne Hagen, Kathy Korum

**I. CALL TO ORDER**

The meeting was called to order at 4:34 p.m.

**II. AGENDA**

**A. Financial Audit Report**

The Chief of Staff stated the draft report of the FY 10 Financial Audit and the OMBA A-133 Audit has been prepared by the firm of KPMG who was retained by Saint Paul Public Schools (SPPS) to perform both audits.

Chris Omdahl (Partner), with Raydenne Hagen (Senior Manager) in attendance, from KPMG, LLP presented highlights from the financial statements and the opinion for the audit conducted for the year ending June 30, 2010. He stated, in their opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the aggregate remaining fund information and the respective changes in financial position and, where applicable, cash flows thereof for the year ended June 30, 2010 in conformity with U.S. generally accepted accounting principles or an "unqualified or clean opinion."

He reported they had also issued a report on the District's internal control over financial reporting and tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. Additionally they audited the District's compliance with the U.S. Office of Management and Budget (OMB) Circular A-133, which are applicable to major federal programs for the year ended June 30, 2009. Finally, they performed an audit of the financial transactions in accordance with statutory requirements embodied in the Minnesota Legal Compliance Checklist since SPPS is a political subdivision of the State of Minnesota.

He then moved on to a review of the actual financial statements for the District. He state the unreserved, undesignated fund balance as of June 30, 2010 was \$28.5 million or 5.46% of general fund expenditures.

Regarding the OMB Circular A-133 report, there are two reports, one on the consideration of internal control over financial reporting and compliance with laws and regulations. There were no instances of non-compliance with rules or regulations that would need to be reported relative to day-to-day activities. This was a "clean" report.

The second looks at internal controls over significant transactions that underlie the accounting records and the process used to present the financial statements in compliance with generally accepted accounting principles. This focuses more specifically on the District's administration of the Federal award programs themselves and compliance with established rules and regulations and terms of the grant documents. Any exceptions are called out as "findings." There was one finding this year relative to certifications for individuals working 100% on a particular grant. This has been called out in previous audits. The District did not comply with the requirements in respect to that element of the requirements. It was indicated the District would need to address remediation of this issue. Other than this one exception, there were no other exceptions in compliance.

#### QUESTIONS/DISCUSSION:

- It was stated "a clean audit, given current conditions, it great to hear.
- On page 15 – the comparison of 2009 and 2010 Federal Aid – do the numbers affect the analysis of the operation? Does the system have to adjust because of the numbers? Response: A revenue is a revenue so it doesn't in that respect. However, as the changes in funding patterns for the District's main revenue sources are looked at, the District must manage risks with a constant monitoring of volatility. The budget process of looking forward at legislative work over the next few years is a critical activity to focus on.
- On page 16 it is important to note the expenditures have been flat or slightly less, this indicates there has not been excessive spending and the District is doing all it can with expenditures.
- A correction was noted on page 16, District Administration the 0.06% should really be 0.6%.
- On the current liabilities – when it is said the current liabilities for the year for OPEB are \$30 million but the District funded \$13 million. Were costs over that figure? Response: The \$30 million is an actuarial calculation. It measure need not cash requirement.
- On page 11 of the OMB audit – Why is compliance with certifications a problem? Particularly as it has been noted previously. Response: The District implemented an automated process to address the issue. Certifications are now put into a single system which will send automated alerts to the individuals involved and the supervisors. All of that worked, however follow through did not always occur. The challenge remains having leadership follow through and do the compliance piece with fidelity. This is a zero defects area for compliance so an exception is an exception. The next step for the District is a fully automated time and labor system; however, that will require a significant financial investment. An interim internal control measure has been added by having two people in the Finance Office who, in addition to the alerts, will trace the situation and enforce compliance.
- Are there implications to the district for non-compliance? Response: It depends, if there is a pattern of non-compliance regulatory bodies may focus in on it with more attention. Given the non-compliance rate on this issue is relatively high compared to other entities, it might provide for more scrutiny from a regulatory perspective. This is not an uncommon finding, many organizations have the same challenge.
- Should this issue become part of the accountability systems with a cabinet level focus given there are employees ignoring directives? It is a non-compliance with Federal law. Just a point to consider.
- Is this a situation where someone is not actually appropriately doing what should be done or simply not completing a form saying they are done what they should be doing? Response – This involved staff who were laid off on or about June 30. The certifications were required after the people had left. So, if we avoid "end of year issues" by doing this earlier, it comes back to are people not filling in the forms? They don't fill in the form. The Board indicated it looked forward to having systems in place so staff understands it causes an audit issue. Response: ; Operations staff is doing its best to support the "front line", it is an obligation to make it as easy as possible but integrity must be maintained in this area so it will be addressed.

