

**MINUTES OF THE BOARD OF TRUSTEES
SPECIAL MEETING/WORK SESSION
Pocatello/Chubbuck School District No. 25
Tuesday, April 8, 2014
Board Room at the Education Service Center
1:30 p.m.**

BOARD MEMBERS/SUPERINTENDENT PRESENT:

Janie Gebhardt, Chair
Jackie Cranor, Vice Chair
Paul Vitale, Clerk

Jim Facer, Asst. Treasurer (Excused)
Dave Mattson, Member
Mary M. Vagner, Superintendent

A Special Meeting/Work Session of the Board of Trustees of Pocatello/Chubbuck School District No. 25 was held on Tuesday, April 8, 2014 at 1:30 p.m. in the Board Room at the Education Service Center, 3115 Pole Line Road, Pocatello, Idaho, as provided in Section 33-510, Idaho Code;

Convene Work Session

Chair Gebhardt Convened the Work Session at 1:28 p.m. She reviewed the agenda and the addendum and said the Special Meeting/Work Session was for the purpose of the administration discussing with the Board the following topics:

1. **Convene Work Session**
2. **Annual Departmental Reports:** *Business Services; Employee Services; Human Resources; Public Information; Curriculum and Instruction*
3. **Emergency Levy Funds**
4. **New Special Education Accountability Requirements / Regional Service Centers / 2014-15
Projected Enrollment and Staffing / Title VI-B K-12 Budget**
5. **Draft Policy 8149 – Relationship Abuse and Sexual Assault Prevention and Response**
6. **Update on the Refinancing of the School District Bond**
7. **Food Service Update:** *Price Increase per Federal Regulations; Changes to Food Service Federal Nutrition Guidelines and Impact to Fundraising*
8. **Purchase of ISU Property Adjacent to Franklin Middle School**
9. **Budget Preparation for 2014-15**
10. **Public Comment**

Board Protocols for Public Comment will be followed at all Board Meetings. Patrons wishing to address the Board will fill out Form AD 2 – Request to Appear before the Board and present it to the Board Chair or Board Secretary prior to the meeting. Because of the diversity of issues, members of the Board may not respond to delegations. Instead, issues are recorded and referred to the proper staff member for follow-up. The Board is informed of these efforts by the staff member responding to concerns.

Board Operating Principles #22 & 23:
22) The Board will follow the chain of command referring others to present their issues, problems, or proposals to the person who can properly and expeditiously address the issues; 23) Board members will refrain from communications which create conditions of bias should a problem or complaint become the subject matter of a hearing before the Board.
11. **Adjourn**

Annual Departmental Reports

Business Services

Mr. Reed introduced the Business Office staff: Marcie Stone, Michele Leiby and Lisa Russell. He said the department was responsible for a \$96 million budget. He said every penny that came through the District went through them. He said the District had never had a finding in its audit because of their hard work and adhering to Board policy and processes. He said accountability to the public was a crucial part of their job. He said Ms. Stone managed all of the grants and was the District's accountant. He said she managed 40 to 60 grants ranging from \$500 to \$6 million. He said it was important to be exact for compliance purposes. He said the District had over 2,200 employees that were paid through the District's Payroll department and amounted to approximately \$46 million. He said over 20,000 checks were processed the previous year and there were over 19,000 vendors tracked

on a daily basis. He said the vendor file was very large and vendors spanned the country. He said Ms. Stone was also responsible to monitor the District's cash flow and investments. He said he appreciated the team. Ms. Gebhardt asked how long the staff had been with the District. Ms. Stone said she had been with the District for 2-1/2 years. Ms. Leiby said she had been with the District for 15 years in various departments. Ms. Russell said she had been with the District for 7 years and was previously in the Business Office before switching to accounting.

Employee Services

Mr. Smart introduced the Employee Services staff: Carrie Auger and Whitney Talbot. He said they covered a variety of responsibilities. He said Whitney just joined the Payroll team the day before and was replacing Deb Black who had been in that position for over 20 years. He said Ms. Auger was out sick. He said the two of them processed payroll and made sure staff were paid every month. He said it was a rare occasion that there were any inaccuracies with payroll. He said C.B. Giles was the District's Wellness and Insurance guru and was also the safety and liability resource. He said she was an invaluable member of the team and was very good at what she did. He said Regence BlueShield had even invited her to participate in their Round Table Discussion in Seattle, WA. He said it was a good experience for her. He said Keary Tonks also contributed to the team by handling data processing issues. He said he was also an invaluable team member.

