

**DES MOINES PUBLIC SCHOOLS
REGULAR SCHOOL BOARD MEETING
AND WORK SESSION
MULTIPURPOSE ROOM
1800 GRAND AVENUE
MINUTES
NOVEMBER 4, 2014**

PUBLIC FORUM—5:45-5:45 P.M.

1. Chair Elsbernd called the public forum to order on Tuesday, November 4, 2014.
2. Present: Barron, Boesen, Caldwell-Johnson, Elsbernd, Howard and Sweeney
Absent: Cheatom

There were no speakers.

REGULAR MEETING—6:02 P.M.

3. Chair Elsbernd called the November 4, 2014, meeting of the Des Moines Public Schools Board of Directors to order.
4. Present: Barron, Boesen, Caldwell-Johnson, Elsbernd, Howard and Sweeney
Absent: Cheatom

APPROVAL OF AGENDA—6:02 P.M.

5. Ms. Caldwell-Johnson moved approval of the agenda; seconded by Ms. Boesen.

Aye: Barron, Boesen, Caldwell-Johnson, Elsbernd, Howard and Sweeney
Nay: None
Motion passed 6-0.

APPROVAL OF MINUTES — 6:02 P.M.

6. Minutes for the meeting of October 21, 2014, were moved for approval by Mr. Barron; seconded by Mr. Sweeney.

Aye: Barron, Boesen, Caldwell-Johnson, Elsbernd, Howard and Sweeney
Nay: None
Motion passed 6-0.

DISTRICT RECOGNITIONS — 6:03 P.M.

Dr. Ahart commented on the public support shown for the loss of ticket sales and concession revenue from the October 17 East High football game. Many people came out on Oct. 23 for the Senior Night Celebration prior to the tenth-grade football game. Dr. Patricia Tice contributed \$1,000. Dr. Tice is a long-time DMPS employee who recently retired as a counselor at Lincoln High School. Her nephew was co-captain of the Scarlets football team. Additional donations have been received from others with connections to East, such as the class of 1959, and from many throughout the community, including a pharmacist in Johnston, a Lincoln

parent and a 1952 Roosevelt graduate. Thank you to everyone who has shown their support to East and the community.

The Girls State High School Cross Country title is back at Des Moines Public Schools. This past weekend, Roosevelt Senior Megan Schott won the class 4A title at the state meet in Fort Dodge. Megan is the second Roosevelt runner and third DMPS student athlete to win the state title. Big congratulations to Megan, her family and the entire Rough Riders Team.

At the Annual Iowa School Counselor Association Convention yesterday, it was announced that Sarah Majoros of Madison Elementary School is the 2014 Iowa Elementary School Counselor of the Year. Nationally, she has also been honored by the American School Counseling Association for her implementation of model programs. At the state level, she also earned a grant from the Iowa School Counselors Association. At the district, Sarah has played a leading role in everything from our K-12 counseling leadership cadre to co-chairing the Curriculum Development Committee, to serving on the district’s grief response team, to a range of professional development initiatives.

Principal Corey Heaberlin provided additional comments about Ms. Majoros and the many ways she has contributed to the students and staff at Madison over the last 10 years. Ms. Majoros expressed how honored she is to have received this award, but more than that, she is honored to be part of Des Moines Public Schools. This has been a wonderful career so far and hopes to continue it for many years. She loves the work she does at Madison and at other Des Moines schools. She thanked the board for the opportunity to attend the meeting and for hiring good leaders for the schools. She’s had the privilege to work for many great principals.

CONSENT ITEMS — 6:08 P.M.

7. Contracts for Approval	1
8. Award of Bid No. B7070—Energy Upgrades at 2323 Grand Avenue	3
9. Open Enrollment Late Application Request	4
10. Personnel Recommendation.....	5
11. List of Bills for Approval	6

Minutes

Ms. Caldwell-Johnson moved that the board approve the consent items including bills previously authorized and certified by the secretary and approved for payment by the board chair in the amount of \$4,243,813.70 and unpaid bills in the amount of \$1,674,154.72; seconded by Mr. Howard.

Aye: Barron, Boesen, Caldwell-Johnson, Elsbernd, Howard and Sweeney
Nay: None
Motion passed 6-0.

