

**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. **SUPERINTENDENT'S REPORT** 6:00 pm
2. **STUDENT TESTIMONY** 6:20 pm
3. **PUBLIC COMMENT** 6:35 pm
4. **RESOLUTION: NO ONE EATS ALONE DAY**- *action Item* 6:55 pm
5. **UPDATE: SUPPLEMENTAL TRANSPORTATION PLAN** 7:05 pm
5. **SECOND READING: AMENDED CAFETERIA PLAN** – *action item* 7:50 pm
7. **2014-15 BUDGET AMENDMENT No. 2** – *action item* 8:00 pm
8. **UPDATE: INTER-DISTRICT TRANSFERS** 8:45 pm
9. **BOARD LEADERSHIP VOTE** 9:15 pm
10. **BUSINESS AGENDA** 9:30 pm
11. **ADJOURN** 9:45 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.



# Board of Education Informational Report

## MEMORANDUM

**Date:** January 21, 2015  
**To:** Members of the Board of Education  
**From:** Justin Fallon Dollard, Project Manager, PPS Planning and Asset Management  
**Subject:** PPS Supplemental Transportation Plan Update

---

This Memorandum provides an update on Supplemental Transportation planning.

District K-5 and K-8 students living within a one-mile radius of their neighborhood school and 6-8 students living within a 1.5 mile radius are expected to walk to school per Oregon Department of Education (ODE) requirements. Where hazards are present within neighborhood school walk areas, PPS uses an ODE approved Supplemental Transportation Plan to provide bus service. ODE reimburses at 70% of cost for this transportation. However the current PPS Supplemental Transportation Plan dates to 1991 and needs updating on the basis of existing right-of-way conditions, current pedestrian safety standards, and Portland Bureau of Transportation Safe Routes to Schools (PBOT SRTS) equity policy.

This briefing memo provides an overview of how PBOT SRTS equity policy and PPS use of a Geographic Information System (GIS) model inform the plan update, current project status, and next steps.

### *PBOT SRTS Equity Policy*

PBOT SRTS uses an equity-weighted decision matrix to fund infrastructure improvements that help overcome gaps, especially those that impact historically underserved students and their families. However, PBOT SRTS lacks a comprehensive, dynamic model of infrastructure gaps and pedestrian safety within all PPS student walk areas. As a result, only 21 PPS schools are included in the PBOT SRTS equity-weighted decision matrix to overcome gaps and increase safety.

### *Use of GIS*

PPS created a GIS model that integrates district information with spatial data from the City of Portland, Metro, and Multnomah County. This model identifies infrastructure gaps and best scenario safe walk collector routes. The GIS model is designed with the following objectives:

- comprehensive— covers the entire school district and accounts for underserved students,
- dynamic— can be readily updated when changes occur in right-of-way conditions, student population, and/or school enrollment boundaries,
- repeatable— can be used by all GIS trained PPS staff and PBOT SRTS staff,
- robust— can be used across all PPS student walk area conditions, and
- scalable— can be used to inform opportunity mapping and resource allocation within the district and across jurisdictions.

### *Current Status and Next Steps*

PPS staff recently completed a demonstration project using the GIS model. Staff intends to complete a district-wide analysis of pedestrian safety and infrastructure gaps by August 2015. PPS and PBOT SRTS staff will then share the GIS model with the PPS community-at-large through eight open houses by high school cluster and three open houses for historically underserved communities. The open houses will provide opportunities for stakeholders to share their school commuting routes, express safety concerns and route preferences, and inform equity-based, planned support to overcome infrastructure gaps. The open houses are planned to begin in Fall 2015.

PPS is also developing, with PBOT SRTS, a civic reporting application (civic app) for mobile and desktop use. This civic app will crowd-source perceived and physical barriers within student walk areas by specific geographic location and by school site. The PPS community-at-large will be empowered in real time, to directly inform PPS and PBOT SRTS about their areas of concern. The civic app will be designed for use in English, Chinese, Russian, Somali, Spanish and Vietnamese.

Additionally, PPS recently submitted a METRO planning grant application to enhance stakeholder engagement, empowerment, and participation through a web-based, community mapping application (web app). The web app, if funded by METRO, will provide a tool for students and their families to self-report commuting patterns, to learn about healthy travel options to school that reduce vehicle dependency, and to inform funding decisions by PPS and PBOT SRTS that remove barriers to walking or biking to school. The web app will also be designed for use in English, Chinese, Russian, Somali, Spanish and Vietnamese



# Board of Education

## Staff Report to the Board

**Board Meeting Date:** January 6, 2015

**Executive Committee Lead:** Sean Murray

**Department:** Human Resources

**Presenter/Staff Lead:** Terri Burton

**SUBJECT: Portland Public Schools Cafeteria Plan Fourth Amendment**

### **BACKGROUND:**

The primary purpose of these amendments to the Cafeteria plan and board policy is to align them with new health care reform/ IRS rules and make certain housekeeping rule changes. These amendments were advised and prepared by district legal counsel, Miller Nash, and are generally effective February 1, 2015.

### **RELATED POLICIES / BOARD GOALS AND PRIORITIES:**

5.10.090-P Cafeteria Plan Board Policy and Plan documents will align legally with IRS and health care reform rules by:

- Adding new mid-year election change events for group health plans regarding employee opportunities to enroll mid-year for enrollment in health care exchanges due to reduction in hours or desire to enroll in exchanges during exchange open enrollment, which does not align with PPS open enrollment times;
- Cost-of-living adjustments are being made to the health flexible spending account (FSA) plans and clarity added to \$20 monthly contribution minimum;
- Language was added to specify a claimant must exhaust the Plan's claims procedure before filing suit for benefits and added one year limitation period during which a claimant can file a suit;
- Added 2015 contribution limits to health savings account (HSA), which is offered to OEGB employees only; and
- The cash out amount for waiving coverage, offered to OEGB employees only, was updated to match practice.

In addition, the PacificSource FSA provider contract and plan documents will be amended to align with these changes.

### **PROCESS / COMMUNITY ENGAGEMENT:**

These amendments are being made at the advice and recommendation of Miller Nash.

---

**ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN:**

Provides additional access to health care exchange plans to employees whose hours are reduced or the health care exchange would offer a more affordable plan for them and their families. We believe many PPS employees also have children who attend PPS schools and these changes could favorably affect those students' health and family financial well-being.

---

**RESOURCE IMPLICATIONS:**

There should be no budgetary impact.

---

**NEXT STEPS / TIMELINE / COMMUNICATION PLAN:**

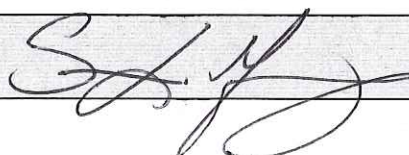
January 6, 2015 School Board meeting for discussion  
January 13, 2015 School Board meeting for reading  
February 3, 2015 School Board meeting for approval.

---

**ATTACHMENTS:**

- Board resolution draft
- Clean copy Cafeteria Plan Fourth Amendment
- Marked Cafeteria Plan document

Reviewed and Approved by  
Executive Committee Lead

 12/23/14



**BOARD POLICY**  
**CAFETERIA PLAN**

**5.10.090-P**

**PORTLAND PUBLIC SCHOOLS**  
**CAFETERIA PLAN**

**FOURTH AMENDMENT**

**PARTIES**

This Fourth Amendment is adopted, effective February 1, 2015, by the School District No. 1, Multnomah County, Oregon (“District”).

**RECITALS**

The District established the Portland Public Schools Cafeteria Plan (the “Plan”) effective May 1, 1994.

The Plan was last amended and restated effective January 1, 2006, and was last amended effective October 1, 2013.

The District intends that this Plan continue to satisfy the requirements of Section 125 of the Internal Revenue Code of 1986, as amended.

The District wishes to amend the Plan in certain respects.

**AMENDMENT**

The PORTLAND PUBLIC SCHOOLS CAFETERIA PLAN is hereby amended, effective February 1, 2015, or as of such earlier or later dates as indicated below or as provided herein, as set forth on the pages attached hereto, which are incorporated herein by reference as follows:

1. ARTICLE 4—PARTICIPATION

4.3(i) is added at pages 14 and 14a.

2. ARTICLE 5—CREDITS AND REIMBURSEMENT PROCEDURES

5.3 at pages 16 and 16a.

3. ARTICLE 6—CLAIMS PROCEDURE

6.5 at page 18.

4. ARTICLE 9—HEALTH CARE REIMBURSEMENT ACCOUNT PROGRAM

9.2 at page 22.

5. ARTICLE 10—DENTAL AND VISION CARE REIMBURSEMENT ACCOUNT PROGRAM

10.2 at page 28b.

6. ARTICLE 12—HEALTH SAVINGS ACCOUNT

12.2 at page 30a.

7. EXHIBIT B at page B-1.

8. EXHIBIT C at page C-1.

The District has caused this amendment to be executed by its duly authorized representative as of the date indicated below.

**SCHOOL DISTRICT NO. 1,  
MULTNOMAH COUNTY, OREGON**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

(g) **Cessation of Required Contributions.** Except as otherwise provided in 5.4 with respect to eligible Dependent Care Expenses, a benefit will cease to be provided to a Participant if the Participant fails to make the required premium payments with respect to the benefit (e.g., a Participant ceases to make premium payments for health care reimbursement account program coverage after a termination of employment). However, in such case, the former Participant may not again make a new benefit election for the remaining portion of the Plan Year.

(h) **HSA Election Changes.** A Participant's election to make pre-tax Compensation reduction contributions to an HSA can be prospectively changed on a monthly basis. Only one election change may be made per month. HSA contribution elections can be prospectively revoked if the Participant becomes ineligible to make HSA contributions. If HSA contributions are changed, the contribution amounts must continue to satisfy the HSA contribution limits described in Article 12. Election changes or revocations will be effective beginning with the payroll period during which the election change or revocation is received by the Plan Administrator (provided that the Compensation for that payroll period has not become currently available), unless the Participant elects a later effective date.

