

**AMPHITHEATER PUBLIC SCHOOLS
Tucson, Arizona**

MINUTES OF REGULAR PUBLIC MEETING OF THE GOVERNING BOARD

Place, Date and Time of Meeting

Wetmore Center, 701 West Wetmore Road, April 13, 2010, 6:00 p.m.

Board Members Present

Jeff Grant, President
Diana Boros, Vice President
Dr. Kent Paul Barrabee, Member
Patricia Clymer, Member
Dr. Linda Loomis, Member

Central Administrators Present

Dr. Vicki McLeod Balentine, Superintendent
Patrick Nelson, Associate Superintendent
Todd A. Jaeger, J.D., Associate to Superintendent and General Counsel

Central Administrators Absent

Scott Little

OPENING OF MEETING

Call to Order and Signing of Visitors' Register

Mr. Grant called the meeting to order at 6:03 p.m. and invited members of the audience to sign the visitors' register.

Pledge of Allegiance to the Flag

[Note: The Pledge was delayed until the meeting resumed following Executive Session]

Ms. Rusty Farley, Principal from Nash Elementary School, introduced the following students: Brandon Burns, Ivan Pina, Alejandro Vazquez, Alonso Acosta, Irving Gonzales, and Cesar Villa Corona. They led the Pledge of Allegiance and were presented with certificates of commendation.

Dr. Barrabee acknowledged the Art Display in the Board Room. He commended the students and teacher, Jenny Dean, from Nash Elementary School for their contributions.

Announcement of Date and Place of Next Special Governing Board Meeting

Mr. Grant announced the next special meeting of the Governing Board: Tuesday, April 27, 2010, 7:00 p.m., in the Staff Lounge of Canyon del Oro High School, 25 West Concordia. Dr. Balentine added that the (4/27/10) meeting has been scheduled at CDO in order to showcase the school's Culinary Arts program; the program's students and teachers have invited the Board to be their guests that evening.

PUBLIC COMMENT¹

Mr. Grant described procedures for addressing the Board during public comment.

Ms. Virginia Chavez addressed the Governing Board expressing disappointment regarding a specific RIF (Reduction in Force) situation; she recommends a Seniority priority process so that long term teachers are not displaced.

1. EXECUTIVE SESSION

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

- 1) Discussion and Consultation with Representatives of the Governing Board In Order to Consider Its Position and Instruct Its Representatives for the Meet and Confer Process Pertaining to Compensation and Benefits for Certificated, Professional Non-Teaching, Support and Administrative Staff for the 2010-2011 Contract Year, Pursuant to A.R.S. §38-431.03(A)(5).

A motion was made by Mrs. Clymer that the Board recess into Executive Session pursuant to A.R.S. §38-431.03(A)(5). Mrs. Boros seconded the motion, and it passed unanimously, 5-0. Mr. Grant called a recess at 6:07 p.m. for the purpose of holding Executive Session.

B. Motion to Close Executive Session and Reconvene Open Meeting

Upon return to the Governing Board Room, Dr. Loomis moved to reconvene the meeting into open session. Mrs. Boros seconded the motion and it passed, unanimously, 5-0. Mr. Grant declared the meeting in open session; the time was 7:06 p.m.

2. INFORMATION – CONTINUATION OF OPEN MEETING

A. Status of Bond Projects

Board Book information: [A Bond-election initiative to fund capital improvement projects was voter-passed on November 6, 2007; this is the monthly update, which began at the 12/11/07 Governing Board meeting]. *Mr. Christopher Louth, Bonds Project Manager, was introduced to present this month's status update on the current Bond-funded Projects (as provided with Board book materials). He noted that the reporting format is listed within the five categories as identified by the Blue Ribbon Committee as areas of need.*

Mr. Louth noted that in light of the budget obstacles facing Amphitheater Public Schools and all districts in the state of Arizona, it seems prudent to mention that the Amphi Bond Projects are not funded by state monies and should not be impacted by state budget cuts. Amphi Bond Projects are funded by local bond dollars thanks to the Amphi voters' passage of the 2007 bond projects referendum.

I. Health, Safety, and Security:

Facility Support Services Center: *Programming for a new FSS site at Wetmore Center is continuing. Design Development drawings are now ready; they have been reviewed by District personnel, and construction documents are being prepared.*

II. Instructional Space/Portable Replacement:

Ironwood Ridge High School Classroom Addition: Construction has started with demolition and a landscape relocation nursery. Currently, the relocation of a gas and water main are in process. The building pad is staked and actual site excavation is scheduled to start this week.

Coronado K-8 Classroom and Fine Arts Addition / Remodel: Construction Documents are complete and have been submitted to the county for permitting. Schedule and Guaranteed Maximum Price development are ongoing.

Rillito Center Classroom Addition: Programming of the classroom addition at Rillito Center is ongoing. Schematic Design is complete and Design Development documents are being prepared.

CDO Theater Sound, Lighting, and Theater Updates: Programming of the theater upgrades is ongoing. Schematic Design is complete and Design Development documents are being prepared. CDO administration and CDO user groups have been involved in all programming with a strong emphasis on safety and upgrading the facility to make it an up to date learning environment for the student population.

Nash Elementary Classroom Addition: Procurement of a general contractor for this project is under way.

Walker Elementary Classroom Addition: Procurement of a general contractor for this project is under way.

Mrs. Boros commended Mr. Louth and the project leaders for continuing to be ahead of schedule and under budget.

3. ACTION

A. Review of 2010-2011 Budget Development; Approval of Required and Contingency Budget Cuts for SY 2010-2011 (Amended 4-12-10)

The legislative budget cuts for next school year (2010-2011) cap a history of reductions occurring over the last several years. In 2008-2009, for example, the District lost \$4,333,474 to legislative budget cuts. In addition, the legislature swept the district's cash reserves – funds on hand which would have normally been returned to our taxpayers the following year.

Then, in 2009-2010, this current year, the District's budget was again cut by a total of \$5,473,305, from various funds. Building renewal funding, for example, has gone entirely unfunded or has been only partially funded since 2006-2007.