PUBLIC HEARING AND ACTION— 6:09 P.M.

12. Public Hearing for Renovation of McKee Education Center.....7

OTHER — 6:10 P.M.

13. School Finance 1018
14. Request for Modified Allowable Growth (MAG) and Supplemental Aid for our
Special Education Deficit for 2013-2014 Fiscal Year10
15. Hewlett Packard Financial Services Lease12
16. FY 2015-16 Budget Development Timeline13

ITEMS OF PRIVILEGE — 6:58 P.M.

17. Chair’s Report

Ms. Elsbernd reminded the board the IASB Conference is later this month with a delegate meeting on November 19. We have not designated a delegate. If anyone is interested in attending as the board’s delegate, please let her know. The UEN legislative lunch and annual banquet will also be held during that time.

Mr. Howard commented that the North High School play was outstanding and encourages everyone to attend an upcoming play at our other high schools. They are very well done and the kids do an outstanding job.

18. Superintendent’s Report

Dr. Ahart congratulated the Lincoln Rails and East Scarlets on earning their way into the state football playoffs. Congratulations also the Roosevelt golf and cross country teams for their impressive performances in the state championships.

There are many successful athletic programs in the district, and we fully expect to see even more successes with the additional efforts and support through learning services and student activities area to build programs from the middle-school level in aligned feeder patterns.

Thanks to Holly Crandell and the Office of Academics team for completing again the State Teacher Leadership and Compensation Grant application. While we had one of the best scores in the state last year, for political reasons we were not awarded the grant. We are hopeful this stronger grant will be selected.

Thank you to Noelle Tichy for representing DMPS so well at the Council for Great City Schools Fall Conference in Milwaukee. It’s really rewarding to be in a group of like districts around the country and see our staff recognized as pacesetters.

An invitation was extended to the board and the public to attend East High School’s debate tournament on Friday evening and Saturday. Roosevelt recently was host and we expect to see the other high schools expand in this area as the program is put into the middle schools.

Hoover's play *Once on This Island* and Roosevelt's play *Hairspray* are Thursday, Friday and Saturday this week.

The Iowa Girls Swimming and Diving Championships are Friday and Saturday in Marshalltown. Hoover, Lincoln, North and Roosevelt all have athletes competing.

Item of Privilege — Director

Ms. Caldwell-Johnson mentioned a communication she received from Superintendent David Harold of the Allamakee Community School District. He commented on the handling of the East High School situation by the IHSAA and, specifically, her comments relative to representation of urban school districts. She would like to request the board provide Mr. Harold a full transcript of the comments from the meeting to help put her comments into context with what the board as a whole discussed and also the information that was shared by the superintendent. As a second step, we discussed some opportunities for suggesting to the Iowa High School Athletic Association some policy reviews and some very specific procedural issues that were not addressed in their current policies that, had they been addressed, may have mitigated the situation that we found ourselves in. I definitely would like to suggest that as a board, we author something to the IHSAA specifically speaking to policy issues where they have specific purview and where, I think, we have the opportunity to hopefully mitigate a situation like we had to address occurring in the future.

ADJOURN — 7:04 P.M.

WORK SESSION — 7:18 P.M.

The directors held a work session and discussed the budget development process and requests for information.

Present: Barron, Boesen, Caldwell-Johnson, Elsbernd, Howard and Sweeney

Absent: Cheatom

Others present: Tom Ahart and Thomas Harper

Item No. 7**Page 1 of 2****Subject: CONTRACTS FOR APPROVAL****For: ACTION****Presentation: None****Contact: Various****Attachment: None**

Superintendent's Recommendation: The superintendent recommends the contracts as shown below be approved.

Contract No. 14-051

Project: Equipment Insurance Program for Multifunctional Copiers

Contractor: Specialty Underwriters Group, LLC

Background: Insurance for equipment repair is available to school districts under the Equipment Insurance Program provided by Specialty Underwriters Group, LLC. The policy for Des Moines Public Schools supports the cost of replacement parts and the labor to repair the multifunctional copiers. The policy covers July 1, 2014, through June 30, 2015.

