

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

June 17, 2008

A Regular Meeting of the Governing Board of the Scottsdale Unified School District, #48, Maricopa County, was called to order at 5:32 PM, at the Scottsdale Unified School District Education Center Board Room, 3811 North 44<sup>th</sup> Street, Phoenix, Arizona. President Beckvar called upon Mr. Schaefer to lead the audience in the Pledge of Allegiance.

Board Members in attendance were Karen Beckvar, President; Dr. Eric Meyer, Clerk; Jennifer Petersen; and Dieter Schaefer. Molly Holzer appeared telephonically. Superintendent John M. Baracy was also present. A quorum was present. Ms. Beckvar welcomed approximately 30 visitors.

Ms. Beckvar noted a correction to Consent Agenda Item VII. Personnel Actions – 5/20/08-6/2/08, page 10, New Employments, Administrative. The correct base salary for Pam Sitton should read ~~\$103,918.00~~ **\$98,000.00**.

Mr. Schaefer moved to approve the Agenda as amended. Mrs. Petersen seconded the motion.

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

Superintendent's Comments

Dr. Baracy introduced Jeff Thomas, Executive Director for Human Capital. Mr. Thomas recognized several SUSD employees who were instrumental in the successful implementation of the District's new Visions Software Program. Certificates of Appreciation were presented to members of the Finance, Human Capital, Purchasing, Warehouse, Nutritional Services, and Payroll Departments. A special thank you was given to Pat Cohen, Manager of Payroll Services, for her dedication and hard work for the District. Dr. Baracy thanked all the recipients for all they do.

Dr. Baracy introduced Katy Cavanagh, Assistant Superintendent for Teaching and Learning. Mrs. Cavanagh thanked Cathy Rivera, Executive Director for Elementary Education, for her years of service and noted her retirement. Mrs. Cavanagh then introduced Dr. Pam Sitton, the new Executive Director for Elementary Education, and welcomed her to the District.

Public Comment

There were no Public Comment cards handed in.

Consent Agenda

- VII. A. Acceptance of Gifts - \$182,843.63
- VII. B. Accounts Payable Vouchers – 5/19/08-6/2/08
- VII. C. Payroll Vouchers – 5/27/08-5/29/08
- VII. D. Personnel Actions – 5/20/08-6/2/08 – **Amended**
- VII. E. Approval of Readmission of Case #200807R322
- VII. F. Auxiliary Operations Statement for May 31, 2008
- VII. G. Student Activities Statement for May 31, 2008
- VII. H. Tax Credit Statement for May 31, 2008

Correction to Agenda

Motion #137

Approval of Agenda as Amended

Superintendent's Comments

Public Comment  
None

Consent Agenda

Consent Agenda Continued

- VII. I. Authorization to Exceed Subsections 200 and 400 in the Maintenance and Operations Budget Per A.R.S. §15-905.G
- VII. J. Approval of Arcadia HS Renovation – Change Order
- VII. K. Approval of Continued Participation in Tax-Based Dropout Prevention Program
- VII. L. Approval to Implement 403(b) Special Pay Plan
- VII. M. Approval to Increase Reimbursable Meal Pricing by \$0.25 for Breakfast and Lunch, K-12
- VII. N. Resolution Authorizing the Execution of Warrants between Board Meetings
- VII. O. Resolution to Appoint the Maricopa County Schools as Chief Disbursing Office for Garnishments
- VII. P. Increase to Guaranteed Maximum Price for Chaparral High School
- VII. Q. Award of RFP #9008, Sporting Officials
- VII. R. Award of IFB #8236, Football Uniforms
- VII. S. Award of IFB #9030, Fuel
- VII. T. Approve the Issuance of an RFP for 403(b) Administrative Services
- VII. U. Approve the Issuance of an RFP for Banking Services
- VII. V. Approve the Issuance of an RFP for Solar Photo System
- VII. W. Approve the Purchase of Kitchen-Café Equipment District Wide
- VII. X. Approve the Renewal of Contract #7007, Library, Print & Non-Print Materials
- VII. Y. Approve the Renewal of Contracts
- VII. Z. Designation of Sole Source for Reading Specialist Endorsement
- VII. AA. Approval of AZ Department of Education Office of Administrative Hearings Contracts
- VII. AB. Approval of Minutes of May 20, 2008 Special Meeting-Work/Study
- VII. AC. Approval of Minutes of June 3, 2008 Special Meeting
- VII. AD. Approval of Minutes of June 3, 2008 Regular Board Meeting
- VII. AE. Renewal of University of Wisconsin Affiliation Agreement
- VII. AF. IGA for Dual Enrollment with Maricopa County Community College District

Mr. Schaefer moved to approve the Consent Agenda as amended. Mrs. Petersen seconded the motion.