(i) **Additional Group Health Plan Election Changes.** A Participant may prospectively revoke an election of coverage under a group health plan that provides minimum essential coverage (as defined in Code Section 5000A(f)(1)) if either (1) or (2) below is satisfied. This 4.3(i) does not allow election changes with respect to the Health Care Expense Reimbursement Benefit described in 4.1(b) or the Dental and Vision Care Expense Reimbursement Benefit described in 4.1(c).

(1) **Reduction in Hours of Service.** An election change may be made due to a reduction in hours if both (A) and (B) are satisfied.

(A) The Participant was in an employment status under which he or she was reasonably expected to average at least 30 hours of service a week and the Participant's status is changed so that he or she will reasonably be expected to average less than 30 hours of service a week.

(B) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the Participant, and any related individuals who cease coverage due to the revocation, in another plan that provides minimum essential coverage. The new coverage must be effective no later than the first day of the second month following the month in which the original coverage was revoked.



(2) **Enrollment in a Qualified Health Plan Through an Exchange.**

An election change may be made due to enrollment in a qualified health plan if both (A) and (B) are satisfied.

(A) The Participant is eligible for a special enrollment period (as provided in 45 CFR § 155.420(d)) to enroll in a qualified health plan through an exchange established under Section 1311 of the Patient Protection and Affordable Care Act or the Participant seeks to enroll in a qualified health plan through an exchange during the exchange's annual open enrollment period.

(B) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the Participant, and any related individuals who cease coverage due to the revocation, in a qualified health plan through an exchange. The new coverage must be effective no later than the day immediately following the last day of the original coverage that is revoked.

(f) **Unused Amounts.** An amount remaining in an Account after the Participant has submitted all reimbursable expenses for the Plan Year of the type for which the Account is established, shall not be carried over to a subsequent Plan Year, nor shall such amount be paid, directly or indirectly, to the Participant in cash or in the form of any other benefit.

**5.2 Reimbursement Payment Procedures.** The following rules shall govern the reimbursement of a Participant's eligible expenses under the Health Care Expense Reimbursement Benefit, the Dental and Vision Care Expense Reimbursement Benefit, and the Dependent Care Expense Reimbursement Benefit.

(a) **Reimbursement Request.** The Participant shall submit a written request for reimbursement on the form or forms provided by the Plan Administrator. Requests for reimbursement shall be made at such time or times as specified by the Plan Administrator; however, eligible expenses incurred during a Plan Year must be submitted for reimbursement not later than three months after the close of the Plan Year. Eligible expenses that are not submitted on a timely basis in accordance with this 5.2(a) shall not be reimbursed.

(b) **Documentation.** A Participant's written request for reimbursement shall establish that the expense was incurred during the applicable time period, and must state that the amount has not been reimbursed and is not reimbursable under any other health plan or dependent care plan, and that the amount will not be used in connection with a deduction or credit on the Participant's federal income tax return. No advance reimbursement may be made of future or projected expenses. The written request must be accompanied with a written statement from an independent third party stating that the expense has been incurred and the amount of such expense.

(c) **Payment.** A Participant's request for reimbursement, when approved by the Plan Administrator, shall be paid as soon as reasonably practicable following such approval. Payments shall only be made in reimbursement to a Participant and shall not be made directly to a service provider. Except as provided in 5.1(e), reimbursements to a Participant shall not exceed the amount available in the Participant's Account for the type of expense for which reimbursement is requested.

**5.3 Amount of Elective and Nonelective Contributions.** The maximum amount of nonelective contributions available to any Participant under this Plan for a Plan Year shall equal the District contributions under 5.1(c). The maximum amount of elective contributions available to any Participant under this Plan for a Plan Year shall equal the annual amount of the Participant's share of the cost of the District-provided group health plan premiums for the Premium Payment Benefit, plus \$20,000.

The minimum amount of elective contributions that may be elected by any Participant under the health care reimbursement account program, the dental and vision care reimbursement account program, and the dependent care reimbursement account program shall

be \$20 per month for each program. The maximum amount for credit to the Participant's HSA is as described in Article 12.

Notwithstanding the foregoing, the maximum amount of salary reduction contributions available to any Participant under this Plan for a Plan Year for the health care reimbursement account program or dental and vision care reimbursement account program shall equal \$2,500 (plus cost-of-living adjustments permitted under applicable law) (\$2,550 for Plan Years beginning on or after January 1, 2015), prorated for any short Plan Year.

**5.4 Expense Reimbursement After Participation Terminates.** If, during a Plan Year, a Participant terminates employment, transfers to an ineligible class of employees, or ceases to make required contributions, he or she may nevertheless submit eligible Dependent Care Expenses incurred during the remainder of that Plan Year to the Plan Administrator for reimbursement under the dependent care reimbursement account program.

If a Participant terminates employment with the District or transfers to an ineligible class of employees and revokes his or her existing benefit elections, the Plan Administrator shall reimburse the Participant for any amount previously paid for coverage or benefits under the health care reimbursement account program or dental and vision care reimbursement account program relating to the period after the termination or transfer.

**5.5 Qualified Reservist Distributions.** Notwithstanding any other Plan provision to the contrary, a Participant may request a qualified reservist distribution from the Participant's health care reimbursement Account or dental and vision care reimbursement Account. The term "Account" as used in this 5.5, refers only to the foregoing two Accounts.

**(a) Definition of Qualified Reservist Distribution.** A qualified reservist distribution is a distribution to a Participant of all or a portion of the balance in the Participant's Account if: (1) the Participant is a qualified reservist as defined in (b) below, and (2) the request for a distribution is made during the period specified in (e) below.

**(b) Definition of Qualified Reservist.** A qualified reservist is a Participant who is, by reason of being a member of a reserve component (as defined in 37 U.S.C. § 101), ordered or called to active duty for a period of 180 days or more or for an indefinite period. The Plan Administrator may rely on the order or call to determine the period of active duty. If the order or call specifies that the period is for 180 days or more or is indefinite, the Participant is a qualified reservist, even if the actual period of active duty is less than 180 days or is otherwise changed. If the period of active duty specified in the order or call is less than 180 days, the Participant is not a qualified reservist unless subsequent calls or orders increase the total period of active duty to 180 days or more.

**(c) Amount Available.** The amount available as a qualified reservist distribution is the amount contributed to the Participant's Account as of the date of the request for distribution minus reimbursements received from the Account as of the date of the request.

time after receipt of the request for review. The written decision shall include the reasons for such decision with reference to the provisions of the Plan upon which the decision is based. The decision shall be final and binding upon the Claimant, the District, and all other persons involved.

**6.5 Further Review.** The Claimant must follow and exhaust the claims procedure described in this article before he or she can file suit for benefits. In no event may the Claimant file suit for benefits more than one year from the date on which the decision on review under 6.4 is sent to the Claimant.

The scope of any subsequent review of the benefit claim, judicial or otherwise, shall be limited to a determination as to whether the Plan Administrator acted arbitrarily or capriciously in the exercise of its discretion. In no event shall any such further review be on a de novo basis as the Plan Administrator has discretionary authority to determine eligibility for benefits and to construe the terms of this Plan.

**ARTICLE 9****HEALTH CARE REIMBURSEMENT ACCOUNT PROGRAM**

**9.1 General.** This article is intended to qualify as an accident and health plan within the meaning of Code Section 106. It is intended that reimbursements under this program be eligible for exclusion from the gross income of Participants under Code Section 105(b). Accordingly, this program shall be interpreted and construed in accordance with Code Sections 106 and 105(e) and any regulations or other interpretations thereunder. This program represents one benefit that may be elected by Participants under the Portland Public Schools Cafeteria Plan, and a Participant under that Plan who elects the Health Care Expense Reimbursement Benefit thereunder is deemed to be a Participant under this health care reimbursement account program.

**9.2 Amount of Coverage.** The maximum amount of coverage that may be elected as a salary reduction contribution under this health care reimbursement account program for a Plan Year is limited to \$2,500 (plus cost-of-living adjustments permitted under applicable law) (\$2,550 for Plan Years beginning on or after January 1, 2015), prorated for any short Plan Year.

**9.3 Health Care Expenses.** Each Participant under this health care reimbursement account program will be entitled to receive for each Plan Year reimbursements of Health Care Expenses that are incurred during the Plan Year and that are not paid or reimbursed by insurance or otherwise, up to the dollar amount of coverage elected by the Participant for that Plan Year.

There will be no reimbursement for premiums paid by a Participant for health insurance. For example, there will not be any reimbursement for premiums paid for other health plan coverage, including premiums paid for health coverage under a plan maintained by the employer of the Participant's spouse or Dependent.

Health Care Expenses incurred after December 31, 2010, for medicines or drugs may be reimbursed under this health care reimbursement account program only if the medicine or drug (a) requires a prescription, (b) is available without a prescription (i.e., an over-the-counter medicine or drug) and the individual obtains a prescription, or (c) is insulin.

The coverage elected for a Plan Year is available only to reimburse expenses that are incurred during the Plan Year. An expense shall be treated as having been incurred when the medical, dental, or vision care that gives rise to the expense is provided or at the time the equipment, supplies, or drugs that give rise to the expense are purchased, and not when the Participant is formally billed, charged for, or pays for the expense.

**ARTICLE 10****DENTAL AND VISION CARE REIMBURSEMENT ACCOUNT PROGRAM**

**10.1 General.** This article is intended to qualify as an accident and health plan within the meaning of Code Section 106. It is intended that reimbursements under this program be eligible for exclusion from the gross income of Participants under Code Section 105(b). Reimbursements under this program are limited to expenses that qualify as dental or vision care under Code Section 223(c). Accordingly, this program shall be interpreted and construed in accordance with Code Sections 106, 105(e), and 223 and any regulations or other interpretations thereunder. This program represents one benefit that may be elected by Participants under the Portland Public Schools Cafeteria Plan, and a Participant under that Plan who elects the Dental and Vision Care Expense Reimbursement Benefit thereunder is deemed to be a Participant under this dental and vision care reimbursement account program.

**10.2 Limitations.** The maximum amount of coverage that may be elected as a salary reduction contribution under this dental and vision care reimbursement account program for a Plan Year shall equal \$2,500 (plus cost-of-living adjustments permitted under applicable law) (\$2,550 for Plan Years beginning on or after January 1, 2015), prorated for any short Plan Year.

