



**October 2**

**2019**

## **REPORT OF THE FINANCE COMMITTEE**

The Finance Committee met on Thursday, September 19, 2019 at 4:00 PM at the Cincinnati Public Schools Education Center in the Board Conference Room.

### **ATTENDEES**

#### Finance Committee Members

Melanie Bates, Ryan Messer, Eve Bolton, *absent*

#### Administrators

Jennifer Wagner, Treasurer; Isaac Karn, Internal Audit Intern; Lauren Roberts, Internal Auditor

#### Community Members/Parents

Marlena Brookfield; Craig Rozen

### **Governmental Liaison Presentation**

Eric Kearney, CEO/President of Kearney and Kearney, and George Glover, Co-Managing Director of Focused Capitol Solutions, submitted their following written report to the Committee:

#### **Projects**

- \* Execute against CPS Government Relations Plan
- \* Meet with Superintendent Laura Mitchell regarding CPS priorities
- \* Create and Cultivate Strategic Relationships
- \* Local Delegation Meeting

#### Ohio House - Primary and Secondary Education Committee

Chair, Louis W. Blessing, III

Vice Chair, Don Jones

Ranking Minority Member, Phillip M. Robinson, Jr.

**H.B. 22 (Antani)** To require the Ohio Facilities Construction Commission and the Department of Education to conduct a study regarding certain school building amenities. 1<sup>st</sup> Hearing on February 19, 2019.

**H.B. 23 (Antani)** To amend section 3313.5315 of the Revised Code to authorize any student from a country or province outside the United States who holds an F-1 visa to participate in interscholastic athletics. 1<sup>st</sup> Hearing on February 19, 2019.

**H.B. 43 (Ingram)** To amend sections 3313.41, 3318.08, and 5705.10, to enact new section 3313.411, and to repeal sections 3313.411, 3313.412, and 3313.413 of the Revised Code to eliminate the right of first refusal for certain schools in the acquisition of school district real property. 2<sup>nd</sup> Hearing on June 11, 2019.

**H.B. 83 (Brown & Schaffer)** To amend sections 4511.751 and 4511.76 of the Revised Code to allow images captured by a camera installed on a school bus to be used as corroborating evidence for the

offense of failing to stop for a school bus. Referred to the Criminal Justice Committee on March 5, 2019.

**H. B. 89 (Antani)** To amend sections 4503.03 and 4511.75 of the Revised Code to enhance the penalties for failing to properly stop for a school bus, to establish requirements related to informing the public about that prohibition, and to make an appropriation. Referred to the Criminal Justice Committee on March 5, 2019.

**H.B. 111 (Ingram)** To amend sections 3314.03, 3326.11, and 3328.24 and to enact section 3319.324 of the Revised Code to require that public and private schools transmit a transferred student's records within five school days. 2<sup>nd</sup> Hearing on June 11, 2019.

**H.B. 121 (Schaffer)** To amend sections 5747.08 and 5747.98 and to enact section 5747.72 of the Revised Code to allow a credit against the personal income tax for amounts spent by teachers for instructional materials. 1<sup>st</sup> Hearing March 19, 2019.

**H.B. 122 (Koehler)** To amend sections 3301.0711, 3301.0714, 3301.163, 3302.036, 3302.10, 3310.51, 3317.03, 3365.07, and 5727.84; to enact new sections 3310.01, 3310.02, 3310.03, 3310.04, 3310.06, 3310.07, 3310.08, 3310.09, 3310.10, 3310.11, 3310.12, 3310.13, 3310.14, 3310.15, 3310.16, and 3310.17; and to repeal sections 3310.01, 3310.02, 3310.03, 3310.031, 3310.032, 3310.035, 3310.04, 3310.05, 3310.06, 3310.07, 3310.08, 3310.09, 3310.10, 3310.11, 3310.12, 3310.13, 3310.14, 3310.15, 3310.16, 3310.17, 3313.974, 3313.975, 3313.976, 3313.977, 3313.978, and 3313.979 of the Revised Code to eliminate the Educational Choice Scholarship Pilot Program and Pilot Project Scholarship Program and to create the Opportunity Scholarship Program. Creates scholarships to attend chartered non-public schools. Establishes maximum scholarship amounts at \$5,000 for students in grades K-8 and at \$7,500 for students in grades 9-12, but reduces scholarships amounts for students who qualify based on family income and whose family income increases. 1<sup>st</sup> Hearing on March 19, 2019.

