

**MINUTES OF THE REGULAR MEETING
OF THE SANTA CRUZ CITY SCHOOLS BOARD OF EDUCATION
FOR THE ELEMENTARY AND SECONDARY DISTRICTS
May 26, 2010**

Convene Open Session

Board President Dewey Thorsett called this Regular Meeting to order at 6:36 p.m. in the Santa Cruz High School Theater, 415 Walnut Ave., Santa Cruz, CA.

Attendance at Meeting

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| Rachel Dewey Thorsett | Cynthia Hawthorne | Claudia Vestal |
| Ken Wagman | Wendy Strimling | John Collins Don Maxwell |

Student Representative Morris

Gary Bloom, Superintendent
Tanya Krause, Assistant Superintendent, Human Resources
Alvaro Meza, Assistant Superintendent, Business Services
Diane Morgenstern, Assistant Superintendent, Educational Services
Members of the Audience

Welcome and Format

Board President Dewey Thorsett welcomed those in attendance and explained the format used for this Regular Meeting of the Board of Education.

Agenda Changes

Ms. Hawthorne asked to have Item 3.7, Board Policy & Administrative Regulation 3515.5 Sex Offender Notification moved to precede Item 3.1, Staff Report: May Revise for Education. The Board Members approved this change in the order of Items to be Transacted and/or Discussed.

PUBLIC COMMUNICATIONS

Harbor High School Teacher Jeremy Shonick, teacher advisor to the Fair Trade Club, brought several members of the organization to present a proposal for a Resolution encouraging all Santa Cruz City Schools to adopt fair trade apparel purchasing. Mission Hill Middle School Principal Quandt and Counselor Irene Medina announced the Corre La Voz (Family Night and Student Showcase) on June 1, 2010, 6:00 p.m. in the Mission Hill Auditorium (dinner provided). Students from the Peace on the Streets community group dedicated to finding peaceful solutions to violence in Santa Cruz announced a day of discussions and workshops about positive actions on May 29, 2010, 10:00 a.m., Loudon Nelson Community Center, 301 Center St., Santa Cruz. Santa Cruz Education Foundation President Suz Howells announced a \$5,000.00 donation from the Palo Alto Medical Foundation to support the AVID (Advancement via Individual Determination) programs in Santa Cruz City Schools. GSCFT Representative/Bay View Teacher Helayne Ballaban expressed hope for an open dialogue with District Administration regarding job-sharing contracts for 2010-11 and beyond. Dr. Jim Logsdon reported attendance at the English Learner Reclassification Ceremony for approximately 125 SCCS students at Harbor High School on May 25.

SUPERINTENDENT'S REPORT

Superintendent Bloom commented on the many events involving students and staff at this time of the school year, including recent events such as the Queer Youth Awards, Reclassification Ceremony, Branciforte Middle School Carnival, Monarch Alternative Elementary Student Exit Interviews, Fair Trade Club, Oaxacan Celebration, Elks Club Student Awards Night. It's a great time for Santa Cruz City Schools. State Senator Joe Simitian will host an Ice Cream Social at his Santa Cruz office on Thursday, May 27, 4:00 – 6:00 p.m., 710 Ocean St., Room 318A, Santa Cruz.

BOARD REPORTS and REFERRALS

Board President's Report

President Dewey Thorsett recently attended the Oaxacan celebration at Harbor High School, and the Mission Hill Middle School Spring Fair.

Board Members' Reports and Referrals

Board Member Collins appreciated the report from the Fair Trade Club, and supports the concept. Mr. Collins facilitated a meeting with Soquel High School and Bargetto Winery in hopes of launching a new ROP Vintners Program.

Board Member Maxwell congratulated the students and faculty at Harbor High School for taking on the responsibility of ensuring purchases are made from countries using fair trade practices. Mr. Maxwell encouraged everyone to check the labels on clothes in the closet and do some research on the company that manufactured the item. Trustee Maxwell reported to the community that the staff members of Santa Cruz City Schools cannot continue to take salary decreases to mitigate the very broken State Budget/Finance system.

Board Member Vestal attended Monarch Elementary student exit interviews, a Delta Charter School meeting regarding suspension and expulsion practices, the English Learner Reclassification Ceremony, and the Oaxacan celebration.

Board Member Hawthorne acknowledged; the Parent Leaders at Bay View Elementary for a great carnival event; the dedicated students who lead the Peace on the Streets organization; SCCS Food Services Manager Jamie Smith for his handling/resolving of long-term department problems in a short nine months on the job; Student Services Director Eileen Brown for her support of the Wellness Committee and dedication to student health.

Board Member Wagman will not be able to attend the Peace on the Streets event this weekend, but looks forward to future discussions. Mr. Wagman voted today, and encouraged all community members 18 years of age or older to cast their ballots.