Human Resources

Dr. Howell said he reported all of the changes with certificated staff during his monthly Human Resources Report but it was his staff that made it happen behind the scenes. He said the department interfaced with about 1,400 people on average per month for various issues. He said Diane Hansen had been with the District a long time and started as a high school work study student. He said she was responsible to manage the classified staff including maintenance, food service and transportation. He said a lot of employees came and went from those positions. He said she was constantly posting, advertising and orienting new staff. He said she also handled PERSI and retirement issues. He said she was instrumental in compiling policy review for classified staff. He said Laurie Ramasko also helped with compiling and tracking policy review. He said Shauna Miller managed employee insurance, facilities rentals and Cobra. He said she was very knowledgeable with retirement and Cobra issues. He said Ms. Ramasko was the newest staff member and had been with the District for almost 2 years. He said she had done a great job taking over for Nancy Cutler who had previously been with the District for 23 years. He said he appreciated the team helping her to learn the job. He said she was responsible to manage the certificated staff, administrators and coaches. He said Val Jensen was in charge of substitute teachers and managed filling and placing up to 100 substitutes on a daily basis. He said the District upgraded its calling system last year and Ms. Jensen was instrumental in getting it up and running. He said even when system didn't work right she was quick to make personal calls and fill the positions. He said he appreciated having such a great team. He said the department was reduced by one staff member over three years ago and the team had done an exceptional job taking on the extra load.

Public Information

Ms. Allen introduced Shawna Sprague. She said she and Ms. Sprague were responsible to carry out the community relations and communications duties. She said Ms. Sprague also served as the District's receptionist and provided administrative support for the department. She said hers was the first voice or face that people saw or heard when contacting the District Office. She said she took endless calls and complaints and did it all with a smile on her face. She said she and Ms. Sprague carried out the strategic goal of communicating the Vision and Mission. She said she also handled records' requests from outside agencies. She said the department was responsible to promote a positive District image and to promote the achievements of students and staff through recognitions. She said other duties included coordinating the media, creating press releases, scheduling interviews and responding timely and accurately to public record requests while staying in compliance with FERPA regulations. She said she was responsible to coordinate and track the community engagement of the administrators and Board Members. She said she directed the activities of the Pocatello Education Foundation including fundraising events, tax reporting and compliance for an annual budget of \$200,000. She said Ms. Sprague managed the purchasing process for grants each year which was an additional duty due to the downsizing of District Office staff a few years before. She said Ms. Sprague was a remarkable employee with an impeccable work ethic. She said she was productive, was rarely absent, was a quick learner and was eager to take on new challenges. She said she did not know what she would do without her.

Curriculum and Instruction

Mr. Wegner introduced his team: Rhonda Naftz, Cami Chopski and Kathy Luras. He said the department was responsible for development and oversight of the K-12 curriculum, state testing, District assessments, oversight of the Assessment Committee, credit recovery, professional development program, new teacher mentors, textbook adoptions, instructional technology, data analysis for School Improvement Planning and the GATE Program. He said all of those areas were managed with the few people in attendance. He said Ms. Luras handled any

curriculum issues and was the District's Test Coordinator and had been very busy with the implementation of the SBAC field test. He said Ms. Chopski was the Testing and Assessment Specialist and was very good at what she did. He said she collected and created data analysis templates in Excel. He said she submitted all of the Star Rating and Graduation appeals to the state and stayed current with any changes to State Department of Education rule changes. He said she managed budgets, created agendas and took minutes for various committee meetings among many other things. He said the curriculum department shared 35% of the Business Office Administrative Assistant's time. He said that person used to be Whitney Talbot who recently transferred to Payroll. He said Mr. Reed and himself would interview for the new administrative assistant position the next day. He said that position was responsible for ordering textbooks and consumables, processing professional development paperwork, setting up professional development courses and schedules and collecting verification forms for staff members. He said the Professional Technical Education department was encompassed in the curriculum department and Ms. Naftz was the PTE Coordinator. He said PTE made up the majority of the District's elective programs at the secondary level. He said students received career readiness and exploration instruction. He said Ms. Naftz managed a \$508,000 budget overall which was made up of several budgets and did an outstanding job working with the high schools.

Elementary and Secondary Education

Mr. Devine introduced Tara Jensen and Robin Griggs. He said he would cover Dr. Mortensen's report. He said with just under 13,000 students, 40 administrators and 800 certificated staff there were constant issues to address. He said Ms. Jensen and Ms. Griggs did a great job of informing the Directors of any issues on a daily basis. He said there was a large contingency of parents, students and staff and handling activities, complaints and a variety of needs was a huge job. He said in addition Ms. Jensen and Ms. Griggs were responsible to assist with Student Support Services and handled scheduling and notification for student discipline. Ms. Vagner said the elementary and secondary secretaries were directly involved with maintaining compliance and reporting to the state. Mr. Devine said Ms. Jensen had been with the District for 9 years and Ms. Griggs had been with the District for 22 years and was in her first year in her current position.

