

**MINUTES OF THE SPECIAL MEETING
OF THE GOVERNING BOARD
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48**

March 4, 2008

A Special Meeting of the Governing Board of the Scottsdale Unified School District, #48, Maricopa County, was called to order at 3:30 PM, in the Arcadia High School Auditorium, 4703 E. Indian School Road, Phoenix, Arizona.

Board Members in attendance were Karen Beckvar, President; Dr. Eric Meyer, Clerk; Jennifer Petersen; and Dieter Schaefer. Molly Holzer arrived at 3:37 PM. Superintendent John M. Baracy was also present. A quorum was present.

Information/Discussion Items

Dr. Baracy stated that over the last four years SUSD has made some significant increases in student achievement and in financial stability. The District has gone from 18 Excelling Schools to 22 Excelling Schools, with another six schools on the verge of going from Highly Performing to Excelling. The challenge will be achieving 33 Excelling Schools by 2010 with very limited resources.

Dr. Baracy introduced Sherry Celaya, Director of Finance Services, to present Information/Discussion Item II. A. Budget FY2008-09 Update to Align with District Goals. Ms. Celaya reviewed all of the funds that comprise SUSD's budget, including Maintenance and Operations (M&O), Proposition 301, Indian Gaming, all Title Funds, Plant Fund, Capital Outlay, and Community Schools.

Dr. Milissa Sackos, Executive Director for Student and Community Services, continued with an update on all Community Schools' programs, including Kids Club, PreK and Enrichment programs. These programs have grown over the last year. In the 2006-07 school year, Kids Club started with ten Kids Clubs, serving 300 students. Currently, in the 2007-08 school year, there are 15 sites, all in good standing, serving 850 students. Kids Club is now a year-round program serving most holidays and summer vacation and is in operation from 6:30 AM – 6:00 PM. Community Schools has added seven Pre-K classes and one Preschool class, serving over 230 students; all classes are staffed by a certified teacher and an instructional assistant. It is anticipated that four additional classrooms will be added in the 2008-09 school year, with room for additional enrollment. Sports Camps for K-12 boys and girls are offered at four SUSD high schools and four SUSD middle schools. Also, Summer School is offered at Coronado HS and Desert Mountain HS and serves 1600 students. Evening School serves 80 students and is offered during spring semester. Finally, Pinnacle Online serves 20 students and is offered throughout the year. Community Schools' goal for 2008-09 is to maximize teacher use in after-school activities and develop site-specific individualized programs that will help support the District goal of 33 Excelling Schools.

Katy Cavanagh, Assistant Superintendent for Teaching and Learning, presented Information/Discussion Item II. B. Discussion on District Goals. Mrs. Cavanagh, in conjunction with the update on the fiscal year 2008-09 budget, presented a summary of progress and challenges to date on District Goal #1, Improving Student Achievement. Some of the celebrations highlighted included the expansion of the AVID (Advancement Via Individual Determination) program from two to four schools. The program directly aligns to high school and middle school rigor and identifies students who have not yet determined that they are college-bound honors and AP (Advanced

Information/Discussion

- Budget FY2008-09 Update to Align with District Goals

Community Schools Update

- Discussion on District Goals

Goal #1, Improving Student Achievement

Placement) students, by supporting their needs, providing mentoring and counseling and adding to the number of students who will be attending honors and AP courses in their high schools. Another highlight is the expansion of RTI (Response To Intervention) to meet the needs of SUSD’s struggling students. The schools participating in this program have made great gains in reading and language arts. The third program highlighted is the implementation of high school counselor reform as an “umbrella of counseling services” for all students (including a comprehensive Freshman Transition program). This program will continue to provide collaboration and professional development for counselors. Mrs. Cavanagh stated that with celebrations come challenges. It is a challenge to implement all programs and District Goals that impact student learning in the current time frames. The length of the school day and school year is a challenge. Administration will continue to work to create time to provide collaboration and instructional time needed for meeting all District Goals. Administration will also work to accomplish all support opportunities in the current time frames to meet the needs of SUSD students and teachers. Another challenge is implementing programs that are working well with fidelity. Fidelity is needed to provide sustainable time to implement those programs at all sites and to let go of those programs that are not working well.

Mrs. Cavanagh also reviewed Goal #2, Professional Development and Exceptional Customer Service. Mrs. Cavanagh noted that the Board discussed Professional Development at the February 26, 2008 Work/Study. SUSD Administration has embraced coaching models for professional development that are embedded in the work day. These models will be expanded using Indian Gaming Funds, other Title funds and Deseg funds. Again, the challenges are time and budget resources. Administration will address those challenges when the 2008-2009 District Goals are presented to the Board by sharing some of the long-range strategies that are planned.

