

DRAFT

**AMPHITHEATER PUBLIC SCHOOLS
Tucson, Arizona**

MINUTES OF SPECIAL PUBLIC MEETING OF THE GOVERNING BOARD

Place, Date and Time of Meeting

Wetmore Center, 701 West Wetmore Road, April 21, 2015 at 5:00 PM

Board Members Present

Deanna M. Day, President
Jo Grant, Vice President
Dr. Kent Paul Barrabee, Member
Julie Cozad, Member
Scott A. Leska, Member

Central Administrators Present

Patrick Nelson, Superintendent
Monica Nelson, Associate Superintendent
Todd A. Jaeger, J.D., Associate to the Superintendent and General Counsel
Scott Little, Chief Financial Officer

Call to Order and Signing of Visitor's Register

Deanna M. Day

Ms. Day called the meeting to order at 5:02 PM and invited any visitors who had not already signed the register to do so.

Pledge of Allegiance

Mr. Nelson

Announcement of Date and Place of Next Regular Governing Board Meeting:

Ms. Day announced the next Regular Meeting of the Governing Board on Tuesday, May 5, 2015, 5:00 PM at Wetmore Center, 701 W. Wetmore Road, Room 146.

PUBLIC COMMENT

Ms. Day read the Call to the Audience for Public Comment.

Mick Stewart addressed the Board regarding concerns about the budget and the approach to Amphitheater's Budget Plan. Mr. Stewart opined that the District is cutting people, programs and pay without looking at declining enrollment. According to Mr. Stewart, in the last 2 years the District has have lost over 600 students with a projection of another 300 this next year. Roughly \$2-3M in lost per-student funding for the budget. He wants to know if the District knows why, have we looked for the reasons and have we done anything to stop this loss of students. Amphi should be the premier, number one destination for education in Northwest Tucson. He asked that the Board create a District and parent committee to look into answers as to why people are not choosing Amphitheater. He stated that he hasn't heard anyone speak on a solution. According to Mr. Stewart there are many parents and teachers willing to get involved and assist and he would like the Board to look into finding out why we are losing students when we have such an amazing District.

Board Book Note: *In reference to the comment that the District is cutting pay, see April 21st Agenda Item 1.U. Even with cuts in State funding, Amphitheater has offered pay raises in 2008-2009, 2010-2011, 2011-2012 and*

2013-2014 with some years including an increase in fringe benefits, step movement increases and stipends. In 2009-2010 there was no pay raise. A pay increase of 1.59% was passed at this meeting for the 2015-2016 school year based on what the State has stated they will provide in funding.

Bob Burrous addressed the Board regarding transfer of credits from non-district schools. He spoke to the Board a couple of weeks ago regarding transfer friendly policies, specifically his daughter coming in from Legacy K-8, and the District not recognizing her Algebra credits. Mr. Burrous provided the Board a handout. He stated that the handout in front of them, is a long handout, and he would let them look through it at their leisure, but he wants to hit a few highlights in the 3 minutes he has here.

- Outlined suggestions that he proposed to the Board a couple of weeks ago
- Noted that the course catalogue at Canyon del Oro and Ironwood Ridge, both say that “The Amphitheater School District will accept credit granted from previously attended, regionally accredited schools.” Legacy is a previously attended, regionally accredited school and the District is not accepting these credits.
- Showed samples of the State and Federal requirements and the distinction between appropriately certified teachers and highly qualified teachers. The District recognizes certified teachers but not highly qualified teachers. For example: If a Ph.D. holder in Mathematics from the University of Arizona taught the class, they would be highly qualified, but they would not be certified therefore the District would not recognize their credentials.
- Pointed out inconsistencies with what the District is currently allowing to take place in the Administration. At Canyon del Oro even though the catalogue says one thing, they were doing a good thing, they were allowing, they were accepting these transfer credits. Rather than waiting on the Board to analyze this and to look at this methodically, and for us to have a dialogue in response, this week he received a letter from CDO Principal Mr. DeWeerd in response to what he submitted.
- Provided copies of in his words, the “secret policy”, the unknown Amphi policy for accepting transfer policies. A search won’t pull up IQF-RC or the graduation requirements. A search on the Amphi website for IQF-RC, which is the District’s official policy description, says “no matches found”. Again, it’s in the catalogue that the District will accept the credit, but this is that “secret” policy.
- A search for credit and advanced placement on the website brings up nothing.
- In looking up Algebra credit, you can actually find something for high school credit at Coronado K-8 School. One page at Coronado it shows what’s typical, the next shows what is actually on the Coronado website which is inconsistent with what he was told in the letter. Students don’t have to get an 80%, they have to get an 80 in the class and do well on the final exam (in a District school). This is a final exam that is taken in two different sections, and in the case of his daughter, she took Algebra over a year ago, she’s taking Geometry now. This unknown policy only comes out at the end.
- He stated he would like to introduce a legal principle to the Board. He spoke to the Board about something called detrimental reliance, breach of contract, the estoppel. It is a legal principle that if you acquiesce to other policies, if you don’t enforce a policy, have a policy for 10 years that is in secret and don’t enforce it, then implement the unknown policy. In the letter he received his daughter was given 2 weeks to come in and take the exam. He finds that highly disappointing.

Board Book Note: *The policy copy Mr. Burrous provided in the handout package is IKF-RC Graduation Requirements. When commenting he referred to IQF-RC, which does not exist. The Policies of the District are accessible by hyperlink at www.amphi.com, Governing Board, Amphitheater’s Policy Manual. Click on free public access and select Amphitheater.*

David Shields addressed the Board regarding the impact of Carnegie Math Books on AIMS test scores in our high schools. Mr. Shields followed up on the effect of the Math textbooks from last year on test scores. Many parents look at Math and Science scores when deciding to enroll students in high school. He went to the AIMS test that was given this last April 2014 which the schools had prepared their students for from August 2013 to April 2014. At Ironwood, they didn’t want Math teachers to use Carnegie fill-in-the blank workbooks.

They wanted a more standard curriculum that had good examples. Other schools like Canyon del Oro embraced the fill-in-the blank workbook. He went back to the AIMS scores for the three high schools in the District and pulled a chart for 10th Grade, 2011-2014, for all three schools. Canyon del Oro went from 79% in 2013 to 74% in 2014 in Math; dropping 5% embracing the new Carnegie. Ironwood teachers did not want to use Carnegie, so they used some of their own materials copied off prior textbooks, worked with their students, and Ironwood went from 81% to 86%. This is a nice draw for parents coming from out of District. Parents might choose Ironwood over Canyon del Oro based on the numbers. Amphitheater High School's scores in 2011-2013 were 42%, 49% and 38%. It appears that the Carnegie fill-in-the blank workbooks helped them improve to 56% in 2014. Mr. Shields believes the Carnegie worksheets have their place; however, for schools like Canyon del Oro and Ironwood that have students motivated to do their homework, to follow up, to check their answers in the back, with the AIMS test in place, it appears to indicate that Carnegie did not help Canyon del Oro. He stated that the websites are listed if the Board would like to pull up the information themselves.

Mr. Nelson provided a clarification. In point of fact, we know that the AIMS last year was not built on the curriculum being taught. Mr. Shields interjected that was correct. It did not have logarithms in Algebra I. However, the other 90% was in there, because he went line by line on the curriculum; polynomials, fractions and irrationals. Mr. Nelson noted for the Board that the AIMS, the correlation to the standards being taught, were not aligned last year. There are other sources of data that we can provide to the Board and Mr. Shields. Mr. Shields commented he will look for the AIMS test results and track them summer by summer.

Ms. Day noted that Mr. Fife was commenting next on Agenda item 11.U. There was discussion about setting the item aside so that Board Members could respond. Mr. Leska interjected to ask that the Board move Item 4.A. to after Item 2. so that the two Action Items are together so the members of the audience can also hear it before the Board goes into Executive Session for Student Discipline. Ms. Day stated that we have parents and students here for Executive Session, and we hate to keep them waiting as they were told a specific time. Ms. Day asked for the Board's thoughts. Mr. Leska commented that we also have a lot of parents, teachers and constituents that want to hear that particular item and don't want to wait the hour and a half or so. Ms. Day reiterated that this is the normal, standard procedure of how we operate at Special Meetings. Dr. Barrabee commented that his general approach would be to accommodate as much as possible. Ms. Grant asked for clarification on who should be accommodated. Dr. Barrabee said in this case, the audience. Ms. Grant asked if there were parents here for the Student Disciplinary hearings; it was verified there were. Ms. Grant stated that they too are our constituents, they were notified to be here at 5:00 pm for a hearing, and she believes we owe that gentleman to least to hear his particular case first. Ms. Day reviewed that the Board would move to recess into Executive Session, hear the one case, and then come back into Open Meeting. Mr. Leska asked if it would be about 5 or 10 minutes. Ms. Day said families are allowed 15 minutes. Mr. Leska commented he was okay with that, at least it doesn't put out the audience that is here for Item 4. then the Board can go back into Executive Session. Ms. Day asked for a motion. Ms. Grant asked if they go into Executive Session, will they not do the Executive Session Meet and Confer discussion before Item 4.A. is presented; or would it be at the end as well? Mr. Leska commented Meet and Confer is Item 1.U. Ms. Day called on Mr. Nelson for clarification. Mr. Nelson said the item in Executive Session Meet and Confer is dependent upon the adoption of the item under the Consent Agenda. If it is adopted, Item 3.A.3. under Executive Session will not be needed. Ms. Grant moved that the Board recess into Executive Session. The motion was seconded by Dr. Barrabee and passed 5-0. The time was 5:17 PM. Ms. Day declared the Board recessed into Executive Session in the East Conference Room, Room 118.

