

BOARD MEETING: June 24, 2008

ATTENDANCE: Board: April Treece, Dick Allen, Gary Eberhart, Linda Mayo, Paul Strange
Administrative Staff: Superintendent Gary McHenry; Associate Superintendent Alan Young; assistant superintendents Mildred Browne, Roger Bylund, Gail Isserman, and Dick Nicoll; General Counsel Greg Rolan

1. **CALL TO ORDER:** President Treece called the meeting to order at 5:00 p.m. in the Board Room at the MDUSD Dent Center.

PUBLIC COMMENT: None

CLOSED SESSION: The Board adjourned to Closed Session at 5:01 p.m. in Room 6 at the Dent Center. Topics discussed included superintendent's evaluation; five expulsions; anticipated litigation (one potential case), public employee discipline/dismissal/release/complaint, and negotiations.

Public Employee Discipline/Dismissal/Release/Complaint

Eberhart moved, Strange seconded, and the Board voted 5-0-0 to approve the dismissal of classified employee #12753, effective May 31, 2008.

2. **RECONVENE OPEN SESSION:** The Board returned to Open Session in the in the Board Room at the MDUSD Dent Center at 7:30 p.m. President Treece led the Pledge of Allegiance to the Flag.

Expulsions

Student 77-08: Mayo moved, Eberhart seconded, and the Board voted 5-0-0 that Student 77-08 be expelled from all schools and programs of the Mt. Diablo Unified School District and that Student 77-08 may apply for readmission after January 23, 2009. It is required that Student 77-08 participate in 20 hours of counseling to address anger management and grief, 30 hours of community service, have a successful school experience with 30 credit hours earned, and that Student 77-08 write a letter of apology to each person the student threatened, prior to applying for readmission.

Student 78-08: Eberhart moved, Allen seconded, and the Board voted 5-0-0 that Student 78-08 be expelled from all schools and programs of the Mt. Diablo Unified School District and that Student 78-08 may apply for readmission after January 23, 2009. It is required that Student 78-08 participate in individual counseling, community service, the COPS program, the District's Teen Anger Management Workshop, and show evidence of a successful school experience, prior to applying for readmission.

Student 79-08: Allen moved, Eberhart seconded, and the Board voted 5-0-0 that Student 79-08 be expelled from all schools and programs of the Mt. Diablo Unified School District and that Student 79-08 may apply for readmission after January 23, 2009. It is required that Student 79-08 participate in individual counseling, community service, the COPS program, the District's Teen Anger Management Workshop, and show evidence of a successful school experience, prior to applying for readmission.

Student 80-08: Strange moved, Eberhart seconded, and the Board voted 5-0-0 that Student 80-08 be expelled from all schools and programs of the Mt. Diablo Unified School District and that Student 80-08 may apply for readmission after January 23, 2009. It is required that Student 80-08 participate in individual counseling, community service, the COPS program, the District's Teen Anger Management Workshop, prior to applying for readmission.

Student 81-08: Eberhart moved, Mayo seconded, and the Board voted 5-0-0 that Student 81-08 be expelled from all schools and programs of the Mt. Diablo Unified School District and that Student 81-08 may apply for readmission after January 23, 2009. It is required that Student 81-08 participate in individual counseling, community service, the COPS program, the District's Teen Anger Management Workshop, prior to applying for readmission.

3. **CONSENT AGENDA**

After removing Items 3.9-3.14 and Items 3.22-23 for further discussion at Eberhart's request, Mayo moved, Strange seconded, and the Board voted 5-0-0 to adopt the Consent Agenda, thereby approving the following items:

3.1 Minutes – none

3.2 Certificated Personnel

3.2.1 Leaves of Absence, Resignations, Retirements, Employment

3.2.2 Reduction of Full-Time Equivalent Positions (FTE) for the 2008-09 School Year

Reduced a 0.2 psychologist position at Bel Air Elementary and a 0.2 teacher position at Rio Vista Elementary, decreasing the expenditure budget of Categorical Funds by \$30,885. Funding Source: \$18,839 from High Priority Schools Grant; \$12,046 from School Improvement Program

3.2.3 Increase in Full-Time Equivalent Position (FTE) for the 2008-09 School Year

Added 6.33 certificated positions as follows:

- 0.3 and 0.2 teacher positions and 0.2 psychologist intern position at Bel Air Elementary
- 1.0 literacy coach and 3.43 teacher positions at Oak Grove Middle
- 0.2 psychologist position at Summit Small Necessary High School

This action increased the expenditure budget of Categorical Funds by \$380,270.93. Funding Source: \$79,128.93 from Title I; \$33,499 from School Improvement Plan; \$105,024 from High Priority School Grant; \$267,643 from Quality Education Investment Act

3.2.4 Post Retirement Contract for Retired Administrator Evie Groch

Approved post retirement contract with retired administrator Evie Groch in the amount of \$424.07 per diem, up to a total amount not to exceed \$27,000, to provide professional development in reading and writing strategies. Funding Source: Title II

3.2.5 Post Retirement Contract for Retired Administrator Patrick Cleaver

Approved post retirement contract with retired administrator Patrick Cleaver, in the amount of \$424.07 per diem up to a total amount not to exceed \$27,000, to provide professional development in classroom management, math, and science and to help recruit math and science teachers. Funding Source: Title II

3.3 Classified Personnel

3.3.1 Leaves of Absence, Resignations, Retirements, Employment

3.3.2 Elimination of One Vacant Full-Time Painter Position and Creation of One Full-Time Carpenter Position

Eliminated one vacant full-time Painter position, created one full-time Carpenter position in the Maintenance, Operations and Facilities Department, and transferred Employee #11575 to the new position. There is no impact to the General Fund. The positions are at the same range (533) on the Maintenance and Operations salary schedule.