Preceding these historical cuts, Arizona schools have often gone without funding increases. Throughout much of the 1990's, for example, the legislature failed to allocate funding under then-existing state statutes that mandated annual funding increases designed to ensure only that school budgets kept pace with the rate of inflation. After several years of the legislature simply ignoring these mandates for budgetary increases, the legislature took those mandates out of law. The cumulative budgetary effect of years of unfunded inflationary increases was substantial funding losses.

Thus, the reductions which Amphitheater and other school districts are facing are by no means something new, or an aberration only seen in times of financial crisis for the state. Public education in Arizona has been asked to do more and more with less and less for decades. What is new, however, is the scale of the current reductions and how the reductions will ultimately impact our schools and our students.

The legislative budget reductions which occurred over the last several years have, to every extent possible, been implemented as far away from the classroom as possible. Those budget reductions were implemented predominantly in central and support functions and have greatly diminished the level of services available in the District.

While every effort has been made to avoid negative impact to programs and services available to the public within the district, the multi-million dollar reductions now imposed make that effort impossible.

There are two budget reduction scenarios for next year. One assumes voter approval of Proposition 100 (a 1 cent sales tax increase), which is expected to generate approximately \$1 billion in additional state revenues, two-thirds of which will be allocated toward public schools funding. Even with the assumption of Prop 100 passing, the resulting budget implications for our schools are staggering:

Legislative Budget Cuts if Prop 100 Passes

• Transportation Funding Budget Increase (1.2% Increase)	\$ 65,000
• Soft Capital Reduction (80% Budget Decrease)	(\$2,686,862)
• Full-Day Kindergarten (100% Budget Decrease)	(\$2,638,158)
• Decreased 301 revenues that fund Teacher Base Salary)	(\$1,934,000)
TOTAL –	(\$7,194,020)

In addition to these legislative budget cuts of approximately \$7.2 million, there will also be a loss of nearly \$1 million in state K-12 grants and more than \$5.7 million in withheld funding for the building renewal program. There will also be significant new costs for the District – more than \$700,000 in new contributions to the Arizona State Retirement System and unemployment compensation insurance.

If Proposition 100 fails, the additional \$1 billion in revenue for the state will obviously not be forthcoming and further reductions to equal the unrealized sales tax revenues will also be imposed by the legislature. For Amphitheater, those additional reductions will be as follows:

Additional Legislative Budget Cuts if Prop 100 Fails

• Soft Capital Reduction (Remaining 20% Budget Decrease)	(\$ 671,716)
• Unrestricted Capital Reduction (100% Budget Decrease)	(\$ 3,892,482)
• Base Support Level Funding (2% Budget Decrease)	(\$ 1,429,995)

ADDITIONAL TOTAL - (\$ 5,994,193)

In addition, the second scenario adds further to the District's unemployment compensation premiums – an increased cost which flows from potential reductions associated with the second scenario.

These two alternative budget scenarios which have been adopted by the state legislature require alternative budget scenarios for the District as well. Each, as necessitated by state-level cuts, proposes substantial

budget reductions. But, of course, one assumes passage of Prop 100 and one assumes failure of Prop 100. The scenario of Prop 100 failing therefore includes the higher degree of reductions.

Attached to this item are two budget proposals reflecting and based upon the alternative scenarios. A presentation providing this information is also attached.

In addition, the Board will find sample allocations for one school from each grade level, so that the Governing Board can review and approve the financial impact of class size increases and other programmatic changes will produce.

Dr. Balentine stated that Amphi, as well as the entire state of Arizona, is facing a very serious budget crisis. Administration recently addressed these serious issues and the options available (including Proposition 100) with concerned community members at three forums, which were held at each of the District's three high schools.

Dr. Balentine recapped some of recent budget history, including this time last year when this Board found it necessary to cut \$1.5 million from Amphi's budget in response to the Arizona Legislature's post factum budget cuts. These District cuts were specific to areas outside of the classroom; from which \$750,000 was from within central administration. Furthermore, recognizing the seriousness of those budget cuts and the implications of further cuts, senior staff volunteered five-day furloughs (without pay) as a cost-cutting measure this year. Added to these financial concerns, was the District's reality of declining enrollment. The sad reality is that the 2010-2011 budget year does require budget cuts including Reduction in Force (RIF). In approaching this year's process, knowing the level of cutbacks committed to last year within these areas, recommendations considered do include further administrative reductions but now also reach into the classroom through RIFs.

Dr. Balentine believes that even during these times of strife, it is important to be directed by the District 's Vision, Mission, and Beliefs statements; she read them into record, "Amphitheater schools and facilities are places where students thrive academically; places parents want their children to go; places where highly skilled people work; and places community members respect because of the high student achievement, caring environment, and focus on individual needs!" She added that of the more than 1,200 responses to the Staff Survey, the most consistent responses related to "totally protect salaries" and "totally protect jobs" and, understanding that more than 86% of the budget is comprised of staffing costs. She prefaced the review of the two budget scenarios by stating that these budget-reduction recommendations were developed with the priority of striving for a level of balance – although regrettably acknowledging that people will be impacted in terrible ways.

Dr. Balentine reviewed the recommendations, as shown in the following charts:

Proposed Budget Reductions for FY 2010-2011 To Implement Legislative Budget Cuts

Scenario #1: Following List Assumes Passage of Proposition 100

<ul style="list-style-type: none"> Central Administration - Reorganization (Reduce 3 FTE) - Eliminate Exec. Dir. H.R., Print Media Specialist, Lead Computer Repair Tech. 	(est.) \$178,000
<ul style="list-style-type: none"> Reorganize Facilities – Eliminate 3 FTE/Out-Source Some Services; Replace 1 FTE With Energy/Efficiencies Coordinator 	\$ 45,000
<ul style="list-style-type: none"> Prince/AMS – K-8 Administrative Support (Reduce 1 FTE) 	(est.) \$ 50,000
<ul style="list-style-type: none"> Close San Joaquin Alternative High School -- Students Return to Respective High Schools; Relocate Alternative Program 1 FTE to Each High School; Transfer/Reduce Remaining FTE Per Policy and Contract 	\$ 435,380
<ul style="list-style-type: none"> Transportation Efficiencies - Combine/Reduce Routes, Etc. 	\$ 100,000
<ul style="list-style-type: none"> Transfer Crossing Guard FTE to Custodian Responsibility and FTE (Benefits Savings) 	TBD
<ul style="list-style-type: none"> Reduce Interoffice Mail Services 	\$ 5,200
<ul style="list-style-type: none"> Convert To Electronic Paystubs W/Direct Deposit 	\$ 7,000
<ul style="list-style-type: none"> Convert Full Day Kindergarten (Reduce 20 FTE) – Provide at Title I Schools w/ Federal Funding; Implement Supplemental Tuition Based Program at Non-Title I Schools (Non-Refundable Tuition of \$1300/yr. -- \$300 due at Registration and \$500 due at Start of Each Semester) 	(est.)\$ 900,000
<ul style="list-style-type: none"> Increase Class Size Formula Allocation By 2 Students (Reduce 51.5 FTE) 	\$2,317,500

• Interscholastics Fee Increases/Event Ticket Cost Increases	(est.) \$50,000
• Eliminate Field Trip Allocation In Non-Staffing Allocations	\$ 70,707
• Suspend Literacy Conference, Amphi Get Together, Effective Teaching Conference, etc.	(Grant Funded)
• Reorganize Instructional Coaches, Instructional Support Leaders (17 FTE)	(Grant Funded)
• 4 Day/10 Hour Workweek in Summer – Utilities Savings	TBD
• Special Education/ELD Program Budget Reductions	\$152,734
• Reduce Maintenance & Operations Budget Travel	\$ 30,000
• Reduce Professional Development -- Eliminate Sub Days In Non-Staffing Allocations For Professional Development	\$ 60,000
• Reduce Governing Board Supplies/Travel Expenses	\$ 1,100
• Pay Reductions* ** (86 % of District Budget Is Personnel Costs)	\$1,500,000
• 2 % (two percent) Salary Reduction for ALL Employees	
• 3 Furlough Days for Impacted Employees (Uncompensated, duty-free days: Friday, August 6; Friday, December 17; Thursday, May 26)	
* All Employee Groups (Administrative, Certified, Prof. Non-Tch. & Classified)	(est.)
** If Proposition 301 Revenues increase during the 2010-2011 school year, additional dollars will be allocated to teachers (certificated salary schedule).	\$746,399
• Eliminate Early Retirement Phase Out Program (ERPOP) – Effective June, 2010	\$1,200,000
• Transfer Benefit Bucks to District Health Contribution Fund	TBD
• Additional Budget Reduction Recommendations in May	TBD
• Indefinitely suspend Supplemental Sick Leave Program	TBD
• Eliminate Wetmore Café	(Food Service Savings)
TOTAL SPECIFIC REDUCTIONS LISTED ABOVE	\$7,899,020

Proposed Budget Reductions for FY 2010-2011 To Implement Legislative Budget Cuts

Scenario #2: Following List Assumes *Failure* of Proposition 100 and is in Addition to Budget Reductions Listed in Scenario One Above

Increase Class Size Formula Allocation - Increasing Average By 5 Students (Reduce 117.7 FTE)	\$3,280,000
Interscholastics – Fee Increases/Program Reductions	\$1,100,000
Other Reductions To Be Determined (Reduce Specific Program Allocations (FTE TBD); Increase Special Education Resource Class Size (FTE TBD); and Other TBD)	\$2,239,193
TOTAL SPECIFIC REDUCTIONS LISTED ABOVE	(est.)\$6,619,193

Board members offered comments. Mrs. Boros noted that the Board’s priority has been to protect as many jobs as possible, minimizing the impact on the classroom, and doing the best to preserve compensation in light of what the realities are. Increasing class sizes equates to losing teachers and support staff; that kind of drastic action is telling. The \$2.2 million program funds and other program funding cuts (TBD) are critical. She expressed concern about the health of the District to ensure that the budget is solvent enough to help maintain finishing bonding projects, etc. The (public education) budget system is complicated and contains varied funding sources, which can only be allocated in specified ways. The District has re-allocated monies as best as possible but it was not possible to account for the ‘total reductions’ necessary by either ‘reduction of jobs’ or ‘reduced wages’. She is pleased that a priority has been given to balance these reductions within all areas and to minimize the loss of jobs. She noted also that she has “implicit trust in the information I am receiving from my administration.” Additionally, she stated regarding this action, “that it is crushing to me” because of the people she knows and cares for.

Dr. Balentine responded to inquiries from Mrs. Clymer about 1) how many positions were saved with this breakdown of pay reductions and furlough options and, 2) Special Education mandates. Dr. Balentine stated that approximately 75 positions were protected; given an average salary of approximately \$40K annually. Specific special education mandates continue to be examined, as related to student IEPs, so that required services are ensured.

Dr. Barrabee expressed appreciation to the community, students, and employees present this evening for displaying their interest in this struggle. It is important to realize why this crisis exists; it is not because Amphi has not been careful in the administration of available funds. The state's Constitution is very explicit about the responsibilities of the representatives and senators; they took an oath to support, develop, and advance public education with taxation, if necessary. Was it responsible for them to "cut resources" from public education and children's health care programs and many other critical health care services to the most vulnerable. He is pleased with the spirit of cooperation between the AmphiEA membership and administration during this hardship.

Dr. Loomis stated when understanding the high percentage of District costs are attributable to personnel – some 86%, it is unrealistic and impossible to accommodate these imposed severe budget cuts without impacting personnel. She stated that witnessing the interaction between students and teachers through site visits, etc., she noted that the District is fortunate in having outstanding faculty. She, too, has been a teacher and has experienced, and understands, this turmoil. The (RIF) process is in place and compelled to follow that process. This is the saddest day in her life as a School Board member; she stated that, "it is devastating."

