

Spotlight on the Board

Notes from the District 15 School Board Meetings

February 25th, 2009

This was a Committee of the Whole meeting. All Board members were present.

Citizens Address the Board

Tom Tanner – Palatine resident

Stated that he was at a Pleasant Hill PTA meeting yesterday, moved here from Elgin U46 school district. One of the things that was brought up at the PTA meeting was that the district was considering sectioning some of the classrooms and reducing the number that were available. They were talking about multiage classrooms and possibly putting 5th/6th or 3rd/4th graders together in order to reduce the number of teachers. His concern is that with his experience at U46 since 1982, the classroom size got to about 33 to 35 students. He thinks that it is a bad direction for the school board to be taking in reducing the # of classes that are available because of the classroom size that will result. He thinks that students will get a better education with lower class sizes and it is a burden on the teachers to have them try to teach a multiage class.

Bob Stotlz - Palatine resident

He has 3 small children and the first one will be going to kindergarten at Paddock school next year. After talking with neighbors, he has been trying to figure out the school boundaries as to how often they are looked at and readjusted. Where he lives across the street the children would go to Marion Jordan and on his side, instead of walking to school the children are bussed to Paddock. He didn't know how often the boundaries were looked at and also there is the same situation years down the road for junior high. His children would be going to Sundling and then on to Fremd HS. The majority of students at Sundling go onto Palatine HS. The neighbors have said that it is a rougher adjustment for the kids when the majority of their friends are going to Palatine HS.

Beginning Conversations about Expanding Opportunities

All-Day Kindergarten

Asst. Superintendent of Curriculum, Mary Zarr – Introduced the topic and led a slide presentation.

Overview (slide) – Provide information on specific initiatives, Identify current or potential District 15 concerns that they believe the initiatives would address, to inform the BOE of current practice and to provide opportunities for further research or benchmarking

Understanding District Data – Changing face, emerging trends, potential challenges, surfacing needs as they come up. By doing this, we are completely aligned with our core values.

Student Demographics – Board is very familiar with this, it shows up in our Student Achievement Report and School Report Cards, it shows up in every State report that the Board gets back.

The Board is fully aware and knows the challenge of our low-income, LEP and minority populations.

District Data Student Demographics – Gives us a snapshot over an 11 year period of just where the switches are occurring (in student demographics). Back in 1995, 75% of D15 students were White/Non-Hispanic and at the end of 2007/08, it was 56%. Hispanic students in 1995 accounted for 13% and are now 26%. Asian students were at 7% and are now 12%. These numbers are for K through 8 students only, not preschool or ECDEC.

Full Day Kindergarten – Regular Education Kindergarten sections are declining while Bilingual kindergarten sections are increasing. First grade enrollment continues to experience a slight increase as students transfer in from all-day kindergarten programs (at other schools). Last year, D15 had slightly over 170 students district wide come into D15 that didn't attend kindergarten here. Not all of them came from full-day programs. There is a difference between kindergarten and 1st grade enrollment. First grade continues to enroll students with no kindergarten or preschool experience.

Illinois School Code - In Illinois, kindergarten may be half day – it has to be a minimum of 2 ½ hours or it could be a full day with a minimum of 4 hours. If a district establishes a full day program, it must

also offer a half day program for parents who don't want full day. Kindergarten enrollment in IL is optional. Mandatory schooling does not begin until age 7.

Early Intervention – Current D15 programming for younger children includes an Early Intervention Program that serves children aged 2 ½ to 3 that are identified through the Child and Family Connections as having significant developmental delays. These children must be assessed and appropriately placed by their 3rd birthday. Our trend data indicates that we do upwards of 100 evaluations a year.

ECDEC – Early Childhood Development Enrichment Center – This D15 program serves children aged 3 to 5 who are identified with 6 month delays in at least two areas. Currently we have 16 – half day sections going on five times weekly with approximately 20 students per class. The ECDEC children do not have IEPs or they have Speech only IEPs. There may be a slight delay but they are not identified as Special Education at this point. The waiting list for participation in ECDEC has exceeded over 100 children for quite a few years. A drawback of this program is that it is a non-district curriculum or controlled program. It is an early childhood program funded through the State that D54 has the grant for, we work in cooperation with them. They service their children, we service ours.

Early Childhood Special Education – This D15 program services children aged 3 to 5 years old and they all have IEPs. There are 18 half-day classes and one extended day for 5 hours with approximately 10 children per week. The class meets five days a week. Children with active IEPs are immediately placed into these classrooms. There is not a waiting list, if we need room we have to add a class.

PIP – Parent Intervention Program – This is a tuition-based preschool program that services children aged 3 to 5 and up to eight peers are put into the Early Childhood Special Education classes four half-days per week. The typical peer has no IEP.

Trans Kindergarten – It is a self-contained kindergarten for 5 year olds. There are four sections district wide this year with approximately 10 students per class. It follows along with the traditional kindergarten schedule. All the students have IEPs. Upon completion of Trans K, students can either enter 1st grade general education with LD resource support according to their IEP. Or depending on the level of their disability, they may be placed in a self-contained 1st grade classroom.

