

BOARD OF EDUCATION

Portland Public Schools
REGULAR MEETING
 October 3, 2017

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. | <u>STUDENT PERFORMANCE: BRAVO</u> | 6:00 pm |
| 2. | <u>WELCOME: SUPERINTENDENT GUADALUPE GUERRERO</u> | 6:15 pm |
| 3. | <u>STUDENT RECOGNITION: SEARCH AND RESCUE TEAM</u> | 6:30 pm |
| 4. | <u>ROOSEVELT GRAND OPENING</u> | 6:45 pm |
| 5. | <u>STUDENT AND PUBLIC COMMENT</u> | 6:55 pm |
| 6. | <u>COMMENTS FROM PORTLAND ASSOCIATION OF TEACHERS</u> | 7:15 pm |
| 7. | <u>BUDGET AMENDMENT NO. 1 TO 2017-18 BUDGET</u> – vote
<i>(public comment accepted)</i> | 7:25 pm |
| 8. | <u>UPDATE AND DISCUSSION: MIDDLE SCHOOL IMPLEMENTATION</u> | 7:40 pm |
| 9. | <u>UPDATE: KEEPING THE PROMISE – HEALTH, SAFETY AND ACCESSIBILITY IMPROVEMENTS FUNDED BY THE 2017 BOND</u> | 8:10 pm |
| 10. | <u>BOARD COMMITTEE AND CONFERENCE REPORTS; STUDENT REPRESENTATIVE REPORT</u> | 8:25 pm |
| 11. | <u>OTHER BUSINESS / COMMITTEE REFERRALS</u> | 8:30 pm |
| 12. | <u>BUSINESS AGENDA</u> - vote
<i>(public comment accepted)</i> | 8:35 pm |
| 13. | <u>ADJOURN</u> | 8:45 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.

Chinese, Russian, Somali, Spanish and Vietnamese Interpreters available at meeting.



Board Meeting Date: October 3, 2017

Executive Committee Lead:
Mei Lee, CPA, Chief Financial Officer

Department: Finance

Presenter/Staff Leads:
Mei Lee, CPA, Chief Financial Officer

SUBJECT: Amendment No. 1 to the 2017/18 Budget

BACKGROUND

On June 13, 2017 the Board of Education (“Board”), by way of Resolution No. 5467, voted to adopt an annual budget for the Fiscal Year 2017/18 as required under Local Budget Law.

This first amendment to the annual budget for the Fiscal Year 2017/18 includes the following major components:

- In a number of funds Beginning Fund Balance for 2017/18 is adjusted to reflect the actual Ending Fund Balances for 2016/17. Fund 420 – Full Faith and Credit Fund needs to be amended to account for the \$7.36M carryover funds from 2016/17.
- Program allocations for the General Fund are adjusted to accurately reflect intended expenditures and appropriation levels as needed. Changes in appropriation levels are indicated on the table attached to this resolution.

RELATED POLICIES / BOARD GOALS AND PRIORITIES

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.

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

PROCESS / COMMUNITY ENGAGEMENT

The changes in General Fund Expenditures outlined later in this report was discussed on September 26th, 2017 with the Finance, Audit, and Operations Committee.

This budget amendment includes changes in expenditures of more than 10% in Fund 420 - Full Faith & Credit and, therefore, requires a public hearing to be held before the Board takes action on this amendment.

***Reviewed and Approved by
Executive Committee Lead***

ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN

The PPS budget for 2017/18 was developed to be in alignment with the PPS Racial Educational Equity Policy. The Community Budget Review Committee stated in its report to the Board that “Though the district has significant work to do to become a more equitable system, we believe that this budget demonstrates the intent to ...create an exceptional educational experience.” This amendment does not alter this alignment.

BUDGET / RESOURCE IMPLICATIONS

Notable changes to funds, are summarized below.

Fund 101 – General Fund

Expenditures

Changes in Expenditures

1) New Additions to the Budget	\$1,899,000
2) Budget Increase	\$1,324,339
3) Budget Development Corrections	<u>\$557,854</u>
	\$3,781,193

Overall expenditures are increased in this amendment by \$3.78M.

