

BOARD OF EDUCATION

Portland Public Schools
REGULAR MEETING
March 8, 2016

Board Auditorium

Blanchard Education Service Center
501 N. Dixon Street
Portland, Oregon 97227

Note: Those wishing to speak before the School Board should sign the public comment sheet prior to the start of the meeting. No additional speakers will be accepted after the sign-in sheet is removed, but testifiers are welcome to sign up for the next meeting. While the School Board wants to hear from the public, comments must be limited to three minutes. All those testifying must abide by the Board's Rules of Conduct for Board meetings.

Public comment related to an action item on the agenda will be heard immediately following staff presentation on that issue. Public comment on all other matters will be heard during the "Public Comment" time.

This meeting may be taped and televised by the media.

AGENDA

1. **CLASSIFIED AND NON-REPRESENTED EMPLOYEE APPRECIATION** - *action item* 6:00 pm
2. **STUDENT TESTIMONY** 6:20 pm
3. **PUBLIC COMMENT** 6:35 pm
4. **SUPERINTENDENT'S 2016-17 SCHOOL STAFFING PLAN AND BUDGET FRAMEWORK** 6:55 pm
5. **SECOND READING: PUBLIC CONTRACTING RULES** – *action item* 7:45 pm
6. **BUSINESS / CONSENT AGENDA** 8:00 pm
7. **ADJOURN** 8:15 pm

Portland Public Schools Nondiscrimination Statement

Portland Public Schools recognizes the diversity and worth of all individuals and groups and their roles in society. The District is committed to equal opportunity and nondiscrimination based on race; national or ethnic origin; color; sex; religion; age; sexual orientation; gender expression or identity; pregnancy; marital status; familial status; economic status or source of income; mental or physical disability or perceived disability; or military service.

2016 Classified and Non-Represented Appreciation

Thank You For Your Outstanding Service

Honorees

Robert Carron	Custodian D Franklin HS
Kim Castle	Sr. Specialist - Student Data Roosevelt HS
Veronica Core	Campus Security Agent Grant HS
Olga Filinova	Community Agent - Russian ESL Dept. - BESC
Eva Gonzales	Educational Assistant ESL Maysville K-8
Laura Hibbert	Educational Assistant Forest Park K-5
Cheryl Jiggar	Instructional Technology Assistant Library Assistant Faubion PK-8
Ruth McKee	Assistive Tech Practitioner Columbia Regional Program at Wilcox
Alice Morgan	Paraeducator Atkinson K-5
Brittany Sill	Senior Administrative Secretary I Equity & Partnerships Dept. - BESC
Amy Silvia	Lead Food Service Assistant Access at Rose City Park
David Stone	Sr. Specialist - Budget Budget Office - BESC
Kimberley Strange	Transport Route Scheduler Student Transportation
Lynn Terhaar	Principal's Secretary Duniway K-5



Board of Education

Staff Report to the Board

Board Meeting Date: February 3, 2016

Executive Committee Lead:
Yousef Awwad

Department: Purchasing & Contracting

Presenter/Staff Lead: Emily Courtnage

SUBJECT: 2015 Revisions to Public Contracting Rules
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BACKGROUND

Per the attached Executive Summary Memorandum, the District adopted revised Public Contracting Rules in 2010 and a subsequent update in October 2012. These Rules comprise the Contracting and Purchasing Manual referenced in Policy 8.50.090-P and govern the District's procurement activities. The District is required to regularly update these rules to reflect legislative changes to state statute.

If adopted, these Rules will replace the 2012 version of the Portland Public Schools Purchasing and Contracting Rules.

BOARD COMMITTEE REVIEW

The revised Rules were first presented and discussed at the October 27, 2015 meeting of the Business and Operations Committee. After subsequent revisions, staff presented the newly revised Rules at the January 21 and January 27, 2016 meetings of the Business and Operations Committee. The Business and Operations Committee unanimously recommended the presentation of the revised Rules, attached hereto, to the full Board.

RELATED POLICIES / BOARD GOALS AND PRIORITIES

Under Board Policy 8.50.090-P ("Public Contracting and Purchasing Rules"), the Board is designated the local contract review board under ORS 279.060 with authority to adopt rules for public contracts and purchasing and exempt certain public contract or classes of contracts from competitive bidding process. The Policy further provides: "The Superintendent shall develop Public Contracting Rules ("Rules") governing District contracts and purchasing practices and shall post them to the District website. . . . Any changes to the Rules shall be approved by Board Resolution."

PROCESS / COMMUNITY ENGAGEMENT

Purchasing & Contracting staff has been formulating this revision since mid-2014. Several of these changes are mandatory per state statute; others correct minor errors or typos. When making decisions regarding optional changes, we worked in conjunction with impacted departments, including General Counsel, Instruction, Curriculum, and Assessment, and Facilities and Asset Management. Our external legal counsel at Miller Nash advised us regarding these changes and drafted the revised rules, the Findings, and the accompanying Executive Summary.

Notice of the new class special procurements (for instructional resources approved through the District's Instructional Resource Intake Survey and for hotel, catering, and space rental contracts) was published in the Daily Journal of Commerce on January 29, 2016, as required by PPS 47-0287 ("Special Procurements; Request Procedures.").

ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN

The revisions do not affect the PPS Racial Equity Plan or the District's implementation of the Equity in Public Purchasing & Contracting (EPPC) Policy and related Administrative Directives.

BUDGET / RESOURCE IMPLICATIONS

This policy revision is budget neutral.