The Board returned. Ms. Day called for a motion to reconvene into Open Meeting. Ms. Grant moved that the Board close Executive Session and reconvene into Open Meeting, (recording was inaudible) seconded, motion passed 5-0 at 5:43 PM.

Ms. Day asked the Board if there were any items on the Consent Agenda which they would like further discussion on. Mr. Leska said that in light of Mr. Fife's comment form, he requested that *Item 1.U. Approval of Meet and Confer Agreement and/or Compensation Terms for the 2015-2016 Fiscal Year* be set aside for

discussion and *I.V. Approval of Contract Forms for the 2015-2015 Fiscal Year* as well. Ms. Day asked for a motion to approve Consent Agenda Items A-T. A motion was made by Dr. Barrabee to approve Consent Agenda items A-T. The motion was seconded by Ms. Grant and passed 5-0. Appointment of personnel is effective provided all district, state, and federal requirements are met.

1. CONSENT AGENDA

A. Approval of Minutes of Previous Meeting(s)

Minutes from the February 10, 2015 Meeting were approved as submitted.

[<http://www.amphi.com/departments-programs/governing-board-minutes/2014-2015/february-2015.aspx>, Item 1.A. attch] (Exhibit A)

B. Addendum to Approval of Appointment of Personnel

Certified and classified personnel were appointed, as listed in Exhibit 1.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506>, Item 1.B. attch]

C. Approval of Personnel Changes

Certified and classified personnel were appointed as listed in Exhibit 2.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506>, Item 1.C. attch]

D. Approval of Leave(s) of Absence

Leaves of Absence requests were approved for certified and classified personnel as listed in Exhibit 3.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506>, Item 1.D. attch]

E. Approval of Separation(s) and Termination(s)

Certified and classified personnel separations were approved as listed in Exhibit 4.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506>, Item 1.E. attch]

F. Approval of Vouchers Totaling and Not Exceeding Approximately \$ 1,272,904.67 (Final Total)

A copy of vouchers for goods and services received by the Amphitheater Schools and recommended for payment has been provided to the Governing Board. The following vouchers were approved as presented and payment authorized:

FY 14-15

Voucher #112 \$199,011.97	Voucher #113 \$803,036.14	Voucher #114 \$266,707.31
Voucher #115 \$35,100.00	Voucher #116 \$169,546.52	Voucher #117 \$51,487.62
Voucher #118 \$139,712.34		

G. Approval of Parent Support Organization(s) - 2014-2015

Parent Support Organization applications were approved as submitted.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506>, Item 1.G. attch] (Exhibit 5)

H. Receipt of February 2015 Report on School Auxiliary and Club Balances

The February 2015 School Auxiliary and Club Balances report was received as submitted.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506>, Item 1.H. attch] (Exhibit 6)

I. Annual Statement of General Assurance

The Statement of General Assurance was approved as presented.

Board Book Information: *All recipients of grants from the Arizona Department of Education are required to have a current General Statement of Assurance (GSA) on file at the Arizona Department of Education (ADE). Completion and submission of the GSA is required to receive assistance funding for fiscal year 2016. The statement also authorizes designated school district staff to act on behalf of the school district.*

<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506>, Item 1.I. attch] (Exhibit 7)

J. Award of Contract for Occupational Therapists Based upon Responses to Request for Proposal (RFP) 14-0020

The Board approved contracts for the listed vendors and authorized the Administration to negotiate any other agreements or contract terms that the Administration determines to be fair and reasonable.

Board Book Information: *Request for Proposal 14-0020 was e-mailed to 47 vendors, published on the District's website, and published in The Daily Territorial. Twenty-one vendors submitted responsive proposals. The Evaluation Team scored each proposal based on the evaluation criteria listed in the RFP. Multiple awards are advantageous to the District to meet the needs of a variety of hours needed for all schools due to the small labor pool for Occupational Therapists in the Tucson area. All vendors that scored 85 points or higher are being recommended for an award. The results are:*

Accountable Healthcare	ACS Consultants, Inc.
Ardor Health Solutions	Circharo Acquisition, LLC (CORE Medical Group)
Invo Healthcare Associates	Kaleidoscope Family Solutions Inc.
Onward Healthcare	Progressus Therapy, LLC
Staffing Options and Solutions, Inc.	Sunbelt Staffing
Supplemental Healthcare	

K. Award of Contract for Student Travel Services Based upon Responses for Request for Proposal (RFP) 14-0016

Award of contracts were approved for the vendors listed.

Board Book Information: *Request for Proposal (RFP) 14-0016 was e-mailed to 11 vendors, published on the District's website and published in The Daily Territorial. Six vendors submitted responsive proposals. The Evaluation Team scored each proposal based on the evaluation criteria listed in the RFP. Multiple awards are advantageous to the District in order to meet the needs of a multitude of destinations, venues and time frames of trips, competitions, or conferences; no one vendor has the capacity or ability to cover all possibilities of all District schools. All vendors that scored 70 points or higher are being recommended for an award. The results are:*

Educational Performance Tours	93
Explorica	92
Forum Music Festivals	88
Grand Classroom	88
Project Exploration	82
Southwest Road Trips	78

L. Award of Contract for McKinney Vento Transportation Services Based upon Responses to Request for Proposal (RFP) 14-0025

Award of contracts were approved for the vendors listed.

Board Book Information: *Request for Proposal (RFP) 14-0025 was e-mailed to nine vendors, published on the District's website, and published in The Daily Territorial. Three vendors submitted proposals; one vendor was deemed non-responsive. The Evaluation Team scored each proposal based on the evaluation criteria listed in the RFP. The two responsive vendors were asked to provide a Best and Final Offer, and the Evaluation Team ranked each vendor based on their Best and Final Offer. The results were:*

A & K Transportation dba Handicar – Highest Ranking Vendor
Total Transit Inc. – Second Highest Ranking Vendor

A primary and a secondary vendor are advantageous to the District for these services due to the critical need for transportation services for McKinney Vento students. In the event that the primary vendor is unable to provide the service on the day and time needed, the secondary vendor will be contacted.

M. Award of Contract for Special Needs Transportation Services Based upon Responses to Request for Proposal (RFP) 14-0026

Award of contracts were approved for the vendors listed.

Board Book Information: *Request for Proposal (RFP) 14-0026 was e-mailed to nine vendors, published on the District’s website, and published in The Daily Territorial. Three vendors submitted proposals; one vendor was deemed non-responsive. The Evaluation Team scored each proposal based on the evaluation criteria listed in the RFP. The two responsive vendors were asked to provide a Best and Final Offer, and the Evaluation Team ranked each vendor based on their Best and Final Offer. The results were:*

A & K Transportation dba Handicar – Highest Ranking Vendor
Total Transit Inc. – Second Highest Ranking Vendor

A primary and a secondary vendor are advantageous to the District for these services due to the critical need for transportation services for Special Needs students. In the event that the primary vendor is unable to provide the service on the day and time needed, the secondary vendor will be contacted.

N. Approval of Disposal of Surplus Property via SA Recycling

The disposal of surplus property via SA Recycling was approved.

Board Book Information: *With Governing Board approval, the Administration will dispose of the following surplus property via SA Recycling (metal recycler located at 1525 W. Miracle Mile, Tucson, AZ 85705):*

- Bus B-99, 1999 Bluebird Diesel, Vehicle ID #1BAHBCSA8XF085093 171,140 Miles
- Bus B-100, 1999 Bluebird Diesel, Vehicle ID #1BAHBCSAXXF085094 188,748 Miles

These buses must be destroyed pursuant to the Environmental Protection Agency grant that provided funding for two new Propane buses.

O. Approval of Disposal of Surplus Property via PublicSurplus.com

Disposal of surplus property via PublicSurplus.com was approved as submitted.