- 1) \$500K – To support GEAR UP grant transition termination.
\$500K – To support Title IIA grant shortfall.
\$390K – To create an Office of the Chief Academic Officer.
\$256K – To support Oakley Green School implementation of middle grades framework.
\$197K – To create a threat assessment system and wraparound supports.
\$56K – To reinstate the NAYA contract.
- 2) \$750K – To replenish insurance reserve.
\$379K – To support Youth Pass funding due to lower funding by the City of Portland.
\$195K – To budget for mileage reimbursement.
- 3) Net adjustments needed to correct errors encountered in the budget development cycle.
This represents 0.09% of the total General Fund.

Contingency

As a result of the actions described above there is a corresponding decrease to the operating contingency of \$3,781,193.

Fund 420 –Full Faith and Credit Fund

Beginning Balance Adjustment

Carryover of \$7.36M from 2016/17 to current year due to the timing of the use of funds. Original budgeted beginning balance for 2017/18 is \$3M. The 2016/17 carryover addition will bring the resource total to \$10.36M to be utilized for specifically authorized capital projects.

NEXT STEPS / TIMELINE / COMMUNICATION PLAN

Upon action by the Board, staff will amend the 2017/18 budget accordingly.

ATTACHMENTS

- Resolution included in business agenda



Board of Education Informational Report

MEMORANDUM

Date: September 21st, 2017

To: PPS Board of Directors, Finance, Audit and Operations Committee

From: Mei Lee, Chief Financial Officer and Ryan Dutcher, Finance Office

Subject: Amendment 1 Detail – by Line Item

Department	Fund	FTE Change	Gen Fund Change	Fund 407 change	Fund 420 change	Short Description	Extended Description	Rationale for Amending
Finance	101 - General Fund	(1.00)	(\$120,525)			Salary & Fringe	During budget development, a position was included in two departments. This change removes the duplicate role.	Budget Adjustment
Curriculum & Instruction	101 - General Fund		\$500,000			Gear Up Transition	Pending the termination of Gear Up, PPS is preparing to cover up to \$500,000 from General Fund for FY 18 to continue these services to students.	Continuity of Valuable Services to Students
Curriculum & Instruction	101 - General Fund		\$500,000			Title IIA Shortfall	Changes in the funding of Title II, combined with the elimination of Hold Harmless provisions under No Child Left Behind, contributed to a substantial shortfall in Title IIA funding.	Continuity of Valuable Services to Students
Curriculum & Instruction	101 - General Fund		\$649,462			OTL Re-Org	This transfer reclassifies six Literacy Coaches, budgeted as Direct Instruction to their correct appropriation level, to Student Support. There is no change to the work being done. While this represents a change in the adopted budget, it is not a change in the work being done by the Literacy Coaches.	Budget Adjustment
Curriculum & Instruction	101 - General Fund		(\$649,462)			OTL Re-Org	See above	Budget Adjustment
Early Learner Programs: P-3	101 - General Fund		\$56,000			NAYA Contract Continuation	This change reinstates the NAYA contract that was cut during budget reductions.	Continuity of Valuable Services Early Learners
Equity & Partnerships	101 - General Fund	(0.50)	(\$35,837)			Salary & Fringe	The Equity and Partnership department received a temporary 0.50 FTE while awaiting grant funding. Now that grant funding has been confirmed, this change removes the funding from the General Fund.	Budget Adjustment
Facility Services Center	101 - General Fund		\$167,369			Maintenance/Custodial Reorganization	The Maintenance/Custodial reorganization was incorrectly excluded from the FY17/18 budget. This correction adds this funding back into the budget.	Correction
Maintenance Services	101 - General Fund		\$492,781			Maintenance/Custodial Reorganization	The Maintenance/Custodial reorganization was incorrectly excluded from the FY17/18 budget. This correction adds this funding back into the budget.	Correction
Information Technology	407 - IT Systems Project Fund		\$45,066	\$45,066		Techsmart project - Interfund transfer	PPS has an obligation to grant match our TechSmart grant. Fund 407 is short of the required match, and necessitates an Interfund Transfer from 101 to 407.	Correction
School Related Program Costs	101 - General Fund		(\$1,000)			Remove excess funds from department	Removes one-time adjustment carried forward from previous year.	Correction
Office of Teaching & Learning	101 - General Fund	1.50	\$256,000			Ockley Green Resources	An instructional coach and STEAM teacher (1.5 FTE) were added to Ockley Green in addition to \$106,000 in funds for peer mentors, volunteer supplements and PD.	Improve School Performance
Risk Management	101 - General Fund		\$750,000			Reduce Premium by Increasing Deductible Insurance Loss by \$750,000	This change increases both deductible insurance loss accounts to a budgeted amount of \$750,000 each. Liability Claims is currently funded at \$400,000 and Property/Fire Loss is currently funded at \$350,000.	This change will provide sufficient coverage, while reducing our insurance premiums.
School Related Program Costs	101 - General Fund		\$195,468			Mileage Reimbursement	Aligns the budget to more correctly reflect mileage reimbursement expenses.	Budget Adjustment
School Related Program Costs	101 - General Fund		\$10,000			PFSP Contractual Agreements	Aligns the budget to more correctly reflect PFSP contractual agreements to cover \$7,000 for OT, PT, COTA, and LPTA professional development.	Budget Adjustment
SPED	101 - General Fund	1.00	\$197,000			Threat/Safety Supervisor	Leverages the work of other districts to create a threat assessment system and wraparound supports. Uses an evidence-based, multidisciplinary approach to identify, evaluate and support students who present a potential threat to themselves or others.	Enhances Student Safety; Leverages Peer Oregon District Efforts
Student Transportation	101 - General Fund		\$378,871			Youth Pass Allocation	Covers an unforeseen shortfall created when the City of Portland included David Douglas and Park Rose in the Youth Pass allocation program. This change reduced the amount of funding for PPS, creating a budget shortfall of \$378,872.	Continuity of Valuable Services to Students
Superintendent Of Schools	101 - General Fund	2.00	\$390,000			Chief Academic Officer	Funds the role of Chief Academic Office, and includes FTE expense for the CAO and an assistant.	Budget Adjustment
Facilities & Asset Management	420 - Full Faith & Credit Fund	6.00			\$7,364,791	Fund Balance True-Up	Updates the budget to reflect ending fund balance from FY16/17 for FY17/18 capital expenditures for specifically authorized projects.	16.17 Carryover