NEXT STEPS / TIMELINE / COMMUNICATION PLAN

The revised Rules are scheduled for a first reading at the February 3, 2016 Board Meeting. A second reading is scheduled for the March 8, 2016 Board Meeting. If adopted, these revised Rules will be posted on the District website, both on the Purchasing & Contracting site and the Board site.

These Rules will be reviewed, and when warranted revised, on a regular basis going forward. Such review and revision will occur at a minimum: 1) When there are changes to the Oregon Attorney General Model Rules; 2) when there are Oregon legislative changes to statutes impacting public contracting, and 3) when there are new PPS Purchasing & Contracting needs to be addressed in these rules.

ATTACHMENTS

- 1. Executive Summary**
- 2. Resolution**
- 3. Exhibit A: 2016 Revised Purchasing and Contracting Rules, redlined to show proposed changes.**
- 4. Exhibit B: Findings**

Memorandum

To: Board of Education
From: Jeffrey G. Condit
Client: Portland Public Schools
Subject: 2016 Revisions to Public Contracting Rules—Executive Summary
Date: December 30, 2015

INTRODUCTION

In 2010, Portland Public Schools developed and adopted a substantial and comprehensive revision to its Public Contracting Rules. The rules were last updated in October 2012. The purpose of the 2016 revisions is to update the District's rules to reflect 2013 legislative changes to the state Public Contracting Code (ORS Chapter 279A, 279B, and 279C) and revisions to the Attorney General's Model Public Contracting Rules ("Model Rules") that became effective on February 1, 2015. The revised rules are attached as Exhibit A to the Board's resolution adopting the revisions.

LEGAL FRAMEWORK

The Board of Education serves as the Local Public Contract Review Board ("Board") for the District pursuant to ORS 279A.060. ORS 279A.065 empowers the Board to adopt local public contracting rules. The District's rules are based upon the Attorney-General's Model Public Contracting Rules, but include District-specific provisions and statutory requirements omitted from the model rules. This eliminates potential conflicts and allows District staff to work from a single document rather than three different documents.

ORS 279A.065 requires the Attorney General to update the Model Rules after each legislative session to reflect amendments to the Public Contracting Code. The statute also requires a local contracting agency such as the District to review the Attorney General's revisions to determine whether its own rules need to be revised. The District would have typically updated its rules in 2014, but the effective date of the major changes made in 2013 was delayed until July 1, 2014, and permanent Model Rules reflecting these amendments did not become effective until February of this year. The 2014 and 2015 legislative sessions did not result in any significant amendments to

the procurement sections of the Public Contracting Code, so I do not anticipate any significant amendments to the District's rules for several more years.

SUMMARY OF AMENDMENTS

Most of the 2016 revisions to the District's rules reflect changes to the Model Rules. The most significant change is to the method of solicitation and contract requirements under the Construction Manager/General Contractor ("CM/GC") form of procurement. The Board can select the CM/GC alternative procurement process by taking an exemption from the standard competitive bidding process. The CM/GC alternative process allows a contractor to be selected based upon qualifications, utilizing a request for proposals process rather than award based upon low bid. The chief benefit of the CM/GC process is that it allows the District to bring an experienced contractor on board during the design phase, which results in better coordination, a more constructible project, and better cost control. The District typically uses the CM/GC process for large and complex projects where having an experienced contractor involved early in the process has the most benefit. (The three high school rebuild projects are being constructed under CM/GC contracts.) The changes to the rules generally establish more threshold requirements in order to use CM/GC contracts and require more explicit and extensive competition for selecting subcontractors.

Other changes to the Model Rules affect the qualifications-based selection process for architects, engineers, and other design professionals involved in construction projects and add additional requirements for taking an exemption from competitive bidding for construction contracts.

Staff is also proposing a few elective amendments to the delegation of authority section in PPS-45-0200. By statute, the Board is required to approve all District contracts except as expressly delegated to the superintendent. Staff is proposing to increase the superintendent's delegated authority to approve revenue contracts from \$25,000 to \$150,000. A revenue contract is a contract where the District provides goods or services to another party for compensation. Revenue contracts are typically intergovernmental agreements with other education or education-related social service providers or contracts with other community partners in furtherance of the District's educational mission. This change would bring the superintendent's authority in line with her authority to approve District expenditure contracts.

Staff is also recommending that the Board delegate to the superintendent the authority to make an offer of judgment in litigation upon advice of counsel. An offer of judgment is essentially a settlement offer made in the course of litigation, generally in the days right before trial. The tactical advantage of making an offer of judgment is that it cuts off the liability for attorney fees generated after the offer of judgment is made if the offer is refused and the final judgment is equal to or less than the offer. This is a very strong inducement to settle. If the offer is accepted, then judgment is entered in the amount of the offer and the costs of trial are avoided. The problem with bringing offers of judgment to the Board is that a decision to make an offer of judgment generally has to be made very quickly and a public decision by the Board signals the strategy. Such offers are few and far between, but can save the District substantial funds, and so

staff is recommending that this authority be delegated to the superintendent. The amendment requires the general counsel to explain the basis of the offer in a confidential memorandum to the Board each time an offer of judgment is made.

Staff is also recommending eliminating the requirement to notify the Board of every contract issued by the District between \$25,000 and \$150,000. This requirement is not mandated by state law or the Model Rules and has become a very burdensome requirement over time, particularly as contract volume increases. The elimination of this requirement brings the District in line with the policies at other large school districts in Oregon, including Salem-Keizer and Beaverton, which do not require formal reporting or Board approval of any contracts less than \$150,000.

