

Board of Directors Meeting  
School District 4J, Lane County  
200 North Monroe Street  
Wednesday, June 4, 2008

**TO: Board of Directors**

**FROM: George Russell  
Superintendent of Schools**

**RE: Reports and Recommendations**

**6:30 p.m. EXECUTIVE SESSION:** Under provisions of ORS 192.610 – 192.690, Open Meeting Laws, the Board of Directors will conduct an Executive Session for the following purpose:

To consider the expulsion of a minor student, pursuant to ORS 332.061 (1) (a).

## **REGULAR BOARD MEETING**

### **VII. ITEMS FOR INFORMATION**

**1. Receive a Report on the Korean Language and Culture Program at Willagillespie Community School (Staff: Stella Dadson)**

During the 2004-05 school year, Willagillespie School, including our site council and staff, embarked on a visioning process. The goal was to ensure that our students are well prepared to function successfully in a global community.

As part of our vision, we identified a number of “Bold Steps” to implement, including a FLES (foreign language in elementary school) program. Since we have had an increased Korean student population, (approximately 10-15%) the Korean language was selected.

The benefits of introducing a second language to elementary school students have been well documented in several studies, and as our district demographics change, the need for multicultural competence in our schools has become a district goal.

Korean language ranks 13<sup>th</sup> in the world, and is spoken by about 71 million people. In Eugene, Korean language courses are being offered at both LCC, and UO. This means that students who may be interested in furthering their studies in Korean language will have an opportunity to do so in the future.

As part of the implementation, Willagillespie has collaborated with UO Linguistics department, and Hanyang University in Korea. Korean teachers who are completing their Masters of Arts degree in language teaching, have been offered the opportunity to spend time teaching Korean language and culture at Willagillespie as part of their practicum experience. For the first year pilot, the school offered classes twice a week to grades 1-3, with each class being 30 minutes long.

During the second year of the implementation, Abby Lane, our ELL coordinator, helped to secure a “FLAP” (Foreign Language Assistance Program) through the federal Department of Education. This grant has allowed us to provide Korean language instruction at our school for up to three years (2006-2009). The grant has made it possible to have a coordinator for the program. The coordinator serves as a liaison between UO and Willagillespie, develops the curriculum, teaches some classes, and provides overall coordination of the program for successful implementation. We have also modified the program giving emphasis to teaching culture in grades 1-2 for 15-20 minutes two times a week, and introducing language from grades 3-5, for 30 minutes two times a week.

The goal of the FLES program is:

- To acquire proficiency in listening and speaking (degree of proficiency varies with the program);
- To acquire an understanding of and appreciation for other cultures; and
- To acquire some proficiency in reading and writing (emphasis varies with the program).

There has been a yearly evaluation through surveys of both staff and students, and necessary adjustments have been made to ensure its successful implementation.

Talks are underway with our feeder middle school to see how the program may be supported for students interested in pursuing it at the middle school level.

The program is still in its infancy, and we hope that we will be able to provide Willagillespie students continued exposure to the Korean language for many more years to come.

## VIII. ITEMS FOR ACTION AT THIS MEETING

1. **Approve the Superintendent’s Recommendations Regarding the Follow-Up Steps Related to Consideration of a Chinese (Mandarin) Language Immersion School in the Churchill Region and a Dual-Language Spanish Immersion at River Road/Camino del Rio**

### **BACKGROUND**

Staff has been exploring concepts for two new language immersion programs, a Chinese (Mandarin) immersion program and a Spanish dual language immersion program. On May 7, 2008 a board work session was held to update the board on the work to date and to identify questions and issues that need to be addressed.

At the May 21 meeting, the superintendent will present his response to the questions and issues raised at the work session and his recommendations regarding the process and time line for further work.

### **Chinese Mandarin Language Immersion Program**

In spring 2006, a group of community members requested that the district consider establishing a Chinese immersion program. The district applied for and received funding to explore the concept as part of a three-year Foreign Language Assistance Program (FLAP) grant. The first step was to conduct a feasibility study to determine community interest. Results of the Chinese Immersion Feasibility study were presented to the board on June 20, 2007. Following the presentation, the board agreed that staff

should proceed in creating a design for a Chinese immersion program. During the 2007-2008 school year, Abby Lane and Carl Falsgraf from the UO met with experts and practitioners in the field of language immersion to gather the information necessary to develop a Chinese immersion program model, draft some initial recommendations regarding how and when a Chinese Immersion program might be started, and how issues such as staffing, student enrollment and diversity, and program support might be addressed. The program model and recommendations were presented at the work session on May 7, 2008 by Abby Lane, ELL Coordinator, and Yvonne Curtis, Director of Student Achievement.

In the Shaping 4J Recommendation regarding Adams Elementary School, I suggested that the school community explore program alteration options which might include a dual language Spanish immersion with cluster services for English Language Learners or a Chinese Immersion school and implement new program option beginning in 2009-10. Plans have been put into motion to ascertain the preferences and priorities of the staff, parents and community related to alterations of the Adams program that could increase the enrollment of the school. A survey will be conducted in June of catchment area parents and preschool parents regarding their preferences and will also inquire as to their support of converting to a Chinese immersion school. The board and staff to this point have, as have community advocates, identified a strong desire to have any new language immersion program located in the Churchill region as it is the only region without an existing language immersion program. One of the questions to be answered is if a Chinese immersion program is not located at Adams where else in the Churchill region can it be located? Or, is the board willing to consider a location at another elementary school outside the Churchill region?

#### Spanish Dual Language Immersion Program

In the fall of 2005, River Road Elementary, was designated as an Academy School and directed to redesign the school with a particular focus. At the time one of the A&O recommendations was to support neighborhood schools to develop distinctive programs or structures that would address the needs of their student bodies, improve school performance and address the achievement gap, and help mitigate the impacts of alternative schools and open enrollment on their school. One of the strategies suggested included consideration of a dual immersion program.

The school team at River Road/Camino del Rio explored the possibility of becoming a Spanish dual language immersion program. They visited schools to learn about the best design for such a program, and they studied their school demographics and enrollment patterns. At that time, the team determined that they did not yet have enough native Spanish-speaking students to make the dual-immersion model work. In the Shaping 4Js Future process, one of my recommendations for Adams was to explore the possibility of an ELL cluster or Spanish dual language program. Instruction and ELL staff met to determine the elements necessary to ensure a viable Spanish dual language program in this district. The program design and the necessary elements were presented to the board at the work session on May 7, 2008, with staff supporting the establishment of a Spanish dual-language immersion program at River Road/Camino del Rio.

## **DISCUSSION**

While both of these programs involve language immersion, they are essentially different in form and substance, as well as purpose and intent, and therefore should be considered separately. However, there are some general issues and questions that apply to both that must be considered before focusing on the specifics related to each.

### Alternative School?

One of the fundamental questions to be answered is whether one or both are proposing to be an alternative school and therefore are subject to the board's policy related to starting or converting to an alternative school. Board policy IGBH Alternative Schools states:

An alternative school is defined as any complete educational program that represents a distinctive strategy within the district for achieving the educational goals defined in the school board's philosophy statement and in the program goals and objectives of the district's required curriculum. The term "complete educational program" is used herein to mean a school that has an organizational structure, a teaching staff, a budget, and a specific curriculum, each of which is separate from other schools. An alternative school may share the facilities, administrative personnel, and the support services of another school, or may be an autonomous unit. An alternative school may differ from other schools in ways that include, but are not limited to, the following:

1. The school may emphasize a specific element of the district's approved curriculum;
2. The school may present the district's approved curriculum in a sequence different than from the order of presentation in other schools;
3. The decision-making process for governance of the school may differ from the processes used in other schools;
4. Students may be grouped for instruction in some unique manner;
5. The teachers in the school may emphasize a specific instructional strategy.

