

BOARD OF EDUCATION

Portland Public Schools
Regular Meeting
January 28, 2013

Board Auditorium

Blanchard Education Service Center
501 North Dixon Street
Portland, Oregon 97227

Note: Those wishing to speak before the School Board should sign the public comment sheet prior to the start of the regular meeting. No additional speakers will be accepted after the sign-in sheet is removed, but the public is welcome to sign up for the next meeting. While the School Board wants to hear from the public, comments must be limited to three minutes. All speakers must abide by the Board's Rules of Conduct for Board meetings.

Public comment related to an action item on the agenda will be heard immediately following staff presentation on that issue. Public comment on all other matters will be heard during the "Public Comment" time.

This meeting may be taped and televised by the media.

AGENDA

1. **SUPERINTENDENT'S REPORT** 6:00 pm
School Board Appreciation Month
2. **STUDENT TESTIMONY** 6:30 pm
3. **STUDENT REPRESENTATIVE'S REPORT** 6:45 pm
4. **PUBLIC COMMENT** 6:50 pm
5. **FIRST READING: UNINSURED/UNDERINSURED MOTORIST
INSURANCE COVERAGE AND PERSONAL INJURY PROTECTION
COVERAGE POLICY** 7:10 pm
6. **CAPITAL BOND OVERVIEW: PROJECT TEAMS** 7:20 pm
7. **ACHIEVEMENT COMPACT REPORT** 7:45 pm
8. **2012-2013 BUDGET AMENDMENT** (action item) 8:15 pm
9. **JEFFERSON PK-8 ENROLLMENT BALANCING DISCUSSION** 8:25 pm
10. **BOARD LEADERSHIP ELECTION** – (action item) 9:25 pm
11. **BUSINESS AGENDA** 9:35 pm
12. **ADJOURN** 9:40 pm

The next meeting of the Board will be a Study Session held on **February 4, 2013**, at **6:00 pm** in the Board Auditorium at the Blanchard Education Service Center.

Portland Public Schools Nondiscrimination Statement

Portland Public Schools recognizes the diversity and worth of all individuals and groups and their roles in society. All individuals and groups shall be treated with fairness in all activities, programs and operations, without regard to age, color, creed, disability, marital status, national origin, race, religion, sex, or sexual orientation.

Board of Education Policy 1.80.020-P

Portland Public School District 1st Reading

DATE: January 28, 2013

Notice of Proposed Policy and Public Comment for Policy 8.60.023-P: Uninsured/Underinsured Motorist Insurance Coverage and Personal Injury Protection Coverage

The Portland Public School District is providing Notice of Proposed Policy and Public Comment to offer interested parties reasonable opportunity to submit data or comments on the proposed policies noted below.

Public comment may be submitted in wr



Board of Education

Staff Report to the Board

Board Meeting Date:

Executive Committee Lead: Neil Sullivan

Department: Risk Management

Presenter/Staff Lead: Benson Meyers

BACKGROUND

PPS has been advised by outside counsel, and the Risk Management Department recommends adoption of a school board policy that addresses uninsured, underinsured, and personal injury protection motorist insurance coverage. As a self-insured entity, the district will reduce a potentially large financial exposure by adopting a policy addressing the limits allowed by Oregon law.

Over the past decade PPS has been challenged on uninsured, underinsured, and personal injury protection coverage in both tort litigation and in workers' compensation claim coverage. Over the same period of time, Oregon court decisions indicate to PPS that as a self-insured public entity, PPS should adopt such a policy.

RELATED POLICIES / BOARD GOALS AND PRIORITIES

PPS has a self-insurance program under ORS 30.282 that applies to the operation of motor vehicles. Board policy 8.60.010 establishes a Risk Management Program by which "risks may be controlled, reduced, or eliminated".

PROCESS / COMMUNITY ENGAGEMENT

The district consulted with other large, self-insured public entities in Oregon.

ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN

The district's Racial Educational Equity Policy, 2.10.010-P provides every student the resources to a high quality and culturally relevant education. Limiting the district's financial exposures is a way to manage the district's resources.

Reviewed and Approved by
Executive Committee Lead **Neil Sullivan, CFO**

BUDGET / RESOURCE IMPLICATIONS

Adoption of this proposed new board policy will bring the district into full compliance with Oregon law, which enables PPS to legally protect itself from future claims or suits involving injured uninsured/underinsured motorists. Adoption of this policy will legally support the district in minimizing its financial losses. With adoption of this policy, the maximum exposure to the district of uninsured and underinsured claims is \$25,000 per person and \$50,000 per accident in lieu of the \$1 million self-insured retention. By eliminating personal injury protection coverage, the district will have no financial exposure, in lieu of the previous limits of \$15,000 per accident.