Staff is also proposing new rule in PPS-45-0200(7) that expressly prohibits work to begin under a contract before it has been executed by all of the necessary parties. There are two limited exceptions: (1) Intergovernmental agreements where the terms have been agreed on in principal and (2) contract amendments that have to be approved by the Board where delaying work would prevent timely delivery of essential services.

Staff is also proposing new uniform rules on contract amendments prohibiting single or cumulative amendments that would increase the cost of the contract by more than 125% over the original contract price. See PPS-46-0535 (personal services contracts), 47-0800 (goods and services contracts), 48-0320 (architecture, engineering, and related contracts), and 49-0910 (public improvement contracts). There are three limited exceptions: Discovery of unforeseen conditions or circumstances (e.g. site or building conditions that are different than anticipated in the original contract); the original solicitation or contract provides for additional work, amendments or alternates; or the School Board otherwise approves the amendment.

Finally, staff is recommending two modifications to the District's list of class special procurements. A "class special procurement" is a type of contract for goods and/or services where the standard solicitation processes of bids or quotes are not relevant or the best method for procuring the good and/or service. In order to approve a class special procurement, the Board must find that approving the special procurement will not diminish competition and is reasonably expected to result in substantial costs or otherwise promotes the public interest in a manner that could not practicably be realized by complying with the standard procurement processes.

One of the existing class special procurements is for copyrighted materials and creative works. See PPS-47-0288(4). Examples include textbooks, for which there is no competitive market, and artworks, which are not practicable to purchase by low bid or request for proposals. Staff is proposing to add instructional resources approved for use through the District's Instructional Resource Intake Survey ("IRIS") process. Pursuant to the IRIS process, vendors are invited to make a presentation to a District committee of subject matter experts (which may be different depending on the instructional materials being sought). The committee will determine whether the materials meet the applicable criteria and will approve or disapprove of the materials for District use. Principals and departments may purchase materials on the approved list

without further competitive procurement if the total cost is within the delegated authority of the particular District official. The screening of instructional materials is in the public interest, and so solicitation by the standard processes is not practicable.

Staff is also recommending adding hotel, catering, and space rental contracts to the list of class special procurements. PPS-47-0288(28). Hotel rooms or meeting spaces are not solicited by low bid or request for proposals in either the public or private sector, and catering services are usually limited by the venue to one or a short list of in-house or outside vendors. For these reasons, District's ability to compete this class of contracts is limited or not practicable.

The findings in support of these class special procurement amendments are set forth in Exhibit B to the resolution.

The proposed 2016 revisions to the District's Rules make several other minor editorial or clarification changes.



Board of Education Informational Report

MEMORANDUM

Date: March 3, 2016
To: PPS Board of Education
From: Yousef Awwad, Chief Financial Officer
Subject: Public Contracting Rules

At the October 27th meeting of the Business and Operation Committee, Emily Courtnage, Purchasing Director, provided an overview of the revisions to the District's Purchasing and Contracting Policy. The committee was asked to provide feedback on the manual and agreed to meet again to discuss any revisions and make a recommendation to move forward to the Board.

The Committee met on the January 21st but was not able to move forward needing more time to review feedback from the Committee.

At the January 27th meeting of the Business and Operations Committee, Emily Courtnage and Yousef Awwad clarified changes made to the purchasing manual. The Committee voted unanimously to move forward the revised purchasing manual to the Board for a first reading on February 3rd

Attached are the minutes of those meetings.

**Portland Public Schools District 1J, Multnomah County, Oregon
Board of Education's
Business and Operations Committee**

**January 21, 2016
Informal Minutes**

The meeting of the Board's Business and Operations Committee convened on the above date at 4:09 pm at the call of Chair Paul Anthony in the Wy'East Conference Room of the Blanchard Educations Service Center, 501 N. Dixon St., Portland, OR 97227.

There were present:

Board

Paul Anthony, Chair
Mike Rosen
Tom Koehler

Staff

David Wynde-Deputy Chief Financial Officer, Budget Director
Emily Courtnage-Program Manager, Purchasing and Contracting
Jeff Condit-Legal Counsel
Amanda Whalen-Chief of Staff
Michelle Riddell-Deputy Chief Human Resources Officer
Sean Murray-Chief Human Resources Officer
Tony Magliano-Chief Operating Officer
Rudy Rudolph
Yousef Awwad-Chief Financial Officer-*by phone*

PUBLIC COMMENT

None

CONTRACTING AND PURCHASING MANUAL

Yousef Awwad, who was participating by telephone, discussed changes made in the policy as a result of Board input. He discussed changes to the amendment process including language around adding classroom materials under previously negotiated contracts. Chair Anthony stated they were unable to move forward with approving the changes today due input sent by Director Rosen 15 minutes prior to the start of the committee meeting. It was agreed to meet prior to the February 3rd Board meeting in order to approve the manual. Emily Courtnage stated that this would require two readings with 21 days for public comment. Director Rosen stated he had some questions about thing like copyrighted materials, software and other computer resources and that he wants to meet with Emily Courtnage and Yousef Awwad to walk through his items of concern. Director Anthony asked if the Superintendent could make a settlement offer in litigation without Board approval. Tom thinks it's the right thing to do. Jeff Condit explained that it keeps it confidential and allows for a savings in legal fees.