Board Member Strimling noted that Peace on the Streets and/or the Fair Trade Club are great positive steps to channel concerns regarding community issues. Ms. Strimling acknowledged the Santa Cruz Education Foundation and President Howells for continuing to provide a bit of good news each month regarding funding for student programs. Trustee Strimling attended the

Oaxacan celebration at Harbor High School. Ms. Strimling reported on the ACSA, CSBA, PTA, and School Districts' recently filed lawsuit against the State to demand an adequate school financing program.

Student Representative's Report

Student Representative Morris attended the "Gold Rush or Bust" performance at Gault Elementary. On May 18 the Santa Cruz High School Marching Band led the "Breakaway from Cancer" march to the finish line of the AMGEN. The Santa Cruz Band will also perform in the school theater on Friday, March 28, 7:00 p.m.

GENERAL PUBLIC BUSINESS

Consent Agenda

Mr. Collins asked to pull Item 1.9, Board Meeting Calendar and Meeting Locations for a separate discussion. This item was moved to the Consent Agenda for the Regular Meeting on June 16, 2010. Mr. Collins moved approval of the balance of the Consent Agenda, consisting of: Personnel Actions – Certificated; Personnel Actions – Classified; Purchase Orders, Quotes & Bids; Warrant Register; Budget Transfers; California High School Exit Exam Waivers; Gifts; CSA Hearing Testing Services; New Course Proposal – AP English/Composition. Ms. Vestal seconded the motion. This motion was passed by roll call vote, as follows:

Roll Call Vote: Collins – Yes Dewey Thorsett – Yes Hawthorne – Yes
Strimling – Yes Vestal – Yes Wagman – Yes Maxwell – Yes

Student Morris – Yes

Closed Session Action Report

1. The Board received an update from and gave direction to Superintendent Bloom regarding negotiations with the GSCFT K-12 for 2010-11.
2. The Board received an update from and gave direction to Superintendent Bloom regarding negotiations with the GSCFT Adult Education for 2009-10.
3. The Board received an update from and gave direction to Superintendent Bloom regarding negotiations with the SCCCE for 2009-10.
4. The Board approved the Certificated Leaves, Resignations, and Retirements as recommended with a vote of 6-0.
5. Public Employee Appointment/Employment (Govt. Code Section 54957) Title: Assistant Superintendent, Human Resources: The Board approved the appointment of Karen Hendricks for the Position with a vote of 7-0.
6. The Board gave direction to Superintendent Bloom regarding negotiations with PCS for the property at 255 Swift Street, Santa Cruz, CA.
7. The Evaluation of the Superintendent is ongoing.

ITEMS OF BUSINESS TO BE TRANSACTED and/or DISCUSSED

New Business: First Reading: Board Policy & Administrative Regulation 3515.5 Sex Offender Notification

Superintendent Bloom reported that Santa Cruz City Schools currently has no Board Policy or Administrative Regulation in place to address the district's obligations under California's sex

offender registration law, commonly referred to as Megan's Law. The proposed documents are based upon the California School Board Association's recommendations, and have been reviewed and revised by Trustees, including the Board Agenda Committee, staff members, and legal counsel. These draft documents have also been submitted to our local law enforcement agency for review. Following discussion among Trustees, Staff, and Members of the Audience, MSP (Hawthorne/Wagman) 7-0, the Board approved the Board Policy 3515.5 and Administrative Regulation 3515.5 on to 2nd reading and adoption at a subsequent meeting. Student Morris voted yes.

Staff Report: State Budget May Revise for Education

Mr. Meza reported to the Board Members on the Governor's May revisions to the 2010-11 State budget. Information included May revision features, reductions to key programs, major revision proposals, risks in the January 2010 and May 2010 proposed budgets, California per-student spending, and next steps for Santa Cruz City Schools. This report was presented as an informational item for the Trustees, and no action was taken by the Board of Education.

New Business: 3rd Interim Report

Mr. Meza presented the information, including the unrestricted variance from the 2nd interim report (revenue, expenditures, contributions to restricted funds, net increase to fund balance, and components of fund balance). MSP (Maxwell/Strimling) 6-0-1, the Board of Education approved the 3rd Interim Report as submitted. Ms. Maxwell abstained from this vote. Student Morris voted yes.

Staff Report: 2010-11 Budget Planning

Mr. Meza reported the SCCOE has given a 6/1/10 deadline to District officials to develop a plan to address a projected shortfall of about \$823,461 from its Board-approved 3% reserve for economic uncertainties. Unless the budget is balanced for the next two years, the District will receive a Negative Certification. Mary Hart, Associate Superintendent of Business Services for the COE, indicated that due to the State budget problems/shortfalls – SCCS could receive a Qualified Certification in spite of not meeting the year three requirement for a balanced budget. Should negotiations with the unions be successful, it may be possible to reach the 3% reserve for the next two years, and any reserve over and above 3% will bring discussion with the COE for possible program/position reinstatement. After a lively discussion, the Board proposed that District officials meet with COE officials to come to terms on how to proceed once the 3% reserve for two years has been met, and this item will come back to the Board on June 16, 2010.