Board Book Information: *With Governing Board approval, the Administration will sell via an online auction the following surplus property:*

<u>DESCRIPTION</u>	<u>UNITS</u>	<u>DESCRIPTION</u>	<u>UNITS</u>
Car 17, Chevy Lumina, 1995 (VIN #2G1WL52M9S9204988)	1	Door, Metal	4
Truck, International Refrigerant, 1999 (VIN #1HTSCABM2XH686210)	1	Door, Wooden	3
Bus 106, Bluebird Diesel, 2001 (VIN #1BABNB0A21F097306)	1	Projector, LCD	11
Bus 109, Bluebird Diesel, 2001	1	Box, Control, WAP Internet	1

DESCRIPTION	UNITS	DESCRIPTION	UNITS
(VIN #1BABNBOA81F097309)			
Bus 108, Bluebird Diesel, 2001 (VIN #1BABNBOA61FO97308)	1	Recorder, Mobile Speaking, Dragon Naturally	1
Bus 29, Bluebird Diesel, 1996 (VIN #1BABMC7A9TF067088)	1	PC, Pocket, Palm Pilot	4
Bus 37, Bluebird Diesel, 2000 (VIN #1BABNBXA9YB091745)	1	Speaker	7
Bus 85, Bluebird Diesel, 1997 (VIN #1BABMC7A9VF072259)	1	Amp	3
Bus 69, Bluebird Diesel, 1996 (VIN #1BABMC70XTF070243)	1	Board, Sound, Mixer	1
Scrubber, Custodial	2	VCR	21
Vacuum, Wet and Dry, Custodial	6	Player, Disc	1
Extractor, Carpet, Custodial	4	Player, DVD	1
Buffer, Custodial	5	Cassette Deck, Stereo	1
Work Cart, Custodial	1	Player, Cassette	23
Computer Desk, Little Tikes	7	Head Phones (Boxed)	3
Projector, Overhead	14	Box, Control, Aver Media	28
Serving Cart, Food, Warmer	2	Radio, Hand Held (Boxed)	2
Disposer, Food	1	Calculator, Ten-Key	6
Dishwasher (Includes Heaters)	3	Scanner, Hand Held	3
Cabinet, Metal, Two-Door	2	Typewriter	3
Organ	1	Laminator	1
Printer, Design, Jet, Large	1	Recorder, Phone	8
Chair, Student, Large	300	Scanner, Camera	1
Fan, Industrial, Large	1	Microscope	1
Board, SMART	5	Presenter, Visual	1
Stand (for a SMART Board)	4	Board, Electronic, Kurta	2
Scale, Weight	1	Hub, Small	300
TV, Analog	8	Stand, Tri-Pod (Palletized)	1
Mail Machine	1	Computer, Apple	1
Cart, Golf	1	Camera	9

P. Approval of Transfer of School Fashion Design Equipment to Flowing Wells School District

The transfer of equipment to Flowing Wells School District was approved.

Board Book Information: *With Governing Board approval, the Administration will transfer the following equipment purchased with grant funds to Flowing Wells School District due to the closing of the Fashion Design program. The Arizona Department of Education grant requirements mandate that this equipment be transferred to another eligible recipient.*

ASSET TAG NUMBER	DESCRIPTION
74813	Embroidery Machine, Brother PR650, S/N U62342-BOB113483
77827	Sewing Machine, Serger
77775	Sewing Machine, Serger

77776	Sewing Machine, Serger
77777	Sewing Machine, Serger
77797	Sewing Machine, Serger
77798	Sewing Machine, Serger
77799	Sewing Machine, Serger
77800	Sewing Machine, Serger
77801	Sewing Machine, Serger
N/A	Sewing Machines, Bernino (Two)

Q. Approval of Out of State Travel

Out of state travel was approved for students and/or staff (source of funding indicated).

[<https://v3.boardbook.org/public/publicagenda.aspx?ak=1000433&mk=50151506>, Item 1.Q. atch] (Exhibit 8)

R. Addendum to Approval of Out of State Travel

Out of state travel was approved for students and/or staff (source of funding indicated).

[<https://v3.boardbook.org/public/publicagenda.aspx?ak=1000433&mk=50151506>, Item 1.R. atch] (Exhibit 9)

S. Approval of AP Biology Textbook for Adoption

The Board officially adopted AP Edition Campbell Biology in Focus as of April 21, 2015.

Board Book Information: *In accordance with Section 15-721 of the Arizona Revised Statutes, new textbooks must be placed on display for a period of 60 days prior to official adoption by the Governing Board. The following textbook(s) have been under review for the past 60 days and have been evaluated by staff and community members:*

TEXTBOOK: AP Edition Campbell Biology In Focus

Publisher: Pearson Education, Inc.

Authors: Lisa A. Urry, Michael Cain, Steven A. Wasserman, Peter V. Minorsky, Robert B. Jackson, and Jane B. Reece

Price: \$130.47

T. Approval of Fireworks for Canyon del Oro High School Graduation Ceremonies

The use of fireworks at Canyon del Oro’s Graduation Ceremony on May 19, 2015 was approved.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506> , Item 1.T. atch] (Exhibit 10)

U. Approval of Compensation Meet and Confer Agreement and/or Compensation Terms for the 2015-2016 Fiscal Year for Certificated, Classified, Classified Exempt, Professional/Non-Teaching, Administrative, and Administrative Exempt Employee Groups

The Board approved the recommended pay packages as described and in the attachment.

Board Book Information: *The joint District and Amphitheater Education Association Meet and Confer team recently met to develop of a recommendation for an employee compensation package for the 2015-2016 (next) fiscal year.*

As in so many years past, the Meet and Confer teams had to complete their work in the reality of stark budget times, with a recently adopted State budget that provided modest budgetary increases that were eclipsed by simultaneous budget cuts. The amount of new funding for next year is more than exceeded by what the Legislature is taking away from the District budget next year. This reality, combined with others that include our increasing costs of operation (which the State budget has failed to support for so long) and our funding losses due to decreasing enrollment, create constraints that obviously affected the teams’ capacity to make proposals for compensation increases. The following numbers help make this clear.

New funding to be received in FY 2016		Funding losses to be felt in FY 2016	
Prop 301 New Inflation	+	Cut of DAA (formerly, capital)	-
\$1,079,000			-\$1,670,600
One time 301 "back pay"	+	Cut of Stu Success Funding	-
\$979,000		Final Cut of Career Ladder	-
		Cut of Override Capacity	-
		Decreased Enrollment	-
Total new funds for next yr.	+	Increasing Sp.Ed. Costs	-
\$2,058,000		Total Cuts/Unfunded Costs	-\$5,457,600

Despite year after year of cuts, the Amphitheater Governing Board has consistently strived to minimize, to every extent possible, the impact of budget cuts upon employees. While Amphitheater staff has certainly not received what the Board or the Meet and Confer teams might believe is appropriate, the earnest goal of all involved has always been to do the best possible under the circumstances given to us all.

It is perhaps important to remember that intentions for the best employee compensation package possible have not been a wholly unrealized ideal. Consider the following history of State budget cuts and pay packages corresponding to the last several fiscal years. This history of recommended packages from the Meet and Confer teams (adopted by the Governing Board) does evidence intentions to do our best in even the starkest of financial times.

Fiscal Yr.	Budget Cuts	Key Terms of Amphi Pay Packages
08-09	\$4,314,921	<ul style="list-style-type: none"> Pay increases ranged from 2.5% to 3.5%, depending on years of experience. Increase of \$496 in District support of fringe benefits.
09-10	\$5,208,175	<ul style="list-style-type: none"> Level Compensation (no increase or decrease)
10-11	\$9,615,957	<ul style="list-style-type: none"> 2% Pay Reduction for all employees, which was later cancelled due to receipt of "Federal Stimulus" funding. 3 days of furlough for some employees, which were also later cancelled due to Federal Stimulus funding.
11-12	\$9,937,165	<ul style="list-style-type: none"> 0.9% Pay increase for all staff, which was later increased to approximately 1.9% after legislature's cut to retirement system was ruled unconstitutional. Continued reversal of 10-11 reductions and furloughs.
12-13	\$7,625,569	<ul style="list-style-type: none"> 3% pay increase, including "step movement" (2% raise) and 1% increase of the pay schedules.
13-14	\$9,110,687	<ul style="list-style-type: none"> 3% raise for most staff, including "step movement" of 2% and 1% cost of living increase to pay schedules. For employees at top of schedules: 1% cost of living adjustment plus a \$500 longevity stipend. Increase health insurance contribution from \$268.77 to \$300.00 per month.
14-15	\$9,110,106	<ul style="list-style-type: none"> 1.4% Increase through Step Movement on new pay schedules.

