BOARD OF EDUCATION
Portland Public Schools
REGULAR MEETING
January 27, 2014

Board Auditorium
Blanchard Education Service Center
501 N. Dixon Street
Portland, Oregon 97227

Note: *Those wishing to speak before the School Board should sign the public comment sheet prior to the start of the meeting. No additional speakers will be accepted after the sign-in sheet is removed, but testifiers are welcome to sign up for the next meeting. While the School Board wants to hear from the public, comments must be limited to three minutes. All those testifying must abide by the Board's Rules of Conduct for Board meetings.*

Public comment related to an action item on the agenda will be heard immediately following staff presentation on that issue. Public comment on all other matters will be heard during the "Public Comment" time.

This meeting may be taped and televised by the media.

AGENDA

1.	**STUDENT TESTIMONY**	6:00 pm
2.	**STUDENT REPRESENTATIVE REPORT**	6:15 pm
3.	**PUBLIC COMMENT**	6:30 pm
4.	**2013-2014 BUDGET AMENDMENT** *(action item)*	6:50 pm
5.	**DUAL LANGUAGE IMMERSION** *(action item)*	7:30 pm
6.	**BENSON ENROLLMENT ADJUSTMENTS** *(action item)*	8:00 pm
7.	**LINCOLN ENROLLMENT RELIEF** *(action item)*	8:30 pm
8.	**BOARD LEADERSHIP VOTE**	8:45 pm
9.	**ADJOURN**	9:00 pm

Portland Public Schools Nondiscrimination Statement

Portland Public Schools recognizes the diversity and worth of all individuals and groups and their roles in society. The District is committed to equal opportunity and nondiscrimination based on race; national or ethnic origin; color; sex; religion; age; sexual orientation; gender expression or identity; pregnancy; marital status; familial status; economic status or source of income; mental or physical disability or perceived disability; or military service.

Board of Education

Superintendent's Recommendation to the Board

Board Meeting Date: January 27, 2014 **Executive Committee Lead**: Neil Sullivan, CFO

Department: Budget **Presenter/Staff Lead**: David Wynde, Deputy CFO & Budget Director

Agenda Action: X Resolution _____Policy

SUBJECT: Amendment #1 to 2013/14 Budget

BRIEF SUMMARY AND RECOMMENDATION

Staff recommends that the Board amend the 2013/14 budget as summarized in the attached resolution.

PPS General Fund Budget 2013/14: Amendment #1			
($ millions)			
Resources		Requirements	
Revised Beginning Fund Balance	$ 16.3	Lower Average Salaries/Benefits	$ (3.9)
Higher Local Revenue	$ 5.2	Reduced Estimate of PERS Costs	$ (2.6)
Eliminate Transfer from PERS Reserve Fund	$ (1.9)	Budget Additions (October)	$ 6.6
		Budget Additions (January)	$ 2.0
		Transfer to IT Capital for Teacher Tech. Bundles	$ 3.5
		Change in Expenditures/Transfers	$ 5.6
		Increase Contingency	$ 14.0
Total Change in Resources	$ 19.6	Total Change in Requirements	$ 19.6

This amendment increases the total general fund budget by $19.6 million to $507.2 million.

On the resources side, the larger beginning fund balance and the higher local revenue are partially offset by the elimination of the transfer into the general fund from the PERS reserve stabilization fund.

On the requirements side, the savings from lower than forecast average salaries (and related benefits) and the trueing up of the PERS costs are more than offset by the additional expenditures that the superintendent outlined and implemented in October and those proposed now in this amendment. In addition, there is the cost of the teacher tech. bundles that is funded via a transfer from the general fund into the appropriate IT capital fund. Finally, the balancing item is the increase in contingency.

BACKGROUND

On June 17, 2013, the Board approved Resolution No. 4775 and thus adopted an annual budget for the Fiscal Year 2013/14 as required under Local Budget Law.

Reviewed and Approved by Superintendent

School districts are allowed, and sometimes required, by law (ORS 294.480) to amend the budget during the fiscal year. The District has experienced changes in its financial position and outlook that require updating the budget to better reflect the current status.

Each fall the Budget Department, in cooperation with schools and central departments, conducts a reconciliation process whereby the current budget is reviewed and compared to the actual activities the district is engaged in and prepares an amended budget accordingly. In addition, as part of that process, all funds are reviewed and beginning fund balances are updated to match prior year ending fund balances as reflected in the audited amounts presented in the District's Comprehensive Annual Financial Report (CAFR).

In the General Fund, the resource side of the ledger is adjusted to account for the higher-than-forecast beginning fund balance, increased local option revenues and the elimination of a budget transfer from the PERS reserve fund. On the requirements side, the numbers are adjusted to reflect lower average salaries, the true (reduced) impact of the PERS rate changes, a number of additional expenditures and adjustments (most of which were previewed by the superintendent in October) and the transfer of $3.5 million to fund the completion of the investment in teacher technology across all classrooms. These changes are described in more detail below in the Budget/Resource Implications section.

RELATED POLICIES / BOARD GOALS AND PRIORITIES

An amended budget is necessary to ensure effective financial management of the District's programs and priorities and to remain in compliance with State statute. Specifically, the District is required to ensure legal appropriation of expenditures by program area as defined in the State Chart of Accounts.

PROCESS / COMMUNITY ENGAGEMENT

A Staff Report to the Board, regarding this proposed Amendment, was presented at the January 21, 2014 Board meeting.

As required by state law, because the level of expenditures in some funds is changing by more than 10%, there will be a public hearing (scheduled on January 27, 2014) before the Board takes formal action on this amendment.

ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN

The 2013/14 budget was developed in alignment with the Racial Educational Equity Policy, which included increasing the percentage of school staffing allocated via an equity ratio (and included race as an explicit variable in that allocation formula for the first time). This amendment sustains that alignment.

BUDGET / RESOURCE IMPLICATIONS

A budget is developed on the basis of the best intelligence and estimates about balances, revenues, and expenditures available at the time. This amendment is essentially our "trueing up", or our update of these estimates for resources and requirements in light of more up-to-date information.

General Fund (Fund 101):

The following changes for the General Fund are reflected in the amendment and the revised appropriation levels.

The proposed amendment results in a net increase of $19.6 million in Total Resources and Total Requirements in the General Fund for 2013/14.