NEXT STEPS / TIMELINE / COMMUNICATION PLAN

The Board considers adoption of proposed new Board Policy 8.60.023-P, Uninsured/Underinsured Motorist Insurance Coverage and Personal Injury Protection Coverage.

QUESTIONS FOR BOARD DISCUSSION**ATTACHMENTS**

Board Policy 8.60.023-P

(DRAFT)

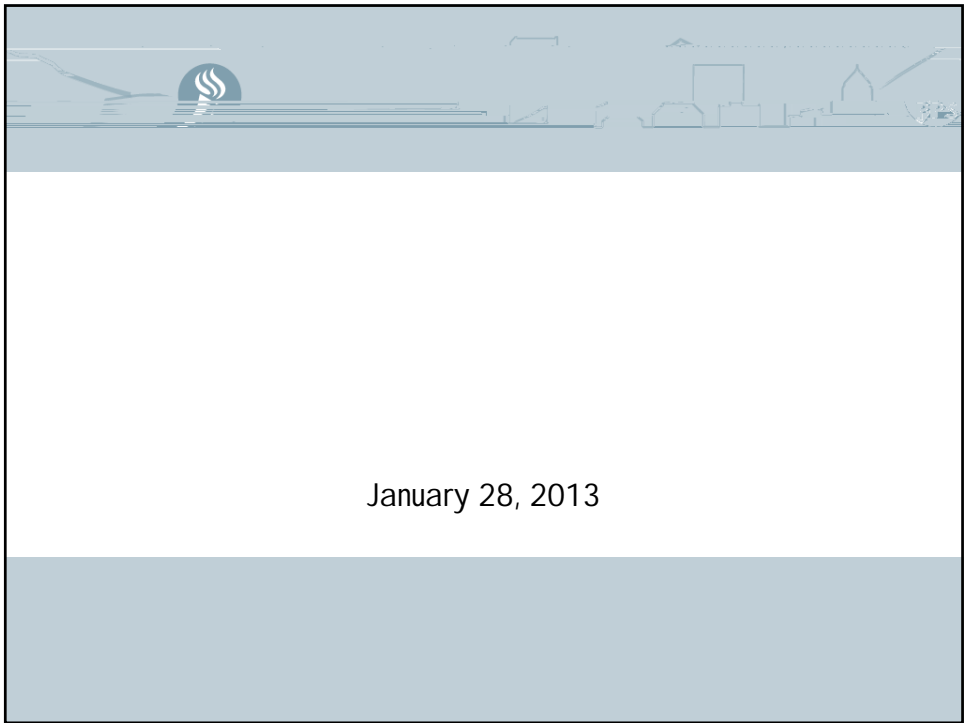
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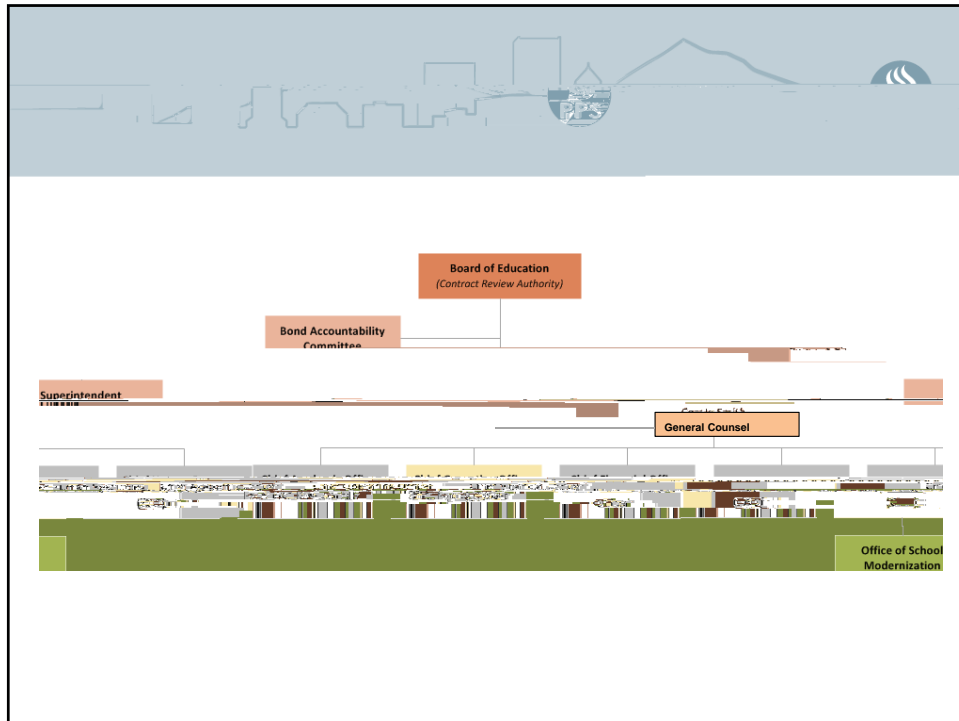