3.3.3 Increase in Hours for a Part-Time Community Services Assistant Position at Crossroads Necessary Small High School

Increased from 19.75 to 25 hours/week an existing school-day-only Community Service Assistant position at Crossroads Necessary Small High School. Fiscal Impact: \$21,221.03 from Cal-SAFE Childcare Services; \$3,808.01 from Cal-Safe Supportive Services

3.4 Monthly Budget Transfers and/or Budget Increases/Decreases for the Month of May 2008

3.5 Independent Audit Contract with Perry-Smith LLP of Measure C Expenditure for the Fiscal Year ending June 30, 2008

As required by Proposition 39, the Measure C Oversight Committee has requested the services of Perry-Smith to evaluate the District management's assertion that Measure C Bond Funds are spent only on school improvement not on District salaries or administration. Fiscal Impact: Cost proposal not to exceed \$10,500. Funding Source: Measure C

3.6 Memorandum of Understanding between Mt. Diablo Unified School District and Alameda County Office of Education to Provide SB472 Math Training to Kindergarten through Algebra Level Teachers--PULLED

3.7 Memorandum of Understanding between Mt. Diablo Unified School District and Santa Clara County Office of Education to provide SB472 English Language Arts Training to Middle School Teachers

Under the provisions of SB472, Santa Clara County Office of Education will provide 5 full days of reading/language arts professional development training from June 16 through June 20, 2008 to English Language Arts middle school teachers for the improvement of all students' reading/language arts performance. Fiscal Impact: The District is currently being charged for 17 participants for a total cost of \$14,500. We have an agreement with Antioch Unified School District that they will reimburse for the cost of 7 participants for a total amount of \$5,250. Our total cost is therefore, \$8,250. Funding Source: SB472

3.8 Increase to Memorandum of Understanding between Mt. Diablo Unified School District with Alameda County Office of Education

Increase current memorandum of understanding for Elementary Mathematics Support Program. Fiscal Impact: \$5,000 Funding Source: Categorical Title I

3.9 Contract Amendment with IKON Office Solutions for Scanning Services for Student Records

See "Separate Action" below.

3.10 Installation of Wireless Connectivity at Hidden Valley Elementary School

See "Separate Action" below.

- 3.11 Approve Contract/Purchase Order with Evelina Villa for Foreign Language Interpreting and Translation Services for 2008-2009 School Year
See "Separate Action" below.

- 3.12 Approve Contract/Purchase Order with Interpreting and Consulting Services, Inc. for the Services of Educational Interpreters for the Deaf for School Year 2008-2009
See "Separate Action" below.

- 3.13 Approve Contract/Purchase Order with California Translation International for Foreign Language Interpreting and Translation Services for School Year 2008-2009
See "Separate Action" below.

- 3.14 Approve Contract/Purchase Order for Independent Service Contract with Janette Ressue for a Speech Language Pathologist at Monte Gardens Elementary and Sunrise School for 2008-2009 School Year
See "Separate Action" below.

- 3.15 Approve Contract/Purchase Order for Independent Service Contract with Educational Based Services for a Speech Language Pathologist at Strandwood Elementary for 2008-2009 School Year
Approved a \$122,840 contract with Education Based Services to provide Speech Language Pathologist services at Strandwood Elementary for school year 2008-09. The District is having difficulty hiring qualified SLPs to fill all the vacancies, so the Special Education Department has to use independent contractors to meet student Individualized Education Program requirements. Fiscal Impact: \$122,840 (included in the 2008-09 budget) Funding Source: General Fund/Special Education Budget Code 1219

- 3.16 Approve Contract between Mt. Diablo Unified School District and Independent Contractors for the 2008-2009 School Year—PULLED

- 3.17 Approve Contracts/Purchase Orders between Mt. Diablo Unified School District and Independent Contractors for the 2008-2009 School Year
Approved the following contracts for services to students as mandated by their Individualized Education Plans (IEP):

Gabi Elfenbein	\$75,000	Behavioral
Linda Haymes	\$45,000	Behavioral
Deirdre Ryan-Booth	\$60,000	Behavioral
PAWAR	\$250,000	Transportation

 Fiscal Impact: \$430,000 for the 2008-09 school year (included in the 2008-09 budget) Funding Source: \$180,000 from General Purpose/Special Education Budget Code 1662, Behavior Services; \$250,000 from Budget Code 1663, Transportation

- 3.18 Approve Contracts/Purchase Orders for Non Public Agency (NPA) for Special Education Students Receiving Services for the 2008-2009 School Year
Approved the following contracts for services provided to 33 students by non-public agencies through the Independent Education Process (IEP):

ABC	\$45,000	Behavioral
Ed Support Services	\$75,000	Behavioral/CEP
PLAY	\$75,000	Behavioral
STE	\$65,000	Behavioral
Accent	\$48,500	Nursing
Speech Pathology	\$35,000	Speech NPS

 Fiscal Impact: \$343,500 for the 2008-09 school year (included in the budget) Funding Source: General Purpose/Special Education Budget Code 1661