**H.B. 123 (Holmes & Manning)** To amend sections 3313.536, 3313.60, 3314.03, 3319.073, 3326.11, and 3328.24 and to enact sections 3301.221, 3301.23, 3313.669, 3313.6610, 3313.6611, and 3313.6612 of the Revised Code with regard to school security and youth suicide awareness education and training. 5<sup>th</sup> Hearing on June 18, 2019.

**H.B. 127 (Smith & Hambley)** To enact section 3302.103 of the Revised Code to prohibit the creation of new academic distress commissions. This bill would prohibit the Superintendent of Public Instruction from establishing any new academic distress commissions on or after the bill's effective date. 2<sup>nd</sup> Hearing on April 9, 2019.

**H.B. 132 (Manning)** To amend sections 3314.03 and 3326.11 and to enact section 3313.675 of the Revised Code regarding notice of school child immunization requirements and exemptions. Voted out of Committee 16-0.

**H.B. 164 (Ginter)** To amend sections 3313.601, 3314.03, 3326.11, and 3328.24 and to enact sections 3320.01, 3320.02, and 3320.03 of the Revised Code regarding student religious expression and to entitle the act the "Ohio Student Religious Liberties Act of 5 2019." Voted out of Committee 9-6 along Party lines.

**H.B. 165 (Liston, Galonski)** To enact new section 3301.0718 and to repeal section 3301.0718 of the Revised Code regarding the adoption of health education standards. From the analysis, the bill requires the State Board to adopt either the most recent health education standards developed by the American Association for Health Education, or health education standards developed and prescribed by the State Board itself. Further, it repeals the current prohibition on the State Board of Education from adopting or revising any standards or curriculum in the area of health unless the standards, curriculum, or revisions are approved by both houses of the General Assembly through concurrent resolution.

**H.B. 239 (Manning, G., Crawley)** To amend sections 3301.0712 and 3301.0729 of the Revised Code to reduce the number of end-of- course assessments required for high school graduation and to require each

school district to form a work group to evaluate the amount of time students spend on testing. In Summary this bill would:

- \* Beginning with the class of 2022, eliminates the requirement that high school students take a nationally standardized college admission assessment.
- \* Beginning with the class of 2022, reduces the number of end-of-course examinations required for graduation from seven to three.
- \* Requires each school district and other public school to form a work group to examine the amount of time students spend on district required testing and to submit a report of its findings and any recommendations to the district board or school governing authority or body on how to reduce testing.
- \* Permits a district or school to exceed the time limitations that students may spend on state testing through an annual resolution after considering recommendations from the testing work group.
- \* Requires the Department of Education to annually publish a report on the amount of time students spent on required state and district or school testing.

**S.B. 4 (Rulli & Kunze)** To amend Section 237.30 of H.B. 529 of the 132nd General Assembly and Section 237.10 of H.B. 529 of the 132 General Assembly, as subsequently amended, to make a capital appropriation for school facilities assistance. Increase from \$375M to \$475M, the amount of general obligation bonds that can be issued by the Ohio Public Facilities Commission for the purpose of paying the state share of the cost of constructing classroom facilities. Passed the Ohio Senate on March 27, 2019 (31-0). Passed House Committee 26-0.

**S.B. 26 (Kunze)** To amend section 5747.01 of the Revised Code to authorize a state income tax deduction of \$250 for teachers' out-of-pocket expenses for professional development and classroom supplies. Passed Senate 32-0. In House Ways and Means Committee.

Ohio Senate - Education Committee

Chair, Peggy Lehner

Vice Chair, Lou Terhar

Rank Minority Member, Teresa Fedor

**S.B. 34 (Kunze)** To amend sections 2953.25, 3314.03, 3314.101, 3319.151, 3319.227, 3319.31, 3319.311, 3319.313, 3319.316, 3319.40, 3319.99, 3326.081, 3326.11, 3328.18, 3319.393, 3328.24, and 5153.176 and to enact sections 3319.0812, 3319.318, 3319.319, and of the Revised Code regarding school employee employment and educator licensure and conduct. 5<sup>th</sup> Hearing, Sponsor Testimony on May 7, 2019.

