

**SANTEE SCHOOL DISTRICT
REGULAR MEETING
OF THE BOARD OF EDUCATION**

March 18, 2014
MINUTES

Douglas E. Giles
Educational Resource Center
9619 Cuyamaca Street
Santee, California

A. OPENING PROCEDURES

1. Call to Order and Welcome
President Fox called the meeting to order at 7:00 p.m.
Members present:
 Ken Fox, President
 Dustin Burns, Vice President
 Barbara Ryan, Clerk
 Elana Levens-Craig, Member
 Dianne El-Hajj, Member
Administration present:
 Dr. Cathy Pierce, Superintendent and Secretary to the Board
 Karl Christensen, Assistant Superintendent, Business Services
 Tim Larson, Assistant Superintendent, Human Resources/Pupil Services
 Dr. Stephanie Pierce, Director, Educational Services
 Linda Vail, Recording Secretary
2. President Fox invited the audience to recite the District Mission and then invited Girl Scout Troop 6048 to present the colors and lead the members, staff, and audience in the Pledge of Allegiance.
3. Approval of Agenda
It was moved and seconded to approve the agenda with an amendment to move Consent Item D.3.1. to Discussion and/or Action.

Motion:	Ryan	Fox	Aye	Levens-Craig	Aye
Second	Levens-Craig	Burns	Aye	El-Hajj	Aye
Vote:	5-0	Ryan	Aye		

B. REPORTS AND PRESENTATIONS

1. **Superintendent's Report**
 - 1.1. Developer Fees Collection Report
 - 1.2. Use of Facilities Report
 - 1.3. Enrollment Report
 - 1.4. Schedule of Upcoming Events

Superintendent Pierce introduced Lisa Arreola, as the new Executive Assistant to the Governing Board and Superintendent. Ms. Arreola comes from Cajon Valley where she has held the same position for several years and brings a great deal of experience to Santee. Ms. Arreola said she is excited to be coming to Santee and has heard nothing but good things about the District. Board members welcomed Lisa and are excited to have her in Santee.

2. Spotlight: Stan Molina

Stan Molina, a district Craftworker III who will be retiring at the end of the March, was honored for his 33 years working in the Santee School District. Stan has been an important person in the District, always bringing a pleasant demeanor, a helpful attitude, and a heart that wants to make everything in Santee School District be the very best. Most recently, Stan took the lead mounting the old Santee School Bell outside of the District Office. President Fox presented Stan with a replica bell plaque. Mr. Molina thanked everyone for coming. He said some of the nicest people he has met in his life were here tonight. He told the Board that there was never one day that he did not appreciate the opportunity he has had in Santee School District and holds the Board responsible. He is proud to have been a part of the Santee School District.

3. Spotlight: Eagle Scout and Santee Success Program Garden Project

The Santee Success Program (SSP) initiated a garden project as a result of teacher, Annelise Ryan's desire to create a space where her students could learn about plants and gardening while experiencing the work ethic

attached to owning a garden. Wes Konold used this opportunity for an Eagle project to benefit the community and allow him to demonstrate his leadership and service skills. Wes planned, coordinated, and executed the school garden for SSP and successfully brought together multiple resources to provide two large elevated planting beds with a drip watering system. As a result of Wes' efforts, the students of SSP now have a space to research, plan, maintain, and harvest a variety of fruits and vegetables.

The Board recognized Wes Konold, for coordinating the Garden Project and through his leadership engaging a workforce that included other scouts and their family members. President Fox presented Wes with a certificate of appreciation. Four SSP students also came to the school on the Saturday workday and helped with the Garden Project. The students, Kelvin Engblom-Roberts, David Lockmann (and his family), Johnathan Parthemer, Devin Stanley, and Elijah Walker were recognized by the Board and presented certificates of appreciation for their efforts. The Board also recognized Mrs. Ryan for her vision and hard work to provide a stimulating learning environment for her students.

4. Spotlight on Education: PRIDE Academy School Presentation

PRIDE Academy principal, Stephanie Southcott, and several school staff members presented a video demonstrating 21st Century learning skills being taught and used in classrooms.

Member Burns shared that it was not all that long ago that the perception of PRIDE Academy was different and it ranked lower on test scores. The staff and students have proven that their students can achieve just as any other students. He thanked the principal and staff for making it a reality and the Board sees PRIDE Academy increasing student achievement.

5. Spotlight on Education: Chet F. Harritt School Presentation

Chet F. Harritt principal, Andy Johnston, and several school staff members were present to share a video demonstrating 21st Century learning skills and Common Core teaching and learning in classrooms, with the goal of providing deeper and more meaningful learning experiences.