Board Policy IGBH also provides that the board will determine whether to approve a proposed alternative school after considering the superintendent's recommendation and the report of the district curriculum council (which no longer exists), and provides the following criteria to be used in evaluating the proposal:

1. The school must be an alternative school as defined by policy;
2. There must be evidence of sufficient interest among staff, parents, and students to warrant establishment of the school;
3. The planned curriculum must conform to the district's educational goals and objectives and the required district curriculum;
4. The operational plan, including staffing, proposed location of the school and facility requirements, support services needed, and the proposed timelines for

establishing the school, must conform to applicable district policies and constitute an efficient use of district resources;

5. There must be evidence that establishment of the proposed school enhances the district's educational program;
6. The proposed budget for the school must be appropriate to the program that is proposed and must represent an efficient use of district funds. Budget request may include start-up costs to be paid by District 4J or to be solicited from other sources. "Start-up costs" are herein defined as those expenditures necessary to begin a new school, but which will not continue after the school becomes fully operational. Start-up costs may include, but are not necessarily limited to, such items as purchase and/or renovation of facilities, purchase of an initial inventory of equipment and supplies, and payroll and travel expenses for program planning and in-service of staff. Other than start-up costs approved for payment out of district funds, the district-supported budget for an alternative school shall not exceed the district per-pupil cost of educating students unless an express waiver is approved by the Board of Directors;
7. The proposed criteria for selecting students for enrollment in the alternative school must not unfairly discriminate among applicants and must be reasonably related to the educational goals of the school and the district.

The policy further provides that:

Any students in School District 4J may apply for enrollment in an alternative school; the location of students' residences within the district shall not be a factor in evaluating applications for enrollment. Applicants will be evaluated for acceptance according to the student selection criteria approved by the board as part of the proposal for establishment of the alternative school

The most recent change to the Alternative School policy added the provision for alternative schools review to ensure that alternative schools continue to meet board and district goals, and perform consistent with the board policy and expectations. As a result of the alternative school reviews, the board and superintendent determined that co-location of alternative schools with neighborhood schools was no longer desirable. The district is taking steps to merge or uncouple alternative and neighborhood schools, and where appropriate, co-locate alternative schools/programs together. No other substantive changes were made to policy IGBH, however policy JECC on School Choice has been amended with respect to the lottery to provide the following:

- The board may establish attendance area priorities for students who reside in an attendance area to manage student enrollment.
- Priority will be given to students who qualify for free and reduced meals, and are applying to elementary schools that are below the district average for free or reduced meals. This priority will take place on an alternating bases.

Since 2001, we have addressed alternative schools and school choice on several fronts, with the most recent being as part of the Shaping 4J process. My review of the policy indicates it is time to update it to conform with the new policy directions and goals established by the board and to accurately reflect current practices.

#### Shaping 4J's Future: Core Values, Goals and Principles

As part of the recently completed Shaping 4J's Future process, the board coalesced around some core values, goals and principles that should be considered in determining

whether to move ahead with accepting proposals to establish new or different choices available to students. The core value around “choice” provides the following:

- School choice provides all students with equal access to educational options that are appropriate to their needs and interests, and involves, in concept, the educational purposes that promote innovation and academic achievement.
- School choice should support excellence and equity, promote diversity within our schools, and support district efforts to close the achievement gaps.
- School choice should not result in a system of segregated schools or negatively impact the education of lower income students.

Any proposal to establish a new alternative school should be measured against these standards in order to receive further consideration and they should drive the design of any new school choice programs.

#### School Choice/Open Enrollment

In addition to the alternative school opportunities available within the district, we also have an open enrollment policy, policy JECC School Choice. The district’s open enrollment policy goes back to the early 70’s as well. It provides that parents may request that a student be permitted to transfer to a school outside the attendance area wherein the student’s parents reside. Requests for enrollment in another district neighborhood school are honored unless the receiving school has reached its enrollment capacity. As part of the Shaping 4J decisions, the board has decided to place some limitations on open enrollment transfers between regions to ensure better balance among middle and high schools. This decision has not been applied to the elementary level. Along with alternative schools, open enrollment provided the public school choice options available to parents in the district until the advent of charter schools several years ago. While the alternative schools are the main attractors for which parents initiate choice, there are several neighborhood schools, generally of higher SES, that draw significant numbers of students away from other neighborhood schools as well.

#### Impact on Neighborhood Schools

As the district has experienced reduced resources and declining enrollment, the impact on the ability of all schools to provide strong instructional programs has been tested. Over the past five years a number of elementary schools have been closed or consolidated as enrollments have continued to dwindle (Santa Clara, Whiteaker, Bailey Hill, Willakenzie, Westmoreland, Patterson and Willard). Three alternative schools have been closed as well (Hillside, Magnet Arts and Evergreen). As neighborhood schools have seen their enrollments decline, they have become more concerned about the impact of losing their neighborhood students to alternative schools, charter schools or other neighborhood schools through open enrollment. As the data in the following chart shows, some neighborhood schools have been more dramatically impacted than have others by school choice/open enrollment.

**Table 1: Transfer Data 03-04 vs (07-08)**

<b>Neighborhood School</b>	<b>Total Within Boundary</b>	<b>03-04 (07-08) Enrollment</b>	<b>Transfers Out 03-04 (07-08)</b>	<b>Transfers In 03-04 (07-08)</b>	<b>% Attending from Within Boundary</b>
Adams	440 (496)	167(197)	312 (353)	40 (50)	29%( 29%)
Awbrey Park	624 (636)	476 (451)	171 (222)	38 (28)	70% (65%)
Chavez	502 (610)	385 (370)	165 (304)	53 (62)	66% (50%)
Coburg	139 (169)	138 (151)	22 (32)	7 (14)	94% (81%)
Crest Drive	233 (201)	221 (258)	72 (67)	88 (124)	57% (67%)
Edgewood	374 (389)	246 (320)	170 (143)	57 (72)	50% (63%)
Edison	264 (264)	315 (330)	85 (50)	100 (116)	81% (81%)
Gilham	481 (577)	496 (523)	59 (118)	99 (58)	82% (80%)
Harris	297 296)	209 (175)	137 (165)	67 (41)	48% (44%)
Holt	791 (641)	620 (531)	100 (167)	33 (49)	74% (74%)
Howard	502 (490)	333 (294)	228 (241)	38 (35)	59% (51%)
McCornack	504 (425)	445 (402)	120 (103)	61 (77)	76% (76%)
Meadowlark	262 (335)	195 (245)	110 (139)	29 (47)	63% (58%)
Parker	298 (352)	221 (264)	161 (165)	43 (75)	60% (53%)
River Road	515 (492)	310 (315)	139 (255)	46 (73)	51% (48%)
Spring Creek	457 (461)	420 (387)	115 (137)	92 (58)	72% (70%)
Twin Oaks	304 (301)	246 (240)	88 (84)	30 (22)	71% (72%)
Willagillespie	345 (442)	312 (369)	106 (125)	40 (48)	79% (72%)

Meanwhile, most alternative school enrollments have remained relatively stable, which has allowed them to predict enrollment, and maintain staffing, and provide for class sizes that are more stable.

#### Transportation

There are two issues with transportation associated with choice of schools: who should pay for it? And, how can the cost be kept reasonable?

The A&O report stated that to “provide a choice of public schools as a deliberate policy decision without providing free transportation can only lead to unequal opportunities for children based upon the ability of their parents to get them to school at their own expense”. The Access & Options Committee recognized this fact, but struggled with the question of the cost and practicality of broad-based transportation options. The A&O survey of parents further confused the issue around transportation when so few parents said that if it was provided they would use it.

