

**OFFICE OF THE SUPERINTENDENT OF SCHOOLS**

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**School Board Workshop  
August 10, 2010**

**Generation Rates/Impact Fees Study**

On April 21, 2009, the School Board approved the selection of Duncan Associates to conduct and update the current Student Generation Rate/School Impact Fee Study.

Duncan Associates and staff came before the Board to give an update of this report. This is a very complicated issue that ties into many agreements with the municipalities and counties. In 1970 Broward was the first county to create impact fees.

The Amended Interlocal Agreement and School Board Policy 1161 requires an update of the Student Generation Rate/School Impact Fee Study every three years. The last Study Update was approved in December 2007.

Per the Broward County Land Development Code (BCLDC), school impact fees are to be used solely for the acquisition of school sites or the provision of facilities. These fees can only be spent on capital costs that create new capacity (not replacement or rehabilitation.) Impact fees can also be used to pay down debt on capacity improvements built in anticipation of growth. Impact fees are determined by using State guidelines for construction costs per student unit.

Currently, Broward County is divided into four zones. Impact fees from development can only be used in the zone that the construction occurred. Instead of the four zones, the Board requested that staff consider going county wide. Before the updated report goes to the County Commission, staff is requested to provide the Board with the pros and cons regarding going to a county wide option. Board Members would also like to see data on what other counties are doing.

The 2007 study matched student addresses to addresses of recently built units. This study was unable to reliably determine specific multi-family units. This study under-predicted enrollment by 20%.

The 2010 study used the current Census micro data for all units, which predicted actual enrollment more closely. The study over-predicted enrollment by 7%.

On August 18, 2010, the study will be presented to the Oversight Committee. Staff is requested to also present this report to the Facilities Task Force. In September the study will be presented at a public workshop and to the Broward County Planning Council.

In October 2010 the draft study will be updated using the 20-day count and the approved Five-Year Plan and presented again to the School Board. In December 2010 there will be a School Board Public hearing to transmit the updated study recommendations to the Broward County Commission for incorporation into the BCLDC. In March-June 2011 the Broward County Commission takes formal action to adopt the updated study recommendation in the BCLDC. The updated Student Generation Rates/School Impact Fees Study becomes effective upon county commission action.

The draft Student Generation Rate/School Impact Fee Study and presentation can be found on the eAgenda, August 10, 2010 workshop.

### **Investment Performance Report**

There has been a positive growth to the School Board's investments, even though interest earnings are low. The principal of these investments remains intact.

In the last six months employment has been increasing, except in June, when the Census employees stopped working. Housing is still a problem and sales dropped in June due to the expired Federal housing credit. Debt across the world is a continued concern and has caused a slight double dip recession.

The School Board's investment strategy has been very conservative and investments are not ventured into risky areas. The past six months investment performance has been a little below established benchmarks, but overall, performance has been above the benchmarks.

Staff went over the School Board's investments noting the Treasurer's Pool cash balances as of June 30, 2010 and its composition, long term 1-3 year operating portfolio composition, and self-insurance 1-3 and 1-5 year portfolio performance.

Despite market conditions, economists are projecting growth for the second quarter of 2010. The investment team, PFM Asset Management, will continue to emphasize safety and liquidity in the management of the portfolios. During this period of historically low interest rates, the School District relies heavily on the active management of its investments to safely enhance the portfolios long-term performance.

The Investment Performance report can be found on the eAgenda August 10, 2010 workshop.

### **2009-10 Status Update to the Citizens Concerned About our Children (CCC) Settlement Agreement.**

The 2009-10 CCC Report was reviewed with the Board. Information in the CCC Status Report reflects input from the Diversity Committee. Additional indicators were included to align to the newly revised Policy 1.5 and to the new Site Visit Instrument used by the committee to guide their work. There are indicators in this report that the District cannot currently comply, due to the State and local budget shortfalls.

There are nine conditions established by the CCC Settlement Agreement:

- Textbooks - Three of the four indicators were met. In November staff is requested to determine the number of students that go to the student portal to use E-books. This information is needed to get an idea of how many students can access textbooks online. The use of E-books cuts down on the number of lost books, which is a savings for the School District. Communication is needed to let students and parents know this option is available.
- Technology – All three indicators are met.
- Student Progression Plan - Data is not available for the two indicators due to FCAT data pending FDOE release of School Grade and AYP. Graduation Rate data will be available in November.
- Advanced Placement/Honors Course – two of the three indicators were met.
- Athletic and Extracurricular Activities – two of the four indicators were met. Due to the Capital Plan budget shortfalls, track renovations have been stopped. Also, extracurricular activities were not met due to one school not having Future Educators of America. There are plans to reinstate this extracurricular activity for next year.

