TO: Board of Directors

FROM: George Russell
Superintendent of Schools

RE: Reports and Recommendations

6:00 p.m. BUDGET COMMITTEE MEETING: A Budget Committee meeting will be conducted to provide feedback on 2010-11 budget rebalancing strategies.

7:00 p.m. REGULAR BOARD MEETING

III. INTRODUCTION OF GUESTS AND SUPERINTENDENT’S REPORT

1. Receive a Report from Donna DuBois, Oregon Teacher of the Year

Donna DuBois, 4th grade teacher at Camas Ridge Elementary School, was selected as the 2009-10 Oregon Teacher of the Year. Ms. DuBois will attend the meeting and update the board about her activities representing the district and the state this school year.

VII. ITEMS FOR ACTION AT THIS MEETING

1. Conduct a Public Hearing on the 2010-11 Budget (Staff: Susan Fahey)

Action Proposed:
Conduct a public hearing on the 2010-11 budget as approved by the Budget Committee.

Background:
On May 10, 2010, the Budget Committee unanimously approved the proposed budget as presented by the superintendent and amended to include two items: 1) A $1 million transfer to the District Retirement Fund to supplement the PERS reserve; and 2) an additional $200,000 to mitigate the effects of licensed staffing reductions. The approved budget totals $297.4 million, an increase of $7.0 million or 2.4% from the 2009-10 adopted budget. This primarily represents increases in the general fund as contingencies and ending fund balance are brought up to board policy levels, and the insurance reserve fund due to increased health care costs. Smaller increases occurred in the debt service and fleet and equipment funds. Offsetting the increases are declines to the capital projects fund due to fully expending bond proceeds in 2009-10 and the federal, state and local programs fund as American Recovery and Reinvestment Act
funding sunsets. It is important to note that this budget follows the 2009-10 budget which resulted in a 9.2% decrease from the prior year.

**General Fund – As Approved by the Budget Committee on May 10**
The budget was built based on a $6 billion 2009-11 state K-12 education funding level which was finalized during the February 2010 special legislative session. The general fund operating budget of $146.1 million (excluding contingency and unappropriated ending fund balance) has increased by $2.3 million - or by 1.6% which is not sufficient to maintain current service levels. Reserves are being drawn down to fund services and plan for additional sustainable reductions. Changes include $136,000 in funding for intervention training which was previously paid with grant funds and $140,000 for additional bus routes. Budget reduction areas consist of using $5.1 million of reserves as a short term strategy, and on-going reductions in central office and administration of $1.2 million and an additional $1.2 million in school-based staffing. The specific list of service level changes approved by the budget committee is found on page 19 of the 2010-11 Proposed Budget.

**General Fund - Update**
On May 25, 2010, the state’s economic forecast was released indicating that there would be a $563 million shortfall for the 2009-11 biennium due to weak personal income tax collections. Governor Kulongoski directed state agencies to develop plans to implement cuts of approximately 9% for 2010-11 due to the projected state revenue shortfall. The state school fund reduction is estimated to be $237 million which equates to approximately a $6.6 million revenue reduction to the district.

I am proposing that we rebalance the general fund by eliminating the $1 million PERS reserve transfer in both years of the biennium and reducing other transfers by $1 million. I am hopeful that as in prior years, our employee groups will join me in finding a solution for the remaining $3.6 million by agreeing to compensation strategies that will reduce the deficit. The $3.6 million represents the equivalent of eight district-wide days or approximately 42 licensed FTE. If the general fund ending fund balance were drawn down by that amount, the budgeted ending fund balance would be approximately .4% of revenues. Including underspending, it would be 2.5%.

As in prior years, I will 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. Much of the $2.2 million in targeted funding is used to fund teachers and instructional assistants. 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 16, 2010 meeting.

**Discussion:**
1. **Rationale:** Oregon Revised Statute (ORS) 294.430 requires the board to hold a public hearing on the budget as approved by the budget committee.

2. **Options and Alternatives:** After the public hearing, the board could ask the superintendent to make adjustments in the budget for consideration and adoption at
the June 16 meeting, or the board could move forward to the June 16 meeting with
the budget as currently proposed.

3. **Budget/Resource Implications:** The budget must be adopted by June 30, 2010 to
provide spending authority and certify to the assessor an ad valorem tax rate for the
fiscal year beginning July 1, 2010.

4. **Board/Superintendent Goals:** This item is related to the board goal to provide
prudent stewardship of district resources to best support student success,
educational equity and choice.

**Recommendation:**
The superintendent recommends that you conduct a public hearing at this meeting and
discuss whether adjustments are needed before final consideration and adoption on
June 16.

2. **Conduct a Public Hearing on the Sale (Disposal) of the Civic Stadium Property**
(Staff: Jon Lauch)

**Action Proposed:**
Conduct a public hearing on the proposed findings of fact regarding the sale of the Civic
Stadium property and the superintendent’s recommendation for disposition of Civic
Stadium.

On June 16, 2010 the board will consider the superintendent’s recommendation to
dispose of the Civic Stadium property and to market the property for sale using a
Request for Proposal (RFP) process.

**Background:**
On February 3, 2010 you received a summary report from the district’s real estate
consultants regarding the Civic Stadium property. The report included two
recommendations: 1) That the district pursue a zone change for the property north of
the 20th Avenue right-of-way (from R-1 to R-2) and to market the two lots for sale; and
2) that the district use a Request for Proposal (RFP) process to solicit proposals for the
disposition/acquisition of the larger stadium parcel.