- 3.19 Approval of Contract between Mt. Diablo Unified School District and Dori Maxon Pediatric Contracting Services to Provide District-Wide Physical Therapy Services for the Extended School Year Program
Approved \$15,776 contract with Dori Maxon Pediatric Contracting Services, a registered physical therapist, to provide treatment, consultation, and evaluations to students of Extended School Year Program as mandated by their Individualized Education Plans (IEPs). Fiscal Impact: \$15,776 for 2008 Extended School Year Program (included in the 2008-09 budget) Funding Source: General Purpose/Special Ed Budget Code 1662

- 3.20 Approval of Contract between Mt. Diablo Unified School District and Progressus Therapy, Inc. to Provide District-Wide Occupational Therapy Services for the 2008 Extended School Year Program
Approved \$74,022 contract with Progressus Therapy, Inc., registered occupational therapists, to provide direct treatment, consultation and evaluations to students of the Extended School Year Program as mandated by their Individualized Education Plans (IEP). Fiscal Impact: \$74,022 for the 2008 Extended School Year Program (included in the 2008-09 budget) Funding Source: General Purpose/Special Ed Budget Code 1662

- 3.21 Award of Contract to Kleinfelder, Inc for Professional Testing and Inspection Services
Awarded contract not to exceed \$19,924 for Kleinfelder, Inc. to provide professional testing and inspection services for the Olympic High School classroom reconstruction project. Funding Source: Proposition 55
- 3.22 Resolution 07/08-87 Declaring the Futility of Public Bidding to Award a Contract for the Installation of New Heating, Ventilation and Air Conditioning Systems in Classrooms at Woodside Elementary
See "Separate Action" below.
- 3.23 Award of Contract to Home Depot
See "Separate Action" below.
- 3.24 Award of Mandated Cost Consultant Services Contract
Awarded three-year contract with MGT of America, Inc. for the preparation for its mandated cost claims and to serve as liaison with the State Controller's Office, Commission on State Mandates and all other agencies involved with the mandated reimbursement process. Fiscal Impact: Costs for the 2007-08, 2009-10, and 2010-11 contracts are \$35,000 each for a total cost of \$105,000 for three years. Funding Source: General Fund (to be offset by mandated cost revenues)

SEPARATE ACTION

- 3.9 Contract Amendment with IKON Office Solutions for Scanning Services for Student Records
On August 14, 2007, the Board approved a contract with IKON Office Solutions to upgrade imaging software for the Personnel and Student Records departments. In completing the initial scope of work staff found that there were more student records to scan than were budgeted. The contract amendment includes 145,979 additional images and related indexing work as well.

Board/staff comment After confirming that the funding is unrestricted, Eberhart said he cannot support the contract amendment given the current budget and negotiations situations. Joe Estrada, director of technology and information services, said the records, which are being converted from microfilm to electronic files, are old and fading and must be converted in order to maintain them. He explained that it is difficult to know how many records are in each microfilm container and staff underestimated the total. Margot Tobias, director of student services, said the District is required by law to keep student records in perpetuity.

Board action Mayo moved, Allen seconded, and the Board voted 4-1-0 (Eberhart, no) to approve an amendment to the contract with IKON Office Solutions. Fiscal Impact: \$32,174 Funding Source: Program 5029 unrestricted

- 3.10 Installation of Wireless Connectivity at Hidden Valley Elementary School
The existing network at Hidden Valley Elementary can no longer reliably service all the school's computers. Staff proposed a wireless system, Aruba, as a cost effective alternative to trenching, laying conduit, and pulling wire throughout the school.

Board/staff comment Eberhart reiterated his reluctance to approve the expenditure of unrestricted dollars until employee contracts are settled. In response to Strange, Estrada said Hidden Valley's infrastructure will not support new computers being added. The Aruba product has a unique ability to track and manage Wireless Access Points (WAPs). He said only teachers and students will be given access to the wireless system, which will be District property. McHenry explained that other elementary schools received wireless access via Measure C. Hidden Valley Elementary did not have a Measure C project. In response to Allen, Estrada said that trenching for cables would cost at least twice as much.

Board action Allen moved, Mayo seconded, and the Board voted 4-1-0 (Eberhart, no) to approve the purchase and installation of Aruba, an ATT product, for wireless connectivity at Hidden Valley. Fiscal Impact: Not to exceed \$60,000 for all equipment and installation services. Funding Source: Program 5275 – unrestricted.

- 3.11 Approve Contract/Purchase Order with Evelina Villa for Foreign Language Interpreting and Translation Services for 2008-2009 School Year
Staff recommended a contract for Evelina Villa to provide interpreting services at the Robert R. Shearer Preschool Assessment Center for Spanish-speaking students and their families.

Board/staff comment In response to Eberhart, Browne said the translation services, which the District is required by law to provide, are for non-English-speaking students and parents who come into the Assessment Center. Also in response to Eberhart, Browne said the District is always looking for bilingual staff. Classified employees who provide bilingual services as needed receive a 5% stipend.

