

## **REGULAR MEETING**

The Regular Meeting of the School Board of School District 24J, Marion County, Salem, Oregon, was held Tuesday, July 14, 2009, in Room 2, at Support Services Center, 2575 Commercial Street SE, Salem, Oregon, with Chairperson Steve Chambers presiding at the opening, and newly-elected Chairperson ?????? conducting the remainder of the meeting.

**BOARD MEMBERS PRESENT:** Steve Chambers, Chair  
Ron Jones, Vice Chair  
Krina Lemons, Director  
Rick Kimball, Director  
Chuck Lee, Director  
Nancy MacMorris-Adix, Director  
Chris Brantley, Director

**EXECUTIVE CABINET PRESENT:** Sandy Husk, Superintendent-Clerk; Mary Cadez, Assistant Superintendent for Human Resources; Salam Noor, Assistant Superintendent for Research and Development; Rich Goward, Chief Financial Officer; Kristen Duus, Director, Technology and Information Services; Mary Paulson, Chief of Staff, Executive Administration; and Jay Remy, Director, Communications and Community Relations.

**ALSO PRESENT:** Paul Dakopolos, Attorney for the District

Representing the Statesman Journal: Mackenzie Ryan

Representing the KeizerTimes: Herb Swett

SECRETARY TO THE SCHOOL BOARD  
Debra Garrigues

Chairperson Chambers called the meeting to order at 6:00 p.m.

**ANNOUNCEMENTS/AGENDA MODIFICATIONS**

None.

**SPOTLIGHT ON SUCCESS**

Superintendent Husk, Chairperson Chambers, and various Cabinet members shared recognition of individuals and/or groups for their outstanding work and/or contributions to the School District (see Attachment A for details).

(See Spotlight on Success, **Attachment A.**)

**COMMUNICATIONS ~ AUDIENCE**

(Subjects related to agenda items)

None.

**ACTION ON OATH OF OFFICE ADMINISTERED TO  
NEWLY-ELECTED BOARD MEMBERS**

Paul Dakopolos, Attorney for the District, administered the Oath of Office to newly-elected Board members Chris Brantley and Nancy MacMorris-Adix.

**ACTION ON ELECTION OF BOARD CHAIR FOR 2009-10**

Paul Dakopolos, Attorney for the District, conducted the voting for the election of the Board Chair for 2009-10 and reminded that a nomination doesn't require a second.

DIRECTOR KIMBALL MOVED APPROVAL OF STEVE CHAMBERS FOR BOARD CHAIR FOR 2009-10.

DIRECTOR KIMBALL MOVED APPROVAL TO CLOSE THE NOMINATIONS. SECONDED BY DIRECTOR LEMONS.

BY VOICE VOTE, THE MOTION CARRIED UNANIMOUSLY.

Director Chambers was elected Board Chair for the 2009-2010 year.

**ACTION ON ELECTION OF BOARD VICE-CHAIR FOR 2009-10**

Paul Dakopolos, Attorney for the District, conducted the voting for the election of the Board Vice-Chair for 2009-10.

DIRECTOR KIMBALL MOVED APPROVAL OF RON JONES FOR VICE-CHAIR FOR 2009-10.

CHAIRPERSON CHAMBERS MOVED APPROVAL TO CLOSE THE NOMINATIONS. SECONDED BY DIRECTOR LEMONS.

Director Jones was elected Board Vice-Chair for the 2009-2010 year.

**ACTION ON REAPPOINTMENT OF LEGAL COUNSEL**

DIRECTOR LEMONS MOVED APPROVAL OF THE REAPPOINTMENT OF GARRETT, HEMANN, ET AL AS LEGAL COUNSEL FOR THE SCHOOL BOARD AS PRESENTED. SECONDED BY DIRECTOR JONES.

BY VOICE VOTE, MOTION CARRIED UNANIMOUSLY.

**ADOPTION OF CONSENT CALENDAR**

All items on the Consent Calendar may be adopted as a group by a single motion unless pulled for special consideration.

Director MacMorris-Adix pulled item 4.a.(2).

DIRECTOR LEMONS MOVED ADOPTION OF THE CONSENT CALENDAR AS PRESENTED WITH ITEM 4.A.(2) PULLED. SECONDED BY DIRECTOR MACMORRIS-ADIX.

BY VOICE VOTE, MOTION CARRIED UNANIMOUSLY.

Director MacMorris-Adix, referring to item 4.a.(2), commented that she didn't feel she should vote on the minutes from the June 23 meeting as she wasn't present.

DIRECTOR LEMONS MOVED ADOPTION OF THE CONSENT CALENDAR ITEM 4.A.(2) AS PRESENTED. SECONDED BY DIRECTOR LEE.

BY VOICE VOTE, MOTION CARRIED WITH DIRECTOR MACMORRIS-ADIX ABSTAINING. 6-Yes; 1-Absention.

