

**MINUTES OF THE ANCHORAGE SCHOOL BOARD
REGULAR MEETING OF JANUARY 24, 2005**

The Anchorage School Board met in Special Session on Monday, January 24, 2005 at 6:30 p.m. in the Board Room at the Anchorage School District Administration Building. President Tim Steele presided.

A. CALL TO ORDER, ROLL CALL, FLAG SALUTE

Board Members Present: Jake Metcalfe, Crystal Kennedy, Mary Marks, Tim Steele, Jeff Friedman, John Steiner, and Macon Roberts

Others Present: Carol Comeau, Jan Christensen, George Vakalis, Mike Henry, Jerry Sjolander, Enid Hunter, Gail Opalinski, Patricia McRae, Jeff Wood, Pam Chenier, Debbie Bogart, Larry Wiget, Ray Amsden, Janet Stokesbary, Marie Laule, Eric Tollefsen, Stan Syta, Mark Mew, Mary Kay Sambo, the press, and other interested people.

B. ANNOUNCEMENTS

Mary Marks announced that she will attend a National School Boards Association conference in Washington D. C. on January 25, 2005. She will also call-in to the School Board meeting on January 27 to participate in the discussion on the first reading of the 2005-2006 Financial Plan.

C. APPROVAL OF AGENDA

Jeff Friedman noted the revision to the personnel report; the School Board voted unanimously to approve the agenda.

D. AWARDS/RECOGNITIONS/PRESENTATIONS

1. ASD Memorandum #135 – Bare Necessities Campaign Success
When high school juniors Sam Gottstein and Justin Hurst decided to help the homeless in Anchorage, they were determined to get their peers involved and raise awareness of the plight of the homeless. Gottstein and Hurst organized the Bare Necessities Campaign in Anchorage School District high schools last October. During the campaign one student and one teacher from each high school served as coordinators for the drive to collect clothing and paper goods. Gottstein and Hurst developed a web site, ran a media campaign and worked closely with local agencies. They were aided by Service High School assistant principal Frank Reuter.

Thanks to the vision of these two teens, the first annual Bare Necessities Campaign collected over 20,000 items for people in need. Items ranging from winter jackets to warm socks and toilet paper were distributed to shelter programs including Brother Francis Shelter, Clare House, Covenant House, Bean's Café, Kids Café, New Hope on the Last Frontier, McKinnell House, and Anchorage Rescue Mission.

It is requested that the School Board recognize Sam Gottstein and Frank Reuter of Service High School and Justin Hurst of Dimond High School for their outstanding contribution to the community.

E. SPECIAL ADVISORY REPORTS

1. Student Advisory

The Student Representative to the School Board was absent.

2. Military Delegate

LTC David Jones did not have a report.

3. MECC

The MECC Representative to the School Board was absent.

F. PERSONS TO BE HEARD ON NON-AGENDA ITEMS (30 minutes time limit)

Russell Mjolsnes spoke about his freshman year in high school, which occurred 53 years ago. He noted that this was not a good year for him. Mr. Mjolsnes stated that the requirements for students now are not as rigid as they were when he was in school. He encouraged the District to treat young people with respect.

G. CONSENT AGENDA

Consent Agenda attached. All attachments referred to in memoranda recommendations are on file in the Superintendent's Office.

1. Approval of Minutes

- a. Regular Meeting October 11, 2004 6:30 p.m.
- b. Special Meeting December 13, 2004 4:30 p.m.
- c. Regular Meeting December 13, 2004 6:30 p.m.
- d. Special Meeting December 15, 2004 8:00 p.m.

2. ASD Memorandum #160 – Revision of School Board Policy Section 333: Charter Schools (First Reading)

It is the recommendation of the Administration that the School Board adopt the recommended policy changes for School Board Policy Section 333: Charter Schools on First Reading.

3. ASD Memorandum #166 – FY 2004-2005 Budget Revision to Local/State/Federal Projects Fund

It is the Administration’s recommendation that the School Board authorize a budget increase of \$1,500,000 to the Local/State/Federal Projects Fund. It is further recommended that the School Board also authorize budget decreases in the General Fund of \$605,000 and in the Debt Service Fund of \$895,000. The overall revision will not impact the upper limit spending authority approved by the Anchorage Assembly; therefore, no approval from the Anchorage Assembly is required. The District’s FY 2004-2005 revised budget by individual fund will be in the following amounts:

General Fund	\$398,107,237
Food Service Fund	13,785,312
Debt Service Fund	69,568,617
Local/State/Federal Projects Fund	<u>44,500,000</u>
 Total All Funds	 <u>\$525,961,166</u>

4. ASD Memorandum #164 – Professional Services Selection for Tudor Elementary School Upgrades

It is the Administration’s recommendation that the School Board approve the selection of Jim Hill, Architect as the Architect/Engineer for the Tudor Elementary School Upgrades, and authorize the Superintendent to negotiate and enter into a contract with Jim Hill, Architect for design services.