As described under separate cover concerning the necessary Reduction in Force Plan for Fiscal Year 2016, the foregoing history was only possible through careful planning and the benefit of the Federal Stimulus Package some years ago. The continuation of cuts, funding losses and increased costs, however, now demands programmatic and staffing reductions in order to provide compensation increases. This will likely continue to be the case until the Legislature provides, at a minimum, the "back pay" of inflationary increases guaranteed to public schools by the express intention of the voters, which the Legislature has wrongly failed to provide.

The compensation package provided below barely provides Amphitheater employees with the ability to maintain a financial status quo as it does allow wages to keep pace with inflation. And, that is something.

***The Meet and Confer Teams' Recommendation
for the 2015-2016 Compensation Package for the Certificated,
Support (a.k.a., Classified), and Professional/Non-Teacher Employee Groups***

The package recommended to the Governing Board for all represented groups (Certificated, Support, and Professional/Non-Teaching) includes the following terms:

- 1. The provision of a one-time cost of living adjustment of 1.59% to all employees (on an annualized basis) which can currently only be recommended for next fiscal year given the fact that the Legislature has only provided sufficient budgetary capacity for next year.*
- 2. The cost of living adjustment shall be divided into two equal payments, one to be provided at the end of each semester of next school year (2015-2016) to staff who are employed at the end of each semester, such payments to be adjusted on a pro-rata basis for FTE and start dates.*
- 3. An increase of current District support for health insurance to ensure that individuals taking the lowest tier of coverage do not see an increase in out of pocket increases – an increase in District premium coverage of approximately \$251.40 annually, with all employees taking health insurance receiving the same amount.*
- 4. A provision that if new funds are received following current budgetary assumptions and understandings, and those new funds can be used for compensation, the Meet and Confer teams will reconvene to consider potential for enhancement of these terms.*

***The Superintendent's Recommendation
for the 2015-2016 Compensation Package
for the Classified Exempt Employee Group***

For the Classified Exempt group of employees, which is not represented by the Amphitheater Education Association, the Superintendent recommends the same terms and conditions for the group as described above.

***The Superintendent's Recommendation
for the 2015-2016 Compensation Package
for the Administrative and Administrative-Exempt Employee Groups***

For the Administrative employee groups, the Superintendent recommends the same cost of living adjustment proposed above. In the case of the Administrative-Exempt group (a.k.a., Senior Staff), however, he proposes each member of the group receive three (3) days of unpaid furloughs, which they have volunteered for, as a budgetary cost savings.

Pending Ratification Process

Following conclusion of the Meet and Confer process, the Amphitheater Education Association still had to proceed with its ratification process, whereby it puts the package recommendation to the represented groups for a vote. It is anticipated that the Association will present additional information on that process to the Governing Board at the April 21 meeting.

[\https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506, Item 1.U. atch] (Exhibit 11)

Ms. Day read the Item Specific Call to the Audience for Agenda Item specific comment.

Mr. John Fife addressed Agenda Item 1.U. regarding Meet and Confer ratification results. Last week the Amphitheater Education Association (AEA) conducted its ratification vote for the salary and benefits package recommendation that is before the Board this evening. Because they know that the Governing Board has an interest in hearing all affected voices, they also provided an opportunity for non-AEA members to express their opinions in the form of a poll. They thank Mr. Jaeger and the building-level administrators for assisting in this endeavor. While voter turnout was lower than what they would have liked, the results of the ratification vote were 75% in favor, 25% opposed. The non-member poll results were 81% in favor, 19% opposed. This is not to say that everyone is doing cartwheels over this recommendation. They offered a place for written comments in our ratification vote. Mr. Fife shared some of the comments. Several people's comments noted that they knew things were hard because of the budget cuts the legislature made, but expressed concerns such as having to take a second job, being unable to support their families and having to look elsewhere and being unable to afford the health care offered through the District. While they agree that the Board should approve the recommended salary schedule and benefits package, they do so with the knowledge that it isn't what they could have hoped for. They said this before, and they will continue to make this case, a school district lives and dies with its staff, not with new paint or fancy buildings, but with quality staff that make a real difference in children's lives. Amphi developed a strategic, well-funded and well-executed plan to improve its buildings all over the District. Things look fantastic. But inside those buildings staff are leaving, class sizes and caseloads are getting harder, are getting larger, and support staff are being stretched beyond the breaking point. The loss of another 330 students this year is just another indication of how much this District needs to turn its attention and resources into investing in its staff.

Ms. Day called for discussion on item 1.U.

Dr. Barrabee stated he would like to say that he shares the comments that were made by various teachers and staff with regard to the inadequacy of what's being offered. He is touched deeply in a positive way by the willingness of the staff to understand the crisis we are in and our limitations; and be willing to support the District as they can and as best the District can support them under the circumstances. It's a tragic situation unfortunately and he understands those who leave and very much appreciate those who are willing, in spite of the inadequacy of what is being offered to continue to serve the students.

Ms. Leska stated it looks like the increase will be in 2016 \$2.06M, and total cuts will be almost \$5.5M. In the presentation 2 weeks ago, he thought was it going to be about \$2.8M in cuts and now it is \$3.5M in cuts. It seems to be more cuts than expected.

Mr. Jaeger addressed Mr. Leska's question. What we have done in the board item is not just look at cuts, but also look at other financial pressures. Some are in fact cuts, the cut of DAA \$1.6M, the cut of Student Success funding \$271K, and the final cut of Career Ladder. Those were items that were all included in the previous communication, those were the cuts (by the Legislature). In addition we have included, to give the full budget picture, the cost of decreased enrollment, which for us again is a reduction we have to make that is funding that we will not have next year. However; it is not a legislative cut, it is a function of the decrease in enrollment. Then there are the increasing Special Education costs. Those are costs that we are overrunning in the current fiscal year. We are estimated to overrun our budget for Special Needs costs by \$1.3M which some large portion of which will continue next year as well. So we have to find capacity to absorb those continuing costs. It is a total credit and debit side of the ledger.

Mr. Leska said the reason why he brings that up is because again, 2 weeks ago we had a loss of about \$2.8M and then at a Nighthawk Parent Organization (NPO) meeting at Ironwood Ridge yesterday it was expressed by the NPO officer that it was only going to be \$2.8M. So it is somewhat of a shock looking at this and seeing further cuts. He is uncertain what the disparity was a week ago and now this. He is also concerned that of \$3.5M of decreased funding this year that all of it, except for \$13K, is on the backs of students, parents and teachers. And

only \$13K of cuts is on the backs of upper management. He is very disappointed. In his opinion, one administrator (cutting an administrator) could save three teachers, or whatever, possibly two teachers. But that wasn't discussed by the Board. We hear these teachers are desperate. We have a shortage of teachers and we are going to have more next year. And from the reports he is hearing from the universities in Arizona, 90% are going elsewhere, out of state with their Education Degree, because they can't afford to live here. They'd be in poverty, need food stamps, whatever. That's a tragedy in itself. That being said he is disappointed.

Ms. Grant appreciates everything that every employee in the District does and our teachers are doing a lot more with less, as well as staff. However, the problem is our direction is coming from the legislature and the governor. They have continued to cut public education! And that's where the anger needs to be. We need to start getting people more involved in the election process and making sure that they vote and start checking out some of these candidates who say that they support education. But do they support public education? The other problem is the legislature has not given us our Proposition 301 money. That money is still held up in court. You want to talk about money in the classroom; that money would help us pay all of our teachers a whole lot more money if they would release the money, instead of continuing to pay for lawyers. And this has been going on for years. Proposition 301 is a voter mandate. So what we need to be doing is direct this to the legislature who has continued to do this to us.

Dr. Barrabee said he shares Ms. Grant's thoughts and feelings on the matter. He personally would be very disinclined to further burden our administration. If there is an implication that perhaps when the teachers essentially are having at least maintenance of their inadequate salaries, he was impressed that the administration volunteered to take three unpaid furlough days as a gesture of contribution. His own sense is that we have such highly qualified administration that they also are also underpaid for the extent to which they have taken on multiple hats in order to reduce the cost of administration. At times we have had principals, for example, who were principals of two schools at once. Anyone who looks at the charge of responsibilities of our administrators hopefully would be as impressed as he is at how many responsibilities each has needed to take on in order to keep our administrative costs as low as possible and still be able to keep some outstanding administrators at the top. Rather than suggesting that we should further burden the administrators, our focus is much better placed on what Ms. Grant discussed and our appreciation to the teachers and staff throughout the District who are willing to stick with us under these circumstances. He personally thinks it would send the wrong message to our administrators to suggest that they should sacrifice beyond what they have already volunteered to sacrifice, given the burdens that they handle so extremely well.

Ms. Cozad agrees with Ms. Grant. We have all gone up to the State Capitol and have all lobbied for public education. And the last couple of years, you come back and just want to throw your hands up. Ms. Cozad stated she is a teacher, and she knows what teacher paychecks look like. She also knows in other parts of the country what teachers make. Until we value teachers like other parts of the country, it is a problem. We have to do something with our legislature and watch our candidates and that they vote pro-public schools. Get the 301 money to the schools instead of it being in court. Ms. Cozad thanked the teachers and staff of Amphi and her heart goes out to them because she is in the same situation.