**10.3 Dental and Vision Care Expenses.** Each Participant under this dental and vision care reimbursement account program will be entitled to receive for each Plan Year reimbursements of Dental and Vision Care Expenses that are incurred during the Plan Year and that are not paid or reimbursed by insurance or otherwise, up to the dollar amount of coverage elected by the Participant for that Plan Year.

There will be no reimbursement for premiums paid by a Participant for any kind of health insurance. For example, there will not be any reimbursement for premiums paid for other dental plan coverage, including premiums paid for dental coverage under a plan maintained by the employer of the employee's spouse or Dependent.

Dental and Vision Care Expenses incurred for medicines or drugs may be reimbursed under this dental and vision care reimbursement account program only if the medicine or drug (a) requires a prescription, (b) is available without a prescription (i.e., an over-the-counter medicine or drug) and the individual obtains a prescription, or (c) is insulin.

The coverage elected for a Plan Year is available only to reimburse expenses that are incurred during the Plan Year. An expense shall be treated as having been incurred when the dental or vision care that gives rise to the expense is provided or at the time the equipment, supplies, or drugs that give rise to the expense are purchased, and not when the Participant is formally billed, charged for, or pays for the expense.

**ARTICLE 12****HEALTH SAVINGS ACCOUNT**

**12.1 General.** An Eligible Employee may elect to make pre-tax Compensation reduction contributions to an HSA under 4.1(e) subject to the terms of Article 3 and this article. To make such contributions, the Eligible Employee must (a) be an “eligible individual” within the meaning of Code Section 223(c), (b) be covered by an HDHP coverage option provided by the District, and (c) have established an HSA account with an HSA trustee/custodian satisfactory to the Plan Administrator. If an Eligible Employee elects the Health Savings Account Benefit, the District will contribute to the Eligible Employee’s HSA, subject to the Eligible Employee’s continuing eligibility to contribute to an HSA, an amount as determined by the District and listed on Exhibit C. In no event will an Eligible Employee be allowed to receive such District contribution as a Cash Benefit.

**12.2 Maximum Amount of Contributions.** In no event shall the annual amount of the Participant's pre-tax Compensation reduction contributions and the District Contributions to the Participant’s HSA exceed the annual limit described in Code Section 223(b). The limit is the annual statutory maximum under Code Section 223(b), as adjusted for cost-of-living increases (\$3,350 for single HDHP coverage and \$6,650 for family HDHP coverage in 2015), plus additional catch-up contribution amounts for Participants who are age 55 or older as described in Code Section 223(b)(3) (\$1,000 for 2015).

Subject to the following, if the Participant is not eligible to contribute to an HSA for the entire Plan Year under this Article 12, the maximum annual contribution will be prorated for the number of months in which the Participant is eligible to contribute to an HSA. If a Participant is eligible to make HSA contributions during the last month of a Plan Year, however, the Participant’s maximum annual HSA contribution for the Plan Year is the greater of the following:

- (a) The prorated amount described in the preceding sentence; or
- (b) The maximum annual HSA contribution under Code Section 223(b)(2)(A) or 223(b)(2)(B) based on the Participant’s HDHP coverage (self-only or family) December 1 of that Plan Year, plus catch-up contributions under Code Section 223(b)(3), if applicable.

**12.3 Forwarding of Contributions.** The District will forward contributions to the Participant’s HSA that the Participant has established with an HSA custodian or trustee. The Plan Administrator may limit the number of HSA providers to whom it will forward HSA contributions.

**12.4 Status of HSA.** The HSA Benefit under this Plan consists solely of the Participant’s ability to make pre-tax Compensation reduction contributions to the HSA and the District contributions that are made to the HSA. The terms and conditions of each Participant’s HSA are described in the HSA trust or custodial agreement provided by the applicable trustee or custodian and are not a part of this Plan.

**EXHIBIT B  
PORTLAND PUBLIC SCHOOLS  
CAFETERIA PLAN**

**Cash Out of District Contribution  
(Referent Section 4.1(d))**

A Participant for whom the Plan Year under Exhibit A would be October 1 through September 30 shall be entitled to \$275 in taxable cash compensation in each month in which he or she elects not to receive (and does not receive) coverage under the District's medical, dental, and vision plans, provided the Participant demonstrates to the Plan Administrator's satisfaction that he or she has coverage under another group medical plan, including a government provided basic medical plan.



**EXHIBIT C  
PORTLAND PUBLIC SCHOOLS  
CAFETERIA PLAN**

**District Contribution  
(Referent Section 5.1(c))**

The amount of the District monthly contribution for each Plan Year for each Participant shall be the District's share of the premium for coverage under the District-provided group health plans.

The District will contribute the following additional amount for each Eligible Employee who elects the Health Savings Account Benefit described in 4.1(e): (1) \$150 per month for an Eligible Employee enrolled in self-only coverage under a District-provided HDHP option, or (2) \$275 per month for an Eligible Employee enrolled in family coverage under a District-provided HDHP option.



## Board of Education

### Superintendent's Recommendation to the Board

---

**Board Meeting Date:** January 27, 2015

**Executive Committee Lead:**

Yousef Awwad, CPA, Chief Financial Officer

**Department:** Finance

**Presenter/Staff Lead:**

David Wynde, Deputy Chief Financial Officer &  
Budget Director

**Agenda Action:**     Resolution     Policy

**SUBJECT: Amendment No. 2 to the 2014/15 Budget**

#### BRIEF SUMMARY AND RECOMMENDATION

This budget amendment reflects changes to the 2014/15 budget directed by the Board of Education ("Board") in Resolutions No. 4961 and 4970 in light of a higher than budgeted beginning fund balance. This amendment reflects other changes to fund balances based upon the completed financial audit for 2013/14. This amendment also includes revisions to revenues and expenditures, in the process known as "fall balancing", to reflect information not available at the time of the adopted budget.

The superintendent recommends approval of the attached resolution.

#### BACKGROUND

On June 23, 2014 the Board of Education ("Board"), by way of Resolution No. 4934, voted to adopt an annual budget for the Fiscal Year 2014/15 as required under Local Budget Law.

On September 23, 2014 the Board, by way of Resolution No. 4961 directed the superintendent to use the higher than budgeted beginning fund balance for 2014/15 to increase school staffing and support by \$3.5 million immediately, to develop plans for additional investment in support of the District's strategic priorities, and to increase uncommitted contingency to 4.5%. All of these changes were to be detailed in a budget amendment to be presented to the Board in January 2015 after completion of the audit of the FY 2013/14 financial statements of the District.

As follow up action, on October 14, 2014 the Board, by way of Resolution No. 4970, directed the superintendent to implement plans that included \$3.5 million in ongoing commitments and \$2.85 million in one-time investments in support of the three priorities:

**Reviewed and Approved by  
Superintendent**

A handwritten signature in cursive script, appearing to read "Carrie Smith".

- Ensuring all students are reading at benchmark by the end of third grade;
- Improving high school graduation and completion rates; and,
- Eliminating disproportionality in out of school discipline between white students and students of color, and reducing out of school discipline for all students by 50 percent.

The plans also included \$3.15 million in additional strategic one-time investments to improve outcomes for PPS students and effective operations.

This Amendment No.2 to the annual budget for the Fiscal Year 2014/15 is the one specifically referenced in Resolutions Nos. 4961 and 4970 where the Board directed the Superintendent to include the changes outlined in those resolutions in an amendment to the 2014/15 budget in January 2015

On November 25, 2014 the Board, by way of Resolution No. 4991, voted to approve Amendment #1 to the annual budget for the Fiscal Year 2014/15. Amendment No. 1 increased the amount transferred from Fund 101 – the General Fund - to Fund 438 – the Facilities Capital Project Fund - by \$1,775,000, and appropriated those funds for Facilities Acquisition and Construction. This increase was part of the \$3.15 million in additional strategic one-time investments to improve outcomes for PPS students and effective operations in the October 14 plans. The transfer was required prior to the full January budget amendment in order for facilities work to begin as soon as possible.

Amendment No.2 includes the following major components:

- Beginning Fund Balances in a number of funds are adjusted to reflect the actual Ending Fund Balances as reported in the Comprehensive Annual Financial Report (“CAFR”) for FY 2013/14 that was accepted and approved by the Board under Resolution No. 4995 on December 9, 2014.
- Program allocations for funds are adjusted to more accurately reflect intended expenditures and appropriation levels are adjusted as needed. These changes include the plans and directives approved by the Board in Resolutions Nos. 4961 and 4970 described above. Changes in appropriation levels are indicated on the table attached to this resolution.
- Revenues and resources are adjusted for any other known or expected events.
- In the process known as “fall balancing”, budgeted expenditures are also revised to reflect information not available at the time of the adopted budget, e.g. actual teacher salaries and the renewal rates for employees’ health care benefit plans.

## **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**

<p><b>Reviewed and Approved by Superintendent</b></p>
---

This amendment was the subject of a staff presentation and Board discussion at its public meeting on January 20, 2015.

There was substantial process leading up to the adoption of the budget for 2014/15. The actions taken by the Board to provide direction to staff earlier this fiscal year were discussed and voted on at public meetings on September 23 and October 14 and there was a staff presentation to the Board at a public meeting on September 16. In addition, Amendment No.1 was approved at a public meeting on November 25, 2014 after a public hearing.

This budget amendment includes changes in expenditures of more than 10% in seven funds (Fund 202 – Cafeteria Fund, Fund 404 – Construction Excise Tax, Fund 407 – IT Systems Project Fund, Fund 435 – Energy Efficient Schools Fund, Fund 438 – Facilities Capital Project Fund, Fund 445 – Capital Asset Renewal Fund, and Fund 601 – Self Insurance Fund) and, therefore, require a public hearing that will be held on January 27, 2015 before the Board takes action on this amendment.