On February 17, 2010 you approved moving forward with a zone change request for the
north lots from R-1 (low density residential) to R-2 (medium density residential). The
zone change was approved and will go into effect on June 1, 2010, providing that no
appeals are made in the interim.
At a neighborhood meeting on February 25, 2010 in the South Eugene High School cafeteria, staff presented information regarding the property and facility, surplus property disposition process, and the recommendations from the consultant report. An open forum discussion was held to gather input from the neighborhood and to collect feedback in response to the consultants’ report and recommendations. In addition to recording comments at the meeting, an online comment form was posted on the district web site for one week (February 25 – March 5). The web form was publicized through the community meeting, news media, and email messages to the district’s Civic Stadium interested parties list, neighborhood leaders, and key communicator list. The results from the web comment form were summarized at the regular board meeting on March 17, 2010. The web comment form results and summary of neighborhood comment were provided to the board as well as posted on the district web site.

The superintendent and staff, as well as some board members attended the Jefferson/Westside Neighborhood meeting on March 9 and the Friendly Area Neighborhood meeting on April 22.

On May 19, 2010, you received a summary presentation of the proposed Findings of Fact regarding the sale of this property. You were provided with printed copies of the proposed findings on May 5, 2010 and the report was posted on the district’s web site on May 6, 2010. District need for the property, impact to the surrounding neighborhood, land use, fiscal considerations, and alternative property uses were evaluated in developing the proposed findings.

At this meeting, a public hearing will be conducted regarding this matter. Board action is currently scheduled to take place on June 16, 2010. Adjacent property owners and public agencies have been notified regarding the proposed sale and the schedule for the Land Use Process.

Discussion:
A summary of the proposed findings was presented at the May 19, 2010 meeting. The proposed findings are based upon the evaluation criteria approved by the board and listed above. You have each received a printed copy of the proposed findings and supporting documents. The proposed findings along with all appendices are available for viewing and download from the district’s web site.

1. Rationale: As established in the Proposed Findings Of Fact, the School District makes the following findings of fact with respect to the district need for the property, impact to the surrounding neighborhood, land use, fiscal considerations, and alternative property uses:

   a) School District Need for the Property: With the installation of the synthetic turf athletic fields, the Civic Stadium site is no longer needed for high school football. While it is beneficial to have access to the Civic Stadium field for high school baseball and fall soccer, there are adequate facilities, especially after improvements are effected, on the South Eugene High School (SEHS) site to accommodate high school athletic needs on par with, or at a higher level than other 4J high schools. The parking area on the stadium property is not needed to meet the parking needs for SEHS operations. Access to the stadium property, if available, for event parking would be beneficial, so future joint-use parking agreements should be considered. Storage functions currently located
on the property can be reduced/eliminated, or relocated. The property is no longer needed to support student transportation operations.

b) **Impact to the Surrounding Neighborhood and Community:** Continued use of the property and stadium as status quo, or with similar use to that of the Eugene Emeralds, is likely to have a “no-change” impact on the neighborhood. Alternative use of the property and structures will have some impact on the neighborhood. Whether the impact is positive or negative will depend upon individual perspective and upon what that final use becomes. Community recreation or services, such as an expanded homeless shelter, or YMCA facilities would also have positive benefits for the community. On the other hand, given its prime location and proximity to major thoroughfares and commercial enterprises, mixed-use development of the property, with an emphasis on medium density housing, is a possibility. Development of the property within the urban core would fulfill an identified need for additional commercial, residential, and/or mixed-use land in Eugene. Future development of the site could require realignment of northbound Willamette Street to Oak Street which would have a positive benefit for commuter (and perhaps neighborhood) traffic and could help resolve access issues with adjacent privately-owned residential properties. Redevelopment of the site without retention of the stadium structure and ball fields would result in a sense of loss for the local neighborhood both for the historical connections and the community sports/entertainment venue.

c) **Conformity with Applicable Land Use Plans:** A decision to offer the property for sale to another public agency, or to a non-profit organization established primarily to provide public uses allowed under the PL zoning designation does not affect zoning, and, therefore would be consistent with applicable land use plans. Sale of the property for private use would require zone change for areas currently zoned PL.

d) **Fiscal Considerations:** It is in the district’s best financial interest to sell the property in order to reduce ongoing maintenance costs, significant and looming capital costs, and other risks of ownership. There are immediate district needs toward which the proceeds could be applied. It is not in the district’s interest to invest in the existing structures with regard to restorative efforts since the question of preservation remains to be answered at the present time. Current market conditions indicate potential interest in the property for affordable housing, homeless shelter and related services, mixed-use development, recreational facilities such as the YMCA, and other potential community uses yet to be clearly defined. The feasibility study commissioned by the Save Civic Stadium organization provides additional information regarding potential uses and users so that a target audience can be identified for distribution of marketing information. The intent of the successful purchaser will determine if existing structures are demolished or retained. The potential also exists for a ground lease where the district would be free from financial liabilities of operating, capital, and development costs, while maintaining ownership of the property. This could generate an income stream to the district, and the district would own the improvements at the conclusion of the lease. Depending upon use and change in ownership, the property could potentially generate property tax revenue in support of the district.
e) **Property Uses Considered:** Sale of the property on the open market will be the prime determinant of future use. Using the RFP process is expected to allow for the broadest range of proposed uses, including potential preservation of the stadium grandstands. If it is not possible to achieve a reasonable market rate value appropriate to a mixed-use application, the district could consider re-zoning to R-2 prior to selling the property, or the option to offer the property for other purposes. Marketing the property now with the buildings intact provides the greatest level of flexibility for the property.

2. **Options and Alternatives:** The board may accept the findings of fact as submitted, or reject the findings or modify them to reflect additional staff or community input. The board may also reject or revise the superintendent’s recommendation to dispose of the property; or, determine other options for sale, lease or trade of the property.