Board action Eberhart moved, Mayo seconded, and the Board voted 5-0-0 to approve a contract with Evelina Villa for foreign language interpreting and translation services for the 2008-09 school year. Fiscal Impact: \$40,000 (included in the 2008-09 budget) Funding Source: General Purpose/Special Education Budget Code 1300

3.12-3.14

Board action With no separate discussion Eberhart moved, Mayo seconded, and Board voted 5-0-0 to approve Items 3.12, 3.13, and 3.14. Details are as follows:

- 3.12 Approve Contract/Purchase Order with Interpreting and Consulting Services, Inc. for the Services of Educational Interpreters for the Deaf for School Year 2008-2009
A \$131,000 contract with Interpreting and Consulting Services, Inc. to provide educational interpreters for the deaf. The District is having difficulty hiring qualified Educational Interpreters for the Deaf so must use staff contracted through an agency in order to meet student Individualized Education Program (IEP) requirements. Fiscal Impact: \$131,000 (included in the 2008-09 budget) Funding Source: \$124,000 from General Purpose/Special Education Budget Code 1218; \$7,000 from Budget Code 1050.
- 3.13 Approve Contract/Purchase Order with California Translation International for Foreign Language Interpreting and Translation Services for School Year 2008-2009
A contract not to exceed \$114,000 with California Translation International to provide foreign language interpreting and translation services for school year 2008-09. The contract is necessary due to the District's difficulty in hiring foreign language interpreters. Fiscal Impact: \$114,000 (included in the 2008-09 budget) Funding Source: \$84,000 from General Purpose/Special Education Budget Code 1300; \$30,000 from Budget Code 5045
- 3.14 Approve Contract/Purchase Order for Independent Service Contract with Janette Ressue for a Speech Language Pathologist at Monte Gardens Elementary and Sunrise School for 2008-2009 School Year
A \$125,800 contract with Speech Language Pathologist (SLP) Janette Ressue to provide SLP services at Monte Gardens Elementary and Sunrise School for school year 2008-09. The District is having difficulty hiring qualified SLPs to fill all the vacancies, so the Special Education Department has to use independent contractors to meet student Individualized Education Program requirements. Fiscal Impact: \$125,800 (included in the 2008-09 budget) Funding Source: General Fund/Special Education Budget Code 1219

3.22-3.23

- 3.22 Resolution 07/08-87 Declaring the Futility of Public Bidding to Award a Contract for the Installation of New Heating, Ventilation and Air Conditioning Systems in Classrooms at Woodside Elementary
Home Depot has extended Woodside Elementary School an opportunity to replace the older gas fired furnaces in twelve (12) classrooms with high efficiency furnaces and air conditioning systems.
- 3.23 Award of Contract to Home Depot
The Board was asked to award a contract to Home Depot in the amount of \$124,980 for new heating, ventilation and air conditioning systems at Woodside Elementary School. Funding Source: \$62,490 Woodside Parent/Faculty Club; \$62,490 Redevelopment Funds

Board/staff comment In response to Eberhart, Pete Pedersen, director of maintenance, operations, and facilities, explained the technology involved in this HVAC equipment and explained that the contractor is giving the District a discounted price. Prevailing wage and other normal contractual factors will apply. In response to Mayo, Pedersen confirmed that the engineer has assessed the capability of the facility's roof to handle the equipment.

Board action Eberhart moved, Strange seconded, and the Board voted 5-0-0 to approve Items 3.22 and 3.23, adopting a resolution and awarding a contract as detailed above.

4. RECOGNITIONS: None

5. BOARD FORUM

This item is here for the Board of Education to discuss any issues of concern.

5.1 Committee Minutes

5.2 Board Reports (time limit – 3 minutes)

Mayo reported on the Safe and Drug Free Task Force meeting. It was announced that the "Too Good for Drugs" curriculum is NCLB-compliant, so there is no need to purchase new textbooks. Agencies affiliated with the task force presented reports. The membership of the group is growing, she noted, but everyone would like more parents to participate. She wished everyone a "small but brief restoration" now that school is out.

Strange announced that the Board meeting was being broadcast via audio and video on the Internet as "a test case."

Allen reported that the City of Concord asked for one-year extension on its Reuse Plan for the Concord Naval Weapons Station. The Department of the Navy denied it, but did offer a shorter extension. He said the City has a lot of work to do to finalize the plan.

5.3 Issues of Concern

Eberhart asked if his suggestion that Strange sit as Board member on legal services RFQ committee has been granted. Treece said that as Board president, she is part of process to select two people and must name two Board representatives by August. Eberhart explained his rationale for recommending that Strange, an attorney, participate on the review committee.

Mayo said she had received an inquiry regarding an e-mail communication sent out recently by a Parent Faculty Club. The question was whether political activities are allowed by non-profit organizations. She then read IRS guidelines stating that 501(c)(3) organizations may not participate in partisan activities, including those for candidates for elected office, and listing allowable and prohibited activities. She said the guidelines can be found at www.irs.gov under the "Charities" tab. In response to Eberhart, she said she would provide a copy of the PFC communication to anyone who requests it.

Treece reported that the Board had held a study session on strategic planning on Saturday, June 21. She distributed the easel chart notes recorded during the session, which Mayo had transcribed. She called it "a good, five-hour session" and thanked Kathleen Robinson for volunteering as facilitator for the meeting. She asked Board members for suggestions for next steps:

Mayo said she hoped staff could find a facilitator and a funding source (with as little impact on General Fund as possible and perhaps through community donations) to continue the process. Allen said the Saturday meeting was "worthwhile time spent." He would like to review the notes before making suggestions but also hoped a facilitator could be found and was open to setting another meeting date. Eberhart suggested that the Board be asked to take action on whether to begin the strategic planning process, so the community will know its level of commitment. Before involving others, he would like the Board to talk about the Opportunities and Roadblocks identified at the study session. Treece noted that on Saturday the Board discussed the concepts of Mission, Vision, Values, and Goals and that all five Board members agreed to meet to identify the Board's Mission and Vision as a first step.