Delivery Models – Some delivery models that the team discovered while doing their research includes: 1) Offer all-day kindergarten for everyone for free, some districts charge an extra registration fee above the normal public school registration fee and some do it completely tuition-based. One might say “how can a public school charge tuition?” For any program that is not mandated by your State and full-day kindergarten is not mandated in Illinois, districts can charge tuition for kindergarten. In their surveys they found a range from \$3,200 to \$16K for full-day kindergarten. 2) Instead of offering all-day kindergarten every day or ½ day every day, some offer all-day kindergarten 3 days a week. 3) An extended day program – it is longer than a ½ day but shorter than a traditional 1st through 6th school day. 4) Some districts have a lottery system. They see the merits of all-day kindergarten and want to respond to the needs of the community but they cannot afford to double their kindergarten population with all-day for everyone and house them. With however many spots that district has, they offer a full-day kindergarten on a lottery system. Some districts screen kindergarteners and place the at-risk students first for all-day kindergarten.

Fast Facts – Eleven of 22 public school districts in the D15 surrounding area offer at least one model of all day kindergarten. Five private schools within D15 boundaries offer all day kindergarten. Two-thirds (2/3rds) of Illinois schools have some form of all day kindergarten. 57% of Illinois kindergarteners are currently enrolled in a full day program. 65% of the Nation's kindergarteners are in a full day program. Currently all States allow extended programs. Ten States must offer full day kindergarten and some funding is provided. Two States mandate full day kindergarten. In Illinois, the State aid would double for kindergarten students – now each K student counts as 0.5 and a full day kindergartener would count as 1 for State aid calculations.

Research Supports All Day Kindergarten – The irony of discovering that the most cost-effective way to diminish low student achievement in high school occurs from birth to age 5. We found that academic and non-academic readiness skills entering kindergarten significantly relate to eventual

reading and math achievement in grade 5. All day kindergarten helps to close achievement gaps for low income and minority students. There are no negative effects to a child being in all day kindergarten regardless of the demographics or background of where they started.

Future Thoughts – As we continue our discussions on full day kindergarten – Development of a cross-functional team, Interest surveys to the community, Site visits, Additional research and benchmarking to answer additional questions of Who, What, Where, When? Pilot programs, Evaluation models and then talk about the drivers and costs.

Second Language Instruction for All

Dr. Cheryl Wolfel, Director of Second Language Programs – Introduced and led these topics - Second Language at the Elementary Level and Spanish Maintenance Language Program. The purpose is to provide information on these topics, the current practices, avenues for further research and to help address our mission of creating world class learners.

Illinois School Code – Does address these areas under Foreign Language and Bilingual in that it states that having a foreign language proficiency does help our students better compete in international markets. The learning of additional languages while every young expands children's learning capacity.

Foreign Language Instruction at the Elementary Level – The most recent data from a 2008 survey found that Spanish is the most offered foreign language. French and German are offered less than a decade ago but Chinese, Latin and Arabic are offered more. The most effective programs meet at least 30 minutes three to five days a week.

Current D15 Programming – It is a site-based decision on which program to use and which language to use at the elementary level. We have independent companies that come into our schools and offer language instruction for a fee paid for by parents. Most of those programs are offered in Spanish. Two schools offer French. Most are in the morning before school. Not all of the K-6 schools are offering a language program but all of the junior highs offer German, French and Spanish as part of the elective curriculum. Several years ago we did have a DVD program and it was broadcasted over Channel 44 twice a day – 10:30 a.m. and 1 p.m. so teachers could turn it on and the students could view it while the teachers were learning the language too. It was quite successful but then with some of the cutbacks with the studios, we lost the capability to do that.

Types of Programs that are offered – FLEX is an exploratory program. It is just a general exposure to the language and culture. It is really not for any reading efficiency. The FLES program is when students do acquire listening and speaking skills and a cultural understanding (three days a week for 30 minutes). This is what most elementary schools offer that offer a foreign language. There is also an intensive FLES program which is just more exposure, more times a week, more minutes (five days a week for 30 minutes). Then the Immersion program which is also called Dual Language where at least 50% of the school day is spent in the second language.

Program Types – There are programs that are part of the school curriculum, lunchtime programs, and technology based programs. Schaumburg D54 uses teachers that go from building to building for their elementary foreign language program. They do not meet on a daily basis.

Maintenance Language Program

Maintenance Language Overview – The rationale for this is that the ISBE changed the state assessments last year when they pulled the IMAGE test. The LEP subgroups for D15 did not make AYP. Research definitely supports bi-directionality which is the transfer of skills. That means literacy skills will transfer from a native language to English and English back to a native language. D15's LEP enrollment continues to increase.

Federal Law – NCLB does mandate the use of ELL standards which we didn't have before. That has finally given us some kind of yardstick to know what we should be expecting from our Level 1s all the way to our Level 5 ELL students. They did mandate annual testing for English language proficiency. Every January we are required to give the ACCESS test and it measures how well our children are progressing in English and what kind of level of English proficiency they are obtaining.

ELL students are also included in state testing for Reading and Math with appropriate accommodations to help determine AYP.