At present, no transportation is provided to alternative schools. This means that, by and large, more affluent parents can drive their children, or find car pools, etc, to get their kids to alternative schools, while less affluent parents often cannot. Therefore, some argue that school choice that doesn’t facilitate transportation for those who need it restricts access and does not provide equitable choice.

Our A&O school surveys presented us with a paradox: A majority of our parents said that transportation should be provided to parents who needed it to send their children to

alternative schools; however, an even larger majority said that if transportation was provided, they wouldn't use it.

Most families appear to exercise choice to schools in or near their neighborhood. The data indicates that most transfers occur to schools within or adjacent to the neighborhood region, so transportation could, perhaps, be relatively contained. However, undoubtedly some parents would send their kids to a school outside their neighborhood if transportation were provided.

In the Shaping 4J Report, the recommendation on transportation provided that we study the possibility of adding transportation to all elementary schools within each region, including the possibility of providing transportation to alternative schools within the region only, or to neighborhood school transfers from within the region only, and consider developing a pilot project to test a new approach. It also recognized there may be some additional transportation costs related to any boundary adjustments and possible school consolidations.

#### Clustering of Neighborhood Schools

One interesting idea that came out of the A&O process was a suggestion of clustering alternative and neighborhood schools in sub-regions that would include a wider variety of choice, and an equitable SES distribution. In the suggested scenario, students would be guaranteed a spot within the cluster, but not necessarily a specific school, and transportation would be provided within the cluster.

#### CHINESE IMMERSION

The proposal for a Chinese Mandarin Immersion program is clearly intended as an alternative program that will draw students from either the district and/or the Churchill region.

In considering the establishment of a Chinese Immersion School, there are several questions to answer. First, does the proposed Chinese Immersion constitute a proposal for an alternative school? Second, if it is an alternative school proposal, has it gone through the alternative school proposal process? Third, is it going to involve the conversion of an existing neighborhood school or is it proposed as a start-up standalone school?

It should be noted that the board just completed the Shaping 4J's Future strategic planning process wherein it made several decisions related to both alternative and neighborhood schools. In that process, it became clear that future decisions must consider longer term strategic needs of the district related to financial resources, declining enrollment, school boundaries, school closures and consolidations, reconfigurations, or alternative school locations.

Thus, one additional question that must be asked regarding the proposal for any new alternative school is how will it affect the viability of area neighborhood schools? The proposed Chinese Immersion school is intended to eventually enroll around 300 students grades K-5. While there may be some families who move into the district in order to attend a Chinese Immersion, it is doubtful that the number of new students will reach that number. This means most of the students will come from within the district, and therefore, will not be attending their neighborhood school or another district alternative school.

## SPANISH LANGUAGE DUAL IMMERSION

While it was not entirely clear as to the purpose and intents related to the proposal from River Road/Camino del Rio with respect to converting to a Spanish language dual immersion, the fact that it is an existing neighborhood school puts it in a different context than if it were creating a new school. Although some of the elements discussed would make it fall into the category of establishing a new alternative school, the intention is primarily to address the educational needs of ELL and other Spanish speaking students by allowing them to learn in both Spanish and English, and create an environment where English speaking students can learn and interact in Spanish as well. Thus, while I think River Road/Camino del Rio could elect to develop a proposal under the board policy to establish an alternative school, I'm not sure its necessary to meet their goals. If the school's intent is to be able to take students from across the district through a lottery process similar to Buena Vista, then an alternative school is the appropriate way to go. If their primary intent is to better meet the needs of their growing number of Spanish-speaking students through a dual immersion program, I believe they can put together a proposal to do that within their school community and without becoming an alternative school.

The conversion of River Road/Camino del Rio also could have consequences for other elementary schools in North Eugene. We now have four neighborhood elementary schools (River Road/Camino del Rio, Howard, Awbrey Park and Spring Creek) and two alternative schools (Corridor and Yujin Gakuen) in the North region. If the proposed Spanish dual immersion is a K-12 it also has implications for the middle schools and the high school(s) in the region.

### **OPTIONS FOR BOARD ACTION:**

Based on the background information and the discussion to this point with respect to the consideration of a Chinese Mandarin Language Immersion School in the Churchill Region and a Spanish Language Dual Immersion at River Road/Camino del Rio in the North Region, I believe the following options are available to the Board:

#### **Chinese (Mandarin) Language Immersion School:**

1. Direct staff to work with appropriate stakeholders to develop a formal plan and timeline for the implementation of a Chinese (Mandarin) Language Immersion School as a district alternative school with the target start date of September 2010 in the Churchill region.
  - This action would be based on a determination that proponents have **substantially met** the intent of the requirement for proposing establishment of a new district alternative school and signal board support for action to establish an additional language immersion alternative school as a part of the district program of school choice. The implementation plan would need to specify the proposed location, whether the school will be a conversion of an existing school program or the start-up of a new standalone school, the budget and staffing plan, and start-up costs of the school. District policies regarding enrollment and transportation for alternative schools would apply.
2. Direct staff to work with appropriate stakeholders to develop a formal alternative school proposal consistent with board policy for proposing establishment of an Alternative School.

- This action would be based on a determination that proponents have **not substantially met** the intent of the policy for proposing establishment of a new district alternative school and signal board support for staff to continue to work with proponents on development of a more refined proposal that includes the following elements:
  - a. An operational plan that includes staffing, proposed location of the school and facility requirements, support services needed, and the proposed timelines for establishing the school that conforms to applicable district policies, and that constitutes an efficient use of district resources.
  - b. Evidence that establishment of the proposed school enhances the district's educational program. Board goals and the Shaping 4J's Future core values, goals and principles should be considered.
  - c. A proposed budget for the school appropriate to the program that is proposed and that represents an efficient use of district funds. The budget request may include start-up costs to be paid by District 4J or to be solicited from other sources.
  - d. Proposed criteria for selecting students for enrollment in the alternative school. The criteria must not unfairly discriminate among applicants and must be reasonably related to the educational goals of the school and the district.
  - e. An assessment of potential adverse impacts on existing schools and programs.

(Note: adoption of either option 1 or 2 would signal the board's interest in continuing to pursue the establishment of a Chinese language immersion program.)

3. Direct staff that the addition of a new language immersion alternative school at this time is neither practical nor feasible in light of declining enrollment, limited resources and the adverse impact on other neighborhood and alternative schools.
  - This action would signal that the board does not support the planning for a Chinese Language Immersion alternative school at this time, but would entertain a future application for board approval as a new alternative school under board policy IGBH after the board has had the benefit of working through the changes to be implemented as a result of the Shaping 4J recommendations and ascertaining the ramifications of those decisions.

### **Dual-Immersion Spanish/English Language**

1. Direct staff to work with appropriate stakeholders to develop a formal plan and timeline for the implementation of a Spanish Language Dual Immersion School at River Road/Camino del Rio as a district alternative school with the target start date of September 2009.
  - This action would be based on a determination that proponents **have substantially met** the intent of the requirement for proposing establishment of a new district alternative school and signal board support for action to establish a Spanish language dual-immersion alternative school as a part of the district program of school choice. This would be an alternative school within the meaning of policy IGBH and thus be subject to the same terms and conditions that apply to other district alternative schools.