The Board tentatively set Saturday, August 9, from 9 a.m. to 1 p.m. for its next discussion about strategic planning. Treece asked the Board to list the characteristics they would like a facilitator to have. Allen and Strange said they would look for a facilitator who has the same characteristics as Kathleen Robinson, who led Saturday's meeting. Strange suggested that Treece and Eberhart be charged with identifying possible facilitators and developing the agenda for the August 9 meeting. The Board agreed to place Strategic Planning as an action item on the regular Board meeting scheduled for August 12. Treece thanked the labor leaders, parents, and District staff who attended and participated in the study session last Saturday. Mayo thanked Treece for finding such a capable facilitator for the session.

6. **PUBLIC COMMENT**

Rick Sterling, representing a variety of community organizations (Community Alliances Advocacy through Networking [CAAN]), read a letter from the group protesting the District's allowing military recruiters to be on campus and not hosting groups with views alternative to the military. He presented a list of actions the group would like the District to take to limit interactions between military recruiters and students. Parents Faith Jansen Brewer, Maria Fernandez, and Jerry Okendo voiced support for the statement presented by the Sterling and described their family's experiences with military recruiters. In response to Eberhart regarding the suggestion that parents be given an "Opt In" rather than an "Opt Out" form to prohibit recruiters from contacting their student, Young said the federal No Child Left Behind Act allows the recruiters to have student contact information unless parents sign the "Opt Out" form, which is provided to them in the Parent Information Packet (PIP) they receive each fall. He is not sure the District can provide an "Opt-In" form under the federal requirements. Eberhart asked for a copy of the "Opt-Out" form.

7. **COMMUNICATIONS**

7.1 Organizations

Mike Noce, MDEA president, made comments on several items on the evening's Board agenda. He noted that two assignments to the new job position of Instructional Program Specialist, Categorical Programs, Site-Based, are on the Board agenda and questioned whether they are truly needed at this time even though they are categorically funded. He believes the positions should be teacher leaders, not administrators. He cited the District's Peer Coach program as a good example of how teachers can be successfully trained in leadership. He asked that the item be tabled and returned to staff to eliminate the evaluation component of the job description. On another topic, he said teachers are not being paid the correct stipend for the training they are attending this summer. He also said that if the PE specialists listed on the Budget Reduction list are approved,

the savings should be allocated to teachers as MDEA pays part of the cost. He recommended that the District replace attorney Greg Dannis on its bargaining team with the Superintendent. He asked the Board to table until school resumes in the fall the Board Policy on Student Assessment, saying not enough teachers and parents have reviewed it, and he listed his objections to the draft policy.

8. REPORTS/INFORMATION: Governmental Accounting Standards Board (GASB) (Standard #45 on Other Post Employment Benefits)

Dick Nicoll used a Power Point presentation to explain GASB 45. Highlights:

- What is GASB 45? Governmental Accounting Standards Board; private, nonpartisan, nonprofit organization
- Mission:
 - Establish and improve accounting and financial reporting standards of state and local government agencies that will result in useful information for users of financial reports
 - Educate the public including issuers, auditors, and users of those financial reports
- What is Statement 45?
 - Requirement for government agencies nationwide to disclose the actuarially determined liability for Other Post Employment Benefits (OPEB) in annual financial statements
 - OPEB are all post-employment benefits other than pensions
 - Most government agencies report only the cash outlays (“pay-as-you-go”) for OPEB in a given year, rather than the cost to the employer of OPEB earned by employees in that same year
 - GASB 45 brings government agencies in line with private sector employers regarding reporting the retirement benefits earned by active employees as current costs on the financial statements
- Why follow Statement 45?
 - Auditors are required to disclose departure from GASB standards
 - A negative opinion can have negative impact on debt issuances, lease purchase finance rates, and community support
- MDUSD compliance: As of 2007/08 District must obtain an actuarial valuation of its OPEB liability and develop a plan for funding OPEB
- MDUSD’s Other Post Employment Benefits (OPEB)
 - Certificated: Medical and dental coverage for employee and spouse
 - Classified: Medical coverage for employee
 - Must retire at age 55 or older
 - Benefits provided until employee reaches 65 years of age
 - Negotiated as early retirement incentive
 - There are additional administrative costs to allow retirees’ participation in the health plan
 - Cal PERS, the District’s health plan provider, requires employers to contribute \$1,212 per retiree to an administrative fund at Cal PERS. This contribution will increase annually by the Consumer Price Index
- Actuarial study: The District is required to obtain an actuarial valuation of its health and welfare post-employment benefits during the 2007/08 year, and at least every two years thereafter, in order to determine the Annual Required Contribution (ARC)
- Impact of GASB 45
 - The unfunded portion of the ARC will be recognized annually beginning with the District’s 2007/08 financial statements
 - To the extent the District does not set aside dollars to fund this accumulating liability, the District’s total liabilities could eventually present the District as a governmental agency unable to pay its obligations (liabilities)
 - A negative financial appearance will likely affect the District’s ability to issue short- term (such as tax revenue anticipation notes) and long-term debt instruments because the District will appear a credit risk
 - The appearance of potential risk increases the cost the District would pay to investors to entice them to buy the District’s bonds
- Conclusion
 - The District, like many other government agencies, has to actively consider post- employment benefit costs for current and future employees as a potential impact to its annual operating costs, should it choose to fund some or all of the ARC
 - Potential negative impact on the financial statements is another issue the District will need to monitor as compliance with this GASB statement unfolds
- Potential strategies
 - Fund OPEB through trust or reserve
 - Payroll “tax”

- Contribution of one-time \$ to OPEB
- District must consider reductions to OPEB as well as strategies for funding current liability
- Establishment of vesting period
- Employee discretionary funding of OPEB
- Reducing benefit
- Should we continue to pay \$4+ million annually to encourage staff to retire early?