Mr. Grant, echoed Mrs. Boros' earlier assessment about the budget. He stated that he has spent 35 years in management; has been involved in similar situations as this. He too, has experienced layoffs in his personal career. The decisions are never easy and are gut-wrenching. He added that the budget has some areas that are fluid, have some "TBD" and some other elements that are contingent upon other factors outside of the District's control. "It is a very sad moment; a sad reality."

The following speakers addressed the Governing Board expressing their comments related to the proposed budget/program cuts: Mikayla Gilbert, Ken George, Danita Heller, Jessica Winter, Megan Appelt, and Chris Gabriel.

Mrs. Clymer offered these comments, "The speakers were very heartfelt and we really appreciate you coming. And I wish we had a magic bullet, um -- as you look up at this podium, we have three former teachers; 3 of us were teachers for a long time, and are no longer teaching. The other two (board members) – their parents were teachers. So when we look at you, we look at us! I mean this could have been us at some point in our career and for those of you that are having a hard time grasping why we are doing this, I hope that you'll think, "why would they do this; if there was any other option, why would they do this?" (and) If there were any other option, we wouldn't do this. You are the life blood of our District; you are everything – we are nothing without you! We wouldn't do this unless we HAD to do this. [emotional] *I looked at that list last night and it broke my heart. My daughter's teachers were on that list; and, it was hard for me to tell them; they graduated last year from CDO; they are in college now. It broke their hearts when I told them who was on that list. We wouldn't do this unless we absolutely had to. I am so sorry.* I hope that you will take your passion; I hope that you will take your energy and put it where it needs to go. You have to know why this is happening. For the person who said that we cannot tax our way out of this – oh my gosh – yes, yes -- we can! The Legislature cut our taxes by 25% in the 1990's; two years ago, they cut it by 10%. We can't maintain our schools on that kind of funding. Ask your parents to look at what they are paying in personal income tax. They are paying a pittance. You've got to look at the source of this; our state cannot keep running this way. We're shutting down our schools; we are shutting down our parks; we've cut 50,000 kids off of KidsCare, we've cut 300,000 people off of AHCCCS – our state is falling apart. Please use your energy there, where it counts – where it matters. I'm so glad that you high school students are looking to register to vote. We need you – we need you to look at who is running for election this fall. Please vote carefully. Look at what they've done in regards to education. That's the only way that we are going to turn this around, with your energy and your caring. So, I'm so sorry that we have to do this . . . but we have no other alternative."

Dr. Barrabee thanked Mrs. Clymer for her comments.

A motion was made by Dr. Barrabee to accept the two proposed budget reduction scenarios as presented by the Administration for the budget cuts for SY 2010-2011, as submitted. Mrs. Boros seconded the motion. There was no further discussion and the motion passed unanimously, 5-0.

B. Review and Approval of Compensation and Fringe Benefits Package for the 2010-2011 Fiscal Year for Administrative, Administrative Exempt, Certificated, Support, Support Exempt, and Professional Non-Teaching Employee Groups (ADDITIONAL INFORMATION of 4-12-10)

Board Book information: *This addendum provides additional information that was not available at the time the original board book materials were prepared.*

The joint meet and confer teams have concluded their meetings and were unable to reach consensus on a compensation package recommendation for the 2010-2011 fiscal year. In a joint statement issued by the teams following their last meeting, the teams stated: "The teams understand the dire financial situation for public education in Arizona, and they deeply regret its inevitable impact on our students, our employees and our community."

Normally, of course, the Governing Board relies heavily upon the recommendation which emerges from the meet-and-confer process in establishing the compensation and fringe benefits package for each following year. Such a package is typically based upon the event of new or increased funding to be received by the District which will support the recommended compensation package terms. This year, of course, not only was there no new or increased funding for the compensation package terms for next year, but funding for existing compensation terms is to be dramatically reduced under two alternative scenarios.

This new reality of dramatic funding losses, unparalleled in District history, now unfortunately compels a compensation package which reduces existing compensation terms. And, notwithstanding the lack of a meet and confer recommendation this year, the Administration has considered the input of the meet and confer teams to determine the recommendation which is shown in the attached chart and is incorporated in the Budget Development & Reductions agenda item under separate cover.

With essentially 86 cents of every dollar in district operations going toward employee compensation and benefits, it is impossible for the funding cuts imposed by the legislature (as high as 20%) not to impact the compensation of the District's employees.

There are various forms that compensation decreases can take, and it was important to consult with District employees on the difficult options. The administration, in addition to considering the very valuable input received from the Amphitheater Education Association through the meet and confer process, has also considered the input of employees received through the recent district-wide survey process in developing the attached recommendation. The results of the district-wide survey were shared in detail with the Governing Board at its meeting of March 30, 2010.

Pay Reductions – By Percentage of Pay and Furlough Days

The recommendation reflects a general salary reduction of 2%, across the board for all employee groups. This affects all employees by the same percentage.

In addition, the recommendation reflects three days of furloughs for "affected employees", meaning those employees who work on certain non-student contact days – specifically: Friday, August 6; Friday, December 17; and Thursday, May 26. A substantial number of employees do not work on these days (instructional aides, bus drivers and monitors, and food service employees). Application of the furlough in this manner will minimize the total impact of the salary reductions upon many of the District's employees earning the lowest wages.

Fringe Benefit Allocation Changes

Another term of the proposed package for next year would be to shift the existing allocation of "Benefit Bucks" contained in the District's existing fringe benefit offerings toward the district's premium support of health care insurance. Presently, employees who elect coverage under the District's health insurance coverage already use the full annual allocation of \$790.92 to defray the cost of health insurance in addition to the \$2401.20 annual contribution specifically provided by the District toward the cost of health insurance. (All figures described are on an annualized and full-time employment basis).

There are, however, 738 employees who utilize Benefit Bucks for other benefit offerings, many of which carry tax burdens for the employees. The complications presented by the variety of options for which Benefit Bucks may presently be utilized also create substantial administrative burdens which are more

difficult to fulfill given administrative reductions. The number of options also precludes automation of benefits enrollment.