Total Resources:

Beginning Fund Balance is increased by $16.3 million to match the ending fund balance for 2012/13 as reported in the Comprehensive Annual Financial Report (CAFR). As previously reported, there were a number of factors that contributed to this higher than forecast balance, which became apparent in the fall during the audit of 2012/13 financial statements, including:

- Revenue received from the local option levy was about $1 million higher than estimated. Until last year PPS had experienced increasing levels of compression because of declining market values for real property. This trend appears to have bottomed out in 2012/13.
- eRate reimbursement from the federal government was $1.2 million more than budgeted. PPS is able to submit claims under two programs for eRate reimbursement: one of which is relatively predictable and consistent, and one of which (related to capital expenditures) is not. As a consequence we do not budget for claims under the unpredictable program. In 2012/13 PPS received these funds.
- PERS expenses were $1.5 million lower than estimated because of the mix of employees between Tier 1/2 and OPSRP (which is less expensive) moved more rapidly in favor of OPSRP than expected at the time of the budget estimates.
- Utility savings, mostly from the boiler/burner upgrades, were higher than expected by $1.4 million.

These factors account for about $5 million of the ending fund balance variance. The remainder is attributable to vacant central office positions and part of it is explained by cost control where departments realized savings within their allocated budgets. Given that PPS has been faced with budget deficits almost every year since the passage of Measure 5, department managers have worked to exercise economy in the spending of funds allocated in the budget. $11 million represented about 2.5% of expenditures in the 2012/13 budget.

The amount of revenue expected from the local option levy and other local sources is increased by $5.2 million. As mentioned above, real estate values are improving, which results in less compression on the local option levy. Based upon tax information from Multnomah County in October the revenue estimate for 2013/14 is increased.

The final adjustment on the resource side is the elimination of a transfer of $1.9 million to the General Fund from the PERS Rate Stabilization Reserve Fund (Fund 225). Given the favorable variance in PERS expenses in 2012/13, the overall strong fund balance in the general fund and the changes in PERS made by the legislature, which push increases in PERS rates out into subsequent biennia, it makes sense to conserve this reserve account until 2015/17 when PERS rates are next revised.

Total Requirements:

There are two factors that have impact across many departments and reduce requirements for 2013/14.

PERS expenses in the proposed, approved and adopted budgets for 2013/14 included estimates for the positive impact of changes by the state legislature that partially offset the increase in rates announced by PERS for 2013/15. As indicated by staff at the time, these estimates were, by necessity, relatively crude. We received the revised rates from PERS over the summer and these were confirmed after the special session of the legislature in the fall so we can estimate that our general fund PERS expenditures for 2013/14 will be $2.6 million less than budgeted. This reduction will reduce all budgets that include personnel costs.

As part of the fall balancing process, once school staffing is complete, staff reviews actual salaries and compares the average and total costs to budgeted amounts. This is another place where we appear to have hit an inflection point. As we increase the number of positions in schools the impact of the relative cost of newly hired staff compared to those retiring and leaving has greater impact on the average cost. In 2013/14 the average cost is lower than the prior year. This year the actual costs are estimated to be $3.9 million less than budgeted. This does not reflect any reduction in the number of positions but is a recognition that, upon review by budget staff in November/December, the actual costs of staff in positions is lower.

Normally the “fall balancing” budget amendment is not considered by the board until December or January. This year, the superintendent acted earlier in order to have an immediate impact on schools and the 2013/14 school year. In early October, after the higher-than-expected ending / beginning fund balance position became evident, the Superintendent announced a number of budget steps that amounted about $6.55 million of added expenditures for 2013/14. These included:

- 30 teacher-equivalent FTE for school staffing to address specific instances of higher-than-forecast enrollment in schools. Usually during budget development and as part of school staffing there is an FTE allocation that is “set aside” to allow for responses to unforeseen needs in the summer and early fall as school enrollments become clearer. In between approval and adoption of the 2013/14 budget the Board directed the superintendent to push the set aside staffing out into schools immediately to improve staffing in high schools. The understanding was that fall staffing adjustments would have to be reviewed in the fall, in light of resources available at that time. This addition means that we did not have to transfer staffing out of schools which were seeing lower-than-forecast enrollment. ($3,000,000)
- Additional funds for athletics, which included the addition of part-time trainers at high schools, payment for coaches of third-tier teams, added funds for transportation and a beginning investment in sports at middle grades. ($900,000)
- Matching funds for a state grant to increase PE Teacher staffing in ten Title I schools ($250,000)
- Expanded funding for career coordinators in high schools to cover a full-time position in each school ($250,000)
- Additional funds to match a teacher mentor grant that was renewed by the Oregon Department of Education ($200,000)
- Adding a 0.5 FTE classified position at each of 68 schools (all K-5, K-8 and middle schools) ($1,700,000)

- Establishing a fund to pay for support for grading of essential skills work samples and other activities to ensure students are able to graduate on-time ($150,000)
- 1.0 FTE for an Arts TOSA to provide support to teachers, in part in response to the additional staffing created by the City Arts income tax ($100,000)

There are about $2 million of additional changes to budgeted expenditures that are required in light of additional events subsequent to the adoption of the budget. These include:

- Additional school staffing in the second semester in the Wilson cluster in response to additional students from the Stephen's Creek Crossing housing development ($600,000)
- Restoring the Ombudsman position to improve responsiveness to parent and community concerns ($100,000)
- Funding for Restorative Justice programs to respond proactively to student discipline issues ($400,000)
- Support for high school acceleration strategies at Madison, Franklin and Roosevelt High Schools ($50,000)
- Additional funding in IT for higher-than-forecast maintenance contract costs ($100,000)
- Added positions in central departments (Office of Schools, Research & Evaluation, and a paralegal in Legal) to increase capacity and responsiveness ($300,000)
- The remaining funds are to address technical corrections and rebalancing adjustments.

Attachment A to the resolution identifies the changes to appropriation levels represented by these adjustments. In addition there are two other attachments: #2 shows more detail by program of the changes between adopted budget and this amendment. For reference it also includes 2007/08 and 2012/13 actuals; #3 shows the number of FTE positions by the same program categories comparing adopted and amended 2013/14 budgets.

89 FTE positions were added to staffing in schools and school and student supports. The distribution of positions between Instruction and Instructional Support is always adjusted in this budget amendment because Instructional Support includes librarians, school counselors and other school-based staff. At the time of the adopted budget when many staffing decisions at schools have not been made, the default allocation in the budget is for positions to be allocated to Instruction. As these decisions are made, there is some transfer of positions into school support roles.

In terms of formal appropriation categories, the addition of almost 45 FTE in Instruction is more than offset by the reduction in average salaries and the lower than forecast PERS rate, with the net result that the total appropriation is reduced by $2.15 million to $276.8 million.

There are three major areas of Support Services: Instructional, General Admin., and Central Activities. The majority of the increase in Support Services ($3.3 million out of $4.1 million) is in Instructional. More than 44 FTE are added here and this more than offsets the reduction of average salary and PERS costs. Support Services is increased by $4.1 million to $186 million.

<u>Debt Service & Transfers:</u>

This appropriation is increased by just over $3.5 million. There are two pieces to this. $3.5 million is a one-time transfer to the IT Systems Project Fund to finance the cost of completing the teacher tech bundles program, whereby all PPS classrooms are equipped with enhanced teacher technology that includes a laptop, data projector, document camera, speakers, cable locks, and a

cart.