3. **Budget/ Resource Implications:** Board policy provides that net proceeds from the sale or lease of facilities will be placed in a district capital improvement fund and used to acquire and develop land and/or upgrade and improve district facilities unless the board decides otherwise for compelling reasons. The district’s current financial situation is one in which a disposition of the Civic Stadium site without some revenue realization is not a prudent option. Some of the proceeds from disposition of Civic Stadium will need to be used to provide for a suitable facility for SEHS baseball and soccer use.

4. **Board and Superintendent Goals:** Disposition of Civic Stadium property will support the board goals related to prudent stewardship of district resources and implementing a sustainable budget by eliminating ongoing capital costs associated with operation and maintenance, and providing revenue that can be used to support unfunded or underfunded facility needs.

**Recommendation(s):**
Pending new information resulting from the public hearing, the superintendent will be recommending disposing of the Civic Stadium property and marketing the property for sale, long-term lease or trade using a Request for Proposal (RFP) process. The superintendent’s recommendation for June 16 will be:

Adopt Proposed Findings of Fact Regarding the Sale of the Civic Stadium Property (as submitted, amended, or modified) and approve the Superintendent’s Recommendation for Disposition of Civic Stadium through a Request for Proposal (RFP) Process.

3. **Approve Property Line Adjustment Between Kinney Loop Property and Adjacent Private Property Along Coburg Road** (Staff: Jon Lauch)

**Background:**
The existing configuration of the Kinney Loop property is such that access to Coburg Road is restricted to a 60 foot wide section of road frontage in the northwest corner of the site, adjacent to the EWEB substation parcel.

In August 2006, the board approved dedication of a street right-of-way (ROW) for the Coburg Road access in order to provide access to the adjacent property along the...
Coburg Road frontage. The owner of the property, Opal Investments, LLC (Opal), intended at that time to move forward with a residential development for single-family dwellings. In exchange for the ROW dedication, the developer was to construct the access to public street standards and provide utility extensions for future development of the district's parcel. The ROW dedication was for a 60 foot wide by 160 foot long ROW.

The developer has determined that, due to market conditions, the previously conceived development is not financially feasible. They have asked the district to consider a lot line adjustment to reconfigure our respective lots which would allow greater development flexibility for the Opal lot, thus increasing the feasibility for development and/or resale of the property. In exchange for the property line adjustment, the developer will agree to construct a portion of a street, serving both properties along the proposed common property line. The developer would bear all current costs for the property line adjustment process and future costs for the proposed street improvements. It is anticipated that the street ROW will reside entirely on 4J property and would be 60 feet wide and roughly 340 feet in length (minimum). In addition, the developer would either extend public utilities to the district parcel, or grant utility easements for such purpose, depending upon which property develops first. These commitments would be included in a joint agreement between the district and Opal which would be recorded with Lane County and would be binding on future property owners.

A copy of the current tax lot map is included in the board packet along with another map showing the proposed property line adjustment and lot configurations. Actual property line location and street length could vary slightly depending upon final details of the agreement between the parties.

**Discussion:**

1. **Rationale:** The property line adjustment is considered favorable for the district’s parcel, primarily due to the new/proposed location of the street connection to Coburg Road. Upon development of the district's parcel, the City will require a street connection between Coburg Road and the Crescent Village development located south of the eastern portion of the Kinney Loop site. The current northerly location of the Coburg Road connection would result in a street that bisects the district parcel. The bisecting street creates some challenges with respect to property development as a school site and the ability for students to access athletic fields and other outdoor spaces without having to cross a public street. The proposed southerly location places the street nearer the perimeter of the property, providing greater development potential as a school site, especially when considering the potential/intended co-development of the site with the City of Eugene (Parks) property to the east of the district parcel. Staff will present conceptual drawings showing potential development options for the district’s parcel for each of the street locations (current & proposed) to demonstrate the advantages of the proposed property reconfiguration.

Enhanced development flexibility equates to higher potential future value which is a mutual benefit to both property owners. The increased development potential for the Opal property increases the likelihood that the street access to Coburg Road and extension of utilities will occur before the district would be in a position to
consider development of the site for school purposes. Of additional benefit to the district is that public streets, as opposed to residential back-yards, increase site visibility and security and avoids potential issues with adjacent property owners.

2. Options and Alternatives: The alternative option is to not approve the property line adjustment, keeping the property configuration as it currently exists and maintaining the Coburg Road access in its current location adjacent to the EWEB parcel. This would limit future development flexibility as a school site, and would potentially increase future construction costs for street improvements.

3. Budget/Resource Implications: The proposed property line adjustment would be accomplished at no cost to the district (other than staff time and potential legal review); will potentially save the district money in the long run; and enhance property value.

4. Board and Superintendent Goals: The proposed property line adjustment supports the Board Goal to “Provide prudent stewardship of district resources to best support student success, educational equity and choice.” There is no specific Key Result or Superintendent Goal that directly relates to the proposal.

Recommendation(s): The superintendent recommends approval of the proposed property line adjustment and ultimate dedication of appropriate street right-of-way, along with authorization for the superintendent to negotiate the terms of the final agreement between the property owners.

VIII. CONSENT GROUP – ITEMS FOR ACTION

1. Approve Supplemental Budget #2 (Staff: Caroline Passerotti)

Action Proposed:
On June 2, 2010, the board is scheduled to approve a second supplemental budget for the 2009-10 school year.

Background:
Oregon Revised Statute 294.480 permits school districts to amend adopted budgets 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.

Discussion:

1. Rationale:
Transactions are proposed to recognize and appropriate revenue not anticipated at the time the budget was developed and to transfer spending authority among appropriations in the same fund. An overview of the transactions is presented below.