Net Add 101 - General Fund	3.0	\$ 3,781,193	-	-
Net Add 407 - IT Project Fund	-	-	\$45,066	-
Ending Fund Balance Reconciliation for Fund 420	6.0	-	-	\$7,364,791

GEAR UP CAP Grant - Background



- 7-Year Federal Grant; 1:1 match required – 2017-18 Last year of the grant– moved to OTL
- Mission
 - Significantly increase the number of low-income students who are prepared to enter and succeed in postsecondary education.
- Areas of Focus:
 - Improve academic performance of cohort students
 - Increase educational expectations of cohort students and their parents
 - Improve student and family knowledge regarding postsecondary education preparation and financing
 - Work to improve high school graduation and college enrollment rates
- Supports provided:
 - Professional development, academic tutoring, summer academic programming, college visits for students, family engagement activities

GEAR UP CAP Grant - Current State



- Challenges
 - Ongoing issues meeting 1:1 match in order to access continued funding
 - Incomplete financial tracking and records
 - Lack of supervision and accountability
 - How to maintain existing level of services for seniors (last cohort of grant) – effecting the services to the most needed group of students
 - Possibility of reducing graduation rate and readiness for college opportunities
- Steps taken
 - Ended GU-CAP grant, effective 9/25/17
 - Reorganize the 2 existing GEAR UP grants and reduce administrative staff
 - Shifted costs for GU-CAP grant staff, services, activities to GEAR UP M4C Grant;
 - Dependent upon financial tracking/records and 1:1 match
 - Decision made to maintain services for GU-CAP cohort seniors through 6/30/18

GEAR UP CAP Grant - Funds Request

- 2017-18
 - Reasons for General Fund Request
 - To ensure services and activities continue for GU-CAP grant cohort seniors
 - To bridge finances in case we are not able to shift GU-CAP expenses to GEAR UP M4C grant (funding and 1:1 match)
 - Maintain student services at schools
 - Estimated General Fund Request
 - \$500,000 to continue staff, services, activities at existing levels

- 2018-19
 - General funds not required

Title IIA



How does PPS currently use Title IIA?