Jeff Thomas, Executive Director of Human Capital, continued with a review of Goal #3, Improving Employee Relations. Human Capital has created a diversified recruitment plan that has been implemented this spring. This has helped SUSD in getting the best candidates available. Progress has been made in hiring Highly Qualified teachers; all 7-12 grade math teachers are Highly Qualified and appropriately certified for this year. Another celebration is the significant work that has been done regarding the employee evaluation instruments, as presented at the Board Meeting of February 12, 2008. A progress report will be given at a future meeting. The District’s retention strategies have been very effective; this year, SUSD will have the smallest Administrative turn-over in the last eight years. Also, significant improvements have been made regarding the District’s multiple employment procedures. This includes the online employment application. One long-term challenge is the time constraints regarding employee orientation over the first couple of years of employment. Orientation is actually part of professional development, which is job-embedded. Therefore, time constraints are a problem and are something Human Capital is striving to resolve for all new employees. Another challenge is continued shortage areas for some hard-to-fill positions, the greatest area being Special Education. Significant progress has been made in reducing the number of emergency certifications. This will be an area of focus.

Ernie Nicely, Executive Director of Information Technology, standing in for Kevin Price, Internal Auditor, presented Goal #4, Improving the Operation of the District. All of the District Office’s departments have completed their policies and procedures manuals. However, two departments’ manuals were draft copies; these will be completed by June 30, 2008.

Goal #2, Professional Development

Goal #3, Improving Employee Relations

Goal #4, Improving the Operations of the District

Mr. Nicely continued with the celebrations for Goal #5, Improving the District's Technology. There is a lot to celebrate in technology; Mr. Nicely highlighted that most of the District's Technology Plan has been funded through the recent passage of the Capital Override. This has caused a great deal of excitement in the District, especially among the teaching staff, over the level of technology that will be implemented in their classrooms. The challenges include matching first year funding of the Capital Override with first year expectations. The District will only receive one-seventh of the funding each year, and therefore is faced with deciding what technology to implement in years one and two and what can wait until years six or seven. Another challenge is matching the timing of the implementation of the technology with the training program planned. An implementation process will have to be designed to dovetail with the physical installation of the technology.

Goal #5, Improving the District's Technology

Dr. Milissa Sackos, Executive Director for Student and Community Services, presented Goal #6, Improving Student Safety and Wellness, specifically Wellness. Dr. Sackos highlighted the District's movement towards compliance with the Arizona State Nutritional Standards. SUSD elementary schools have met those standards. The District's Nutritional Services Department is currently working to update recipes and ingredients in the nutritional analysis data base and will be implementing updated and improved menus in the middle and high schools. One of the challenges is the need to increase training and education opportunities for all teachers, administrators and parents and to implement that training and those opportunities.

Goal #6, Improving Student Safety and Wellness

Ms. Beckvar, on behalf of the entire Board, thanked Administration for their presentations and for all their hard work in accomplishing the District's Goals. Discussion followed, beginning with Mr. Schaefer.

Discussion

Mr. Schaefer stated that in regard to Goal #1, Improving Student Achievement, he would like to see school site improvement plans focused more on the math and science areas.

Mrs. Petersen commented on Goal #1, regarding Lions Quest, that she assumes that Administration is looking at what is working for that program. Additionally, on Galileo, Mrs. Petersen commented that Administration should be getting all information to the appropriate stakeholders, especially parents. Also, regarding Improving Student Achievement, and the challenge of balancing District Goals and budget realities, she is assuming that Administration is getting the best, most effective programs and not just reducing electives. Mrs. Cavanagh responded that where there might be reduction in electives is where there were a low number of students over time and after analysis it was found that compacting or adjusting that course would better meet the needs of students. Regarding Goal #5, Technology, Mrs. Petersen asked how the reorganized Campus Technician program has been working, if campuses are getting enough availability. Mr. Nicely responded that one of the things that has been accomplished is that there is now a team of technicians available for each school. This teaming has led to some really good mentoring and synergy. Mrs. Petersen also asked if Administration should look at restoring the Help Desk or Call center function. Mr. Nicely responded that will be part of his department's redesign. In the absence of this function, the on-campus technician is the first-line assistance.

Dr. Meyer asked about budget, regarding MIPS funding, if the net loss projected was due to a combination of increased fuel costs, particularly diesel and cuts from the Federal Government. Sherry Celaya responded that the District is anticipating a loss of revenues that will be more than 50% of what is currently received, as well as the

increase in fuel costs. Some of those fuel costs will be moved back to the Maintenance and Operations budget for next fiscal year. This is due to a loss of reimbursements, specifically transportation and indirect services, as well as direct services under Medicaid. Dr. Meyer responded that we are required to provide these services even though we are no longer funded. Dr. Meyer asked how the District will move forward with District Goals and budget this year. Mrs. Cavanagh responded that after guidance and feedback from the Governing Board, Administration will highlight and focus on those things that are working most successfully.