Member Levens-Craig said it is exciting to see students using Common Core terminology. Board Members thanked Mrs. Southcott and Mr. Johnston for two awesome schools and their presentations and expressed their pleasure in seeing students engaged in learning.

C. PUBLIC COMMUNICATION

President Fox invited members of the audience to address the Board about any item not on the agenda. There were no requests to speak.

D. CONSENT ITEMS

Items listed under Consent are considered to be routine and are all acted on by the Board with one single motion. President Fox invited comments from the public on any item listed under Consent. There were no comments.

- 1.1. Approval of Minutes**
- 2.1. Approval/Ratification of Travel Requests**
- 2.2. Approval/Ratification of Expenditure Warrants**
- 2.3. Approval/Ratification of Purchase Orders**
- 2.4. Acceptance of Donations**
- 2.5. Approval of Consultants and General Service Providers**
- 2.6. Approval of Agreement with Capital Public Finance Group to Act as Dissemination Agent for Continuing Disclosure Requirements**
- 2.7. Selection of JIVE Communication, Inc. Through CalNet 3 Bid Process as the Vendor for the District's Voice over IP (VoIP) Services**
- 3.1. *Acceptance of 2012-2013 General Obligation Bonds Building Fund Financial and Performance Audit (This item was moved to Discussion and/or Action.)*
- 3.2. Approval of Revised Agreement with Laura D. Romano for Attorney Services Associated related to Capital Improvement Program**
- 3.3. Approval of Increase to Contract with Ninyo & Moore for Testing Lab Services for Pepper Drive School Classroom Addition Construction Project**

- 3.4. *Approval of Change Order No. 1 for the Chet F. Harritt School Snack Bar Construction Project and Authorization to File Notice of Completion (Pulled for separate consideration.)*
- 3.5. **Approval of Change Order to Pepper Drive School 10-Classroom Addition Project Contract with Balfour Beatty Construction, Inc. for FAA Delay**
- 4.1. **Approval of Local Education Agency (LEA) Plan Revision for 2013-2014**
- 4.2. **Approval of Local Education Agency (LEA) Plan Addendum 2013-2014**
- 5.1. *Personnel, Regular (Pulled for separate consideration.)*
- 5.2. *Approval of New Probationary School Counselors / School Social Workers (Pulled for separate consideration.)*
- 5.3. **Approval of One (1) Short-Term Instructional Assistant, Special Education II Position**
- 5.4. **Adoption of Resolution No. 1314-23 to Eliminate Identified Classified Non-Management Positions**

It was moved and seconded to approve Consent Items, with the exception of Items D.3.4, D.5.1, and D.5.2, which were pulled for separate consideration.

Motion: Ryan	Fox	<u>Aye</u>	Levens-Craig	<u>Aye</u>
Second: Burns	Burns	<u>Aye</u>	El-Hajj	<u>Aye</u>
Vote: 5-0	Ryan	<u>Aye</u>		

D.3.4. Approval of Change Order No. 1 for the Chet F. Harritt School Snack Bar Construction Project and Authorization to File Notice of Completion *(Pulled by Member Burns for separate consideration.)*

Member Burns said he is a great supporter of Little League but does not support using public funds to provide a snack bar and will not support this item. Member El-Hajj moved approval.

Motion: El-Hajj	Fox	<u>Aye</u>	Levens-Craig	<u>No</u>
Second: Ryan	Burns	<u>No</u>	El-Hajj	<u>Aye</u>
Vote: 3-2	Ryan	<u>Aye</u>		

5.1. Personnel, Regular *(Pulled by Member Burns for separate consideration.)*

Member Burns wished to take a moment to welcome the newly selected Executive Assistant. Member Burns moved approval.

5.2. Approval of New Probationary School Counselors/School Social Workers *(Pulled by Member Burns for separate consideration.)*

Member Burns shared that becoming probationary is a milestone in education. Member Levens-Craig said the Board cares about the whole child and values what the Counselors and School Social Workers do. Board Members welcomed them as new probationary employees. Following approval, Superintendent Pierce introduced them to the Board and asked them to sign their contracts.

Motion: Burns	Fox	<u>Aye</u>	Levens-Craig	<u>Aye</u>
Second: Ryan	Burns	<u>Aye</u>	El-Hajj	<u>Aye</u>
Vote: 5-0	Ryan	<u>Aye</u>		

E. DISCUSSION AND/OR ACTION ITEMS

President Fox invited comments from the public on any item listed under Discussion and/or Action.