- At PPS Title IIA pays for professional development for PPS teachers and leaders, in support of the District's three instructional priorities (3rd grade reading, graduation rate, and disproportionate discipline) and proficiency-based learning and assessment practices.
- In 2016/17, the Title IIA grant of \$2.1 million, along with Title IIA carryover of about \$800K, supported 21.75 FTE TOSAs across four departments: ESL; Student Services; Equity & Partnerships; and Instruction, Curriculum, & Assessment. Their efforts directly impact classroom practices throughout the district.

Why are we requesting additional support from the General Fund?

- The State Title II allocation methodology has changed for 2017/18: whereas in the past PPS was held harmless to its Free & Reduced Price Meal rate from around 2001, starting this year ODE is using current poverty data, which creates a significant reduction in funding for Portland. PPS was informed of these changes in July, after PAT members were placed in positions.
- The total grant award is expected to be cut by about 40-50%, but about \$800K in carryover remains intact for the 2017/18 school year.

Title IIA Going Forward



- **Without additional support from the General Fund**, in order to maintain its commitments to PAT members, PPS would need to reduce its spending on textbooks and other classroom materials in support of the K-5 Literacy Adoption to offset the loss of funding.
- **In preparation for 2018/19 and subsequent years**, OTL is currently working to reorganize and restructure its General Fund budget in an attempt to optimize its level of service against the available resources. This may include a reduction in service and/or a request for additional support from the General Fund.
- The estimated need for 2017/18 is funding for 4.0 FTE TOSA positions, costing an estimated \$500,000 (at \$125,000 per TOSA (including fringe)).



Board of Education Informational Report

MEMORANDUM

Date: September 28, 2017

To: Board of Directors, Portland Public Schools
Yousef Awwad, Interim Superintendent

From: Laird Cusack, Senior Director Labor and Employee Relations

Subject: Recommendation to approve tentative agreement that will bring PAT benefit plans into compliance with the Affordable Care Act.

Introduction:

The Portland Association of Teachers (PAT) benefits plans, for both current employees and retirees, are in grandfather status under the Affordable Care Act (ACA). The parties want to move the plans into compliance with the ACA, ending the grandfather status, for ease of administration and provide conformance with other plans in the School District #1J Health and Welfare Trust Fund.

Background:

The cost of the plans for PAT is approximately \$50,000,000 a year. The cost estimate for the recommended tentative agreement is just over \$160,000. The Trust consultant has said that this increase could easily be less due to preventative care additions and conservative (high) estimates on new benefits without any history. This change relates to benefits and is subject to collective bargaining. The parties have not completed successor contract bargaining, but want to make the attached changes to the PAT benefit plans effective with the January 1, 2018 plan year. The parties have executed the attached Memorandum of Agreement, subject to the approval of the Board.

Summary

Approval of this agreement will continue the positive nature of the current negotiations and provide some clarity and improvement in the working conditions for PAT members.

Cc Kylie Rogers – Chief Human Resources Officer

MEMORANDUM OF AGREEMENT
between
Portland Public Schools
And
Portland Association of Teachers
ACA compliance

Background:

1. The Portland Association of Teachers (PAT) regular and substitute benefit plans, for both current employees (regular and substitute) and retirees, are in Grandfather status under the Affordable Care Act (ACA).
2. The parties want to move the plans into compliance with the ACA and end the grandfather status.
3. The cost of the plans for PAT is approximately \$50,000,000 a year
4. The total cost estimate is just over \$160,000. The consultant has said, that this increase could easily be less due to preventative care additions and conservative (high) estimates on new benefits without any history.

