

**May 18, 2015 Regular Board Meeting Minutes****7:00 pm – Board Room****IV-B****131 W. Nittany Avenue  
State College, PA 16801****I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Ms. Concepcion called the regular meeting of the State College Area School District Board of Directors to order at 7:03 p.m. She welcomed all attending and those viewing from home. She announced the Board held an executive session on May 11, 2015 on negotiations and personnel. With the agenda before them, she asked board members if there were any changes, there were no changes.

A copy of all materials distributed to board members for discussion and/or action is included with the official minutes, unless otherwise indicated.

Board members present: Amber Concepcion, Penni Fishbaine, David Hutchinson, Jim Leous, Ann McGlaughlin, Jim Pawelczyk, Dorothea Stahl, Laurel Zydney

Board members absent: Scott Fozard

Student Representative: Reilly Ebbs

Board Secretary: Mary Jenn Dorman

Solicitor: Scott Etter (arrived 7:18 p.m.)

Superintendent: Robert O'Donnell

District Personnel: Sara Brennen, Randy Brown, Michael Hardy, Amber Dawn Hohman, Shannon Messick, Donna Reinhardt, Jason Perrin, Linda Pierce, Ed Poprik, Chris Rosenblum, Eugene Ruocchio, Donna Watson

Guests: Tom Beckett, Michael Garrett, Britney Milazzo

**II. COMMUNICATIONS**

Ms. Concepcion recognized Mr. Greg Somers, a retiree on the Human Resources Recommendations, noting he was hired as a contract Mathematics Teacher for the 1986-87 school year at the Intermediate High School on Westerly Parkway. Mr. Somers transferred to the North building beginning the 1995-96 school year and has taught in this building the remainder of his years with us. Through his years, along with being a math teacher, he served many years on the math review steering committee, mentored new teachers, was a Junior High Head Wrestling Coach and Varsity Assistant Wrestling Coach. He served as the Athletic Account Treasurer, the Student Government Advisor since January 2000 and Co-Advisor of the Math Club since 2005. Mr. Somers has touched the lives of many students in various ways in his 29 years. He will be missed and we wish him all the best in his retirement. Ms. Zydney added that her son is a Math graduate due to his experiences with Mr. Somers.

Ms. Concepcion announced the High School Project 90% Review has been scheduled for Tuesday, June 16, 2015, 6:00 p.m. in the High School North auditorium.

Dr. O'Donnell shared that on May 13, the district was awarded an additional \$2 million grant for the North building Delta to attain LEED Gold. This is our second \$2 million grant and the first one was awarded for the South building. He thanked local and state legislators for their support.

Saturday, June 6, 2015, is the State College Area High School Commencement at the Bryce Jordan Center. The music prelude begins at 11:00 a.m. with the procession beginning at 11:30 a.m.

Mr. Leous thanked all that participated and organized the Groundbreaking Ceremony this past Thursday. It went very well. Dr. O'Donnell added that a separate Groundbreaking would be considered for the beginning of Delta.

**III. PUBLIC COMMENT**

There was no public comment.

**IV. ROUTINE APPROVALS**

A motion to approve the listing of Routine Approvals as presented.

--April 27, 2015 Regular Minutes

--May 4, 2015 Board Regular Meeting Minutes

--May 11, 2015 Special Meeting Minutes

--March 2015 Financial Reports

--District Bills for April 2015	<b>2014-15</b>	<b>Grand Total</b>
General Fund	\$5,435,099.15	\$5,435,099.15
Checks 1016688 through 1017144 and V103039 through V103068		
Food Service Fund	163,237.97	163,237.97
Checks 61778 through 61811		
Athletics Fund	103,811.98	103,237.98
Checks 48652 and 48839		
Activities Fund	114,322.26	114,322.26
Checks 90962 through 9100		
Purchasing Cards	78,188.16	78,188.16
(April) Checks 197, 432, 7229, 816		
<b>Total All Funds</b>	<b>\$5,894,659.52</b>	<b>\$5,894,659.52</b>

--Budget Transfers for April 2015

--Appointment of Board Treasurer for one-year beginning July 1, 2015 through June 30, 2016

--Approval of Bonds for Board Secretary, Board Assistant Secretary and Board Treasurer

--Out-of-State/Overnight Student Travel

--Annual Lease Agreement for space at The Pointe for the Lifelink program

--Annual Bid Award for HVAC pleated filters to low bidder, Calhoun Associates, Inc. in the amount of \$14,124.84 and for HVAC slip-on filters to low bidder, ACIA, in the amount of \$2,327.01 as presented.