Payments are to be made quarterly over the twelve month period. A small percentage of items are not covered by the policy due to the type of replacement part or damage incurred. An additional \$25,000 will be added to the purchase order to reimburse Specialty Underwriters Group, LLC for work performed and not covered by the insurance policy. The estimated yearly expense is \$356,000.

Financial:

Revenues: \$0

Expenses: \$356,000

Funding Source: Management Fund

New or Renewal: Renewal**Contact:** Dan Warren[\(danny.warren@dmschools.org/242-7993\)](mailto:danny.warren@dmschools.org/242-7993)

Nick Lenhardt

[\(nicholas.lenhardt@dmschools.org/242-7993\)](mailto:nicholas.lenhardt@dmschools.org/242-7993)

Item No. 7**Page 2 of 2**

Contract No. 14-052**Project:** 28E with Saydel Community School District**Background:** An agreement for student/s to attend Central Campus and/or Central Academy is required.**Financial:**

Revenues: Prorated portion of state aid per student who attends CC/CA

Expenses: n/a

Funding Source: n/a

Term: Beginning 2014-15 school year.**New or Renewal:** New**Contact:** Tim Schott

(timothy.schott@dmschools.org/242-7871)

Contract No. 14-053**Project:** Student teaching agreement**Contractor:** Luther College**Background:** DMPS has provided student teaching experiences for students from various colleges and universities for many years. College students are placed with teachers throughout the district for either a full or half semester. The individual teacher receives remuneration from the appropriate university. This agreement sets forth the general terms and conditions for placing college students in student teaching placements, pre-kindergarten through 12th grade.**Financial:**

Revenues: \$0

Expenses: \$0

Funding Source: n/a

Term: Beginning April 1 with annual renewal.**New or Renewal:** Renewal**Contact:** Anne Sullivan

(anne.sullivan@dmschools.org; 242-7763)

Item No. 8**Page 1 of 1****Subject: AWARD OF BID NO. B7070 –ENERGY UPGRADES AT 2323 GRAND AVENUE****For: ACTION****Presentation: None****Contact: Bill Good****Attachment: None**(harold.good@dmschools.org/242-8321)

Issue: Award of contract for the energy upgrade project at 2323 Grand Avenue.**Superintendent's Recommendation:** The superintendent recommends a contract for the Base Bid and Alternates 1 and 2 be awarded to the lowest responsive/responsible bidder A. J. Allen Mechanical Contractors Inc. in the amount of \$977,660.00.**Presenters:** None, Bill Good will be present to answer any questions.**Background:** This project consists of making mechanical and electrical improvements along with related architectural work. This project will enhance energy efficiency for the building.

The district received bids on October 28, 2014.

Alternate 1: Replace the existing temperature control system

Alternate 2: Retrofit light fixtures

	Base Bid	Alternate 1	Alternate 2
A. J. Allen Mech. – DM, IA	\$841,130	\$76,650	\$59,880
Ball Team – Urbandale, IA	\$881,000	\$81,000	\$54,000
Bergstrom Constr. – DM, IA	\$877,000	\$90,000	\$62,000
Breiholtz Constr. – DM, IA	\$953,000	\$72,000	\$56,000
Hanson Co. – Johnston, IA	\$898,700	\$73,700	\$57,200
Lang Constr. – WDM, IA	\$887,600	\$84,800	\$55,100
Rochon Corp. – Urbandale, IA	\$954,000	\$77,000	\$58,000

Funding Source: Statewide Penny (Students First Program)**Contact:** Bill Good

Item No. 9

Page 1 of 1

Subject: OPEN ENROLLMENT LATE APPLICATION REQUEST**For: ACTION****Presentation: None****Contact: Susie Tallman****Attachment: None**

(susan.tallman@dmschools.org/242-7725)

Issue: Request for open enrollment for the 2014-2015 school year.**Presenters:** none

Background: State open enrollment code allows for students to submit an application after the March 1 deadline if it meets several defined good cause reasons. If the good cause reason is due to severe harassment or pervasive health needs, the Code allows for the board to make the determination on the decision. Determination needs to be made based on whether the district is able to sufficiently accommodate the student's needs. Additional confidential information has been provided to the board members.

Superintendent's Recommendation: The superintendent recommends the board deny this application.