2. Direct staff to work with appropriate stakeholders to develop a formal alternative school proposal consistent with board policy for proposing establishment of an Alternative School at River Road/Camino del Rio.
  - This action would be based on a determination that proponents have **not substantially met** the intent of the policy for proposing establishment of a new district alternative school and signal board support for staff to continue to work with proponents on development of a more refined proposal that includes the following elements:
    - a. An operational plan that includes staffing, proposed location of the school and facility requirements, support services needed, and the proposed timelines for establishing the school; that conforms to applicable district policies, and that constitutes an efficient use of district resources.
    - b. Evidence that establishment of the proposed school enhances the district's educational program. Board goals and the Shaping 4J's Future core values, goals and principles should be considered.
    - c. A proposed budget for the school appropriate to the program that is proposed and that represents an efficient use of district funds. The budget request may include start-up costs to be paid by District 4J or to be solicited from other sources.
    - d. Proposed criteria for selecting students for enrollment in the alternative school. Criteria must not unfairly discriminate among applicants and must be reasonably related to the educational goals of the school and the district.
    - e. An assessment of potential adverse impacts on existing schools and programs.
  
3. Direct staff to work with appropriate stakeholders to develop a proposal to establish a neighborhood cluster to support a Spanish dual-immersion school at River Road/Camino del Rio that includes Howard Elementary School that could include transportation within the neighborhood cluster.
  - This action would be based on a determination that proponents do not **have to meet** the requirement for proposing establishment of a new district alternative school because it is an expansion and modification of the neighborhood school consistent with the "academy school" direction to redesign the school with a particular focus. It will signal board support for action to establish a Spanish language dual-immersion neighborhood choice school.

(Note: adoption of either option 1, 2 or 3 would signal the board's interest in pursuing the establishment of a Spanish language dual- immersion program.)

4. Direct staff that the addition of a Spanish language dual-immersion at River road/Camino del Rio school at this time is neither practical nor feasible in light of declining enrollment, limited resources and the adverse impact on other neighborhood and/or alternative schools.
  - This action would signal that the board does not support the planning for a Spanish Dual Language Immersion school at this time, but would entertain a future application for board approval as a new alternative school under board policy IGBH after the board has had the benefit of working through the changes to be implemented as a result of the Shaping 4J recommendations and ascertaining the ramifications of those decisions.

**SUPERINTENDENT'S RECOMMENDATION:**

The Superintendent will recommend that the board, with respect to: (Changes in wording made after the May 21 meeting are underlined).

**1. Chinese (Mandarin) Language Immersion:**

Direct staff to work with appropriate stakeholders to develop a formal alternative school proposal by April 1, 2009 with the target start date of September 2010 in the Churchill region, consistent with board policy for proposing establishment of an Alternative School including the following elements:

- An operational plan that includes staffing, proposed location of the school and facility requirements, support services needed, and the proposed timelines for establishing the school; that conforms to applicable district policies, and that constitutes an efficient use of district resources.
- Evidence that establishment of the proposed school enhances the district's educational program. Board goals and Shaping 4J Future core values, goals and principles should be considered.
- A proposed budget for the school that is appropriate to the program proposed and that represents an efficient use of district funds. The budget request may include start-up costs to be paid by District 4J or to be solicited from other sources.
- Proposed criteria for selecting students for enrollment in the alternative school. The criteria must not unfairly discriminate among applicants and must be reasonably related to the educational goals of the school and the district.
- An assessment of potential adverse impacts on existing schools and programs.

**2. Spanish Language Dual Immersion at River Road/Camino del Rio:**

Direct staff to work with appropriate stakeholders to develop a proposal by December 2008 to establish a neighborhood cluster that includes Howard Elementary School to support a Spanish dual-immersion school at River Road/Camino del Rio. The proposal would be for an expansion and modification of the neighborhood school consistent with the "academy school" direction to redesign the school with a particular focus, and could include a proposal for transportation within the neighborhood cluster. The proposal should include strategies to manage enrollment between the two schools and ensure that both schools have sufficient resources to offer strong programs and to address a diversity of student needs.

**3. Alternative School Policy IGBH**

Direct staff to propose by August 2008 revisions to the alternative school policy to reflect board direction from the Access & Options, Alternative School Reviews, and Shaping 4J's Future.

**2. Approve Revisions to Policy JECC, School Choice (Staff: Barb Bellamy)**

Board policy JECC School Choice specifies the application process and enrollment priorities that are used when a parent wishes to send a student to an alternative school or a neighborhood school outside of their attendance boundary. The policy specifies that, to be considered in the school choice lottery, applications must be submitted by

the first Friday in March. Staff is proposing that this date be changed to the Friday preceding spring break, which would typically allow an additional two weeks for applications to be accepted before the lottery is conducted.

In June 2007, the board approved a similar time line for the 2008 school choice application and lottery process. The exception was made on a one-time basis, in recognition of the possibility that board decisions made as part of *Shaping 4J's Future* might result in re-location of some alternative schools, school consolidations or other changes to school attendance areas or enrollment priorities.

Staff is recommending that this one-time extension of the school choice application period continue and that the Friday preceding spring break in March become the deadline for a school choice application to be considered in the lottery. A minor revision in wording is also recommended to more clearly state the process that is used when applications are received after the lottery.

A copy of the proposed policy with revisions is included in your packet. The superintendent recommends approval of the board policy JECC School Choice, as revised.

**3. Schedule a Local Option Tax Levy for November 4, 2008** (Staff: Caroline Passerotti)

On February 25, 2008, the budget committee voted to recommend that the board place a five-year renewal levy at the current rate of \$1.50 per \$1,000 assessed valuation on the November 4, 2008, ballot to maintain current school programs and staffing levels to the extent possible. If approved, the renewal levy would become effective June 2010 after the expiration of the current levy.

**Background**

In May 2000, district voters approved a five-year local option levy of \$1.50 per \$1,000 of assessed property value to maintain school programs and staffing levels to the extent possible. The levy, which passed with a 63.7% "yes" vote, generated an average of \$5.8 million per year and expired at the end of 2004-05.

A five-year renewal of that levy was approved with a 72% "yes" vote in November 2004. This levy, which expires after 2009-10, is projected to generate \$13.4 million this year and reach \$14.2 million in 2008-09. Proceeds represent about 10% of general fund revenue and the equivalent of about 160 full-time teachers.

The ability to levy local option taxes was extended to school districts by the 1999 state legislature. This created district voters' only opportunity to increase revenue for district operations since Measure 5 was passed in 1990. Local option taxes can be levied to support operations (five year limit) or pay for capital improvements (ten year limit). Most significantly, proceeds are excluded from the State School Fund formula, permitting districts to retain all funds generated. Local option elections are subject to "double majority" voter approval, except for general elections held in November of even-numbered years.

State law limits the amount of money a school district can raise from a local option levy. These limits were revised most recently by the 2007 legislature and include the following:

- Measure 5 limit – revenue actually received by the district from local option taxes imposed;
- Percentage of state resources – 20% of the combined total of the state general purpose grant, transportation grant, facility grant and high cost disability grant; and
- Dollars per student – \$1,000 per average daily membership, weighted (ADMw), growing by 3% per year beginning 2008-09.

The Measure 5 limit represents the total of all “tax gaps” for all individual properties in the district. The “tax gap” is the difference between the Measure 5 tax on a property and the Measure 50 tax on the same property. Each property has its own unique tax gap, which changes year to year and varies in relation to other similar properties depending upon the growth dynamics of real market and assessed property values.

Annual revenues are difficult to predict and will vary year-to-year because Measure 5 limits affect each property differently. Not every property will be assessed a local option tax, and some properties will be assessed more than others. If real market values grow at a slower rate than assessed values, tax gaps will be reduced and local option revenue may be lower.

Proposed Renewal

Earlier this year, the district contracted with Western Financial Associates, a financial advisory firm in Portland, to estimate local option levy proceeds for the renewal period. We examined the potential benefit of higher tax rates within the limits of the three statutory tests described above. The Measure 5 limit for proceeds generated by a tax rate of \$1.50 per \$1,000 of assessed value was \$15 million; the 20% of state resources limit was projected to be \$15.3 million. Since the district would be unable to benefit from taxes collected in excess of that limit, \$1.50 was confirmed to be the optimum rate.