--New Student Activity/Club - PFMS Student School R.O.A.R. Store

--Foreign Exchange Student from India Withdrawal - Fourth student approved May 4 meeting

--Approve Foreign Exchange Student from Ukraine for 2015-2016 to replace withdrawn student

--Human Resources Recommendations (refer to attachment IV-O)

Dr. Pawelczyk moved and Ms. Fishbaine seconded to approve the listing of Routine Approvals. There was no discussion. All board members present voted aye on a roll call vote to approve the motion. (Mr. Fozard was absent.) The motion passed unanimously.

**V. APPROVAL of POLICY 004.1 - STUDENT REPRESENTATIVE**

A motion to approve Policy 004.1 - Student Representative to the Board as presented. Ms. Stahl moved and Dr. Pawelczyk seconded to approve the motion. Ms. Stahl thanked Reilly Ebbs for participating as the student representative to the Board and Ms. Fishbaine thanked the Culture, Climate and Learning Subcommittee for their work on this policy. With the motion above to approve Policy 004.1 - Student Representative to the Board as presented, all board members present voted aye on a roll call vote. (Mr. Fozard was absent.) The motion passed unanimously.

Dr. Etter arrived at 7:18 p.m.

**VI. APPROVE RECEIPT of PLANCON E and PLANCON F for DOCUMENTATION in MINUTES**

A motion to approve the receipt of PlanCon Part E, Design Development, for the State College Area High/Vocational School Additions and Alterations School Project, as well as PlanCon Part F, Construction Documents – Phased Bidding, and enter the documents into the minutes. Board member spoke on the letter from PDE with the High School project approval being \$124+million and the district needed to regularly inform the public on the amount beyond the electoral amount. Dr. O'Donnell noted no clarification has been received and nothing is planned to date. Mr. Poprik added that no specific direction has been stated and the language encourages us, meaning it is left up to us. Board member suggested this could be referred to the Communications Subcommittee to work on an Action Plan. With the motion moved and seconded above to approve the receipt of PlanCon Part E, Design Development, for the State College Area High/Vocational School Additions and Alterations School Project, as well as PlanCon Part F, Construction Documents – Phased Bidding, and enter the documents into the minutes, all board members present voted aye on a roll call vote. (Mr. Fozard was absent.) The motion passed unanimously.

**VII. APPROVE CONSTRUCTION PHASE PROJECT MANAGEMENT PROPOSAL**

A motion to approve Construction Phase project management proposal regarding administrative approval of qualified field changes. Dr. Pawelczyk moved and Ms. Stahl seconded to approve the motion. Board member requested an overview of this item. Mr. Poprik explained a version of what was approved in 2010. An administrator cannot approve a change order, only the Board. During the course of a construction project, there are unforeseen changes that happen, and giving the superintendent or his/her designee field approval to direct changes up to \$19,000 would help the construction continue and not be delayed waiting for approval. The Board would then approve the change order at its next meeting. With the motion above to approve Construction Phase project management proposal regarding administrative approval of qualified field changes, all board members present voted aye on a roll call vote. (Mr. Fozard was absent.) The motion passed unanimously.

**VIII. DISTRICT GOAL CATEGORY: FISCAL STEWARDSHIP****2015-16 Budget - Presentation of Final Budget and Calendar Update**

Mr. Brown reviewed the 2015-2016 Final Budget noting that it includes a 5.49% tax increase of which 3.59% is dedicated to pay the first year debt service for the High School project, an increase of 2.168 mills, meaning \$155 increase to the average taxpayer over the current year. By 2017-2018, the debt service will be complete phased in and will remain constant. The district is significantly funded locally, will use some fund balance for PSERS, and will have a change in fund balance to the positive. Up until June 8, changes can be made and he spoke on the governor's proposed budget, reflecting money (\$625,084) to the District, but it is still not shown in the budget. Dr. O'Donnell noted this could provide flexibility, he and Mr. Brown worked on what the Secretary asked for today, and it is very different from the former Block Grant. Board members discussed: clarification on reallocating what we get back from the Governor and moving money from one category to another, moving money within a category, request for an analysis, and our taxes running 50% more than inflation growth.

