

**INDEPENDENT SCHOOL DISTRICT NO. 625
Saint Paul, Minnesota**

**COMMITTEE OF THE BOARD MEETING
360 Colborne Street
Saint Paul, MN 55102**

**April 3, 2024
4:30 p.m.**

MINUTES

1. CALL TO ORDER

The meeting was called to order at 4:30 p.m. by Vice Chair Ward.

2. ROLL CALL

Board of Education: U. Ward, H. Henderson, E. Valliant, J. Vue, C. Franco, Y. Carrillo
Superintendent Gothard

C. Allen was absent.

Staff: C. Long, S. Dahlke, S. Gray Akyea, T. Parent, T. Sager, K. Thao, L. Olson,
L. Corey, A. Speed, J. Williams, A. Collins, E. Wacker, C. Anderson, S.
Koppen, J. Danielson, K. Morris, S. Schmitt de Caranza, H. Nistler, A.
Kunz, N. Páez, M. McHenry, K. Kimani, M. Sullivan, D. Simms, M.
Eustaquio, T. Walker, B. Schmidt, B. Harri

Community: M. Wall

3. APPROVAL OF THE ORDER OF THE MAIN AGENDA

MOTION: Director Ward moved approval of the Order of the Agenda. The motion was seconded by Director Henderson. It passed by acclaim.

4. SUPERINTENDENT'S ANNOUNCEMENTS

Superintendent Gothard began the meeting with a few recent updates. The first included a recap of the event Live Unified, which is a partnership with the Special Olympics of Minnesota, and to bring attention to the different participation levels in physical education classes, competition ability, leadership, and opportunities for inclusion. It was great to see excited students attend this event at the University of St. Thomas, and he thanked them for hosting, as well as leadership at Special Olympics and staff, families, and students from SPPS. He also went on to provide a recap of his time at the 31st Annual Honors Concert at the Ordway, and the impressive facility where Ella Fitzgerald once performed, and that experience for our students to perform in a national facility with mentors and artists-in-residence. It was a great showcase for the visual and performing arts in SPPS. He noted an observation that this event did represent our students in SPPS, and thanked Robin Lorenzen, program leader, for her great work in organizing this event as she retires this year. Director Vue thanked Superintendent Gothard for the report on the Live Unified

event as his son also participated, and as students grow, the gaps appear in social and academics, as well as physical abilities, and in working with partners, our youth are able to collaborate in spaces and build relationships with their peers, and experience opportunities with them.

5. FY25 BUDGET UPDATE

Superintendent Gothard then introduced this report. He noted that Senior Leadership has been working to prepare the budget development since last summer, and engaged with board members and community to understand values, prioritize programs that positively impact students, and while a large budget deficit does require difficult decisions, that the budget honors what students need and deserve. He also shared that we are sustaining positive and important work, such as WINN, busing, middle school model, the new math curriculum, post-secondary options, music and arts, and Indigenous and world languages. This is an especially difficult budget year as federal investments end, and with a \$150M shortfall, the team has then identified cost savings and decisions to decrease that number, and progress has been shared in board meetings, workshops, and small groups. We are not alone in this time of historic cuts with 75% of school districts facing similar situations. Most of the costs of the district are salaries and benefits. Our budget decisions have been strategic and collaborative, and we are forced to make difficult decisions – these will impact staff, programs, and affect all schools and departments. We will limit the impact on students and prioritize programs that are working and align with community values.

The presentation included objectives such as:

- An update on the FY25 budgeting process and our work toward building a balanced budget
- Review the tool that guided school allocation
- A high-level summary of anticipated impacts of enacting a balanced budget
- Next steps and timeline in the FY25 budget process

The agenda also included:

- Review of FY25 budget components
- School allocations and impacts
- Division and department budget impacts
- Next steps in FY25 budget process
- FY25 budget timeline and important dates

A review of the budget components and budget building blocks, including school needs, requirements, community values and instructional priorities, and essential services, was shared.

Within the School Allocations and Impacts portion, the School Allocation Guidelines were reviewed, as well as a sampling of changes in FY25 school allocations and sampling of school impacts.

Within the portion of Division and Department Impacts, reduction details were shared within Schools and Learning, Administration and Operations, and Business and Finance, Equity, Strategy and Innovation, and Human Resources as well.

Next steps were reviewed, and included budget reduction target process figures and descriptions, deficit and financial outlook, the FY25 budget timeline, and important dates.

The full presentation can be found in the BoardBook.