Student Name	Grade	Requested District
Drahozal, Daphne	07	Saydel

Item No. 10**Page 1 of 1****Subject: PERSONNEL RECOMMENDATIONS****For: ACTION****Presentation: None****Contact: Dr. Anne Sullivan****Attachment: None**(anne.sullivan@dmschools.org/242-7763)

Superintendent's Recommendation: The superintendent recommends the board approve the personnel recommendations.

ELECTION

Name	School, Position	Effective Date
Le, Betty	Jackson, K-3 Interventionist	11/04/2014

RESIGNATION

Name	School, Position	Effective Date
Cook, Archie	North, Social Science	06/09/2015

Item No. 11**Page 1 of 1****Subject:** LIST OF BILLS FOR APPROVAL**For:** ACTION**Presentation:** None**Contact:** Thomas Harper
(thomas.harper@dmschools.org/242-7745)**Attachment:** None

Issue: A list of previously paid and unpaid bills will be reviewed by one of the directors prior to the meeting who may randomly or specifically select various entries for detailed review with Business and Finance staff. Such director will make a motion for action to be taken by the board at the meeting.

Item No. 12**Page 1 of 1****Subject: PUBLIC HEARING FOR RENOVATION OF MCKEE EDUCATION CENTER****For: PUBLIC HEARING/ACTION****Presentation: None****Contact: Bill Good****Attachment: None**

(harold.good@dmschools.org: 242-8321)

Issue: Holding a public hearing to approve the plans and specifications prepared by KPE Engineers for the renovation of McKee Education Center. Publication of the public hearing was included in The Des Moines Register on October 31, 2014.

Superintendent's Recommendation: The superintendent recommends the board hold a public hearing and approve the plans for the renovation of McKee.

Presenters: None - Bill Good will be present to answer any questions.

Background: This project will renovate the existing McKee building and add a new parking lot to accommodate additional off-street parking for the pre-school. Renovation will include a new geothermal mechanical system, a new fire sprinkler system, electrical upgrades and a new fire alarm system.

A copy of the plans and specifications is available for review at the district's Operations Center, 1917 Dean Avenue.

Funding: Statewide Penny (Students First Program)

MINUTES

The public hearing was called to order at 6:09 p.m. With no speakers coming forward, the public hearing was closed at 6:10 p.m.

Mr. Howard moved the superintendent's recommendation; seconded by Ms. Caldwell-Johnson.

Aye: Barron, Boesen, Caldwell-Johnson, Elsbernd, Howard and Sweeney

Nay: None

Motion passed 6-0.

Item No. 13**Page 1 of 2****Subject: SCHOOL FINANCE 101****For: INFORMATION****Presentation: PowerPoint****Contact: Thomas Harper****Attachment: 14-064**(thomas.harper@dmschools.org/242-7745)

Issue: School finance and review.**Superintendent's Recommendation:** The superintendent recommends the board begin discussion on the FY 2016 budget parameters, priorities and the guiding principles with the additional information presented.**Presenters:** Larry Sigal, Iowa School Finance Information Services (ISFIS)**Background:** As the board begins its discussions relative to FY16 goals, parameters and priorities, it is a good time to review some of the basic tenets of school financing. This presentation will provide school finance background and updates that may be useful to the community, staff and other parties that are interested in understanding and offering input into the board's FY16 budget discussions over the next several months.

Larry Sigel brings over 20 years of state and local government analytical experience. Larry has a BA degree in Financial Management from the University of Iowa (1988) and a MA degree in Urban and Regional Planning from the University of Iowa (1990). Larry's work background includes 10 years (1990 to 2000) at the nonpartisan Iowa Legislative Fiscal Bureau staffing Administration Appropriations Subcommittee, Human Services Appropriations Subcommittee, and the Ways and Means Committees for both Chambers. Mr. Sigel then spent 9 years as the School Finance Director for the Iowa Association of School Boards, developing school finance content including legislative support, spreadsheet and tool development to allow school districts to understand and manage their finances. Larry's extensive experience in helping school leaders in districts of all sizes at the local level, his state-level policy and tax expertise, and his commitment to state-of-the-art technology tools to lighten the workload for all uniquely positions him to support policy development, strategic planning and advocacy at the statehouse.