- When will the final report be issued? Response: Within the next two weeks. It will be filed by the end of the calendar year per statute.

**MOTION: Ms. Street-Stewart moved the Committee of the Board recommend the Board of Education accept the FY 10 Financial Audit information as provided, both the Financial Audit Report and the OMB Circular 133A Audit. Motion seconded by Ms. Varro.**

**Motion passed.**

**B. Report from Community Education Citywide Advisory Council**

The presiding officer of the advisory council stated the charge for the Council is to function, in coordination with the community education director, in an advisory capacity in the interest of promoting the goals and objectives of Minnesota Statutes 124D.18 and 124D.19. It also acts as an advocate for community needs; represents the viewpoints from other site councils/boards in Community Education (ABE, ECFE, Adults with Disabilities) and as stewards of accountability.

The mission of St. Paul Community Education is to seek to improve the quality of life by providing lifelong learning opportunities for all members of the community. Lifelong learning is based on the belief that people are learners at every age and pursue educational opportunities that are meaningful to them. The Community Education Advisory Council fosters and supports the concept of community education throughout the district, ensuring the community has an advocate for affordable access to facilities and helps to keep the schools at the heart of the community. It also advises the Board of Education and administration on policy, progress, programs, budgets, legislation and other related matters.

Community Education programs in St. Paul include:

- Early learning and parent support programming (Early Childhood and Family Education – ECFE – support 9500 youngsters)
- Youth development programming: School age childcare-Discovery Club; Service Learning; 21st Century Community Learning Centers and Youth Enrichment.
- Adult learning programming: Adult Basic Education (ABE served 7000 adults in past year); Adults with Disabilities (SEED, CLEAR and Culture Club); Adult enrichment and senior programs.

The Council's work includes:

- Aligning P-12 supports and partnerships linking work and messages about how Community Education supports P-12 initiatives and seeks out partnerships to prevent duplication and maximize resources. Activities in this area include such things as:
  - o Sponsoring an annual staff training during National Community Education Week for all CE staff to further support the District's work.
  - o Increased participation on community-wide forums (Second Shift Commission, the Minnesota Community Education Association and District Councils). A community education ambassador.
  - o Participation in discussions related to Learning Campus and Promise Neighborhood Initiatives.
- Revitalizing their brand and message to stress the relevance of Community Education through catalog redesign (making it greener as well) and the development of a video using a broad spectrum of program participants to tell the community education story to deliver a consistent message across the community.

Future work includes the continued assessment of efficiencies and best practices that make collaborations real for Community Education staff by exploring where the gaps occur; where there is duplication; finding activities/practices that made sense in the past but that need to be revised or eliminated and where additional opportunities for collaboration exist.

Additional items the Council asked the Board to consider were:

- That for many, community education is the primary vehicle for staying connected to SPPS.
- Allow Community Education to be at the table in discussions on changes within the district.
- That access and appropriate space for unique learning needs in all parts of the District are considered during rightsizing scenarios, and
- That learning happens beyond a certain age in life or time of day and that it all contributes to student success and community livability. The adults, the children and the village are all connected.