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

Information/Discussion Items

Dr. Baracy introduced Tori Trahan, Health Services Coordinator, to present Information/Discussion Item VIII. A. Report on Policy JL – Student Wellness, Implementation and Evaluation. Ms. Trahan noted that the Board had received the Wellness Committee’s report, in accordance with District Goal #6. During this school year training was held on the Wellness Policy and Curriculum for all Principals, elementary teachers, and middle and high school science and PE teachers. Educational materials were distributed to all staff and parent groups. During the spring of 2008, school evaluations were held and parent surveys were conducted. The committee reviewed the policy and the regulations for any needed revisions. Minor revisions to Regulation JL-R were suggested. Ms. Trahan noted that the second annual Wellness University for all SUSD staff would be held on July 30<sup>th</sup>, 7:00 AM-3:30 PM, at the Scottsdale Healthcare Shea Conference Center and invited all to come. Ms. Trahan introduced the committee members present at the meeting. The Board thanked all the committee members for their hard work.

Mrs. Petersen, in regard to the parent survey, asked if there were plans to continue to

Motion #138  
Approval of Consent  
Agenda as Amended

Information/Discussion  
•Policy JL – Student  
Wellness

get the word out to parents and in regard to the results of the policy evaluation, what plans were there to get all the components of the policy fully in place at all sites. Ms. Trahan responded that is the charge for the committee for next year. Mrs. Petersen also commented that she would also hope that the evaluation component, *Students given opportunities for physical activity*, was also moved up. Mrs. Petersen asked if eating disorders were being addressed. Ms. Trahan responded that is something handled on a one-to-one basis with school nurses. Mrs. Cavanagh responded that eating disorders are also addressed through the Lions Quest program.

Dr. Meyer thanked the committee and noted they have been working on this policy for the last four years. Further, in regard to eating disorders, Dr. Meyer noted that high school science curriculum teaches nutrition and wellness. Janey Kaufmann, Science Curriculum Specialist, responded that in the fourth quarter of the school year, high school biology covered Care and Maintenance of the Human Body. This was first implemented this year. Mrs. Petersen commented that senior year in high school would be a wonderful time to discuss healthy eating habits with students. Dr. Meyer continued that he would like to see an attempt be made to measure that students are actually learning what is integrated in the curriculum.

Mrs. Holzer asked if the survey distributed by the committee could also include a question on what percentage of students are participating in sports programs and at what frequency, just to get an idea of how active SUSD students are. This might enable the possibility of targeting specific schools where students are not quite as active and placing after-school programs at those schools. Ms. Trahan responded that was a great point and would be considered.

Dr. Baracy introduced David Peterson, Assistant Superintendent for Operations, to present Information/Discussion Item VIII. B. Discussion on Facility Utilization. Dr. Peterson presented a PowerPoint defining capacity as a starting point and how it is calculated by multiplying the number of full size classrooms by the number of students a classroom is designed to accommodate. Also defined was program capacity or utilization as the capacity of a school based upon the specific educational programs that are provided at a particular school site. It was noted that this is a “snapshot” analysis of the current day’s utilization. Program capacity is calculated by multiplying the target class size, as budgeted at the TEA or Override thresholds, by the number of full size classrooms remaining after space is provided to special education programs, ESL programs, computer labs, art, music, and physical education programs, etc. Dr. Peterson noted that the Governing Board had directed staff to conduct an analysis of school capacity. Central office staff worked with building principals to define a “standard program” in which the appropriate amount of space needed to perform each academic and administrative function was specified. These specifications were then applied to each school building to determine an optimum capacity range of enrollment. Dr. Peterson stated that staff now needed direction from the Governing Board on what parameters to use in determining current building capacity. Dr. Peterson reviewed what effects capacity at all school levels, including program constraints. Also reviewed was emergency or maximum capacity, which is not realistic for a functioning school and would be used in a temporary situation only.

