

METROPOLITAN EDUCATION DISTRICT
Board Meeting
June 14, 2006

MEETING MINUTES

REGULAR MEETING

The open session of the regular meeting of the Governing Board of the Metropolitan Education District was called to order by President Chang at 6:00 p.m., Central County Occupational Center Auditorium, 760 Hillsdale Avenue, San Jose, CA 95136.

CALL TO ORDER

1. ROLL CALL

All Members present, except where noted.

Cynthia Chang, Los Gatos-Saratoga Union High School District

Ernie Dossa, Santa Clara Unified School District, absent

Richard Garcia, San Jose Unified School District

Diane Gordon, Campbell Union High School District

Marsha Grilli, Milpitas Unified School District

Craig Mann, East Side Union High School District

Nicholas Valadao--CCOC Student Board Member, absent

Minerva Brand--MAEP Student Board Member, absent

2. DISCLOSURE OF "CLOSED SESSION" DISCUSSION ITEMS

3. ADJOURN TO CLOSED SESSION

Time: 6:02 p.m.; Closed Session adjourned at 7:05 p.m.

4. REGULAR MEETING (continued) LOCATION

Regular session of the Board meeting reconvened at 7:10 p.m.

5. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Diane Gordon

6. REPORT OF CLOSED SESSION ACTIONS

No actions were taken in closed session.

7. ADOPT AGENDA

Motion to adopt agenda: Gordon Second: Grilli Vote: Unanimous

8. STUDENT BOARD MEMBERS' REPORTS

Student Board members were not in attendance.

9. SPECIAL ORDER OF BUSINESS

Human Resources Director, Dan Gilbertson, introduced MetroED's new Director of Instruction and Accountability, Pamela Watson.

10. PUBLIC PRESENTATIONS & REPORTS

10.1 Public Comments

Kathie Melrose, CTA, regarding high school enrollment

Ms. Melrose noted that she is aware that the Board is interested in having high school students in the CCOC classes, and the CCOC teachers also have the same interest. Teachers have been spending their own time this summer brainstorming ideas for increasing high school enrollment in their classes. She asked the Board for their support in asking superintendents to direct the high

school principals to give us access to all of the sophomore high school classes. We have access in many high schools; however there are those who deny us access. Our classes at CCOC give students opportunities that they might not otherwise have; some examples: support in English and math; articulation credits with community colleges in every CCOC class; higher wages for students working to put themselves through college; internships that give the students work experience. She acknowledged that CCOC is not for everyone, but maintained that students ought to know about the opportunity of taking classes at CCOC and letting them make the decision. Here is what the Board can do: Have a discussion with the superintendents, involve them in the process; ask the superintendents to direct the principals to work with our program representatives in gaining access and giving presentations to all high schools.

Julie Colglazier, representing herself

Ms. Colglazier appealed to the Board to re-consider dropping the Administrative Assistant class. She mentioned that to her knowledge a program quality review was not done on this class, and that this is required when closing a class. She noted advantages for students in the Administrative Assistant class: community college units, internships, computer programs that are not taught in other CCOC Classes.

11. APPROVAL OF MINUTES

11.1 Motion to approve Minutes (with amendment, below) of Regular Board Meeting, February 9, 2005, Grilli, second Gordon, vote unanimous. Diane Gordon noted that her comment on page 6 of the minutes includes a dollar amount of \$70,000 and that amount ought to be \$700,000. The amendment will be noted in the minutes.

12.0 CONSENT CALENDAR

Member Garcia requested items 12.1.6 and 12.1.7 be removed from the Consent Calendar for discussion.

Motion to approve revised consent calendar items 12.1.1 – 12.1.5 and 12.1.8 -- 12.3.9, Gordon, second Grilli, vote unanimous.

Discussion of item 12.1.6: Motion by Garcia: Convert fee-based CCOC evening classes to ADA funding, Second: Gordon, Vote: unanimous.

Member Garcia asked for an explanation of the item. Superintendent Hallett asked CBO Paul Hay to go through the item for Mr. Garcia. Mr. Hay explained that the fee based evening program at CCOC was converted from an ADA program in 2003. The program has now been converted back to an ADA program; there is no tuition but will have materials fees. Under this configuration, the classes will pay for themselves.

Member Garcia said that he recalled in 2003 when the classes were converted to fee based classes, that we lost a lot of students. Is there some kind of a downside to changing this to an ADA program?