The presentation closed with the following statement: The Community Education Advisory Council values non-formal and informal learning as a supplement to the formal learning that goes on during the school day. Staff will be encouraged to nurture their partnerships and collaborations and find new ways to do that. It values the community partners which form part of the answer to out-of-school and life-long learning. As an advisory council value is placed on the way, the Community Education Department manages its funding and allocates its resources. The Council asked the Board to continue a strong and robust community education program linking schools to the County, the City and the community partners. They asked that the Board consider the needs of the community that go beyond the formal learning day when making decisions about facilities. And they asked that the Council or the staff be involved in those discussions wherever it makes sense for their involvement.

#### QUESTIONS/DISCUSSION:

- Thanks were extended for the services they provide to the community.
- There is a push for the District to be more cooperative in service delivery models, are there ways the Council can help get the District into more cooperative ventures with the community partners. Response: The Council has taken a look at the make-up of the council with the aim of involving more people within community partner agencies who are involved in out of school, non-school and after school programming. The make up of the Council will be addressed as soon as feasible and the Board will be kept advised.
- The Council is also trying to capitalize on the work taking place within community. One initiative is the learning campus concept. There have been discussions on duplication of services, service equity and finding ways to do a gap analysis that is meaningful. The Council will use that information as it designs programming for the following year or semester. Programming to be delivered through a comprehensive city services format.
- Redesigning the brochure – has there been conversation about allowing people to opt out with a card and/or hat programs are put up on the web to save money? Response: There has been a great deal of deliberation on the catalog. It is still a very viable communication vehicle and the pluses outweigh the negatives at this point in time. On-line registration is up so word is out on that option. The catalog is used to encourage community members to look at schools, libraries, parks and recreations, promise neighborhood so it is still more valuable than not as a vehicle to communicate an end.
- Community education what are its best practices in academic programming vs. community programming. Response: Best practice means many things in Community Education depending on programming. In out of school programming positive relations with adults, a safe environment and transportation are all best practices for youth programming. For adult basic education it is monitored by high stakes testing system (NRS) which measures progress in the classroom. None of the users of Community Education are mandated to use the programming, they use it if there is value. The learners stay if the programming is relevant, of value to them and meets their needs and has a positive impact.
- Community Education understands who their audience is and the connections between the community and schools. It was suggested that Community Education think strategically on how to narrow the achievement gap; how to build skills for parents, adults as well as kids via the avenue of community education. How being intentional can bring things together. How this is being address would be of interest in future conversations for the Board.

- Facilities has been a long-standing issue so Administration was encouraged to call on Community Education as it looks at facility issues particularly around how it will impact Community Education.
- How is Community Education doing serving families of color, families in poverty, new immigrants? Is it intentional about programming and making it more accessible and inclusive than ever before? Is there improvement in participation? Response: A report will be supplied on numbers. The greatest increases are in ABE and Family programs in particular. The numbers reflect the overall population of the district in those programs. There is an increase but more work needs to be done.
- What one action should be implemented to increase the use of community education programming? Response: Building access (facility access 24/7). Right now there is a tendency to close the doors to save money but at the same time there is a responsibility to the community to have access to facilities supported with their tax dollars.
- Is a Facebook page for Community Education being considered? Response: It is being worked on.
- Would it be beneficial to introduce the new legislators to what Community Education does? What would you show them in terms of Community Ed? Response: Firstly, a legislative hearing at the Hubbs Center (it has been done in the past), a visit to an ECCE site or any other multi-use sites would be beneficial as well.

**MOTION: Ms. O'Connell moved, seconded by Ms. Carroll, that the Committee of the Board recommend the Board of Education accept the Report from the Community Education Citywide Advisory Council with thanks.**

**Motion passed.**

**C. Data Discussion**

The Chief of Staff stated MAP was implemented at all sites grades 3-9 this year. This discussion will be an opportunity for the Board to become more familiar with the data.. There was then a quick review of the materials presented at the November 16 Board meeting and the meeting was opened for discussion.