5. ASD Memorandum #165 - Acceptance of Grant Award: Carl Perkins

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to accept the Carl Perkins Grant in the amount of \$946,092 for the 2004-2005 school year. Funds will be used to support career and technical education in the Anchorage School District.

6. ASD Memorandum #151 - Personnel Report

It is the Administration's recommendation that the School Board approve the attached Personnel Report.

The following items were removed from the Consent Agenda: Minutes from the Special Meeting of December 15, 2004 and ASD Memorandum #160.

ACTION:

<p>Moved by John Steiner Seconded by Macon Roberts</p>	<p>to approve Minutes from the Regular Meeting of October 11, 2004; Minutes of Special Meeting of December 13, 2004; Minutes of Regular Meeting of December 13, 2004; Memorandum #166; Memorandum #164; Memorandum #165; and Memorandum #151 (Revised).</p>
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VOTE:

Ayes: Metcalfe, Kennedy, Marks, Steele,
 Friedman, Steiner, Roberts

Nays: None

MOTION PASSED

Minutes from the Special Meeting of December 15, 2004 - 8:00 p.m.

ACTION:

<p>Moved by John Steiner Seconded by Jeff Friedman</p>	<p>to approve the correction on page 20, line 8: change the word endured to observed.</p>
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John Steiner stated the reason he pulled the minutes from the Special Meeting of December 15, 2004 was to change the word “endured” to “observed.” Mary Kay Sambo, Board Secretary, will make that correction to the minutes.

VOTE:

Ayes: Metcalfe, Kennedy, Marks, Steele,
Friedman, Steiner, Roberts

Nays: None

MOTION PASSED

ASD Memorandum #160 – Revision of School Board Policy Section 333: Charter Schools (First Reading)

It is the recommendation of the Administration that the School Board adopt the recommended policy changes for School Board Policy Section 333: Charter Schools on First Reading.

ACTION:

Moved by Jeff Friedman Seconded by Mary Marks	to approve Memorandum #160.
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Jeff Friedman stated that he was the chair of the Policy Subcommittee and noted the committee has received much assistance from the charter school representatives over the past year and one-half. John Steiner also commented that they gave many valuable comments to the committee to consider. Mr. Steiner believes that the proposed changes will embrace the charter schools and make them a more integral part of the organization.

AMENDMENT:

Moved by Jeff Friedman Seconded by John Steiner	to amend Section 333.3a – Notice of Intent: Any person(s) wishing to establish a charter school shall notify the Superintendent of their intention at their earliest convenience but no later than August 1 <u>July 15</u> of the year the application will be submitted. Section 333.3b – Application Submission: Applications for charter schools shall be submitted to the District no later than October 1 <u>September 1</u> of the school year prior to
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	<p>the school year the charter school is proposed to begin operation. Applications received after the October 1 <u>September 1</u> deadline shall not be considered until the next school year. All charter schools shall begin operations as specified in the charter school application.</p> <p>Section 333.61 - Administrative Meeting (paragraph 2): Following the initial meeting with the administrative committee, the charter school representatives shall prepare the information required on the application form, and shall prepare a proposed contract between the charter school and the School Board. The required provisions of the contract are the same as the elements required in the application form set forth in section 333.5 of this policy. These documents shall be submitted to the Superintendent no later than October 1 <u>September 1</u> of the school year prior to the school year in which the charter school proposes to begin operations. However, with acceptable rationale, some documents may be submitted later on a mutually agreeable date.</p> <p>Section 333.64a - School Board Action and Public Hearing: Following the work session, the School Board shall place the charter school proposal on the agenda for action no later than the first regularly scheduled School board meeting in January <u>December</u>.</p>
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John Steiner asked the Administration if there is any concern with changing the dates in the policy that may conflict with the Administration Building closing during the summer. Carol Comeau responded that the Administration Building closes for the first week in July and this change in policy should not be a problem. Mr. Steiner asked Superintendent

Comeau if she felt this change in policy would better assist the charter schools. Superintendent Comeau responded yes, it will give them more time to work with the charter school organizers.