**S.B. 89 (Huffman)** To amend sections 3302.03, 3313.14, 3313.482, 3313.618, 3313.903, 3317.023, 3319.226, 3326.032, 3333.162, 3333.94, 3365.01, 3365.02, 5709.62, 5709.63, 5709.632, 5709.82, and 5709.83, to enact sections 3301.0730, 3317.037, and 3319.2211, and to repeal section 3313.6113 of the Revised Code with regard to career-technical education and the compensation of joint vocational school districts located in enterprise zones. 3<sup>rd</sup> Hearing on May 7, 2019.

**S.B. 102 (Brenner & Lehner)** To enact new section 3323.25 and to repeal section 3323.25 of the Revised Code to establish the Dyslexia Screening Program for school districts and other public schools. 2<sup>nd</sup> Hearing May 7, 2019.

**S.B. 110 (Manning)** To enact section 3302.103 of the Revised Code to modify the operation of academic distress commissions in certain school districts. Modifies the composition and operation of an academic distress commission (ADC) of a school district for which (1) an ADC was established in 2013 under former law and (2) the ADC was re-established under continuing law. Requires the ADC to conduct and submit to the district board at least one annual performance evaluation of the chief executive officer (CEO) appointed by the ADC. Specifies that the CEO must appear at least quarterly before the district board to report on the district's progress. Requires the Auditor of State to conduct a performance audit of the district each year that it is subject to the ADC. Requires the Department of Education to initiate a site evaluation in the district in each year that the district is subject to the ADC. 3<sup>rd</sup> Hearing on April 9, 2019.

**S.B. 121 (Sykes & Kunze)** To amend sections 3301.0718 and 3313.6011 and to enact section 3301.0727 of the Revised Code to require the State Board of Education to adopt health education standards and to require that only statewide venereal disease education standards and curriculum be approved by the General Assembly.

\* Removes the requirement of the adoption of a concurrent resolution when adopting or revising state standards or curriculum for health education.

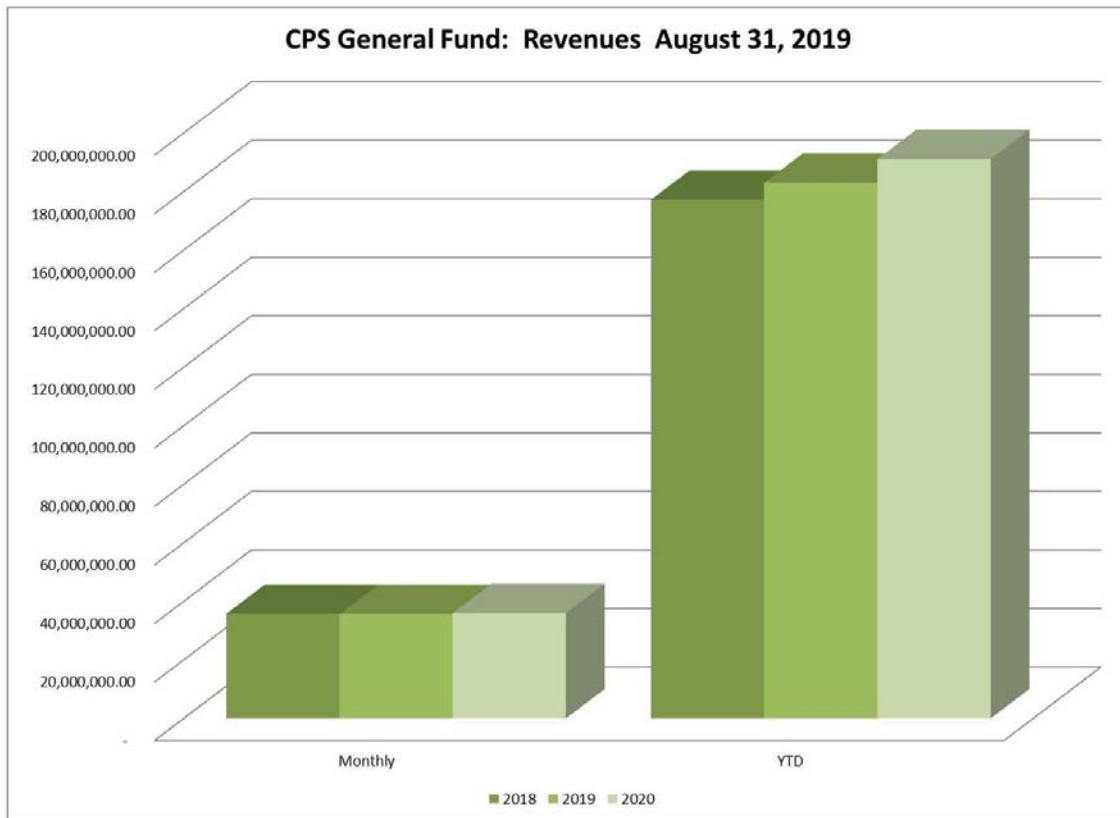
\* Requires the adoption of a concurrent resolution when adopting or revising state standards for venereal disease education.