Superintendent Hallett responded that the downside is that the classes are adult ADA rather than high school ADA which may be moving in the wrong direction when our goal is to serve high school students. However, we are utilizing this method to balance our budget. Rather than buying cosmetology ADA, we are spending the ADA on our own programs. Hallett emphasized that if high school enrollment goes up, it must be understood that the program may go back to fee based.

Member Chang asked about the ADA in the evening program; is it lower than it once was. Paul Hay responded that was true and he and Director Fox are anticipating that the program should

pull up to 200 ADA. Chang asked if we have a cap to be concerned with. Hay said only in terms of class capacity, because the classes will fill.

Discussion of item 12.1.7: Motion by Gordon: Approve 2006-07 Schedule of Fees, Second: Garcia, Vote: unanimous.

Member Garcia asked about some of the fees; such as, the Air Conditioning fee being lower. Hay noted that the fees are lower in some cases, which will be a break for our students. Garcia asked if there are students wanting to enroll who are unable to pay the fees. Assistant Principal, Sylvia Karp, former manager of the evening program, said that we probably lost about one-third of the students when the fees were increased.

Member Gordon mentioned that she has personal experience of students being unable to attend because of the fees.

12.1 BUSINESS AND FINANCIAL FUNCTIONS

Approved on Consent:

- 12.1.1 May Board Warrant Approval List
- 12.1.2 Items to be Surplused
- 12.1.3 Authorized the CCOC Director to sign and approve Work Experience Training Agreements
- 12.1.4 Stanford Alumni Consulting Team
- 12.1.5 Amendment to Schoolhouse Software Agreement for online registration services
- 12.1.6 Convert fee-based CCOC evening classes to ADA funding – **item removed from consent, see discussion above.**
- 12.1.7 2006-07 Schedule of Fees – **item removed from consent calendar, see discussion above.**

12.2 PERSONNEL

- 12.2.1 Administrative Personnel
- 12.2.2 Classified Personnel
- 12.2.3 Revised CSEA Job Descriptions
- 12.2.4 District Office Director Position Job Descriptions
- 12.2.5 3% Salary Increase, and other adjustments, for Management, Confidential and Contract Employees for Fiscal Year 2005-2006

12.3 INSTRUCTIONAL AND STUDENT FUNCTIONS

- 12.3.1 Agreement for ROP Class with San Jose Job Corps
- 12.3.2 Medical Apprenticeship Agreement
- 12.3.3 Agreement with San Jose Job Corps to provide GED Instruction
- 12.3.4 Agreement with San Jose Job Corps to provide Adult Basic Skills in Job Readiness Instruction
- 12.3.5 Agreement with HOPE Rehabilitation Services
- 12.3.6 2006-2007 Approval of MAEP Course Titles
- 12.3.7 2005-2006 Approval of MAEP Course Titles-Amended
- 12.3.8 Agreement with County of Santa Clara CalWORKs/Bridge Contract
- 12.3.9 Agreement with CalWORKs-Morgan Hill Unified School District

13.0 Information Items

13.0.1 Information Item: Review legal opinion regarding Settlement Agreement with Capitol Auto Mall, LLC

The Governing Board reviewed the letter dated May 15, 2006 from Robin Kennedy of the law firm of Miller Star & Regalia.

Superintendent Hallett stated that the item was brought back to the board at their request. He introduced the item by reading from the legal opinion written by Robin Kennedy of the Miller Star & Regalia law firm, "We believe that the Agreement is in the District's best interests and constitutes a good and fair settlement."

13.0.2 Information Item: SB 70 Grants for enhanced CTE opportunities

The Governing Board reviewed the information regarding the SB 70 Grant funding partnerships with West Valley and Mission Colleges.

Superintendent Hallett explained to the Board that this grant is one of the Governor's grants; we partnered with Mission College and Santa Clara in putting the class together. This was about a two-year process. With the grant money, received by Mission College, we were able to restructure the Engineering/Robotics class. This is one of the classes that we were not going to offer next year because of the low and adult enrollment. We will be offering this class as an afternoon class, only. This gives us an excellent opportunity to work with Mission College.

END OF INFORMATION ITEMS

14.0 Action Items and Reports

14.0.1 Action Item: 2006-07 Vision Statements, Goals and Strategies

Motion by Garcia: That the Governing Board provide input and approve the 2006-2007 MetroED Vision Statements, Goals, and Strategies, Second Grilli, Vote unanimous.