2. Options and Alternatives:
The board may approve, reject or modify the supplemental budget as submitted.
3. Budget Implications:

**Recognition of New General Fund Revenue - $407,629**
The following proposed transactions recognize new revenue and appropriate the same amount.

a. **State Reimbursement for Transportation Expenditures - $173,213**
The state reimburses school districts for 70 percent of qualifying transportation expenditures. These transactions recognize reimbursement revenues and create budget authority in the same amounts.

i. **GPS System - $83,741**
The district purchased an Automated Vehicle Location/Global Positioning System for student transportation vehicles to provide data for planning and scheduling bus routes and determine bus location to dispatch emergency vehicles and/or additional buses in case of an emergency.

ii. **Transportation Reimbursement for After School Programs - $47,027**
The district offers transportation services to students who participate in certain after school programs.

iii. **Transportation Reimbursement for Bailey Hill - $33,094**
The Instruction Department provides taxi services to transport students attending the Bailey Hill Instruction Center Alternative Education Program.

iv. **State Reimbursement for ESS Transportation - $9,351**
The Alternative Education and Extended School Year programs pay for taxi and bus services for students to attend Home Instruction, the Oregon School for the Deaf, Willamette Leadership Academy, Extended School Year sites, and other alternative programs.

b. **Charter School Special Education Reimbursement - $68,511**
Other school districts contract with District 4J to provide special education services to non-resident students attending 4J charter schools. This transaction recognizes revenue from Springfield, Bethel, South Lane and Pleasant Hill school districts for IEP services provided to students attending Ridgeline Montessori Public Charter School, The Village School, and Network Charter School. It also creates spending authority to Educational Support Services for services provided.

c. **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.

d. **School Summer Program Fees - $23,320**
This transaction recognizes and appropriates funds received for the 2009 summer session and appropriates a like amount to cover a portion of the summer program expenses.
e. **Nursing Services Program Revenue - $23,000**  
This transaction recognizes revenue from two contracts: 1) $8,000 from the Bethel School District for School Based Health Center services; and 2) $15,000 from Lane Education Services District for nursing services for its Life Skills Program. The same amount is appropriated to Nursing Services.

f. **South Eugene High School Cardio Workout Area - $5,585**  
SEHS is creating a cardio workout area for students and paying for this with student body funds. This transaction recognizes revenue from student body funds and creates additional budget authority for the Facilities Department for performing the work.

g. **LCC Pathways - $54,000**  
Approximately 40 district resident students who were formerly enrolled in the now defunct Marcola Early College have enrolled in LCC Pathways, a new district student retrieval program. This transaction recognized State School Fund revenue the district will receive on behalf of these students and appropriates funds for LCC tuition and fees.

**Requests from Contingency Account - $871,800**  
In the first supplemental budget dated January 12, 2010, the 2009-10 Contingency was restored to $2,838,000 or 2% of general fund operating expenditures, the current board target. Also in that supplemental budget, Contingency funds were re-appropriated to support general fund activities. The resulting balance was $1,918,304.

Requests for transfers in the second supplemental budget include the following. If these requests are approved by the board, the Contingency will be reduced to $1,046,504.

a. **Educational Support Services Staffing and Legal Fees - $750,000**  
Additional funds are needed to pay for instructional assistants in learning centers, the Life Skills network, and temporary 1:1 assignments; interpreters; and staff in Extended School Year positions. Funds are also needed to cover legal costs incurred by the department. This transaction re-appropriates Contingency funds for these purposes.

b. **City of Eugene Safer Schools Program - $33,550**  
Funds are re-appropriated to pay for the higher costs of placing School Resource Officers in district schools.

c. **NEHS Small Schools Progress Review - $10,000**  
Education Northwest is conducting a progress review of the North Eugene small schools program. The request covers costs incurred to date.

d. **Harvard ExEL - $7,750**  
This represents program fees in excess of projections for the 2009-10 school year.
e. IHS Review - $6,500  
A review of the International High School program was conducted by several retired administrators and licensed staff.

f. Coburg Custodian - $15,000  
The district provides a .47 FTE evening custodian to Coburg Elementary in addition to a 1.0 FTE day custodian. Funding formerly provided by the Coburg Connections grant is no longer available to support this evening position.

g. Additional MSAN Funding - $4,000  
To support MSAN activities, $1,000 will be provided to each high school. The same amount was allocated in 2008-09. It was intended that it would be included in school budgets in 2009-10.

h. Principal substitutes - $45,000  
Retired administrators have performed temporary assignments for school administrators on leave.

4. Board and Superintendent Goals:  
This recommendation addresses the board goal of providing prudent stewardship of district resources to best support student success, educational equity and choice.

Recommendation:  
The superintendent recommends that the board approve Supplemental Budget #2, recognizing and appropriating revenue not expected at the time the budget was adopted and re-appropriating Contingency funds to support district operations.

2. Approve Student Requests for Individual Graduation Plans  (Staff: Brad New)  
The Oregon Minimum Standards allow local school boards to approve alternative graduation plans for individual students. A memo from Brad New, Secondary Services Administrator, describing requests for individual graduation plans is included in your board packet. If you would like to review the plans, Brad New can make them available to you.

The superintendent recommends approval of the individualized graduation plans, as requested.

3. Approve Resolution Making Appropriations from the Acceptance of Grant Funds  (Staff: Caroline Passerotti)  
Action Proposed:  
On June 2, 2010, the board is scheduled to approve a resolution making appropriations from the acceptance of grant funds during the 2009-10 school year.