•Discussion on Facility Utilization

Ms. Beckvar commented that she would add cafeteria space as another specialized space at all sites. She opened the discussion by stating that in order to move forward the Board must have numbers that they could all agree upon to make a decision of how to use the District’s buildings. The Board must decide on what number they would like to use for the number of students per classroom and what kinds of spaces are not going

to be counted as part of a capacity number. It is also necessary to differentiate between elementary and high schools. She suggested starting the discussion with elementary schools and what should be part of the standard program and spaces that the Board wants at every elementary school.

Mr. Schaefer began by thanking Dr. Peterson, the principals and the assistant principals for their hard work in compiling the capacity numbers. Mr. Schaefer conducted his own walk-through at Laguna Elementary School to determine actual classrooms. At Laguna, there were classrooms that could not be modified without incurring an expense to the District, such as computer labs and art rooms. Therefore, he felt it would be important for the Board to define special classrooms. Ms. Beckvar responded that is what she is suggesting the Board discuss. Mr. Schaefer suggested at the elementary school level, special spaces should include the computer lab, the science lab, the art room, and the band, music and strings. Those rooms cannot be modified. Ms. Beckvar added that at some of the District's older schools, there are specialized classrooms for subjects that are no longer taught, such as Home Economics. Those classrooms contain ovens, sinks and counter tops and would incur capital costs to convert them. She asked how the Board wanted to address those. Mr. Schaefer responded that if those classes are no longer taught, those rooms should be considered as regular classrooms. Ms. Beckvar stated that there should be another category for classrooms that could be converted but needed capital to convert them.

Dr. Meyer, in referring to a report from Dr. Peterson, stated that some classrooms were designated as having zero students, such as art, PE, and computer labs. In response to Mr. Schaefer's suggestion to include science labs at every elementary school as a special classroom, he asked how many elementary schools have science programs. Mr. Schaefer responded that the District should anticipate for future years what programs they plan to introduce at all levels. Future Technology should also be considered. Ms. Beckvar stated that is the direction the Board must give to staff and that the Board was trying to be equitable across the District. Mr. Schaefer stated that there should be a formula used to determine capacity - the total number of classrooms minus the number of specialized classrooms.

Mrs. Holzer stated that she has several concerns regarding the capacity numbers and that the plan Dr. Peterson presented to the Board is really a way to increase class sizes. Instead of using the 2002 DeJong Report's recommendation using 28 students to a classroom, this plan places up to 33 students in a classroom. If the Board approves that number, they are, in essence, approving increased class size and she could not support such an increase. She would like to utilize the DeJong and Western Ed reports and perhaps update the high school numbers. She cannot approve such high capacities when there is a high abundance of available seats. Ms. Beckvar interjected that actually the Board was not approving anything at this time. Further, what she is hearing Mrs. Holzer say is that she doesn't want to use the staffing levels that have been proposed. There are two aspects being discussed that the Board wants to give direction to the staff; the first aspect is what the physical spaces are that the Board is willing to count for capacity at various levels. At the elementary level, the Board wants to know how many rooms should they count for capacity based on the fact that they want to have art, music, computer lab, library, etc. not count towards capacity. The second and separate part is what staffing number they want to use for classrooms at various grade levels. Mrs. Holzer responded that she did not want to allow the numbers to reflect 30:1 capacities, giving the District the ability to close quite a few schools and therefore generate that type of information to the State when trying to get support for education in the future. Dr. Baracy responded, that to clarify, the District is