- Media Centers –Three of the six indicators were met. Area offices will work closely with learning resources to provide schools out of compliance with appropriate support.
- Student Suspension/Disciplinary Actions – All four indicators were met.
- Five-Year Capital Plan – All Five indicators were met.
- Student Assignment/Reassignment – The one indicator is met.

Even though there has been a budget loss, the School District has made great strides and has not lost focus on what is important for schools. When something is found at a school, that does not meet the standards of the CCC report, staff acts on it immediately, rather than just reporting it. Working together, staff is keeping our schools in compliance.

The Board wants to make sure Magnet schools are flourishing, even though they have lost funding. Magnet programs have two purposes, first, the idea of a choice school and second, the original concept, for desegregation. Losing Magnet programs could hurt the diversity of our schools. Board Members requested that it be noted in this report the financial loss of money can interfere with the District being in compliance with the CCC report. It was further requested, to note in the report that the District will continue to monitor resources and address inequities in all the areas of the CCC Settlement Agreement that were impacted by State budget shortfall. Staff is requested to supply the Board with the financial impact of all conditions, which could be used as talking points when meeting with the State regarding budget requests. The Board does not want to be in violation, but loss of funding forces the School District into certain circumstances. Staff will be meeting with the Board to get their feedback regarding the Magnet Policy and keeping Magnet schools at the elementary level, at the September 14, 2010 workshop.

The Diversity Committee will do a presentation in response to the CCC Settlement Agreement Status report to the School Board at the November 30, 2010 workshop.

The complete CCC Status Report and the presentation can be found on the eAgenda August 10, 2010 workshop.

### **Ethics Code Committee Update**

At the May 11, 2010 workshop, Mrs. Jennifer Gottlieb, Chairwoman and Mr. Kevin Tynan, School Board Member, were assigned by the Superintendent to create a committee to craft a Code of Ethics policy.

Mr. Tynan and Mrs. Gottlieb came before the Board to give an update on the Ethics Code Committee. The structure of the Ethics Code will include one set of rules for all employees, Board Members, and appointees. There will be additional rules for Board Members and their appointees. Board Member requested a list of the membership for this committee.

The subject areas to be included in the Code of Ethics are: gifts, no personal benefit, relationships with lobbyists, relationships with vendors, obligation to report ethical breaches, and filing of frivolous complaints. Also discussed is the enforcement of the Code of Ethics by the Florida Commission on Ethics, creation of the ethics committee, and sanctions.

Educating all employees is critical. There will be an ethics hotline, ethics website and yearly training with acknowledgement that training has been completed.

The committee determined that there are established policies by the School District, Policy 4009.11, Code of Conduct for Administrators and Policy 5202, Gifts to Personnel.

A Professional Ethics website is being crafted, <http://web/ethis/index.htm>, and once official it will be added to the Broward Schools website. The ethics website will include the above mentioned policies all in one location. This website also provides employees access to portions of the PowerPoint presentation from the Florida Commission on Ethics, frequently asked questions, and links to the Florida Commission on Ethics.

Board Member requested that the ethics code include information regarding employees running for a Board position and staff having partnerships with other companies, including disclosure rules and requirements. Board Members are encouraged to contact Mr. Tynan with any recommendations for the Ethics Code.

Staff is requested to do an article on the Code of Ethics Committee, what has been done so far, and the future of this committee.

Information about the Ethics Code Committee and website can be found on the eAgenda August 10, 2010 workshop.

### **2011 Florida School Board Association (FSBA) Legislative Platform Proposals**

The FSBA invites School Boards to submit legislative proposals for their 2011 Legislative Program by August 27, 2010. The School District's Legislative Liaison reviewed the ten proposals with the Board. Adequate funding is always the first and foremost concern.

It is anticipated that the proposals will be included in the Broward School Board's 2011 Legislative Program, along with additional issues submitted by Board Members and staff such as:

- The new high school graduation requirements of math and science courses. It is requested that this requirement be amended to consider students who do not take these courses and have other goals such as fine art students.
- Phasing out of FCAT and the use of other end of course exams, such as ACT.
- Funding for Magnet Programs.

The Board will discuss a draft of the 2011 Legislative Platform at the October 12, 2010 workshop.

The proposals submitted to FSBA will also be submitted to the Greater Florida Consortium of School Boards for consideration to be included in their Legislative Program.

The proposals for the FSBA can be found on the eAgenda August 10, 2010 workshop.

### **Federal Jobs Bill**

The Federal Job Bill has passed, which will give the School District approximately \$54 million. How the monies will be disbursed to the counties has not been determined as yet. These dollars will be used to hire back teachers, school based employees, and those employees with direct contact with schools and students. The Superintendent, with the aid of our legislative staff, will be in touch with the Governor and Federal Government to get more answers as soon as possible.

JFN:jd