Lau vs. Nichols – 1974 - This was a lawsuit brought by Chinese parents in San Francisco. They maintained that just because their children were sitting in a classroom with English speaking students with the same textbooks that was still not an equal education and did not provide access to the curriculum. The court ruled in their favor that "same does not mean equal". It did not tell districts what to do but they do have to provide something different for that population.

Plyler vs. Doe – 1982 – This was a school funding issue because there were children crossing the border in the USA and they were undocumented. Before 1982, we did not allow them into our schools. They were still here but they were not going to school. The schools did not educate them because there was no funding for them. The lawsuit was brought and the Supreme Court ruled that undocumented students have the right to attend public schools and participate in all school activities. It said that school officials are no longer allowed to require children or their parents to prove that they are in the country legally by showing a green card, papers or having a social security number.

School Code – If there are 20 or more students in one attendance area who speak the same language and qualify the district is mandated to have a Transitional Bilingual Program (TBE) which D15 does have. If there are 19 or less students, you may establish a Transitional Program for Instruction which D15 also has.

DBP (Developmental Bilingual Program) - The goal is to become bilingual and it is for minority students to maintain two languages. Instruction is given in Spanish and English literacy daily. They are integrated with their native English speaking peers for content areas. It is considered an additive language program because the goal is to be bilingual.

TWI (Two Way Immersion- Dual Language Model) - It is for majority and minority students to learn or maintain two languages. It requires an equal number of native English speaking students and the student of the target language through sixth grade.

Future Thoughts – In looking at the program components and what that actually looks like would require an advisory committee, cross-functional team, looking at some of the Chicago Magnet schools, looking at curriculum and more data gathering.

****Break**** – (8:30 p.m. to 8:45 p.m.)

Review 5-Year Financial Projections (8:50 p.m.)

Ref: **Daily Herald, 2/27/09, "Low CPI has local school districts slashing expenses"**
www.fcwpta.org/pdf/Daily_Herald_02_27_09_lowCPI.pdf

Rebecca Allard, Asst. Superintendent for Business – Funding in Illinois comes in 3 separate categories: Local which is property taxes, State and Federal funding. D15 is funded mostly by local property taxes. In the early 90's, Illinois passed a law limiting the rate of increase in property taxes, which is often referred to as the "tax cap" legislation. It limits the maximum the district is entitled to to the previous year's CPI (Consumer Price Index). The calculation is the lesser of 5% or CPI. D15 will be functioning for the next levy year at a 0.1% factor vs. the prior year which was 4.1%. D15 will experience a decline in its tax revenues over the next couple of years.

Investment Income – This can be a surplus for school districts when interest rates are higher than 1%. Right now, D15 interest rates on its investments are ranging from 0.75% to about 1.10%. They are looking at an average of 1% going forward.

TIF Revenue – D15 is unique for at least the next several years in that the TIF (Tax Increment Financing District) for the Dundee/Rand properties is set to expire. If a surplus is declared or if the Village of Palatine retires the TIF, it will bring in approximately additional \$1.7 M revenue in the 2010/2011 school year. The difference between "retiring" and "declaring a surplus" is if they "retire" the TIF, it comes to us in the form of property taxes and it is distributed amongst all of the district's

fund balances as all tax dollars that are collected. If they declare a "surplus", the BOE at the time will have to decide as to the distribution of the money.

If that BOE (in 2010/11) wanted it to go to the Education Fund - and for the purpose of her presentation tonight, she did factor those funds into the Education Fund. But if D15 would receive Federal Stimulus money in the Education Fund, the BOE may want to designate the "surplus" go into the Transportation Fund, Capital Projects or Operations & Maintenance. Once we know what the Village of Palatine is going to do, then the BOE will have to make that decision. The Village of Palatine is expected to make a decision at the Village level in March/April. The Village Manager has offered to come to this BOE once he has clear information in April/May.

Allard - (response to Board questions) - If the Village of Palatine "retires" the TIF, there is going to be a portion of that that will go into funds that are not transferable (between funds). A portion would go into the Tort Immunity Fund which is restricted. A portion would go into the Debt Service Fund which can only be used to pay for principal and interest on debt. Some would go into the IMRF and Social Security funds which are restricted for those purposes only. So there are some advantages to having the Village declare the TIF as a "surplus" and have the Board make a decision as to all of it, or how the money would be distributed between funds. A future BOE may decide to transfer it, any amount of money, it has the discretion to do that.

Allard - (response to questions) the TIF money is subject to the tax cap in the year that it is "retired". It comes on the tax rolls as "new construction". It is captured in that year, if tax levy is high enough to capture those funds in the year that it is being "retired". Then you collect it in the base and have it going forward. In materials from the November BOE meeting, information was given to the Board from the annual TIF meeting. In that, it specifies that D15 will be getting that money for four years.

State and Federal Funding - D15 will get an additional \$942K in Title IA and \$1.3M in Special Education money. Nobody knows the rules that are tied to the Stimulus money. This stimulus money is not in the 5-year financial projections. If it does come in as IDEA money, it must be spent in special education. The State of IL legislation is talking about increasing the funding formula by \$130 to a total next year of \$6,089 per student. That is the # that gets talked about. It is important to understand that D15, because of its property wealth, doesn't receive that amount of money. In 1988, we were allocated \$290 per student from the State for general state aid. For the 2007/08 school year, it was \$405 per student. Overall, that amount is steadily increasing but we still get a very small portion. State funds are expected to grow by 3% but the State has not finalized its budget. The State is also being affected by economic conditions. Federal funding right now is 1% but again when we get some finalized numbers (regarding the Federal Stimulus money), these financial projections will be updated.