not staffing at those levels for every grade and further, staff is not proposing to staff any higher than currently Board approved Teacher Education Agreement (TEA) numbers. Administration is not proposing any increase in addition to what is already in existence and has been in existence for years. Mrs. Holzer responded that she would like to utilize the DeJong numbers; they are in the best interest of students, and also to update the high schools to 28:1. Ms. Beckvar responded that there might be some different programs that might need to be considered and that the Board wanted to be consistent for all of the schools. The direction she would like the Board to give to Administration at this meeting is what the specialized spaces are that they do not want considered as capacity numbers at the elementary, middle and high school levels. Mrs. Holzer responded that is already in the DeJong report. Dr. Meyer responded that the DeJong report did not count all of the teaching spaces that the District has available now. Also, at the time of that report, on an inflation adjusted basis, the District had more funding per student. The Board, in the ensuing years, has had to increase class sizes to balance the budget. There are two separate issues. At this meeting, the Board is discussing what capacity is at its schools in order to derive what those numbers are to make decisions regarding facility utilization. The fact is, the District receives a fixed amount of money from the State and has to use those dollars wisely. The objective for this meeting is not to discuss staffing levels, which have already been set in the TEA; it is to set what capacities the Board is comfortable with at its schools to use them efficiently and keep class sizes as small as possible. Ms. Beckvar added that the Board can use those numbers to determine what the capacity is for the buildings, based on the spaces and the numbers used for staffing. Mrs. Holzer stated that she agrees with Ms. Beckvar and Dr. Meyer; she understands the budget constraints. What she is saying is if the Board utilizes such high numbers it will appear that the District may have thousands of empty seats and can close perhaps seven schools. That is not something she feels is realistic or responsible.

Mrs. Petersen asked Dr. Peterson why the DeJong numbers were “re-looked” at. Dr. Peterson responded that the DeJong study was initially done to look at facility conditions for a master plan for the District. As a side to that, DeJong did a capacity study. Their study used 28 students to a class; however, they used zero students for such classrooms as special education. Dr. Peterson’s report used the TEA staffing number of students that are actually in each classroom by grade. Mrs. Petersen responded that she agreed with Mr. Schaefer; it would be foolish to use capital to change a classroom that is fitted for a specific purpose.

Ms. Beckvar recapped what she hears the Board is agreeing on. Zero capacity rooms at every elementary school include:

- One art space
- Three music spaces
- One PE space
- The cafeteria
- The library
- The nurse’s office
- One computer lab
- One gifted room

Dr. Peterson added that some schools have carts for science and computers. What his staff did was account for one computer lab at every school with zero students allotted. Ms. Beckvar stated that the above-mentioned might not be the only spaces and Board Members discussed what other classrooms have zero capacity. There are Learning

Resource Centers (LRC) students at every campus and a space is needed for that program. The LRC space may vary from campus to campus.

Further discussion was had regarding the DeJong study. Dr. Meyer stated that he thought the Board had decided not to use the DeJong numbers. Mrs. Holzer disagreed. Dr. Meyer responded that at the May 20<sup>th</sup> Board Meeting, the Board directed Dr. Peterson to go to every school with its principal and find out how many classrooms were on each campus and report back to the Board on those numbers. Mrs. Holzer responded that the Board directed Dr. Peterson to develop those numbers but that the Board would then look at all of the numbers. Dr. Meyer asked to discuss the matter and if the Board was interested in using today's numbers presented by Dr. Peterson, or discussing the DeJong numbers any longer. Dr. Meyer motioned that the Board will not discuss the DeJong numbers any further because they do not pertain to what is being discussed. They are out-dated numbers and did not take into consideration the actual classroom space available and they assigned zero student capacity to special education students. Mrs. Holzer disagreed and thinks that the numbers presented this evening are bad for students now and in the future. Ms. Beckvar interjected that the whole point of this evening's discussion was to move off of the DeJong study and say this is the Board that is in power right now and is the Board that will give direction. This Board asked Dr. Peterson to report back to them the actual count of classrooms. The principals have agreed with Dr. Peterson's report. Ms. Beckvar trusts that the principals and Dr. Peterson have presented the actual count of classrooms. As a Board, which rooms do they want to count as capacity? Not the number of students, but what rooms do they want to count towards capacity and what rooms do they want to take out of the capacity calculation. Mrs. Holzer responded that she would support that. Ms. Beckvar added, in addition to the previously mentioned spaces needed, a space is needed for gifted and/or LRC – a "pull-out" space. She further stated, "this is a desirable level. We know that the emergency capacity can go much higher; some of these specialized spaces can be converted into regular classrooms. This has been done many times in the past and will probably be done in the future because enrollments go up and down. What the Board is looking for is the idealized maximum capacity. Then they can talk about how many students they want to put in each classroom in order to compute an actual capacity number."