Emergency Levy Funds

Mr. Wegner said included in the packet was a document that detailed the use of the Emergency Levy Fund budget and the proposed use for the remaining funds. He said the recommendation was to use the remaining budget to fund SBAC test proctors in the amount of \$57,600, 20 iPad minis inclusive of a charging station for the middle and high schools at \$42,700 which would support the use of eBooks in the classroom, the installation of additional wifi equipment at \$2,000 and an ICS printing budget at three of the high schools at \$1,900 each. He said the total amount to be utilized was \$108,182.96 and used up the remaining Emergency Levy Fund as was originally intended. He said the Board would be asked to consider authorizing the release of the Emergency Levy Funds at its Regular Board Meeting the following Tuesday. Ms. Cranor said she was a little disappointed that the District was not able to use the Emergency Levy Funds for any other purpose. She said the District had lots of other needs that should be looked at more closely. She said she didn't know what other Districts were doing to fund the implementation of SBAC but it saddened her that all of the funds had to be spent for this purpose. Ms. Vagner said SBAC drove the decision making, but the additional wireless infrastructure would ultimately benefit the instructional program. She said it allowed the District to make greater strides with the implementation of technology in the schools. She said during the Accreditation Review for Century High School the only deficit identified was with regard to the integration of technology in the educational program. She said the addition to the wireless infrastructure would help to remedy that deficit and would benefit students. She said the iPad minis would provide access to electronic devices for students that did not have access to personal devices. She said the elementary schools were more technology rich than the middle and high schools and these funds helped to fill that gap. Ms. Cranor said she agreed with the implementation of technology in schools but was frustrated that the state did not fund the things it mandated like the Idaho Common Core and SBAC. She said because of the lack of funding from the state many important things got overlooked at the District level. She said she wished there was a way to diversify the allocation of funds. Mr. Wegner said the funding poised the District to be ready with the implementation of SBAC in the coming year but the a large portion of the money would go towards mobile labs in the middle and high schools which were used extensively for instruction. He said a lot of the educational resources that teachers depended on were digital based. Ms. Gebhardt said she was thankful the District was able to authorize the Emergency Levy and would not have been able to add the necessary technology otherwise. Ms. Vagner said recently Mr. Jolley reported on all of the upcoming technology needs that would also need to be addressed in the near future.

New Special Education Accountability Requirements / Regional Service Centers / 2014-15 Projected Enrollment and Staffing / Title VI-B K-12 Budget