---

### **ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN**

The PPS budget for 2014/15 was developed to be in alignment with the PPS Racial Educational Equity Policy. The Citizen Budget Review Committee stated in its report to the Board that “This budget puts us intentionally on the path to improve outcomes for our historically underserved students, thereby improving outcomes for all students.” The plans in support of the three priorities, that included \$3.5 million in ongoing commitments and \$2.85 million in one-time investments as part of this amendment, were developed to be in alignment with the Racial Education Equity Policy.

---

### **BUDGET / RESOURCE IMPLICATIONS**

#### Fund 101 – General Fund

#### Resources

Beginning fund balance is adjusted by \$16.8 million in line with the CAFR. Revenue from local sources is increased by \$8.4 million reflecting higher than budgeted property tax collections from both the permanent rate tax and the local option (which accounts for \$3.8 million). This increase is partially offset by a reduction in state sources, which is mostly the reduction in the state school fund grant as a result of the higher permanent rate collections. The total increase in resources in this amendment is \$20.5 million, from the beginning fund balance and the local option revenue.

<b>Reviewed and Approved by Superintendent</b>
--

## Expenditures

<u>Change in Expenditures</u>	
Schools	\$ 3,500,000
Ongoing	\$ 3,500,000
One-Time	\$ 4,200,000
Teacher Salaries	\$ (2,600,000)
Healthcare	\$ (2,700,000)
Benefits	\$ (3,000,000)
Transfers	\$ (1,700,000)
Arts Tax	\$ (400,000)
	\$ 800,000

Overall expenditures are increased in this amendment by \$0.8 million. Expenditures were increased as a result of the plans implemented after passage of Resolutions Nos. 4961 and 4970 with a \$3.5 million increase for additional school staff and additions to school wide support for high schools. In addition, there was \$3.5 million added in the form of ongoing commitments in support of the three priorities, and \$6 million of one-time spending (which is only \$4.2 million in this calculation because \$1.8 million was already adjusted in amendment no 1.)

These increases are offset by three factors that were reviewed and revised in the fall balancing reconciliation. First, teacher salaries are \$2.6 million lower once the actual salaries for hired teachers are factored in. Despite adding a total of 219 positions over last year (37 of which were adopted after the budget as adopted) the average teacher salary is \$64,312 – which is \$950 less than the amount budgeted.

Secondly, the budget for healthcare costs is reduced by \$2.7 million – with almost all of this due to the cost of teacher healthcare in the new plan year which starts midway through the fiscal year. We had budgeted for a 6% increase – in line with historical trends but the actual cost of the renewal is 2% less than the current plan year.

The third fall balancing adjustments has to do with benefits. Several benefit categories are particularly hard to estimate – PERS depends on the balance of employees between Tier 1 and Tier2/OPSRP, unemployment expense is related to historical experience not number of employees, and two retiree categories – early retirement stipends and retiree health insurance are not related to current employees at all but are dependent upon the number of people who choose to retire and the choices that they make about these benefits. The revised cost for these benefits is \$3 million less than in the adopted budget.

Lastly there are two more adjustment that we have included – one is the added transfer of \$1.7 million to other funds reflecting work approved in the adopted budget and in this amendment that will be funded through capital funds; the other is an increase to contingency of about \$0.4 million for City arts income tax revenue that needs to be earmarked for arts teachers in schools for 2015-16.

**Reviewed and Approved by  
Superintendent**

## Contingency

<b>Change in Contingency</b>	
Beginning Fund Balance	\$ 3,800,000
Fall Balancing	\$ 12,000,000
Transfer	\$ 1,800,000
Arts Tax	\$ 400,000
	<b>\$ 18,000,000</b>

The increase in contingency as a result of Amendment No.2 is \$18 million. The allocation of the funds from the higher beginning fund balance included \$3.8 million to contingency. The net impact of the fall balancing adjustments is \$12 million (\$3.7 million in additional revenue and \$8.3 million in lower expenditures). The \$1.8 million transfer to the Facilities Capital Fund in Amendment No.1 is really funded from the adjusted beginning fund balance but was initially funded by a reduction in contingency which is now restored, and there is the increase of \$0.4 million for the arts tax commitment carried forward to 2015/16.

After this amendment, PPS contingency will be \$37.4 million – of which \$1.9 million is committed as a reserve for self-insurance and carry-over of funds from the City arts income tax. Uncommitted contingency is \$35.5 million (which is 7.0% of total expenditures).

PPS is in a stronger position to face the uncertainty of the 2015/16 budget after this amendment. These challenges include:

- the uncertain level of legislative appropriation into the state school fund in the coming biennium;
- more than \$3 million of ongoing commitments funded out of contingency in this amended budget;
- \$11 million of one-time investments funded by spending down contingency – some level of which may be deemed to require funding again next year;
- the cost of funding full-day kindergarten – not all of which is likely to be covered by increased state funding; and,
- the possibility of reduced revenue in the current year as a result of final adjustments to 2013/14 state school fund numbers.

The level of contingency in this amended budget provides PPS with resources to mitigate these risks and challenges going into development of the 2015/16 budget.

### Fund 201 – Student Body Fund

Beginning fund balance is adjusted in line with the CAFR and these additional funds are appropriated for expenditure in 2014/15.

### Fund 202 – Cafeteria Fund

Beginning fund balance is adjusted in line with the CAFR and the amount of federal reimbursement is adjustment to align with current expectations. These additional funds are appropriated for expenditure in 2014/15.

### Fund 225 - PERS Rate Stabilization Reserve Fund

Beginning fund balance is adjusted in line with the CAFR and these additional funds increase the budgeted ending fund balance. No expenditures are budgeted in 2014/15.

<b>Reviewed and Approved by Superintendent</b>
--

#### Fund 299 – Dedicated Resource Fund

Beginning fund balance is adjusted in line with the CAFR and there is a corresponding reduction in budgeted local revenue. This is the fund where we account for various fee-for-service activity, the most significant of which is full-day kindergarten in non-Title I schools. There is no change budgeted expenditures in 2014/15.

#### Fund 308 – PERS UAL Debt Service Fund

Beginning fund balance is adjusted in line with the CAFR and these additional funds allow us to reduce the budgeted amount that we transfer from the general fund. There is no change to our expenditure levels for 2014/15 because that is a fixed amount of debt service.

#### Fund 350 – GO Bonds Debt Service Fund

Beginning fund balance is adjusted in line with the CAFR and this reduction is offset by an increase in budgeted local revenue, which is the result of higher than expected increase in tax assessed value that should translate into higher property tax proceeds.

There is no increase to budgeted expenditures because our debt service is a fixed amount for 2014/15 so the net increase in resources is budgeted as ending fund balance for carry over into 2015/16.

#### Fund 404 – Construction Excise Tax

Beginning fund balance is adjusted in line with the CAFR and these additional funds are appropriated for possible expenditure in 2014/15.

#### Fund 407 – IT Systems Project Fund

Beginning fund balance is adjusted in line with the CAFR, local revenue is increased because we have received a small amount of additional funds from priority 2 eRate reimbursements that is impossible to forecast, and there is an increase in transfers from the general fund as part of the additional expenditures for the three priorities and strategic investments. These increased funds are appropriated for expenditure in 2014/15.

#### Fund 420 – Full Faith and Credit Fund

Beginning fund balance is adjusted in line with the CAFR and these additional funds are appropriated for expenditure in 2014/15.

#### Fund 435 – Energy Efficient Schools Fund

Beginning fund balance is adjusted in line with the CAFR and increased energy tax credit funds. These additional funds are appropriated for expenditure in 2014/15.

#### Fund 438 – Facilities Capital Fund

Beginning fund balance is adjusted in line with the CAFR, local revenue is higher because of additional donations to assist in completion of the ten great fields project, and the transfer from the general fund is increased to account for funds that are required to be used for the upkeep of the BESC under the terms of the PPS lease of space to Multnomah County. These additional funds are appropriated for possible expenditure in 2014/15.

<p><b>Reviewed and Approved by Superintendent</b></p>
---

Amendment No.1 had previously increased the transfer to this fund for the facilities components of the investments authorized under Resolutions 4961 and 4970.

Fund 445 – Capital Asset Renewal Fund

Beginning fund balance is adjusted in line with the CAFR and these additional funds are appropriated for possible expenditure in 2014/15.

Fund 450 – GO Bonds Fund

Beginning fund balance is adjusted in line with the CAFR and the appropriation for expenditure in 2014/15 is adjusted correspondingly.

Fund 601 – Self Insurance Fund

Beginning fund balance is adjusted in line with the CAFR and these additional funds are appropriated for possible expenditure in 2014/15.