VOTE:

Ayes: Metcalfe, Kennedy, Marks, Steele,
Friedman, Steiner, Roberts

Nays: None

AMENDMENT TO THE MAIN MOTION PASSED

AMENDMENT:

<p>Moved by John Steiner Seconded by Crystal Kennedy</p>	<p>to amend Section 335.5e(1) - Description of the Educational Program: a statement of the program mission and philosophy: explain the purpose of the program, for whom it is established, and what the <u>intended areas in which</u> intended student performance <u>will be measured</u> and the performance targets will be for students enrolled in this charter school;...</p>
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John Steiner stated that while reading through this section, the intent was not clear and doesn't make sense. He is concerned that the public will not understand the meaning of this section and that is the reason he offered this amendment.

VOTE:

Ayes: Metcalfe, Kennedy, Marks, Steele,
Friedman, Steiner, Roberts

Nays: None

AMENDMENT TO THE MAIN MOTION PASSED

AMENDMENT:

<p>Moved by John Steiner Seconded by Crystal Kennedy</p>	<p>to amend Section 333.5k(4)(c) - Description of Evaluation Procedures: A charter school that does not hires an <u>administrator who is not certificated</u> administrator may develop its own evaluation procedures for that administrator.</p>
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John Steiner stated that this sentence makes the policy more clear; it does not change the intent.

VOTE:

Ayes: Metcalfe, Kennedy, Marks, Steele,
Friedman, Steiner, Roberts

Nays: None

AMENDMENT TO THE MAIN MOTION PASSED

John Steiner asked the Administration to make a grammatical change to Section 333.51. He noted that it should be Section 333.62 to be chronologically correct. Carol Comeau responded that this change would be made.

AMENDMENT:

Moved by John Steiner Seconded by Crystal Kennedy	to amend Section 333 – Charter Schools (First Reading) : Replace the words representatives and proposers with “applicants” throughout the document.
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Jake Metcalfe called for a point of order. He suggested to the Board that if they are planning to edit the proposed policy, it should be returned to the Policy Subcommittee for more discussion. John Steiner stated that he had one more item to discuss and asked to continue. Mr. Metcalfe responded that we should not be doing the editing on the first reading. Tim Steele stated that if the discussion became too cumbersome, he would recommend sending the policy back to the committee for further discussion. Jeff Friedman asked for a little leeway in this instance, but agreed that it is a lengthy document, not easy to ready, and covers a lot of ground. He asked permission to allow them to make a few little edits and appreciates the School Board’s indulgence.

VOTE:

Ayes: Metcalfe, Kennedy, Marks, Steele,
Friedman, Steiner, Roberts

Nays: None

AMENDMENT TO THE MAIN MOTION PASSED

John Steiner stated that Sections 333.91(a)(6) and 333.96(a) appear to be identical, but do not say the same thing, which could be confusing. For example, the requirements for a person to be a District principal or be on the District’s eligible to hire list and to get the Superintendent’s approval before contracting with a District principal for teacher evaluations are

noted in Section 333.91(a)(6), but not in Section 333.96(a). Also Section 333.96(a) says the charter school’s principal should do teacher evaluations if the principal has a Type B certificate. Section 333.91(a)(6) says it may be the charter school principal with a Type B, but need not be. Mr. Steiner suggested adding the following statement at the end of Section 333.96(a)(6): “teacher evaluation by an administrator selected under 333.91(a)(6).”

AMENDMENT:

<p>Moved by John Steiner Seconded by</p>	<p>to amend Section 333.91(a)(6) - Operations/Management/Academic Policy Committee: <u>...The evaluator must also satisfy 333.96(a).</u> Modify the heading of 333.96(a) - Evaluation of Charter School Personnel - Teacher Evaluation to: <u>Teacher Evaluation by an Administrator Selected Under 333.91(a)(6).</u></p>
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Amendment died for lack of a second.