Ms. Vagner said there were several major changes coming to Special Education accountability requirements that would go into effect as of July 1, 2014. She said Ms. Sanford would cover the enrollment changes and staffing needs for the coming school year and the impact to the school social workers. Ms. Sanford said the state changes affected the operations of the District. She said the State Systematic Improvement Plan (SSIP) and Results Driven Accountability (RDA) were mandatory changes. She said Districts were informed that changes were coming but had not been provided with the detail as to what that would look like. She said included in the packet was information from the SDE regarding the SSIP. She said it showed a three phase rollout. She said the first phase would begin on July 1, 2014 and included the removal of the Regional Consultants who had been training and supporting teachers and directors which was being replaced with Regional Service Center personnel. She said Pocatello may get a Regional Service Center that would be housed at Idaho State University but had yet to be confirmed. She said the other phases included moving to a four year cycle of monitoring. She said the District was currently on a five year cycle based on compliance which would be shifted to an outcomes model. She said in the first year the Cabinet level staff would do a self-evaluation and would develop a plan of effectiveness and ongoing monitoring in a platform similar to the WISE Tool. She said the federal government had oversight of the RDA for Districts and was part of the IDEA reauthorization. She said changing to a results driven model was first discussed in 2004. She said a statewide audit was conducted in 2011 and as a result the proposed changes were rolling out in July. She said with an outcomes based model there were various indicators that the state judged a District on and Districts were required to report specific things. She said the biggest change was the removal of Indicator 15 which was Timely Compliance. She said the state determined that timely compliance of an IEP did not determine student success, but she would recommend continuing to monitor the timely compliance of IEPs to ensure the District was staying on top of the IEP process. She said there needed to be a seamless transition between the elementary and secondary levels. She said there were three areas that had to meet specific compliance requirements including meeting the 60 day IEP implementation timeline and conducting IEPs by a student's 3rd birthday. She said the District had done a tremendous amount of work at Head Start to ensure that it met the IEP by the 3rd birthday. She said the last area of compliance that the District had to meet with the secondary transition. She said as a result of new outcomes process the District would be held to a higher standard for students to meet the benchmark measures on the state assessments. She said schools would be placed into different support categories based on student achievement. She said there would be a Star Rating type of improvement plan for targeted or intensive support. She said there was a significant change coming to the SLD determination process. She said the current process was a discrepancy model which took a student's achievement level and IQ score and if there was a span of 15 or more points between the two a student qualified for services. She said the new process would eliminate that determination process and would implement a new model that took a school psychologist over eight hours to complete and could end up being over 20 pages. She said the new process would eliminate the pattern of strengths and weaknesses which was a cognitive test that had been integral in identifying students that require services. She said the change would place a greater emphasis on RtI and a third prong of eligibility. She said there were some concerns with the change because most of the District's Tier II interventions would fall under this new category and would drastically increase the number of students served by the special education department. She said the District currently utilized Mileposts to track interventions and there were over 2,200 open cases. She said that was much more than 6 people could take on. She included in the addendum was additional student enrollment data from 2006-07 to 2013-14. She said the historical data showed a large jump in 2006-07, a steady decline from 2008-09 through 2011-12 and another steady increase from 2012-13 to the current year. She said the largest groups of students served were SLD students, then speech/language, other health impaired, developmental disabilities and intellectual disabilities. She said developmental delays were generally found in students ages 3 – 9 and was heavily concentrated at the Lincoln Center. She said it was sometimes hard to detect a disability in students who were still developing, so the developmental delays was kind of a catchall. She said numbers were constantly fluctuating which caused staffing challenges. She reviewed the staffing demographics. She said a majority of the special education staff were paraprofessionals, then special education teachers. Ms. Cranor asked what type of training paraprofessionals received. Ms. Sanford said the District utilized a training model developed in Nebraska. She said Mr. Miner was responsible for administering the training. She said there was also a module for teachers to take if further training was needed. She reviewed the program changes for elementary and secondary. She said there were extended resource rooms at all of the high schools and Alameda and Irving Middle Schools. She said Alameda Middle School had taken on more students in an effort to alleviate transportation needs and to ensure students were getting the maximum benefit in the least restrictive environment. She said there were DLP classrooms at Irving and Hawthorne Middle Schools. She said the DLP classrooms served students with the most significant emotional needs. She said the District had an 18–21 year old program

housed at ISU called VOICE. She said the adjustive education program supported students with emotional impairments who learn to interact appropriately. She said one school psychologist was responsible to manage the adjustive education program. She said currently there were three DLP classrooms at the elementary that filtered into one DLP classroom at Irving and then back out to two DLP classrooms at the high school level. She reviewed a snapshot of budget. She said costs were fairly fixed but were dependent on the number of students. She said she hoped sequestered funds would be returned. She said each year a team reviewed program needs, the number of students and placement recommendations. She said the IEP Team made the final decision. She said in order to accommodate the number of students for 2014-15 a third ERR would be needed at the elementary level. She said the District would also need to add a 2nd DLP classroom at the middle school level. She said currently the school psychologists had more on their plate than they could handle. She said she recommended reassigning a social worker FTE to the middle and high schools. Ms. Gebhardt asked how many students were in the program at the middle school this year. Ms. Sanford said there were currently 8 but the following year that number would increase to 17, then to 18 and 21 in the second and third year. She said Pocatello had a reputation for serving its special education students well and other Districts were aware and were sending students to Pocatello. Ms. Gebhardt asked what affected the numbers so greatly. Ms. Sanford said it was mostly due to the rollup of the 6th grade. She said she worked closely with Head Start to make sure students were not being over-identified and to ensure proper placement. She said there could be a variety of different factors. Ms. Cranor said she knew of families that moved to the area specifically because of the District's special education services. Ms. Sanford said the District needed to make sure it was operating in a manner that was best for students. She reviewed the current school psychologist workload. She said in most Districts school psychologists typically took on 2 to 3 schools. She said one of the District's school psychologists had five schools. She reviewed the number of caseloads at each school and said that number had the potential to increase if Districts were required to monitor Tier II interventions. She said if the District reassigned staff as proposed all of the numbers would drop with the exception of the middle school caseloads which was at the request of one of the school psychologists who wanted to maintain the continuity of services. She said the question had been raised as to what school psychologists do and currently due to the extensive workload they mostly were only able to conduct testing. She said they were trained in 11 different areas and conducted behavioral assessments and created behavior plans. She said she used to be a social worker and was knowledgeable of the various functions of the social workers and the major difference was the clinical counseling. She said the District had to be careful to not engage in non-school related counseling. She said outside factors had an impact on students in school, but school psychologists were only supposed to counsel on school related issues. She said because the District's social workers were paid for by Part B federal funds they had to be utilized for special education purposes and she wanted to ensure the social workers were being used effectively. She said there were only three students in the elementary adjustive education program and the remaining 50 were at the middle and high schools. She said there was a duplication of services at elementary level with Star Coaches, guidance counselors and CRWs and the elementary schools were well served. She said the middle and high schools had the greatest need. She said the proposed placement of social workers took placement requests into account but provided greater time for each of the social workers at the schools. She said social workers were not tied down to a particular school and their time was flexible. She said the current child count was 1,309 and was projected to increase to 1,358 for the 2014-15 school year. Mr. Vitale asked if the District would expect the CRWs to duplicate what the social workers did. Ms. Sanford said it would depend on the person's education and the situation. She said in consultation with the Elementary Director it was her opinion that the needs of particular students were being met through other support staff and social workers would still be available for crisis intervention. She said changing the placement would also decrease travel time and costs. Mr. Vitale asked who would provide testing support. Ms. Sanford said it would be shared between the school psychologists and the social workers. Mr. Vitale said it seemed like the social workers would be overworked at that point. Ms. Sanford said she did not believe so with the concentration of services and the time saved on travel. She said the school psychologists were currently working until 2 in the morning. Ms. Gebhardt asked if the proposal was to move an elementary social worker FTE to the high school. Ms. Sanford said social workers would still help serve the elementary schools but the greatest need was at the high schools. Mr. Vitale asked what social workers were responsible for relative to the IEP process. Ms. Sanford said the social workers provided input but did not write the IEP. She said paraprofessionals were responsible to track and collect data and to write up the information for the IEP. She said the social workers' role was to provide counseling for students and families and to coordinate traditional support activities. She said it was a wrap-around system.