2016-18 SCHOOL CALENDAR

Rudy Rudolph provided an overview of the calendar committee process. She stated they met twice . There was a shift to move conference back to November to ensure there is a plan day ahead of conferences. There was a deviation from the committee to start after Labor Day to ensure additional instructional days prior to college preparatory testing. The committee also recommended adopting a one year calendar cycle since PAT negotiations might how the calendar is for the following year. Rudy Rudolph said it was first time committee could not come to consensus. She shared that she had contact principals of low SES schools to find out what

was best for students and most thought it was best for students to start prior to Labor Day. Director Rosen was appreciative of the compromise and the ability to prep students prior to important testing. He thought it was a great proposal. Chair Anthony asked if there were concerns from Facilities about the calendar. Tony Magliano said there were none. Director Rosen asked if there are solutions for the heat. Tony Magliano said they can consider some affordable solutions to address the issue. There was discussion about potential snow days being added to the calendar. There was a suggestion from the committee to run an Op Ed piece in the Oregonian to explain the Board decision to start before Labor Day.

PRINCIPAL SELECTION AND EVALUATION

Sean gave introduction. Michelle Riddell provided an overview on the current principal selection process and answered questions on recruitment strategies and timing on hiring. There was a discussion on the applicant make up and Director Rosen asked if references from teachers were part of the current process. Chair Anthony asked if HR researches candidates online or through social media. Sean Murray stated at the time an offer is made, candidates sign a release to do a background check. Director Koehler asked about how long this process has been in place and Michelle Riddell responded that the process has been evolving for 10 years. Director Rosen expressed desire to go back to the old process of schools choosing a good "fit" and a frustration with the current process. Director Koehler asked if we have asked for community feedback on the hiring process. Michelle Riddell replied that they had not. Chair Anthony expressed concern that the process is not consistently followed with fidelity. Richard Kirschman spoke about his experience as a member of the selection committee. Sean Murray made recommendations on the principal hiring process based on the number of vacancies at any given time. She then shared the benefits of using a District Screening Team versus a School Based Interview Team model. Director Rose cited concerns with principal turnover.

The Committee was not able to discuss metrics. This will be covered at the next meeting to be held prior to the Board retreat.

Chair Anthony adjourned at 6:10pm.

Submitted by:

Rosanne Powell, Board Manager

**Portland Public Schools District 1J, Multnomah County, Oregon
Board of Education's
Business and Operations Committee**

**January 27, 2016
Informal Minutes**

The meeting of the Board's Business and Operations Committee convened on the above date at 8:13 am at the call of Chair Paul Anthony in the Mazama Conference Room of the Blanchard Educations Service Center, 501 N. Dixon St., Portland, OR 97227.

There were present:

Board

Paul Anthony-Chair
Tom Koehler
Mike Rosen

Staff

Yousef Awwad-Chief Financial Officer
Emily Courtnage-Program Director, Purchasing and Contracting
Amanda Whalen-Chief of Staff
Sean Murray-Chief Human Resource Officer
Tony Magliano-Chief Operating Officer
Eloisa Miller-Equity in Public Purchasing and Contracting Manager
Antonio Lopez-Assistant Superintendent, School Performance
Rosanne Powell-Board Manager

PUBLIC COMMENT

There was no public comment.

PURCHASING MANUAL

Emily Courtnage and Yousef Awwad clarified changes made to the purchasing manual and agreed to bring to full board for first reading on February 3rd. If there are any issues or concerns that come with individual contracts, they can be dealt with separately as a contract management issue. Will come back to a Business and Operations Committee meeting in a month with a proposal on how to do that.

Yousef Awwad stated that Director Rosen's points are valid and will serve as guidance on contract management. The Committee voted unanimously to move revised purchasing manual to the Board.

PRINICPAL EVALUATION

Antonio Lopez reviewed the Principal goal setting template. Director Rosen asked if goals that are set in the fall are agreed to by both the Senior Director and the principal. Antonio Lopez confirmed that they are and stated that when principals receive their evaluations in February, nothing should be a surprise. Director Koehler asked about the process for determining how a principal needs support and what resources are available. Antonio Lopez discussed the coaching model. Sean Murray explained how it is determined when a principal is in need of coaching and shared that this year the district has brought on eight mentors who, along with coaches, are strategically placed with principals. Amanda Whalen stated that the addition of two senior directors was a conscious add this year. Antonio Lopez shared the indicators of successful principal with the committee. Director Koehler inquired if there was a manual for principals. Antonio Lopez replied there was not but shared the schedules of senior directors to include monthly check-ins with principals and spend more time in schools. Director Koehler asked if this

has been collaborative process with PAPSA. Antonio replied yes and the design of the evaluation tool was a collaborative process. Sean Murray said this was relatively new to be aligned to ODE and SB290 and was reviewed by other school districts. Amanda Whalen stated that ESSA may change things. Chair Anthony asked if we are planning to evaluate the effectiveness of the tools. Antonio Lopez said that we would once we have a couple years of data. Director Koehler asked about options for principal contracts and following the evaluation process with fidelity. Sean Murray said he would do some research on contract options. Director Rosen asked if during a board meeting it was possible to pull a principal contract from a business agenda and discuss whether to move forward with approving that contract and if the board has authority to terminate a principal. Sean Murray stated that would be a discussion for an executive session. Chair Anthony stated he would like to know the anticipated principal retirements and/or vacancies. Sean Murray said he would gather information on what principals are eligible to retire.

METRICS

The committee reviewed the proposed metrics. The committee discussed the Successful Schools Survey and how it is used as a measure for the metrics. Director Rosen would like to look at additional metrics like principal turnover and to look at whether or not the evaluation process is followed and completed for each building principal. He also wanted to confirm that a 360 is off the table.

Chair Anthony adjourned the meeting at 9:45 a.m.