Mr. Friedman stated that he neglected to mention that this is the first policy section to come forward with “notes,” which the committee has discussed. There were many places where the former policies would be very specific about what to do and referred to state laws and regulations that may change. The policy subcommittee asked the Administration to insert “notes” wherever, whenever, or when they wish to make changes to provide a little extra guidance or to make it clearer to principals or to those that use this policy. This would prevent the Administration from having to come back to the policy subcommittee each time. Mr. Friedman encouraged the Board to support this type of action. He noted that Mr. Steiner’s previous motion just would have been a similar note, which in his mind, the Administration should be free to add whenever they feel that someone may need extra guidance in reading these policies. Mr. Friedman stated that this amendment is not necessary, but encouraged the Administration to take note. The Board concurred with Mr. Friedman’s suggestion.

Mr. Steiner understood that the motion died due to a lack of a second so it is not on the table for discussion. He wanted to note for the Board in the discussion of the main motion about his concern with the fact that there are two separate sections that each deal with teacher evaluation: 1) dealing with the selection of an evaluator; and 2) the other dealing with

the actual evaluation. They are not identical in their terms, and therefore it is important that charter schools should be aware of both sections during the process of selecting an evaluator and during the process of the actual evaluation. Each section includes some substance for the other process. Mr. Steiner wants to make sure the Administration will put a note in this section. Mr. Steiner wanted to express the importance of this note for clarification. Mr. Steele encouraged Mr. Steiner to talk to the Administration about the need for the note. Superintendent Comeau stated that the Administration has read Mr. Steiner's recent email and recognizes and understands the issue.

VOTE ON MAIN MOTION:

Ayes: Metcalfe, Kennedy, Marks, Steele,
Friedman, Steiner, Roberts

Nays: None

MAIN MOTION PASSED AS AMENDED

H. SUPERINTENDENT'S REPORT

1. ASD Memorandum #155 - Facility Contract Modification Report and Completed Projects for the Month of December 2004

The monthly Facility Contract Modification Report for the month of December 2004 is attached. There are no exceptions to report this month. There are no completed projects for this month.

2. ASD Memorandum #157 - Project Status Report

This is a report of activities and project status changes in Major Capital Projects during the period of December 23, 2004 through January 12, 2005.

3. ASD Memorandum #156 - End-of-Month Membership Summary for December 2004

The end-of-month membership report for December 29, 2004 is attached (Attachment A). The total active enrollment at the end of December was 49,046. This enrollment represents a decrease of 408 students when compared to the September 30, 2004 total of 49,454.

4. ASD Memorandum #158 - Semi-Annual Report on Professional/Consultant Services on Contracts Over \$10,000

In accordance with School Board Policy Section 725.132, the semi-annual report for Professional/Consultant Services on Contracts over \$10,000 for the period July 1, 2004 through December 31, 2004 is attached.

5. ASD Memorandum #152 - Out-of-District Travel - Second Quarter Report FY 2004-2005

The attached Travel Report summarizes the travel taken by District employees and School Board members during the second quarter of FY 2004-2005 for both in-state and out-of-state travel. This report complies with the travel procedures established with the revision to School Board Policy Sections 156, Board Member Travel, and 526, Staff Travel.

There were 200 District employees and School Board members who traveled during the second quarter of FY 2004-2005 on 226 trips for a total cost to the District of \$205,493.45.

6. ASD Memorandum #154 - Operating Budget Transfers - December Monthly Report FY 2004-2005

The attached report of budget transfers for the time period of December 2004 that were processed in the Integrated Financial Accounting System (IFAS) includes the following:

Attachment A: Report of Budget Transfers Over \$5,000 – Report for individual transfers of more than \$5,000, which includes summarized justifications.

The schedule of monthly budget transfers processed for the month of December 2004 and related information are available in the Budget Department office for review by the School Board and members of the public.

7. ASD Memorandum #153 - Treasurer's Report/Financial Recap: December 31, 2004

The attached report consists of three parts: the Graphic Overview, the Treasurer's Report and the Financial Recap. The Graphic Overview is presented on a quarterly basis and the Treasurer's

Report and the Financial Recap are presented on a monthly basis. The Treasurer's report and Financial Recap are year-to-date information as of December 31, 2004.

I. GRAPHIC OVERVIEW

District investments are primarily made through the Municipality of Anchorage. Overnight repurchase agreements are made through the District's banking services, whereas, the Student Activity Fund investments are made by individual schools in insured accounts. The Anchorage School District requires direct investments, in excess of any insured amount, to be collateralized at all times with United States Government guaranteed securities having a market value, plus accrued interest, which equals or exceeds the collateralized amount of the investment. The Municipality invests directly in United States Government guaranteed securities or through collateralized investments that meet District requirements.