\* Requires the State Board of Education to develop and adopt health education standards for grades K-12 health education. Proponent Testimony on May 7, 2019.

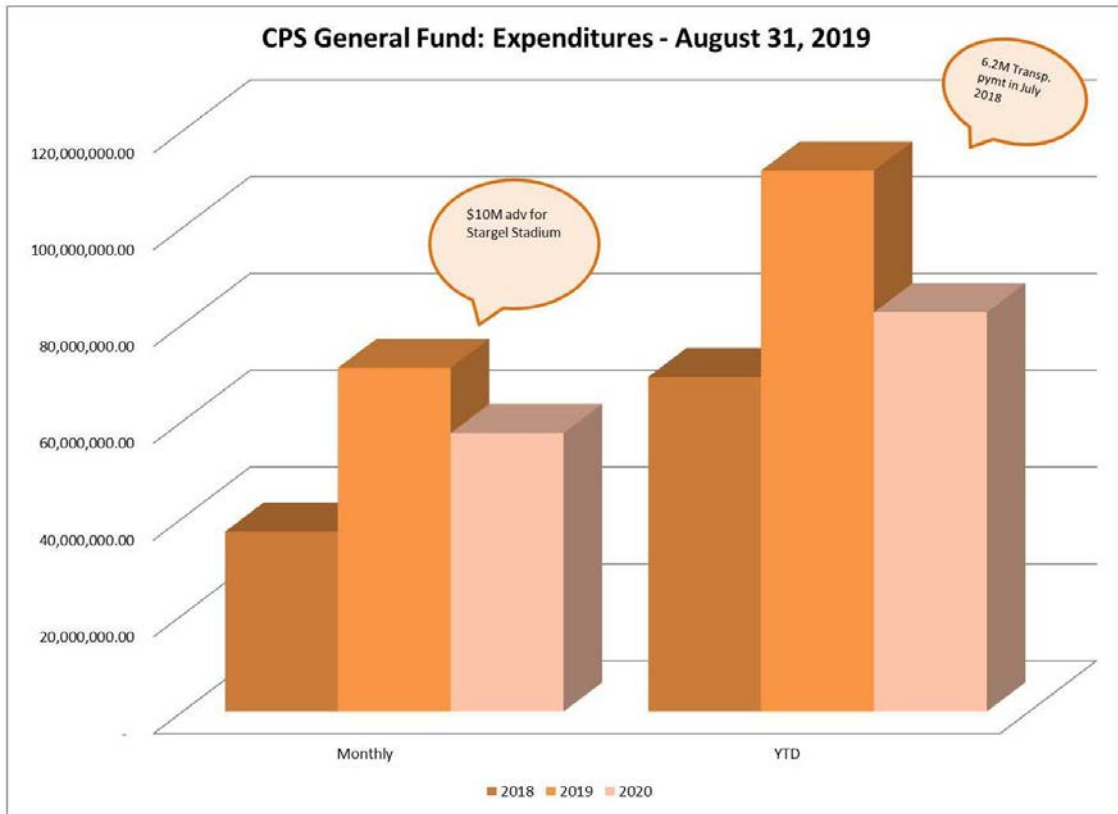
**H.B. 154 (Miller & Jones)** To amend sections 133.06, 3302.036, 3302.042, 3302.12, 3302.16, 3302.17, 3302.18, 3310.03, 3311.29, and 3314.102; to enact new section 3302.10; and to repeal sections 3302.10, 3302.101, 3302.102, and 3302.11 of the Revised Code; and to repeal Sections 4, 5, and 6 of Am. Sub. H.B. 70 of the 131st General Assembly to dissolve academic distress commissions and to instead require the creation of community learning centers for buildings in low-performing school districts. In Ohio Senate Education Committee. Passed Ohio House. Disagreement among several urban districts. Senate Education Committee. 3<sup>rd</sup> Hearing 9/17/19 (A 4<sup>th</sup> Hearing was scheduled for 9/18/19, but there are not minutes from that hearing).