Draft Policy 8149 – Relationship Abuse and Sexual Assault Prevention and Response

Ms. Vagner said the District was required to have a policy in place that addressed relationship abuse and sexual assault prevention and response per state rule. She said the policy was a result of compliance. She said a

procedure was not created as the response process was covered in other District policies and procedures. She said the policy would be brought for first reading at the April 15, 2014 Regular Board Meeting.

Update on the Refinancing of the School District Bond

Mr. Reed said the opportunity to refinance the District's bond had been discussed during previous Board Meetings. He said the bond had recently become callable which meant they could be refinanced and depending on current interest rates could realize a savings to taxpayers in the amount of \$180,000. He said there was no way to know what the savings would be until the District was able to refinance in May. He said market rates went up and down constantly. He said the savings to taxpayers was realized through a lower interest rate on the remaining bond debt. He said the District sent an application to the state noticing it of the District's intent to refinance the bond. He said the District could apply for the refinancing using the state's strength and rating which meant the District could qualify for a better rate. He said the District qualified for good rates on its own, but the state's rate was better by up to 20 points. He said Zions Bank would draft a Resolution for Board consideration at the April 15, 2014 Regular Board Meeting if it decided to move forward. He said the District would review the Preliminary Official Statements from financial organizations interested in purchasing the District's bond. He said after the Board adopted the Resolution to authorize the sale of the bond the ratings would be advertised across the nation. He said a competitive bond sale would be held on May 13, 2014 and would end May 21, 2014. He said the District would close on May 27, 2014 and funds would be placed back into the original accounts. He said the District had 2-1/2 years remaining on its current bond. He said the first time the District refinanced the bond it saved taxpayers approximately \$600,000. Mr. Mattson said refinancing the bond was being a good steward to the community and he did not see any downside to moving forward. Mr. Reed said it was a positive step for the community. He said the District may need to build a new school in the near future and it was important to show the community that the District was responsible with taxpayer dollars.