The Board was reminded that MAP is a benchmark assessment to look at student readiness for the MCA test. MAP allows for mid-course corrections to increase students' learning. Mondo (DataZone) allows scope and sequence with an assessment for literacy work. Both allow for snapshots of progress in order to address problems along the way.

The District, in MAP, developed prediction targets for all students and also one for ELL students over and above the standard reporting; these are internal targets set by SPPS. There are three targets: On Target, At Risk and Well Below Target. Assessments on these targets are taken three times a year (fall, winter and spring). The data associated with the fall targets results in math and reading were reviewed.

The presentation then moved on to DataZone. It was noted this is not a test, it is a web-based application which allows teachers to collect assessment data for K-5 students. It is given fall, winter and spring. It provides teachers the stage of reading development for individual students and groups students for small group instruction as well as providing reports for teachers, coaches and principals. It allows for progress monitoring and provides teaching points/strategies on which teachers should focus for small group instruction. It was noted this is a big changes for teachers. The District is addressing glitches within the system and providing teachers with professional development on its uses and abilities.. It allows for a deep focus on the individual child.

**QUESTIONS/DISCUSSION:**

- If the District is doing the Mondo assessment work, what additional information on reading does MAP give? Response: These are two different types of assessment. Mondo is the more frequent assessment and is about whether the child getting the

instruction and making corrections and targeting specific areas of need. MAP is to see how students will perform on the state test. The District needs to use both to prepare students for outcomes. It is two separate sets of data which are complimentary not disparate.

- Within DataZone, is it possible for the MAP information be looked at within it? Response: These are currently two separate systems. The District is working to bring on a School Performance Analytic System (Data Warehouse) in order to create a central area which could be accessed with all of the pieces of information in one site and without having to access both systems. The data, however, would still be a separate process.
- Is there a correlation on how the District looks at kids in MAP if they haven't gotten the basics? Response: Everyday Math has secure skills which are tracked and monitored. There is a way to make sure kids are on track with Secure Skills. There is currently no correlation between reading and math, the data is tracked separately and placed on the Assessment Wall.
- How do other programs (Reading Corp, etc.) help with students, how do their instruments align with ours? Response: The District is working on aligning assessments with partners so they don't take away opportunities to learn for kids while still giving teachers the information they need to help students progress. As the District looks at arrangements with partners for shared data, the District encourages the use of existing assessments for consistency and it is working to reduce redundancies.
- The gap between Caucasian and students of color – why does the gap persist? What is not happening? Response: First, not all testing instruments are culturally appropriate to certain population of students so some students just can't relate. There is a move toward National standards and SPPS is one of the partners piloting this effort. Utilizing several different kinds of assessments gives a better picture of overall levels of performance. An additional issue is some students take assessment lightly. The District is trying to re-educate students on the purpose of assessments. It is how the assessments are delivered and a matter of creating a culture where testing and the use the data leads to achievement and opportunities for the future as well as providing new ways to teach and reach students. It is also a matter of changing the way adults look at testing and moving them beyond what has been done in the past.
- MAP is designed to be a prediction of MCA results so it will mirror MCA trends. It provides a means to help change instructional practices to improve learning. The advantage of MAP is that if a student stays in the district it will have a continual set of scores that shows growth or lack of it. One thing that is known is that students lose ground over time. If they can be measured over time it will help identify students not growing sufficiently and find out why and hopefully a way to address the issue(s). Bias accounts for some of the gap, but not nearly as much as was originally thought. In the end it all comes back to instruction.

The meeting recessed at 6:22 p.m. so the Board could move to the Public Hearing on the Property Tax Levy.

The meeting reconvened at 7:34 p.m.