Public Comments: The Counseling Department brought a large group of supporters to speak on behalf of the tremendous commitment, dedication, and caring provided for SCCS students by these staff members. A petition with over 100 student signatures was also presented. Representatives for the Parent Education Preschool Program reported they have decided to increase tuitions, increase local fundraising, and submit applications for grants to keep this program going. Adult School Principal Powers has been instrumental in moving this group forward.

Staff Report: Wellness

As outlined in Board Policy 5030 - Wellness, Student Services Director Brown provided the Trustees with an annual update on these matters. With changes in Food Services well underway, the Wellness Committee undertook a new focus in 2010: student fitness. In February, First Lady Michelle Obama launched the Let's Move campaign to solve the childhood obesity epidemic within a generation. Let's move focuses on four areas – and the Wellness Committee is putting their efforts into the third component of the Let's Move initiative – physical activity. Currently, data is being collected from elementary and middle schools and the District and Committee will continue to review Physical Fitness test results in grades 5, 7, and 9. Committee Members are partnering with other local groups to make a community wide effort to get and keep kids moving.

***NOTE: Student Morris left this meeting at 9:56 p.m.**

New Business: Resolution 35-09-10 Certificates of Participation Refunding

Mr. Meza reported this resolution approved the refinancing of the 1998 Certificates of Participation, used to finance the construction of the District Office at 2931 Mission St., and approves the form and authorizes the execution of the following documents: 1) termination agreement; 2) site and facility lease; 3) lease agreement; 4) trust agreement; 5) escrow deposit and trust agreement; 6) certificate purchase agreement; 7) preliminary official statement describing the financing. The market conditions will determine the interest rate and premium on the principal amount once the sale of the Refunding Certificates is executed. SCCS Financial Advisor Andy Ach will refinance the 1998 Certificates when interest rates reach a point where the payments to the district are reduced. Mr. Wagman moved approval, and Ms. Hawthorne seconded this motion. The Resolution was passed by roll call vote, as follows:

Roll Call Vote: Collins – Yes Dewey Thorsett – Yes Hawthorne – Yes
Strimling – Yes Vestal – Yes Wagman – Yes Maxwell – Yes

New Business: Resolution 36-09-10 Qualified School Construction Bonds (QSCB)

Mr. Meza reported the American Recovery and Reinvestment Act (ARRA) had a national allocation of \$11 billion for Qualified School Construction Bonds (QSCBs). Through a lottery process, the California Department of Education awarded the Districts a principal amount of \$2,340,000. The District intends to issue certificates of participation (QSCB certificates) based upon this allocation, to finance field improvements at Branciforte Middle School. In addition to the resolution, the Board is provided with the form of underlying documents: 1) site and facility lease; 2) lease agreement relating to the property; 3) trust agreement; 4) certificate purchase agreement; 5) preliminary official statement describing the financing. The market conditions will determine the interest rate premium on the principal amount once the sale of the QSCB Certificates is executed. Ms. Hawthorne moved approval, and Mr. Wagman seconded the motion. This Resolution was passed by roll call vote, as follows:

Roll Call Vote: Collins – Yes Dewey Thorsett – Yes Hawthorne – Yes
Strimling – Yes Vestal – Yes Wagman – Yes Maxwell – Yes

New Business: PUBLIC HEARING: Tier III Funds Shift

Open: Board President Dewey Thorsett opened this Public Hearing at 10:20 p.m.

Mr. Meza reported the 2008-09/2009-10 State Budget Act allows schools districts to transfer certain State categorical reserves to fund unrestricted expenditures from 2008-09 through 2012-13. The Board is required to conduct a public hearing to allow for public comment on the proposed transfers prior to Board approval of the transfers.

Public Comment: None

Close: Board President Dewey Thorsett closed this Public Hearing at 10:24 p.m.

New Business: Tier III Funds Shift

Mr. Meza asked the Board Members to approve \$337,777 in 2009-10 State Tier III Categorical Funds transfers to Unrestricted Funds to be used for educational purposes. MSP (Wagman/Hawthorne) 7-0, the Trustees approved the Tier III Funds shift.

New Business: Determination of District Needs for 2010-11

Ms. Krause recommended adoption of the Declaration of Need for Fully Qualified Educators for both the Elementary and Secondary Districts. This declaration comes on an annual basis as a California Commission on Teacher Credentialing (CCTC) Requirement to allow for credentialing flexibility for both elementary and secondary schools. MSP (Collins/Vestal) 7-0, the Board of Education approved the Determination of District Needs for 2010-11.

Staff Report: Use of Facilities Report

Due to the late hour of the meeting, this item was postponed to the Regular Meeting on June 16, 2010.

Information

The next Regular Meeting for the Board of Education is June 16, 2010, 6:30 p.m., in the Soquel High School Library, 401 Old San Jose Road, Soquel, CA.

Adjournment

There being no further business to come before the Trustees, Board President Dewey Thorsett adjourned this Regular Meeting at 10:25 p.m.

Respectfully submitted,

Gary Bloom, Superintendent
Santa Cruz City Schools

Rachel Dewey Thorsett, President
Board of Education