Projected local option revenues are based on the following assumptions:

- Real market and assessed property values grow at the same rate, by 4.5% in 2008-09 and 3.5% in future years; and
- Tax collections average 94.5% in all years.

Under these assumptions, revenue from the renewal levy is expected to be:

2010-11	\$14,945,000
2011-12	\$15,465,000
2012-13	\$16,010,000
2013-14	\$16,570,000
2014-15	\$17,150,000

Receipts will vary depending upon actual growth in real market and assessed values on a property-by-property basis.

The average tax rate for all properties in 2010-11 is projected to be \$1.45, including \$1.48 for residential properties, \$1.45 for commercial properties, and \$1.10 for industrial properties. The average local option tax is projected to be \$301, ranging from \$121 for farm properties and \$251 for residential properties to \$925 for commercial properties and \$1,360 for multi-family properties.

Election Timing

Possible election dates for the renewal of the local option levy range from November 2008 through May 2010. The “double majority” applies to all elections except

November 2008, unless House Joint Resolution 15 is approved by voters in November 2008. This resolution would allow May and November elections in any year to be exempt from “double majority” requirements. If it does not pass, the number of voters required to approve a “double majority” election is expected to increase due to the high voter turnout anticipated in November 2008.

#### Recommendation

The superintendent recommends that the board adopt a resolution calling for a November 4, 2008, election to renew a five-year local option tax levy at the rate of \$1.50 per \$1,000 of assessed valuation to finance district operations and pay all related, incidental costs.

Copies of the resolution calling for the election and the Notice of District Measure Election are included in your packet.

#### **4. Approve Supplemental Budget #2** (Staff: Susan Fahey)

According to Oregon Local Budget Law, the school district can amend its budget by 1) transferring spending authority within a specific fund or from the General Fund to another fund; or 2) changing spending authority by adoption of a supplemental budget. Changing spending authority requires the board to receive the information as a future action item, while transfers may be approved as consent items.

#### **Proposed Supplemental Budget Transactions**

You are scheduled to adopt a supplemental budget at your June 4, 2008 meeting. Transactions are proposed to reappropriate beginning working capital and recognize revenue not anticipated at the time the budget was developed. An overview of the transactions is presented below, and a list of specific transactions is included in the board packet.

#### **General Fund**

##### **Reconciliation of Beginning Working Capital**

When the 2007-08 budget was developed, staff projected a beginning fund balance of \$18,904,578. The actual beginning fund balance was \$20,845,607. Of the \$1,941,029 difference, \$779,360 was reappropriated in Supplemental Budget #1 to complete specific projects begun but not finalized in 2006-07. The \$1,161,699 difference represents PERS savings from the financing of the district’s PERS unfunded actuarial liability. The supplemental budget transfers \$350,000 of this amount to the Fleet and Equipment Fund and remaining amounts to the ending fund balance.

The following transactions are proposed to recognize the increase in Working Capital:

**Resources (Increased Working Capital) - \$ 1,161,669**

**Requirements:**

**a. PERS Savings - \$350,000**

In 2003-04, staff calculated an annual requirement of \$2 million to cover the costs of the highest priority textbook and equipment needs. At that time, the superintendent recommended a funding strategy that set an annual budget target of \$2 million per year for equipment and textbooks and budgeted a \$1.65 million (plus inflation) transfer from the general fund to the Fleet and Equipment Fund, with the intent of using "excess ending working capital" (actual versus budgeted) to increase the transfer by up to \$350,000. To support textbook adoptions scheduled for 2008-09, \$350,000 of PERS savings is added to the transfer appropriation.

**b. Unappropriated Ending Fund Balance - \$811,669**

District reserves are increased by the amount of the balance of PERS savings.

**Total Requirements - \$1,161,669**

**Recognition of New Revenue**

The following proposed transactions recognize new revenue and appropriate the same amount:

**Resources - \$469,668**

**Requirements:**

**a. High Cost Disability Grant Revenue - \$251,297**

The state legislature has recognized the issue of high cost students and earmarked several million annually to help districts offset per student costs in excess of \$30,000. The Oregon Department of Education estimates that the district will receive 2007-08 high cost disability grant proceeds \$251,297 above amounts previously anticipated. Funds are appropriated for services provided to the district's increasing number of high needs students.

**b. Tuition Reimbursement - \$60,000**

This transaction recognizes tuition revenue from Bethel School District for students attending the Bailey Hill Instruction Center and appropriates the funds to High School Services.

**c. Charter School IEP Services - \$53,262**

Under contract with other school districts, the district provides special education services to out-of-district IEP students who attend district-sponsored charter schools. This transaction recognizes payments from seven area school districts and appropriates funds to pay for special education staffing costs.

**d. Transportation Reimbursement - \$37,341**

This transaction recognizes 70% reimbursement revenue from the State of Oregon for transportation costs incurred by the Instruction Department for taxi services for students to the Bailey Hill Instruction Center Alternative Education Program. Funds are appropriated accordingly.

**e. High School Summer Program Fees - \$32,000**

This transaction recognizes and appropriates funds received for the 2007 high school summer session and appropriates a like amount to High School Services to cover a portion of the summer program expenses.

**f. Advertising Revenue - \$18,750**

This transaction recognizes additional revenue from the sale of advertising in the school calendar and increases the Communication Department's appropriation by the same amount.

**g. Nursing Services Program Revenue - \$15,000**

This transaction recognizes revenue from two contracts: 1) \$8,000 from the Bethel School District for School Based Health Center services and 2) \$7,000 from Lane Education Services District for nursing services for its Life Skills Program. A like amount is appropriated to Nursing Services.

**h. Middle School Mentor Program Revenue - \$2,018**

This transaction recognizes donations received to support the services provided by mentors volunteering in district middle schools.

**Total Requirements - \$469,668**

**Fleet and Equipment Fund**

**Recognition of New Revenue - \$350,000**

This transaction recognizes the \$350,000 in 2006-07 PERS savings transferred from the general fund, as described above, and appropriates the same amount.

**Recommendation**

The superintendent recommends approval of a resolution adopting the supplemental budget as presented, or as modified as a result of board discussion. A resolution adopting the supplemental budget and a summary of the transactions are included in your board packet.

**5. Conduct a Public Hearing on the 2008-09 Approved Budget (Staff: Susan Fahey)**

Oregon law requires the board to adopt the budget for the ensuing year by June 30. On April 28, 2008 the superintendent presented his Proposed Budget to the Budget Committee. On May 12, 2008 the Budget Committee unanimously approved the proposed budget, with the following amendments to the general fund:

- *Educational Support Services High Cost Disability Grant*  
Increase Direct Classroom Services by \$261,000 for High Cost Disability Grant funds anticipated to be received in excess of the December forecast amount.
- *Minority Student Achievement Network (MSAN) High School Team Leader*  
Increase Classroom Support Services by \$90,000, .25 licensed FTE at each high school, to support the district's MSAN program.
- *Executive Administration Reorganization*  
Increase Central Support Services by \$74,658, 1.0 FTE support staff, to assist the Chief Operating Officer.

- *Internet Filter*  
Increase Building Support Services by \$48,180 for internet filter license costs.

The above amendments result in a decrease of the budgeted unappropriated ending fund balance by \$473,838.

- *Talented and Gifted Program Staff*  
Increase Direct Classroom services and reduce Classroom Support Services by .75 licensed FTE for Talented and Gifted Program staff incorrectly budgeted in the proposed budget. There is no financial impact associated with this revision.

In addition, the following amendment to the Federal, State, and Local Programs Fund was approved by the budget committee.

- *Track Construction*  
Increase local revenues and the Facilities Acquisition and Construction appropriation by \$70,000 for the NIKE grant which will support the track installation at the Jefferson site.