**2015-16 Budget - Timeline and job descriptions for developing and implementing staffing positions**

Dr. O'Donnell noted Ms. Pierce would start off with the Technology update and shared that Ms. Steele was unable to attend this evening. He spoke on data governance, use and security, the team strengths and interfacing with instructional curriculum. The manager role was never filled and they have restructured along with updating many positions in this area and will be reviewing each. Ms. Pierce added there were two things going on here: the restructure of the department and updating many outdated job descriptions. She reviewed the individual job descriptions, the duties, and who each would report to. It was noted that the Instructional Technology Support Teacher reports to Ms. Martin with focus on instruction. There would be salary differences between the three tiers and the position in red was the only new position on the organizational chart. Ms. Pierce also supplied an organizational chart for the Human Resources positions.

Board members discussed: The organizational charts being very useful to see it in this format, the follow up with explanation regarding the positions, instructional coaches, the governance, security issues and management and use of data in the classrooms becoming part of the technology director's position, the Human Resources Manager, the Leave of Absence Coordinator would report to the manager, a higher level of tracking and reporting of personnel, would like something sooner than later, a first draft by June 30, would help to look at district budget and managing these in the budget, would benefit Board to have more sophisticated information, once you have the format this could be produced monthly or quarterly, staffing requests for HR near the top of cohorts, request for report was asked for many months ago, and not had strong progress on this. Mr. Brown noted the current district system is designed to be a payroll system, not an HR system. For the information requested, a separate spreadsheet would need to be done since this system generates paying people, and does not manage positions. The data should come from HR and not the business office.

Further discussed that something like this needs to come from a majority of the board, does not see June 30 as a reasonable date, should have a quality report rather than a rushed report, high quality report not needed, need to know where we are going, software issue, salary and benefits being the largest percentage of budget, it is worth having something to help the Board manage this more effectively, look at for next year as a top priority, more clarity from the Board as to receiving the report, and most in agreement to see report layout the last meeting of June or first meeting of July.

Ms. Pierce reviewed the HR job descriptions, the CEEL Coordinator - site management position, the substitute coordinator, the junior accountant being a new position, and these being brought back for approval. She requested that the Instructional Technology Coach positions and the Substitute Coordinator position be moved to action so these positions could be posted. Ms. Zydney moved and Ms. Stahl seconded to move the Substitute Coordinator position to action. All board members present voted aye with a voice vote. (Mr. Fozard was absent.) Ms. Stahl moved and Ms. Zydney seconded to approve the Substitute Coordinator position as presented. With eight board members present, seven members voted aye, one nay (Dr. Pawelczyk) on a roll call vote. (Mr. Fozard was absent.) The motion passed 7 to 1.

Ms. Zydney was not in favor of moving the Instructional Technology Coach positions to action and board member questioned her objection. Ms. Zydney noted there were six coaches, understood that they would work closely with instructional coaches, the CSPG Certification for the role, would like to see what it is now and what the role will look like. It was explained there is a double shift in the position and could be harder to fill.

Ms. Stahl moved and Ms. Fishbaine seconded to move the Instructional Technology Coach positions to action. All board members present voted aye with a voice vote. (Mr. Fozard was absent.) Ms. Stahl moved and Ms. Fishbaine seconded to approve the job description for the Instructional Technology Coach positions as presented. All board members present voted aye on a roll call vote. (Mr. Fozard was absent.) The motion passed unanimously. Board member thanked Ms. Zydney for agreeing to move forward with this item.

#### **IX. COMMUNITY EDUCATION EXTENDED LEARNING PROGRAM (CEEL)**

Ms. Messick spoke on the business plan and historical data she provided for board members to review. She reviewed the revenue and expenses, and the program being at the following elementary schools: Easterly Parkway, Ferguson Township, Gray's Woods, Mount Nittany, and Radio Park. She explained the 2016-2017 and 2017-2018 years have marginal change in revenue and that the revenue comes very close to covering expenses. There is not a lot of growth needed to maintain the full-time supervisors and showed how expenses were broken out. She looked at her figures with a 2% increase each year. Mr. Brown added that he and Ms. Watson had input, Community Education has worked to cover administrative costs for the last few years, the projections are

conservative at all sites and the numbers at the sites, and if the revenue would exceed the expenses, Community Education would retain to provide enhancements. They have significant confidence projecting out three years. Ms. Messick explained the full-time site manager position being 7.5 hours/day for 190 days/year and they would still be competitive with other program costs. It is early in the registration process and numbers are already coming in close to what is needed. Mr. Hardy added that this program significantly depletes the wait list more than the other programs and offers a quality program to all students. The CEEL Program partnered with CTC students in the childcare program. There is a savings of more than 50% to parents than the other groups that were in our schools serving students. Discounts are offered at a 50% reduction for free lunch students and 25% reduction for reduced lunch students. Ms. Messick spoke on having the people we need and want as the face of the program, a split schedule with the same person manning for consistency, 50% of Community Education registration is now CEEL, and having these positions could keep the mission going for Community Education.