Food Service Update: Price Increase per Federal Regulations; Changes to Food Service Federal Nutrition Guidelines and Impact to Fundraising

Mr. Reed said included in the packet were the nutrition guidelines from the USDA. He said the requirements were part of the Healthy and Hunger Free Kids Act. He said the guidelines attached restrictions to the entire national food service program and not just school lunch. He said anything from midnight to the end of the school day excluding extra-curricular activities would have to adhere to the new guidelines. He said not all of the changes were a bad thing, but requirements were stricter and created some challenges. He said certain foods had calorie limits for school lunch, snacks, and a la carte items. He said the calorie limits were much lower than current food choices. He said the sodium, sugar and fat content was also dramatically lower. He said the biggest change was the limit on sugar. He said any item served had to contain less sugar than 35% of the weight of the food. He said the greatest impact would be to the District's beverage contract as the new requirement would restrict the sale of any soda other than low or no sugar sodas. He said there were no soda machines in the elementary schools but were in the middle and high schools. He said for a number of years Coke had not offered sugar drinks but did offer low or no calorie soda, but Pepsi still provided both. He said all soda was required to be zero calorie and low sugar. He said flavored water had to have less than 5 calories per 8 oz. He said that would not be difficult to implement but would be more challenging with fruit juices, Gatorade and Powerade. He said all of those beverages contained more than 60 calories per 12 oz. He said either the vendors would have to change their product or they would no longer be sold in schools. He said another area that would change dramatically was the sale of cookies. He said the most popular choice was the Mrs. Good Cookies. He said the District sold approximately 144,000 Mrs. Good Cookies per year which amounted to \$84,000 in food service revenue. He said the product did not meet the new standards for sugar content and the schools would have to discontinue selling them. He said schools sold over 18,000 Gatorades in a given year and the sale of both Gatorade and Snapple would no longer be permitted. He said the changes amounted to a \$110,000 loss in revenue to the Food Service program. Mr. Mattson asked if the manufacturers of the products were aware of the coming changes. Mr. Reed said they were aware and some may even change their product but kids may not want to buy them anymore. Ms. Cranor asked if any of the products were made in food service. Mr. Reed said some of them. He said the market would adjust as requirements were implemented. He said almost every new product being produced anymore was low or no calorie. Ms. Gebhardt asked if there were any restrictions being placed on artificial sweeteners. Mr. Reed said not yet. He said 100% fruit juice contained more calories than those with artificial sweeteners but there was an argument to be made against the health impacts on both sides. He said even fundraisers would have to be compliant with the new changes and would no longer be allowed to sell donuts, chocolate bars or any other type of candy or sweets that did not meet the new guidelines. He said the beverage contract generated on average about \$55,000 per year for the general fund which would be dramatically reduced. He said when Coke still offered full

sugar sodas the revenue generated was closer to \$80,000 per year. He said the extra-curricular programs would have to face a reduction in revenue from the loss of those sales. Mr. Reed said another change coming to the food service program was the requirement regarding the price per meal that the food service program was required to charge based on the cost of food compared to the number of students that qualified for free or reduced lunch rates and the District would have to raise its prices for the coming school year in order to remain in compliance.

Purchase of ISU Property Adjacent to Franklin Middle School

Ms. Vagner said during the Capital Improvement Project planning process the Board discussed the possibility of setting aside land for a future elementary school. She said the administration had identified a parcel of land adjacent to Franklin Middle School that was owned by ISU and recently met with ISU's administration to discuss the possibility of purchasing the property. She said ISU was receptive to the proposal. She said the ISU administration would take the proposal to sell the property to the State Board of Education for approval at the State Board of Education's April Meeting. She said the District would have a better idea of whether or not the purchase could move forward following that meeting.