Including the above amendments, the approved budget totals \$319.7 million, an increase of \$3.4 million or 1.1% from the 2007–08 adopted budget. The small increase is the net result of higher general fund and insurance reserve budgets and a lower capital budget.

### **General Fund**

The approved general fund operating budget of \$155.6 million (excluding contingency and unappropriated ending fund balance) has increased by \$12.0 million—or by 8.4%. Almost half of the increase is due to the 2007-08 adopted budget placing \$5.8 million in contingency for School Improvement Fund grant expenditures as a result of late legislative action and to implement employee compensation agreements. Including the \$5.8 million as part of the 2007-08 operating budget is more comparable and results in a modest increase of 4.2%. Fund revenues have increased 3.4% to \$150.3 million. This \$4.9 million increase from 2007–08 reflects higher property tax and State School Fund revenues, offset by lower interest earnings. Reserves including contingency funds have decreased \$1.9 million (excluding the \$5.8 million for operations as noted above) from last year’s adopted budget as the district draws down excess reserves for strategies to close the achievement gap.

Ongoing service additions include:

- More P.E. specialist time at the elementary and middle levels
- Secondary level special education services
- Additional English Language Learner (ELL) licensed staffing
- Support for increased science graduation requirements
- Support for the district’s Minority Student Achievement Network program
- Reorganization of the human resource and executive administration functions

In addition, a portion of district reserves has been used to provide one-year of funding for:

- Additional “academy school” funding to address higher student needs at certain schools
- Continuation of funding for after-school programs at targeted schools
- Additional services and materials for secondary students not meeting math benchmarks
- Second-year funding for pilot programs to assist students’ transition from middle school to high school, expand summer school and support instructional technology

- Staff development for teachers
- Support for the student information system special education module implementation
- Other program support including reading assessment, instructional technology, and ELL/Special education evaluation team
- Funding for to implement *Shaping 4J's Future* recommendations

As in last year, I will also be recommending changes regarding school Targeted Funding FTE. Each year schools receive a staffing allocation and a “discretionary budget” for materials and services. Part of that discretionary budget is a “targeted funding allocation” that can be used for either staff or materials and services. In 2003–04 when literacy dollars were first allocated, the targeted funding amount increased substantially. It now totals \$2.7 million, much of which is used to fund teachers and instructional assistants. Prior to 2007-08 these funds were budgeted as dollars only because staffing plans were not reconciled until after the budget was adopted. Beginning with the 2007-08 budget, staff reconciled the plans in time to include FTE funded through “targeted funding” in the adopted budget. The amount appropriated will not change, but the adopted budget will show an increase in FTE. The revised FTE figures will be included in the agenda packet for the June 18, 2008 meeting.

You are scheduled to conduct a public hearing at this meeting and take action to adopt the budget at the meeting on June 18, 2008.

The superintendent will recommend approval of a resolution adopting the 2008-09 budget, making appropriations, and imposing and categorizing taxes.

## IX. CONSENT GROUP – ITEMS FOR ACTION

### 1. Approve Ratification of CIP Contract Awards (Staff: Jon Lauch)

On September 18, 2002, the Board of Directors affirmed the 1993 district policy for delegating Contract Award authority for Bond Funded CIP contracts of \$500,000 or less to the superintendent, or designee, subject to subsequent ratification by the board. The designee is Jon Lauch, Director of Facilities and Transportation. Contracts in excess of \$500,000 will continue to require board approval. The purpose of the board item is to summarize all CIP contract award activity requiring a formal bid or formal competitive selection and for the board to ratify those awards that have been made by authorized staff since the last ratification.

The summary sheet in the board packet identifies all contracts that have been awarded as of the status date indicated in accordance with delegated authority. The summary also identifies who awarded the project and will indicate board ratification data of said award as applicable.

The CIP management staff will continue to provide the board with Contract Award Status updates for ratification, pursuant to School Board Policy DI (Capital Improvement Contracts Financed by Bond Levy Funds-previously Policy 6610.5)

The superintendent recommends ratification of awards for CIP GO Bond funded projects as indicated on the summary sheet.

**2. Approve Personnel Items** (Staff: Wally Bryant)

The superintendent recommends approval of the personnel items included in the board packet. These cover employment, resignations, and other routine personnel matters. The board may adjourn to executive session for matters dealing with employment if it desires to do so. ORS 192.660 (2) (a).

**X. ITEMS FOR ACTION AT A FUTURE MEETING**

**1. Approve Revisions to Policy IGBHA, Alternative Education Programs Related to HomeSource**

On September 5, 2007, the board approved a revision to Alternative Education Programs policy IGBHA making an exception for home school students to attend HomeSource in compliance with interpretations of HB 2040. The policy change gave consent for a home school student to enroll in HomeSource and the Bethel School District, if required by Chapter 846 Oregon Law, without first evaluating the student to determine whether the student's education needs could be served within district schools and programs. The board requested that staff bring back the policy for further discussion if information or interpretations of HB 2040 were clarified or changed in the writing of statutes or guidelines by the Oregon Department of Education.

Two elements of HB 2040 have been clarified that have implications for Policy IGBHA and our current practice for releasing students to Bethel and HomeSource.

These clarifications are based on the Oregon Department of Education Memo # 011-2007-08 and ORS 336.668 to 336.675. The Oregon Administrative Rules have not yet been written and are expected to be completed in August 2008.

- Both Eugene 4J and Bethel 52 are qualified districts to contract with HomeSource, rather than just the Bethel School District. Our current practice is to release students to Bethel that attend HomeSource rather than contract directly with HomeSource. Eugene could choose to contract directly with HomeSource rather than release 4J students to Bethel to attend HomeSource. Staff does not believe that it would be cost effective to change this practice.
- While we are required by statute to place a child in HomeSource if they were enrolled prior to July 1, 2007, it is now clear that we are not required to place a student with HomeSource upon request from a parent if the student was not enrolled in HomeSource prior to July 1, 2007. Nor, are we required to do an assessment of a student to determine whether the student would benefit from our district programs and whether HomeSource would meet the child's educational needs and interests.

Our current practice is to release new students upon parent request to Bethel and HomeSource and not do an individual student assessment. The current policy seems to require that to continue the practice of referring students upon parent request without an assessment, we will need to revise Policy IGBHA.

Based on the above clarifications, we identified three options for the future:

1. Continue the current process of referring homeschool students to HomeSource upon a parent's request and without doing an individual student assessment. This would require a revision to policy IGBHA to exempt homeschool students from the policy requirements.
2. Decide to discontinue the practice of referring new homeschool students (those not enrolled prior to July 1, 2007) to HomeSource. Existing policy language would be maintained (however staff are recommending a revision to clarify the policy).
3. Consider requests for new homeschool students to attend HomeSource, but assess whether the student would benefit from district programs and whether HomeSource would meet the child's educational needs and interests, as we do with students who might be referred to any other alternative education program. Existing policy language would be maintained but an assessment process would need to be developed

## **DISCUSSION**

Registered home-schooled children are not 4J students within the intent of Policy IGBHA because it is not their intention to enroll in the district. The policy requires that if alternative education is being considered by either parents or the district, the district must first determine that it is unable to meet the student's educational needs within its schools or programs. To make that determination, the district would have to assess each home-schooled child after he or she was enrolled or showed intent to enroll in the district as a student. The district does not believe it should nor is it interested in expanding the policy to include the release of home-schooled students, nor is there interest in assessing home-schooled children to determine if HomeSource is an appropriate placement. Staff believes the policy should clearly state that the release or referral of home-schooled students to alternative education programs is not intended by board policy IGBHA. Students who are currently attending should be allowed to continue pursuant to Oregon statute and the grandfathering of those who enrolled prior to June 1, 2008 pursuant to previous board action.