Background:  
The district has received the following grant funds in addition to funds anticipated at the time the 2009-10 budget was adopted. The district may expend grant funds received for a specific purpose upon enactment of a resolution by the board.
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**Discussion:**

1. **Rationale:**
   Annually, board approval is required to recognize the receipt of grant funds not anticipated at the time the budget was adopted and create spending authority for their use.

2. **Options and Alternatives:**
   Should the board elect to not approve this resolution, the district would not have the authority to expend grant funds and would be required to return funds to the grantor.

3. **Budget Implications:**
   Approval of the resolution permits the district and district students to benefit from the services and materials afforded from grant funds.

4. **Board and Superintendent Goals:**
   This recommendation addresses the board goal of providing prudent stewardship of district resources to best support student success, educational equity and choice.

**Recommendation:**

The superintendent recommends that the board approve the resolution making appropriations resulting from the acceptance of grant funds.

**4. Approve Grant Application: Using Data to Improve Student Outcomes through Informed Instruction** (Staff: Larry Sullivan)

Staff from the Educational Support Services Department submitted a grant application to the US Department of Education-ARRA Funds for $6,000,000. This will be a four-year project to implement a Response to Intervention (RtI) model (pre-K-8 grade) in urban and rural schools in Lane County with the goal of improving instruction and the use of data. The project is a partnership with the district, Lane ESD, the University of Oregon’s Behavioral Research and Teaching Center, Early Childhood CARES, and the
Eugene Education Association. The project will develop an Instructional Intervention/Progress Monitoring (RtI/IIPM) Model that enables teachers to use benchmark and progress monitoring data to differentiate instructional interventions to meet the needs of all students.

The superintendent recommends approval of the grant application. A copy of the grant description form is included in the board packet.

5. **Approve Grant Application: Expansion of Dental Program for Low Income Students** (Staff: Larry Sullivan)

Staff from the Educational Support Services Department submitted a grant application to the Oregon Community Foundation for $44,662. This project will expand dental services to additional low income students in the Eugene, Bethel and Springfield School Districts. This program has been partially funded by United Way, the Eugene Education Fund and other individual and service club donors since 2000. The expansion includes adding Bethel and Springfield students to the program, increasing services to include two dental restorative care programs and continuing existing fluoride rinse programs in Title I schools.

The superintendent recommends approval of the grant application. A copy of the grant description form is included in the board packet.

6. **Approve Board Meeting Minutes**

The superintendent recommends approval of the minutes from the April 7, 2010 regular board meeting. A copy of the minutes is included in the board packet.

7. **Approve Personnel Items** (Staff: Celia Feres-Johnson)

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).

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

1. **Adopt Proposed Findings of Fact Regarding the Sale of the Civic Stadium Property (as submitted, amended, or modified) and Approve the Superintendent’s Recommendation for Disposition of Civic Stadium through a Request for Proposal (RFP) Process** (Staff: Jon Lauch)

   **Action Proposed:**
   Adopt proposed findings of fact regarding the sale of the Civic Stadium property and approve the superintendent’s recommendation for disposition of Civic Stadium.

   On June 16, 2010 you will consider the superintendent’s recommendation to dispose of the Civic Stadium property and to market the property for sale using a Request for Proposal (RFP) process.

   See Background and Discussion under the Public Hearing item.
Recommendation:
Pending new information resulting from the public hearing, the superintendent will be recommending disposing of the Civic Stadium property and marketing the property for sale, long-term lease or trade using a Request for Proposal (RFP) process. The superintendent’s recommendation for June 16 will be:

Adopt Proposed Findings of Fact Regarding the Sale of the Civic Stadium Property (as submitted, amended, or modified) and Approve the Superintendent’s Recommendation for Disposition of Civic Stadium through a Request for Proposal (RFP) Process.

2. Approve a Resolution Adopting the 2010-11 Budget, Making Appropriations, Imposing and Categorizing Taxes (Staff Susan Fahey)

See Background and Discussion sections under Items for Action at This Meeting, Conduct a Public Hearing on the 2010-11 Budget.

Recommendation:
The superintendent will recommend that you adopt the 2010-11 Budget as amended to increase general fund beginning fund balance by $2 million, eliminate the 2010-11 PERS reserve transfer and include targeted funding FTE. Additional changes will be based on your discussion at the June 2, 2010 meeting. The superintendent will recommend approval of a resolution adopting the budget, making appropriations, and imposing and categorizing taxes.

3. Set the Tuition Rates for the 2010-11 School Year (Staff: Susan Fahey/Larry Sullivan)

Action Proposed:
Set tuition rates for the 2010-11 school year.

Background:
Each year a number of non-resident students pay tuition to attend our schools, and other districts contract with us to provide general and special educational services. The board sets tuition rates for students in kindergarten, elementary school, middle school, high school, and special education. The following rates are proposed:

Rates for General Education Students
Kindergarten $5,445 or $605 per month (nine months)
Grades 1-5 $7,515 or $835 per month (nine months)
Grades 6-8 $7,110 or $790 per month (nine months)
Grades 9-12 $6,930 or $770 per month (nine months)

These rates represent no increases for Kindergarten through grade 8, and a $40/month increase for grades 9-12.
### Rates for Students with Special Needs

- **Elementary Learning Center**: $9,498 plus the cost of related services
- **Elementary Regional LC**: $14,807 plus the cost of related services
- **Middle School LC**: $10,386 plus the cost of related services
- **Middle School Regional LC**: $14,644 plus the cost of related services
- **High School LC**: $11,124 plus the cost of related services
- **High School Regional LC**: $15,889 plus the cost of related services

These rates represent no increase for elementary and middle school learning centers and a 15% increase at the high school level.