The additional $14,958 is an additional debt service transfer to the Full Faith and Credit Debt Service Fund (Fund 320) where we pay off the recovery zone bonds. This adjustment is required because the federal government's sequestration cuts reduced the federal interest subsidy that we receive.

Contingency:

Contingency is increased by $14 million to $34.2 million, which is 7.4% of total expenditures. Total expenditures and transfers of $472.9 million exceed total revenue by $3.2 million.

All Other Funds:

There are actions in a number of the other funds – most of which are to reflect the actual beginning fund balances following completion of the audit of 2012/13 financial statements. Expenditures in eight funds (299 Dedicated Resource Fund, 404 Construction Excise Fund, 405 School Modernization Fund, 407 IT System Project Fund, 420 Full Faith and Credit Fund, 435 Energy Efficient Schools Fund, 438 Facilities Capital Fund and 445 Capital Asset Renewal Fund) will be changed by more than 10% under this amendment. Local budget law requires a public hearing on these changes. A public hearing is scheduled for January 27 prior to Board action.

Student Body Activity Fund (201), Dedicated Resource Fund (299)

- In these funds the beginning fund balances are changed to reflect the ending fund balance in the 2012/13 CAFR and the beginning fund balance for 2013/14 is similarly changed.

Cafeteria Fund (202)

- Increase Beginning Fund Balance by $0.9 million to match the CAFR and adjust other anticipated revenue sources.
- Balance the fund by increasing requirements, primarily Food Preparation & Service.

PERS Rate Stabilization Reserve Fund (225)

- Increase Beginning Fund Balance by $1.9 million to match the CAFR and reduce requirements to eliminate the transfer of $1.9 million to the General Fund in the current year.

PERS UAL Debt Service Fund (308)

- A nominal adjustment to beginning fund balance, balanced by a reduction in funds to be transferred in.

Construction Excise Tax (404)

- An adjustment to the beginning fund balance to reflect the CAFR and an increase in forecast revenues to reflect better experience in the past two years.

School Modernization Fund (405), Full Faith and Credit Fund (420), Energy Efficient Schools Fund (435), Facilities Capital Project Fund (438), Capital Asset Renewal Fund (445), GO Bond Fund (450)

- In all of these funds the beginning fund balances are changed to reflect the ending fund balance in the 2012/13 CAFR and the appropriation for expenditures for Facilities Acquisition & Construction for 2013/14 are similarly changed. These changes primarily reflect timing of capital projects work.

- In Fund 435 there is also a revision to reflect two additional solar grants.

IT System Project Fund (407)

- Increase Beginning Fund Balance to match the CAFR.
- Revised forecast eRate revenue.
- Add transfer from General Fund.
- Increase appropriation for expenditures under Support Services reflecting work completed to date, timing of current projects in progress, purchase of teacher technology bundles, and increase Contingency to balance the fund.

Self Insurance Fund (601)

- Reduce beginning fund balance to reflect CAFR and adjust appropriations for expenditures to reflect current forecast activity, and increase contingency to balance fund.

NEXT STEPS / TIMELINE / COMMUNICATION PLAN

PPS has published the required notice of the public hearing that will take place on January 27, 2014. The Board is scheduled to take action on a resolution (attached) to approve this budget amendment on that same date.

The budget amendment will be published on the PPS website.

ATTACHMENTS

1. Board resolution: Amendment No. 1 to the 2013/14 Budget for School District No. 1J, Multnomah County, Oregon
2. PPS General Fund Budget by Summary Program Code
3. FTE Changes in Amendment #1

RESOLUTION No. XXXX

Amendment No. 1 to the 2013/14 Budget for School District No. 1J,
Multnomah County, Oregon

RECITALS

A. On June 17, 2013 the Board, by way of Resolution No. 4775, voted to adopt an annual budget for the Fiscal Year 2013/14 as required under Local Budget Law.

B. Board Policy 8.10.030-AD, "Budget Reallocations – Post Budget Adoption," establishes the guidelines to ensure consistent and detailed communication on fiscal issues between the Superintendent and the Board of Education ("Board").

C. Oregon Local Budget Law, ORS 294.471, allows budget changes after adoption under prescribed guidelines.

D. This Amendment No. 1 will revise the FY 2013/14 Adopted Budget under ORS 294.471 guidelines, which states the budget may be amended at a regular meeting of the governing body.

E. Amendment No. 1 adjusts Beginning Fund Balances to match the FY 2012/13 actual Ending Fund Balances as reflected in the Comprehensive Annual Financial Report (CAFR) for that fiscal year, adjusts program allocations for funds to more accurately reflect intended expenditures, and rebalances all funds as needed.

F. Expenditures in eight funds (299 Dedicated Resource Fund, 404 Construction Excise Fund, 405 School Modernization Fund, 407 IT System Project Fund, 420 Full Faith and Credit Fund, 435 Energy Efficient Schools Fund, 438 Facilities Capital Fund and 445 Capital Asset Renewal Fund) will be changed by more than 10% under this amendment. Local budget law requires a public hearing on these changes. A public hearing occurred prior to Board action.

RESOLUTION

1. Having held a public hearing on this amendment as required under local budget law, the Board hereby amends budgeted revenues and expenditure appropriation levels as summarized by Fund and Appropriation Level in Attachment A for the fiscal year beginning July 1, 2013.