- Regarding the DataZone class chart, much is focused observation in group settings and with individuals. It is interesting to be able to group students in like stages of reading development – is that a dynamic? You go from letter recognition to word knowledge in second grade. By the time they get to ninth grade something is lost. It is recognized that the higher the grade the less proficiency is there, is this some type of dynamic about the group process? If it is a dynamic, what is it about that dynamic that is being missed at the junior high level? Is there anything that can be captured from the lower grades that can be used at the junior and senior high level? How can what is learned from the data be used to maximize the natural dynamics of students so they don't lose the information they acquired while young? Response: Within the groups what is really powerful is that because they are at the same stage of development the text they receive matches their reading levels. Because this is a daily feedback situation they switch from group to group as they gain skills. As they move into high school there is no group strategy within those

classrooms. The best situation is when students are doing more talking than the teachers because that is really what gets engagement and thinking going. The bottom line is effective instruction. DataZone is one way that teachers get data that helps manage instruction.

- The Assistant Superintendent for Secondary stated there are two reading interventions at the 7-12 level. Read 180 which is diagnostic and provides similar data. Then there is AMP at grades 7 and 8 which has its own form of assessments. At ninth grade there is Edge. Reading coaches are assigned at all sites so that they can get into the data and be more skill specific and differentiate instruction as students move through. Common Core Curriculum will help with vertical alignment so knowledge can be gained about what increased skills are necessary as students go through grade levels. Then those can be provided to all students as they move through the grades.
- How does the District share the observations with families and public? Family literacy is at a low, if youngsters are not exposed to readers or math concepts away from school how can it be expected that families will grasp what is being shared? The family setting is very important to learning so what can be shared with families to enhance what is happening in the classroom? Response: The Office of Family Engagement is doing specific training with parent liaisons and meet with parents to explain how to help parents to work through MAP data. The department is gearing their work this year to parent understanding of what this data is and how to use the information to advocate for their children with teachers. The District is working with the Learning Campus model with the City to ensure outcomes and success indicators align with outcomes the District wants to see for students. The real piece is that the District not only use the data to inform staff to instruct children better but for the parents to know where students really are. The accountability is that District staff can look at records over time and parents get information early in order to provide the opportunity for earlier conferences with parents to address students status and provide more time for interventions. It is about what has been done and what remains to be done.
- Hope was expressed that some sort of assessment would be used for the higher grade. Response: The tool showing the most success is the MAP for grades 7-9 as well as common formative assessments. Using MAP testing for 10th graders is also being considered in order to find where the students are. This is the beginning of people understanding that data is important for instruction.
- A request was made for more information soon on how the aligned, logical approach to decision making about student instructions applies six through 12 so that each secondary teacher know all the details about every student they deal with sooner rather than later.
- What is missing in all this are some of the correlations around low income, ELL and special needs by the various characteristics to isolate specific areas to causality. A request was made for the cross tabbing of students in order to define what is working and what is not and what is being done about what is not for those students. Response: The Superintendent indicated she had requested a summary of ninth graders passing in first quarter. By ninth grade in many schools 52% are not passing their classes – what is happening at that level that is not working and what needs to be done differently is being looked at.
- To keep pushing as secondary, I still don't see data on why there is such a dropping off at eighth and ninth grades – what is happening in secondary. Also, the accountability piece at secondary level -- what does that mean for teachers, principals, assistant superintendents? There are fewer students on track, why?
- With DataZone will there be other technology needed as DataZone evolves – budgetary implications for staff and equipment? As the Board moves into the budget process there will be a strong need to make decision on where to spend the dollars. What will costs be and will the District be able to provide? Response: The Superintendent stated discussions are in progress around developing a district-wide plan for technology. Technology needs to be a new vehicle for learning as well as ensuring technology is being properly utilized. There are also innovative ways to use simpler technologies which need to be considered.