Superintendent Hallett introduced the 2006-07 MetroED Vision Statements, Goals and Strategies. Each of the following managers presented their program's goals: Susan Glass, MAEP; Sylvia Evans, CCOC (reporting for John Fox); Paul Hay, Business; Dan Gilbertson, Human Resources; and Jan Dreier, Instruction and Accountability. Superintendent Hallett recommended Board approval of our direction.

Discussion:

Member Mann expressed concern to CBO, Paul Hay, about the equalization process and the length of time that this has taken; he noted that someone is responsible for seeing that this gets accomplished, and who is that person?

Hay commented that in October a process was put in place; the CBOs were meeting to come up with a plan to be presented to the Superintendents which would then be taken to each of the Boards for approval when the process fell apart.

14.0.2 Report: Draft of Proposed 2006-07 Budgets

Report only, no action required.

Discussion:

Member Garcia asked questions about the Budget Advisory Committee; who the members are; who they report to; when they meet; are there minutes and where are they kept. Mr. Hay responded to each of Mr. Garcia's questions.

Member Garcia said that he was surprised by the Administrative Assistant class needing to be dropped as he thought that might be a class of interest for high school students. Superintendent Hallett responded that the low attendance probably has to do with the competition; there are lots of these classes offered in other schools. Also, the high enrollment of adults can be accounted for because of the cost of the class being so low in price.

Member Garcia asked if the CCOC teachers are aware of their responsibility for keeping their enrollments up, or is this more of an implied expectation? Superintendent Hallett responded that he thinks this is more implied; however, we do need to move faster in our ability to close classes; we do not have the luxury of taking years to take these actions.

Mann: Are we making appropriate cuts away from the classroom? Hallett: We are trying to look at all of the pieces to make cuts in all of the right places. There are classes that are not paying for themselves. There will be cuts across the district.

Mann: What are the 2008-09 agreements? Hallett: These are based on the agreements as they now exist; we will make adjustments as necessary.

Mann: I think we will flush out the \$300,000 fund during discussion of the next item.

Chang: I would like to thank Paul for his report.

Five minute break

14.0.3 Action Item: Equalization

Motion by Garcia: That the Governing Board approve, as a general concept, the three-pronged approach with more explicit cost-cutting measures to be brought back to the Board in more detail, Second Grilli, Vote : aye votes from Chang, Garcia, Grilli, Mann; no from Gordon; Dossa, absent.

Discussion:

Superintendent Hallett presented the equalization topic and framed where we are in the process and where we are going.

Superintendent Hallett discussed the three-pronged approach that MetroED proposes to take in solving the ADA equalization between districts. (We have been pursuing one method of equalizing ADA as approved by each of the JPA Boards; however there are other methods of equalization that we could consider. One way would be to ask districts to add more students coming to CCOC and/or to add more to their ROPs and, thereby, reducing ADA to districts who do not increase their numbers.) The three-pronged approach: 1. the equalization, planning and negotiations will continue; 2. a meeting with Superintendents and CBOs from San Jose and Campbell resulted in the following means of keeping CCOC viable: cost-reductions, increasing student participation and others as they come up, while continuing with the long and short range cost reduction strategies; 3. reduce the costs per student at MetroED, provide a fund to soften the impact if East Side withdraws, and have money available to put into the equalization process. Cost reductions will be in the following areas: High school students will have priority and the number of students will be maximized within all classes; eliminate classes that do not maintain a minimum level of enrollment and ADA; reduce overhead costs through district-wide departmental reorganization; restore CCOC student services to add value for students. Actions taken to date: Administrative Assistant class was dropped; Robotics/Engineering was reduced to one afternoon session.

Garcia: I have a few questions:

If East Side does decide to pull-out my understanding is that it will require about two years.

Superintendent Hallett: Yes, if East side does pull-out, in order to be fair to employees, we need a plan in place before it happens, even though it could be two years.

Garcia: The plan of action was based on a meeting with San Jose Unified and Campbell; the other districts Los Gatos-Saratoga, Milpitas and Santa Clara were not part of the discussion. Should they be part of the discussions? Superintendent Hallett: Yes, they will be included in the process.