Board of Education Informational Report

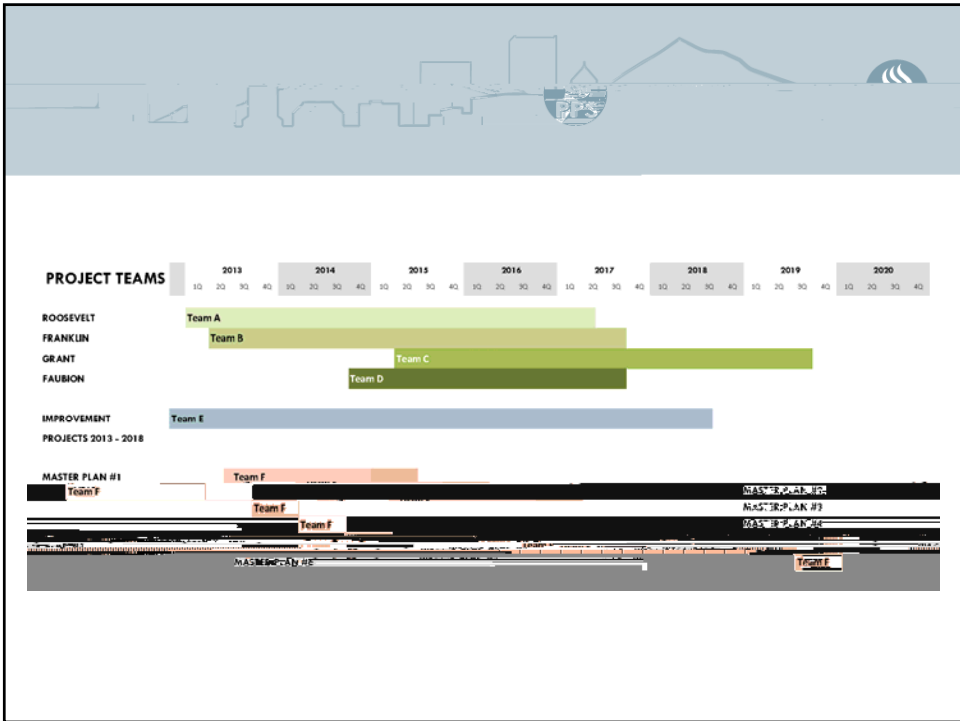
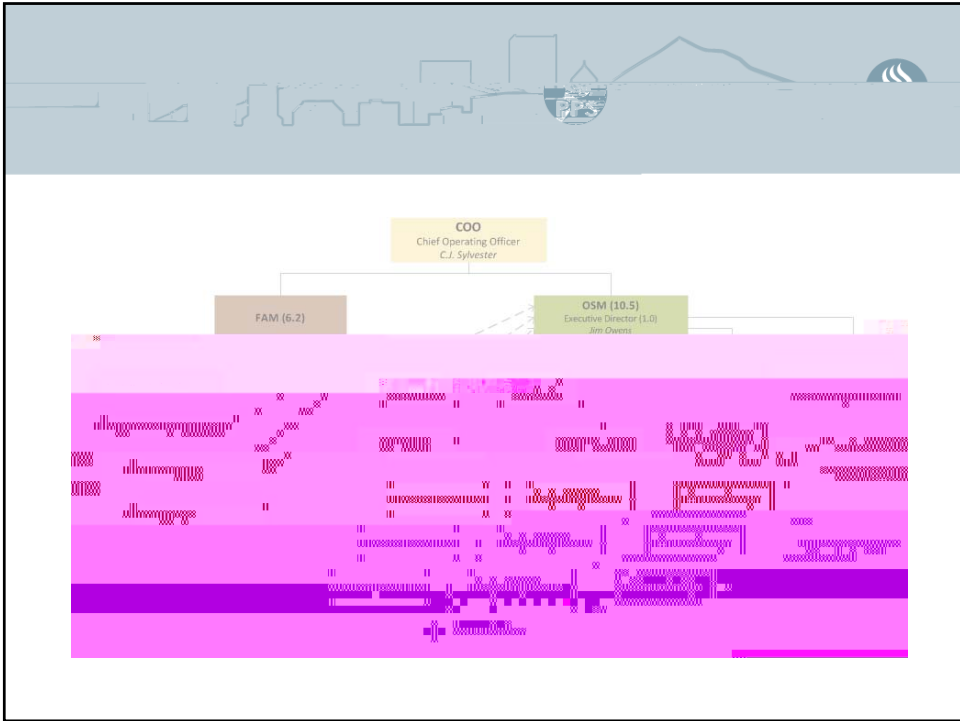
MEMORANDUM