Budget Preparation for 2014-15

Ms. Vagner said included in the addendum was the budget presentation. She said a few administrators attended the Post-Legislative Tour the previous week. Mr. Reed said the first spreadsheet in the packet was a preliminary analysis of the District's revenue and expenditure picture. He said it gave a general idea of where the District's budget would be for the 2014-15 school year. He said the District's revenue was at \$63 million and expenses were at \$64 million. He said the anticipated expenditures were above current revenues. He said the administration would need to review the requested expenditures and determine what could be cut back. He said the District's appropriated fund balance was at \$800,000 which was the carryover from one-time allocation from the state that the Board agreed to utilize to offset budget shortfalls in the coming years. He reviewed the estimated cost increases. He said the administration was proposing an additional 4 FTE at the secondary level to cover positions that were not able to be filled this year. He said medical insurance premiums would increase by at least 2% and the District would have some impact from the implementation of Obama Care at an estimated \$200,000. Ms. Gebhardt asked if the additional 4 FTE would cover all of the prep periods that had to be purchased last year. Ms. Vagner said it would eliminate the need for most of the preps purchased but Century High School would still need to purchase a few prep periods. She said the additional FTE was a result of the growth at Alameda Middle School by 2 classes and the need for a science teacher in the high schools and other middle school needs. Ms. Cranor asked if the budget addressed the social workers. Ms. Vagner said there was no funding available for additional staffing. Ms. Cranor asked if the restoration of sequestration money could address that issue. Ms. Vagner said it was a possibility but the District also had to be mindful of the local Maintenance of Effort requirements. Mr. Reed said the District was already extremely close to not meeting the Maintenance of Effort requirements. He said there was no flexibility with the requirement whether Districts lost millions in revenue or not. Mr. Reed said the administration also learned that its power and electricity expenses were \$170,000 more than anticipated. He said other known cost increases included \$15,000 for school lunch, \$6,000 for crossing guards, \$150,000 for Infinite Campus software maintenance, \$100,000 for software support for Lightspeed and \$15,000 for a software upgrade for Transportation. He said the cost increases added up to just over \$1 million and did not include any additional support for supplies or textbooks. He said overall there was just over \$500,000 that could be used to support programs for 2014-15. Ms. Gebhardt asked if there was any possibility of seeing a pay increase for teachers. Mr. Reed said the District was preparing the budget as status quo and any increase would be a pass-through from the state relative to salaries. He said the 1% increase from the state translated to .84% for the District because the District funded salaries at a higher level than the state. He said he was grateful that the District was not facing a reduction this year as in years past. Ms. Vagner said one thing that saved the District from having to make any reductions was the allocation of Operational Funding from the state. She said without this revenue the District would be facing a \$2.2 million cut. Mr. Reed said while the District was grateful for the restoration of some of the Operational Funding from the state, it was still only half of what the District used to receive in 2007-08. He said the District was still not at a point of restoration. Mr. Smart said he heard over the weekend that Obama Care might change the threshold for full time employees from 30 hours a week to 40 per week. He said it might not happen this year but was being discussed. Ms. Vagner said the anticipated medical cost increases were still being negotiated and was not a solid number. Mr. Smart reviewed the state funding estimate. He said based on the state's formula for salary apportionment he anticipated the District would have 591 units. He said the state base had increased by 1% for all employee groups. He said as a result, he moved all employees up on the salary schedule and created a new index. He said the index should go down based on retirements. He said the state increased the minimum salary for a starting teacher to \$31,700. He said District's portion of PERSI and benefits

was included in the calculation. He said there was a 1% difference in the District's best 28 weeks compared to the year before which amounted to 585 support units. He said the District's entitlement increased by \$1.3 million. He said the base support was \$1.9 more than the year before. He said most of the funds from the state were earmarked. Ms. Cranor asked why the state reduced the Professional Development allocation. Mr. Smart said last year the state allocated funds for differential pay and 40% of that could be used for professional development. He said this year the state was taking that money and allocating it for Leadership Premiums and professional development. He said the state was just taking the money from one line item and moving it to another. Ms. Vagner said the state allocations were tied to the Governor's Task Force recommendations. She said the tiered licensure allocation had a \$41 million price tag and the Leadership Premiums line item took \$15 million from that. She said the remaining \$26 million only amounted to a \$1,300 increase per teacher statewide. She said the state's allocation ate up resources from the career ladder and put it towards Leadership Premiums which was just another attempt at Pay for Performance. She said the legislature was clear that the intent was not to evenly distribute \$800 to each teacher for Leadership Premiums but rather the District should only distribute a portion of the funds to staff. She said it was intended to be a selective process. Mr. Reed said it was made clear at the Post Legislative Tour that the SDE would closely monitor how Districts allocated the Leadership Premiums. Ms. Gebhardt said so much for local control. Mr. Smart said overall the District's budget was up \$3 million but \$1 million had to be spent on the state's programs. Ms. Vagner said some of the state allocations were one-time and others were meant to be ongoing. She said the District would have to determine which funds would be ongoing. Ms. Cranor asked what the state funds allocated for ISEE would be used for. Mr. Smart said Districts around the state could opt into the state's wireless plan or could choose their own and the funds would be used to support the implementation of wireless infrastructure. He said the allocation was \$21 per high school student. He said ISEE Phase 2 was either for Schoolnet or another Instructional Improvement System (IIS) with the stipulation that the IIS had to directly upload into ISEE. He said the state speakers only mentioned Mileposts one time in the presentation. He said Mileposts did not upload directly into IC so the funds could not be used to offset that cost, however, the ISEE Phase 2 funds could be used to offset technology expenses, so the District could pay for Mileposts out of technology and use the ISEE Phase 2 funds to reimburse the technology budget. Ms. Vagner said all of the new categorical funding areas and advanced opportunities had to be reported which increased the District's ISEE reporting requirements and had to be reported in order to receive money from the state. She said another line item earmarked from the state would be used to pay \$200 per year for juniors and \$400 per year for seniors that took dual enrollment courses and did not include the stipulation that graduation requirements had to be met first in order to be eligible for the funds. She District's would be required to pay the costs up front and would be reimbursed by the state. She said eligible students would have to be flagged at the start of the school year depending on the courses they enrolled in. Mr. Smart said other areas of special distribution included \$2,000 for Board training and the development of a Strategic Plan. He said the National Board Certification stipend was restored at \$10,000. He said it was time intensive and costly for a teacher to obtain. He said it helped secondary teachers become highly qualified but not elementary teachers. Ms. Gebhardt said the ISBA communicated that if the District posted its Strategic Plan on the website and held its annual Board training it would meet the requirement for the \$2,000 reimbursement from the state. Ms. Vagner said the administration was cross-walking the legislation with the District's Strategic Plan to make sure it aligned and met the state's requirements. Ms. Gebhardt said she would like to see a similar requirement for legislators. Mr. Smart said he anticipated receiving 591 units for the coming school year which equated to 44.3 administrative FTE. He said the District only had 39.76 administrative FTE and were underhired by 4 administrative FTE or 10.3%. He said Districts were allowed to underhire certificated staff at 9.5% but the District had only underhired by 2.4%. He said if the District hired the additional 4 FTE for secondary it would put the District at 1.8% underhired. He said the classified staff was underhired at 5%. He said there was discussion about the newly implemented class size legislation which could impact the District's ability to underhire at current levels. He said the administration had no idea how the state was going to determine average class size. He said the state communicated that it would not take the size of a District into consideration which could skew the numbers across the state. Mr. Reed said it would not impact the coming school year but would impact the District for 2015-16. He said if the state's calculation of average class size created a mess there would not be time to correct things before the next school year. Ms. Vagner noted the problems this would cause for classes like band. Ms. Cranor asked how in the world the District could limit choir and band classes to 25 students. Mr. Reed said last year the Board decided to use 60% of the appropriated fund balance to balance the budget which left \$817,000 to balance this year. Ms. Vagner said the District would be able to balance without any reductions this year because of that decision. She said if the state did not increase the education budget next year the District would be out of reserves to help balance in the future. Mr. Reed said there were many Districts that did not have any reserves and were underhired at the full 9.5% or more. He said the planning of the Board had put the District in the best possible position to balance without having to cut that deep.