**Discussion:**

1. **Rationale:** The district receives no reimbursement for non-resident students from the state. General education tuition rates are calculated based on the most recent actual audited cost by level and adjusted for subsequent year budget changes using 2010-11 projected enrollment. Rates for students with special needs are calculated based on the December special education census and 2010-11 projected case loads, staffing allocations, and salary rates.

2. **Options and Alternatives:** The board may approve the proposed tuition rates or amend the rates.

3. **Budget/Resource Implications:** The district receives approximately $20,000 for general education tuition and $60,000 tuition for students with special needs.

4. **Board/Superintendent Goals:** Setting tuition rates is related to the board goal to provide prudent stewardship of district resources to best support student success, educational equity and choice.

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

**Set School Lunch and Breakfast Prices for the 2010-11 School Year** (Staff: Susan Fahey and Rick Sherman)

**Action Proposed:**
Set School Lunch and Breakfast prices for the 2010-11 school year.

**Background:**
Nutrition Services has continued their efforts to implement healthier meals which includes a focus on whole grain products and fresh and local products. These improvements combined with rising food and compensation costs have resulted in higher program expenses. Nutrition Services management also analyzes other district meal prices and recommends any pricing adjustments for the following year. The following prices are proposed:
**Paid Breakfast**

<table>
<thead>
<tr>
<th>Level</th>
<th>Proposed Price 2010-11</th>
<th>2009-10 Price</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary</td>
<td>$1.20</td>
<td>$1.15</td>
<td>$0.00</td>
</tr>
<tr>
<td>Middle</td>
<td>$1.35</td>
<td>$1.35</td>
<td>$0.00</td>
</tr>
<tr>
<td>High</td>
<td>$1.55</td>
<td>$1.55</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

In 2009-10, the National School Lunch Program eliminated the cost for reduced price breakfast. Reduced breakfast price will remain at zero for 2010-11.

**Paid Lunch**

<table>
<thead>
<tr>
<th>Level</th>
<th>Proposed Price 2010-11</th>
<th>2009-10 Price</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary</td>
<td>$2.25</td>
<td>$2.15</td>
<td>$0.10</td>
</tr>
<tr>
<td>Middle</td>
<td>$2.50</td>
<td>$2.50</td>
<td>$0.00</td>
</tr>
<tr>
<td>High</td>
<td>$2.60</td>
<td>$2.60</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

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

Even with the proposed increase, elementary paid lunch revenue is below that received for students qualifying for free or reduced price meals.

**Elementary Lunch Revenue by Level of Subsidy**

<table>
<thead>
<tr>
<th>Level</th>
<th>2010-11 Federal Subsidy (projected)</th>
<th>Meal Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free</td>
<td>$2.77</td>
<td>$0</td>
<td>$2.77</td>
</tr>
<tr>
<td>Reduced</td>
<td>$2.37</td>
<td>$0.40</td>
<td>$2.77</td>
</tr>
<tr>
<td>Paid</td>
<td>$0.25</td>
<td>$2.25 (proposed)</td>
<td>$2.50</td>
</tr>
</tbody>
</table>

**Discussion:**

1. **Rationale:** In keeping up with current inflation of the cost of goods, including food and disposable products, it is necessary to adjust pricing. To ensure the reasonableness of prices, approximately 50 school districts were surveyed. The proposed paid elementary lunch price would put the district in the top 30% of districts surveyed. Other districts with elementary lunch prices at or above $2.25 include: Ashland, Beaverton, McMinnville, Redmond, 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.

2. **Options and Alternatives:** The board may approve the proposed lunch increase or amend the increase.
3. **Budget/Resource Implications:** Nutrition services staff projects that an additional $25,578 in revenues would be received as a result of this increase. Staff does not anticipate that participation will be adversely effected.

4. **Board/Superintendent Goals:** Setting school lunch and breakfast prices is related to the board goal to provide prudent stewardship of district resources to best support student success, educational equity and choice.

**Recommendation:**
The superintendent will recommend approval of the lunch price increase as proposed.

5. **Approve Revisions to Board Policy ECB-Landscape Management and Policy KG-Community Use of School Buildings** (Staff: Jon Lauch)

**Background:**
The proposed changes to Board Policy ECB-Landscape Management and Policy KG-Community Use of School Buildings are made for clarification and consistency with Administrative Rules updated in 2008-2009. A copy of the current policies with proposed revisions are included in the board packet.

**Discussion:**
The revisions are proposed in order to gain consistency in language and cross-referencing between Board Policy, Administrative Rule, and Department Guidelines and Procedures. Leaving the policies unchanged may create some confusion due to the current inconsistencies. There are no budget or resource implications associated with the proposed updates. There are no specific board or superintendent goals directly related to the proposed revisions.

**Recommendation:**
The superintendent will recommend approval of the revisions to Board Policy ECB and Policy KG as proposed.

6. **Approve Revisions to Board Policy DFDB-Disposition of Property** (Staff: Jon Lauch)

**Background:**
The proposed change to Board Policy DFDB-Disposition of Property, is made for clarification and consistency with current and past practice. Current policy suggests that a Request for Proposal (RFP) process will be used for most long-term leases, sales, and trades. While the RFP process is appropriate for most long-term leases, it is not the general practice of the district to utilize the RFP process for a sale and it is unlikely that such a process would ever be used for a trade. The proposed revision would clarify that an RFP process would be used for most long-term leases, and could be utilized for a sale. A copy of the current policy with proposed revisions is included in the board packet.