Ms. Day said she believes it is safe to say that educators in general are leaving Arizona. It is not just the teachers, its administrators as well, many are leaving.

Mr. Leska said he agrees with what everyone is saying. It is truly a tragedy what our state legislature is doing to us. However, as Mr. Stewart mentioned what are we doing internally? Why do we keep losing students at the cost of \$1.4M in funding? What are we doing internally to keep families here and to gain more? We have a PR program, we have great teachers, something is missing and he doesn't know what it is. He stated he is not an expert in promotion and retention of students. Shouldn't we have a program that has a personal relation, a director who promotes and reaches out? Like Mr. Burrous said, why aren't we reaching out to K-8 charter schools and telling them what our policies are? If we are telling them, reiterating that to them and then going into those schools and saying if you come to Amphi instead of Basis, we have all this to offer. Why not have a

Blue Ribbon Committee that creates a program that will promote us, so we don't lose more students? That's where we can do something. Dr. Barrabee mentioned furlough days. All administrators are getting a 1.59% increase as well, not saying it isn't deserved, but in reality it's a wash. They are gaining or making no decrease even with taking the furlough days. They [administration] are going to get the same amount of pay as last year.

Ms. Grant said as a Board we need to be our own cheerleaders and we need to get the word out. She has been at several functions lately where she talked to people about the wonderful things that are going on in the District, and people are very happy with what's happening. But again as we cut and with the JTED cuts, we also need to get the word out about the programs we have going on in the District, the wonderful academic programs. The Academic Decathlon placed 4th nationally in the large school district category, we have the International Baccalaureate Program the Cambridge Program. We offer a lot of things and it is going to take more work to get the word out there about what we have going on academically and athletically.

Dr. Barrabee commented that many of the principals have done public relations work to encourage students to come to the District. He believes that the problem with losing students is not strictly an Amphitheater issue at all. It's something that is general throughout the State in regular public education. Why? He doesn't think the answer is to be found in our District, it's a State issue and not easily solved in an atmosphere of State administrative hostility to public education.

Ms. Cozad said that with choice (open enrollment) we do have a responsibility to get the word out. We do a lot for our parents; but don't know if we are doing enough for all taxpayers in the District letting them know what great places we have. She thinks when the realtors come into town we should hand them what Amphi is doing. We want them to buy here. We have to be advertising more.

Dr. Barrabee said he thinks it would be useful to find out how many schools are creating brochures that explain to anyone who comes through the door why their school is a school that would be good for their children. Before we conclude that we aren't doing much, we should clarify how much we are actually doing. He's seen a lot of good public relations when visiting the schools.

Ms. Day agreed. She was visiting her grandkids, who are open enrolled in a neighboring district, and they had this beautiful brochure of everything that is going on in the District. We should look at something like that to go to all the taxpayers.

Mr. Nelson reminded the Board that we are on Item 1.U. Approval of Meet and Confer Agreement and Compensation Terms, and are digressing just a bit. He recommended that the Board vote for approval of Item 1.U. Dr. Barrabee moved to approve Item 1.U., Ms. Cozad seconded, and the motion carried 5-0.

V. Approval of Contract Forms for the 2015-2016 Fiscal Year for Administrative, Administrative Exempt, Certificated, and Professional Non-Teaching Employee Groups; Authorization to Issue Contracts to Renewing Staff Members for Fiscal Year 2015-2016

The Board approved the contract forms as submitted and directed their issuance to renewing members of respective employee groups in accordance with recommended packages.

Board Book Information: *On this evening's agenda is approval of an employee compensation package for next fiscal year. This item is an additional step required to implement the package, through the issuance of contracts to those employees who are receiving contracts. The timely resolution of the Meet and Confer process and issuance of contracts as early as possible helps assure employees of their status, and should therefore proceed as quickly as possible.*

The ongoing uncertainty associated with federal and Arizona legislative budget matters this year again suggest the need for contract forms that contain contingency clauses to allow for circumstances beyond the Governing Board's control, such as unexpected budget cuts imposed by the legislature after the Board's approval of this

item which must necessarily assume the legislature will provide the funding it has currently committed to provide through adoption of next fiscal year's budget.

Current indications are that there will be no new legislative cuts to the Arizona K-12 budget for next fiscal year, but legislative action is never "final" -- as experience in recent legislative sessions has taught us. Thus, the contingency language is necessary and links any contract term changes to legislative reductions and limits pay reductions, however remote, to no more than 4%. Notably, contracts over the last few years have included similar provisions – none of which had to be exercised. We are again also proposing the inclusion of contingency language to allow for a potential increase in compensation under each contract if the Arizona legislature or federal government provides designated funding increases that may be used to increase staff compensation, as provided for in the package approved by the Governing Board – which could be a factor if the Prop 301 litigation is further resolved.

New language in each form of contract also implements the cost-of-living increase provided for in next year's compensation package. And, the Senior Staff members' contract forms include reference to a three-day unpaid furlough that those staff members have volunteered to take as a budget reduction measure for next fiscal year.

Please note that support staff employees are not issued contracts, but will be issued written verification of their pay rates and other information consistent with the Board's approval of the Meet and Confer package terms. [<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506> , Item 1.V. atch] (Exhibit 12)

Ms. Day then called for discussion of *Item 1.V. Approval of Contract Forms for the 2015-2016 Fiscal Year*

Mr. Leska stated he read all the contracts and most of them had the same language especially the 12-month Administrator's Contract. It says in paragraph 2 of the exempt contract that, "In the event there is a difference between the salary amount stated here and the amount the Administrator should be paid pursuant to the District salary schedule, the salary schedule shall govern." Mr. Leska commented that he does not know what a salary schedule is and asked for clarification.

Mr. Nelson said Mr. Jaeger could provide clarification and asked if we are looking at the Administrator's Contract (Twelve Month). Mr. Jaeger said that particular language is in all of the contracts. It is there for one very important reason. And that is because the thousands of them that we print are generated off of spreadsheets, there are occasions that an amount on the printed contract would be incorrect. Sometimes that is to the benefit of the employee and the detriment of the taxpayer where someone is being overpaid. Yet, we know the proper placement of that person, what step of the salary schedule they are supposed to be on. So that language ensures that the taxpayer is not penalized for a clerical error or a computer error. Similarly, in the past we have had circumstances where the error was to the employee's detriment and the taxpayer's benefit perhaps. The Arizona Attorney General has ruled, on multiple occasions, that if someone signs a contract and that contract happens to contain an incorrect amount, and it is to their loss, that loss is on them. That, it is a gift of public funds for the taxpayers to correct the salary. His response as an attorney is to try to ensure that we are fair to everyone, both the taxpayer and the employee. So this language is there to help address that issue that exists in our contracts so that neither party, the taxpayer nor the employee, is penalized for an error.

Mr. Leska then asked if the Senior Staff also has salary schedule. Mr. Jaeger said that the Senior Staff has a salary table as well. There is generally a starting point, and because we (Senior Staff) don't have a traditional salary schedule because we not given salary lanes based on how many credits we have, or what degree, or what have you; we basically are at the will of the Superintendent and the Governing Board on an annual basis whether we are increased or not, or what have you. Mr. Leska said that as he alluded to in discussion on Consent Agenda Item 1.U., if you are going to take furlough days voluntarily, and he understands it is voluntarily, why did the AEA negotiation also include Senior Staff for the 1.5% stipend, or whatever the increase is, and it is written in your contracts that you will get that as well. Mr. Leska stated his opinion that it is a wash (voluntary furlough days

without pay), as you are not losing any money and you are not giving up any money. So with the budget cuts it is 100% on the backs of and to the detriment of the students. All these cuts are on the backs of the lower level staff, teachers and professionals.

Mr. Nelson stated that since we are on Item 1.V., which is about contracts, when we get to Item 4.A. we can elaborate a bit on the process that we used, how it was developed, where the cuts actually are, etc.

Ms. Day asked if there was any further discussion on Consent Agenda Item 1.V. Dr. Barrabee moved for approval of Item 1.V., Ms. Cozad seconded the motion, and the motion carried 4-1.

2. ACTION

A. Resolution of the Governing Board Recognizing the Contributions of Teachers and Nurses in the District and Setting May 5 and 6, 2015 as Dates for Special Recognition

The Board adopted the resolution and approved its dissemination.