Submitted by:

Rosanne Powell, Board Manager



Board of Education Informational Report

MEMORANDUM

Date: March 3, 2016
To: PPS Board of Education
From: Yousef Awwad, Chief Financial Officer
Subject: CBRC Budget Principles

At the February 18th meeting of the Business and Operations Committee, Yousef Awwad, David Wynde and Community Budget Review Committee member (CBRC) member, Harmony Quiroz, presented an overview of the Budget Principles which were developed by the CBRC.

The Committee made some recommendations for some changes to the language in the Budget Principles document, and those changes are incorporated in the document which you have been provided. The committee unanimously agreed to recommend the CBRC Budget Principles to the full Board for approval.

Attached are the minutes of the meeting.

**Portland Public Schools District 1J, Multnomah County, Oregon
Board of Education's
Business and Operation Committee**

**February 18, 2016
Informal Minutes**

The meeting of the Board's Business and Operations Committee convened on the above date at 12:10 pm at the call of Chair Paul Anthony in the Board Auditorium of the Blanchard Educations Service Center, 501 N. Dixon St., Portland, OR 97227.

There were present:

Board

Paul Anthony
Tom Koehler
Mike Rosen

Staff

Yousef Awwad-Chief Financial Officer
Tony Magliano-Chief Operating Officer
David Wynde-Deputy Financial Officer and Budget Director
Joe Crelier-Program Director, Risk Management
Amanda Whalen-Chief of Staff
Rosanne Powell-Board Manager
Debbie Armendariz-Senior Director, Dual Language Immersion

CBRC BUDGET PRINCIPLES

Yousef Awwad introduced the agenda item. Community Budget Review Committee member (CBRC) member, Harmony Quiroz, was there to provide an overview of how the guiding principles were developed. She answered questions about her experience on the committee. Director Rosen stated he was pleased that the committee was now meeting year round instead of limiting it to the budget cycle as in previous years and shared his opinion that he thinks we have a culture of skepticism and thinks the dialogue needs to change. He also said that some of the principles were hard to measure and it's important to talk about qualitative measures. Ms. Quiroz shared her background in teaching and her experience in curriculum and assessment and how it served her on this committee. She spoke about how most data is used daily by teachers to inform their work. Director Rosen brought up concerns as to what we define as core program and would like expand the definition of equity outside of race only. Ms. Quiroz stated these are guiding principles. Director Rosen would like to define equity in other ways besides racial, and mentioned special education. Chair Anthony said that race is the greatest indicator of success at PPS and that he is glad the committees are discussing language around this. Director Koehler asked about departmental budgets. Ms. Quiroz said they have not received all of them at this time. David Wynde said their priority has been in developing these principles. Ms. Quiroz stated they are hoping to make a broader impact with these principles and to help implement the GFOA budgeting process. Director Koehler said he would like to hear from Yousef Awwad and David Wynde how the District is doing. Yousef Awwad responded that the CBRC looks at the budget plan not the line item budget. Director Rosen said he thought it would be helpful for the Board and CBRC to hear some department presentations. Director Rosen made some recommendations for some changes to the language in the Budget Principles document. Ms. Quiroz agreed with those changes. The committee unanimously agreed to recommend the CBRC Budget Principles to the full Board for approval.

CONSTRUCTION EXISE TEXT

Tony Magliano provided an overview of SB 1036 and the Construction Excise Tax (CET). Director Koehler asked if we could change the rate, and David Wynde replied that we could not. Tony Magliano then provided an overview of the Capital Asset Renewal (CAR) Plan to the committee. Directors Rosen and Koehler had some clarifying questions about what is considered a capital expense. Tony Magliano provided an example of some recent projects and shared with the committee how much money is available in the CAR and CET funds. Director Rosen has some policy questions and asked when the CET started. Tony Magliano responded that it started in 2008. Director Rosen asked if the rate was adjusted annually. David Wynde replied yes. Director Rosen asked about funding maintenance issues. Tony Magliano described how we pay for maintenance Director Rosen asked if they adjust the rate annually. David Wynde said yes.

Director Rosen wants to know where the money comes for day to day maintenance. Tony Magliano stated that maintenance is underfunded and described how the District currently pays for these maintenance issues. The committee discussed that they would like to get a "state of affairs" on facilities as well as the desire to see an asset management plan. There was discussion on how money is collected from the City of Portland for PPS. Director Koehler asked if it was possible to use CAR or CET funds for the Roosevelt MakerSpace project. There was discussion on how CET funds may be used.

OPEN ENROLLMENT

Tony Magliano introduced Judy Brennan who provided background on the Open Enrollment Process on Inter District transfers. She is requesting transfer slots to be made available for two focus option programs, Vietnamese and Russian Immersion. Director Koehler asked questions on how the blind application process works for filling immersion classes if they cannot ask native language. Debbie Armendariz replied that it is ok if they are English speakers for these programs and believe they will attract native speakers. Judy Brennan presented timelines for open enrollment and inter district transfer. Debbie Armendariz said this will help address getting to two full classrooms in each of these programs as both have had some enrollment challenges due to these communities moving further out and that the Vietnamese program still does not have a permanent home. The Kelly program is at the corner of the District, but demographics have shifted and now the families they serve are moving further away. Director Rosen asked if out of district students pay tuition. Judy Brennan responded that if they enter through the open enrollment process, the dollars follow the student. Debbie Armendariz explained how this is really strengthening a program that is already working and they anticipate they will attract native speakers. Director Rosen asked if someone can pay to attend PPS if their district does not release them. Judy Brennan replied yes. Chair Anthony asked if there is space at Roseway Heights. Debbie Armendariz replied yes. The Committee agreed unanimously to move the recommendation to the full Board for approval.