Included on page 1 of the report is a graph representing the types of investment instruments held by the District as of December 31, 2004, except for the Student Activity Fund. In addition, a monthly comparison of cumulative interest earnings for fiscal year 2003-2004 and fiscal year 2004-2005 is presented on page 2. The cumulative interest earnings for the three-month period ended December 31, 2004 were \$1,783,599 as compared to \$1,137,627 for the same period of time in the prior year.

The graph on page 3 is titled Weighted Average Interest Rate for Investments Purchased. This graph compares the weighted monthly average yield on investments acquired in the current year with the figures for the fiscal year 2003-2004.

II. TREASURER'S REPORT

The Anchorage School District Treasurer's Report includes a summary of the total demand deposits and investments, which are on hand as of December 31, 2004, and a summary of the investment transactions completed December 1 through December 31, 2004.

The demand deposits in the General Fund as of December 31, 2004 reported positive funds available of \$1,315,533. The District's

banking services contract includes the investment of the bank float that provides additional interest revenue to the District. The total amount of investments on hand at December 31, 2004 was \$158,422,157 and the combined total of these liquid assets consisting of the demand deposits and investments were \$159,737,690. A schedule of investments is presented on pages 5 and 6.

The District transacted 87 investments during the month of December. The specific investments purchased are presented commencing with page 7 of the Treasurer's Report. The anticipated earnings for these new investments are \$45,421.84, which will be recorded in the General, Capital Projects, Internal Service, and Debt Service Funds. The interest earnings on investments made by the District are recorded upon receipt of the actual interest earnings on the various dates of maturity. The interest earnings on investments made by the Municipality of Anchorage on behalf of the District are accrued on a monthly basis.

In summary, the District's investment performance for fiscal year 2004-2005 year-to-date is shown by the following three-portfolio yield calculations:

- 1) The annualized End-of-Month Portfolio Yield, noted on page 6, represents the weighted average yield on investments outstanding with the District on December 31, 2004. The Annualized End-of-Month Portfolio Yield was 2.29 percent.
- 2) The Weighted Average Interest Rate for investments purchased during December was 2.11 percent and is noted on page 8.
- 3) The Year-to-Date Cumulative Yield, noted on page 9, represents the weighted average yield of all investments purchased by the District since July 1, 2004. On December 31, the Year-to-Date Cumulative Yield was 2.15 percent.

III. FINANCIAL RECAP

The Financial Recap is a summary of revenues, expenditures and encumbrances for the current fiscal year through December 31, 2004. The funds presented are the General Fund; Debt Service Fund; Food Service and Local/State/Federal Projects Special

Revenue Funds; and Capital Projects Fund. The expenditures are on generally accepted accounting principles (GAAP) basis. This means the amount in expenditures include payments on encumbrances from the prior year. For example, the working budget on expenditures includes the current year's revised budget plus the encumbrances from prior year of approximately \$10.434 million. Year-to-Date (YTD) expenditures, therefore, reflect expenditures from the current fiscal year and expenditures from prior year encumbrances that were carried forward. The appropriations from the prior years for these encumbrances were also carried forward.

The General Fund revised budget for fiscal year 2004-2005 totals \$398.712 million including approximately \$21.833 million increase approved by the School Board (ASD Memorandum #326) and the Anchorage Assembly (AR No. 2004-143) on May 24, 2004 and June 22, 2004, respectively. This budget increase was allowed by the passage of House Bill 233, which provided for an increase in the Alaska Public School Funding Program. This \$398.712 million is compared to the revised budget of \$368.017 million for the prior year. The cumulative actual GAAP expenditures and encumbrances for the six-month period ended December 31, 2004 were \$163.347 million or 39.9 percent of the \$409.146 million working budget (revised budget plus encumbrance budget).

Summary and detailed budget reports are available for each school, department, and other budgetary unit on IFAS on-line with current up-to-date data. This information is available to assist in daily operations.

- I. PERSONS TO BE HEARD ON NON-AGENDA ITEMS

- J. COMMUNICATIONS & SCHOOL BOARD COMMENTS

- K. EXECUTIVE SESSION - (PERSONNEL/FINANCE/NEGOTIATIONS/
LITIGATION)

L. ADJOURNMENT

The Special Meeting of January 24, 2005 was adjourned by unanimous consent at 7:15 p.m.

Tim Steele, President

Jeff Friedman, Clerk

Mary Kay Sambo
Recording Secretary

Date