Garcia: When the equalization goes to the various Boards, will it first come to the MetroED Board and then to the other JPA Boards? Hallett: Yes, this process will work like the first half of the equalization process worked; first to the MetroED Board, then to the other Boards for approval.

Garcia: Could East Side pulling out be so devastating that the three-pronged approach will not work? Hallett: Yes I suppose that is a possibility, but we are doing everything we can so that this does not happen. We will survive and get through this.

Garcia: I guess a fourth prong could be to negotiate with East Side to remain as part of the JPA. Has the message been clearly stated to East Side that we want them to remain? Hallett: Yes, we do want East Side to remain; we want them to partner with us.

Gordon: I believe in the letter that East Side provided to all of the JPA Superintendents a statement was made that other districts are considering pulling out of the JPA. Have you been able to get commitments from other districts? Hallett: Yes, all of the five JPA districts are committed to remaining in the JPA.

Gordon: About the three-pronged approach; it looks like we are now eight years down the road. We need to do this quickly, and East Side needs to know the costs in order to make their determination, so the sooner we can put this together, the sooner East Side can make a decision.

Gordon: I would like more information on the \$300,000 reserves and how this can help the equalization process. Paul Hay, CBO: This process cannot be one district dictating to another; all six must be part of this. Campbell's position to withhold funds from the JPA is a violation of the Master Business Agreement and puts MetroED and Campbell in an adversarial position. We took a look at what it would cost between districts and over a period of five years and determined that it would take \$1.5 million. This would address 60 – 70% of the financing. Our plan: 1. cut our costs to give more money to each program; 2. use dollars to balance funding; 3. use the money to soften the hit if East Side does pull out.

Grilli: She asked Paul Hay to explain the revenue limit differential between the \$3,100 revenue limit and the \$6,000 per ADA. Hay: The differential is held by MetroED to support the costs of the Center.

Chang: We do have a cap. Hay: We have flexibility within the cap to move ADA around; as in the case of Cosmetology.

Chang: I have a question that perhaps Craig Mann will be able to help me with. At one time, MetroED went to East Side with an offer to increase their ADA by adding ROP classes; this seems like a win-win for both organizations, can you explain to me why East Side voted this down? Mann said that he voted for the item, but cannot explain the actions of the other Board members.

Chang: We need to move forward and not focus on the past. Would you talk to other Members to see if this could be re-visited?

Mann: As I look at the equalization issue, I see that there have been meeting after meetings with no actions and no results.

Chang: There is a problem when meetings are held and the critical person is missing and it is my understanding and observation that East Side has been missing from the meetings. Tim Hallett: Yes, East Side has been missing, and other districts have been missing, too. The JPA has not been a high priority on any superintendent's list. We all need to come together and work on this together; the issue needs to be resolved by the Members of the JPA, one or a few cannot do it.

Mann: We need to move rapidly; this is just plain failure, this is a performance review issue; someone needs to take ownership. There are other issues that have come to the attention of this Board on a regular basis at Board meetings and in the Friday letter. However, this issue has not come to our attention as often as it should.

Chang: Tim has no power over the other superintendents; what kind of power does he have? Without all of the superintendents, he cannot make decisions for the JPA. Do we as Board members go back to our superintendents and tell them that this is a high priority and needs to be resolved? I think that we as Board Members need to take the responsibility of taking this back to our individual Boards.

Gordon: This is a JPA and we need a commitment from the other superintendents; they have as much responsibility in this issue as Campbell and East Side. We need to get all superintendents and CBOs involved.

Hallett: A lot of good points have been mentioned here tonight. We can have this equalization issue on every board agenda; that is not a bad idea. Another good idea is for you Board members to take the equalization issue to your individual Boards and ask that the issue be of high priority

14.1 BOARD AND ADMINISTRATIVE FUNCTIONS

14.1.1 Action Item: Second Reading: Adopt Board Policies 6000's Instruction

Motion by Grilli: That the Governing Board adopt the revised Governing Board Policies series 6000's regarding Instruction, Second Mann, Vote: unanimous.

14.1.2 Action Item: Approve Board Study Session on Brown Act and Purpose and Scope of Authority of a Joint Powers Authority

Motion by Grilli: For approval of a Board study session. Following discussion, Grilli withdrew her motion; item failed due to lack of a motion.

14.2 BUSINESS AND FINANCIAL FUNCTIONS

14.2.1 Action Item: Monthly Budget Update

Motion by Gordon: That the Governing Board approve the budget changes included in the Monthly Budget Update for the period ended 5/31/06, Second Mann, Vote: Unanimous.