Date:





- Roles – Superintendent, Chief Operating Officer & OSM Executive Director
- Staffing plan and “blended team” approach
- Eight year program
- Construct public improvements as “complete & usable” – ready for students
- Minimize disruption to students and staff





Educational specifications	1/13	7/13	Develop aligned documents that connect program & curriculum to the "built environment"
Project improvements 2013	9/12	9/13	Roofing, seismic, ADA & science labs at five schools
Faubion K8	3/13	9/17	Replacement
Roosevelt HS	6/13	9/17	Full Modernization
Franklin HS	7/13	9/17	Full Modernization
Project improvements 2014	8/13	9/14	Roofing, seismic, ADA & science labs
Master Plan 1	11/13	6/15	
Master Plan 2	7/14	12/15	
Project improvements 2015	8/14	9/15	Roofing, seismic, ADA & science labs
Grant HS	7/15	9/19	Full Modernization
Project improvements 2016	8/15	9/16	Roofing, seismic, ADA & science labs
Remaining Master Plans & Project improvements	2016	2018	Master Plans 3, 4, 5 & 6 start in 2016, 2017 & 2018. Project improvements 2017 & 2018 start in 2016 & 2017 respectively



Board of Education Informational Report

MEMORANDUM

Date: 1/28/13
To: Members of the Board of Education
From: Achievement Compact Advisory Committee
Subject: Preliminary Report

As Portland Public Schools educators, students, parents and community supporters, we feel a tremendous sense of urgency to see rapid gains in achievement for all of our students. We believe strongly that all students can learn and succeed. In the last five years, Portland Public Schools has seen gains in graduation rates and at key milestones such as third grade reading:

transportation, housing, and paid family leave so that schools do not have to do and be all of that for our students. Businesses also need to play a role in partnering with schools to help define local education and talent pipeline needs.

PPS is not currently funded at the QEM level and we have fundamental concerns about how to set targets in this initial year of the achievement compact until it is clear what the repercussions will be when school districts that do not meet their goals. We want to be accountable to our students and their families for their academic success, but we should also be held accountable for providing sound guidance to the board that does not put our students or schools in jeopardy. With this tension in mind, our team is working hard to be both aspirational and realistic in the current resource reality.

As a state and a district we have put our stake in the ground around three key targets. This team

Next Steps for the Achievement Compact Advisory Committee:

We look forward to providing you with updates as we move through this process.

Attachments:

A: District 4 Year Cohort Graduation Rate

B: District 3rd Grade Reading Percent Meeting/Exceeding Benchmark

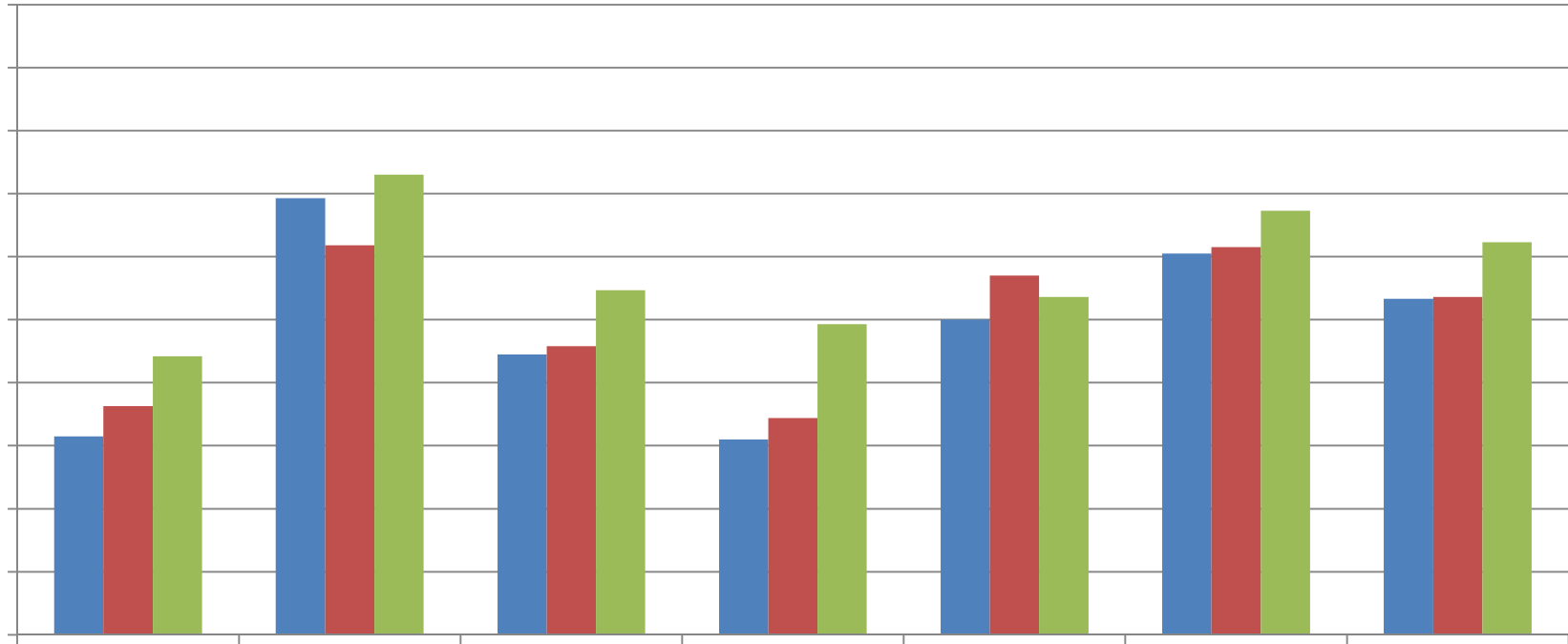
C: Preliminary Recommendations for Setting Achievement Compact Targets