Board Book Information: *At its April 7th meeting, the Governing Board issued a resolution recognizing the valuable contributions made by Educational Support Personnel in the District. In doing so, the Board referenced the fact that the contributions of teachers are formally recognized once a year on a national basis. National Teacher Appreciation Week has been designated as such by the National PTA in cooperation with the NEA for decades. Observance of such recognition has been celebrated by schools across the country in one form or another since 1944. This year, National PTA "Teacher Appreciation Week" will be May 4-8, 2015 with "National Teacher Day" being observed on Tuesday, May 5, 2015. In a related fashion, the National Association of School Nurses has stated that Wednesday, May 6, 2015 should be observed as "National School Nurse Day". Interestingly, there is no Congressional recognition of teachers or other educators, although there has been in the past. Congress twice declared a National Teacher's Day – once in 1953, at the behest of Eleanor Roosevelt, and again in 1980 after much lobbying that particular year by the NEA. Both Congressional declarations, however, were only for those specific years. The contributions of teachers, nurses and other school employees are of course appreciated every day, but focusing a celebration of their efforts on specific dates can crystalize that appreciation and serve to remind everyone how much these personnel do for students and, in turn, our community as a whole. A resolution has been prepared to not only recognize their contributions but to also call for Federal recognition.*

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506> , Item 2.A. attch] (Exhibit 13)

Mr. Nelson said we have a resolution we would like to adopt tonight, the actual "National" Teacher Day is May 5th with Nurses Day on May 6th. One of the concerns we have had for years is that we have longed for and wanted recognition for teachers through a National Teacher Day, which we have lobbied for years and will continue to do so. We will still recognize May 5th as National Teacher Day for the District. We would like to adopt that resolution tonight and send it out. And then on our May 5th Board Meeting we will have another presentation on our teachers that night.

Ms. Day read the resolution. Dr. Barrabee moved to approve the resolution and Mr. Leska seconded. Ms. Day asked if there was any discussion. Motion carried 5-0.

4. ACTION

A. Reduction in Force Plan for FY 2016

The Board approved the FY 2016 Reduction in Force plan as submitted.

Board Book Information: *The combination of further legislative budget cuts, increasing costs, and declining enrollment will again necessitate programmatic and staffing reductions. The majority of positions affected will be fully managed through use of attrition and similar factors in order to minimize the negative effects upon employees as much as possible.*

The attached Reduction in Force Plan document was developed pursuant to policy and describes in greater detail the reason for the reductions, the manner in which recommendations have been made, and the specifics of how each site or department is affected. Given the substantial detail provided there, information is not restated here.

This is an evolving document by its nature, and it is anticipated that the document may be revised multiple times as circumstances warrant.

[<https://v3.boardbook.org/Public/PublicAgenda.aspx?ak=1000433&mk=50151506>, Item 4.A. atch] (Exhibit 14)

Item 4.A. was moved forward before Executive Session. Ms. Day called on Mr. Nelson for an introduction. Mr. Nelson said that both in the background to the item and the extensive detail in the item they tried to provide the Board an outlook of what they have been dealing with for the last month. The Board will recall that in the original plan of the governor the focus was on the percentage of dollars in the classroom versus non-classroom. He sent a public letter to the governor to try to explain that non-classroom spending supports classroom education. The budget was passed on April 2nd. We immediately began work on what it meant for us and the implications of that budget. Mr. Jaeger pointed out earlier some of the things that we knew, such as increased Special Education costs and those sorts of things. He stated he has kept the Board informed, as a work in progress over the last month, very specifically about what we were thinking, what changed, the implications, and those sorts of things. Because of our policy adopted several years ago in Meet and Confer we created a RIF Plan that is updated. He thanked Mr. Jaeger for spending the weekend updating it and providing the Board the information that we have to this point. He pointed out that since the 2007-2008 school year our budget reductions now total over \$66M. Certainly in times of scarce of resources sometimes it is human nature to point fingers. The fact of the matter is, had we had the money from the state, we would not be in this situation that we are in right now. Mr. Nelson pointed out that there were a number of guiding principles used to in their work on the RIF plan. We have an updated presentation that will encapsulate all that we have gone through for the last month.

Mr. Jaeger said that 23 years ago he first began working as an attorney for public schools in Arizona and was immediately shocked and amazed to learn that there was a law on the books that required the legislature on an annual basis to increase school district funding to ensure, at a minimum, that school districts kept pace with inflation. It was a statute. It said, "The legislature shall appropriate such funds..." And yet the legislature routinely, year after year ignored that law until ultimately they took it off the books. Some years later a proposition arose whereby the voters in 2001 approved Proposition 301, which essentially put back into law that very same concept. That on an annual basis the legislature shall at a minimum increase school funding so that schools keep pace at least with inflation. But again over the course of many years, the legislature simply ignored that legal requirement. Beginning in 2007 and 2008 they took things a step further and actually began cutting school district budgets in addition to simply not funding inflation. You see here a history of how that cut grew over time each year specifically for our District. Beginning in 2008-2009 with a sum of \$4.3M and growing to this current school year of \$9.1M. At the same time school district budgets have been cut by the legislature.

As he said responding to Mr. Leska's question earlier, we have had a number of other budgetary pressures come to bear on school districts here in Arizona. And we certainly cannot necessarily blame these on the legislature, although at some point the cumulative effect of reductions to public schools and what it does to the reputation of public education in Arizona, certainly has an exacerbating effect on enrollment; where parents become concerned that schools are so underfunded and so under program rich and look elsewhere. And they are willing to pay for it sometimes in terms of private tuition. And also certainly seeking charter schools where the cuts have not been on par with those of public school districts over the same period of time. But those additional pressures of course are the things we have talked about already. We have seen enrollment decline as have other districts across the state, increasing costs particularly for special needs programs due to a couple of factors such as a growing concentration of those students relative to our general population. From when he came to

Amphitheater have grown from about 10.5% special needs and we are now over 16%. There are a couple of reasons for that. We have students in our population and more people in our population in general, with disabilities. Our disabilities are becoming more involved and more costly to serve. Additionally, Charter Schools that are pulling enrollment out of public schools, on the whole don't accept special needs students. And you see that represented in their numbers versus our numbers. Many Charter Schools have virtually no special needs students and in fact discourage those students from coming to their schools. So that leaves a higher concentration in our public schools and we are certainly not the only district to see an increase in those costs.

Our big elephant in the room, as the Board has talked about to some extent already, is the effect of decreased enrollment. And we have seen some 3,200 students leave the District since 2005-2006. Again, as Dr. Barrabee noted, that is not unique to Amphitheater - that is across the state with very few exceptions. Just this last year we lost 330 students which represents about \$1.4M less in funding we will receive. Not a cut by the legislature but a true loss in funding.

We also have to recognize that inflationary costs are not just the District's to bear; we have employees of course who bear the same costs. Those are the simple costs of living and also things associated with their employment like cost of insurance in covering their families. And even in years when our District has struggled to provide significant increases for our employees, sometimes in excess of inflation, over the same period of time that we have seen those cuts, but even so with inflationary increases, ASRS retirement system increases, and increases in health insurance it has been difficult for people to stay even. Here's a brief review we have issued before that describes how over the course of the years even where we have had significant cuts, we have made significant increases in our compensation, particularly in comparison to neighboring districts, and doing that through a number of means.

Next year's budget is unfortunately more of that same history we have seen over the last 8 years. What we know of course is that the legislature was taken to court over their failure to implement the law, again, under Proposition 301 this time. The courts found their actions to be illegal, so the legislature appealed. And that court found their actions to be illegal, and the legislature appealed, and still they are appealing in one way or another. Next year however, based upon the existing court orders which cannot be appealed, the school districts will receive an inflationary increase of 1.59%, no more than inflation, in fact exactly what inflation is. That goes only to our operational funding, our base support level. In addition we will get a small portion of what is owed from the past for failure to implement and pay for inflationary increases. But the legislature has said they are only doing that for 1 year. That gives us about \$2M on the credit side of the ledger, and then again we look at what the legislature has cut. They have again cut capital funding which has been cut year after year already. We began some years ago before the cuts with about \$7.5M in capital. After next year's cut we will have \$600K in capital for a district with 22 school sites, other facilities, buses, HVAC, technology, textbooks that capital pays for. We are also seeing a cut in Student Success funding which only came into place this year, the final cut of Career Ladder which directly comes out of our teacher's pockets, a cut of our override capacity that's attendant to and a direct result of that cut of Career Ladder. Our decreased enrollment costs; not a cut, but a cost we have to think about, and the increasing Special Education costs that will continue. We obviously have a substantial deficit. But going back again just the cuts, just to what the legislature has done, you see next year a cumulative cut of budget over time will be \$66.7M. So what is a million dollars in school funding worth? Numbers like that get so large it is hard to even imagine what they are worth. It means 25 employees with compensation of \$40K, or our electric bill for just 1/6 of the school year, a decrease in class size of 1.5 students in each classroom - with a million dollars we could decrease class size by that amount and in turn hire teachers to absorb those additional classrooms. It equates to the basic cost for all of our athletic programs for 1 year, and it would be the annual cost of replacing computers in our District every 5 years. Those are just some examples to keep things in perspective.