MINUTES

Larry Sigel provided basic school finance information in the attachment with the following additional clarification:

- Each student brings \$6,366. Each student leaving the district takes \$6,366.
- If property valuations should double, spending amount in the general fund would not change, the tax rate would go down to offset the increase.

- Funds can only be spent on allowable purposes driven by Dillon's rule. If the Code of Iowa doesn't tell us we can do something, we can't.
- There are seven funding sources mandated by Code, including the general fund.
- State aid makes up the majority of school funding, which is 46.3%.
- The state controls the maximum amount the school district can raise and spend in the general fund, called spending authority. This evens out the concept of equity between property-rich and property-poor communities.
- Spending authority is not cash. It's the amount that can be expended (\$6,366) on behalf of each student. It also includes the previous year's unspent spending authority.
- For the upcoming budget year that the board will be working on, the amount per child has not been set by the legislature.
- Fund balance is the unspent budget authority and is the single, most important measure in school finance. It is how the district is judged by the School Budget Review Committee and the Iowa Department of Education, rather than the amount of cash in the bank.
- The Instructional Support Levy is an optional source of funding for up to an additional 10% and is utilized by 330 of 338 school districts in the state use it.
- Drop-out Prevention is the second option for up to an additional 5%.
- No additional options are available to raise money for the general fund.
- The only way to balance the budget after these items is on the expenditure side.
- A limitation facing school districts in the near future is the December 31, 2029, sunset on the one-cent sales tax. It has shortened the bonding stream which was originally 20 years down to 14 years. The only other alternative to that source is property taxes.
- A negative spending authority can result in severe sanctions on the district. In relative-size terms, it would be better to make unspent budget authority ten times as large as solvency ratio from a financial health perspective.

Specific information for the Des Moines district is included in the last two pages of the attachment.

The Unspent Budget Authority chart shows we have gone up from the \$10-\$20 million range. But, we are still at about the 50th percentile.

Another trend to look at is the enrollment. We are seeing an increase which is helping us. Our solvency ratio is in a good place. The Property Tax Summary shows relative ranks. One reason our tax rate is where it is at the 19th highest is that our per pupil valuation is about \$300,000, which places us 319th out of 338 district. Only 19 schools have a lower per pupil valuation.

Item No. 15**Page 1 of 2****Subject: REQUEST FOR MODIFIED ALLOWABLE GROWTH (MAG) AND SUPPLEMENTAL AID FOR OUR SPECIAL EDUCATION DEFICIT FOR 2013-2014 FISCAL YEAR****For: ACTION****Presentation: None****Contact: Shelly Bosovich/Thomas Harper****Attachment: None**

(shelly.bosovich@dmschools.org/242-7617; thomas.harper@dmschools.org/242-7745)

Issue: Request to obtain modified allowable growth from the School Budget Review Committee (SBRC). We understand the amount of the supplemental aid payment will be calculated by the Department of Management after all special education balances have been finalized.

Superintendent's Recommendation: The superintendent recommends that the board approve the request to the School Budget Review Committee for modified allowable growth in the amount of \$753,190.61 for FY 2014.

Presenters: None.

Background: The district must make application to the School Budget Review Committee (SBRC) for modified allowable growth and supplemental aid in order to receive funding for our special education program and deficit. This request is part of the Certified Annual Special Education Supplement required by the Department of Education. The special education deficit for FY 2014 is \$753,190.61

MINUTES

Mr. Harper and Shelly Bosovich provided the following information on this topic.

While every other district in the state has had a special education deficit for years, this is the first time for the Des Moines district. Funding shifts have been made to other areas when appropriate for staffing, such as social workers, and for transportation expenses. However, revenue has not kept up with expenditures, causing this deficit for the year ended June 30, 2014.

This is a request for to raise the spending authority, and the budget process will be used to determine how to cover the deficit.

The issue isn't that the number of students identified as needing special education services has gone down, it's that our weighted factor has gone down. Several years ago, the AEAs met and created a statewide matrix to determine how students are

weighted and how much money is allocated for students who need additional services because of their disability. The rate for services has gone down, but the needs of the students have not gone down. The deficit is expected to climb because the district won't be reducing staff in order to meet the mandated services and provide the care the students need.