Expenditure Assumptions - Salaries - D15 has negotiated agreements that they are obligated to fund. The ESPA (program assistant union) and SEIU (custodian union) have multi-year agreements so we can track what those increases are (over the next years). There has been a lot of conversation and there will be a lot of conversation because this is the year that we negotiate our teachers' contract. There is a factor (in the expenses) that will cover the STEP movement of their current staff on the current schedule. It does not have a dollar amount in there (expense report) for the base salary. There are different methodologies when you are doing financial projections as to include an overall factor. The STEP increase is 2.77% for our current staff on our current schedule. Some people would say build in 4% then you are covered, or use STEP. It is a preference.

Board Vice President Kelly Keenan - Disagrees, it is not a preference. The whole increase for the teachers is over 4%, which is not including the teachers that have declared a retirement. There is no scenario where our teachers' salaries are going up by 2.77% as a group next year. All of the teachers who are retiring, the savings is completely offset by the ones that are in the four last years of their schedule. During the past few years, the Board has seen many different salary schedules/scenarios. This will not cost the district 2.77%. Why is only STEP increase included? Salaries are 80% of the district's expenditures. We are underestimating 80% of our expenditures by almost 2%.

Board President Gerald Chapman – But we do not know what the teachers' base salary is going to go up to. The contract has not been negotiated; there is no salary schedule for next year. We do know the 2.77% STEP movement. When we bargain (negotiate) we will determine if there is any increase (in base). **Board member Wendy Rowden** – It is just a methodology for predicting expenses. It could be no increase. There could be a salary freeze. **Allard** – It could be 2.77%, it could be 2%, it could be 4%. Right now, if she took the current staff at each LANE step and moved them from where they are this year and move them forward one STEP up on the same salary schedule, it is an average increase of 2.77%. In just the Bachelor's column, it is 3.55%.

Board member Tim Millar – It is not 2.77%. Part of what Keenan was saying is that you are not including people that we already have contractual obligations for retirement. That is the majority of those that would not move in your STEP scenario. The STEP is really 3.75% more on average. So you are grossly underestimating, you are also not including as we discussed earlier – the LANE changes. We know that LANE changes are going to add another \$500K to \$600K a year depending on the year. Without having a year to year comparison, it is difficult to get an average. **Keenan** – Said that Allard does need to put LANE changes into the projections. It is anywhere from 9% to 16%. **Allard** – Said that 2.77% is the factor that was applied to total teacher salaries that will be paid this year – LANE movement is included. **Keenan** – Allard is saying that the average STEP is 2.77% and does not include LANE. **Chapman** – It is based on this year's experience and includes LANE changes.

Millar – Here is where it goes way off. There are 100 people that would not be getting any increase on that schedule. But what was not factored in is that 75% of those people are going to get a 6% increase (because they are in the last four years before retirement). There are actually only 25 people that don't get an increase. The rest get 3.75%, the others get 6%. There is no way you can go to 2.77%.

To do this on a business level, you have to take the existing contract with the existing year to year increases to actually project that out. You can't take a fantasy number because it is half of what the real cost is. What we saved in past years, was that 20% (increase for retirement). That went away. We also went from 186 to 183 days (for the school year). So we are losing those savings. We need to project correctly with our current contract. We know that we are going to pay 6% (for retirement) and we know who those people are. We can't take them off (the projections). It is contractual information; you have to put that in the projections. **Chapman** – The question is, is it included in your projections? **Allard** – yes **Keenan** – No it is not because 2.77% is only STEP (increase). It is not for the retirements and the LANE changes. **Allard** – Again, because we do not have a salary schedule. . . . **Keenan** – We have to do LANE changes and we have historical averages that you can use for LANE changes. For the retirements, you have the numbers. The 2.77% is only the STEP. **Allard** – She will say that it is factored in there. **Keenan** – LANE changes are 9% to 16% (increases). What do you think the STEP is without the LANE changes and retirement? **Allard** – She will have detailed information for the Board by Friday, February 27th.

Employee Benefits – Benefits are trending towards 9%. There has been a loss of interest income for all pension plans in the State of IL. The IMRF and Social Security funds are funded by property taxes. We are projecting those funds to grow by 5% next year and 10% thereafter (district's cost). It is just a factor since we do not have final numbers. Health insurance is trending right now at 9%. The IMRF (IL Municipal Retirement Fund) has been having informational seminars regarding the increase and have not come to a decision yet on how much/when to collect those monies. When Allard gets those numbers, she will put them into the projections but she will not have them in time for a March publication of the FRC (Financial Report Card).

Capital Outlay – The Board had authorized the architects to bid for \$7M in capital projects. It was not factored into as an expense and carried forward. Later in tonight's agenda, there is an item Capital Expenditures and it is a summary of what was just approved for the \$7M and attached to that are the projects that are to be done over the next four years. That is \$11.9M dollars of projects that have no designated funding.