D. Wynde / N. Sullivan

PPS General Fund Budget by Summary Program Code

General Fund	Actual 2007/08	Percent of Total	Actual 2012/13	Percent of Total	Adopted 2013/14	Percent of Total	Budget Amend #1 2013/14	Percent of Total	6 yr. Change
Elementary School Instruction	$ 86,474,559	17.9%	$ 92,265,808	19.7%	$ 101,790,072	20.9%	$ 101,068,745	19.9%	
Middle School Instruction	$ 35,476,458	7.3%	$ 40,605,706	8.7%	$ 44,701,013	9.2%	$ 44,573,411	8.8%	
High School Instruction	$ 55,901,426	11.6%	$ 46,069,550	9.8%	$ 54,277,544	11.1%	$ 53,974,514	10.6%	
Pre-Kindergarten Instruction	$ 319,634	0.1%	$ 25,375	0.0%	$ -	0.0%	$ -	0.0%	
Instruction - Regular	$ 178,172,078	36.9%	$ 178,966,439	38.2%	$ 200,768,629	41.2%	$ 199,616,670	39.4%	12.0%
Special Programs - TAG	$ 547,527	0.1%	$ 191,351	0.0%	$ 274,932	0.1%	$ 272,811	0.1%	
Restrictive Program Instruction	$ 20,829,386	4.3%	$ 18,718,104	4.0%	$ 19,443,438	4.0%	$ 19,900,132	3.9%	
Less Restrictive Program Instruction	$ 17,842,997	3.7%	$ 18,680,564	4.0%	$ 19,582,511	4.0%	$ 19,031,048	3.8%	
Early Intervention Instruction	$ 944,503	0.2%	$ 1,065,931	0.2%	$ 1,296,570	0.3%	$ 987,892	0.2%	
Alternative Education	$ 16,937,381	3.5%	$ 21,893,572	4.7%	$ 23,400,228	4.8%	$ 23,405,452	4.6%	
Designated Programs	$ 12,387,556	2.6%	$ 11,229,824	2.4%	$ 13,761,368	2.8%	$ 13,165,027	2.6%	
Summer School Programs	$ -	0.0%	$ 26,152	0.0%	$ 435,063	0.1%	$ 431,590	0.1%	
Instruction - Special Programs	$ 69,489,350	14.4%	$ 71,805,498	15.3%	$ 78,194,110	16.0%	$ 77,193,952	15.2%	11.1%
Instruction Subtotal	**$ 247,661,428**	**51.3%**	**$ 250,771,937**	**53.5%**	**$ 278,962,739**	**57.2%**	**$ 276,810,622**	**54.6%**	11.8%
Instructional Support - Students	$ 30,419,503	6.3%	$ 35,066,102	7.5%	$ 36,985,121	7.6%	$ 38,507,924	7.6%	
Instructional Support - Staff	$ 9,198,915	1.9%	$ 14,551,297	3.1%	$ 15,478,445	3.2%	$ 17,270,574	3.4%	
Support Services - Instructional	$ 39,618,418	8.2%	$ 49,617,399	10.6%	$ 52,463,566	10.8%	$ 55,778,498	11.0%	40.8%
Executive Administration	$ 12,209,817	2.5%	$ 4,772,314	1.0%	$ 5,838,384	1.2%	$ 5,471,246	1.1%	
School Administration	$ 30,359,168	6.3%	$ 29,103,012	6.2%	$ 31,172,526	6.4%	$ 31,865,974	6.3%	
Business Services	$ 12,366,023	2.6%	$ 7,134,813	1.5%	$ 8,705,330	1.8%	$ 8,828,940	1.7%	
Operations & Maintenance of Plant	$ 41,873,978	8.7%	$ 40,221,256	8.6%	$ 43,831,631	9.0%	$ 43,805,899	8.6%	
Student Transportation	$ 16,424,565	3.4%	$ 17,925,928	3.8%	$ 19,137,164	3.9%	$ 19,105,442	3.8%	
Internal Services	$ 2,812,335	0.6%	$ 2,801,475	0.6%	$ 2,921,880	0.6%	$ 2,907,257	0.6%	
Support Services - General Admin	$ 116,045,885	24.0%	$ 101,958,798	21.7%	$ 111,606,915	22.9%	$ 111,984,758	22.1%	-3.5%
Planning, Research, Development	$ 1,769,639	0.4%	$ 1,439,211	0.3%	$ 1,674,685	0.3%	$ 1,819,020	0.4%	
Information Services	$ 1,478,892	0.3%	$ 1,472,107	0.3%	$ 1,464,493	0.3%	$ 1,715,688	0.3%	
Staff Services	$ 3,791,126	0.8%	$ 3,722,430	0.8%	$ 3,904,338	0.8%	$ 3,879,184	0.8%	
Technology Services	$ 11,531,870	2.4%	$ 10,070,459	2.1%	$ 10,752,919	2.2%	$ 10,812,950	2.1%	
Support Services - Central Activities	$ 18,571,526	3.8%	$ 16,704,207	3.6%	$ 17,796,435	3.7%	$ 18,226,842	3.6%	-1.9%
Support Services - Subtotal	**$ 174,235,829**	**36.1%**	**$ 168,280,404**	**35.9%**	**$ 181,866,916**	**37.3%**	**$ 185,990,098**	**36.7%**	6.7%
Enterprise and Community Services	$ -	0.0%	$ 1,499,252	0.3%	$ 1,640,220	0.3%	$ 1,699,784	0.3%	
Facilities Acquisition & Construction	$ 2,990,555	0.6%	$ 192,969	0.0%	$ -	0.0%	$ -	0.0%	
Debt Service	$ 945,052	0.2%	$ -	0.0%	$ -	0.0%	$ -	0.0%	
Transfers Out	$ 7,641,261	1.6%	$ 10,611,189	2.3%	$ 4,906,785	1.0%	$ 8,421,744	1.7%	
Contingency	$ -	0.0%	$ -	0.0%	$ 20,184,089	4.1%	$ 34,233,376	6.8%	
Ending Fund Balance	$ 49,385,070	10.2%	$ 37,457,015	8.0%	$ -	0.0%	$ -	0.0%	
Total Requirements by Program	**$ 482,859,194**	**100.0%**	**$ 468,812,766**	**100.0%**	**$ 487,560,749**	**100.0%**	**$ 507,155,624**	**100.0%**	5.0%

Note: Program categories determined and defined by Oregon Department of Education

PPS General Fund 2013-14 Budget
FTE Changes in Amendment #1

General Fund	2013/14 Adopted	2013/14 Budget Amend #1	FTE Change	% Change
Elementary School Instruction	956.96	986.53	29.57	3.1%
Middle School Instruction	417.85	432.64	14.79	3.5%
High School Instruction	468.93	472.15	3.22	0.7%
Pre-Kindergarten Instruction	0.00	0.00	0.00	0.0%
Instruction - Regular	1,843.74	1,891.32	47.58	2.6%
Special Programs - TAG	0.00	0.00	0.00	0.0%
Restrictive Program Instruction	296.02	313.29	17.27	5.8%
Less Restrictive Program Instruction	238.51	223.00	(15.51)	-6.5%
Early Intervention Instruction	12.00	9.00	(3.00)	-25.0%
Alternative Education	10.75	11.37	0.62	5.8%
Designated Programs	151.83	149.84	(1.99)	-1.3%
Summer School Programs	0.00	0.00	0.00	0.0%
Instruction - Special Programs	709.11	706.50	(2.61)	-0.4%
Instruction Subtotal	2,552.85	2,597.82	44.97	1.8%
Instructional Support - Students	330.67	355.60	24.93	7.5%
Instructional Support - Staff	128.32	147.87	19.55	15.2%
Support Services - Instructional	458.99	503.47	44.48	9.7%
Executive Administration	31.68	28.00	(3.68)	-11.6%
School Administration	325.82	333.42	7.60	2.3%
Business Services	56.67	55.79	(0.88)	-1.6%
Operations & Maintenance of Plant	419.58	421.58	2.00	0.5%
Student Transportation	92.20	92.30	0.10	0.1%
Internal Services	19.00	19.00	0.00	0.0%
Support Services - General Admin	944.95	950.09	5.14	0.5%
Planning, Research, Development	11.55	12.63	1.08	9.4%
Information Services	14.00	16.00	2.00	14.3%
Staff Services	36.25	37.25	1.00	2.8%
Technology Services	65.30	65.50	0.20	0.3%
Support Services - Central Activities	127.10	131.38	4.28	3.4%
Support Services - Subtotal	1,531.04	1,584.94	53.90	3.5%
Enterprise and Community Services	6.00	7.31	1.31	21.8%
Facilities Acquisition & Construction	0.00	0.00	0.00	0.0%
Debt Service	0.00	0.00	0.00	0.0%
Transfers Out	0.00	0.00	0.00	0.0%
Contingency	0.00	0.00	0.00	0.0%
Ending Fund Balance	0.00	0.00	0.00	0.0%
Total Requirements by Program	4,089.89	4,190.07	100.18	2.4%