Motion by Dr. Meyer

Ms. Beckvar asked Mrs. Cavanagh if there is typically some type of "pull-out" program for either gifted, LRC or ELL at every campus. Mrs. Cavanagh responded that yes, Dr. Peterson's report reflected there would be a gifted and/or LRC, and "other" at each school. The "other" space was to designate the new ELD (English Language Development) model, which depends on each school's need. The speech and language classrooms also depend upon the individual school. The Board continued discussing what spaces they would consider as special spaces. Mrs. Cavanagh asked for clarification. The Board can create a list that in some schools would be too extensive; it would not be possible for some schools to designate each space listed. Ms. Beckvar responded that the Board is trying to be equitable. Mrs. Petersen added that even if the designated spaces are not presently used, they need to be taken into account. Mrs. Cavanagh responded that was what she needed clarified; she could not guarantee that some of the schools would be able to find a separate space for all that the Board listed. Ms. Beckvar stated that this would be an "ideal" capacity. The Board agreed on the spaces for elementary schools as designated above.

Dr. Meyer stated that the next issue for discussion, in his opinion, would be the reality of the numbers of students to use to determine capacity. Students do not come in perfect blocks. It should be determined how, historically, children actually enroll in

the District. As an example, you could have 67 second graders, and perhaps 82 third graders. Further, enrollment fluctuates as you move through the system. Dr. Baracy responded that Dr. Meyer brought up a very good point when talking about “ideal” capacity and that students do not come in perfect blocks. The number of students at a particular school will vary. He does not feel that an ideal number can actually be derived; but the ideal number would give you a target to work with based on the building, in that year, and on the programs that are there. Ms. Beckvar added that the ideal number would only be an average. Dr. Baracy responded it is no different with staffing numbers. The District always staff below its staffing standards. Because these are tough times, the staffing allocations have been raised, not the staffing standards. This has been done many times over the years because it is a State issue of not funding education.

Dr. Chris Hulett reviewed staffing allocations. For the 2008-09 school year, high schools were staffed at an average of 30:1. Last year it was 29:1. Every change of one student at the high school level is approximately \$950,000. The actual TEA staffing allocation is on average 33:1. Middle School level for 2008-09 is staffed at a cap by grade level at 28:1. This is the same as last year. Kindergarten has a cap of 22:1; this means that almost every class is 21:1 or less, resulting in an average of 19.5:1. The cap last year for first grade was 27:1, which produced an average of 24:1. This year the cap was reduced to 25:1, bringing the average for first grade to 22:1. The cap in second and third grade is the same as last year, 27:1; producing an average of 24:1.

Ms. Beckvar stated that what the Board is having trouble dealing with is how many students can you fit and how do you want to utilize the space - capacity and program utilization. There is a difference between capacity and program utilization. The Board has to distinguish between what can be put in the space, based on what is allowed by the TEA. That is what the Administration is asking for. The Board needs a utilization number so that as they move programs around, or combine schools, they can do that based on how schools are utilized. Mrs. Holzer stated that she felt the staffing cap should be used. Mrs. Petersen responded the problem is that is what the District is staffing at this year; next year the District could staff greater or lower. Capacity is different from how we want to use the space, and to Ms. Beckvar’s point, we want to use program utilization. That is when we want to say that although we could use 33:1, we *choose* to be at 29:1; we *choose* to utilize the space in that way. Mrs. Holzer responded that she wanted to use the lower numbers because the higher numbers she is seeing are not realistic. Ms. Beckvar responded, to Dr. Meyer’s point, it is very rare that you will get 33 students in every classroom at the fifth grade level to be able to utilize that capacity. What she thinks is the Board does not want to say what the maximum is that can be fit in the space because they know they will never get that figure.

Continuing, Ms. Beckvar asked what numbers does the Board want to use for capacity for the remaining regular classrooms. Those numbers will then need to be reduced based on the programs at the school, which is the program utilization number. Dr. Meyer stated that the Board needed to set the capacity number so that there was room in the schools for students who live within the complex. The capacity number cannot be set at 100% and should be done so that principals would still be able to staff.

Mrs. Como, secretary to the Board, asked for a point of order. Earlier, Dr. Meyer had made a motion to not discuss DeJong numbers. There was no second. Ms. Beckvar stated that this item was actually only an Information/Discussion item and action could not be taken; however direction could be given. Dr. Meyer could reword the motion to

Point of Order

give direction to Administration.