Ms. Vagner said the administration was seeking direction from the Board to balance the budget as status quo. The Board was in agreement.

Public Comment

Board Protocols for Public Comment will be followed at all Board Meetings. Patrons wishing to address the Board will fill out Form AD 2 – Request to Appear before the Board and present it to the Board Chair or Board Secretary prior to the meeting. Because of the diversity of issues, members of the Board may not respond to delegations. Instead, issues are recorded and referred to the proper staff member for follow-up. The Board is informed of these efforts by the staff member responding to concerns.

Board Operating Principles #22 & 23:

22) The Board will follow the chain of command referring others to present their issues, problems, or proposals to the person who can properly and expeditiously address the issues; 23) Board members will refrain from communications which create conditions of bias should a problem or complaint become the subject matter of a hearing before the Board.

Jan Flandro – 72 Rosewood Avenue, Pocatello, ID 83204

Ms. Flandro said she was representing the PEA and social workers. She said she had concerned PEA members come to her about the restructuring of the social workers and school psychologists. She said Ms. Sanford provided a detailed report earlier on the agenda. She said she did not envy Ms. Stanford’s position or her having to make those tough decisions. She said the District was in a position to add 1 FTE in order to retain social workers at the current 3.5 FTE. She said social workers were important for many reasons. She said the school psychologists did a lot of testing already and would need to do even more next year and their time would be limited. She said social workers were more hands on and the social workers with a Master’s Degree were qualified to counsel students. She said one of the social workers went to lunch with a student because the student could not be left alone. She said they communicated with families, visited homes and made families aware of local resources available to them. She said at times there were a lot of IEPs to be done and emotionally impaired students were sent to social workers. She said both the social workers and school psychologists were extremely important and she did not want to pit them against each other. She said both groups worked together to improve a student’s environment and she was here to advocate for them. She said the hands on work, testing and analyzing data were all vital components and special education needed an additional FTE for school psychologists to help with the workload and keep the social workers where they were. She said every year students had more and more problems and more people were needed.

Adjourn:

Chair Gebhardt adjourned the Special Meeting/Work Session at 3:59 p.m.

APPROVED ON:

May 20, 2014
By:

Janie Gebhardt
Chair

MINUTES PREPARED BY:

[Signature]
Secretary, Board of Trustees

ATTESTED BY:

[Signature]
Clerk