Agreement:

1. The parties agree to the attached changes to the PAT trust plans effective with the January 1, 2018 plan year.
2. It is the understanding of the parties that these changes will move all the PAT current employee (regular and substitute) and retiree plans into compliance with the ACA.
3. This agreement will not take effect unless the District Board of Director agrees to ratify the additional expense.

FOR THE DISTRICT

By: Laird Cusack 9/28/17
Laird Cusack Date
Sr. Director Employee and Labor Relations

By: Stephanie Harper 9.28.17
Stephanie Harper OSB #952091 Date
Interim General Counsel 901

FOR PAT

By: Marty Pavlik 09/28/17
Marty Pavlik Date
PAT UniServ

By: John Berkey 9/28/17
John Berkey Date
PAT UniServ

Plan Provision	Benefit Modification Description
Regence	
Preferred Provider (FTPT O1)	
Coinsurance Max	Out of pocket Maximum (OOPM) All copays, deductible, coinsurance, and pharmacy cost shares accrue to the out of pocket maximum.
Deductibles	Accrues to the OOPM
Hearing Aids	Dollar limits removed
Preventive Care	100%/100%/70%
Indemnity (PT O2)	
Coinsurance Max	Out of pocket Maximum (OOPM) All copays, deductible, coinsurance, and pharmacy cost shares accrue to the out of pocket maximum.
Deductibles	Accrues to the OOPM
Hearing Aids	Dollar limits removed
Providence Health Plan	
All Plans	
Alternative Care Providence Health Plan	Add acupuncture (\$10/20 Visit Limit)
Caremark	
Prescription out of pocket	\$2200 individual / \$4400 family out-of-pocket max
Kaiser	
All Plans	
Prescription Medications	Accrues to the OOPM
Prescription Medications	Immunosuppressive Rx Moves to \$5 copayment

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9/28/17

MP
09/28/17

JB
9/28/17

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

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October 3, 2017

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Number

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Other Matters Requiring Board Approval

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Purchases, Bids, Contracts

The Interim Superintendent RECOMMENDS adoption of the following items:

Numbers 5519 and 5520

RESOLUTION No. 5519

Revenue Contracts that Exceed \$150,000 Limit for Delegation of Authority

RECITAL

Portland Public Schools (“District”) Public Contracting Rules PPS-45-0200 (“Authority to Approve District Contracts; Delegation of Authority to Superintendent”) requires the Board of Education (“Board”) to enter into and approve all contracts, except as otherwise expressly authorized. Contracts exceeding \$150,000 per contractor are listed below.

RESOLUTION

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into the following agreements.

NEW REVENUE CONTRACTS

No New Revenue Contracts

NEW INTERGOVERNMENTAL AGREEMENTS / REVENUE (“IGA/Rs”)

Contractor	Contract Term	Contract Type	Description of Services	Contract Amount	Responsible Administrator, Funding Source
Centennial School District	7/1/17 through 6/30/18	Intergovernmental Agreement / Revenue IGA/R 65266	Columbia Regional will provide Centennial School District school age classroom services for Deaf/Hard of Hearing regionally eligible children.	\$162,750	V. Truong Dept. 5422 Fund 299 Project S0031
Oregon Department of Education	7/1/17 through 6/30/19	Intergovernmental Agreement / Revenue IGA/R 65265	Funding for Long Term Care and Treatment Educational Programs provided by Portland DART School to a variety of treatment programs.	\$4,876,435	A. Lopez
State of Oregon	9/30/17 through 9/30/20	Intergovernmental Agreement / Revenue IGA/R 65249	State of Oregon Article XI-P General Obligation Bond Program Grant Agreement.	\$8,000,000	J. Vincent Dept. 5597 Fund 438 Project JS009

AMENDMENTS TO EXISTING REVENUE CONTRACTS

No Amendments to Existing Revenue Contracts

Y. Awwad

RESOLUTION No. 5520

Expenditure Contracts that Exceed \$150,000 for Delegation of Authority

RECITAL

Portland Public Schools (“District”) Public Contracting Rules PPS-45-0200 (“Authority to Approve District Contracts; Delegation of Authority to Superintendent”) requires the Board of Education (“Board”) enter into contracts and approve payment for products, materials, supplies, capital outlay, equipment, and services whenever the total amount exceeds \$150,000 per contract, excepting settlement or real property agreements. Contracts meeting this criterion are listed below.