Dr. Meyer reworded his motion to instead give direction to Administration to no longer use the DeJong numbers for the reasons that were presented. Mrs. Holzer stated that, in her opinion that direction would be throwing away the \$400,000 paid for the DeJong and Western Education studies. Ms. Beckvar responded that the focus of the DeJong study was the condition of the District's facilities. The money paid for the studies was not thrown away; the studies were used effectively in the time frame during which they were done. The Board will use the current count developed by Dr. Peterson's latest study of actual school classrooms, taking into account all of the changes that have been made to facilities in the last six years. Ms. Beckvar asked if Board Members could agree to use the total amount of classrooms that were derived from the principals' and Dr. Peterson's actual count of rooms. Mrs. Petersen, Mr. Schaefer and Dr. Meyer agreed with Ms. Beckvar.

Direction Given to  
Administration

Continuing, Ms. Beckvar asked how the Board wanted to use those rooms, with some rooms not counting towards capacity. The Board has come up with a minimum of seven rooms not counting towards capacity for all elementary schools. This is for regular programs. What will also affect capacity is what specialized programs are placed on a campus, such as pre-school or special education, which will reduce the capacity. Mrs. Holzer commented that would penalize schools that are popular, such as Hopi, which cannot provide specialized programs because they are already full. Ms. Beckvar responded that the Board is going to make decisions on where to place programs based on where there is space. The Board may decide to move a special education program to another campus. Mrs. Petersen responded that the only thing that would factor into that, for example, in a special education program such as Panda, would be a Panda playground that was installed; that would be considered a special accommodation and could not be moved. Mrs. Holzer stated that she wouldn't agree with that; she thinks that every school has special accommodations. Programs such as special education and pre-school should either be left in or taken out across the District. Mrs. Cavanagh responded that every group of children in the District's 32 schools has LRC children. That is special education. Ms. Beckvar added that is what they are saying; there would be one room on a minimum on every campus dedicated for that type of space. Every elementary school will have those seven spaces counted as zero capacity. Further discussion was held regarding special classrooms and staffing ratios. Mrs. Holzer stated that capacity and staffing ratios are tied together; she would like to figure out the program capacity numbers at a lower number and figure out the staffing later.

Ms. Beckvar stated that she thought the Board could move forward. If it has agreed on spaces, it now needed to give direction on what numbers Administration should use. Mrs. Petersen stated that she understood what Mrs. Holzer was saying. Her concern was that if the Board started manipulating numbers, in six years another Board might be asking what was it this Board was trying to do. The numbers are what they are. There are "x" number of spaces, this is how many students can fit in a space, you do the math; this is the number. It doesn't mean we have to put that many students in that space, but technically, that is the space. Mrs. Petersen also stated that she did not want to be at 100%; a compromise must be made between a 75% and an 83% figure.

Ms. Beckvar asked Dr. Peterson if he had enough direction on how many rooms to use at the elementary level. Dr. Peterson responded that he did know what rooms to use and what rooms to specifically exclude.

Ms. Beckvar asked what specialized spaces are there at the middle school level that should not be counted for capacity. Dr. Peterson responded that PE would count towards capacity because there are students in there all day. Dr. Peterson listed several specialized rooms. His list shows all the special classrooms at the middle schools and the adjustments made for the students that might be meeting in those rooms. There will be more special classrooms at middle schools with EIS students. Ms. Beckvar noted that it is harder to set a standard at the middle school level. Mrs. Petersen added that she would think the high school level would also present the same challenges. The high school level is a little more differentiated than the middle school level. There is not as clear a separation. Mrs. Holzer asked if increased capacity was provided for the K-8 schools. Dr. Peterson responded that they did make adjustments for them. Ms. Beckvar asked if the program use numbers Dr. Peterson will bring back to the Board will be on how they are currently used based on the programs that exist at those campuses. Further, what would help, just as a reference point, would be knowing what a full campus would look like with the current staffing numbers.