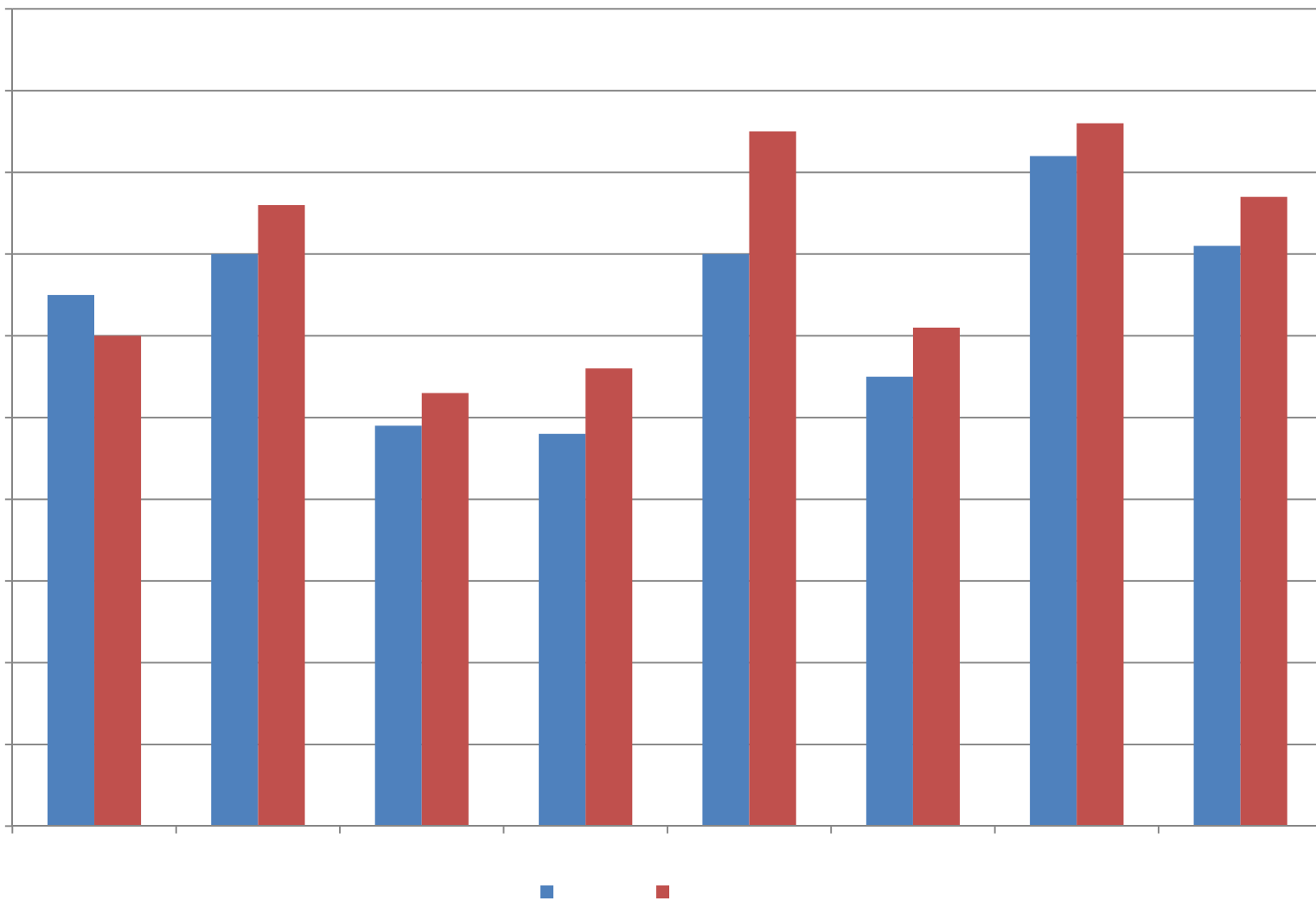
District

4 Year Cohort Graduaial

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Preliminary Recommendations for Setting Achievement Compact Targets

Recommended Methodology for Setting Achievement Compact Targets:

1. College and Career Readiness Outcomes:
 - a. 4 Year Cohort Graduation Rate
 - b. 5 Year Completion Rate:

 - c. Post secondary enrollment
 - d.



This growth model sets targets that

4. 6th Grade Chronic Absence and 9th Grade Chronic Absence:

5. 9th Grade on Track:

a. Methodology:





Board of Education

Superintendent's Recommendation to the Board

Board Meeting Date: January 28, 2013

Executive Committee Lead: Neil Sullivan

Department: Finance / Budget

Presenter/Staff Lead: David Wynde &
Sara Bottomley

Agenda Action: Resolution Policy

SUBJECT: Amendment #1 to 2012/13 Budget

BRIEF SUMMARY AND STAFF RECOMMENDATION

Staff recommends that the Board amend the 2012/13 budget as summarized in the attached resolution.

BACKGROUND

On June 25, 2012 the Board, by way of Resolution No. 4474, voted to adopt an annual budget for the Fiscal Year 2012/13 as required under Local Budget Law.

School districts are allowed, and sometimes required by law (ORS 294.480), to amend the budget during the fiscal year. The District has experienced changes in its financial position and outlook that require updating the budget to better reflect the current status.

Each fall the Budget Department, in cooperation with schools and central departments, conducts a reconciliation process whereby the current budget is reviewed and compared to the actual activities the district is engaged in and prepares an amended budget accordingly. In addition, as part of that process, all funds are reviewed and beginning fund balances are updated to match prior year ending fund balances as reflected in the audited amounts presented in the District's Comprehensive Annual Financial Report (CAFR).

RELATED POLICIES / BOARD GOALS AND PRIORITIES

An amended budget is necessary to ensure effective financial management of the District's programs and priorities and to remain in compliance with State statute. Specifically, the District is required to ensure legal appropriation of expenditures by program area as defined in the State Chart of Accounts.

PROCESS / COMMUNITY ENGAGEMENT

As required by state law, because the level of expenditures in some funds is changing by more

Reviewed and Approved by Superintendent

January 25, 2013

than 10%, there will be a public hearing on January 28, 2013 before the Board takes action on this amendment.

ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN

The 2012-13 budget was developed in alignment with the Racial Educational Equity Policy. This amendment makes no changes to that alignment.

BUDGET / RESOURCE IMPLICATIONS

A budget is developed on the basis of the best intelligence and estimates about balances, revenues, and expenditures available at the time. This amendment is essentially our “trueing up” or our update of these estimates for resources and requirements in the light of more up-to-date information.

The Following Changes for the General Fund

The proposed amendment results in a net increase in the General Fund of \$2.35 million.

Increase Beginning Fund Balance by \$4.26 million to match the Comprehensive Annual Financial Report (CAFR).

Other revisions made to resources include a reduction of \$2 million to our expected collections under the Local Option Levy, resulting from decreased market value and compression.

Reconciliation of the budget to reflect current school and central department activities:

Instruction: There is a reduction in Instruction expenditures of \$3.38 million, which has several factors.