Chair Anthony said he is interested in exploring the idea of reducing or eliminating athletic fees and has heard from Marshall Haskins that those fees are approximately \$817,000 and that he thought it was less than that. Chair Anthony asked if they can do a field assessment to see what is usable or not, and to look at expanding the middle school athletic program. Tony Magliano said that they always need to prioritize where to spend money, like fixing leaky roofs. Director Rosen said that in some communities parents do field maintenance. He would like to seriously look at reducing fees. Director Koehler responded that we currently support families who qualify for free and reduced lunch in reducing or waiving fees. Director Rosen responded that we should consider sports fees an equity issue and philosophically it would be good to reduce or eliminate these fees. Director Koehler asked where the sports fees go now that are collected. Tony Magliano said they go to schools. Yousef Awwad said there is inconsistency in how schools charge but all contributions are optional. Director Rosen asked if this is a discussion we can have at another date. Chair Anthony said that Centennial District has solid data on why we should expand sports at middle schools.

Chair Anthony adjourned the meeting at 2:21 pm.

Submitted by:

Rosanne Powell, Board Manager



Board of Education Informational Report

MEMORANDUM

Date: March 8, 2016
To: Members of the Board of Education
From: Debbi Gazarine, District Registrar
Subject: Students requesting exemption from state PE requirement

As part of Division 22 standards, all students requesting an exemption from the state Physical Education (PE) credit requirement must receive approval by their local School Board in order for a waiver to be granted and the requirement to be removed from their transcript.

The Portland School District currently has nine students who have requested waivers from PE. Four of these students were granted PE waivers last year and we are requesting Board approval for five new waiver requests. In accordance with the OAR listed below, all students have a physician statement that documents their specific physical limitation as it relates to this requirement, as well as a written statement of agreement from their parent/guardian. All students will replace the PE credit requirement with alternative coursework as required by the OAR. For the sake of student confidentiality, we are not including the list of students with this memo. However, if you have any specific questions about the students and their requests, you may contact the Office of High Schools to discuss the request.

OAR: 581-02201910 Exemptions:

1) The school district may excuse students from a state required program or learning activity, where necessary, to accommodate students' disabilities or religious beliefs:

(a) Approval of the exemption shall be based upon and shall include:

(A) A written request from the student's parent or guardian or the student, if that student is 18 years of age or older or a legally emancipated minor, listing the reasons for the request and a proposed alternative for an individualized learning activity which substitutes for the period of time exempt from the program and meets the goals of the learning activity or course being exempt;

(B) An evaluation of the request and approval by appropriate school personnel (the alternative should be consistent with the student's educational progress and career goals as described in OARs 581-022-1670 and 581-022-1510).

(b) Following approval by the district school board, and upon completion of the alternative, credit shall be granted to the student.

2) The school district may approve and grant credit to a student for the alternative to a state required program or learning activity if the procedures in the section (1) of this rule are followed.

Stat. Auth.: ORS 326.051

Stats. Implemented: ORS 326.051

Hist.: EB 18-1996, f. & cert. ef. 11-1-96

BOARD OF EDUCATION
SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON

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RESOLUTION NOs. 5217 THROUGH 5226 RESERVED FOR PERSONNEL

Other Matters Requiring Board Approval

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Other Matters Requiring Board Approval

The Superintendent RECOMMENDS adoption of the following items:

Resolutions 5227 through 5231

RESOLUTION No. 5227

Resolution to Recognize Classified and Non-Represented Employee Appreciation Week March 7-11, 2016

RECITALS

- A. Portland Public Schools' Classified and Non-Represented employees are essential members of our educational team. From the moment students step on a school bus each weekday morning, their learning experience is shaped by members of our Classified and Non-Represented staff. On the front lines and behind the scenes, the men and women of our Classified and Non-Represented staff are in a unique position to influence our school communities. They create a positive learning environment for our students by assisting them in the classroom; preparing and serving meals; caring for their physical needs; transporting them; keeping them safe, and aiding their families. Classified and Non-Represented staff keep our administrative and school offices humming; attend to our buildings and grounds; help us communicate with each other and our community; shepherd supplies and equipment, and because of this vital and integral role, we are grateful for their work and support.
- B. The Board of Education for Portland Public Schools acknowledges and applauds Portland Public Schools' Assistive Tech Practitioners, Attendance Monitors, Book Clerks, Bookkeepers, Bus Drivers, Campus Monitors, Clerks, Community Agents, CNA's, Custodians, Educational Assistants (ESL, Headstart, Gen Ed), Food Service Assistants, Instructional Tech Assts., Library Assistants, Licensed Physical Therapists (LPTA), Certified Occupational Therapy Assistants (COTA), Maintenance Workers, Nutrition Services, Orthopedic Equip Techs, Occupational and Physical Therapists, Para Educators (Special Ed), Secretaries, Security Techs, Sign Language Interpreters, and Transportation Route Schedulers, Analysts, Senior Analysts, Coordinators, Functional Leads, Managers, Program Managers, Senior Program Managers, Senior Managers, Senior Program Managers, Specialists and Senior Specialists
- C. For their efforts on behalf of the more than 49,000 students in the Portland Public Schools community, the Classified and Non-Represented employees deserve our collective recognition and thanks.

RESOLUTION

1. Be it resolved that the Board of Education declares March 7-11, 2016 Classified and Non-Represented Employee Appreciation Week in recognition of the many daily services provided to enrich and support students in Portland Public Schools toward their highest achievement possible.
2. Be it further resolved, that the Board encourages the Portland Public Schools community to join in honoring Classified and Non-Represented Employees for their impact on our students and our community.