- 4.a.(1) Minutes of Meetings held on June 9, 2009.
- 4.a.(2) Minutes of Meetings held on June 23, 2009.
- 4.b.(1) Adoption and Appropriation of Grant Budgets.
- 4.b.(2) Annual Resolutions Granting Fiscal Authority for 2009-10.

4.c.(1) Personnel Actions.

(For Adopted Items, see **Attachment B.**)

## **MONITORING REPORT: EL-1 – GLOBAL EXECUTIVE CONSTRAINT**

### Background

#### Executive Limitation 1: Global Executive Constraint

*The Superintendent shall not cause or allow any practice, activity, decision or organizational condition which is unlawful, unethical, unsafe, disrespectful, imprudent, or in violation of commonly accepted business and professional ethic and practices, and Board policy.*

### Monitoring Report: EL-1 (continued)

#### Evidence of compliance:

The Superintendent has ensured the appropriate measures have been taken to avoid violation of the policy. The District continues to conduct an independent financial audit (Grove, Mueller & Swank, PC); and we are continuing both internal and external independent performance audits to verify that actions are appropriate, lawful, and prudent.

Over the past year, we have conducted internal audits as needed through our Quality Assurance Model. No major problems have been identified and minor corrections were implemented as appropriate. We have set a projected goal of Fall, 2009 for our external performance audit.

Additionally, last spring, the District participated in a performance audit of our business functions through the Chalkboard Project and Oregon Association of School Business Officials and the official report regarding their findings should be completed by late summer.

#### Evidence of non-compliance:

None.

Superintendent Husk reviewed the evidence of the District being in compliance with EL-1, which pertains to global executive constraints. The Board by general consensus agreed that the District was in compliance with EL-1.

(See Monitoring Report: EL-1 – Global Executive Constraint, **Attachment C.**)

## **UPDATE ON 2009-10 BUDGET**

### Background

On June 23, 2009, the School Board adopted the 2009-10 fiscal year budget based on a State School Fund Revenue assumption of \$5.9 billion dollars for the biennium. On June 25, 2009, the Oregon House completed the final action on school funding when it overrode the Governor's veto setting school funding at the \$6.0 billion

level. This report is to update the Board regarding the effects of the Legislature's actions on the District budget.

Senate Bill 5520, passed by the Legislature, approves a State School Fund level of \$6.0 billion for the 2009-11 biennium. Of that funding, \$5.8 billion is appropriated immediately and the remaining \$200 million will be appropriated *if* the June 2010 Quarterly Revenue Estimate shows at least \$300 million in State reserves (State General Fund Ending Fund Balance, Rainy Day Fund Balance and Education Stability Fund Balance). If these reserve funds fall short of \$300 million, the \$200 million appropriation will be reduced dollar for dollar of that shortfall.

As part of this bill, the State allocated \$2.9 billion for 2009-10 and up to \$3.1 billion for 2010-11 with the second year being dependent on the additional appropriation. *For the District*, the 2009-10 funding approved by the Legislature is \$4.5 million higher than the amount built into adopted District budget (based upon a \$5.9 billion State funding level assumption).

It should be noted that while funding this year is higher than anticipated in the budget, there are significant risks associated with funding in the second half of the biennium. The Legislature balanced the State budget by passing two tax measures: a Personal Income Tax increase on high wage earners and an increase to the Corporate Minimum Tax. Should these taxes be referred to the voters and fail, projected State revenue would Update on Budget (continued)

be reduced by over \$700 million dollars, likely forcing cuts mid-way through the biennium. Additionally, economic uncertainty continues to be an issue with a potential reduction in revenue regardless of the outcome of these two tax measures. The District will continue to monitor these issues and update the Board concerning their impact on the District.

Superintendent Husk provided an overview of the background (see above) pointing out that much of the funding amounts are still unknown and could affect the District's budget adding that staff did not recommend adjusting the budget at this point in time.

Director Kimball asked a clarifying question on how budget figures relate to talks with employee groups and Mary Cadiz, Assistant Superintendent of Human Resources, responded that there were no conflicts with those groups at this point.

(See Update on 2009-10 Budget, **Attachment D.**)

### **ADDITIONAL AUDIENCE COMMUNICATION**

(Subjects not related to agenda items)

*None.*

### **SCHOOL BOARD REPORTS AND HIGHLIGHTS**

Board Directors highlighted their recent activities, such as attending school, District, and community functions, conferences and seminars, and other community or local government meetings and events; and provided updates on other areas of participation or attendance.

**SUPERINTENDENT'S COMMENTS**

Superintendent Husk commented on the following:

- Still have \$2.5 million in the general fund committed to maintenance.
- Over 900 students enrolled in summer school.
- The Federal lunch program has kitchens open.
- Hiring of staff is going well.

NO FURTHER BUSINESS BEING PRESENTED AT THIS TIME, CHAIRPERSON  
CHAMBERS ADJOURNED THIS MEETING AT 6.28 P.M.

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Chairperson

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Superintendent-Clerk