---

**ATTACHMENTS**

1. Board Resolution
2. Comparison of Budgets by Program

**Reviewed and Approved by  
Superintendent**



PPS General Fund Comparing Amended to Adopted to Prior Year	Actual 2013/14	% of Total	Adopted 2014/15	% of Total	Amend. #2 2014/15	% of Total	Increase from 2013/14
Elementary School Instruction	\$ 100,111,328	10.3%	\$ 111,232,757	10.7%	\$ 107,238,590	10.1%	\$ 7,127,262
Middle School Instruction	\$ 42,226,562	4.3%	\$ 47,512,028	4.6%	\$ 47,443,031	4.5%	\$ 5,216,469
High School Instruction	\$ 53,352,456	5.5%	\$ 62,531,703	6.0%	\$ 62,290,360	5.9%	\$ 8,937,904
Pre-Kindergarten Instruction	\$ -	0.0%	\$ -	0.0%	\$ 293,000	0.0%	\$ 293,000
<b>Instruction - Regular</b>	<b>\$ 195,690,346</b>	<b>20.2%</b>	<b>\$ 221,276,488</b>	<b>21.3%</b>	<b>\$ 217,264,981</b>	<b>20.5%</b>	<b>\$ 21,574,635</b>
Special Programs - TAG	\$ 223,336	0.0%	\$ 280,178	0.0%	\$ 276,448	0.0%	\$ 53,112
Restrictive Program Instruction	\$ 19,838,165	2.0%	\$ 21,396,722	2.1%	\$ 19,677,080	1.9%	\$ (161,085)
Less Restrictive Program Instruction	\$ 18,675,119	1.9%	\$ 20,627,365	2.0%	\$ 20,326,956	1.9%	\$ 1,651,837
Early Intervention Instruction	\$ 1,176,100	0.1%	\$ 1,038,550	0.1%	\$ 1,597,429	0.2%	\$ 421,329
Alternative Education	\$ 24,185,028	2.5%	\$ 25,535,514	2.5%	\$ 25,055,998	2.4%	\$ 870,970
Designated Programs	\$ 11,873,917	1.2%	\$ 13,784,975	1.3%	\$ 13,116,794	1.2%	\$ 1,242,877
Summer School Programs	\$ 321,565	0.0%	\$ 452,137	0.0%	\$ 482,386	0.0%	\$ 160,821
<b>Instruction - Special Programs</b>	<b>\$ 76,293,230</b>	<b>7.9%</b>	<b>\$ 83,115,441</b>	<b>8.0%</b>	<b>\$ 80,533,091</b>	<b>7.6%</b>	<b>\$ 4,239,861</b>
<b>Instruction Subtotal</b>	<b>\$ 271,983,576</b>	<b>28.0%</b>	<b>\$ 304,391,929</b>	<b>29.3%</b>	<b>\$ 297,798,072</b>	<b>28.1%</b>	<b>\$ 25,814,496</b>
Instructional Support - Students	\$ 38,618,201	4.0%	\$ 42,714,518	4.1%	\$ 43,855,784	4.1%	\$ 5,237,583
Instructional Support - Staff	\$ 15,511,817	1.6%	\$ 19,738,388	1.9%	\$ 22,909,710	2.2%	\$ 7,397,893
<b>Support Services - Instructional</b>	<b>\$ 54,130,018</b>	<b>5.6%</b>	<b>\$ 62,452,906</b>	<b>6.0%</b>	<b>\$ 66,765,494</b>	<b>6.3%</b>	<b>\$ 12,635,476</b>
<b>Subtotal - Instruction &amp; Instruction Support</b>	<b>\$ 326,113,594</b>	<b>33.6%</b>	<b>\$ 366,844,835</b>	<b>35.3%</b>	<b>\$ 364,563,566</b>	<b>34.4%</b>	<b>\$ 38,449,972</b>
Executive Administration	\$ 5,891,485	0.6%	\$ 5,494,429	0.5%	\$ 6,711,399	0.6%	\$ 819,914
School Administration	\$ 30,877,758	3.2%	\$ 34,026,632	3.3%	\$ 35,460,058	3.3%	\$ 4,582,300
Business Services	\$ 8,585,142	0.9%	\$ 9,395,856	0.9%	\$ 9,611,693	0.9%	\$ 1,026,551
Operations & Maintenance of Plant	\$ 43,424,847	4.5%	\$ 45,219,935	4.3%	\$ 44,784,590	4.2%	\$ 1,359,743
Student Transportation	\$ 18,661,184	1.9%	\$ 20,220,241	1.9%	\$ 19,717,767	1.9%	\$ 1,056,583
Internal Services	\$ 2,544,546	0.3%	\$ 2,943,473	0.3%	\$ 2,850,391	0.3%	\$ 305,845
<b>Support Services - General Admin</b>	<b>\$ 109,984,962</b>	<b>11.3%</b>	<b>\$ 117,300,566</b>	<b>11.3%</b>	<b>\$ 119,135,898</b>	<b>11.2%</b>	<b>\$ 9,150,936</b>
Planning, Research, Development	\$ 1,563,575	0.2%	\$ 1,715,459	0.2%	\$ 2,055,432	0.2%	\$ 491,857
Information Services	\$ 1,833,122	0.2%	\$ 2,228,896	0.2%	\$ 2,411,161	0.2%	\$ 578,039
Staff Services	\$ 4,183,689	0.4%	\$ 4,636,510	0.4%	\$ 4,758,069	0.4%	\$ 574,380
Technology Services	\$ 10,658,767	1.1%	\$ 12,345,214	1.2%	\$ 12,783,854	1.2%	\$ 2,125,087
<b>Support Services - Central Activities</b>	<b>\$ 18,239,153</b>	<b>1.9%</b>	<b>\$ 20,926,079</b>	<b>2.0%</b>	<b>\$ 22,008,516</b>	<b>2.1%</b>	<b>\$ 3,769,363</b>
<b>Subtotal - General Admin &amp; Central Services</b>	<b>\$ 128,224,115</b>	<b>13.2%</b>	<b>\$ 138,226,645</b>	<b>13.3%</b>	<b>\$ 141,144,414</b>	<b>13.3%</b>	<b>\$ 12,920,299</b>
Enterprise and Community Services	\$ 1,621,000	0.2%	\$ 1,815,169	0.2%	\$ 1,926,466	0.2%	\$ 305,466
Facilities Acquisition & Construction		0.0%		0.0%	\$ -	0.0%	\$ -
Debt Service		0.0%		0.0%	\$ -	0.0%	\$ -
Transfers Out	\$ 9,013,122	0.9%	\$ 6,834,433	0.7%	\$ 10,339,429	1.0%	\$ 1,326,307
Contingency		0.0%	\$ 21,151,209	2.0%	\$ 37,427,031	3.5%	
Ending Fund Balance	\$ 51,673,784	5.3%		0.0%		0.0%	
<b>Total Requirements by Program</b>	<b>\$ 970,983,324</b>	<b>100.0%</b>	<b>\$ 1,039,943,771</b>	<b>100.0%</b>	<b>\$ 1,061,108,886</b>	<b>100.0%</b>	<b>\$ 90,125,562</b>



# Board of Education

## Superintendent's Recommendation to the Board

---

**Board Meeting Date:** \_\_\_\_\_ **Executive Committee Lead:** Harriet Adair

**Department:** Enrollment and Transfer **Presenter/Staff Lead:** Judy Brennan

**Agenda Action:**  Resolution  Policy

---

<b>SUBJECT: Open Enrollment transfers</b>
---

---

### **BRIEF SUMMARY AND RECOMMENDATION**

Each year by March 1 school boards must decide whether to offer open enrollment transfer to students who live in other districts. The Superintendent recommends that PPS continue to opt out of open enrollment, as the current transfer system accommodates non-residents while limiting transfers between PPS schools.

---

### **BACKGROUND**

Open enrollment is a limited transfer option during a specific lottery cycle, and does not affect students who move or seek transfer at other times. To date, PPS has not participated in open enrollment, due to limited space in most schools, the requirement that resident students be offered space before non-residents and the state mandated timeline that does not synch with the PPS lottery timeline. However, the number of students approved out of PPS through open enrollment has been consistently strong (see attachment 1).

In January 2015, the school board passed Enrollment and Transfer Policy revisions that would make participation in open enrollment even more difficult. As there will no longer be a lottery for neighborhood schools, and open enrollment does not allow us to ask a reason for transfer, the only schools that could be available through open enrollment are focus option schools and programs. Almost all focus options have fewer spaces than resident applicants in the PPS lottery. Focus options that do not fill up during the lottery often follow-up with specific recruiting to draw students who would benefit because of their specific language, program, or other characteristics.

---

### **RELATED POLICIES / BOARD GOALS AND PRIORITIES**

Policy 4.10.040-P, Admission of Non-Resident Students  
Policy 4.10-051-P, Student Enrollment and Transfers  
Administrative Directive 4.10.054-AD, Student Transfers  
Administrative Directive 4.10.090-AD, Interdistrict Agreements and Transfer of State School Funds

---

<b>Reviewed and Approved by Superintendent</b>
--

## **PROCESS / COMMUNITY ENGAGEMENT**

Open enrollment is an annual School Board decision and follows the standard process of Board discussion at a public work session prior to a decision at a regular Board meeting.

Community engagement for other interdistrict transfer changes has happened as part of the 2013 and 2014 legislative sessions.

---

## **ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN**

The revisions in the Enrollment and Transfer Policy align it with our Racial Educational Equity Policy as mentioned above, this makes interdistrict transfers more challenging.

While there are no specific equity implementation plan strategies that reference interdistrict students, it is notable that students from other districts who attend PPS schools are more likely to be students of color than the average rate for students who live within the PPS boundary.

---

## **BUDGET / RESOURCE IMPLICATIONS**

State school funding follows students across district lines in most cases. PPS has long maintained a positive ratio of interdistrict student coming into PPS vs going out.

---

## **NEXT STEPS / TIMELINE / COMMUNICATION PLAN**

**At a minimum, the following actions will occur over the next several months:**

- Plan for and operate an interdistrict lottery this spring after resident lotteries are complete. Space will be available only at schools that did not fill through the resident lotteries. The Board is required to approve lottery space and procedures.
  - Non-resident students already attending PPS schools will receive additional information and instructions for renewing interdistrict transfer agreements. Calls will be made in family's native language, in recognition of the high proportion of interdistrict transfer students who speak a language other than English at home.
  - Staff will collaborate with peers in other districts to streamline new procedures in order to ease the transition for families.
- 

## **ATTACHMENTS**

Attachment 1: Interdistrict transfer rates

<p><b>Reviewed and Approved by Superintendent</b></p>
---



## **MEMORANDUM**

**Date:** January 21, 2015  
**To:** Carole Smith, Superintendent  
**From:** Judy Brennan, Enrollment Director  
**Subject:** 2015 Interdistrict transfer status report and recommendations

---

This memo provides a status report on Portland Public Schools actions in compliance with state laws regarding student transfers between school districts.

### **Open Enrollment**

In accordance with the 2011 Open Enrollment law, each year by March 1, districts must announce whether they will participate in an open enrollment lottery that allows students to transfer into a different district without receiving permission from their resident district.

Open enrollment is a limited transfer option during a specific lottery cycle, and does not affect students who move or seek transfer at other times. To date, PPS has not participated in open enrollment, due to limited space in most schools, the requirement that resident students be offered space before non-residents and the state mandated timeline that does not synch with the PPS lottery timeline. However, the number of students approved out of PPS through open enrollment has been consistently strong (see attachment 1).