- The one additional piece is the nature of the requirements about what technology will be used for, there is the need to plan for today and the future. One of the benefits with MAP is its being computer adaptive. It can be expected there will be more tests and tests will evolve from paper to on-line. There is a need to move toward an environment allowing technology for testing and for instructional technology as well.
- It is important to think about how information about computer adaptive tests is given to parents and students and how best to take the tests and what they should know about them and what information should be provided for them.
- As a long term IT plan evolves, the District needs to think creatively about how to finance it. Depreciation rules for corporations allow for big computer systems to be depreciated and therefore come out of a capital budget. If the District went big it may have to go to the Legislature to change the rules on how capital budgets can be used.

Thanks were given for the update and the Board indicated it was looking forward to more information as noted during the discussion.

D. Standing Item: School & Program Changes – No report

E. Standing Item: Policy Update

Revisions which had been suggested for Policy 403.00 Performance Management and Accountability and Policy 602.00 Curriculum Development, Instruction and Accountability were reviewed prior to being placed in the Board Book for their second reading.

F. Standing Item: Operational Planning Update – No update was provided.

H. Work Session

1. Budget and Finance Advisory Committee (BFAC) -- Consideration of Charge/ Appointments

Staff recommended the BFAC be placed on hiatus for the remainder of the 2010-11 year for several reasons:

- The move from site based budget model to a more centrally managed budget process
- The move from an allocation model to the introduction of the zero-based budget model
- The introduction and adoption of Vision 2014
- The unknowns the November elections will bring to legislative actions
- The Strain on current staff time to deal with these challenges in addition to their daily work.

**MOTION: Ms. Street-Stewart moved the Committee of the Board recommend the Board of Education place the Budget and Finance Advisory Committee (BFAC) on hiatus for the remainder of the 2010-11 and that a communication be sent to the applicants stating such and offering alternative options for them to pursue. Motion seconded by Ms. O'Connell.**

**Motion passed (Six in favor, one opposed [Hardy])**

Staff was instructed to keep the applicant names on file and to create a letter notifying them of the Board's decision and encouraging them toward other opportunities. The applications were not to be carried forward so that the new BFAC will start with all new applications. It was suggested this group be invited to participate in one of the early discussions of Vision 2014 along with members of other advisory committees. An additional suggestion was they be included in early stakeholder discussions on the upcoming referendum.

2. Resignation of Board Member and Discussion on Process to Fill Vacancy

The Chair read the letter of resignation received from Director Varro indicating she was resigning from the Board effective end of day December 14, 2010.

**MOTION:** Ms Carroll moved the Committee of the Board recommend the Board of Education accept Director Varro's resignation, with congratulations for her new appointment and regrets on her loss from the Board, Motion seconded by Mr. Brodrick.

**Motion Passed.**

A proposed process was brought forward by the Board Chair. Extensive discussion of the details and timeline occurred. Staff was requested to provide copies of materials used in the previous application process to all Board members for consideration/revision.

The proposed timeline is:

- Posting of vacancy will be done on December 15 to the SPPS website and the Legal Ledger.
- Deadline for application will be Noon, Monday, January 3, 2011.
- A packet of the Letters of Intent and Resumes for all applicants will be provided to all Board members and Information Packets will be mailed to all applicants on Tuesday, January 4.
- First Interview (televised) will be held on Wednesday, January 12.
- Second Interview and Selection (televised) will be done on either Wednesday, January 26 or Wednesday, February 2.

3. Winter Carnival Participation

Board members were informed that Farnsworth was participating in the Grand Day Parade of the St. Paul Winter Carnival. Directors O'Connell and Hardy indicated interest in participating in the parade with this group.

4. Standing Item (FYI): Upcoming Conferences – There were no changes to the list provided.

**III. ADJOURNMENT**

**MOTION:** Ms. Street-Stewart moved the meeting adjourn; motion seconded by Ms. O'Connell.

**Motion Passed.**

The meeting adjourned at 10:05 p.m.

Respectfully submitted,

Marilyn Polsfuss  
Assistant Clerk