Summary of Revenue and Expenditures - Looks at the budgets as a whole from an operating standpoint. If you look at the 2008/09 column, we expect to have a budget surplus by the end of this school year of \$349K. If you follow it forward through projections, we expect at the end of 2009/10 school year to have a budgeted surplus of \$1.8M. For 2010/11 - \$1.3M but told the Board to remember that is the school year that we factor in the TIF revenue and it is in the Education Fund. The revenue over education expenses fund, we are showing a surplus in the 2010/11 of \$618K. Remember \$1.4M is TIF revenue so if we didn't factor the TIF revenue into Education Fund that year, we would be showing deficit spending in the Education Fund.

When D15 gets to projected 2010/11, we are showing all operating funds budget deficit of \$194K. Going back to the Education Fund line item, there is a little over \$400K of deficit spending.

For 2012/13, revenue over expenses in the operating fund, D15 expects to deficit spend \$512K. For 2013/14, again these numbers do not include any Federal Stimulus money, we will be deficit spending by \$1.4M for total operating funds, Education Fund deficit is \$283K.

The TIF revenue has been budgeted in for years: 2010/11, 2011/12, 2012/13, 2013/14. If the district receives Federal Stimulus money, these projections could look very different.

Allard - This is the important document to look at and should drive future difficult decisions made by the BOE. The 0.1% CPI factor doesn't affect D15 for 2009/10 but will for the 2010/11 school year.

Millar - The report does not show projections for capital projects like roofs, and for four years after that. **Allard** - She said that the \$11.9M (Life Safety projects) has no designated funding. There needs to be a Board conversation of where that money will come from.

Keenan - It doesn't matter where it is going to come from, it has to be shown in the projections. We know that items like roofs and furnaces will fail, need to be replaced. Allard will have to show bigger deficits (over the years).

Chapman - Thinks that the Board has to address that on an annual basis as we do our budget. We adopted a budget for next year that didn't include capital expenditures. Then we revisited it and added money. There are several factors that will come into play here. Negotiations is one, we don't know what our teacher costs will be. We have to give direction to the administration as to what extent we want to do those Life Safety obligations that we have plus the timeline to do it. Then it goes into the plan. We have never told the administration to do that. **Keenan** - If you were going to do a corporate budget and you had 20+ buildings and you didn't have any capital for improvements, you would be kicked out of that meeting. You cannot have 20+ buildings for a five year budget with no capital in it. It would be misleading to the investors. **Chapman** - What he is saying is that this Board has not directed the administration. **Keenan** - That is a little "tightrope walking". We didn't give direction for a lot of other things that are popping up in this budget. It is not normal not to have capital in a budget. **Chapman** - This is not a budget. **Keenan** - It is a projection of a budget. This is budget projections, that is exactly what this is and you have to put capital in it. **Chapman** - He is not disagreeing with that, he is saying that what we have to do as a Board is to give direction to the administration. **Keenan** - Are we going to open up every fund and give direction on every fund?

Chapman - Well, if you object to some of the assumptions here. You can do that. **Keenan** - We are. What she is saying is that you can't say "you didn't give me direction so I am not going to show any capital improvements". That is misleading and it is against the law in a corporate environment. Just because we are a government entity doesn't mean that we can't be truthful about our budgets.

Board member Wendy Rowden - Can we put on the agenda for the next meeting the topic of changing the assumptions? Then we can vote on it and then whatever is decided, the Board can give direction. **Chapman** - Here is his point. If we as a Board believe that we need to make a commitment to get the Life Safety work done. Then we give direction to the administration to say "revise this" based on completing the Life Safety over some period of time. **Rowden** - And also the item that was brought up about including the STEP and LANE changes.

Board member Nancy Lee Carlson - This is a living, breathing document. This Board has not decided whether we are going to have 20 buildings or 10 buildings. We don't know until the BOE after us makes decisions as to what D15 is going to have. This document is not set in stone. It is a

projection under the assumptions that we have today. Tomorrow it may change, a year from now it may change. If we go to multi-level classrooms, if we go to closing certain buildings down and making different changes, our budgeted projections will change significantly.

The issue being the capital outlay for major improvements – we have not made that commitment of how we are going to do that. We have a lot of things coming up. And IF we change the direction of how we configure out schools, then we are going to know where our cash outlays are. She is not so upset as Keenan about the capital outlays. Carlson thinks this budget is going to change dramatically in six months because at that point we may have direction about the # of schools we have, how the schools are going to be configured and the information of what the decision of the Board is. This projection is just a snapshot in time that is going to change as we make decisions. Maybe what we present to the public will be dramatically different based upon different configurations of buildings.

Millar – The process is flawed. He disagrees with some of the comments about not putting in capital expenditures. You have to plan for the roof's life span, the vehicles and equipment have life spans. It has to be in the forecast. We needed to do our forecast before we started allocating capital, laying out the number of classrooms. We needed the information before that; you have to plan ahead so that you can make good decisions. It is much more difficult to turn around a business later in the cycle than earlier in the cycle. In some of these projections, the revenue side is very generous and the expense side is very weak.