DRAFT

Recommendation to the Superintendent & Chief Academic Officer

MEMORANDUM

Date: January 16th, 2014

To: Carole Smith, Superintendent
Sue Ann Higgens, Chief Academic Officer

From: Judy Brennan, Enrollment Director
Trip Goodall, Director of High Schools
Jon Isaacs, Senior Policy Adviser to the Superintendent

Subject: 2014 – 2015 Benson Enrollment Adjustment Recommendations

---

Introduction & Key Background Information

This memo outlines recommended adjustments to the enrollment policy and lottery for admission to Benson Polytechnic High School for the 2014 enrollment and transfer process.

Currently, Benson enrollment is capped at a maximum of 850 for a single academic year. In the September 2010 Revised Superintendent's High School System Design Revised Action Plan Benson High School was projected to remain at an enrollment of 850 through 2014 [page 30]. This cap was put in place as a main strategy to achieve one of the primary goals of high school system re-design to *"bolster the enrollment stability and program offerings at every community school, providing a greater degree of flexibility and resilience in the face of expected declines in enrollment (based on current demographic projections) and likely budget reductions over the next four to 10 years (based on current budget assumptions and state revenue projections)."*[page 7]. It was identified that Benson was drawing students primarily from a few high school clusters, contributing to consistent enrollment instability in those schools. For the most part, this strategy has worked. Benson enrollment has held steady just above or below 850, while enrollment at Roosevelt, Madison and Jefferson has continued to steadily rise consistent with projections in the report.

However, the revised action plan laid the ground work for potential revision and adjustment to the Benson enrollment cap and projection of a maximum of 850 in the following three areas:

1. The percentage of total enrollment in focus option high schools was projected to be 12% in 2014 [page 30]. Currently, 10% of total enrollment in focus option schools leaving

room for growth in both Benson and Jefferson that would remain consistent with the revised action plan.

2. The report says, *"it is anticipated that focus schools, particularly Benson High School, would attract students from across the district in more balanced proportions than they do currently"* [page 10]. This has not been achieved. Even with the cap and steady growth at Roosevelt, Madison and Jefferson high schools, Benson continues to draw 68% of its students from those three clusters. Adjustments are clearly necessary to achieve this regional balance (see attachment 1).

3. The revised action plan states that *"we would work with the Benson Site Council and others to develop recommendations for the specific pathways that would be offered at Benson in 2011-12 and over the long term, and Benson's optimal size within the projected enrollment range, so that it can support its CTE focus*"[page 10]. Further, it states that "*a PPS staff team would develop recommendations about recommended school size and pathways, based on this input, prior to the beginning of the 2011-12 enrollment and transfer cycle*" [page 24]. While we have not worked with the Benson Site Council to develop the optimal size recommendation, in several discussions with them, including one as recent at January 15th, it was clear that they do not consider 850 optimal to support Benson's CTE focus as evidenced by the enrollment drop from 889 to 821 in 2013-2014. While strong work was completed to develop the CTE program pathways, a recommended school size has not been developed.

Today, our recommendations are being made in alignment with these three objectives of high school system design:

- Grow focus option enrollment to 12% of total high school enrollment
- Bring regional balance to the clusters Benson's enrollment draws from
- Lay the foundation for sustainably growing Benson to an optimal size in future years.

Recommendation #1 – Increase Freshman & Sophomore Admission Slots

Our first recommendation is to get Benson to a strong base enrollment of at least 850. As stated, Benson's enrollment fell to 821 this year. We recommend boosting 9th and 10th grade enrollment by adding 40 more slots between the two grades. We recommend increasing ninth grade slots from 250 to 275 with an increase in the waiting list from 50 to 100. We also recommend increasing tenth grade slots from 10 to 25 with an increase in the waiting list from 20 to 30.

Recommendation #2 – Pilot a One Year Regional Balancing Tool for the Benson Admission Lottery.

Even with the enrollment cap, Benson continues to draw over two thirds of its enrollment from the Roosevelt, Madison and Jefferson clusters. So while the cap has succeeded in limiting the number of students who choose to attend Benson instead of their community high school in those three clusters, it has proven to be a crude, imperfect tool that has failed to bring proportional regional balance to Benson's student body. The Office of Enrollment & Transfer has developed a method for conducting the Benson lottery that will produce more regionally balanced results. The regional balancing tool allocates slots more equally across students from different high school boundaries than a standard lottery. Enrollment and transfer re-ran the 2012 and 2013 lotteries using the regional balancing tool and those models consistently showed that Benson's current enrollment would be more regionally dispersed (attachment #2).

Specifically, it showed that fewer students would have been drawn from the Roosevelt, Madison and Jefferson clusters, while more students would have been drawn from the rest of the clusters.

We recommend that the board adopt the use of this regional balancing tool as a one year pilot with the intention of making this change to the Benson lottery permanent in future years. If the regional balancing tool proves to work the same way it did in the models, it could lay the ground work for increasing Benson's overall enrollment further in future years. It would allow Benson's enrollment to grow without disrupting the steady enrollment growth that high school system design has produced.

Recommendation #3: Allow increased individual student referrals and improved retention strategies to increase Benson's enrollment above 850.

We recommend that PPS work to increase Benson enrollment by granting more upper grades students admission to Benson when it has been identified through individual referral process as a better educational option for them. We believe that increased outreach to high school counselors and teachers will identify more students who will have a better opportunity to succeed academically if they are encouraged and allowed to attend Benson's unique educational experience. We will also work with Benson to develop more aggressive strategies to retain students instead of allowing students to return to their community high school. In the past, PPS has allowed Benson's enrollment to grow above the 850 cap when year-to-year retention has come in above projections. We recommend that we continue and strengthen this practice.

We recommend that Benson enrollment be allowed to exceed 850 in 2013 – 2014 if these efforts are successful with a maximum enrollment of 1,000. While we don't expect enrollment to reach 1,000 this would still leave focus option enrollment below the target 12% of all high school students set in high school system redesign. Freshman and Sophomore lottery slots will still be capped at the recommended levels.