Mrs. Holzer asked about the frequency and cost of Galileo testing. Mrs. Cavanagh responded that the data collected shows the alignment of Galileo is based on a benchmark that guides Administration in showing if students are going to be successful. The frequency was developed as the quarterly guideline for whether students have learned what was taught. Data is continually analyzed with teachers, parents and specialists regarding that timing. Mrs. Cavanagh noted that SUSD is one of many districts in the State that use this type of Galileo benchmark data to predict whether or not students are going to succeed on AIMS and if they will graduate from high school. Dr. Ildiko Laczko-Kerr, Executive Director of Curriculum, Instruction and Assessment, added that the District tests quarterly in reading, math and writing, primarily in grades K-12, although in kindergarten testing is only done three times a year. At the twelfth grade level, assessment is done for students who have not mastered the standards on AIMS. Galileo costs approximately \$8.00 per student, an all-encompassing comprehensive cost for anything in the tool itself, all the benchmark testing, all the formative testing, additional services and support that involve data dialogues, professional development, resource allocations, and support to teachers. Dr. Laczko-Kerr added that the cost for the program is not per test, but is a straight-student cost or approximately \$200,000 total for this last year. Also, there is no additional cost for the full usage of the entire Galileo tool. Mrs. Holzer asked if Indian Gaming Funding could be used to expand the high school counselor programs. Mrs. Cavanagh responded that the District could use those funds. Currently, the District is using those funds for some of the middle school counseling services, as well as some staffing for Coronado high school for additional drop-out prevention. However, the District would not then have the funds to expand AVID, RTI, alternative to suspension program and diversity programs such as Unitown.

Mr. Schaefer stated, regarding Community Schools, that he was happy to see the program being expanded, but he would like to see this pursued more aggressively and would like to see revenue and expenditure goals established so that the Board, Administration and the community would know if Community Schools was succeeding. He would also like to see a business plan for two to three years developed. Mr. Schaefer stated that he felt the expansion of this program was a wonderful opportunity to provide supplemental revenues to the District.

Mrs. Holzer concurred with Mr. Schaefer; she too would like to see a business plan for Community Schools as well as projected enrollment for this year and the following year. Mrs. Holzer would also like to see revenue information from the District's catering department, another positive cash-flow resource that could also be expanded. She would also like to see if there were some other possibilities with the EVIT (East Valley Institute of Technology) program. She would like to see more of a plan for expansion in these areas that seem to be successful, making it more of a priority. Mrs. Holzer asked for clarification on rental funds, Funds 505 and 515. Dr. Peterson responded that there are a couple of Plant Funds; Fund 500 is the all-encompassing fund. By law, Fund 500 is where the monies go from the sale of property. Fund 505 is

the District’s rentals of less than one year, such as church groups and community after-school programs other than Community Schools. Such rentals as an auditorium for a dance performance over several weekends also go into Fund 505. The District is making a profit from these rentals. The Plant Fund could be used in case of an emergency, such as the replacement of a chiller unit. The only reoccurring cost for this Fund is for the salaries of those five FTEs that are directly related to the rentals, such as custodians. The balance in that fund is several million dollars. These funds could also be used for a capital purchase. Fund 515, Civic Center Fund, is for one-day type of rentals, such as a craft sale. Mrs. Holzer also asked for clarification regarding funding for Workmens’ Compensation, stating that she did not want to use Fund 500. Dr. Peterson replied that Workmens’ Compensation was actually a benefit and should be funded out of the M&O Budget. This was something that he was going to suggest be discussed during Meet and Confer negotiations this year.

Discussion concluded. Ms. Beckvar asked for a motion to convene in Executive Session.

Mrs. Petersen moved to convene in Executive Session for:

- A. Discussion/consultation with the Board’s designated representatives in order to consider the Board’s position and instruct its representatives regarding negotiations with employee organization(s) regarding the salaries, salary schedules or compensation paid in the form of fringe benefits of its employees and other terms and conditions of employment, so that those representatives can properly represent the Board in upcoming “Meet and Confer” sessions, pursuant to A.R.S. §38-431.03(A)(5).

Mr. Schaefer seconded the motion.

The motion was approved with a vote of 5 – 0.

At 5:33 PM, the Special Meeting reconvened.

Dr. Meyer moved to adjourn the Executive Session. Mrs. Holzer seconded the motion.

The motion was approved with a vote of 5 – 0.

Mrs. Petersen moved to adjourn the Special Meeting. Mrs. Holzer seconded the motion.

The motion was approved with a vote of 5 – 0.

Motion #72

Convene in Executive Session

Special Meeting
Reconvenes

Motion #73

Executive Session
Adjourns

Motion #74

Special Meeting
Adjourns

Dated this 4th day of March 2008.

The Governing Board of the Scottsdale Unified School District #48

Karen Beckvar, President

Eric Meyer, Clerk

Molly Holzer

Jennifer Petersen

Dieter Schaefer