Board member Sue Quinn – Has some concerns. In the interest of being extremely accurate, we never actually release the information to the Public so that they can see. She has no problem with putting this on the agenda for next time but let's vote on it and get it out there in its flawed form because it will be continually flawed at all times. We may not all agree about every last thing that should be in this document (FRC – Financial Report Card) but let's at least get it into the hands of the Public so they have some clue as to what is going on.

Authorize Financial Report Card for Publication

The Financial Report Card will be reviewed at the March 11th BOE meeting and will include the changes discussed by the Board. Those include additions for capital improvements, changes made in assumptions for salaries and new construction.

Implementation of Bidding Policy

The Board was provided with a Bidding and RFP (Request for Proposal) calendar. Many items have been added to the list that had not been bid out in previous years. This will be the business department's guidelines as they move forward and items will be added. Board members commented that it was an excellent document that will be helpful to future Boards.

Preliminary Staffing Report for 2009/10 School Year

In the interest of time, the Board voted unanimously to table this item until the Wednesday, March 11th Regular Board of Education meeting.

Impact of Class Size Reduction (K-8) (10:05 p.m.)

Quinn – To recap what everyone already knows, our enrollment is going down next year, it has been for several years and is predicted to go down for the next several years. Next year (2009/10), we are going down by 12 sections across the district because we have fewer students, we will have less teachers/sections. That was calculated by keeping our class size averages the same as this year. Class size averages was an issue that came up and it is back on the agenda at Quinn's request. Some parents were not happy with some of the larger class sizes that fell out of the mix of our calculation process. She wants to repeat that she very much respects our local site-based decision-making process and thinks that it needs to be kept intact because it serves the needs of the kids. However, she thinks that the Board should take another look at our averages.

Jim Garwood (Administrative Services) provided the Board information about how much it would cost and what it would look like if we were to reduce some current class size average targets. Our current class size target for grades 1 – 3 is 24. If we reduced it by one to 23, does it make a difference

in the actual classes themselves for all of the schools in our district? Or is it too small to make a difference? Garwood's calculations show that on average you would get ½ a section here and there because that is how the calculation works. Since one entire section is needed, there would be some assigned one and some assigned zero. On average over the district, there would be 5 additional sections in grades 1 to 3 and another five in grades 4 to 6. The cost associated with that would be about \$250K for each of those five sections (total \$500K). Asked, what does that do for the district?

Right now, if we left our class size averages the same – next year, we are going to have some actual class sizes that are pushing the 30 mark and some over the 30 mark up to 31 in grades 1 to 3 and 31 to 33 in grades 4 - 6. That is just some particular classes in some schools – that is not all of the schools. The vast majority of the classes are within reasonable sizes. But there are about 5 classes in each of the grade levels that are over.

If you did the \$250K reduction for each of the lower and upper elementary grades, you would bring it down to a maximum that the largest class sizes in grades 1 - 3 would be 28 and the largest class size you would have across the district in grades 4 - 6 would be 30. That is what your \$500K will buy you.

Keenan – Asked about capping class sizes at a certain number. What if the Board said we want 24 per class without going over?

Quinn – Capping (class sizes) is very attractive. It sounds very logical but implementing it is a problematic issue for our staff. Quinn would like to preserve as much flexibility as possible for the staff. If there are additional sections that are needed in the general sense, more resources are needed as this calculation shows. An additional five sections will get you your affective cap without mandating a cap in specific. Because the cap in specific constrains you to not having any particular class go over that number. There might be circumstances where it is okay to go over. That is what the local site-based decision-making decides. She wants to give the school the flexibility to decide that not only because she does not want to force them to go to a split (class). A split (class) is always an option to employ to get the numbers but it shouldn't be a numbers game. It shouldn't be a numbers game of "we have to hit our target, we can't go over the max therefore we will do whatever gymnastics we have to get below the number". We want to make sure we are targeting the best educational situation for the kids.

Chapman – Doesn't think we should look at this in isolation. We just looked at a financial projection showing that we are going to be spending more money than we are taking in. He is sympathetic to reducing class sizes and Quinn makes some very valid points. But he doesn't think it makes sense to look at something we would do and then undo. The other issues we have whether you want to face it or not is the bargaining costs that are going to be driven in with the fact of the (teachers) contract. He just doesn't think the timing is right.

Rowden – She understands the desire to address the occasional "bubbles" (high class size) and she believes that no matter what the number is there is always going to be a bubble. When you address one bubble, then you create another bubble. Eventually people will say that 29 is too high, it should be 28. With that being said, Rowden thinks that the way that the district has been doing it for the past few years is reasonable. It addresses the needs that this Board has expressed in regards to differentiating between primary, intermediate and junior high and giving some understanding to the concept of different needs at those levels. The scenario of just reducing it by one, it still is going to have greater costs than just staff. It is going to change building usage and other additional factors such as Art, PE and Music.

She would argue that in her opinion and the research shows that even these 24, 26, 28 numbers are kind of arbitrary. Because if you are going to make a significant impact on achievement, you have to bring class sizes down to 15 and we are not going to be doing that. It will never happen. So if we stick to our research based decision-making model and we allow the latitude of our buildings to do site-based decision-making so that they can deal with anomalies based on what they know about their staff abilities and their student populations – she thinks that is the best case scenario given the way we do neighborhood schools.