This week the school board passed Enrollment and Transfer policy revisions that would make participation in open enrollment even more difficult. As there will no longer be a lottery for neighborhood schools, and open enrollment does not allow us to ask a reason for transfer, the only schools that could be available through open enrollment are focus option schools and programs. Almost all focus options have fewer spaces than resident applicants in the PPS lottery. Focus options that do not fill up during the lottery often follow-up with specific recruiting to draw students who would benefit because of their specific language, program, or other characteristics. As the PPS school choice system does not align well with open enrollment, I recommend that PPS opt out of this program for the 2015-16 school year. I have included a draft resolution for consideration by the School Board at their first opportunity in February.

### **New standards for interdistrict transfers**

In 2014 PPS implemented new rules in compliance with House Bills 2747 and 4007. Non-resident students are now accepted only through a “blind” lottery process that does not consider student residence, demographics or academic information, nor reason for seeking transfer as part of the decision process. Over the spring and summer the School Board approved 800 slots for students into PPS (including all students attending through prior agreements between our district and the students’ resident districts) and 30 slots for students to transfer out (not including PPS resident students who had received prior permission to attend schools in other districts).

Slots were filled in compliance with new state rules, and priority was given to students who were already attending their requested school over those seeking to transfer for the first time. The new process exposed a number of challenges, which have been reported back to state level leaders and an ad-hoc group of district representatives. The legislature is likely to take up the issue again in the coming session, in order to address concerns and develop final legislation that will merge the open enrollment and standard interdistrict procedures.

In the meantime, PPS is joining with staff of nearby districts to develop common understandings of timelines and procedures, so that the process for 2015-16 transfers is smoother and more family-friendly than that of 2014-15.

David Williams and I will keep you informed of development that will impact the 2015-16 interdistrict transfer cycle, and beyond. We hope to align our practices for the coming year with the longer-term goals of the legislature. The School Board will once again need to approve the number of slots that will be open for transfers in and out of PPS before we conduct an interdistrict application period and lottery. We expect to bring back more information and a resolution for decision in March, 2015.

Please let me know if I you have any questions or concerns.

Attachment

Cc: Harriet Adair, Jon Isaacs, Amanda Whalen, David Williams

**INTER-DISTRICT TRANSFER IN AND OUT OF PPS  
2010-11 through 2014-15 School Years**

School District	2014-15 Inter-District Transfers Through January 21, 2014					2013-14 Inter-District Transfers					2012-13 Inter-District Transfers					2011-12 Inter-District Transfers			2010-11 Inter-District Transfers		
	OUT			IN	NET	OUT			IN	NET	OUT			IN	NET	OUT	IN	NET	OUT	IN	NET
	HB 3681	Routine inter- district process	Total			HB 3681	Routine inter- district process	Total			HB 3681	Routine inter- district process	Total			Routine inter- district process			Routine inter- district process		
Beaverton	1	4	5	33	28		11	10	62	52	7	7	14	85	71	18	120	102	13	127	114
Centennial	4		4	75	71		4	4	103	99		5	5	91	86	2	85	83	3	85	82
Colton												1	1		1		3	3			
Corbett	15		15		-15	4		4	1	3	4		4	1	3		1	1			
Crook County											1	3	4		4	5	5				
David Douglas	24	9	33	205	172	24	49	61	320	259	54	36	90	247	157	76	249	173	67	303	236
Gaston											1		1		1	1	1				
Gladstone		1	1		-1		3	3	1	2		1	1	1			3	3		1	1
Gresham-Barlow		2	2	29	27	2	7	8	36	28	4	4	8	33	25	3	25	22	4	38	34
Hillsboro		1	1	5	4	1	4	4	10	6	3	1	4	15	11	2	12	10	1	15	14
Lake Oswego	26	3	29	8	-21	41	12	49	11	38	32	16	48	13	35	11	8	3	7	13	6
North Bend (ORVA)																			41		41
North Clackamas	28	2	30	104	74		10	5	125	120		18	18	111	93	16	123	107	20	139	119
North Marion													2	2			4	4		4	4
Oregon City				10	10		3	3	11	8			0	7	7	2	7	5	3	7	4
Oregon Trail				4	4				5	5		1	1	1		1	2	1		1	1
Parkrose	5	2	7	30	23		13	8	66	58		18	18	58	40	17	59	42	21	87	66
Reynolds	1		1	55	54		2	2	78	76		1	1	98	97	2	93	91	2	127	125
Riverdale		9	9		-9	8	1	9		9	12	1	13	1	12	3	1	2	3	3	
Scappoose				2	2				5	5		1	1	3	2		1	1	2	7	5
Sherwood							1	1	4	3	1	1	2		2		1	1		3	3
St. Helens				1	1				2	2			0	2	2	1	2	1	1	3	2
Tigard-Tualatin	5	2	7	12	5	2	4	5	20	15	2	1	3	23	20	0	22	22		20	20
West Linn / Wilsonv						12	2	13	4	9	11	1	12	3	9	5	5		3	9	6
Woodburn									1				0	1	1	1		1			
All others*	5	1	6	6			2	2	5	3				1	1				1	6	5
<b>Total</b>	<b>114</b>	<b>36</b>	<b>150</b>	<b>579</b>	<b>429</b>	<b>94</b>	<b>128</b>	<b>191</b>	<b>870</b>	<b>678</b>	<b>132</b>	<b>117</b>	<b>249</b>	<b>797</b>	<b>548</b>	<b>166</b>	<b>826</b>	<b>660</b>	<b>192</b>	<b>998</b>	<b>806</b>

NOTE: DOES NOT INCLUDE TRANSFERS IN TO PPS CHARTER SCHOOLS

\*Banks, Estacada, Forest Grove, Lebanon, Molalla, North Wasco, Salem-Kaiser, Paisley, Silver Falls, Yamhill-Carlton

**DRAFT**

**RESOLUTION No.**

Inter-District Transfer Procedures for 2015-16 School Year

**RECITALS**

- A. Each year, PPS responds to more than 1,000 requests for interdistrict transfers, both for students who live within the PPS boundary to attend schools in other districts and for students from other districts to attend schools here. During the 2013-14 school year, nearly 800 non-resident students attended PPS schools with the approval of their resident district through the standard interdistrict transfer process.
- B. In June 2011, the Oregon Legislature approved House Bill 3681, which offered a new option for enrolling students from other districts, commonly referred to as “Open Enrollment”. The new option allows a district to accept non-resident students without consent of their resident district. It requires:
- A spring timeframe for announcing space, accepting applicants, running a lottery (if more applicants than space) and providing results,
  - Approval through 12<sup>th</sup> grade, without the need for annual renewal, that cannot be revoked by the non-resident or resident district,
  - Resident applicants must be accepted before non-resident applicants,
  - No weighting, preference or denial can be given based on student demographics, including race, gender and family income level, or special program status, including disability, English language proficiency or athletic ability.
- C. By March 1, 2015, the School Board must determine whether PPS will participate in the “Open Enrollment” option for the 2015-16 school year. If the district chooses to participate, PPS must also announce the spaces available by school on that date.
- D. 340 PPS resident students have transferred to other districts through open enrollment in the three years since the program was initiated. The majority were students who had been approved by PPS to attend another district in the prior year, or who had been paying tuition at other schools.
- E. Participating in “Open Enrollment” has the potential to offset enrollment loss of students approved to other districts. Because resident applicants must be accepted before non-residents, open enrollment could destabilize efforts to balance enrollment between PPS schools, and are not aligned with recent revisions to Enrollment and Transfer policies approved by the PPS School Board of Directors.
- F. Superintendent Smith recommends that PPS opt-out of the “Open Enrollment” program for the 2015-16 school year.

**RESOLUTION**

- A. The Board of Directors for Portland Public Schools accepts the Superintendent’s recommendation to continue to offer our existing system for non-resident students to

access PPS schools and to opt out of the interdistrict transfer option known as “Open Enrollment” for the 2015-16 school year, as provided through House Bill 3681.

*H. Adair*

xxx



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

INDEX TO THE AGENDA

January 27, 2015

Board Action Number	Page
---------------------------	------

Purchases, Bids, Contracts

5010	Expenditure Contracts that Exceed \$150,000 for Delegation of Authority.....	3
------	--	---

Other Items Requiring Board Action

5011	National No One Eats Alone Day.....	5
5012	Adoption of Amended Board Policy on Cafeteria Plan, Policy 5.10.090-P, "Cafeteria Plan" .....	6
5013	Amendment No. 2 to the 2014-15 Budget for School District No. 1J, Multnomah County, Oregon .....	8
5014	Election of Board Chairperson .....	18
5015	Election of Board Vice-Chairperson .....	18
5016	Minutes .....	18

Purchases, Bids, Contracts

The Superintendent RECOMMENDS adoption of the following item:

Number 5010

**RESOLUTION No. 5010**

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 agreements in a form approved by General Counsel for the District.

**NEW CONTRACTS**

<b>Contractor</b>	<b>Contract Term</b>	<b>Contract Type</b>	<b>Description of Services</b>	<b>Contract Amount</b>	<b>Responsible Administrator, Funding Source</b>
OETC	1/7/2015	Purchase Order PO 123344	Microsoft Enterprise Licensing and Home Use Program Annual Support Agreement.	\$320,461	J. Klein Fund 101 Dept. 5581

**NEW INTERGOVERNMENTAL AGREEMENTS (“IGAs”)**

No New IGAs

**AMENDMENTS TO EXISTING CONTRACTS**

No New Amendments

Y. Awwad

Other Items Requiring Board Action

The Superintendent RECOMMENDS adoption of the following items:

Number 5011 through 5016

## **RESOLUTION No. 5011**

### National No One Eats Alone Day

#### **RECITALS**

- A. Social isolation is a problem that affects far too many youth in our middle grades and,
- B. Social isolation can all too often be a precursor to teasing, bullying and even violence to oneself and others, and
- C. The non-profit organization, Beyond Differences, was established in 2010 to create an end to social isolation by changing the culture of middle school, and
- D. Beyond Differences is dedicated to the proposition that all students should feel included, valued and accepted by their peers, and
- E. Beyond Differences has had a tremendous impact because it is a student-led social movement that emphasizes peer-to-peer training and school-based activities, and,
- F. The website [www.nooneeatsalone.org](http://www.nooneeatsalone.org) is being used as a web tool to sign up schools to encourage their participation, and,
- G. Beyond Differences Teen Board has been leading middle school assembly programs for four years and has presented to nearly 10,000 students nationwide, and
- H. Beyond Differences is leading National No One Eats Alone Day, "Spread the Love," on February 13, 2015.