Board comment Members asked questions and shared their thoughts on strategies for funding post-retirement benefits. In response to Treece, Nicoll said he hopes to come back to the Board in the fall with a proposed plan. Mayo pointed out that all the information about the District's liability for retirement benefits is included in the 2008-09 MDUSD Budget book.

9. SUPERINTENDENT'S REPORT

McHenry wished everyone a great summer. Noting that Board would be talking about budget cuts later in the meeting, he said he's been talking about a parcel tax for several years and it is now time to take steps to pursue it seriously. Staff will be talking to labor leaders and parents this summer. He hopes to come to the Board with a recommendation in the fall.

10. BUSINESS

10.1 Appointment of Middle School Vice Principal

Eberhart moved, Allen seconded, and the Board voted 5-0-0 to appoint Nina Mucher as Middle School Vice Principal, assigned to El Dorado effective July 1, 2008.

Mayo moved, Strange seconded, and the Board voted 5-0-0 to appoint Uri Skowronski as Middle School Vice Principal, assigned to Riverview effective July 1, 2008.

10.2 Adoption of the 2008-09 Budget

Nicoll had presented the proposed 2008-09 budget for information at the June 17 Board meeting. At this meeting the Board considered adopting it. Based on the proposed budget, the total Combined General Fund revenue is projected to be \$279,835,859 and the expenditures are projected to be \$286,302,869. The reserve for economic uncertainties is \$5,759,017 (2%), and the undesignated fund balance is \$415,181.

Board comment Eberhart said he questions whether the ending balances are sufficient to settle employee contracts. He does not believe they are and that more budget reductions are necessary. As the Board has not made those reductions, he cannot vote to approve the budget. Mayo thanked staff for answering the questions she asked ahead of time. She pointed out some expense increases over which the Board has no control.

Board action Allen moved, Mayo seconded, and the Board voted 3-2-0 (Eberhart, Strange, no) to adopt the 2008-09 budget.

10.3 Discussion and Determination of Additional Budget Reductions

In Fall 2007 the Board and District Administration began a process of budget reductions to fund compensation increases for employees. Contract negotiations with all bargaining units and associations had begun in Spring 2007. After several public hearings in November the Board We took action on the first budget reductions at its December 11, 2007, meeting. In January 2008 the Governor declared a State of California fiscal emergency and recommended a \$4.6 billion reduction in revenues for schools. MDUSD had to reduce its 2008-09 budget by \$14 million as of March. By May 27 the Board had approved more than \$17 million in reductions. At the June 17 Board meeting, a motion was made to make more budget reductions. That motion failed on a 2-3 vote. At this meeting the Superintendent said there is still a need for additional clarification on the item. It is not clear what the timeline is for a decision on more budget reductions or whether we want to develop a list of further items for consideration. He asked the Board to consider some options and provide direction to staff. The options:

1. Add other items to the list of budget reductions or develop a new list.
2. Hold off on doing additional budget reductions at this time.

Board comment Strange, Isserman, and Mayo each commented on the District's ability to reduce more certificated employees for the 2008-09 school year given that the legal deadline for notifying certificated employees has passed. Treece said the impact of the cuts made to date will not be completely felt until August, so she would like to wait to see that impact. Eberhart said he thought the Board took action earlier in the year not to approve any new expenses from the Unrestricted Fund until the contracts were settled. He said the Board can decide at every meeting whether or not to make cuts and he believes the option to make cuts to settle contracts should be left open.

Board action Allen moved, Mayo seconded, and the Board voted 3-2-0 (Eberhart, Strange, no) to hold off on any further budget reductions until more information about the state budget is known.

10.4 Approve Mt. Diablo Unified School District Execution of Non Public School Placements for the 2008-2009 School Year

Through the Independent Education Process (IEP), the District places students who require more intense, highly structured and, at times, secure programs in non-public schools. The Board was asked to consider approving non-public school placements for the 2008-09 school year.

Board comment In response to Eberhart, Browne said staff is working on ways to reduce costs in this area, creating more programs within the District for the identified students, working with the County Mental Health Department and three other Special Educations Local Plan Areas (SELPAs). Eberhart said Nicoll had made reference in his budget presentation to a staff plan to reduce expenses for non-public schools and asked to see the plan. McHenry explained that in 1999-2000, the District had more than 100 students in non-public schools. Staff was able to reduce the non-public school enrollment by creating District programs. Recently the number has increased because more students are coming to the District with serious behavior problems. He will provide the Board with the staff's plan to reduce the number of students in non-public schools. In response to Strange, Browne expects the reduction to occur in 2009-10.

Board action Allen moved, Mayo seconded, and the Board voted 5-0-0 to approve all the providers listed with the exception of LaCheim.

Eberhart moved, Mayo seconded, and the Board voted 4-0-1 (Allen, abstain as his wife is an employee of La Cheim) to approve LaCheim as a provider.

Fiscal Impact: \$7,597,247 for the 2008-09 school year (included in the budget) Funding Source: General Purpose/Special Education Budget Code 1660

10.5 Approve Master Contract between Mt. Diablo Unified School District and Speech Pathology Group for 2008-2009 School Year

Eberhart moved, Mayo seconded, and the Board voted 5-0-0 to approve a \$1,346,240 contract with Speech Pathology Group for Speech Language Pathologists (SLPs) to serve students during the 2008-09 school year. The inability to hire qualified SLPs has led the District to contract with a non-public agency in order to fill open positions and meet student Individualized Education Program requirements. Fiscal Impact: \$1,346,240 (included in the 2008-09 budget) Funding Source: General Purpose/Special Education Budget Code 1219

Board comment Eberhart reiterated a comment he has made several times in the past, that he would like to see the District and the teachers' union negotiate a stipend or other incentive for Speech Language Pathologists to be District employees and thus save money that is being spent for contracted services. Mayo said all Board members agree with Eberhart's statement.