Conclusion

We know that Benson's unique CTE focused educational experience is successful (81% graduation rate) and in high demand. The Benson enrollment cap has helped achieve several goals of high school system design, including bringing academic stability to Benson. The district is currently updating plans to improve and increase access to CTE/cte educational opportunities for PPS students with the vision of building the strongest career education programs in the region. Continuing to support and build a strong Benson Polytechnic High School, combined with improved unique CTE offerings at community high schools, is identified as the essential factor in all of these plans. We believe these recommendations, once fully implemented, will allow for future Benson enrollment growth without undermining the improving health of the overall high school system. And it will affirm that Benson Polytechnic is essential to the future success of Portland Public Schools and the students we serve.

Attachments: Benson enrollment by comprehensive school
Regional balancer modeling results

Board of Education

Superintendent's Recommendation to the Board

Board Meeting Date: January 27, 2014 **Executive Committee Lead**: Sue Ann Higgens

Department: Office of Schools **Presenter/Staff Lead**: Trip Goodall/Judy Brennan

Agenda Action: __X__Resolution _____Policy

SUBJECT: Temporary Relief Measure for Lincoln High School

BRIEF SUMMARY AND RECOMMENDATION

Lincoln High School is facing serious overcrowding next year. Long-term enrollment change will be considered as part of the upcoming district-wide boundary review process, however results from that work will not take effect until the 2015-16 school year. In the meantime, staff recommends that all Lincoln neighborhood students have the option to transfer to Wilson High School or any other school open in the lottery as a voluntary measure to prevent further crowding.

Any student who lives in the Lincoln neighborhood and will be in grades 9-12 next year will be eligible for the transfer guarantee. Interested students must apply during the annual lottery timeframe.

Staff anticipates that 30-50 students may take advantage of the new opportunity. Benson, Jefferson, Madison, Roosevelt and Wilson offer strong focus option and comprehensive programs in less crowded settings. Roosevelt and Wilson are both adjacent to the Lincoln boundary and are as close as Lincoln for many neighborhood households. There is sufficient space for even more students at these school, should the transfer guarantee prove to be more popular than expected.

If a lower number of students choose transfer than anticipated, additional options for enrollment relief may be considered in the spring.

BACKGROUND

Enrollment at Lincoln has grown steadily since 2008. Transfers have been strictly curtailed into Lincoln, so growth is primarily due to increasing numbers of neighborhood students choosing Lincoln instead of other PPS and private school choices.

Reviewed and Approved by

Superintendent Carole Smith

Table 1: Lincoln High School Historic and Current Enrollment and Neighborhood Population

School Year	Total Enrollment	Neighborhood Students	Transfer Students	All Neighborhood HS Students In PPS Schools	Neighborhood Capture Rate
2008-09	1335	1132	203	1345	84%
2009-10	1395	1164	231	1380	84%
2010-11	1410	1222	188	1426	86%
2011-12	1476	1277	199	1484	86%
2012-13	1513	1332	181	1546	86%
2013-14	1565	1378	187	1579	87%

Lincoln High School has the smallest number of classrooms of all PPS comprehensive high schools. While Lincoln staff and community members work together to serve every child well, the facility is not large enough to accommodate additional students.

Several facility strategies have been implemented in recent years to manage growth. For example, significant portions of the cafeteria and kitchen areas have been converted into classrooms as well as space for the bookkeeper, student store, tutoring and robotics. Lincoln staff and community members have been actively involved in these and other efforts to creatively address overcrowding.

The transfer guarantee proposed into Wilson is an extension of the opportunity that students in the Bridlemile neighborhood have had in place since 2004. Below are the numbers of students who have transferred from Bridlemile neighborhood to Wilson for the past five years. The option must be exercised during the annual lottery, and is available for middle grades students who wish to attend Robert Gray Middle School instead of East/West Sylvan Middle School, as well.

Table 3: Bridlemile Transfer Guarantees

	2009	2010	2011	2012	2013
Lincoln to Wilson	5	11	6	3	13
W. Sylvan to Gray	6	12	13	11	17

RELATED POLICIES / BOARD GOALS AND PRIORITIES

Policy 4.10.051-P, Student Enrollment and Transfers
Board Goal: Enrollment Balancing

PROCESS / COMMUNITY ENGAGEMENT

Lincoln staff and community members have been actively involved in efforts to address overcrowding through facility changes. Information about the proposed transfer guaranteed has been communicated through the school principal.

Should this recommendation be approved, Lincoln neighborhood students will receive information about the guarantee through direct mail and school websites. Wilson staff have committed to hosting additional meetings and shadow dates for interested students. Other schools may follow suit, as well.

Reviewed and Approved by

Superintendent Carole Smith

ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN

Not applicable.
Equity policy implementation plan strategy #17 focuses on underenrolled schools.

An equity analysis will be conducted, as part of any future work that may be needed to reduce enrollment at Lincoln in other ways.

BUDGET / RESOURCE IMPLICATIONS

Voluntary student transfer requires few resources, compared with facility changes. Depending on the number of students who choose to transfer, some FTE will be shifted from Lincoln to other schools. Some of the Lincoln neighborhood receives yellow bus service. Additional transportation may be necessary, depending on the number of students from these areas who choose transfer to other schools.

NEXT STEPS / TIMELINE / COMMUNICATION PLAN

Should this recommendation be approved, Lincoln neighborhood students will receive information about the guarantee through direct mail and school websites. Wilson staff have committed to hosting additional meetings and shadow dates for interested students. Other schools may follow suit, as well.

The transfer option will be available during the lottery application period. Staff will report results in the spring. If the number of requests is low, community involvement will be sought to prioritize additional options to relieve overcrowding in 2014-15, which may include:

- Extending the transfer guarantee option through the end of the school year
- Classroom schedule changes to free up additional space
- Capping neighborhood enrollment at current levels and assigning new neighborhood students to other schools
- Assigning some portion of students who have transferred into Lincoln or who have moved out of the Lincoln neighborhood to their neighborhood school (may not apply to seniors, or students in special education or Spanish Immersion programs).

Long-term enrollment planning for all schools will be undertaken through the district-wide boundary review process. PPS is partnering with the PSU Center for Public Service on the effort, which is in its initial assessment stage. Work will continue through fall 2014, and results are expected to take effect beginning in 2015. Long-term enrollment change options include boundary change, and program moves.

Beyond that horizon, change could come through a complete facility modernization that would increase Lincoln's size to that of other comprehensive high schools. This modernization may be an option in future bond measures that will require voter-approval. Timing for that eventuality is not known at this time. Best effort given discussions that occurred around the 2012 bond would be a second bond measure moving forward in November 2016. If Lincoln were included in that bond and it was approved by voters, construction still remains at least five years away.