**Discussion:**
The RFP process has not been used for the six property sales that have taken place between 2003 and 2007. Current language can be misleading and is not consistent with practice. Leaving the policies unchanged may create some confusion due to the current inconsistencies. There are no budget or resource implications associated with
the proposed updates. There are no specific board or superintendent goals directly related to the proposed revisions.

**Recommendation:**
The superintendent will recommend approval of the revisions to Board Policy DFDB as proposed.

7. **Approve Revisions to Board Policy EEA-Student Travel** (Staff: Jon Lauch)

**Background:**
There are two proposed changes to Board Policy EEA-Student Travel. The first change clarifies the communication path, training, and confidentiality around student medical and behavioral protocols. The second change modifies the language regarding transportation between schools and day care facilities, limiting such transportation to that approved by the Oregon Department of Education and for non-approved transportation that does not add significant cost to the district. The change eliminates language referring to added-cost transportation services that would be reimbursed via use agreements.

A copy of the current policy with proposed revisions is included in the board packet.

**Discussion:**
Since the first change (regarding student information) is basically “housekeeping”, the discussion below pertains specifically to the proposed change to policy around transportation between schools and day care facilities.

1. **Rationale:** Current language suggests that the district could enter into use agreements to provide transportation on a cost-reimbursement basis. Deleting the language will discourage such requests which otherwise would require district staff to conduct evaluations, draft agreements, and put billing and reimbursement mechanisms into place. Current resources are such that staff time is not practically available for such efforts. According to current district collective knowledge, provisions under this clause have never been utilized; at least not in the past 20 years.

2. **Options and Alternatives:** Leaving the current language intact is possible, but could result in encouraging requests for cost-added transportation services requiring staff time for evaluation and response. In addition, providing for-fee transportation services for businesses (even for not-for-profit businesses) could be in conflict with law that prohibits publicly funded transportation from competing with private transportation enterprises.

3. **Budget/Resource Implications:** Current policy allows for reimbursement of costs for transportation services. However, allocation of staff resources for evaluation and response to requests is not practical at current staffing levels.

4. **Board and Superintendent Goals:** The proposed policy revisions support the Board Goal to: “Provide prudent stewardship of district resources to best support student success, educational equity and choice,” and will help to maximize administrative and operational efficiencies by precluding the potential added work
associated with evaluating and responding to potential requests for non cost-neutral transportation services.

Recommendation:
The superintendent will recommend approval of the revisions to Board Policy EEA-Student Travel as proposed.

8. Approve Revisions to Board Policy KJA-Distribution of Materials and Policy JEFB-Released Time for Students (Staff: Barb Bellamy)

Action Proposed:
Approve two policy revisions to align board policy with case law regarding distribution of religious information in schools and with current U.S. Department of Education Guidelines for Religious Expression in Schools.

Background:
A 2003 court decision, Hills v. Scottsdale Unified School District (9th Cir 2003) held that schools must treat the distribution of religious literature provided by non-school groups or other students on equal terms and conditions as other written materials. Schools may impose reasonable restrictions on the time, place and manner of distribution. The same restrictions must apply to both religious and non-religious literature.

The district's Student Rights and Responsibilities Handbook and administrative rules require that all materials distributed or posted within a school must identify the name, mailing address, and telephone number of the sponsoring individual or group. No materials may be sent home with students except those related to school or district activities, unless approved by the principal. Other materials may be placed in a central location for interested students or parents.

Discussion:
The proposed revision to Board Policy KJA deletes language that prohibits the distribution of written materials, provided by a non-student group, that advocates religion or a particular religious teaching.

The proposed revision to Board Policy JEFB-Released Time for Students, adds language to clarify that students have the right to distribute religious literature to their schoolmates on the same terms as they are permitted to distribute other non-school sponsored literature.

There are no budget or resource implications. These policy revisions are not directly related to a board or superintendent goal.

The proposed policy revisions are attached.

Recommendation:
The superintendent will recommend approval of Board Policy KJA-Distribution of Materials and JEFB-Released Time for Students, as revised.
9. **Approve Revisions to Board Policy JGAB-Use of Restraint and Seclusion** (Staff: Barb Bellamy)

**Action Proposed:**
Approve a revision to Board Policy JGAB to correct an error in a reference to another board policy.

**Background:**
On March 3, 2010, the board approved a new policy, Board Policy JGAB-Use of Restraint and Seclusion.

A sentence in the policy says: “The district shall investigate all complaints regarding the use of restraint and/or seclusion practices according to the procedures outlines in Board Policy KL and KL-AR.” The policy reference was incorrect. The correct policy is Board Policy KLD-Commendation and Criticism of Employees.

The proposed policy revision is attached.

**Recommendation:**
The superintendent will recommend approval of Board Policy JGAB-Use of Restraint and Seclusion, as revised.

10. **Approve Revisions to Board Policies DI and DJCA-Delegated Authority for Purchases Under $150,000** (Staff: Caroline Passerotti)

**Action Proposed:** Approval of proposed revisions to School Board Policies DI and DJCA-Delegated Authority for Purchases Under $150,000.

**Background:** School Board Policy DI-Financial Management Policies, was originally adopted on January 17, 1990. The policy has been revised ten times, most recently on August 2, 2006. School Board Policy DJCA-Personal Services Contracts, was originally adopted on July 2, 1973, and has been revised five times, most recently on August 16, 2006. Copies of the current policies with proposed revisions are included in the board packet.

**Discussion:**
1. **Rationale:** In both policies, there is an identical section entitled, “Delegated Authority for Purchases Under $150,000” which grants authority, in specified positions, to sign all contracts, contract amendments, and change orders under $150,000, except those that are for public improvements. Staff would like to revise the title of one position on this list to reflect the reorganization of the Finance and Support Services Department. In order for the Financial Analysis and Budget Manager to carry out his/her duties, it is necessary to extend signing authority to this position.