Millar – He just wants to say the parents who have a concern, it is not about the average – it is about specific classes. Every school has a big class. Millar doesn't think that adjusting the average is going

to change the reality of some classes being big in some areas. To address that, we would need 18 new teachers and classrooms.

Carlson – We are realistically not going to make changes to lower class sizes even though higher class sizes affect children on a detrimental basis. In order to make an impact, we would have to dramatically change our district and we are not in flush economic times to do it. We will always have a bubble. She would rather keep the site-based decision-making that has really made a difference in our schools on how they are run. She thinks that the principal is the best person to make that decision-making in cooperation with their staff in the overall mechanics of serving the educational needs.

Ekeberg – Agrees and thinks that unless we dramatically reduce the class size, it is an interesting discussion but doesn't think we should move in that direction.

Lukich – Would like to complement Board members and thinks this is a great debate that the Board is having and everyone is right on the issue. This topic was discussed in a federal luncheon he attended last Friday. The thought is essentially this – everybody wants to lower class sizes and it is a worthy goal. But by one or two, you are better off putting money into staff development and working with them on multi-age and differentiation and everything that teachers can and should be doing. In a district like this, that would have a greater return in student achievement vs. reducing class size by one or two.

Board Member Access to Information/Board Member Authority (10:20 p.m.)

Audio for this agenda item www.fcwpta.org/audio/BOE_022509_final17minutes.wav

Millar – Feels that some of the information is not being readily available. If he asks for a financial document it suddenly needs Board approval. Board members have asked for information on a particular curriculum program and there has not been a problem with getting that information to them. He understands that the Board doesn't want to burden the staff but in order to do his fiduciary responsibilities, there are things that he does need in a relatively timely manner. The 5-Year Forecast should have been run. If we didn't run it, how would we know that the format wasn't good. Just recently, he had asked for different years of a scat gram – he was only given one, that doesn't give him a trend line. Plus to create the one, there would have had to have been the previous (ones). He is concerned that staff is being directed to not give him information; he has had this problem in the past and wants to make sure that this doesn't continue. Board members need to get information in order to do their job.

Chapman – Asked what Millar's "Board Member Authority" issue was?

Millar – Whether or not Board members can direct staff to not give him (Millar) information.

Chapman – We have an attorney here. Dean Krone is here because Mike Loizzi was not available. So maybe Dean can address the questions. (Chapman motioned Krone to the speakers' table. He had been in the audience since the break at 8:30 p.m.) http://www.hlerk.com/pages/attorneys_dkrone.cfm

Millar – He was not aware that an attorney was directed to come to the Board meeting.

Chapman – Indicated that Keenan had asked. **Keenan** – No, she sent an email to Chapman that Mike Loizzi (Board attorney) was coming to the March 11th BOE meeting.

Chapman – He thought she meant something was going to be decided tonight. Mike asked Dean to be here tonight. **Keenan** – Mike did not ask Dean to be here. **Krone** – Mike called me a couple of days ago to ask if I was available tonight. **Keenan** – That is not what Mike's letter said. **Krone** – Mike suggested that I call Dr. Chapman. **Keenan** – I'm not sure if we need an attorney. I thought we were going to have an executive session discussion. **Chapman** – Well, are we going to? **Keenan** – Yes.

Chapman – I think the question that Millar is bringing up, we can have the attorney respond.

Krone – The fundamental principle underlying this question and most is what authority does a Board member have? The answer to that is not much. The Board has a lot of authority if you read through Article 10 of the School Code. The Board is given much authority and many responsibilities. There are not statutory provisions for individual Board members with the exception of the Board President's authority to preside over these meetings. In terms of what information Board members should have access to – he thinks the answer to that is that at an initial step that whatever information the Board as

a whole needs. If the majority of the Board asks for certain information, he is sure that the administration will provide it to the Board.

Tonight the Board received a lot of information both in presentations and written materials. The question then becomes, having received whatever information that was provided to the Board as a whole, if an individual board member feels like he/she needs more information, what do you do about that? Krone thinks that the Board can do a couple of different things. If a majority of the Board agrees that that information is relevant and information that you ought to get, then they can make that known to the administration. There was back and forth between speakers and board members (tonight) asking for information and an agreement was reached that it would be provided. The problem is that asking the administration to develop and provide more info involves a cost. It takes time and effort to develop and gather and so forth. It is not impossible to imagine in these times, there could be unreasonable demands. Then it is up to the Board to determine whether the info being requested is reasonable and ought to be provided. If it is to be provided, it should be provided to the whole Board so everyone is on the same page.

Keenan – We have an opinion from IL Attorney General Lisa Madigan addressing this specific Board and our lack of access to information. The opinion states that we can have access to any readily available documents. We were being denied. Mr. Millar was being denied the document, he didn't ask for something to be created; he was asking for something that the Board voted on in November. In November, we as a Board voted for a document to be completed in January and it was not. It wasn't in the format the administration wanted to give it to us so we were being denied access to that document. Keenan also knows that Loizzi cannot direct another attorney to be here. She is curious how Krone got to the meeting because it wasn't through Loizzi. He might have asked Krone if he was available but he has no authority to direct him to be here.