S. Murray

RESOLUTION No. 5228

Amending the District's Public Contracting Rules to Address Statutory and Administrative Rule Changes and Amending or Enacting New Special Class Procurements

RECITALS

- A. The Board of Directors of School District No. 1, Multnomah County, Oregon ("District") acts as the Local Public Contract Review Board ("Board") pursuant to ORS 279A.060.
- B. ORS 279A.065 empowers public contracting agencies to adopt rules of procedure for public contracts, and the District has adopted such rules ("2012 Rules").
- C. ORS 279A.065(5)(b) requires a local contracting agency to review its rules for revision each time the Attorney General modifies the Model Rules for Public Contracts. The Attorney General updated the Model Rules in 2015 in light of amendments to the Public Contracting Code in the 2013 legislature.
- D. ORS 279B.085 authorizes the Board to declare certain public contracts or classes of contracts for goods and services as special procurements exempt from the competitive procurement process otherwise required by ORS Chapter 279B, upon certain findings.
- E. The Board deems it necessary and advisable to adopt updated rules ("2016 Rules") to address these statutory and rule changes, to improve the format and usability of the District's rules, and to provide for greater public transparency in regard to the District's procurement procedures.
- F. On January 27, 2016, the Board's Business and Operations Committee unanimously recommended presentation of the 2016 Rules to the full Board. The Board held a First Reading of the 2016 Rules on February 2, 2016.

RESOLUTION

- 1. The Board hereby adopts the 2016 Rules as the District's Public Contracting Rules.
- 2. The Board adopts the class special procurements enacted in the 2016 Rules based on the findings in the attached Exhibit A.
- 3. The District's 2016 Rules supersede and replace the District's 2012 Rules for procurements advertised or first solicited on or after the effective date of this Resolution. Procurements advertised or first solicited prior to the effective date of this Resolution shall continue to be processed under the 2012 Rules.

Y. Awwad

FINDINGS IN SUPPORT OF THE DESIGNATION OF CERTAIN CLASSES OF CONTRACTS FOR GOODS AND SERVICES AS SPECIAL PROCUREMENTS UNDER ORS 279B.085

The Board of Directors of School District No. 1J, Multnomah County, Oregon, acting as the Local Public Contract Review Board ("Board"), makes the following findings in support of amendments and additions to the District's class special procurements for goods and services incorporated in the District's 2016 amendments to its Public Contracting Rules ("2016 Amendments").

Class Special Procurements.

Applicable Criteria. ORS 279B.085(4) empowers the Board to designate classes of contracts for goods or services for special procurement outside of the competitive procurement processes otherwise required under ORS Chapter 279B and the District's Public Contracting Rules. In order to approve a class special procurement, the Board must find that the designation of a class of contracts for special procurement:

Is unlikely to encourage favoritism in the award of public contracts or to substantially diminish competition for public contracts; and

Either:

Is reasonably expected to result in substantial cost savings to the contracting agency or to the public; or

Otherwise substantially promotes the public interest in a manner that could not practicably be realized by complying with the requirements that are otherwise applicable under ORS Chapter 279B or the District's Rules adopted to implement those rules.

Findings. The District's class special procurements are set forth in District Public Contracting Rules at PPS-47-0288 (Exhibit A). The District's 2016 Amendments amend an existing class special procurement and adopt a new class special procurement as follows:

Copyrighted Materials and Creative Work (PPS-47-0288(4)).

Findings of Fact. The 2016 Rules amend this section to add instructional resources approved for use through the District's Instructional Resource Intake Survey ("IRIS") process. Pursuant to the IRIS process, vendors are invited to make a presentation to a District committee of subject matter experts (which may be different depending on the instructional materials being sought). The committee will determine whether the materials meet the applicable criteria and will approve or disapprove the materials for District use. Principals and departments may purchase materials on the approved list without further competitive procurement if the total cost is within the delegated authority of the particular District official.

Conclusions of Law. This amendment will not discourage competition because all instructional materials must be reviewed prior to approval for use at the District, and this allows for creation of a list of vetted and approved materials, including digital resources, from which programs and teachers can select. This promotes the public interest in high quality and relevant instruction materials in a way that can't practicably be realized through the standard ORS 279B procurement process.

Hotel, Catering, and Space Rental Contracts (PPS-47-0288(28)).

Findings of Fact. The District rents hotel rooms, meeting spaces, and catering services from time to time. These are selected based upon the particular needs of the program or school and are not typically selected based upon a competitive process in any industry. As a general rule, hotels

and event spaces either require use of particular venue catering services, which are either in-house or must be selected from a short list of approved vendors.

Conclusions of Law. This amendment will not discourage competition because these services are not typically competed, but are chosen based upon location and the particular need. This exemption promotes the public interest in a way that can't practicably be realized through the standard ORS 279B procurement process because the standard process is not relevant to selection of these services and because the District has no or only limited choices with regard to catering services.

Existing Special Procurement and Exemptions Continued. No other amendments to existing special procurements or exemptions or new special procurements or exemptions are being proposed as part of the 2016 Amendments to the District's Public Contracting Rules.

RESOLUTION No. 5229

Adopting Budget Principles

RECITALS

- A. As part of the work under the Government Finance Officers Association best practices budget framework, the Community Budget Review Committee (CBRC) met six times starting May 2015 to develop a set of budget principles.
- B. On February 18, 2016, representatives of the CBRC presented a draft of these principles to the Board of Education's Business and Operations Committee (BOC).
- C. The BOC reviewed the proposal, made one revision to some wording and voted unanimously to recommend approval of the principles to the Board of Education.

RESOLUTION

The Board of Directors of Portland Public Schools approves and adopts the attached Budget Principles.