ATTACHMENTS

Reviewed and Approved by

Superintendent Carole Smith

BOARD OF EDUCATION
SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON

INDEX TO THE AGENDA

January 27, 2014

Board Action Number		Page
	Other Items Requiring Board Action	
4864	Amendment No. 1 to the 2013-2014 Budget for School District No. 1J, Multnomah County, Oregon	3
4865	RESERVED FOR DUAL LANGUAGE IMMERSION RESOLUTION	13
4866	Modification of Lottery Factors for Admission to Benson High School	14
4867	Temporary Enrollment Relief Measure for Lincoln High School	15
4868	Election of Board Chairperson	16
4869	Election of Board Vice-Chairperson	16

Other Items Requiring Board Action

The Superintendent RECOMMENDS adoption of the following items:

Number 4864 through 4869

RESOLUTION No. 4864

Amendment No. 1 to the 2013/14 Budget for School District No. 1J,
Multnomah County, Oregon

RECITALS

A. On June 17, 2013 the Board, by way of Resolution No. 4775, voted to adopt an annual budget for the Fiscal Year 2013/14 as required under Local Budget Law.

B. Board Policy 8.10.030-AD, "Budget Reallocations – Post Budget Adoption," establishes the guidelines to ensure consistent and detailed communication on fiscal issues between the Superintendent and the Board of Education ("Board").

C. Oregon Local Budget Law, ORS 294.471, allows budget changes after adoption under prescribed guidelines.

D. This Amendment No. 1 will revise the FY 2013/14 Adopted Budget under ORS 294.471 guidelines, which states the budget may be amended at a regular meeting of the governing body.

E. Amendment No. 1 adjusts Beginning Fund Balances to match the FY 2012/13 actual Ending Fund Balances as reflected in the Comprehensive Annual Financial Report (CAFR) for that fiscal year, adjusts program allocations for funds to more accurately reflect intended expenditures, and rebalances all funds as needed.

F. Expenditures in eight funds (299 Dedicated Resource Fund, 404 Construction Excise Fund, 405 School Modernization Fund, 407 IT System Project Fund, 420 Full Faith and Credit Fund, 435 Energy Efficient Schools Fund, 438 Facilities Capital Fund and 445 Capital Asset Renewal Fund) will be changed by more than 10% under this amendment. Local budget law requires a public hearing on these changes. A public hearing occurred prior to Board action.

RESOLUTION

1. Having held a public hearing on this amendment as required under local budget law, the Board hereby amends budgeted revenues and expenditure appropriation levels as summarized by Fund and Appropriation Level in Attachment A for the fiscal year beginning July 1, 2013.

D. Wynde / N. Sullivan

Fund 101 - General Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	21,162,140	16,294,875	37,457,015
Local Sources	263,159,300	5,200,000	268,359,300
Intermediate Sources	12,457,017	-	12,457,017
State Sources	188,782,292	-	188,782,292
Federal Sources	-	-	-
Other Sources	2,000,000	(1,900,000)	100,000
Total	487,560,749	19,594,875	507,155,624
	-		
Requirements			
Instruction	278,962,739	(2,152,117)	276,810,622
Support Services	181,866,916	4,123,182	185,990,098
Enterprise & Community Services	1,640,220	59,564	1,699,784
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	4,906,785	3,514,959	8,421,744
Contingency	20,184,089	14,049,287	34,233,376
Ending Fund Balance	-	-	-
Total	487,560,749	19,594,875	507,155,624

Fund 201 - Student Body Activity Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	3,396,380	343,605	3,739,985
Local Sources	8,818,532	-	8,818,532
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	12,214,912	343,605	12,558,517
Requirements			
Instruction	8,954,082	343,605	9,297,687
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	3,260,830	-	3,260,830
Total	12,214,912	343,605	12,558,517

Fund 202 - Cafeteria Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	3,541,721	974,971	4,516,692
Local Sources	3,663,211	-	3,663,211
Intermediate Sources	-	-	-
State Sources	216,543	107,812	324,355
Federal Sources	13,261,905	(49,637)	13,212,268
Other Sources	-	-	-
Total	20,683,380	1,033,146	21,716,526
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	18,685,858	1,033,146	19,719,004
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	1,997,522	-	1,997,522
Total	20,683,380	1,033,146	21,716,526

Fund 225 - PERS Rate Stabilization Reserve Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	13,574,383	1,901,717	15,476,100
Local Sources	195,200	-	195,200
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	13,769,583	1,901,717	15,671,300
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	1,900,000	(1,900,000)	-
Contingency	-	-	-
Ending Fund Balance	11,869,583	3,801,717	15,671,300
Total	13,769,583	1,901,717	15,671,300

Fund 299 - Dedicated Resource Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	4,511,662	3,087,516	7,599,178
Local Sources	13,383,300	-	13,383,300
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	95,000	-	95,000
Other Sources	-	-	-
Total	17,989,962	3,087,516	21,077,478
Requirements			
Instruction	14,029,587	3,087,516	17,117,103
Support Services	1,920,240	-	1,920,240
Enterprise & Community Services	65,906	-	65,906
Facilities Acquisition & Construction	1,974,229	-	1,974,229
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	17,989,962	3,087,516	21,077,478

Fund 308 - PERS UAL Debt Service Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	-	10,205	10,205
Local Sources	38,134,327	(10,205)	38,124,122
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	38,134,327	-	38,134,327
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	38,134,327	-	38,134,327
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	38,134,327	-	38,134,327

Fund 309 -SELP Debt Service Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	-	-	-
Local Sources	-	-	-
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	76,284	1	76,285
Total	76,284	1	76,285
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	76,284	1	76,285
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	76,284	1	76,285

Fund 320 - Full Faith and Credit Debt Service Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	-	-	-
Local Sources	-	-	-
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	207,744	(14,958)	192,786
Other Sources	1,113,415	14,958	1,128,373
Total	1,321,159	-	1,321,159
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	1,321,159	-	1,321,159
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	1,321,159	-	1,321,159

Fund 404 - Construction Excise Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	7,472,033	1,100,259	8,572,292
Local Sources	1,611,000	1,400,000	3,011,000
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	9,083,033	2,500,259	11,583,292
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	9,083,033	2,500,259	11,583,292
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	9,083,033	2,500,259	11,583,292

Fund 405 - School Modernization Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	2,421,901	(468,158)	1,953,743
Local Sources	12,000	-	12,000
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	2,433,901	(468,158)	1,965,743
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	2,433,901	(468,158)	1,965,743
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	2,433,901	(468,158)	1,965,743

Fund 407 - IT Systems Project Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	759,805	209,227	969,032
Local Sources	500	375,022	375,522
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	3,500,000	3,500,000
Total	760,305	4,084,249	4,844,554
Requirements			
Instruction	-	-	-
Support Services	660,351	3,908,031	4,568,382
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	-	-	-
Contingency	99,954	176,218	276,172
Ending Fund Balance	-	-	-
Total	760,305	4,084,249	4,844,554