Those cuts over the years have led us many times to making reductions in force. And reductions in force need to be understood that it doesn't necessarily equate to people losing jobs, but that jobs are lost. That maybe people displaced from existing jobs are placed in other jobs by transfer. But we still consider that a reduction in

force because it is site specific. In 2009-2010 we implemented a RIF that achieved a little more than \$1.5M in savings. All of that was done at the central office level, administrative positions and others. Thirty-five point five job reductions or losses for employees, a reduction of our contracted services with vendors, a cessation of many of our centralize programs just terminating them, and the Senior Staff voluntarily agreed to a furlough. In 2010-2011 there were more than \$7.8M dollars in various program modifications across the District for central office, facilities and school sites and budget reallocations whereby different parts of the budget picked up expenses that had been paid by other parts of the budget. The reason for that is that some parts of the budget had not yet been cut by the legislature, so we were trying to apportion funds and expenses where we could. We closed San Joaquin Alternative School recognizing that we had a great deal of expenditures at that particular site that did not generate a great deal of enrollment income and we transferred the effected teachers from that sites out to the other schools so their jobs were not lost. We did however lose a number of personnel, approximately 52 positions initially, and we did so in large part because we had to increase class size by some two students per classroom. We also implemented a 2% pay reduction and furloughs for all staff. The pay reductions and furloughs were ultimately reversed with the exception of Senior Staff with maintained the pay reductions and furloughs on a voluntary basis. We also restored a number of jobs, and we did so by virtue of the Federal stimulus funding. When that funding went away, again we had to look at job reductions. In 2011-2012 we lost some 17 positions.

Looking ahead to next year based upon our continuing realities, we were guided by five guiding principles:

1. To the extent possible, minimize the impact to current employees through attrition and work calendar changes.

We are at a point, quite frankly, where we can't avoid impacting employees. Roughly 90% of our current budget is spent on employees, we can't cut our utilities any more than we have, they come to about \$6M a year. We can't cut many of our other budgets for supplies, postage, as there are thing that schools must have to operate. So ultimately when you have budget reductions on the order that you see year after year, you cannot do anything but ultimately affect people, including students. Any programmatic reduction in a public school district whether it is at your central office or whether it is at your school, it is going to affect the end user - students and their parents.

2. No increase to class size formulas.

That is consistent with what our Governing Board direction has been in the past. We don't want to do that again.

3. To the extent possible, minimize the impact on students.

4. Targeting reductions consistent with financial and enrollment realities

Recognizing that when you have more students, you need more teachers and when you have fewer students, you need fewer teachers. But at the same time recognizing that where enrollment is going, perhaps in specific programs or perhaps as directed by our voter override for enhanced programming, we need to keep those programs in place; whereas where we see declining in enrollment that is where we should see a decline in staffing. Again, doing our very best to deal with things through attrition, schedule changes, transfers and the like.

5. Comply with State and Federal mandates and our Board policies.

Although we have seen a great many reductions in our funding by State and Federal government, we have not seen comparable reductions in our mandated duties. So we must continue to comply with our mandated duties so that we ultimately don't lose all Federal funding or that we are not fines by the State legislature which requires that we do certain things, and has the Auditor General watch to confirm we have done those things.

So in accordance with these guiding principles we have proposed through the RIF plan (and no action is being taken tonight with respect to any specific individuals who may be affected that will happen later through a Consent Agenda, so this is a working, living, evolving document) that these are the proposed reductions for next

fiscal year. Mr. Jaeger went over the chart of proposed reductions. Through the RIF process we will have many affected positions, which does not necessarily mean we will have a great many job losses. We will have some. But we will be able through attrition, transfers, reassignments to mitigate this a great deal, more so in fact than in previous years. Where we do have to move staff, some of those transfers will be just a direct line, this is the position you are leaving, this is the position you get. There may be some circumstances a need to prioritize people for those transfers where we have people who are interested in the same position, but only one at a particular site exists, there may be positions at other sites. Let's say we have three people who are interested in one position at a site there we have to apply our prioritization systems under Governing Board policy and State law. For certificated staff that means essentially a merit-based system that includes factors such as their experience, qualifications, evaluation data and absence of disciplinary history. In the case of support staff however, we make those decisions based upon District seniority. The reason for the difference is some years ago another change that the legislature made was to remove what was a long standing protection for teachers that was written into law that said that decisions like this be based on seniority.

Another important point, we will have more positions to fill than we will have positions eliminated. It will not necessarily be a direct line to line type of relationship, but we do have more vacancies. We have a great many employees who are currently employed on short-term contracts. We have a great many staff members who are not employees of the District but who are return-to-work retirees. All of those positions will be considered vacant until we place all our employees that need to be transferred, a small number of people, but we take care of them first, and then we refill with short-term and retirees. We will of course always have to take into consideration programmatic factors such as the qualifications required for a position, whether that be highly qualified, or whether that be the growing or declining programs at a site. For example where it is increasing in Mathematics programming, we may need more Math teachers. If they are declining in the number of students enrolling in a course program they may need to reduce their course teachers. Which they would need to do regardless of these budget cuts, by the way.

We have a timeline in the plan that is more detailed, but we will review the timeline at the next Governing Board meeting. It is our intention that each time we have a Board Meeting we review this, to keep you up-to-date, be as transparent as possible, and keep the public informed by posting this in the Board materials and certainly also review with the Board. Tonight of course we need your approval to move forward. Then tomorrow we start implementation meeting with HR staff to start figuring out who the affected individuals could be, determine whether or not we need to do prioritization and help the affected individuals go through that process so that it is as painless as it can possibly be for those people. We will post the plan and begin a communications plan tomorrow and continuing for some time to come we will be looking at all our program needs, identifying attrition factors to minimize the impact on people so we don't even involve people if they do not need to be involved. We will conduct our prioritization system that involves compiling these personnel profile forms for certificated staff, as that is how we calculate the merit-based kind of point-system. Coming back at the May 5th meeting we hope to have identified any specific individuals who will be affected. And certainly you know on some of the listed items there is only one incumbent in the position and we recognize some people are already affected. The action is not taken until the Governing Board approved the specific action in respect to those named individuals on May 5th through the Consent Agenda as is our typical practice. We will also have for the Board a list of the people potentially needing to be transferred or placed that we need to find a position for, or for those positions that we cannot find a suitable replacement for. We will continue to update that as the weeks go on thereafter.

Mr. Nelson reemphasized the great emphasis that is placed on making the least amount of impact on people as we could. Much of this was through attrition, openings, transfers, etc. He asked if the Board had any questions. Dr. Barrabee asked if we had a speaker, if so he could wait. Ms. Day said that we do have a speaker for Item 4.A., Mr. John Fife.

Mr. John Fife addressed Agenda 4.A. Mr. Fife, President of the Amphitheater Education Association, said that after reading the report and studying the proposed cuts, we were wondering many of the same things that

Mr. Leska was; if they'd left off cuts to central administration because all the cuts seem to be coming from classified, certified or school administrators with the exception of the volunteer furlough days. The decrease in ADM resulting in the decrease in classified employees and teachers should also result in decreased central administration as well.

Dr. Barrabee said that one of the things that he has really appreciated about this District and about the Board is that we try to keep things positive, and not to impugn the character of anyone because of their position. He appreciates Mr. Fife's concern and suggestions. But he was very concerned earlier when one of the Board Members, rather than making a positive suggestion, impugned the character of our staff for volunteering furlough days, recognizing as the Board Member pointed out that this was going to be a burden on the teachers and students because the volunteering of 3 days simply eliminated the advantages that all of the other staff was having because of the increase; it wasn't enough. And that it would hurt the children suggested that the staff was insensitive to the effects of their lack of sacrifice. That's negative. And it's not the spirit that he has enjoyed over the past 15 years on this Board in which he has never heard anyone suggest in the context of their statement the impugning of the character of anyone in the District. He stated that he is very proud of the staff and feel very much that they are overworked and are overworked because we have already cut back on so many staff members. He appreciates the suggestion, it would be nice if we could cut staff more, but he finds it hard to imagine where. But that is at least a positive suggestion.