10.6 Approve Master Contract between Mt. Diablo Unified School District and Progressus Therapy, LLC for the 2008-2009 School Year

Eberhart moved, Strange seconded, and the Board voted 5-0-0 to approve a \$530,432 contract with Progressus Therapy LLC for Speech Language Pathologists (SLPs) to serve students during the 2008-09 school year. The inability to hire qualified SLPs has led the District to contract with a non-public agency in order to fill open positions and meet student Individualized Education Program requirements. Fiscal Impact: \$530,432 (included in 2008-09 budget) Funding Source: General Purpose/Special Ed Budget Code 1219

10.7 Approve Master Contract between Mt. Diablo Unified School District and Communications Works for 2008-2009 School Year

Strange moved, Mayo seconded, and the Board voted 5-0-0 to approve a \$566,001 contract with Communications Works for Speech Language Pathologists (SLPs) to serve students during the 2008-09 school year. The inability to hire qualified SLPs has led the District to contract with a non-public agency in order to fill open positions and meet student Individualized Education Program requirements. Fiscal Impact: \$566,001 and is included in the 2008-09 budget. Funding Source: General Purpose/Special Ed Budget Code 1219

10.8 Contract Extension with Miller Brown and Dannis

Strange moved, Eberhart seconded, and the Board voted 5-0-0 to approve an extension of the Miller Brown and Dannis contract with the following stipulations: It will be on a month-to-month basis, with a 30-day termination notice, require Board approval in the case of "agreements for legal fees at other than the hourly rate set forth. . .", and will definitely terminate no later than December 30, 2008. The legal rates are unchanged from 2005-2006. In addition, Miller Brown and Dannis is applying a 2% discount to all invoices for legal fees effective March 1, 2008, and will continue for the duration of the state's fiscal emergency. Fiscal Impact: Approximately \$67,000 per month. Funding Source: General Fund

- 10.9 Request to Rescind May 14 Notices of Non-Reemployment that were sent to Specific Certificated Probationary Employees
Allen moved, Mayo seconded, and the Board voted 4-1-0 (Eberhart, no) to rescind the May 14 notices of non-reemployment that were sent to probationary teachers. The District received enough confirmed retirements/resignation from probationary teachers to rescind the May 14 notices that were sent.
- 10.10 Modification to Administrative Rule 6159 – Individualized Education Program (IEP)
Mayo moved, Allen seconded, and the Board voted 5-0-0 to adopt revised Administrative Rule 6159, "Individualized Education Program, to reflect further changes in the Education Code as it relates to providing services and programs for Special Education students. Presented only as information at the June 17 Board meeting, this item was returned for action at this time.
- 10.11 Request to Approve Job Description for Instructional Program Specialist, Categorical Programs, Site-Based and Creation of Two (2) Full-Time Equivalent Site Based Positions
McHenry explained that as part of the District and school site goal to provide effective instructional programs for students and staff development for instructors and support personnel and to acknowledge the critical role that instruction plays in improving student achievement, the District developed a new job description: Program Specialist, Categorical Program, Site Based. The Board was asked to approve the job description and create the position at two elementary schools, Bel Air and Shore Acres.

Board comment Eberhart asked how these positions vary from an elementary school vice principal, Curriculum and Instruction Director Vivian Boyd said the person in this position is responsible for supporting categorical programs and overseeing funding. As the position does involve evaluating teachers, it must be an administrative one. Bylund explained that the schools are under heavy pressure to move out of "Program Improvement" status. The staff at each school discussed their site's needs and recommended this position be added. Bylund and other staff explained that there are teacher leaders at these and other sites. Eberhart said he is not convinced that the plan being presented is the "best plan." Strange said he supports the plan because the site staff developed it. He would like District staff to explore the use of master teachers in areas where needed. Mayo suggested that the Board be provided a report on how the addition of these positions impact student achievement. Treece agreed with Strange on the idea of providing career growth opportunities within the District for teachers.

Board action Mayo moved, Allen seconded, and the Board voted 4-1-0 (Eberhart, no) to approve the job description for Program Specialist, Categorical Program, Site Based, and to create two FTE positions. Fiscal Impact: \$105,024 at Bel Air Elementary School; \$105,024 at -; Shore Acres Elementary School. Funding Source: Bel Air—High Priority Schools Grant; Shore Acres—School Site Title I Funds

[Procedural action: It being 10:50 p.m. Mayo moved, Strange seconded, and the Board voted 5-0-0 to extend the meeting beyond its required 11 p.m. adjournment time, until 11:50 p.m.]