Board members discussed: providing a very nice document, thanked those for the work that was put in to make it easy to understand, the shift from being funded by the district to being self funded, the allocated administrative costs, children love the program and hate to leave, glad to see it is so successful, a discount for families with multiple children, that being handled on a case-by-case status, hourly employees for the program, professional development, opportunities for them to get together to discuss best practices, having them fill in at different locations to see other programs and how they run, equality across the schools but each having its own feel, the great analysis and additional information, and a suggestion to showcase at each school on the last day.

Board members took a break from 9:01 to 9:11 p.m.

## **X. CAPITAL FINANCING DISCUSSION**

### **Debt Refunding Opportunities and remaining High School Project Debt including approach to transaction**

Mr. Brown explained he and Tom Beckett would be discussing potential refunding opportunities, final approach issuance of High School project debt, and funding capacity for DWFMP. Mr. Beckett spoke on the call date for the three bond issues: 2010A bonds - saving \$63,000/year, 2010B bonds - saving \$350,000, and 2011B bonds - saving \$250,000. The district could combine this with the last piece of the State High funding that would save fees of about \$50,000. It does not have to be done this way, may not need for about two-years and would be paying interest for that time. Mr. Beckett did recommend the refinancing and noted that the documents are all done. TIC means True Interest Cost and would be borrowing at 2.5%. The old bonds interest - 2011 at 3.75%, 2010A at 3.5%, and 2010B at 3.5%. Two of the three financing cannot close before mid-August, rates have gone up a half percent since last bonds, and the \$30 million would be a wrap around for 25 years. Mr. Brown added they would look at refunding possibilities mid to late August to sell.

Mr. Beckett spoke on the 2015 bonds' price back in February, the booklet containing information on day-to-day, how the bonds were priced, the basis points, number of buyers, and how hard the underwriter was. The bonds sold extremely well, the financing team very hard, and they were very proud of the transaction, which was a negotiated transaction. He noted that they can look at a competitive or negotiated sale, do another RFP, and he would be seeking guidance from the Board in June or early July for August.

### **District-Wide Facility Master Plan funding capacity**

Mr. Brown explained there were many estimates here. Ten million dollars would be used from Capital Reserve, \$20 million debt service - millage dedicated, and an additional \$10 million for \$30 million of borrowing. He spoke on the timing of other projects, pages 48 and 49 have been increased for potential interest rates after a discussion with Mr. Beckett, and a major change of delaying each project one year. The change in estimates did make a sizable saving. Even though it shows a negative amount, Mr. Brown noted he would never take this fund into a

negative status. From a rating perspective, we are in the same place and it is a good place to be. Board members discussed: keep looking and do more analysis, this is very thorough, track refunding opportunity, stay on top of other borrowing, need to talk about borrowed amount going from \$20 million to \$30 million, approximately \$130 million project and that being a lot of budget. Spoke on the alternates, completing work on the North side, and how this is going to work with the elementary and middle school projections? Great strides have been made the last couple of years, concerned there are more capital needs and Mr. Brown being a little low at \$9 million, not faulting work, nearly at the end of the FY2016 budget and talking about the next year, Mr. Brown would work with Mr. Beckett for some projected timelines, working through the other \$20 to \$30 million, one or more bond issues, how much rate risk being off the table, the rate risk can impact the DWFMP, and being more accurate if rate rises.

## **XI. DISTRICT GOAL CATEGORY: FACILITIES/GROUNDS**

### **State High Project: Calendar Update**

Mr. Poprik reviewed the official working calendar and noted there were some adjustments. Based on the original calendar, there were "fall-back" dates listed, and he reviewed the recommended adjusted dates:

- First Board review of 90% documents June 8
- Community Forum on 90% documents Week of June 15
- Board review of 90% estimate July 13
- Board approve Construction documents July 27
- Open bids Sept. 1
- Work Session to Review Bids and Alternates Sept. 2 or 3
- Special meeting (tentative if needed) Sept. 9 or 10
- Award bids Sept. 16

Mr. Poprik asked board members to hold Monday, June 15, for a work session as part of the 90% review, the 90% Review Community Forum is scheduled for Tuesday, June 16, High School North Auditorium, July 27 is a critical date for the approval of Construction documents, and Awarding bids is now September 16. The 8% contingency will go away and/or drop in the estimate, and cleaner documents result in better bids. All alternates are add alternates, even the North kitchen. Board member noted showing ways to add costs to the project but not showing ways to subtract from the project and hopes the 90% cost is a good surprise. We should not see as big a change in the project as we are getting near the end.

