

**Meeting of the School Board
David Douglas School District No. 40
January 22, 2009**

The regular meeting of the David Douglas School Board was held on Thursday, January 22, 2009, at 7:00pm in the Board Room of the David Douglas School District Administration Building, located at 1500 SE 130th Avenue, Portland, Oregon 97233.

School Board Members present were:

Frieda Christopher, Board Chair	
Dawn Barberis	Donn Gardner
Bruce Burton	Annette Mattson
Mike Centoni	Mike Price

Also present were Barbara Rommel, Superintendent/Clerk; and Gail Hunter, Board Secretary.

The agenda included consideration of the following:

Call to Order / Flag Salute

Board Member Reports – Bruce Burton said he will be submitting a letter of resignation from the Board of Directors, most likely before the next meeting. He said he was gratified that negotiations have concluded with a tentative agreement; but felt it was very shortsighted on the part of DDEA to only accept a two year contract when they were offered up to four years. Mike Centoni agreed, saying it is unfortunate that teams will be bargaining again only a year from now. He reported that the board policy review committee met on Tuesday. As the committee completes drafts of each section, they will be brought to the board for first readings. It is the committee's recommendation to hold off on adopting individual sections until the all revisions are complete, at which time the whole policy manual will be submitted for adoption. He said the committee is making good progress.

Annette Mattson said she was invited to Salem in her role as OSBA president, along with other folks from across the state, to take part in a conversation about the education budget and lack of funds. The hope is to try to work for the most cost effective priorities and the least painful cuts to the State budget. Board Chair Christopher attended the Gateway urban renewal meeting last night. She said an ordinance was on the City Council agenda today to purchase the house next to Lincoln Park which adjoins the park property. Ms. Christopher expressed her hope that the district be at the table when decisions are made about that parcel. She reported that the City is considering moving Housing to combine with another city bureau. Urban renewal money stays with PDC, although it will funnel through the city bureau. It was recommended that people write to Councilman Fish to let it be known that we want them to follow through with limiting the amount of affordable housing in Gateway and Lents, as was approved when urban renewal funding was determined. She said she would like to send a letter from the David Douglas Board confirming their position.

Student Body President's Report – Stephanie Lutz reported that high school activities have been few, as this week has been finals week. Tonight is "Jazz Night" at the PAC, with elementary, middle and high school students performing in a special concert. Student Council will gather tomorrow morning to decorate for the winter formal. Last week, a group of David Douglas Advanced Placement US Government & Politics students competed against teams from nine area high schools in the nationally acclaimed "We the People: the Citizen and the Constitution" mock Congressional Hearing competition for Congressional Districts 1, 3 and 5. Teams from David Douglas comprised six units, and our Unit 4 team took first place. Stephanie congratulated all participants and their coach, high school teacher Cari Harris.

Superintendent's Report – Superintendent Rommel congratulated Brooke O'Neill, who helped coordinate 62 people covering more than 2,000 books for our school libraries as part of the King Day of Service on Monday. The project was sponsored by Hands On Greater Portland. Several of our librarians participated as well. We've received word that Columbia Sportswear donated 170 winter coats for our students. Our homeless liaison is helping to coordinate distribution along with the Celtic Heart. Per Nutrition Services Manager Jodi Taylor, all peanut butter suppliers have been cleared and peanut butter is again being served in our cafeterias. The superintendent shared a newspaper article featuring newly elected Rep. Nick Kahl, a 1995 graduate of David Douglas High School.

Audit Presentation – Janice Essenberg introduced Accounting Manager Ann Marie Rears and Cameron Irtifa, who volunteered to assist in the business office, working more than 100 hours to complete his CPA preparation. She thanked him for providing a really invaluable service to the district, and expressed her appreciation for the work of the whole department.

Ms. Essenberg introduced Bill Barker, who reviewed the David Douglas Comprehensive Annual Financial Report on behalf of Talbot, Korvola, and Warwick. The district received a clean auditor's opinion, indicating that the district is in compliance with all applicable laws and practices. An audit of selected programs receiving federal funds included Child Nutrition, Title I, and Career / Technology Education Basic Grants (Perkins). Mr. Barker reviewed findings in each of these areas, noting that there were no negative impacts from any of these minor findings.

The Report to the Board of Directors is part of the new audit requirements. The document provides a summary of information from the formal audit, including a summary of accounting estimates to determine whether they are reasonable; new disclosure information, and a synopsis of new accounting and auditing standards that will affect the district in the future.

Ms. Essenberg has provided responses to each issue identified in the audit that would benefit from strengthened internal controls along with opportunities to increase operating efficiency. The auditor also recommended that the district consider a site review of the MESD facility, as well as an independent review of the controls in place and operating at MESD. Ms. Essenberg will bring that item to the attention of MESD and business managers of area districts, as all districts being served by MESD should also make this request.