D.3.1. Acceptance of 2012-13 General Obligation Bonds Building Fund Financial and Performance Audit

Assistant Superintendent Karl Christensen presented the 2012-13 GO Bond audit report for acceptance. The audit pertains to General Obligation (GO) bond proceeds only and does not pertain to the entire \$140 million Capital Improvement Program (CIP). GO bond proceeds were planned to provide about 46% of the CIP program needs. To date, they have provided about 38% for the \$120 M in completed projects.

There are two separate audits conducted each year; a financial audit and a performance audit. The financial audit pertains to the expenditure of funds in accordance with Generally Accepted Accounting Principles. For this component, the auditor reported no internal control or fund balance restatement findings. The performance audit pertains to the compliance of expenditures to Proposition 39 requirements and the planned projects list presented to the voters. For this component, the auditor concluded that in all significant respects, the District properly accounted for expenditures held in the building fund and that such expenditures were made for authorized bond projects. The GO bond audit report was presented to the Independent Citizens Oversight Committee (ICOC) last week at their regular meeting. The report was accepted by the ICOC but concerns were

expressed. The concerns included the total amount of debt service for the \$45M of bonds issued, the term of some of the bonds being 40 years and not 25 years, the structure of some of the bonds being Capital Appreciation Bonds with higher debt service to principal ratios, and the assumed growth rate of assessed valuations used for issuing the debt.

In response to these expressed concerns, Mr. Christensen shared the following information. The total debt service on the \$45 M in GO bonds issued is \$185.2 million. This number is the actual cash payments required to service the debt and is the relevant number for determining required tax assessments for debt service. It is different than the \$189 M number contained in the audit report due to use of a different calculation methodology in that report.

The district has issued five (5) series of GO bonds (A thru E). Three (3) were issued for 40-year terms and two (2) were issued for 25-year terms. Four (4) of the five (5) bond issues included Capital Appreciation Bonds. One of the issues contained a mixture of CABs and Current Interest Bonds. The aggregate total debt service to principal ratio for the five series of GO bonds issued is 4.15.

The assumed average annual growth rate for assessed valuations projected for the last bonds issued in 2011 was 5%. Last year's growth rate was 2.67%. For fiscal years from 1980 to 2007, the year before the 1st debt service payment on bonds was due, the average annual growth rate for assessed valuations was 7.93%. When compared to long-term historical averages, the 5% assumed growth rate appears reasonable.

Request to Speak: Eid Fakhouri, Santee resident – Mr. Fakhouri reported he is a licensed CPA and, as a professional expert, shared with the Board his concerns regarding the transparency and legality of some of the GO bonds that have been issued. He believes Board adopted Resolution #060714 limits the oversight of the ICOC from participating in the district's bond issuance process or to make decisions regarding the terms, timing, or structure of the bond issuances. He stated information on the bond terms were not shared with the ICOC and he believes there was no proactive reach out to the community about a bond details. He believes there were possible violations and compliance problems on financial statements. He believes the Board relied on poor financial advice from advisors and should have followed the Education Code rather than Government Code to limit the term of bonds to 25 years rather than 40 years.

He asked the Board to amend Resolution #060714, encourage public review of the payback plan, and pursue a legal investigation into the advisors and underwriters for the CABs.

Member El-Hajj said Mr. Fakhouri brought up some very interesting points and she will follow up on the concerns he shared. She said there was much angst when the bottom began to fall out in the middle of the modernization project. Member El-Hajj would be more than willing to meet with Mr. Fakhouri to help review and digest the financial information he presented.

Member Ryan thanked Mr. Fakhouri for coming and for his suggestions. She said the things he said are worth looking into. Member Ryan said, as a Board Member, she ultimately accepts responsibility for her vote and does not take it lightly. She appreciated Mr. Fakhouri's willingness to come forward with suggestions on things the Board may want to look into. Member Burns said he concurs with Members El-Hajj and Ryan.

Member El-Hajj moved to accept the 2012-13 General Obligation Bonds Building Fund Financial and Performance Audit.