#### **RESOLVED**

1. The Board of Portland Public Schools joins Beyond Differences in proclaiming Feb. 13, 2015 National No One Eats Alone Day and encourages all Portland Public Schools middle schools and K-8 schools to join in this effort and host a No One Eats Alone event on their campuses.
2. The Board of Portland Public Schools endorses the distribution to all Portland Public Schools middle schools and K-8 schools Beyond Differences backpack starter kits. The generous contribution of backpacks from Beyond Differences will provide student leaders at each school with information, ideas, balloons and plastic bracelets to encourage students to create their own events unique to them and their schools.
3. Portland Public Schools strongly supports all efforts by students, counselors, teachers, administrators and partner organizations to end social isolation in the middle grades.

## RESOLUTION No. 5012

### Adoption of Amended Board Policy on Cafeteria Plan, Policy 5.10.090-P, "Cafeteria Plan"

#### RECITALS

- A. Portland Public Schools ("District") established the Portland Public Schools Cafeteria Plan ("Plan") effective May 1, 1994.
- B. The Plan was amended and restated effective January 1, 2006, and was last amended effective October 1, 2013.
- C. The District intends that this Plan continue to satisfy the requirements of Section 125 of the Internal Revenue Code of 1986, as amended.
- D. The District wishes to amend the Plan in certain respects.

#### RESOLUTION

The District's Board of Education ("Board") has reviewed recommendations to amend the policy. Per Board Policy 1.70.020-P, "Policies and Administrative Directives," the Board is required to place any new policy or policy updates on the District website for a 21-day public review. Having fulfilled this obligation and having received no public input on the proposed policy amendment, the Board supports the proposed policy language for adoption effective February 1, 2015.

#### SUMMARY OF PROPOSED POLICY AMENDMENTS

**Mid-year Election Changes (4.3(i)).** Section 4.3(i) adds two new circumstances in which a participant can make a mid-year election change. A participant can make a mid-year election change to prospectively revoke coverage under a District group health plan (other than the health FSA or the dental and vision FSA) in the following situations:

**(1) Reduction in hours.** A participant may revoke coverage if his or her weekly hours are reduced below 30 in connection with a change in employment status. The revocation must be in connection with the participant's intended enrollment in another health plan no later than the first day of the second month following the month in which the revocation occurs.

**(2) Enrollment in a qualified health plan through an exchange.** A participant may revoke coverage if he or she intends to enroll in a qualified health plan through an exchange during the exchange's special enrollment period or annual open enrollment period. The enrollment in the qualified health plan must be effective no later than the day immediately following the last day of coverage.

**Contribution Limits (5.3, 92, and 10.2).** These sections were revised to add the cost-of-living adjustment to the plan-year limit on salary reduction contributions to the health FSA and the dental and vision FSA. The limit for plan years beginning on or after January 1, 2015, is \$2,550.

Section 5.3 was also revised to clarify that the \$20 per month minimum elective contribution applies only to the health FSA, dental and vision FSA, and DCAP.

**Claims Procedure (6.5).** Language was added to this section specifying that a claimant must exhaust the Plan's claims procedure before filing suit for benefits. This section was also revised to add a one year limitations period during which a claimant must file suit.

**HAS Contribution Limits (12.2).** This section was updated to include the 2015 contribution limits to the HAS (\$3,350 for single HDHP coverage and \$6,650 for family HDHP coverage).

**Cash Out of District Contribution (Exhibit B).** The cash out amount for waiving coverage has been updated to be \$275 a month, effective October 1, 2014.

**District Contribution (Exhibit C).** The amount of the District contribution to the HSA has been updated effective October 1, 2014, to be \$150 a month for single HDHP coverage and \$275 a month for family HDHP coverage.

*S. Murray / T. Burton*

## RESOLUTION No. 5013

### Amendment No. 2 to the 2014/15 Budget for School District No. 1J, Multnomah County, Oregon

#### RECITALS

- A. On June 23, 2014 the Board of Education ("Board"), by way of Resolution No. 4934, voted to adopt an annual budget for the Fiscal Year 2014/15 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 September 23, 2014 the Board, by way of Resolution No. 4961 directed the superintendent to use the higher than budgeted beginning fund balance to increase school staffing and support by \$3.5 million immediately, to develop plans for additional investment in support of the District's strategic priorities, and to increase uncommitted contingency to 4.5%. All of which changes were to be detailed in a budget amendment to be presented to the Board in January 2015 after completion of the audit of the FY 2013/14 financial statements of the District.
- E. As follow up action, on October 14, 2014 the Board, by way of Resolution No. 4970, directed the superintendent to implement plans that included \$3.5 million in ongoing commitments and \$2.85 million in one-time investments in support of the three priorities:
- a) Ensuring all students are reading at benchmark by the end of third grade;
  - b) Improving high school graduation and completion rates; and,
  - c) Eliminating disproportionality in out of school discipline between white students and students of color, and reducing out of school discipline for all students by 50 percent.
- The plans also included \$3.15 million in additional strategic one-time investments to improve outcomes for PPS students and effective operations.
- F. On November 25, 2014 the Board, by way of Resolution No. 4991, voted to approve Amendment #1 to the annual budget for the Fiscal Year 2014/15. Amendment No. 1 increased the amount transferred from Fund 101 – the General Fund - to Fund 438 – the Facilities Capital Project Fund - by \$1,775,000, and appropriated those funds for Facilities Acquisition and Construction. This increase was part of the \$3.15 million in additional strategic one-time investments to improve outcomes for PPS students and effective operations in the October 14 plans. The transfer was required prior to the full January budget amendment in order for facilities work to begin as soon as possible.
- G. This resolution is to enable the Board to approve Amendment No.2 to the annual budget for the Fiscal Year 2014/15, and is allowed under ORS 294.471 guidelines, which state that the budget may be amended at a regular meeting of the governing body. This amendment is the one specifically referenced in Resolutions Nos. 4961 and 4970 where the Board directed the Superintendent to include the changes outlined in those resolutions in an amendment to the 2014/15 budget in January 2015
- H. Amendment No.2 includes the following major components:
- a) Beginning Fund Balances in a number of funds are adjusted to reflect the actual Ending Fund Balances as reported in the Comprehensive Annual Financial Report ("CAFR") for FY 2013/14



that was accepted and approved by the Board under Resolution No. 4995 on December 9, 2014.

- b) Program allocations for funds are adjusted to more accurately reflect intended expenditures and appropriation levels are adjusted as needed. These changes include the plans and directives approved by the Board in Resolutions Nos. 4961 and 4970 described above. Changes in appropriation levels are indicated on the table attached to this resolution.
  - c) Revenues and resources are adjusted for any other known or expected events.
  - d) In the process known as “fall balancing”, budgeted expenditures are also revised to reflect information not available at the time of the adopted budget, e.g. actual teacher salaries and the renewal rates for employees’ health care benefit plans.
- I. Expenditures in seven funds (Fund 202 – Cafeteria Fund, Fund 404 – Construction Excise Tax, Fund 407 – IT Systems Project Fund, Fund 435 – Energy Efficient Schools Fund, Fund 438 – Facilities Capital Fund, Fund 445 – Capital Asset Renewal Fund, and Fund 601 – Self Insurance Fund) will be changed by more than 10% under this amendment. Local budget law requires a public hearing on this change. A public hearing occurred prior to Board action.
  - J. The superintendent recommends approval of this resolution.

### **RESOLUTION**

- 1. 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, 2014.

*Y. Awwad / D. Wynde*

**ATTACHMENT "A" TO RESOLUTION No. 5013**  
 Amendment 2 for the 2014/15 Budget

Schedule of Changes in Appropriations and Other Balances

Fund 101 - General Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	34,861,148	34,861,148	16,812,637	51,673,785
Local Sources	284,215,500	284,215,500	8,400,000	292,615,500
Intermediate Sources	12,723,555	12,723,555	(10,000)	12,713,555
State Sources	202,972,088	202,972,088	(4,674,022)	198,298,066
Federal Sources	-	-	-	-
Other Sources	100,000	100,000	-	100,000
<b>Total</b>	<b>534,872,291</b>	<b>534,872,291</b>	<b>20,528,615</b>	<b>555,400,906</b>

Requirements				
Instruction	304,391,929	304,391,929	(6,593,857)	297,798,072
Support Services	200,679,551	200,679,551	7,230,357	207,909,908
Enterprise & Community Services	1,815,169	1,815,169	111,297	1,926,466
Facilities Acquisition & Construction	-	-	-	-
Debt Service & Transfers Out	6,834,433	8,609,433	1,729,996	10,339,429
Contingency	21,151,209	19,376,209	18,050,822	37,427,031
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>534,872,291</b>	<b>534,872,291</b>	<b>20,528,615</b>	<b>555,400,906</b>

Fund 201 - Student Body Activity Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	3,260,830	3,260,830	620,896	3,881,726
Local Sources	8,818,532	8,818,532	-	8,818,532
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	-	-	-	-
<b>Total</b>	<b>12,079,362</b>	<b>12,079,362</b>	<b>620,896</b>	<b>12,700,258</b>

Requirements				
Instruction	8,818,532	8,818,532	620,896	9,439,428
Support Services	-	-	-	-
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	-	-	-	-
Debt Service & Transfers Out	-	-	-	-
Contingency	-	-	-	-
Ending Fund Balance	3,260,830	3,260,830	-	3,260,830
<b>Total</b>	<b>12,079,362</b>	<b>12,079,362</b>	<b>620,896</b>	<b>12,700,258</b>

Fund 202 - Cafeteria Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	2,714,766	2,714,766	2,195,449	4,910,215
Local Sources	3,693,623	3,693,623	-	3,693,623
Intermediate Sources	-	-	-	-
State Sources	323,532	323,532	-	323,532
Federal Sources	12,822,296	12,822,296	30,591	12,852,887
Other Sources	-	-	-	-
<b>Total</b>	<b>19,554,217</b>	<b>19,554,217</b>	<b>2,226,040</b>	<b>21,780,257</b>