By adding the existing Benefit Bucks allocation to the existing Health Care insurance contribution, the District's fringe benefit offerings would reflect a total annual allocation of \$3192.12, or \$266.01 per month, which may better communicate the level of district funding toward health insurance. There will be some financial savings from those 738 employees who do not presently elect to carry District health insurance, and who might continue not to do so even after the Benefit Bucks allocation is completely allocated to support of health insurance costs. The amount of savings depends upon the choices of affected employees and must be determined through actual experience.

Other Package Terms

An additional recommendation is to indefinitely continue the suspension of supplemental sick leave, which was part of last year's meet and confer recommendation.

Early Retirement Phase Out Program

The ERPOP was established several years ago to reduce the more than \$3.7 million in annual costs incurred by the District through its former Early Retirement Program. The ERPOP program provides wage enhancements to a very limited number of employees or former employees (21 to 23 per year) under three options.

Options A and B are both premised on a compensation incentive which is calculated by multiplying the participating employee's base pay by a factor of 1.5 (or 150%). The result is then divided by ten, resulting in an amount equal to 15% of an employee's base pay.

Under Option A, the 15% amount is added to the employee's compensation for each of five years prior to the employee's retirement. The 15% amount is also paid to the employee for each of five years following retirement. Under Option B, the 15% amount is paid to the employee for each of ten years following retirement. Under both Option A and B, the employee also receives \$900 annually to defray the cost of health insurance during the post-retirement phase (five years under A; ten years under B). The retired employee also provides 15 days of substitute service during each of the post-retirement years under A and B.

Under Option C, the employee receives \$200 in compensation for each year of service to the District at the time of retirement, with no requirement for post-retirement service and no provision for health insurance cost support.

Last year, the absence of any new funding led the joint meet-and-confer teams to recommend limited ERPOP participation opportunity under the current year's compensation package. Funding derived from the suspension of the supplemental sick leave benefit was allocated to enable a new, more limited group of participants under Option C only.

The administration recognizes the long history of an early retirement program within the District. At a time when employees are facing 2% pay reductions as well as furloughs, however, the continuation of a program providing 15% pay increases or post-retirement wages to a very limited number of employees cannot be recommended, particularly when ERPOP's continuation into next year would require additional pay reductions of approximately 1% or three additional furlough days for all other employees.

It is recommended that termination of the ERPOP program be effective June 30, 2010. Compensation currently provided under the program to all participants would cease at that time (with the exception of amounts due to those electing 12 month distribution of income to only complete payment of funds obligated for the current fiscal year). In turn, the obligations of all participants for provision of substitute days would cease with the end of this fiscal year as well.

This item is presented for the Board's approval, recognizing that should the District receive increased funding for 301 beyond that projected, those funds would have to be allocated to teachers (certificated salary schedule) specifically to mitigate compensation reductions proposed above. In addition, if the budget

scenario conditions detailed above improve unexpectedly, the need for furlough days can be re-evaluated and modified as those conditions permit. With these caveats, approval is recommended.

Recommended Compensation and Benefits Package Terms For 2010-2011 Fiscal Year

- 2% Salary and Wage Reduction for All Employee Groups
- Three Days of Furlough – Affecting Only Employees Normally Working on Friday, August 6; Friday, December 17; Thursday, May 26
- Transfer of District Benefit Bucks Allocation to Health Insurance Allocation
- Indefinite Suspension of Supplemental Sick Leave
- Termination of Early Retirement Phase Out Program, Effective June 30, 2010

Dr. Balentine stated that this item is presented to operationalize the recommendations made (and approved) in the aforementioned agenda item (Item A). Unless there are comments or questions regarding this information, Dr. Balentine recommends approval as submitted.

The following speakers addressed the Governing Board expressing their comments related to the proposed budget/program cuts: Rhonda Ball, President, AmphiEA, Andrew Stegen, Chris Rhodes, Matthew Stanley, Kayla Urbanski, Michael Schmitt, Jeff Conte, Leigh Thomas, Rick Sims, Hapi Denfeld, Meghan Gallaher, Anne Meehan, Anthony Stewart, Sara Rhoads, and Arlyssa Watts.

Dr. Barrabee expressed appreciation to the speakers for their comments. He encourages civic participation.

A motion was made by Mrs. Clymer to accept the compensation and fringe benefits' package for the 2010-2011 fiscal year as described and reviewed in item 3.A. Mrs. Boros seconded the motion. There was no further discussion and the motion passed unanimously, 5-0.

C. Review and Approval of Revised District Calendar for School Year 2010-2011

Board Book information: *This item is presented in anticipation of the Board's approval of the two proposed budget reduction scenarios presented at this meeting.*

The District's calendar for 2010-2011 school year was approved on April 14, 2009. However, the Administration now recommends that the Board approve three (3) furlough days for impacted employees (uncompensated, duty-free days: Friday, August 6, 2010, December 17, 2010, and May 26, 2011).

Dr. Balentine introduced the item, stating that the proposed calendar includes the three furlough days as described and reviewed in item 3.A.

A motion was made by Dr. Loomis to accept the proposed changes made to the Calendar for the 2010-2011 fiscal year. Dr. Barrabee seconded the motion. There was no further discussion and the motion passed unanimously, 5-0.

4. CONSENT AGENDA

Mr. Grant announced that Consent Agenda Item O was tabled until the next scheduled Governing Board meeting on April 27, 2010. He asked if there were Board member requests to have items addressed separately; Mrs. Clymer requested so regarding Item H. (Detail on Item H is shown below.).

A motion was made by Dr. Loomis to approve consent agenda Items A-G and I-N, and P. The motion was seconded by Mrs. Clymer and passed unanimously, 5-0. Appointment of personnel is effective, provided all district, state, and federal requirements are met.

A. Appointment of Personnel

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

B. Personnel Changes

Certified and classified personnel changes were approved, as listed in Exhibit 2.