Motion: El-Hajj
Second Burns
Vote: 5-0

Fox Aye
Burns Aye
Ryan Aye

Levens-Craig Aye
El-Hajj Aye

E.1.1. Update on Local Control Accountability Plan Development for 2014-15 and Discussion of Possible Goals and Action Steps

Karl Christensen provided an overview of the 2014-15 Local Control Accountability Plan (LCAP) to confirm the goals and action steps reflected the desired direction of the Board. Administration developed a template to begin the development of the plan with the goals and action steps for the State priority areas. This template allows Administration to include more specific action plans that will reflect the Board Goals. Member Levens-Craig

asked if there is a simpler explanation for others not affiliated with education who may review the document. Mr. Christensen said further explanations can be made during the public hearing process. The entire template has a lot of information and Administration has discussed adding a summary document. Administration shared the State Priority Goals and then the District's actions and services as they are associated with the Board Goals, State priority areas, and applicability. The next step is to take to the District Advisory Committee (DAC), schedule a Public Hearing, and adoption by the Board.

Member Ryan attended a meeting and was told someone from every district would be attending a meeting on April 23rd to get LCAP information for foster youth. She asked Administration to assure that we are represented at that meeting.

Member El-Hajj believes the draft goals are awesome and she likes the way they are broad but still touch on all the State priority areas. She asked if the numbers imply a priority order. Administration responded that the numbers are just to connect the actions. It was suggested to consider using letters for ease of reference and to not suggest priority order.

Member El-Hajj noted that the Action Items place a tremendous amount of pressure on Educational Services. Assistant Superintendent Stephanie Pierce said the pressure will be spread over 3 years through the implementation process and then into future LCAPs. She reminded the Board that Teachers on Special Assignment will provide great support services in these areas.

Karl Christensen reviewed the timeline. A public hearing will be scheduled for the first meeting in June and Administration will bring the LCAP to the Board for approval at the second meeting in June. Member Levens-Craig asked to have all of the LCAP meeting dates on the Event Schedule in the Board packet.

Superintendent Pierce asked the Board if they would like to consider a town hall forum for an opportunity for parents, and maybe students, to review the LCAP. Following discussion it was decided that Superintendent Pierce would investigate providing a "webinar" available online to the public, publicized via School Messenger.

F. BOARD COMMUNICATION

Superintendent Pierce reminded the Board that April 1st will be the second student meeting with the Board for this year. Following discussion, it was determined that each school would invite the same students from the first meeting plus an additional 7th grade student that could return as a representative next year. Students will be asked to come prepared to discuss: 1) How learning is different this year, and 2) Using electronic devices versus paper & pencils. The Board would also like students to bring information about their favorite educational or innovative app and, if their classroom is participating in "Bring Your Own Device" (BYOD), be prepared to share how it is used in their learning.

Superintendent Pierce said it was nearing time to schedule a dedication for the new Pepper Drive middle school building. The Board would like to have the dedication this spring and asked Dr. Pierce to work with the Principal to schedule a date.

Member El-Hajj shared a new app called "Telegami." She said she attended the PTA dinner and arrived at the ICOC meeting just as the discussion about bonds was ending.

Member Burns said the Board Members could feel an excitement from the principals at their meeting. It is nice to see their excitement moving forward with Common Core and Digital Learning. He shared he noticed in the LCAP survey comments, a number of people addressed concerns about the Kindergarten playground equipment at Carlton Hills School. Mr. Christensen said this was already being addressed and will be coming to the Board for consideration soon.

Member El-Hajj asked if the changes in the SBAC testing windows affected any of our schools. Stephanie Pierce said no schools were affected.

G. CLOSED SESSION

President Fox announced that the Board would meet in closed session for:

1. **Conference with Labor Negotiator** (Govt. Code § 54956.8)
*Agency Negotiators: Karl Christensen, Assistant Superintendent and
Tim Larson, Assistant Superintendent
Employee Organizations: Santee Teachers Association*
2. **Conference with Labor Negotiator** (Govt. Code § 54956.8)
*Purpose: Negotiations
Agency Negotiators: Karl Christensen, Assistant Superintendent and
Tim Larson, Assistant Superintendent
Employee Organization: Classified School Employees Association*
3. **Public Employee Performance Evaluation** (Govt. Code § 54957)
Superintendent

The Board entered closed session at 9:01 p.m.

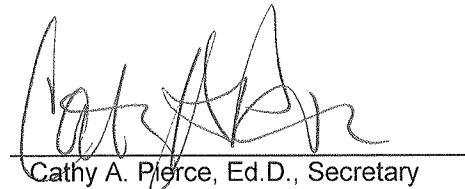
H. RECONVENE TO PUBLIC SESSION

The Board reconvened to public session at 9:45 p.m. No action was reported.

I. ADJOURNMENT

The March 18, 2014 regular meeting adjourned at 9:45 p.m.


Barbara Ryan, Clerk


Cathy A. Pierce, Ed.D., Secretary