Ms. Beckvar recapped. The capacity number is based on how many rooms we want to put students in and how many students we put in each of those rooms. What she needs when it comes to looking at schools to be able to make a decision for capacity purposes only, which is the maximum TEA capacity, and should be called “Max TEA capacity,” is a realistic number to be used for planning purposes; how many students can be realistically placed in those programs so that the school is not placed in a situation they can’t handle. That is not the capacity number. The capacity number is what it is; how many rooms we have minus the rooms that are not going to be used for capacity, multiplied by the TEA; that is the capacity number. Dr. Hulett stated that sounds like capacity numbers as currently staffed. Ms. Beckvar responded, call it “utilization number as currently staffed.” Mrs. Beckvar also stated that she understands that Mrs. Holzer respectfully disagrees; as long as we have in addition to that capacity number, a number that can be used for planning purposes on what number can fit. Mrs. Petersen asked when the information will be brought back to the Board. Dr. Peterson responded that he will have the information ready for the first Board Meeting in August. Ms. Beckvar stated that it would be an Action Item on August 12 presenting the numbers that are going to be used for facility planning.

Action on 8/12/08 on Numbers to be Used for Facility Planning

#### Action Items

Dr. Peterson presented Action Item IX. A. Approval of Fiscal Year 2008-2009 Proposed Expenditure Budget, Call for Public Hearing and Board Meeting on July 1, 2008. Dr. Peterson presented a PowerPoint which reviewed the 2008-09 Proposed Expenditure Budget. This must be presented to the Board during the month of June and approved in July pursuant to State Statute. The State Legislature has not yet made any final decisions regarding the State Fiscal Year 2009 Budget. The District’s current budget is based on an ADM (Average Daily Membership) of 25,183.95, a decline of 199.402. Base Level Funding is \$3,515.85, a 2% increase. The Classroom Site Fund (Fund 301) is \$390 per ADM, a decrease of \$11 per student. The Budget sheet the Board will be asked to sign is based on the old year forms. The new year forms were just received but they will have to be updated once the Legislature actually approves the funding for the year. It is probable that Administration will be come back with a budget revision in September. The budget forms that will be presented on July 1, 2008 will be the new budget forms just received. Additions to the Proposed Budget are:

- M&O Override - \$12,900,000
- K-3 Override Funds - \$3,457,803
- Desegregation Funds -\$7,382,170

#### Action Items

- Approval of FY2008-09 Proposed Expenditure Budget

- Excess Utilities - \$5,379,621
- Capital Outlay Override - \$9,901,348
- CORL in M&O - \$6,642,503
- ELL Supplement - \$837,597

Dr. Peterson was pleased to report that the Summary of School District Proposed Expenditure report reflects a SUSD Tax Rate DECREASE of almost \$0.75, a decrease of 16%, an incredible decrease. By formula, all the money that the District has is what it is entitled to. The District actually has to decrease its taxes to make that happen. For the proposed Budget, the following have been budgeted:

- M&O Salary and Benefit Compensation Package - 2% - \$3,211,841
- Workers Compensation - \$941,000
- Horizontal Adjustments that have been submitted - \$986,346
- Administrative & Classified Performance Pay - \$300,000

These are budgeted numbers and based on what the Legislature does, or on direction from the Board, these numbers may change.

The Bond Program has been budgeted at \$14,960,152. That is the last of the Bond to finish out the projects. Dr. Peterson proudly announced that the Bond projects are ahead of schedule, and under budget. All high school bond projects will be completed by October 2008.

Board Members congratulated Dr. Peterson and his staff on the great job they have done on the Bond projects. They also commended the principals, school staff and students for their participation and cooperation.

Mrs. Petersen moved to approve the fiscal year 2008-2009 proposed expenditure budget as presented and called for a Public Hearing and Board Meeting on July 1, 2008 at 5:30 PM in the Education Center Boardroom for the purpose of presenting for adoption the 2008-2009 proposed budget for the consideration of the residents and taxpayers of the District. Mr. Schaefer seconded the motion.

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

Ms. Beckvar presented Action Item IX. B. Interim Superintendent Process, stating the Board had several options to consider before they could conduct a full superintendent search to replace Dr. Baracy. The Board could either appoint from within the Administration or could advertise and select a candidate from the responses to serve as an Interim Superintendent from October 2008 through June 30, 2009.