Y. Awwad

Budget Principles

Recommend by CBRC, February 18, 2016
Recommended by Business & Operations Committee

Background

Budgeting principles set forth the ideals that the district's decision makers will adhere to as they develop the budget and can help counteract the tendency to induct short-term emotion into decisions that have long-term consequences. Principles are important for creating a shared understanding of the overarching values that underpin budget development. Finally, because principles are broader ideas about what the budget process ought to look like, they are more accessible to elected officials and the public than budget policies, which are more technical.

Recommendation

The CBRC recommends that Portland Public Schools adopt the following set of budget principles to help frame and guide budget deliberations.

Providing Students with an Exceptional Educational Experience and Ensuring their Academic Success Should Drive the Budget Process

Clear goals for an exceptional educational experience and the academic success of our students should guide how resources are allocated, how progress is tracked, and how budget decisions are made to prioritize programs and strategies.

Decisions Should Be Driven By Data

Programs and service providers should be selected based on qualitative and quantitative data on student outcomes, both in terms of academic success and students' whole educational experience. Data should include input from relevant stakeholders. Programs and providers that have a demonstrated track record of success in achieving the district's desired goals should be prioritized for funding.

Base Resourcing Decisions on Cost-Effectiveness

The budget process should seek to allocate available dollars optimally, in a way that will create the most benefit for children given the costs. Prioritize strategies and programs with proven cost-effectiveness. Strategies and programs that have proven to produce larger gains in student learning relative to their cost should be given priority for funding. Programs that are chosen should be implemented fully and faithfully even if that means fewer programs.

Prioritize the Core Program in All Schools

Ensure there are sufficient resources for the core program, including core instruction and ongoing, comprehensive, and systemic professional development, as well as school-based instructional support for teachers and students.

Furthermore, the district must provide resources for the most impactful supplementary strategies and interventions for students who do not perform within the expected parameters in the core program. This includes all students, but most importantly the extra help or interventions made available by federal Title I and state compensatory education programs, and for subgroups including special education students, English Language Learners and other historically underserved populations.

Critically Re-Examine Patterns of Spending

Past patterns of spending may no longer be relevant given changing needs of the community and student body. Hence, the budget process should encourage review of past spending decisions and critically change, where necessary. The district should develop and adhere to a program review and sunset process to identify and discontinue programs that are not achieving their objectives or that are simply not as effective as available alternatives.

Provide Every Student with Equitable Access

The district will significantly change its practices in order to achieve and maintain equity for historically underserved populations* in education. Educational equity means raising the achievement of all students while (1) narrowing the gaps between the lowest and highest performing students and (2) eliminating the racial predictability and disproportionality of which student groups occupy the highest and lowest achievement categories. The concept of educational equity goes beyond formal equality – where all students are treated the same – to fostering a barrier-free environment where all students have the opportunity to benefit equally. Educational equity benefits all students, and our entire community. All students shall graduate from PPS ready to succeed in a diverse local, national and global community. To achieve educational equity, PPS will provide additional and differentiated resources to support the success of all students, including students from all historically underserved populations.

(Based upon the PPS Racial Educational Equity Policy)

*Historically Underserved Populations includes students who meet one of the following criteria: special education eligibility; limited English proficiency; free meal eligibility by direct certification; Black, Hispanic, Pacific Islander or Native American race.

Take a Long-Term Perspective

The district will not be able to make large changes to its educational strategy and resource allocation patterns within a single year. Further, a consistent application of proven strategies over a multi-year period will deliver better results. Therefore, to the degree possible, the district should develop and adhere to a multi-year funding and review plan for its strategies, with the goal of fully funding and re-aligning resources where necessary to fund high priority elements of the strategies.

Be Transparent

Effective budgeting requires valid information about the true costs of serving students and the outcomes produced for students.

- Make current, valid and reliable data on defined fiscal and academic outcomes readily available.

- Consider all direct and indirect expenditures in evaluating the cost of educating students.
- Use a comprehensive budget that considers all available funds and acknowledges constraints on restricted funds.
- Be clear on what activities are being funded and how they help the district reach its goals— not just line items and broad expenditure categories.
- Ensure that the budget is transparent and accessible to the community it serves.

RESOLUTION No. 5230

Students Requesting Exemption from PE State Requirement

RECITALS

- A. In accordance with OAR 581-022-1910, Portland Public Schools may excuse students from a state required program or learning activity, where necessary, to accommodate students' disabilities or religious beliefs:
- B. Approval of the exemption shall be based upon and shall include:
 - 1) A written request from the student's parent or guardian or the student, if that student is 18 years of age or older or a legally emancipated minor, listing the reasons for the request and a proposed alternative for an individualized learning activity which substitutes for the period of time exempt from the program and meets the goals of the learning activity or course being exempt;
 - 2) An evaluation of the request and approval by appropriate school personnel (the alternative should be consistent with the student's educational progress and career goals as described in OARs 581-022-1670 and 581-022-1510).
- C. Following approval by Portland Public Schools Board of Education, and upon completion of the alternative, credit shall be granted to the student.

RESOLUTION

- 1. Be it resolved that the Board of Education approves nine Portland Public Schools high school students to be granted exemption from the state PE requirement.
- 2. In accordance with OAR 581-022-1910, all students have a physician statement that documents their specific physical limitation as it relates to this requirement, as well as a written state of agreement from their parent/guardian. All students will replace the PE credit requirement with alternative coursework as required .

A. Lopez

RESOLUTION No. 5231

Minutes

The following minutes are offered for adoption:

February 23, 2016