The statewide deficit for special education grew to \$70 million last year. One district of about one fourth our size has a deficit of \$5 million.

By approving the resolution, the district can ask for additional budget authority which will allow us to raise the cash reserve levy a little next year to cover the deficit.

Board members suggested using the UEN and ISEA to address the issue at the legislative level to allocate sufficient funding.

Finding qualified teachers is one of our barriers in letting students into our programs, but Human Resources has been working hard to create a plan and be more proactive.

Another benefit for Des Moines is having specialized programs at two buildings—Smouse and Van Meter—which allows for resources to be concentrated in areas for students who need them rather than duplicating specialized services and equipment throughout the district. There is an economy of scale in doing this; however, it has been equalized over time.

Mr. Sweeney moved approval of the request for modified allowable grown for the special education deficit; seconded by Mr. Barron.

Aye: Barron, Boesen, Caldwell-Johnson, Elsbernd, Howard and Sweeney

Nay: None

Motion passed 6-0.

Ms. Caldwell-Johnson requested a matrix showing the number of special education students and how we're trending over the last five years. In addition to the amount per student, what is the additional weighted funding?

Ms. Elsbernd will include this request for discussion during the work session.

Item No. 17**Page 1 of 1****Subject: HEWLETT PACKARD FINANCIAL SERVICES LEASE****For: ACTION****Presentation: None****Contact: Thomas Harper****Attachment: 14-066**(thomas.harper@dmschools.org/242-7745)

Issue: Resolution and Completion of Master Lease with Hewlett Packard Financial.**Superintendent's Recommendation:** The superintendent recommends the board adopt the resolution authorizing approval of the lease agreement with HP Financial.**Presenters:** Thomas Harper will be available for questions.**Background:** The district entered into a contract with Hewlett Packard, on State contract, for the K-5 math adoption implementation incorporating digital content into K-5 classrooms with digital textbooks and Epson machines. The board approved the expense on May 20, 2014, contract no. 14-027.

This is a four-year contract; \$1,508,222 per year, \$6,032,890 total.

The attached resolution and certificates are necessary in order to complete all required documentation.

Funding Source: General Funds

MINUTES

Mr. Barron moved adoption of the Resolution Authorizing Approval of the lease agreement between Hewlett Packard Financial Services Company as Lessor and the Des Moines Independent Community School District as Lessee dated as of November 4, 2014, including Master Lease Schedule and related certificates and documents. Motion was seconded by Mr. Howard.

A roll call vote was taken.

Aye: Caldwell-Johnson, Howard, Boesen, Elsbernd, Barron and Sweeney

Nay: None

Motion approved 6-0.

Chair Elsbernd declared the resolution adopted.

Item No. 18**Page 1 of 1****Subject: FY 2015-2016 BUDGET DEVELOPMENT TIMELINE****For: DISCUSSION****Presentation: None****Contact: Thomas Harper****Attachment: 14-065**(thomas.harper@dmschools.org/242-7745)

Issue: Budget Development FY 2015-2016**Superintendent's Recommendation:** The superintendent recommends the board discuss the budget development timeline as presented.**Presenters:** Thomas Harper**Background:** Attachment 14-065 includes a compilation of pertinent dates and deadlines. As the Budget develops and meeting schedules are confirmed this timeline will be updated.

MINUTES

Ms. Elsbernd asked the board members to review the budget schedule and weigh in on the need for additional time and discussion prior to the statutory publication date.

Mr. Harper stated this is the time to add additional meetings to the process.

Ms. Boesen would like an update of what information has been shared with the other groups so the board has a clearer picture on why they would be making the recommendations they are making.

Ms. Caldwell-Johnson felt that last year we rushed through the board's part of the budget, and we should try to err on the side of trying to provide as much opportunity as we can to deliberate on some of the budget issues. The budget is probably the single, largest responsibility we have as a board and ensuring we spend adequate time going through the components of the budget is really important. I'm hoping we can really work hard to build time in so we're in a position to not only better anticipate some of the challenges that may be coming, but also keep the public apprised of what's happening from the district's perspective as it relates to the budget.