RESOLUTION

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into the following agreements.

NEW CONTRACTS

Contractor	Contract Term	Contract Type	Description of Services	Contract Amount	Responsible Administrator, Funding Source
Miller Nash Graham Dunn LLP	10/4/17 through 11/18/17	Legal Services LS 65310	Outside legal services for the District.	\$200,000	J. Harris Dept. 5460 Fund 101

NEW INTERGOVERNMENTAL AGREEMENTS (“IGAs”)

Contractor	Contract Term	Contract Type	Description of Services	Contract Amount	Responsible Administrator, Funding Source
David Douglas School District	7/1/17 through 6/30/18	Intergovernmental Agreement IGA 65289	Columbia Regional Program will provide autism support services to Multnomah Early Childhood Program	\$246,000	V. Truong Dept. 5433 Fund 205 Grant G1700
David Douglas School District	7/1/17 through 6/30/18	Intergovernmental Agreement IGA 65288	Columbia Regional Program will provide autism support services to David Douglas School District.	\$202,800	V. Truong Dept. 5433 Fund 205 Grant G1700

AMENDMENTS TO EXISTING CONTRACTS

No New Amendments

Y. Awwad

Other Matters Requiring Board Approval

The Interim Superintendent RECOMMENDS adoption of the following items:

Numbers 5521 through 5524

RESOLUTION No. 5521

Amendment No. 1 to the 2017/18 Budget for School District No. 1J,
Multnomah County, Oregon

RECITALS

- A. On June 13, 2017 the Board of Education (“Board”), by way of Resolution No. 5467, voted to adopt an annual budget for the Fiscal Year 2017/18 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.
- C. Oregon Local Budget Law, ORS 294.471, allows budget changes after adoption under prescribed guidelines.
- D. On February 28, 2011 by way of resolution No. 4416, the Board established Fund 420 “Full Faith and Credit Funds” to manage capital expenditures for specifically authorized projects with effective financial control and transparency.
- E. This resolution is to enable the Board to approve Amendment No.1 to the annual budget for the Fiscal Year 2017/18, and is allowed under ORS 294.471(a) (b) (c) & (d) which state that the budget may be amended at a regular meeting of the governing body.
- F. Amendment No.1 includes the following major components:
 - a. \$7.36M Fund 420 - Full Faith and Credit Fund Balance Reconciliation.
 - i. Updates the budget to reflect carryover amounts from FY16/17 to FY17/18 for specifically authorized capital projects.
 - b. \$3.78M General Fund 101 - Usage of Operating Contingency.
 - i. Adjusts program allocations to accurately reflect intended expenditures with appropriation levels adjusted as needed. Changes in appropriation levels are indicated on the table attached to this resolution.
 - ii. Corrects technical errors that occurred during budget development.
 - iii. These changes are funded through the use of operating contingency in the General Fund.
- G. Expenditures in Fund 420 – Full Faith and Credit 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.
- H. The Superintendent recommends approval of this resolution.

RESOLUTION

Having held a public hearing on this amendment as required under local budget law, the Board hereby amends budgeted expenditure appropriation levels as summarized by Fund and Appropriation Level in Attachment A for the fiscal year beginning July 1, 2017.

M. Lee

RESOLUTION No. 5522

Memorandum of Agreement with Portland Association of Teachers

RECITALS

Pursuant to the ORS 332.075(3) and the Public Employee Collective Bargaining Act, (ORS 243.650-243.782), a tentative agreement has been reached between Multnomah County School District #1J (District) and Portland Association of Teachers (PAT) and is recommended to the District's Board of Education for its consideration and approval.

- A. The PAT benefit plans, for both current employees and retirees, are in grandfather status under the Affordable Care Act (ACA).
- B. The parties want to move the plans into compliance with the ACA, ending the grandfather status, to ease administration and provide conformance with other plans in the School District #1J Health and Welfare Trust Fund.
- C. The cost of the plans for PAT is approximately \$50,000,000 a year. The cost estimate for the recommended agreement is just over \$160,000.
- D. The new plan year for PAT benefit plans is effective January 1, 2018.
- E. The parties have engaged in bargaining and reached the attached Memorandum of Agreement, subject to the approval of the Board.