14.2.2 Action Item: Approve District Designated Official Signers for FY 2006-2007

Motion by Mann: That the Governing Board approve Tim Hallett, Paul R. Hay, Daniel Gilbertson and Wendy Zhang as the administrators who are authorized to sign official forms and contracts on behalf of the District effective July 1, 2006, Second Gordon, Vote unanimous.

14.2.3 Action Item: Adopt Resolution #11-06-14-06 Authorizing Designated Management Personnel to Sign Orders Drawn Upon the Funds of the District for the FY 06/07

Motion by Mann: That the Governing Board approve Resolution #11-06-14-06 authorizing the designated District employees to sign orders drawn upon the funds of the District effective July 1, 2006, Second Garcia, Vote by roll call: 5 aye, 0 no, 1 absent.

14.2.4 Action Item: Adopt Resolution #12-06-14-06 Authorizing (1) Budget Transfers and (2) Use of Unbudgeted Income for FY 06/07

Motion by Grilli: That the Governing Board adopt resolution #12-06-14-06 for the fiscal year 2006-07, Second Mann, Vote by roll call: 5 aye, 0 no, 1 absent.

14.2.5 Action Item: Adopt Resolution #13-06-14-06 Authorizing District to Purchase off Contracts Awarded by other Public Agencies

Motion by Mann: That the Governing Board adopt resolution #13-06-14-06 authorizing designated District officers to purchase commodities through contracts awarded by other agencies, Second Gordon, Vote by roll call: 5 aye, 0 no, 1 absent.

14.2.6 Action Item: Adopt Resolution #14-06-14-06 Authorizing Designated Management Personnel to Sign Official Electronic Funds Transfer Forms of the District for the FY 06/07

Motion by Mann: That the Governing Board adopt Resolution #14-06-14-06 authorizing Tim Hallett, Paul R. Hay, Daniel Gilbertson, and Wendy Zhang to sign all official electronic transfer forms on behalf of the District, effective July 1, 2006 and authorize the filing of said signatures with the County Controllers' Office, Second Garcia, Vote by roll call: 5 aye, 0 no, 1 absent.

14.2.7 Action Item: Approve Agreement with Interscholastic Trading Company to sell District Surplus property via public auction, authorize the Chief Business Official to dispose of surplus property in accordance with the Education Code.

Motion by Grilli: That the Governing Board approve the service agreement with Interscholastic Trading Company and delegate authority to the Chief Business Official to dispose of surplus property in accordance with the Education Code, Second Gordon, Vote unanimous.

14.2.8 Action Item: Appoint Board Audit Review Committee for the 2005-06 audit
Motion by Garcia: That the Governing Board appoint two of its members to serve as a committee to review the annual independent audit of the 2005-06 fiscal year, Second Gordon, Vote unanimous.

Discussion:

Chang asked about the time commitment and how many meetings there would be. Paul Hay said that there would be one meeting in November. Also, this is an ad hoc committee, there will be no regular meetings and the meeting does not require posting. Diane Gordon and Cynthia Chang volunteered to participate on the audit review committee.

Motion by Grilli: That Members Chang and Gordon be Board designees to the audit review committee, second: Garcia, Vote: unanimous.

15.0 EXECUTIVE REPORT/ADMINISTRATIVE REPORTS

Oral Report: There was no report from the Assistant Superintendent Jan Dreier.

Oral Report: Superintendent Tim Hallett commented that we had a great adult education graduation and he appreciated Rich Garcia's and Diane Gordon's participation.

16.0 BOARD COMMENTS

Member Gordon: She greatly enjoyed the adult graduation and the CCOC awards ceremony; this is why we are here.

17.0 Advanced Planning

18.0 Other Meetings

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| Regular Meeting, June 28, 2006 | Closed Session | 6:00 pm |
| | Open Session | 7:00 pm |

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| Regular Meeting, August 23, 2006 | Closed Session | 6:00 pm |
| | Open Session | 7:00 |

ADJOURNMENT

Open session of the regular meeting adjourned at 10:15 pm

19.0 CONTINUANCE OF CLOSED SESSION

There was no continuance of closed session.

20.0 REPORT OF CLOSED SESSION ACTIONS

There was no continuance of closed session.

Marsha Grilli, Clerk/date