Requirements				
Instruction	-	-	-	-
Support Services	-	-	-	-
Enterprise & Community Services	18,262,380	18,262,380	2,226,040	20,488,420
Facilities Acquisition & Construction	-	-	-	-
Debt Service & Transfers Out	-	-	-	-
Contingency	-	-	-	-
Ending Fund Balance	1,291,837	1,291,837	-	1,291,837
<b>Total</b>	<b>19,554,217</b>	<b>19,554,217</b>	<b>2,226,040</b>	<b>21,780,257</b>

Fund 225 - PERS Rate Stabilization Reserve Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	15,731,300	15,731,300	25,523	15,756,823
Local Sources	271,200	271,200	-	271,200
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	-	-	-	-
<b>Total</b>	<b>16,002,500</b>	<b>16,002,500</b>	<b>25,523</b>	<b>16,028,023</b>

Requirements				
Instruction	-	-	-	-
Support Services	-	-	-	-
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	-	-	-	-
Debt Service & Transfers Out	-	-	-	-
Contingency	-	-	-	-
Ending Fund Balance	16,002,500	16,002,500	25,523	16,028,023
<b>Total</b>	<b>16,002,500</b>	<b>16,002,500</b>	<b>25,523</b>	<b>16,028,023</b>

Fund 299 - Dedicated Resource Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	5,153,700	5,153,700	1,790,098	6,943,798
Local Sources	11,605,829	11,605,829	(1,790,098)	9,815,731
Intermediate Sources			-	-
State Sources	-	-	-	-
Federal Sources	92,240	92,240	-	92,240
Other Sources			-	-
<b>Total</b>	<b>16,851,769</b>	<b>16,851,769</b>	<b>-</b>	<b>16,851,769</b>

Requirements				
Instruction	14,858,085	14,858,085	-	14,858,085
Support Services	1,755,958	1,755,958	-	1,755,958
Enterprise & Community Services	64,102	64,102	-	64,102
Facilities Acquisition & Construction	173,624	173,624	-	173,624
Debt Service & Transfers Out	-	-	-	-
Contingency	-	-	-	-
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>16,851,769</b>	<b>16,851,769</b>	<b>-</b>	<b>16,851,769</b>

Fund 308 - PERS UAL Debt Service Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	-	-	585,373	585,373
Local Sources	39,799,326	39,799,326	(585,373)	39,213,953
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	-	-	-	-
<b>Total</b>	<b>39,799,326</b>	<b>39,799,326</b>	<b>-</b>	<b>39,799,326</b>

Requirements				
Instruction	-	-	-	-
Support Services	-	-	-	-
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	-	-	-	-
Debt Service & Transfers Out	39,799,326	39,799,326	-	39,799,326
Contingency	-	-	-	-
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>39,799,326</b>	<b>39,799,326</b>	<b>-</b>	<b>39,799,326</b>

Fund 350 - GO Bonds Debt Service Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	466,148	466,148	(104,962)	361,186
Local Sources	44,567,202	44,567,202	262,000	44,829,202
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	-	-	-	-
<b>Total</b>	<b>45,033,350</b>	<b>45,033,350</b>	<b>157,038</b>	<b>45,190,388</b>

Requirements				
Instruction	-	-	-	-
Support Services	-	-	-	-
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	-	-	-	-
Debt Service & Transfers Out	45,033,350	45,033,350	-	45,033,350
Contingency	-	-	-	-
Ending Fund Balance	-	-	157,038	157,038
<b>Total</b>	<b>45,033,350</b>	<b>45,033,350</b>	<b>157,038</b>	<b>45,190,388</b>

Fund 404 - Construction Excise Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	10,732,029	10,732,029	2,271,124	13,003,153
Local Sources	3,011,000	3,011,000	-	3,011,000
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	-	-	-	-
<b>Total</b>	<b>13,743,029</b>	<b>13,743,029</b>	<b>2,271,124</b>	<b>16,014,153</b>

Requirements				
Instruction	-	-	-	-
Support Services	-	-	-	-
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	13,743,029	13,743,029	2,271,124	16,014,153
Debt Service & Transfers Out	-	-	-	-
Contingency	-	-	-	-
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>13,743,029</b>	<b>13,743,029</b>	<b>2,271,124</b>	<b>16,014,153</b>

Fund 407 - IT Systems Project Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	4,017,021	4,017,021	(30,527)	3,986,494
Local Sources	500	500	50,000	50,500
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	-	-	1,170,000	1,170,000
<b>Total</b>	<b>4,017,521</b>	<b>4,017,521</b>	<b>1,189,473</b>	<b>5,206,994</b>

Requirements				
Instruction	-	-	-	-
Support Services	3,829,848	3,829,848	1,189,473	5,019,321
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	-	-	-	-
Debt Service & Transfers Out	-	-	-	-
Contingency	187,673	187,673	-	187,673
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>4,017,521</b>	<b>4,017,521</b>	<b>1,189,473</b>	<b>5,206,994</b>

Fund 420 - Full Faith and Credit Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	200,000	200,000	5,978	205,978
Local Sources	-	-	-	-
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	-	-	-	-
<b>Total</b>	<b>200,000</b>	<b>200,000</b>	<b>5,978</b>	<b>205,978</b>

Requirements				
Instruction	-	-	-	-
Support Services	-	-	-	-
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	200,000	200,000	5,978	205,978
Debt Service & Transfers Out	-	-	-	-
Contingency	-	-	-	-
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>200,000</b>	<b>200,000</b>	<b>5,978</b>	<b>205,978</b>

Fund 435 - Energy Efficient Schools Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	742,217	742,217	173,212	915,429
Local Sources	856,336	856,336	210,980	1,067,316
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	-	-	-	-
<b>Total</b>	<b>1,598,553</b>	<b>1,598,553</b>	<b>384,192</b>	<b>1,982,745</b>

Requirements				
Instruction	-	-	-	-
Support Services	-	-	-	-
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	1,598,553	1,598,553	384,192	1,982,745
Debt Service & Transfers Out	-	-	-	-
Contingency	-	-	-	-
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>1,598,553</b>	<b>1,598,553</b>	<b>384,192</b>	<b>1,982,745</b>

Fund 438 - Facilities Capital Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	1,628,420	1,628,420	530,582	2,159,002
Local Sources	3,000	3,000	309,768	312,768
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	3,011,000	4,786,000	559,996	5,345,996
<b>Total</b>	<b>4,642,420</b>	<b>6,417,420</b>	<b>1,400,346</b>	<b>7,817,766</b>

Requirements				
Instruction	-	-	-	-
Support Services	4,400	4,400	-	4,400
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	4,638,020	6,413,020	1,400,346	7,813,366
Debt Service & Transfers Out	-	-	-	-
Contingency	-	-	-	-
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>4,642,420</b>	<b>6,417,420</b>	<b>1,400,346</b>	<b>7,817,766</b>

Fund 445 - Capital Asset Renewal Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	2,301,582	2,301,582	410,723	2,712,305
Local Sources	176,000	176,000	-	176,000
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	-	-	-	-
<b>Total</b>	<b>2,477,582</b>	<b>2,477,582</b>	<b>410,723</b>	<b>2,888,305</b>

Requirements				
Instruction	-	-	-	-
Support Services	-	-	-	-
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	2,477,582	2,477,582	410,723	2,888,305
Debt Service & Transfers Out	-	-	-	-
Contingency	-	-	-	-
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>2,477,582</b>	<b>2,477,582</b>	<b>410,723</b>	<b>2,888,305</b>

Fund 450 - GO Bonds Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	90,794,310	90,794,310	(327,790)	90,466,520
Local Sources	400,000	400,000	-	400,000
Intermediate Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other Sources	-	-	-	-
<b>Total</b>	<b>91,194,310</b>	<b>91,194,310</b>	<b>(327,790)</b>	<b>90,866,520</b>

Requirements				
Instruction	-	-	-	-
Support Services	435,600	435,600	-	435,600
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	59,187,841	59,187,841	(327,790)	58,860,051
Debt Service & Transfers Out	-	-	-	-
Contingency	31,570,869	31,570,869	-	31,570,869
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>91,194,310</b>	<b>91,194,310</b>	<b>(327,790)</b>	<b>90,866,520</b>



Fund 601 - Self Insurance Fund	Adopted Budget	Amendment #1	Change Amount	Amendment #2
Resources				
Beginning Fund Balance	2,028,305	2,028,305	431,803	2,460,108
Local Sources	3,516,527	3,516,527	-	3,516,527
Intermediate Sources	-	-	-	-
State Sources	195,833	195,833	-	195,833
Federal Sources	-	-	-	-
Other Sources	-	-	-	-
<b>Total</b>	<b>5,740,665</b>	<b>5,740,665</b>	<b>431,803</b>	<b>6,172,468</b>
Requirements				
Instruction	-	-	-	-
Support Services	3,440,665	3,440,665	431,803	3,872,468
Enterprise & Community Services	-	-	-	-
Facilities Acquisition & Construction	-	-	-	-
Debt Service & Transfers Out	-	-	-	-
Contingency	2,300,000	2,300,000	-	2,300,000
Ending Fund Balance	-	-	-	-
<b>Total</b>	<b>5,740,665</b>	<b>5,740,665</b>	<b>431,803</b>	<b>6,172,468</b>

**RESOLUTION No. 5014**

Election of Board Chairperson

\_\_\_\_\_ is hereby elected Chairperson of the Board for the period January 28, 2015, until the first regular meeting of the Board in July 2015, and until, respectively, his/or her successor is elected.

**RESOLUTION No. 5015**

Election of Board Vice-Chairperson

\_\_\_\_\_ is hereby elected Vice-Chairperson of the Board for the period January 28, 2015, until the first regular meeting of the Board in July 2015, and until, respectively, his/or her successor is elected.

**RESOLUTION No. 5016**

Minutes

The following minutes are offered for adoption:

November 10 and 25, and December 9 and 16, 2014