C. Leave(s) of Absence

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

D. Separation(s) and Termination(s)

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

E. Approval of Vouchers Totaling and Not Exceeding Approximately \$ 1,659,980.02 (Final Total)

The following vouchers were approved as presented and payment authorized:

Vo. 892	\$ 980,566.32	Vo. 893	\$ 388,318.42	Vo. 894	\$120,463.32
Vo. 895	\$ 12,362.09	Vo. 896	\$ 148,295.24	Vo. 897	\$ 9,974.63

F. Monthly Status Report for the Fiscal Year 2009-2010

A summary of comparative totals as of March 2009 is as follows:

Budget Capacity	\$94,168,976.00	Expenditures & Encumbrances	\$94,168,976.00
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Totals' Comparisons:

Expenditures as of 3/31/09	\$66,379,036.70	M & O Budget Capacity for 2008-09.....	\$96,073,175.00
Expenditures as of 3/31/10	\$62,326,247.65	M & O Budget Capacity for 2009-10.....	\$94,168,976.00

Bond Balance Outstanding: \$46,705,000.00

Tax Rates: Primary – 3.1469; Secondary – 1.5143

G. Acceptance of Gifts

Donations were accepted by the Governing Board, as listed in Exhibit 5.

H. Governing Board Certification of Absence Approval Request – Updated

Board Book information: *Arizona Revised Statute §15-902 allows Governing Boards to request that the Arizona Department of Education adjust the calculation of absences in the event of widespread illnesses and chronic health conditions. The school funding formula penalizes school districts when their absence rates exceed 6%.*

The district currently has an absence rate of 6.14% in grades K–8 and a rate of 12.83% at grades 9-12.

Mrs. Boros asked whether it is possible for the Arizona Department of Education (ADE) to refuse the District's request for an adjustment. Dr. Balentine clarified that this requested adjustment of calculation pertains to the District's effort for funding for student-absence days due to H1N1. Those absences negatively impact school district funding. She responded that the State *could* possibly do so. The ADE had identified criteria for this assistance; students needing to have missed more than fifty (50) days. The District has challenged that *number* and is requesting justification. Administration expects to receive the funding.

A motion was made by Mrs. Boros to approve Item H. The motion was seconded by Mrs. Clymer and passed unanimously, 5-0 (Exhibit 6).

I. Award of Contract Request for Bid 09-0072 EMT Conduit Installation

Board Book information: *A Request for Bid (RFB) 09-0072 was mailed to twenty-four contractors registered with the Purchasing Department; 6 contractors responded with priced quotes. The scope of work required the installation of rooftop EMT conduit at Wetmore Center to provide data and phone cabling. [Board Book holders were provided with vendor evaluation detail.]*

The Governing Board approved the award of contract for EMT conduit installation to *DP Electric* based upon their response to RFB 09-0072.

J. Award of Bids for Athletic Uniforms, Equipment and Supplies Based Upon Responses to Request for Bids 09-0053, 09-0054, 09-0055, 09-0056, 09-0057, 09-0058, 09-0061, 09-0062, 09-0063, 09-0064, 09-0065, 09-0066, and 09-0068

Board Book information: *Annually the Athletic Department bids the District's requirements for athletic uniforms, equipment and supplies. Vendors registered with the Purchasing Department are notified when*

bids are available at the department's website. Vendors are advised of the District's intent to award each bid to a single vendor, however, the District reserves the right to award to multiple vendors if in the District's best interest. Multiple awards are made only when a single vendor cannot supply all of the required items or, if it is in the District's best interest based on the price offered. [Board Book holders were provided with vendor evaluation detail.]

The Governing Board approved the following vendors for athletic uniforms and related Requests for Bids (RFBs):

split between two vendors, *United Health (118) and Medco (74)* - RFB 09-0053 for Athletic Trainer; split between two vendors, *Buddy's All Stars and Sports Supply (56) and Medco (18)* - RFB 09-0054 Baseball & Softball; split between two vendors, *Buddy's All Stars (15) and Sunvalco (7)* - RFB 09-0055 Basketball; twenty-two line items: Fourteen vendors responded. Twenty-two line items were split between two vendors; split between two vendors, *Buddy's All Stars (16) and Sports Supply (10)* - RFB 09-0058 for Multi-Sport; split between two vendors *Buddy's All Stars (17) and Striker Soccer (8)* - RFB 09-0061 for Soccer; split among four vendors, *ATS Sports (5), Sports Supply (2), Greg Larson (2) and Bill Fritz (2)* - RFB 09-0062 for Tennis; split among three vendors, *VS Athletics (26), Buddy's All Stars (18), and Cannon Sports (10)* - RFB 09-0063 for track; *Buddy's All Stars (21)* - RFB 09-0064 for Volleyball; split between two vendors, *BFS Sports (13) and ADV Exercise (6)* - RFB 09-0065 for Weight Room; split among three vendors, *Buddy's All Stars, (8), Universal Sports (6) and Alert Services (1)* - RFB 09-0066 for Wrestling; and, split among three vendors, *Moore Medical (37), United Health (33), and School Health (17)* - RFB 09-0068 for Health Services.

K. Approval of Out of State Travel

Out of state travel was requested for staff (source of funding indicated): from Canyon del Oro High School to attend the Link Crew/Boomerang Training in Temecula, California, May 3-5, 2010 (tax credit donations); from the District Offices to attend the Association for Education and Rehabilitation of the Blind and Visually Impaired National Board Meeting in Little Rock, Arkansas, April 14-18, 2010 (Association for Education and Rehabilitation of the Blind and Visually Impaired).

Out of state travel was requested for students and staff (source of funding indicated): from Coronado K-8 School to go to Anaheim, California, April 30-May 2, 2010 (student activity funds) [previously approved at the January 26, 2010, Board meeting, and one chaperone is now being added]; from Cross Middle School to go to Anaheim, California, April 29-May 2, 2010 (student activity funds in addition to auxiliary and tax credit funds) [previously approved at the January 26, 2010, Board meeting; the chaperones are now being changed, and one additional chaperone is being added].

L. Review and Approval of Grant(s)

The Governing Board approved two \$500 mini grants from Wells Fargo: one to be used to Paul Floro on behalf of Donaldson Elementary School towards the purchase of "TV Tuner Cards" to enhance the daily news program presented by 5th grade students; and, the other to be used by Jennifer Mills on behalf of Nash Elementary School towards the purchase of a new display board and microphones for the computer lab.