- 10.12 Resolution 07/08-88 Relative to the Elimination and Reduction of Classified Positions in the Maintenance, Operations and Facilities Department
Strange moved, Allen seconded, and the Board voted 5-0-0 to adopt Resolution 07/08-88, eliminating and reducing classified positions in Maintenance, Operations, and Facilities due to program modifications and budgetary limitations. Fiscal Impact: Savings to the General Fund of \$224,190 for fiscal year 2008-09.
- 10.13 Update Management Job Descriptions, Titles and Ranges for Maintenance, Operations and Facilities
Eberhart moved, Mayo seconded, and the Board voted 5-0-0 to approve the following job descriptions, which were updated to better describe the current duties and responsibilities:
Change Assistant Director, Maintenance, Operations, and Facilities to Assistant Director, Maintenance, Operations, and Facilities/Maintenance Program Manager
Change Project Manager to Facilities and Operations Program Manager
Change Facilities Assessment Manager to Grounds and Facilities Assessment Manager
Presented only as information at the June 17 Board meeting, this item was returned for action at this time.
- 10.14 Amend and Upgrade the Job Description for Senior Grounds Leadworker
Mayo moved, Allen seconded, and the Board voted 5-0-0 to amend and upgrade the job description for Senior Grounds Leadworker to include the appropriate license for California Pest Control Applicators. Presented only as information at the June 17 Board meeting, this item was returned for action at this time.
- 10.15 Create Job Description for Resource Conservation Coordinator
Strange moved, Mayo seconded, and the Board voted 5-0-0 to approve a new job description, Resource Conservation Coordinator, to perform complex work implementing resource conservation programs and strategies. Presented only as information at the June 17 Board meeting, this item was returned for action at this time.

10.16 Adoption of the Biology I Support Course of Study

Strange moved, Mayo seconded, and the Board voted 5-0-0 to adopt a Course of Study for Biology I Support. Developed by a committee of secondary teachers and the Science Curriculum Specialist, this course is designed to provide additional support for the students enrolled in Biology I. Presented only as information at the June 17 Board meeting, this item was returned for action at this time.

10.17 Board Policy 6162.5 – Student Assessment

McHenry reported that parents had expressed concern that, in some instances, teachers were not returning corrected teacher-made and unit tests to students. They believe students, parents, and tutors should see the corrected tests to help identify areas where the student needs to improve. Curriculum Specialist Sandy Bruketta convened a meeting of parents and teachers to discuss and resolve the issue. The Board policy reflects the agreement they reached.

Public comment Linda Locke, Northgate parent, said that for some time she has been “on a crusade” to promote the need for teachers to return student tests. She started by bringing up the issue as a member of the Superintendent’s Parent Advisory Council. Tom Blanks, teacher of alternative education students, said he does not believe alternative education teachers were included in the meetings with Bruketta and provided reasons why those teachers cannot return chapter tests to students.

Board/staff comment Strange said that as a former alternative ed. student, he agrees with Blanks that it’s easy for students to get tests from others who complete them first. Vivian Boyd said the math department chair from Olympic High did participate in the process and said chapter tests are used for student review. Alternative Education Director Katie Gaines expressed confidence that alternative ed. teachers can come up with assessments that meet student and teacher needs. Strange said he supports the Curriculum staff and their efforts on this issue. Eberhart noted that he and his wife had trouble this year getting teachers to return chapter tests, which are important for students and their parents to review. In response to Allen, Boyd explained that test questions are available electronically and teachers can create a variety of tests. Alan Young explained that he told parents that the District could not simply mandate that tests be returned. The process was necessarily lengthy, it involved teachers at sites throughout the District and included a meeting in which teachers and parents talked together. Young said everyone worked together in the interests of students. Mayo said the process is a good example of teachers and parents working in a successful partnership. Treece credited the Superintendent and the Parent Advisory Council for raising the issue and seeing it resolved. She said the policy provides a tool for students to be engaged in their learning.

Board action Mayo moved, Allen seconded, and the Board voted 5-0-0 to adopt Board Policy 6162.5, “Student Assessment,” which identifies the type of assessment that will be returned to students and parents for information on student progress and to be used as a study tool and which assessments may be retained by teachers in order to ensure the integrity of the assessment. Presented only as information at the June 17 Board meeting, this item was returned for action at this time.

10.18 Request Approval of Oak Grove Middle School's Fourth Year Corrective Action Plan Under the School Assistance and Intervention (SAIT) Program and the Memorandum of Understanding (MOU) with the Alameda County Office of Education

Oak Grove Middle School has been given an additional two years to comply with its plan for corrective action under the School Assistance and Intervention (SAIT) program. Presented only as information at the June 17 Board meeting, this item was returned for action at this time.

Board comment Eberhart said his approval of the plan would indicate that he believes it will fix the problems at the school, and he does not believe it will. He blamed state mandates and the outside consultants, not school staff, for making it difficult for schools to improve. Vivian Boyd said the Alameda County Office of Education has been working successfully with another District school.

Board action Strange moved, Allen seconded, and the Board voted 4-1-0 (Eberhart, no) to approve Oak Grove Middle School’s Fourth Year Corrective Action Plan under the School Assistance and Intervention (SAIT) program and the Memorandum of Understanding (MOU) with the Alameda County Office of Education. Fiscal Impact: \$20,000 Funding Source: Categorical, Title I

10.19 Adoption of 7th Grade Novel *The Ghost in the Tokaido Inn*, by Dorothy Hoobler for the Extended Core Literature List

A Site Literature Committee at Valley View Middle School read and prepared *The Ghost in the Tokaido Inn* for adoption for the Extended Core Literature list. Presented only as information at this time, this item will be returned for action at a subsequent meeting.

11. ADJOURNMENT

McHenry noted that this is the last meeting for Director Vivian Boyd, who is retiring. He commended her for amassing "an outstanding team of curriculum and program specialists who are doing some good work." At the end-of-year management team meeting the group was recognized as "team of the year." He thanked her for all of her work and for always answering Board questions.

Treece adjourned the meeting at 11:33 p.m. in memory of Mary Sullivan, a teacher at Walnut Acres who passed away on Saturday, June 20.

Gary McHenry, Secretary