### **Recommendation:**

The superintendent recommends that the last sentence of board policy IGBHA, Alternative Education Programs be revised to read:

*This policy is not intended to allow for the referral or release of registered homeschool students to an alternative education program, with the exception of students who were enrolled in an alternative education program pursuant to ORS 336.688-336.675, prior to May 1, 2008.*

2. **Approve Revisions to the Student Rights and Responsibilities Handbook** (Staff: Barb Bellamy)

The 4J Student Rights and Responsibilities Handbook is being updated to align with recent changes in state and federal law and district policies and procedures. The handbook was last revised in 2005. The 2008 revised handbook will be distributed to all students next fall.

Sections of the handbook being revised (from the 2005 revision) are:

- Nondiscrimination and Harassment (page 6, 2005 Revision), to align with current School Board Policy (section JB).
- The addition of a section regarding Cyberbullying (School Board Policy, section JFCFA/GBNAA).
- Student Records (page 9, 2005 Revision), to align with current School Board Policy (section JO).
- Use of Tobacco (page 10, 2005 Revision), to align with current School Board Policy (section JFCG).
- Serious Misconduct, subsection 10, Use or Possession of Any Controlled Substances, Including Alcoholic Beverages and Drug Paraphernalia (page 11, 2005 Revision), to align with School Board Policy (section JFCH/JFCI).
- Disciplinary Procedures, subsection 4, Suspension or Expulsion of Students with Disabilities (page 12, 2005 Revision), to align with current School Board Policy (section JGDA/JGEA), and to reflect current Federal Law.

The revised handbook will be printed in English and in Spanish and distributed to all students next fall. The handbook will be also be posted on the district's Web site.

Oregon Revised Statute 339.240 and school board policy require the school to have a statement of student rights and responsibilities. The district has published and distributed the Student Rights and Responsibilities Handbook for many years to comply with this requirement. All schools must comply with the rules in the handbook. Each school has its own set of student expectations and statement of specific consequences, but they must be in compliance with the district Student Rights and Responsibilities Handbook.

Staff will provide a draft of the specific text revisions at your meeting on June 4. The board is scheduled to give final approval of the 2008 revisions at your June 18 meeting. The superintendent will recommend revision of the Student Rights and Responsibilities Handbook. A copy of the Student Rights and Responsibilities Handbook 2005 Revision is included in your packet.

**3. Approve a Resolution Supporting the Repeal of the Double Majority Requirement (Staff: Barb Bellamy)**

The 2007 Oregon Legislature has referred to the November 4, 2008 General Election ballot a constitutional amendment that would modify the double-majority requirement for property tax measures. If approved by Oregon voters, the amendment would allow property tax measures placed on any May or November election ballot to pass if approved by a simple majority of voters. Currently, these measures require a "double majority" to pass--that is, more than 50% of registered voters must cast a ballot, and, a majority of these voters must vote "yes". The only exception is that property tax measures referred to November elections in even-numbered years (a General Election) may pass with a simple majority "yes" vote.

The double majority requirement was passed in 1996 as part of Measure 47, a property tax limitation initiative sponsored by Bill Sizemore and Oregon Taxpayers United. Since that time, 140 local property tax measures, including school district measures outside of Eugene, have received a majority of "yes" votes in an election, but failed to pass because more than 50% of registered voters did not vote in the election.

The Oregon School Boards Association has adopted a resolution supporting the repeal of the double majority requirement. A sample resolution, developed by OSBA for consideration by local school boards, is included in the packet.

**4. Approve Memorandum of Agreement with the Eugene Education Association**  
(Staff: Ted Heid)

Appendix F of the District/Eugene Education Association (EEA) 2007-2010 collective bargaining agreement is the parties' agreement to form a joint committee to recommend a plan for teachers to contribute personal leave to a relief fund. The Joint Contract Administration Committee (JCAC) has approved the joint committee's recommendation and EEA representatives are processing approval of the proposed memorandum of agreement (MOA) and guidelines for a Personal Leave Relief Fund (PLRF). The PLRF is intended to provide up to an additional 15 days of paid leave for teachers whose family member is experiencing a catastrophic circumstance that needs the teacher's attention and the teacher has exhausted all available paid leave. The paid days for PLRF are voluntarily contributed by teachers during an annual contribution opportunity. A teacher has an annual maximum use of 15 days and a career maximum of 30 days. The annual maximum for all teacher PLRF days is 75. The guidelines included in your board packet provide more operational details. District and EEA representatives will jointly manage the PLRF, including the decision on what is a catastrophic circumstance. The superintendent will recommend approval of the PLRF.

**5. Approve a Resolution Adopting the 2008-2009 Budget, Making Appropriations, Imposing and Categorizing Taxes** (Staff: Susan Fahey)

See discussion under Items for Action at This Meeting, Conduct a Public Hearing on the 2008-09 Approved Budget.

**6. Set the Tuition Rates for the 2008-2009 School Year** (Staff: Larry Sullivan and Phil Scrima)

Each year a number of non-resident students pay tuition to attend our schools and other districts contract with us to provide regular and special educational services. The board sets tuition rates for students in kindergarten, elementary school, middle school, high school, and special education. We receive no reimbursement for these students from the state. We are proposing a \$30/month increase for kindergarten, a \$50/month increase for grades 1-5, a \$55/month increase for grades 6-8, and \$65/month increase for grades 9-12. Special education rates represent an average increase of 8.45% for Regional Learning Centers (elementary, middle and high school) and 5.84% for Learning Centers, reflecting projected increases in staff and service costs.

**Rates for Regular Students**

Kindergarten	\$5,400 or \$600 per month (nine months)
Grades 1-5	\$7,425 or \$825 per month (nine months)
Grades 6-8	\$7,020 or \$780 per month (nine months)
Grades 9-12	\$6,480 or \$720 per month (nine months)

**Rates for Special Education Students**

Elementary Learning Center	\$ 9,446 plus the cost of related services
Elementary Regional LC	\$14,651 plus the cost of related services
Middle School LC	\$10,333 plus the cost of related services
Middle School Regional LC	\$14,489 plus the cost of related services
High School LC	\$ 9,600 plus the cost of related services
High School Regional LC	\$13,811 plus the cost of related services

The superintendent will recommend approval of the tuition rates as proposed.

**7. Set School Breakfast and Lunch Prices for the 2008-2009 School Year** (Staff: Susan Fahey and Chad Williams)

Nutrition Services has continued their efforts to implement healthier meals which includes a focus on whole grain products and fresh and local produce. Changes have also been made to the ala carte program as required by the district's wellness policy and House Bill 2650. The new choices offer healthier items for students to choose from and have led to improved customer satisfaction. These improvements combined with rising food and compensation costs have resulted in higher program expenses which have exceeded the increase in revenues. To help offset program cost increases, staff is proposing the following price increases for breakfast and lunch:

**Paid Breakfast**

Level	Proposed Price 2008-09	2007-08 Price	Increase
Elementary	\$1.15	\$1.10	\$0.05
Middle	\$1.30	\$1.25	\$0.05
High	\$1.50	\$1.25	\$0.25

Reduced price breakfast would remain at \$0.30.

**Paid Lunch**

Level	Proposed Price 2008-09	2007-08 Price	Increase
Elementary	\$2.10	\$2.00	\$0.10
Middle	\$2.40	\$2.30	\$0.10
High	\$2.50	\$2.35	\$0.15

Reduced price lunch would remain at \$0.40, and the a la carte price for milk will remain at \$0.50.