QUESTIONS/DISCUSSION:

- Between now (April 3) and end of May, what are important dates or events listed that will help to narrow the numbers? Is there anything that may affect the overall number (\$19.7M remaining)? Response: As we are continuing daily, we will continue the process of Start, Stop, Sustain. As that work continues, the Board will then receive future updates.
- Our fund balance for FY23, what was that percentage and days of instruction? Response: We ended the year 2022 with 9.5%, or \$73M or so. As we go into 2023, it may grow by a percentage and a half – around 10% or 10.5%, with another \$8-9M. Our auditor advises us to stay between 8-16%, and in the 10% range is ideal, with flexibility.
- How many days of instructions would that fund? Response: It is roughly \$3M per day, so that is roughly 32 days.
- Is there a threshold recommendation by MDE? Response: MDE doesn't recommend like that, but independent auditors try for 8-16%. Our policy in SPPS is unassigned of 5%.
- Under Schools and Learning department, there will be a reduction in materials, what is that? Response: Materials could be a large number of things – professional development materials, materials that are purchased and provided to buildings, or materials purchased to outfit our calming spaces. Those may not be continued or sustained. It would be a departmental and specific conversation.
- As far as the menu changes, there have been changes due to less staff, but what does it look like for students? Response: Menu changes are predicated on staff to service them and cost of materials. The program is changing and with fewer options for students, and are trying to keep the most popular items. Overall, the menu and staffing are changing. We are trying to adhere to sustainability guidelines. We are looking at the priorities and trying to keep to those.
- There will be reductions in Equity, Strategy and Innovation – what are those details? That is an important department in the district. Response: The ARP resources to hire five Equity coaches, hired as TOSAs, and at this point, we are prioritizing the work of the Equity Department. Prior to ARP, we did not have this division, and we now have a systemic equity plan and more resources to put forth the plan. This means it would not only live under the Equity department, but would then allow the Equity department to focus on professional development, or in specialized a portion of systemic equity plan. We are prioritizing most important in systemic equity plan, looking at data to see barriers, leveraging across district and cross-functional resources to work in Equity and professional department and services and those that have been utilized most often.
- Further details were requested on FTEs representing cost savings, and other spaces, showing a gap or reduction, and details on that projection. Response: We are using the projected average salaries and comparing those from last year to this year. Some areas have fewer FTEs but because of the increase rate with settlements and contracts, the total cost continues to increase.
- Director Franco thanked the team for the continued updates, and it is tough year.
- One of the things discussed was targeting efficiencies and operations, which is quality improvement and cycle. One of the other aspects is the evaluation tools to measure some efficiencies? Response: We are extremely focused on working to decrease the deficit, and to begin to think about the projects proposed. Part of the project is determining the next steps, implications, and consequences and monitoring. Part 2 will also uncover other efficiencies that exist. More information will also be provided around the monitoring of the changes; some changes will be due to the reduction in resources, and other in terms of ARP. Some of the ARP reductions will not be revisited as they were meant to sunset with ARP funds. Some are also more adaptive and flexible. This is also not about evaluation, but about solvency, with the grade splits example noted.

- Director Franco noted that if we are in the same situation as 75% of other school districts, and how do we compare past efforts to this year? Response: We also need to explore the fidelity of service model, and how that looks in schools regardless of the staff allocated, with continuous improvement – the example of the math curriculum was noted and implementing it with fidelity and to understand the data behind it. There is continued flexibility, but also programmatic choices to be conscientious of and to support our scholars to achieve and learn. We acknowledge the potential reduction, but also the potential for opportunities as well.
- In regards to school based budget meetings, the goal is to inform and answer clarifying questions, and walk through how it will occur, who will be a part of it, and what information will be learned and used going forward? Response: The principals will receive information about school budgets, and then there is a video from Communications to give overview of why we are here, background and context, and then information will be shared. It is a meeting to inform and answer questions for parents, families, students, community members and others interested in the school. The meetings will occur the week of April 26th after building leaders have had the opportunity to review their budgets. There is a video to create a greater understanding for school budgeting and opportunities to answer questions. For many buildings, the margins are tight, and many of the allocations to meet the requirements are predetermined, and many are building-by-building conversations which are unique.
- For the school budget sessions, decisions will already be made, and leaders are there to establish how the school will adjust to the “new normal” and impacts to the school? Response: Yes.
- In thinking about our reserve balance, and additional cuts, how will we know the “tipping point” where nothing else can be cut, or it will begin to further negatively impact the district? What does that decision look like? Response: We will assess other variables, and while we have an identified fund balance, we need to think of it more as a taper as opposed to a cliff. There is ongoing work happening daily. It’s an important discussion to discuss long-range plans as well, including 1-3 years, as well as 5-10 years.
- If we are moving in this structure, what is the impact in future years? Does it become a cycle of having to dig in, and then not have the ability to dig in any longer? Response: We do not want it to be a cycle – it’s like a regular savings account and cannot last in perpetuity. There are also other variables, including enrollment and the next legislative session. We do have the ability to also slow down the process and pivot in another direction based on those variables with flexibility.
- Director Ward noted that earlier this year, the Board adopted three budget parameters – at some point in a presentation, will those parameters be discussed in how they have been met with this budget? Response: Yes, we are speaking about aligning the budget to parameters and values, and work with the community and how to tie them together.