M. Approval of Response to Intervention Program (RTI)

Board Book information: *Response to Intervention, or RTI as it is commonly referred to, evolved from the District approach to creating and sustaining a Pyramid of Interventions for all students who were at some level of risk in terms of maintaining achievement levels. Three years ago we piloted an RTI program at Rio Vista that has shown positive results with students needing interventions. The interventions in an RTI system are scaled accordingly, and flexible decisions can be made quickly to support the student(s).*

The Governing Board approved the implementation of Response to Intervention (RTI) processes in all District schools

N. Approval of (Draft) District Calendar for School Year 2011-2012

Board Book information: *The District's school year calendar must meet specific requirements under Arizona law for the number of instructional days; state law mandates that public schools must have a minimum of "180 instructional days". Since the 180 day requirement went into effect, however, Arizona law has also provided permission for districts to meet the 180 day standard through an equivalent number of instructional*

minutes over fewer days. For several years, the Amphitheater District utilized the equivalent instructional minutes' option, resulting in slightly shorter school year calendars of 178 school days.

The draft calendar which is attached reflects a calendar of 178 days. Current budget discussions at the state capitol suggest the number of school days could vary, however. One of the budget reduction options under consideration by the legislature is a five-day reduction in mandatory school days (180 to 175). This would, of course, impact the calendar for next school year (2010-2011) as well as the calendar currently under study (2011-2012). It would be premature, however, to prepare a calendar for either year at this time, based upon the speculative nature of the final legislative outcome. Thus, future revision of these calendars may be required.

Because the District's calendar does not have "extra" school days built into it, any emergency closure of schools due to weather or other factors must be addressed by ensuring the requisite instructional minute requirements are still met. The District and the Amphitheater Education Association (on behalf of District employees) have agreed that if any schools are closed as a result of any emergency, certificated staff at those schools will have an equivalent number of student reporting days added to their work calendar without additional compensation -- generally by turning the planning days at the end of each semester into student reporting days. As long as the state permits the district to use equivalent instructional minutes rather than 180 days, the district's school calendars will be constructed in this same manner.

The Governing Board approved the proposed calendar for School Year 2011-2012, as submitted (Exhibit 7).

O. Approval of Contract Forms for the 2010-2011 Fiscal Year for Administrative, Administrative Exempt, Certificated, and Professional Non-Teaching Employee Groups; Authorization to Issue Contracts to Renewing Staff Members for 2010-2011; Approval of 2010 Summer School Contracts

Mr. Grant announced that Consent Agenda Item O was tabled until the next scheduled Governing Board.

P. Approval of Disposal of Surplus Equipment by Trade-in

Board Book information: Amphitheater Food Services is purchasing a replacement gas convection oven for the La Cima Middle School kitchen. The current convection oven's lower unit is not operating correctly. Repairing ovens of this type and age, over fifteen years old, is costly due to the limited availability of replacement parts and their high cost. The vendor furnishing the new equipment, Arizona Restaurant Supply, will provide an \$800. credit (trade-in) for the old oven against the purchase price of a new convection oven. This represents 10% of the cost the new oven. The District has historically received a higher dollar amount for surplus kitchen equipment when traded-in against the purchase price of new equipment versus offering the equipment for sale through an auction or sealed bid sale.

The Governing Board approved the disposal of surplus equipment by trade in against the purchase of a new convection gas oven through Arizona Restaurant Supply, as described.

5. STUDY/ACTION

A. Selection of Governing Board Delegate and Alternate at Arizona School Board Association (ASBA) Delegate Assembly; Determination of Governing Board Position on ASBA Legislative Action Agenda Items; Direction to Delegate

Board Book information: The Arizona School Boards Association, of which the District is a member, is holding its ASBA Delegate Assembly on June 26, 2010. The purpose of this annual assembly is to develop ASBA's legislative action agenda for next fiscal year's legislative sessions (rather than the current sessions). The assembly meets each year to consider input from districts across the state on action agenda items that have been culled from written proposals from district for inclusion in the organization's official agenda.

While all superintendents and governing board members from member districts are invited to and may participate in the discussions held during the Assembly, each member district is only permitted one vote on each matter presented to the assembly for a vote.

Thus, one element of this item is the selection of the Board's official and voting delegate to the assembly. The Board is also advised to select an alternate delegate who would be authorized to attend the assembly, along with the delegate, and to vote in the event the delegate was unable to do so for some reason.

After doing so, the Board may through discussion and/or motion direct the delegate and alternate delegate how to vote or otherwise represent the interests of the Board in the development of the official ASBA political agenda. A copy of the current (2010) ASBA agenda is attached for reference and discussion.

In addition to playing a role in the development of the ASBA legislative agenda through appointment of its delegate and alternated delegate to the assembly, the Governing Board also develops and pursues its own legislative agenda. The Board's legislative agenda for the District need not, and sometimes does not, comport with the ASBA agenda.

At its October 8, 2009 meeting, for example, the Board determined the following as Amphitheater Legislative Priorities for the current 2010 Legislative Session(s):

- 1. Appropriately Fund K-12 Education in Arizona.*
- 2. Eliminate or Prevent Funding Cuts to K-12 Education in Current Fiscal Year.*
- 3. Restore Desegregation Funding.*
- 4. Provide Adequate Funding to Serve English Language Learners.*
- 5. Establish a Reliable and Adequate Source of Funding for the School Facilities Board, Students FIRST and Building Renewal.*
- 6. Provide User-friendly and Practical Reporting Requirements and Provide Funding Support for the Same.*
- 7. Protect and Support Educator Due Process Rights.*

At tonight's meeting, as it has in the past, it is presumed that the Governing Board would direct submission of these Amphitheater priorities to ASBA as legislative agenda items. Thus, the administration has drafted Action Agenda submission forms to reflect the Board's existing legislative agenda for the District. ASBA requires districts to utilize their forms to make submissions.

Prior to the Board's consideration of this item, individual Board members may also identify other proposals that they would like the Board as a whole to advance to ASBA. A blank ASBA form has therefore been provided to allow individual members to develop proposals. Board members will observe a small, unimportant graphical deviation from the form in the action items that have already been prepared on behalf of the Board.