### **State High Project Cost Estimate Update**

Mr. Poprik noted this was not a new cost estimate and CRA is at \$124,305,861 and Massaro could be in the mid \$130 million but CRA did all the adjustments. He reviewed what the Board had taken action to do:

- 1) Move alternate Phys Ed space to the base bid
- 2) Add square footage to the Performing arts area
- 3) Add equipment to the Performing Arts area
- 4) Move the North Kitchen from the base bid to an alternate

He also noted the changes in the summary that did not involve Board action. Moving forward the design team hopes to find efficiencies to reduce square footage for the final floor plans. Board member did not realize that the miscellaneous was in the amount of \$1.1 million, this is not a new estimate, these are minor shifts or how things panned out after May 4 that was meaning and productive, and there was page after page where things are moving.

## **XII. REPORTS**

--Superintendent's Report - Dr. O'Donnell noted a heads up for board members to pencil in a work session for June 15, 2015 and this will be confirmed as soon as possible.

--Board Sub Committee Reports

- \* Communications - nothing to report but noted the committee should meet to communicate the tax bill timeline. Ms. Dorman would be contacting the subcommittee members to coordinate.

\* Culture, Climate and Learning Subcommittee met today and discussed two policy revisions – Policy 105 on Curriculum, Policy 114 - Gifted Education, and Policy on Anti-Harassment and Anti-Bullying that now requires a review every three years. These will be brought to the full Board at some undetermined time in the future.

\* Subcommittee for Facilities and Grounds will meet on Tuesday, May 26, 2015, 5:30 p.m. in the Board Room. The subcommittee will be planning for the Facilities Master Plan and preparing for the High School project 90% design review.

--PA School Boards Association (PSBA) Report - Mr. Hutchinson spoke on Senate Bill 1 and the Public Employee Retirement Commission is expected to issue an actuarial analysis of the proposal of a pension reform unveiled by Senate Majority Leader Jake Corman. The House Education Committee voted to approve House Bill 805 this week that add "economic reasons that require a reduction in professional employees" to the list of allowable conditions for suspension of staff. House Bill 210, PlanCon reform passes the House with a vote of 142-52 and the changes will address the backlog for current construction projects and future construction projects awaiting reimbursement. School Board proposals for PSBA 2016 Legislative Platform for consideration must be in by the deadline of Tuesday, June 30, 2015.

--National School Boards Association (NSBA) Report - Ms. Stahl reported on 2016 Educational Funding and the House and Senate are working to reduce monies in the education funding level. Each student that graduates realizes \$260,000 over a student that does not graduate.

--Citizens Advisory Committee (CAC) Liaison Reports

- Athletics - They meet tomorrow, Tuesday, May 19, 7:00 p.m. in room 880 High School North. Ms. Stahl noted the Boys' Volleyball playoff will be in DuBois and Girls' Lacrosse will be at Memorial Field
- Facilities - Met Thursday for a review and recap on early construction, estimating contingency, and discussed student parking for next year and plan for this to be a challenge.
- Finance - Brought members up to date on what has been done.
- Technology - They will meet next Wednesday and discuss IT Governance, the Patrick Wang Grant being awarded to James Graef, and will talk about the department reorganization.

### **XIII. FUTURE AGENDA PLANNING**

Ms. Concepcion noted that next meeting would be the Budget Hearing, June 1, 2015 and asked board members to review the future agenda items for the June meetings and if there are any questions, they could contact board leadership.

### **XIV. ADJOURNMENT**

Ms. Stahl moved and Ms. Fishbaine seconded to adjourn the meeting. All board members present voted aye with a voice vote to approve the motion. (Mr. Fozard was absent.) The motion passed unanimously. Ms. Concepcion adjourned the meeting at 10:29 p.m. to an executive session.

Submitted by,

Mary Jenn Dorman  
Board Secretary