2. **Options and Alternatives:** The board can reject, modify or accept the proposed revisions.

3. **Budget/Resource Implications:** There are no budget or resource implications associated with the proposed updates.
4. **Board and Superintendent Goals:** This recommendation addresses the board goal of providing prudent stewardship of district resources to best support student success, educational equity and choice.

**Recommendation:** The superintendent will recommend amending the section entitled, “Delegated Authority for Purchases Under $150,000” found in School Board Policies DI and DJCA at the June 16, 2010 board meeting.

11. **Conduct Routine Business**

   a. **Appoint Clerk and Deputy Clerks for Fiscal Year 2010-11**

      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, and Carl Hermanns as Deputy Clerks for the 2010-11 fiscal year. A resolution authorizing them to sign legal documents on behalf of the school district is included in the board packet.

   b. **Appoint Executive Officer and Budget Officer for Fiscal Year 2010-11**

      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 2010-11 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 board packet, authorizing the district to utilize interfund borrowing during the 2010-11 school year.

   d. **Designate School Depositories for Fiscal Year 2010-11**

      It is necessary for the board of directors to designate depositories for the 2010-11 fiscal year. A copy of the resolution designating depositories for Lane County School District 4J, effective July 1, 2010 through June 30, 2011, is included in your board packet.

      The superintendent will recommend adoption of the resolution designating depositories for School District 4J, effective July 1, 2010 through June 30, 2011.
e. **Appoint Legal Counsel and Auditor for Fiscal Year 2010-11**

General legal services are being provided for the district by the law firm of Luvaas Cobb. Financial auditing services are being provided by the accounting firm of Grove, Mueller & Swank, P.C.

We continue to be satisfied with the services we receive from both firms. The superintendent will recommend that Luvaas Cobb be retained as legal counsel for the 2010-11 fiscal year. The superintendent further will recommend that Grove, Mueller & Swank, P.C. be appointed to conduct the 2009-10 annual audit, during the 2010-11 fiscal year, as required by Oregon statute.

12. **Approve Revisions to School Board Policy DJCA-Personal Services Contracts**
(Staff: Caroline Passerotti)

**Action Proposed:** Approval of proposed revision to School Board Policy DJCA-Personal Services Contracts.

**Background:** School Board Policy DJCA-Personal Services Contracts, was originally adopted on July 2, 1973, and has been revised five times, most recently on August 16, 2006. A copy of the current policy with proposed revisions is included in the board packet.

**Discussion:**
1. **Rationale:** District staff recommends revising School Board Policy DJCA to address changes in purchasing laws and regulations. The recommendation has been discussed with district legal counsel.
2. **Options and Alternatives:** The board can reject, modify or accept the proposed revisions.
3. **Budget/Resource Implications:** There are no known budget or resource implications associated with the proposed updates.
4. **Board and Superintendent Goals:** This recommendation addresses the board goal of providing prudent stewardship of district resources to best support student success, educational equity and choice.

**Recommendation:** The superintendent will recommend revising School Board Policy DJCA-Personal Services Contracts at the June 16, 2010 board meeting.

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

XI. **Adjourn**

**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 conduct deliberations with persons designated by the governing body to carry on labor negotiations pursuant to ORS 192.660 (2)(d).

**CALENDAR FOR BOARD MEMBERS**

<table>
<thead>
<tr>
<th>Wednesday, June 2</th>
<th>Budget Committee Meeting</th>
<th>6 pm</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regular Board Meeting</td>
<td>7 pm</td>
</tr>
</tbody>
</table>

Reports and Recommendations – June 2, 2010   22
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Time</th>
<th>Location</th>
<th>Hosts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday, June 7</td>
<td>IHS Graduation</td>
<td>7 pm</td>
<td>Hult Center – George, Mary &amp; Jennifer</td>
<td></td>
</tr>
<tr>
<td>Thursday, June 10</td>
<td>North Eugene Alternative Graduation</td>
<td>7 pm</td>
<td>NEHS Auditorium – Carl, Craig &amp; Beth</td>
<td></td>
</tr>
<tr>
<td>Thursday, June 10</td>
<td>Sheldon Graduation</td>
<td>7 pm</td>
<td>Hult Center – George, Mary, Jennifer &amp; Anne Marie</td>
<td></td>
</tr>
<tr>
<td>Friday, June 11</td>
<td>Churchill Graduation</td>
<td>7 pm</td>
<td>Hult Center – George, Alicia &amp; Jim</td>
<td></td>
</tr>
<tr>
<td>Saturday, June 12</td>
<td>Churchill Alternative Graduation</td>
<td>7 pm</td>
<td>Churchill Auditorium - Laurie &amp; Craig</td>
<td></td>
</tr>
<tr>
<td>Saturday, June 12</td>
<td>North Eugene Graduation</td>
<td>3 pm</td>
<td>Swede Johnson Stadium – George, Mary &amp; Jim</td>
<td></td>
</tr>
<tr>
<td>Saturday, June 12</td>
<td>South Eugene Graduation</td>
<td>7 pm</td>
<td>Hult Center – Carl, Alicia &amp; Anne Marie</td>
<td></td>
</tr>
<tr>
<td>Tuesday, June 15</td>
<td>Opportunity Center Graduation</td>
<td>7:30 pm</td>
<td>SEHS Auditorium – Laurie, Beth &amp; Mary</td>
<td></td>
</tr>
<tr>
<td>Wednesday, June 16</td>
<td>Hold-Possible Executive Session</td>
<td>6 pm</td>
<td>Regular Board Meeting</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>7 pm</td>
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