**Treasurer Monthly Updates**

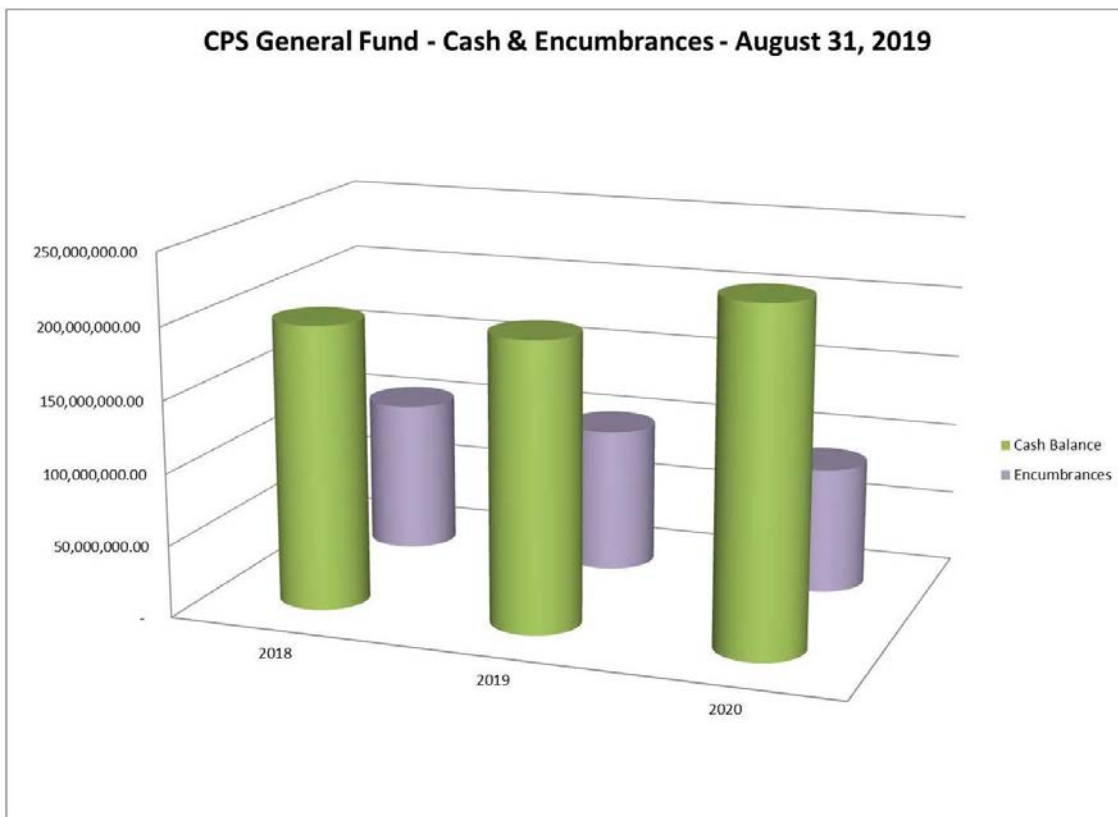
Treasurer Wagner updated the Committee on: *CPS General Fund: Revenues August 31, 2019.*



Treasurer Wagner updated the Committee on: *CPS General Fund: Expenditures – August 31, 2019.*