RESOLUTION

The Board approves the recommended agreement reflected in Attachment A.

L.. Cusack

EXHIBIT "A" TO RESOLUTION 5522

Human Resources
501 N Dixon Street • Portland, OR 97227
503-916-3544 • Fax: 503-916-3107

MEMORANDUM OF AGREEMENT
between
Portland Public Schools
And
Portland Association of Teachers
ACA compliance

Background:

1. The Portland Association of Teachers (PAT) regular and substitute benefit plans, for both current employees (regular and substitute) and retirees, are in Grandfather status under the Affordable Care Act (ACA).
2. The parties want to move the plans into compliance with the ACA and end the grandfather status.
3. The cost of the plans for PAT is approximately \$50,000,000 a year
4. The total cost estimate is just over \$160,000. The consultant has said, that this increase could easily be less due to preventative care additions and conservative (high) estimates on new benefits without any history.

Agreement:

1. The parties agree to the attached changes to the PAT trust plans effective with the January 1, 2018 plan year.
2. It is the understanding of the parties that these changes will move all the PAT current employee (regular and substitute) and retiree plans into compliance with the ACA.
3. This agreement will not take effect unless the District Board of Director agrees to ratify the additional expense.

FOR THE DISTRICT

By: Laird Cusack 9/28/17
Laird Cusack Date
Sr. Director Employee and Labor Relations

By: Stephanie Harper 9-28-17
Stephanie Harper OSB #952091-901 Date
Interim General Counsel

FOR PAT

By: Marty Pavlik 09/28/17
Marty Pavlik Date
PAT UniServ

By: John Berkey 9/28/17
John Berkey Date
PAT UniServ

Plan Provision	Benefit Modification Description
Regence	
Preferred Provider (FTPT O1)	
Coinsurance Max	Out of pocket Maximum (OOPM) All copays, deductible, coinsurance, and pharmacy cost shares accrue to the out of pocket maximum.
Deductibles	Accrues to the OOPM
Hearing Aids	Dollar limits removed
Preventive Care	100%/100%/70%
Indemnity (PT O2)	
Coinsurance Max	Out of pocket Maximum (OOPM) All copays, deductible, coinsurance, and pharmacy cost shares accrue to the out of pocket maximum.
Deductibles	Accrues to the OOPM
Hearing Aids	Dollar limits removed
Providence Health Plan	
All Plans	
Alternative Care Providence Health Plan	Add acupuncture (\$10/20 Visit Limit)
Caremark	
Prescription out of pocket	\$2200 individual / \$4400 family out-of-pocket max
Kaiser	
All Plans	
Prescription Medications	Accrues to the OOPM
Prescription Medications	Immunosuppressive Rx Moves to \$5 copayment

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9/28/17

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RESOLUTION No. 5523

Approving Board Member Conference Attendance as Representatives of the Board

RECITALS

- A. Board Policy 1.40.070 requires Board approval for individual Board members to attend state or national meetings as representatives of the Board.
- B. Portland Public Schools has a Memorandum of Understanding (MOU) with the Panasonic Foundation, which requires District participation in the Leadership Associates Program in October 2017.
- C. Portland Public Schools is a member of the Council of Great City Schools and the Council has its Fall Conference in October of 2017; Director Esparza Brown has been named the board representative to the CGCS for the 2017-2018 school year.
- D. The Board Chair has approved the reimbursement for costs associated with attendance at the October LAP and the CGCS Fall Conference for Directors Moore, Bailey, and Esparza Brown.

RESOLUTION

The Board affirms Director Esparza Brown to attend the Council of Great City Schools Fall conference as a representative of the Board of Education and Directors Moore and Bailey to attend the October Leadership Associates Program given the focus of this particular LAP and their current committee or leadership assignments

RESOLUTION No. 5524

Minutes

The following minutes are offered for adoption:

August 29, September 12, September 19, and September 26, 2017