Fund 420 - Full Faith and Credit Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	600,000	956,840	1,556,840
Local Sources	7,000	-	7,000
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	607,000	956,840	1,563,840
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	607,000	956,840	1,563,840
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	607,000	956,840	1,563,840

Fund 435 - Energy Efficient Schools Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	577,791	313,648	891,439
Local Sources	856,336	214,167	1,070,503
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	1,434,127	527,815	1,961,942
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	1,434,127	527,815	1,961,942
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	1,434,127	527,815	1,961,942

Fund 438 - Facilities Capital Project Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	3,898,931	2,009,593	5,908,524
Local Sources	3,000	160,000	163,000
Intermediate Sources	-	-	-
State Sources	1,300,000	-	1,300,000
Federal Sources	-	-	-
Other Sources	681,024	-	681,024
Total	5,882,955	2,169,593	8,052,548
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	5,882,955	2,169,593	8,052,548
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	5,882,955	2,169,593	8,052,548

Fund 445 - Capital Asset Renewal Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	116,831	90,066	206,897
Local Sources	52,200	-	52,200
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	169,031	90,066	259,097
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	169,031	90,066	259,097
Debt Service & Transfers Out	-	-	-
Contingency	-	-	-
Ending Fund Balance	-	-	-
Total	169,031	90,066	259,097

Fund 450 - GO Bond Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	103,592,062	5,643,362	109,235,424
Local Sources	28,000	-	28,000
Intermediate Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Other Sources	-	-	-
Total	103,620,062	5,643,362	109,263,424
Requirements			
Instruction	-	-	-
Support Services	-	-	-
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	36,304,899	2,594,671	38,899,570
Debt Service & Transfers Out	-	-	-
Contingency	67,315,163	3,048,691	70,363,854
Ending Fund Balance	-	-	-
Total	103,620,062	5,643,362	109,263,424

Fund 601 - Self Insurance Fund	Adopted Budget	Change Amount	Amendment #1
Resources			
Beginning Fund Balance	2,766,407	(720,720)	2,045,687
Local Sources	2,936,205	-	2,936,205
Intermediate Sources	-	-	-
State Sources	195,833	-	195,833
Federal Sources	-	-	-
Other Sources	-	-	-
Total	5,898,445	(720,720)	5,177,725
Requirements			
Instruction	-	-	-
Support Services	3,171,617	(293,892)	2,877,725
Enterprise & Community Services	-	-	-
Facilities Acquisition & Construction	-	-	-
Debt Service & Transfers Out	-	-	-
Contingency	2,726,828	(426,828)	2,300,000
Ending Fund Balance	-	-	-
Total	5,898,445	(720,720)	5,177,725

RESOLUTION No. 4865

RESERVED FOR DUAL LANGUAGE IMMERSION RESOLUTION

RESOLUTION No. 4866

Modification of Lottery Factors for Admission to Benson High School

RECITALS

A. In accordance with School Board Policy 4.10.051-P, Student Enrollment and Transfers, any changes to lottery factors must be approved by the Board.

B. Currently, admission to Benson Polytechnic High School is conducted by random lottery for all students regardless of their home community comprehensive high school cluster.

C. The Superintendent's Revised High School Action Plan stated a goal for *focus schools, particularly Benson High School, to attract students from across the district in more balanced proportions than they do currently.* [page 10]. This has not been achieved. Even with an 850 student enrollment cap and steady growth at Roosevelt, Madison and Jefferson high schools, Benson continues to draw 68% of its students from those three clusters.

D. In order to produce a more regionally balanced student body the Enrollment & Transfer office has developed a method of conducting the Benson lottery that will more evenly spread approvals across all high school neighborhoods. Multiple trial runs of the lottery using the regional balancing tool showed that, if approved, it will be successful in producing a more regionally representative Benson student body.

E. To ensure that Benson maintain a socio-economically diverse population, staff recommend that weighting be given to Benson applicants who qualify for free and reduced price meals, above the level normally provided in the lottery.

F. Benson High School staff has developed an updated Plan of Operation to reflect the use of a regional balancing tool.

RESOLUTION

1. The Board of Education for Portland Public Schools accepts the recommendation of Superintendent Smith to implement the use of a regional balancing tool in the Benson lottery for the 2014-2015 academic year.

2. The Board of Education accepts the revised plan of operation for Benson High School.

3. The Board of Education accepts the recommendation to increase weighting for Benson applicants who qualify for free and reduced price meals above the level normally provided in the lottery.

4. The Superintendent will require the Enrollment & Transfer office to report back to the Board of Education on the results of the regional balancing tool prior to the 2015-2016 lottery.

S. Higgens

RESOLUTION No. 4867

Temporary Enrollment Relief Measure for Lincoln High School

RECITALS

A. As part of the annual enrollment analysis, staff identified severe overcrowding at Lincoln High School, where there are 1563 students and projected growth in the neighborhood population.

B. Lincoln has the lowest number of classrooms of any PPS comprehensive high school, Numerous facility adjustments have been made to maximize available space, however, the campus is still overcrowded.

C. A district-wide boundary review is underway to balance enrollment across all school, but results will not be complete prior to the start of the 2014-15 school year.

D. As a temporary measure, the superintendent recommends a transfer guarantee for any Lincoln neighborhood student who will be in grades 9-12 next year to attend Wilson High School, as well as any high school open for transfer through the annual School Choice lottery: Benson Polytechnic, Jefferson Middle College, Madison and Roosevelt

E. With this guarantee, Lincoln neighborhood students in grades 9-12 will have increased access to unique focus option programs, and comprehensive schools that offer a full range of college preparatory and elective courses in less crowded settings.

F. Any Lincoln neighborhood student who requests transfer to one of these schools during the 2014 annual school choice lottery will be guaranteed a place there through 12th grade.

G. Should this recommendation be approved, Lincoln families will learn about the option through direct mail and school websites and newsletters. Students will have ample opportunities to visit schools, including shadowing options.

RESOLUTION

1. The Board of Education for Portland Public Schools accepts the recommendation of Superintendent Smith to create a transfer guarantee for Lincoln neighborhood students, as a temporary means of managing enrollment growth at Lincoln.

2. The Board requests a report by April 2014 describing the results of the transfer guarantee and additional options, if necessary, to relieve overcrowding at Lincoln.

S. Higgens

RESOLUTION No. 4868

Election of Board Chairperson

_____ is hereby elected Chairperson of the Board for the period January 28, 2014, until the first regular meeting of the Board in July 2014, and until, respectively, his/or her successor is elected.

RESOLUTION No. 4869

Election of Board Vice-Chairperson

_____ is hereby elected Vice-Chairperson of the Board for the period January 28, 2014, until the first regular meeting of the Board in July 2014, and until, respectively, his/or her successor is elected.