General Counsel is, of course, also available and able to assist by drafting proposals for individual members who have a topic or issue of concern they wish to see addressed and have staff develop into a proposal for the Board consideration.

This Administration recommends that the Governing Board:

- 1. Appoint a delegate from the Board membership to attend the ASBA Legislative Conference and Delegate Assembly and vote on behalf of the Board;*
- 2. Appoint an alternate delegate from the Board membership to attend the ASBA Legislative Conference and Delegate Assembly and, in the absence of the delegate, vote on behalf of the Board;*
- 3. Provide direction, as it determines, to the delegate and alternate delegate on legislative matters of concern to the Board and/or provide direction on how the delegate or alternate delegate should vote on matters;*
- 4. Determine, as appropriate, the action agenda items to be submitted to ASBA for consideration by the assembly for inclusion in the official ASBA Legislative Action Agenda for the 2010-2011 legislative sessions.*

Dr. Balentine stated that typically at this juncture, the Board determines its Delegate and Alternate, to then attend and represent the Governing Board at the ASBA Delegate Assembly, which is scheduled this year to be held on Saturday, June 26, 2010. The delegate would serve as a representative role for the Board and have the group delegate the authority to make decisions based upon the Board's Legislative Priorities.

Following some discussion, it was agreed among the Board members that Mrs. Clymer would serve as Delegate and Mr. Grant as Alternate. Mrs. Boros requested that another item be submitted to the Delegate Assembly for consideration; that is, to eliminate private funding for private schools – for the tax credit. Dr. Balentine responded that there is still time for this. Mr. Grant suggested returning any additional direction to the Delegate or the item could be brought back for discussion at the next meeting.

6. STUDY

A. Study of Proposed 2010-2011 Student Code of Conduct

Board Book information: *State law mandates that each school district Governing Board establish rules for student behavior, to include consequences for misbehavior (A.R.S. § 15-341). State law also sets specific requirements for school disciplinary rules, including the following:*

- 1. School district governing boards must hold students to “strict account” for conduct occurring on the way to and from school (A.R.S. § 15-341); and*
- 2. School districts must expel a student for no less than one full year if the student threatens the safety of the school environment, with exceptions made only by the governing board on a case-by-case basis (A.R.S. § 15-841).*

The Governing Board promulgates a Student Code of Conduct which communicates District expectations for student behavior and also describes consequences for violations of District rules.

An effective code of responsibility must explain expectations for behavior so that all members of the school community can fully understand them; it must also provide fair and consistent guidelines for consequences to be applied when behavioral incidents do occur to help ensure schools are safe places for students, staff, and the public.

In 2007, the District began a process of reviewing the Code of Conduct as it existed at the time. The Associate to the Superintendent formed a committee for that purpose after soliciting volunteers for the purpose. The committee, composed of district staff and parents, met several times to identify recommendations for review and revision.

One of the key recommendations to emerge from the committee review process was the development of two separate codes – one for younger (elementary) students and one for older (middle and high) students. Another core suggestion was the introduction of “positive” statements for expectations of behavior, particularly for younger students; there was concern that the Code seemed too weighted toward an anticipation of violations. There was also a great deal of emphasis in the committee process on simplifying the language used in the Code to the extent possible.

As the committee review process continued, the District learned that the Arizona Department of Education was developing a new, mandatory reporting system for student disciplinary data. AZ SAFE, as it was later named, ultimately came into being and is effective for the current year. This program, in short, compels all school districts in the state to utilize common and consistent descriptors for student disciplinary matters in order to facilitate uniform data collection and tracking on a statewide basis. The development of AZ SAFE, therefore, substantially affected and – in some respects – even controlled development of the Code revisions presented in this item. As the Board would therefore expect, the resulting and proposed drafts for an Amphitheater code of conduct represent substantially revision of the District’s former code.

Attached to this item is the current version of the student code of conduct. It is provided for comparison purposes only. Also attached are two drafts for 2010-2011 – an elementary version and a middle/high school version, as suggested by the committee process.

Both drafts for next year have been drafted to be as conversational as possible. It is important to recognize, however, that any code of conduct must comply with legal mandates for public schools and must be very clear about expectations, to include precise definitions and language. Therefore, this Code provides both “plain language” definitions for behavioral incidents as well as more technical definitions directed for use by the State of Arizona Department of Education.

Other changes for this year's Code of Conduct include the following:

- The elementary code contains a more simplified section for younger readers.
- Prohibited behaviors are organized into categories to help students understand the related nature of certain behaviors and their relative impacts upon the learning environment.
- Behavioral rules and potential consequences for violations of the rules are combined together in tables to improve understanding and for ease of reference.
- Because technology has become increasingly important for students both within the school setting and in society at large, this Code incorporates rules on the use and consequences for misuse of technology, including computers and the Internet.

This Board item is presented to permit the Board to study proposed revisions to the Code of Conduct for the 2010-2011 school year and provide feedback and direction. The drafts will be presented again in May for adoption and final approval.

Dr. Balentine stated that the draft Code of Conduct, containing revisions and is comprised of two parts; one is the Elementary and the second is the Middle/High school levels. She suggested that Board members forward feedback or suggestions to her for compilation and review at the next meeting with a goal of having the complete document (for both levels) approved at the second meeting in April to accommodate distribution timelines.

Dr. Barrabee commended staff for developing two versions of the Code of Conduct, for both younger and older, more mature students.

B. Legislative Review

Mr. Grant noted that the Board would forego formal review of the Legislative Review information; which can be reviewed independently. The written information was provided to Board Book holders; however, no discussion was held. Review of this item was deferred until a future meeting.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

There were no Board Member requests.

PUBLIC COMMENT¹

There were no public comments.

ADJOURNMENT

A motion was made by Mrs. Clymer seconded by Mrs. Boros and passed unanimously, that the meeting be adjourned. Mr. Grant declared the meeting adjourned at 9:17 p.m.

Respectfully submitted,
Margaret Harris

Jeff Grant, President

Date