Krone – Loizzi didn't direct me to be here, he asked if I was available and said that the Board had requested that an attorney be present. **Chapman** – Indicated Keenan did (asked for an attorney).

Keenan – “No I did not. I did not ask for an attorney to be present”.

Millar – Krone is contradicting the email/letter Millar received from Lisa Madigan's office. Millar had a similar situation a few years ago when he wanted to just look at the electric bills and was denied access. He even put out a FOIA request which again was denied by the Board and administration (at that time). What Madigan sent back was, “please be advised that a public official would not be required to file a FOIA to obtain a record in the performance of his official duties.” It (Madigan legal opinion) is very different from what Krone is saying. Millar shouldn't need four members of a Board to tell him that he can have a copy of the bill. How would he ever discover if there was any malfeasance or fraud? It would totally handcuff the process. That is just incredible that you would think that you need four Board members to tell you that you have access to look at anything that is readily available. That is what it says here (in the legal opinion). “A Board member cannot be denied access to information relevant to the exercise of his/her duties, including information that would not be generally subject to public disclosure.” Krone's opinion seems very different than the attorney general's opinion is on this matter. It is frightening to think that four people could stop you from actually getting information that is very relevant. We had an incident with a \$5M bond issuance where we were denied a lot of the information that we needed. **Keenan** – We are not talking about student records or individual privacy issues. We are talking financial documents that have already been prepared.

Millar – The issue that he was bringing up (tonight). Obviously there has been some other conversation that Millar is not aware of. Again he doesn't know why that is because the Board should have all of the same info. We have Board members that are asking for permission for info that isn't prepared and they are getting it. There are other Board members like himself sometimes are denied that information even without them telling him. The employees shouldn't be telling Millar that they can't give him the documents because a Board member or somebody else is saying that he can't (have it). That is the wrong process. We need to correct that as a Board. It makes no sense why some people would get info and others not.

Chapman – Asked if there was a recommended process for Board members to request information? His sense is that maybe through the superintendent? **Millar** – In this particular document that he was asking for, one of them - the scat gram, the year before Millar was told that it doesn't exist, isn't available. It proves that in order to have this one (current) you would have had to have had that other one. It actually takes the number from the other year. Again, it has been very frustrating.

Keenan – I think Loizzi was going to address that at the next meeting (March 11th). The Board was going to talk about this in executive session then. Four people wanted to go further and Loizzi was going to address that at the March meeting. **Carlson** – Wasn't aware of that.

Keenan – Mike Loizzi wrote a letter to Jerry (Chapman)

Rowden – Wanted to say that it is upsetting that we are back to this place. She does think that there needs to be a procedure for Board members to ask for information. Rowden personally has no problem going through the Superintendent when she has a question. She has had this stance all along. If she asks a question, Rowden wants the rest of the Board to know about it and if she gets an answer, she wants them to know about it. But not everybody does things that way. So we do need to have a conversation about whether a majority agrees to do it that way or not. But the fact that Millar asked a question that he is not getting the information that he thinks he should get, she thinks that is wrong. But at the same time, she wasn't aware that Millar asked a question.

Keenan – It went through Dan Lukich (superintendent).

Rowden – What she is saying is – send it (the request) to the Superintendent but copy everybody, let everyone know, and then the Board is not violating the Open Meetings Act. Then when information goes out, it should go to all of us. But it is unfortunate that there is this perception of a lack of transparency and a lack of Board members being able to get information. What is valuable to her is that somebody who is more knowledgeable about a certain area asks a good question that she might not have thought of. It is valuable to her because then she has more information to make a legitimate decision - particularly when it comes to financial matters. Rowden has often learned from other Board members things that she would not have otherwise known. We need to solve this problem.

Chapman – Agrees thinks that people are entitled to information. Has no objection to that and thinks that we do need to know what is being requested and if something is not being responded to.

Lukich - He would like to clear up one thing. There has been no information provided to any one Board member that has not been provided to all Board members. He will take anyone on to task for that. That is not the truth since he has been here. **Millar** – There was, at our last meeting. We discussed it then and agreed to not have it happen again as he recalls. **Lukich** – Remind us in public. **Millar** – It was a closed session item. **Chapman** – There was a proposal to reach a settlement. It came to me. **Lukich** – Oh, I am not aware of that. Excuse me (to Millar). **Chapman** – It came on Friday but it did go to the rest of the Board the same day. **Millar** – It was a different issue.

Quinn – There are a number of issues that we really need to come to some kind of understanding as a Board as to how we operate. That includes the (Board) President and Superintendent because we are a team. We need to have all information shared with all Board members and not have people exerting their authority to access or deny information because it undermines the Board operation and we cannot do our jobs. **Lukich** – Stated that there is absolutely no reason for any denial of any information that he could ever think of. When a Board member requests it (information), every Board member knows that that request has been made. When that information has been provided to that Board member, every other Board member gets it at the same time. There is no single Board member who is their own committee. **Chapman** – With that, can we have a motion to adjourn?

Adjournment - Approximately 10:38 p.m. The Board did not go into an Executive Session.