Resolution to Purchase Buses - Bob Jacobson reported that the Transportation Department has completed the bidding process for new buses. He presented a purchase proposal for a total price of \$606,108.00 from Western Bus Sales. That amount includes two 84-passenger buses and two 72-passenger buses, using a cooperative contract through Eugene School District. Two 21-passenger buses would be purchased through a cooperative contract with the Reynolds School District. The buses would be Bluebirds, which align with our current mechanical expertise and parts inventory. The two smaller buses are being recommended based on projected need. The larger buses are being recommended to replace vehicles purchased in 1991-93, which are now being used as back-up buses.

Discussion of purchase options included outright purchase vs. use of a lease-option agreement. Ms. Essenberg presented information on costs of each option. Following discussion, Mr. Centoni made a motion to approve the purchase resolution and to purchase the vehicles outright, seconded by Mr. Price. The motion carried in a unanimous vote.

Approval of Budget Calendar – Superintendent Rommel presented a draft of the budget calendar for the Board’s approval, with the Budget Committee meeting scheduled for Monday, May 4, 7pm. The timeline aligns with previous years. She noted that it is likely that the legislature will not have completed recommendations for K-12 school funding until after our deadlines, so we will have to build the budget based on assumptions of state revenue. If actual amounts significantly exceed or reduce the revenue, the Budget Committee can be reconvened. Mr. Gardner moved approval of the calendar as presented, with a second from Mr. Price. The Budget Calendar for 2009-10 was unanimously approved.

Budget committee members John Thomas, Tom Petrie, and Christine Larsen will need to be reappointed or replaced prior to the committee sessions. The superintendent requested that Board members Centoni, Price, and Christopher submit their nominees for approval at the next board meeting.

Audience Participation / Break – Board Chair Christopher opened the meeting for public comment. As there were no remarks from the audience, she declared a brief recess. The meeting was reconvened.

Budget Priorities Discussion – Superintendent Rommel opened a discussion on priorities to be considered during the 2009-10 budget process. The state school fund is currently \$2million less than was projected for ‘08-09. Ms. Essenberg said she expects a similar decline of another \$2million in student funding formula for ‘09-10. The District is in a better position than many districts as we have consciously kept some reserves. The superintendent said she believes we can weather this storm and maintain programs, although as we expect no increase in revenue, this is not a good time to begin major new initiatives. She requested thoughts from board members on particular areas or programs to focus on as we go into the budget preparation. She asked whether they see areas which stand out where we could be more efficient, or areas needing enhancement in some way.

During discussion, a report was requested on high school electives, in terms of the number of students served, and how the electives we offer play into students’ continuing education, as well as how new graduation requirements will impact our classroom availability and staffing. The recommendations of the facilities task force may impact our budget planning. Protecting all day kindergarten was noted as a priority. There are no projections yet on federal grant funding, although there have been reports that federal IDEA funding may increase. A question was asked about the results of this year’s grant requests. The superintendent said that so far, grant awards have been small ones, but several requests still outstanding would generate sizeable amounts if they are awarded. A report on student fees and their revenue impact was requested. Based on the auditor’s report on the need to desegregate duties in the business office, Ms. Essenberg was asked to review her staffing needs. It was suggested that digitizing our HR records might be cost effective. West Linn could provide input on whether their implementation has produced a cost benefit. Ms. Essenberg was asked whether there would be any short-term impact on our PERS funding due to the stock market losses. She said she did not expect short-term impacts, but expects rates to go radically up in the future to make up for current losses.

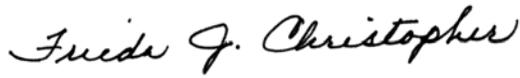
The superintendent said a board budget workshop will be scheduled for mid-March. She said she is happy that we are not in a position to have to cut school days, as many area superintendents are currently considering.

Other Business / Future Agenda Items – Board Chair Christopher remarked on her draft letter to *The Highlander*, written in response to a published editorial regarding contract negotiations. Since

contract negotiations have concluded, instead of requesting them to publish it, she suggested having them discuss the letter in the classroom, as she had intended for her remarks to promote discussion as a learning experience. Board members concurred.

Mr. Burton remarked that in his 18 or more years as a board member, there have been many things we have to be proud of in this district. He said he wanted to highlight a couple of items that should carry forward. He said our record of maintaining programs for our students is something to hold onto and be very proud of; he recommended that the board try as much as possible to make any budget reductions across the board if and when they become necessary, and not to hamstring particular programs. He said he appreciated the work of the three superintendents who served during his tenure, noting that their length of service has been much greater than most districts, due to our practice of promoting from within. He said that this practice has served the district very well, and expressed his fervent hope that the board won't be lulled into a broad or nationwide search under the notion that there is something better out there. He strongly recommended filling the superintendent's position from within the district.

Adjournment – There being no other business, Board Chair Christopher announced that the Board would reconvene in Executive Session immediately following the regular meeting, in accordance with ORS 192.660 (2)(d) Collective Bargaining. She then declared the regular meeting adjourned.



Frieda Christopher, Board Chair



Barbara Rommel, Superintendent / Clerk