Mr. Schaefer stated that he would prefer appointing an Interim Superintendent from within. Mrs. Petersen agreed, stating that there currently could be one or two individuals who could fill that position. She felt it would be critical to have one or two individuals who really understood the issues facing the District. Dr. Meyer also agreed, stating that he felt it would be very difficult to have someone from outside the District come in and really understand all of the issues, especially from a budgetary, legislative, and facilities standpoint. Mrs. Holzer stated that she could see advantages to both options. She felt it would be great to find an internal candidate but didn't think there was a downside to posting the position. Mrs. Holzer stated she felt that there would be a long period of time during which some internal politics could come into play and having an outside candidate might prevent that, thereby letting everyone get

Motion #139

Approval of FY 2008-09 Proposed Expenditure Budget, Call for Public Hearing on July 1, 2008

•Interim Superintendent Process

on with their own jobs until a Superintendent was hired. Ms. Beckvar stated there are two natural candidates, the two Assistant Superintendents, and that the disadvantage of hiring an internal candidate or candidates, is the District would have to hire someone to help fill in for them. Mrs. Petersen responded that although Mrs. Holzer's and Ms. Beckvar's point was a good one, she still felt there were too many issues facing the District to expect an outside candidate to understand.

Mr. Schaefer asked Administration if there were resources available to the internal candidates to help with the workload during an Interim Superintendent's term of office. Dr. Baracy responded that he thought there were two individuals with the District who could do the job and share it. He didn't view either of those individuals as allowing internal politics come into play. The current organization was designed with a "right and left brain." The two individuals in question work very well together in the interest of children and could do the job. Dr. Baracy felt they would spend more time bringing an outside candidate up-to-date than they would spend just doing the job together. Scottsdale is a very demanding community and one would have to be very knowledgeable about the community, about state finance and the State of Arizona itself. Dr. Meyer stated that the downside to posting the position would be adding to additional confusion, unrest and uncertainty in the District.

Dr. Meyer moved to schedule an Executive Session to appoint or hire an Interim Superintendent or Interim Superintendents from within the District. Mr. Schaefer seconded the motion.

Mrs. Holzer stated that her concern was that although the Assistant Superintendents were more than qualified, they were already overworked. However, she supported the motion.

Ms. Beckvar added that the Executive Session would be scheduled for discussion and that the Board would then vote in an open meeting on an Interim Superintendent or Superintendents from within the District.

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

Mrs. Como asked when the Board would want to schedule a Special Meeting/ Executive Session. Board Members agreed that at the meeting scheduled for July 1, 2008, they would like to vote to convene in Executive Session.

Michelle Marshall, General Counsel, presented Action Item IX. C. Approval of Revised Policy IHB, Special Instructional Programs. Ms. Marshall stated that the policy was amended by adding the sentence "*FAPE (Free Appropriate Public Education) for an eligible student with a disability shall extend through conclusion of the instructional year during which the student attains the age of twenty-two (22).*" Further, Ms. Marshall stated that it was requested that the Board approve the revision after only one presentation to be able to comply with the ADE standards by July 1, 2008, as requested by the ADE to qualify for state and federal funding. Dr. Meyer commented that there was no additional funding provided to pay for that additional year of education required.

Mrs. Petersen moved to approve revised Policy IHB, Special Instructional Programs, submitted to the District by the Arizona School Boards Association (ASBA) for incorporation into the District's policy manual. Dr. Meyer seconded the motion.

Motion #140  
Schedule an Executive Session to Appoint or Hire Interim Superintendent(s)

Executive Session on July 1, 2008

•Revised Policy IHB, Special Instructional Programs

Motion #141  
Approval of Revised Policy IHB, Special Instructional Programs

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

Governing Board Reports

Mr. Schaefer announced that Laguna Elementary School was named the winner of the Intel Science Award. Laguna was the top school in Science in the entire United States and will receive a grant of \$10,000 and support software and instructional material valued at \$160,000. This is an incredible award that the entire community should be made aware of.

Dates of Upcoming Board Meetings

Tuesday, July 1, 2008 – 5:30 PM – Public Hearing/Special Meeting on FY2009 M&O Budget/Executive Session

Tuesday, August 12, 2008 – 5:30 PM – Regular Board Meeting

At 8:40 PM, Ms. Beckvar moved to adjourn the meeting. Mr. Schaefer seconded the motion.

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

Dated this 17<sup>th</sup> day of June 2008.

**The Governing Board of the Scottsdale Unified School District #48**

\_\_\_\_\_  
Karen Beckvar, President

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Eric Meyer, Clerk

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Molly Holzer

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Jennifer Petersen

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Dieter Schaefer

Governing Board Reports

Dates of Upcoming Board Meetings

Motion #142  
Adjournment