6. AMENDMENT OF SUPERINTENDENT CONTRACT

General Counsel Long shared about the rationale for this amendment. He noted that Dr. Gothard has submitted his letter of resignation as superintendent of the district, and within the current contract, there is a 90-day advance window as a provision between the resignation notice and effective date of the resignation. However, the provision of the date can be adjusted based on mutual agreement of the Board and Superintendent. Pursuant to that clause, the Superintendent has requested that the end date of his employment to be altered and agreed upon is Friday, May 17, 2024. The document that has been drafted and presented would make that change to the contract and set the termination date as end of business on May 17, 2024. This document serves as the formal resignation and change of alteration of end date.

The amendment can be found in the BoardBook.

QUESTIONS/DISCUSSION:

- Why is the Board acting on this at the Committee of the Board, and not at a Regular Meeting?
Response: It was recommended to act on this item at the Committee of the Board so there is clarity for the Board, clarity for Superintendent Gothard, clarity for staff, clarity for the community as to the steps going forward with the timeline. It also aligns with the next item on the agenda, which is the approval for the interim superintendent.

BF 33736 Amendment of Superintendent Contract

MOTION: Director Ward moved approval of the Amendment to and Termination of Superintendent Contract. The motion was seconded by Director Henderson.

The motion was approved by roll call vote:

Director Henderson	Yes
Director Ward	Yes
Director Vue	Yes
Director Allen	Absent
Director Carrillo	Yes
Director Franco	Yes
Director Valliant	Yes

6. INTERIM SUPERINTENDENT CONTRACT

Director Henderson noted that the Board has come to a decision around the interim superintendent to follow Superintendent Gothard, and with consideration from all board members, they have made the decision to enter into a contract with Dr. John Thein, who was also the former interim superintendent prior to Superintendent Gothard. Dr. Thein has graciously accepted and is enthusiastic to return. The Board is excited about the energy he will bring and he seems excited to be back in SPPS, and we expect a good transition throughout the process.

QUESTIONS/DISCUSSION:

- Will there be overlap with the Interim Superintendent and Dr. Gothard, as he is not leaving until May 17th? Response: There is a number of hours allocated to connect with staff and Superintendent Gothard, staff and board members, and it will then ramp up closer to May 17th. From a community lens, there will be a transition time.
- Superintendent Gothard noted that he has connected with Dr. Thein. He also noted that he will begin in his new role on May 20th, but he shared with Dr. Thein that he will be there for him and SPPS until May 17th and beyond to support him as able.
- Director Vue requested information on the rationale for choosing Dr. Thein as Interim. Response: Through conversations, the Board desired a candidate who understood St. Paul and SPPS, a history of working in a large urban setting, a transitional interim, and excited about the enthusiasm and capacity in supporting staff, Board, and community from Dr. Thein.
- Director Ward thanked board members for their involvement, as well as Chair Henderson and her leadership in this process. He is excited for Dr. Thein to join SPPS again, and is feeling optimistic.
- Director Henderson noted it was intentional to align the contract amendment with Dr. Gothard, as well as introduce Dr. Thein. She also noted that while Director Allen is absent, she send her best wishes and her excitement about this as well.

- Director Franco noted that Dr. Thein has also been the interim superintendent in other districts, and has experience in other sizable districts.
- Director Carrillo noted that he was impressed by Dr. Thein and is looking forward to working with him, and thanked his colleagues for their work in this opportunity and questions.

The contract can be found in the BoardBook.

BF 33737 Employment Agreement for Interim Superintendent

MOTION: Director Ward moved approval of the Employment Agreement for Interim Superintendent. The motion was seconded by Director Henderson.

The motion was approved by roll call vote:

Director Henderson	Yes
Director Ward	Yes
Director Vue	Yes
Director Allen	Absent
Director Carrillo	Yes
Director Franco	Yes
Director Valliant	Yes

7. ADJOURNMENT

Director Ward moved to adjourn the meeting. Director Carrillo seconded the motion. It passed by acclaim.

The meeting adjourned at 6:19 p.m.

8. WORK SESSION

The Board then conducted a work session regarding B.I.G.G: Board Initiated Goals Governance and outreach activity and community engagement regarding clarity on identified goals.

For clarity and to facilitate research, these minutes reflect the order of the original Agenda and not necessarily the time during the meeting the items were discussed.

Prepared and submitted by:

Sarah Dahlke, Assistant Clerk, St. Paul Public Schools Board of Education