The actual cost of staff in schools is more than \$2 million less than budgeted. This does not reflect any reduction in the number of positions but is a recognition that, upon review by budget staff, the actual costs of staff in positions is lower.

A portion of the reduction in Instruction (\$1.8 million) reflects a shift to the Support category. This entire shift has occurred within schools. Schools converted their allocated instructional FTE into school-based support FTE such as Counselors and Librarians.

There was also a reclassification of employees at a Pioneer program that contributed to this total.

The reduction in Instruction was partially offset by an increase in health care expenses described more fully below.

Support: The budget amendment also reflects a net increase to Support Services of \$2.1 million. Support Services includes school-based employees such as counselors and librarians, as well as centrally-based staff.

As mentioned above, \$1.8 million of this increase was due to shifts in schools.

Support was also impacted by a \$136,000 increase in charter school costs, to reflect higher than budgeted per student funding via the State School Fund.

Higher than budgeted Group Health costs for teachers (\$560,000) and other employee groups (\$160,000) were also a factor that increased expenditures in both Instruction and Support. The budget included an assumption of a 6% increase in group health expense for teachers for the 2013 plan year. The increase was initially calculated at almost 12%, but staff worked with PAT through the Health & Welfare

Trust to identify plan changes and alternative administrative practices to reduce the increase to 8.9%.

Debt service & transfers increased by almost \$400,000 primarily because an increase in the amount of Great Fields work to be undertaken in the current year.

This amount is reflected as a transfer out in the General Fund and as a transfer in in Facilities Capital Project Fund (438) where the actual capital expenditures for the Great Fields projects will occur.

After approval by the Board, the budget amendment will be posted on the PPS website in the Budget section.

PPS staff are revising the forecast for 2103/14, which informs the budget development process for the coming year, to reflect the changes in the 2012/13 budget that this amendment documents

ATTACHMENTS

1. Board resolution: Amendment No. 1 to the 2012/13 Budget for School District No. 1J, Multnomah County, Oregon

AMENDMENTS TO EXISTING CONTRACTS

Contractor	Contract Term	Contract Type	Description of Services	Amendment Amount, Contract Total	Responsible Administrator, Funding Source
Open Meadow Alternative Schools, Inc.					

Report – January 28, 2013

Expenditure Contracts Exceeding \$25,000 and through \$150,000

Portland Public Schools (“District”) Public Contracting Rules PPS-45-0200(6) (Authority to Approve District Contracts; Delegation of Authority to Superintendent) requires the Superintendent to submit to the Board of Education (“Board”) at the “Board's monthly business meeting a list of all contracts in amounts exceeding \$25,000 and through \$150,000 approved by the Superintendent or designees within the preceding 30-day period under the Superintendent's delegated authority.” Contracts meeting this criterion are listed below.

NEW CONTRACTS

Contractor	Contract Term	Contract Type	Description of Services	Contract Amount	Responsible Administrator, Funding Source
Cedar Hill Creative	01/22/13 through 01/21/14	Personal Services PS 59598	District-wide: Project management support services for Edupoint student information system implementation.	\$48,000	J. Keuter Fund 407 Dept. 5581 Project A1019
Top Echelon Contracting	01/07/13 through 06/30/13	Personal Services			

BOARD OF EDUCATION
SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON

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Purchases, Bids, Contracts

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Purchases, Bids, Contracts

The Superintendent RECOMMENDS adoption of the following item:

Numbers 4707

RESOLUTION No. 4707

Revenue Contracts that Exceed \$25,000 Limit for Delegation of Authority

RECITAL

Portland Public Schools ("District") Public Contracting Rules PPS-45-0200 ("Authority to Approve District Contracts; Delegation of Authority to Superintendent") requires the Board of Education ("Board") to enter into and approve all contracts, except as otherwise expressly authorized. Contracts exceeding \$25,000 per contractor are listed below.

RESOLUTION

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into agreements in a form approved by General Counsel for the District.