Even with the increase, the proposed paid lunch revenue is below that received for students qualifying for free or reduced price meals, as the chart below shows:

### Elementary Lunch Revenue by Level of Subsidy

Level	2008-09 Federal Subsidy (projected)	Meal Price	Total
Free	\$2.52	\$0	\$2.52
Reduced	\$2.11	\$0.40	\$2.51
Paid	\$0.23	\$2.10 (proposed)	\$2.33

We have obtained current or proposed lunch prices for 33 Oregon school districts. The paid elementary price that staff is proposing would put the district in the top 35% of districts surveyed. Other districts with an elementary lunch price at or above \$2.10 include: Ashland, Beaverton, McMinnville, North Clackamas, Oregon City, Redmond, Newburg, Tillamook, Tigard-Tualatin, and West Linn. Most of these school districts, like Eugene, have a relatively low percentage of students qualifying for free or reduced meals and rely more on revenue from “paid” students.

Staff does not believe that the new prices will have a negative effect on participation. The superintendent will recommend approval of the proposed price increases.

8. **Approve a Resolution Authorizing the Issuance and Private Negotiated Sale of General Obligation Refunding Bonds to Advance Refund All or a Portion of the District’s Outstanding General Obligation Bonds, Series 1999 and Series 2002**  
(Staff: Caroline Passerotti)

Oregon Revised Statutes permit school districts to issue bonds to advance refund outstanding bonds to reduce the costs of debt service. The advance refunding process is governed by the State Department of the Treasury, which requires present value savings of at least 3% from the refunding.

In March 2003, the district advance refunded \$17.6 million in outstanding general obligation bonds from callable maturities of the Series 1994 and 2000 bonds. This transaction achieved total savings over the remaining life of the bonds of \$661,000. Net present value savings were 3.75%, compared to the 3% minimum required by the State Treasurer. In February 2002, the district advance refunded \$21 million in outstanding bonds, with total savings for taxpayers of over \$1 million, or 3.9%.

Over the past year, the district’s financial advisor, Seattle-Northwest Securities Corporation, located in Portland, and district staff have monitored market conditions for an opportunity to refund outstanding bonds and reduce debt service obligations for taxpayers. Recent interest rate movement suggests that it may be possible to reach the required savings of at least 3% in the next month or two by refunding all or a portion of the Series 1999 and Series 2002 bonds subject to optional redemption. Bonds totaling \$8.7 million were issued in June 1999 to finance safety and security improvements and critical building needs; \$70 million in bonds were issued in November 2002 to expand and improve district facilities, including the construction of two new elementary schools.

The bonds subject to redemption total \$47,355,000. If all potential bonds are refunded and savings of 3.5% are achieved, district taxpayers would realize approximately \$1.7 million in net present value savings. Refunding these issues also permits district staff to consider restructuring debt service to smooth tax rates for possible future bonds.

Board approval of the proposed resolution anticipates these opportunities and authorizes staff to pursue the refunding of callable maturities of the 1999 and 2002 general obligation bonds when a beneficial level of savings is reached. A copy of the resolution is included in your packet.

The superintendent will recommend that the board approve a resolution authorizing the issuance and private negotiated sale of general obligation refunding bonds to advance refund all or a portion of the district's outstanding general obligation bonds, Series 1999 and Series 2002; designating an authorized representative, financial advisor and bond counsel; authorizing appointment of a paying agent, bond registrar, escrow agent, verification agent and underwriter; authorizing execution of a bond purchase agreement and escrow agreement; and authorizing the submission of an advance refunding plan to the State Treasurer.

**9. Adopt the Board Calendar for the 2008-2009 School Year**

The Board of Directors traditionally meet on the first and third Wednesday of the month, with the agenda and materials related to the agenda items being provided to the board on the Friday preceding the Wednesday meeting. Special board meetings and board work sessions may also be scheduled during the year; board members typically set aside every Wednesday evening for that purpose.

A copy of the proposed calendar of the regular board meetings for the 2008-2009 school year is included in the packet. The superintendent has reviewed the proposed calendar and noted that it does not interfere with major holidays and the winter break schedule.

The superintendent will recommend approval of the proposed 2008-2009 calendar of the regular board meetings.

**10. Conduct Routine Business:**

**a. Appoint Clerk and Deputy Clerks for Fiscal Year 2008-2009**

Statutes require the Board of Directors to designate persons to serve as custodians of school funds and to officially sign contracts and other legal documents on behalf of the district.

The superintendent will recommend appointment of George Russell as District Clerk and Barbara Bellamy, Susan Fahey, Tom Henry and Carl Hermanns as Deputy Clerks for the 2008-09 fiscal year. A resolution authorizing them to sign legal documents on behalf of the school district is included in your packet.

**b. Appoint Executive Officer and Budget Officer for Fiscal Year 2008–2009**

The state budget law requires the Board of Directors to appoint an Executive Officer and a Budget Officer for the school district each fiscal year.

The superintendent will recommend that George Russell be appointed as Executive Officer and Susan Fahey be appointed as Budget Officer for the 2008–2009 fiscal year.

**c. Adopt Resolution Authorizing Interfund Borrowing**

From time to time, receipts for specific budgeted fund categories are not received as expected; for example, grant funds may not arrive on time or food services receipts may be delayed. Oregon law allows loans to be made from one fund to another, so long as loans are repaid no later than the end of the ensuing year.

The superintendent will recommend adoption of the resolution, included in your packet, authorizing the district to utilize interfund borrowing during the 2008-09 school year.

**d. Designate School Depositories for Fiscal Year 2008–2009**

It is necessary for the Board of Directors to designate depositories for the 2008-09 fiscal year. A copy of the resolution designating depositories for School District 4J, effective July 1, 2008 through June 30, 2009 is included in your board packet.

The superintendent will recommend adoption of the resolution designating depositories for School District 4J, effective July 1, 2008 through June 30, 2009.

**e. Appoint Legal Counsel and Auditor for Fiscal Year 2008–2009**

General legal services are being provided for the district by the law firm Luvaas, Cobb, Richards and Fraser, P.C. and the firm of Grove, Mueller & Swank, P.C. is providing auditing services. We continue to be satisfied with the services we receive from both firms.

The superintendent will recommend that Luvaas, Cobb, Richards and Fraser, P.C. be retained as legal counsel for the 2008-09 fiscal year. The superintendent will further recommend that Grove, Mueller & Swank, P.C. be appointed to conduct the 2007-08 annual audit, as required by Oregon statute.

**XI. Comments and Committee Reports by Individual Board Members**

**XII. Adjourn**

**CALENDAR FOR BOARD MEMBERS**

**JUNE**

Friday, June 6	Board Retreat	1-5 pm
Saturday, June 7	Board Retreat	8 am-noon
Monday, June 9	IHS Graduation at Hult Center Charles Martinez, Jim Torrey and George Russell	7 pm
Thursday, June 12	North Eugene Alternative Graduation in NEHS Auditorium Alicia Hays and Laurie Moses	7 pm
Thursday, June 12	Sheldon Graduation at Hult Center Eric Forrest, Jim Torrey and George Russell	7 pm

Friday, June 13	Churchill Graduation at Hult Center Craig Smith, Jim Torrey and George Russell	7 pm
Saturday, June 14	North Eugene Graduation in Swede Johnson Stadium Beth Gerot and George Russell	3 pm
Saturday, June 14	Churchill Alternative Graduation in Churchill Auditorium Yvette Webber-Davis and Tom Henry	7 pm
Saturday, June 14	South Eugene Graduation at Hult Center Alicia Hays and Laurie Moses	7 pm
Tuesday, June 17	Opportunity Center Graduation in South Eugene Auditorium Charles Martinez, Jim Torrey and Tom Henry	7:30 pm
Wednesday, June 18	Board Meeting	7 pm
Friday, September 26	2008-09 Annual Board Retreat	1-5 pm
Saturday, September 27	2008-09 Annual Board Retreat	8 am-noon