Treasurer Wagner updated the Committee on: *CPS General Fund–Cash + Encumbrances–August 31, 2019.*



Treasurer Wagner updated the Committee on: *State and Federal Grants – August 2019.*

## State & Federal Grants August 2019

	State	Federal	Combined	August 2018
Beg Cash	1,672,558	5,753,426	7,425,983	9,749,721
Receipts	2,937,525	7,795,782	10,733,307	9,670,692
Expenditures	1,384,228	6,322,795	7,707,023	8,682,827
Encumbrances	1,393,227	4,852,172	6,245,398	3,229,121
Ending Cash	1,832,628	2,374,241	4,206,869	6,589,150

Treasurer Wagner updated the Committee on: *CPS Tuition Assistance Summary.*

## CPS Tuition Assistance Summary

	Income	FT	HT	Total	Days	Tuition Assist \$
<b>Aug</b>	<200 %	420	94	514	4,719	234,011.66
	200-250	27	6	33	317	15,716.75
s/t		<b>447</b>	<b>100</b>	<b>547</b>	<b>5,036</b>	<b>249,728.41</b>
<b>YTD</b>				<b>547</b>	<b>5,036</b>	<b>\$249,728.41</b>
<b>LY</b>				<b>504</b>	<b>6,107</b>	<b>219,162.19</b>

*Note: The data in the chart above represents only the CPS preschool students who participate in the Preschool Expansion Tuition Assistance program. CPS currently has enrolled 1,610 preschool students.*

Mrs. Wagner informed the Committee about the amount of dollars spent on expanding preschool classrooms and an analysis on what it costs to start up a new school outside of facility costs and salaries. She also reported that the preschool budget is being used to help the District in the expansion of preschools, beyond tuition assistance.

- ACTION: Treasurer Wagner informed the group that Vera Brooks, Assistant Director for Early Childhood, will update the Committee on Preschool Promise finances and Workforce Development Scholarships at the October 17, 2019 Finance Committee meeting.
- ACTION; Mrs. Wagner will inform the Board about Community Reinvestment Agreements, Debt Calculations, and Strategies at the October 17, 2019 Finance Committee meeting.
- ACTION: Treasurer Wagner will work with Ms. Brooks on how to incorporate the expansion of classrooms in conjunction with the Strategic Plan.

**Other Business**

**Transportation Audit**

Committee member Bates informed the group about CFT President Sellers’ request at the September 16, 2019, Regular Business meeting for the Internal Auditor to do an audit of the bus routes.

She also advised to contact Community member Kevin Hoffman, who spoke at the September 16, 2019, Board meeting with a transportation concern. Mr. Hoffman stated at that meeting that he was an Auditor.

ACTION: Ms. Bates advised to contact Mr. Hoffman to inform him about the Transportation Audit and invite him to attend a Finance Committee meeting after communication about this has taken place with Chief Strategy Officer, Sarah Trimble-Oliver.

ACTION: In response to the Hearing of the Public during the Board meeting on Monday, September 16, 2019, the Committee asked Internal Auditor Roberts to review the operational aspects of Transportation, including vendor performance.

ACTION: Mr. Messer talked about the need of having a dashboard for transportation. Treasurer Wagner reported that there is a dashboard and she will follow-up with Ms. Trimble-Oliver for her to do a presentation at Finance Committee meeting. He also advised the Administration to provide a transportation plan report the month before school starts.

ACTION: Mr. Messer advised the Administration to look into putting chips in backpacks for kindergarten through sixth grades.

**Board Matters: September 16, 2019 Board Meeting**

At the Board meeting on Monday, September 16, 2019, Jim Neyer of Al Neyer Real Estate Developer and Tom Rower of Terrex Development Construction updated the Board about Tax Agreements.

ACTION: Ms. Wagner will contact Mr. Rower to follow-up on those discussions.

The meeting adjourned at 4:30 PM.

**Finance Committee**

Eve Bolton, Chair, *absent*  
 Melanie Bates  
 Ryan Messer

**Staff Liaisons**

Jennifer Wagner, CFO/Treasurer  
 Laura Mitchell, Superintendent, *absent*