Mr. Nelson brought up a couple of points as we step back from a very difficult situation. Let's not lose sight of the fact that the legislature has reduced our funding, and we are left to deal with that. The second point is that one of the things that we have worked very hard on this suggested list of reductions, is those guiding principles, and we took them very seriously, and if anyone would look step by step through any one of these proposed reductions, we looked first to where there was the least amount of impact on humans in the organization. Mr. Nelson recalled when he went to Governor Ducey's State address, and he was sitting at a table and what he heard the governor say was that school districts were top heavy with administration. And I just thought, the facts notwithstanding, we don't want to realize that Arizona is 50th in administrative costs, and Amphitheater is below the State average. If you look at what Mr. Jaeger talked about, the administrative cuts led up to the point to where we are at right now. So to focus on administration seems a bit in denial of what has happened in the past in terms of cutting administration. Mr. Nelson expressed that he thinks we need to have a little bit of an open mind to all of the things we are dealing with and what we are suggesting to the Board tonight. There is a point at which anyone with knowledge of organizational development knows that there is a certain level of scalability that you cannot go beyond and function effectively.

Mr. Leska stated that he is not despairing anyone in particular; he wasn't despairing at staff or trying to. He was simply saying that 100% of the cuts are based on staff that is lower than the top administration at Wetmore. That is what he was simply saying. To say that he was belittling or whatever was said, despairing anyone in particular is disheartening. Mr. Leska then asked a question about the closing of El Hogar, asking how many staff are there. Mr. Nelson stated there is: 1 ISA, 2 teachers, 2 aides and a secretary. Mr. Leska then asked if the District gets more money per student at that location than we do at a regular site. Mr. Nelson stated that we do not. Mr. Leska asked if all of those staff members would all be relocated elsewhere. Mr. Nelson said that as Mr. Jaeger explained, tonight we will put the RIF plan in then put it into place, but we are driven very much by qualifications and finding a fit for people. Again, we preliminarily identified that we will be able to place many of those people rather easily. Mr. Leska reminded staff that he had previously asked which are the most expensive elementary schools in the District to operate and maybe because we are losing so many students we could reallocate. Mr. Nelson said that Mr. Leska did ask for that information and Mr. Little started on that right away, and then we reached the point of working on the budget and RIF, and we have to take into consideration do we include Title funds in the cost, do we include other Federal funds, it makes a determination. Mr. Leska interjected that would be a discussion they would have at a later date because of the STEM school. Mr. Leska then said that International Baccalaureate (IB) is very important; he supports it 100% and is not going to say anything bad about it. But, from what he understands it is one of the lowest attended classes that we have and we still have to staff a teacher for it, is that correct? Mr. Nelson said there is a basic structure to an IB program

that is needed to support its continuation. There are two levels of classes, SL and HL and sometimes depending upon the enrollment for a type of class, let's say HL Chemistry, there may be fewer in that than there would be in an AP Chemistry class for example. Mr. Leska asked how many students on average are in the classes because he knows there are two or three graduating already. Ms. Nelson explained that she thinks that the two students being referred to are with the Cambridge program. As Mr. Nelson alluded to, the IB program, as it has been adopted by the Board, has certain restrictions, certain courses and as a result of the SL classes and HL classes, sometimes there are fewer students in a typical IB class than there would be in a typical regular Chemistry class or even an AP class. So one of the conversations she has had with Mr. DeWeerdts this year is to look at the flow of classes that are imbedded within the IB program at CDO and to do everything he can to see if there are some courses by the sequence which we offer them that might be offered every other year to certain students. She knows for example that students in the IB program at CDO are required to take seven classes a year whereas typical District students take 5, 6 or sometimes 4 when they are seniors. So we are looking at a lot of different kinds of options to take a look at the benefits of the program, which certainly are there, but also some options that may provide additional pathways. Mr. Leska said the reason why he asked is because one parent came up to him recently and said one class only had 5 students in it, so that classroom ratio is wonderful for those kids, but not so much for the others. Ms. Nelson addressed that concern. One of the commitments that the District made when the IB program went into place was to support it. And it is not only the class sizes you are talking about, it is also the teacher training that is very expensive. But we support the IB program in large part through the Class Size Reduction Override money which does allow for some of those things. But again, one of those things discussed with Mr. DeWeerdts is while it might be fine to have a great Art class as part of the IB program, we cannot sustain it with only five students. We've got to look at other options that would fulfill that Fine Arts requirement, but we may not be able to offer the full range of things that are offered in the IB program. Mr. Nelson said that also please understand that the IB program is an attraction, it attracts students from out of District that enroll here and at the May 5th Board Meeting we plan on having a presentation on the IB program. Mr. Leska then asked if the refrigeration mechanic position would be contracted out because we have aging refrigeration units there and during summer school possibly, and the hotter months, that could be an issue. Mr. Nelson said Mr. Burns, Executive Manager of Operational Support, is here and he has fully analyzed our HVAC. Mr. Nelson asked Mr. Burns if he would like to comment on the question. Mr. Burns stated that specifically for the HVAC we already do contract out a significant amount of the work, especially the industrial systems. For our cooling towers and large cooler systems, that maintenance is already contracted out. We think that with our increase in preventative maintenance we will be able to decrease our failure rate with this plan that we have put forward.

Ms. Cozad would like to make a recommendation that the AEA be part of these talks and asked if they are at the table when talking about the RIF and reduction? Mr. Fife answered Ms. Cozad's question. The actual process is a District decision. We negotiated the policy that provided the guidelines for it, but as far as the individual decision about what get cut and where, that is a District and Governing Board decision. Mr. Jaeger reminded Mr. Fife that written in to the Board policy is a requirement that when we identify individuals affected, he is required to sit down with Mr. Fife and review all of the information with him so he can confirm that the people identified are the correct people, that we have applied the policy correctly, and he hasn't been through a RIF yet. In our previous RIFs we sat down with former president of the association, went through the steps, and met a number of times as things evolved. So we do keep them at the table. Ms. Day commented that she can attest to that, as she was part of that a couple of presidents ago; requested by the AEA.

Ms. Grant said yes, we have talked about the legislature cutting our funds but we also heard the thread continuously tonight about declining enrollment. And we need everybody in this room to help us, and principals we need your help so that when somebody walks into that school that they feel welcomed and that they know exactly what is going on and that they get their questions answered so that they want to come to our schools. We need your help, you are it, and you are our boots on the ground. She would like to see a process when a student withdraws that we find out why. We know that in some of the schools they are very mobile based on their job, the cost of an apartment, where the bus line goes, those are things that are totally out of our control. But if they offer suggestions maybe there are things we can do to help improve. We are going to have a

presentation on IB in May, and a lot of those students are open enrolled. So that is helping our enrollment, not hurting it.

Mr. Nelson asked for approval of the RIF plan so we can move ahead. Dr. Barrabee moved that we approve the plan, Ms. Cozad seconded, and the motion carried 4-1.

Ms. Day called for a motion to adjourn to Executive Session to complete Student Discipline hearings. Ms. Grant made the motion, Ms. Cozad seconded the motion and the motion carried 5-0. The time was 7:13 PM. Ms. Day declared the Board recessed into Executive Session in the East Conference Room, Room 118.

3. EXECUTIVE SESSION

A. Motion to Recess Open Meeting and Hold an Executive Session for:

1. Determination of Whether to Hold an Expulsion Hearing and Designate a Hearing Officer to Hear Evidence, Prepare a Record and Bring a Recommendation to the Board, Pursuant to A.R.S. §15-843(F)(2), Regarding:

- a. Student # 30005962;
- b. Student # 30013537;
- c. Student # 30034649;
- d. Student # 30048916;
- e. Student # 30052232;
- f. Student # 30013707; and
- g. Student # 30022418.

2. Consideration and Decision Upon Expulsion Hearing Officer's Recommendation, Pursuant to A.R.S. §15-843(F)(2), Regarding:

- a. Student # 30004385;
- b. Student # 30026722
- c. Student # 30010919;
- d. Student # 30051135;
- e. Student # 30052249;
- f. Student # 30041671;
- g. Student # 30010933;
- i. Student # 30019969; and
- j. Student # 30052757.

3. Discussion and Consultation with Representatives for the Governing Board in Order to Consider Its Position and Instruct Its Representatives in the Meet and Confer Process with Employee Organizations, Pursuant to A.R.S. §38-431.03(A)(5).

B. Motion to Close Executive Session and Reconvene Open Meeting

Upon return to the Board Room Ms. Grant moved to close Executive Session and reconvene the Open Meeting. Mr. Leska seconded the motion which carried 5-0. The meeting reconvened into Open Session at ~ 8:00 PM.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

Ms. Day asked the Board if there were any requests for future agenda items. Mr. Leska requested an item on the new STEM school, Ms. Cozad asked for a transfer policy discussion and Ms. Grant noted that a presentation on IB will be provided on May 5th.

PUBLIC COMMENT

There was no further public comment.

ADJOURNMENT

Ms. Grant moved that the meeting be adjourned and Mr. Leska seconded the motion. The motion carried 5-1.
Ms. Day declared the meeting adjourned at ~8:02 PM.

Karen S. Gardiner

Respectfully submitted,
Karen S. Gardiner

Deanna M. Day, President

Date

Approved: TBD