NEW CONTRACTS

No New Contracts

Other Matters Requiring Board Action

The Superintendent RECOMMENDS adoption of the following items:

Numbers 4708 through 4711

RESOLUTION No. 4708

Amendment No. 1 to the 2012/13 Budget for School District No. 1J,
Multnomah County, Oregon

RECITALS

- A. On June 25, 2012 the Board, by way of Resolution No. 4619, voted to adopt an annual budget for the Fiscal Year 2012/13 as required under Local Budget Law.
- B. Board Policy 8.10.030-AD, "Budget Reallocations – Post Budget Adoption," establishes the guidelines to ensure consistent and detailed communication on fiscal issues between the Superintendent and the Board of Education ("Board").
- C. Oregon Local Budget Law, ORS 294.471, allows budget changes after adoption under prescribed guidelines.
- D. This Amendment No. 1 will revise the FY 2012/13 Adopted Budget under ORS 294.471 guidelines, which states the budget may be amended at a regular meeting of the governing body.
- E. Amendment No. 1 adjusts Beginning Fund Balances to match the FY 2011/12 actual Ending Fund Balances as reflected in the Comprehensive Annual Financial Report (CAFR) for that fiscal year, adjusts program allocations for funds to more accurately reflect intended expenditures, and rebalances all funds as needed.
- F. The change in expenditures in three funds (Fund 405 – School Modernization; Fund 407 – IT Systems Project Fund; Fund 435 – Energy Efficient Schools Fund) will be changed by more than 10% under this amendment. Local budget law requires a public hearing on these changes. A public hearing occurred prior to Board action.

RESOLUTION

Having held a public hearing on this amendment as required under local budget law, the Board hereby amends budgeted revenues and expenditure appropriation levels as summarized by Fund and Appropriation Level in Attachment A for the fiscal year beginning July 1, 2012.

D. Wynde / N. Sullivan

ATTACHMENT "A"

Fund 101 - General Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	26,657,817	4,266,874	30,924,691
Local Sources	265,494,250	(1,910,999)	263,583,251
Intermediate Sources	13,080,000	-	13,080,000
State Sources	156,532,000	-	156,532,000
Federal Sources	500,000	-	500,000
Other Sources	2,000,000	-	2,000,000
Total	464,264,067	2,355,875	466,619,942
Requirements			
Instruction	259,956,472	(3,388,039)	256,568,433
Support Services	174,725,913	2,110,718	176,836,631
Enterprise & Community Services	1,523,503	40,000	1,563,503
Facilities Acquisition & Construction	205,200	6,174	211,374
Debt Service & Transfers Out	10,184,033	399,678	10,583,711
Contingency	17,668,946	3,187,344	20,856,290
Ending Fund Balance	-	-	-
Total	464,264,067	2,355,875	466,619,942

Fund 201 - Student Body Activity Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	2,960,318	571,612	3,531,930
Local Sources	8,818,532	-	8,818,532
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	11,778,850	571,612	12,350,462
Requirements			
Instruction	8,954,082	-	8,954,082
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	2,824,768	571,612	3,396,380
Total	11,778,850	571,612	12,350,462

Fund 202 - Cafeteria Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	2,530,373	1,493,810	4,024,183
Local Sources	3,715,501	(12,400)	3,703,101
Intermediate Sources	-	-	-
State Sources	213,844	-	213,844
Federal Sources	12,985,533	(45,350)	12,940,183
Other Sources	-	-	-
Total	19,445,251	1,436,060	20,881,311
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	18,377,793	1,436,060	19,813,853
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	1,067,458	-	1,067,458
Total	19,445,251	1,436,060	20,881,311

	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	15,279,273	(890)	15,278,383
Local Sources	196,337	-	196,337
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	15,475,610	(890)	15,474,720
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-



Fund 407 - IT Systems Project Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	1,812,702	(192,086)	1,620,616
Local Sources	1,008	(108)	900
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	1,813,710	(192,194)	1,621,516
Requirements			
Instruction	-	-	-
Support Services	1,654,300	(243,077)	1,411,223
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	-	-	-
Contingency	159,410	50,883	210,293
Ending Fund Balance	-	-	-
Total	1,813,710	(192,194)	1,621,516

Fund 435 - Energy Efficient Schools Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	1,863,478	(657,251)	1,206,227
Local Sources	853,839	-	853,839
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	2,717,317	(657,251)	2,060,066
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	2,717,317	(657,251)	2,060,066
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	2,717,317	(657,251)	2,060,066
Fund 438 - Facilities Capital Project Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	-	832,251	832,251
Local Sources	-	-	-
Intermediate Sources	-	-	-
State Sources	-	500,000	500,000
Federal Sources	-	-	-
Other Sources	18,362,947	399,678	18,762,625
Total	18,362,947	1,731,929	20,094,876
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	18,362,947	1,731,929	20,094,876
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	18,362,947	1,731,929	20,094,876

	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	1,426,644	166,386	1,593,030
Local Sources	1,532,766	-	1,532,766
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	2,959,410	166,386	3,125,796

Requirements



RESOLUTION No. 4709

Election of Board Chairperson

_____ is hereby elected Chairperson