

**MINUTES OF THE CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS
BOARD OF EDUCATION**

Special Meeting of September 22, 2009

The Board of Education of the Cleveland Heights-University Heights City School District, Cuyahoga County, held its Special Meeting in the public meeting room of the Board of Education building at 2155 Miramar Boulevard, University Heights, Ohio, on Tuesday, September 22, 2009.

Mr. Kal Zucker, Board President, called the meeting to order at 7:00 p.m.

Present at Roll Call: Mr. Kal Zucker, President
Mr. Ron Register, Vice President
Mr. Michael Cicero, Board Member
Mr. Eric Coble, Board Member
Ms. Nancy Pepler, Board Member

Also Present: Mr. Douglas Heuer, Superintendent
Mr. Scott Gainer, Chief Financial Officer
Members of the Central Office Staff
Patrons of the School District
Representatives of the News Media

PRESENTATION

Renhill Temporary Staffing Services

Superintendent Doug Heuer introduced Rachel Wixey, a representative of Renhill Staffing Services. This company provides substitutes both for certified teaching personnel and for classified personnel. Mr. Heuer believes Renhill's services could bring significant advantages to the District in terms of resources, time, energy and financial savings.

Ms. Rachel Wixey provided background on the personnel-related services Renhill offers schools. Renhill has been in business for 40 years. What began as temporary staffing for clerical/office personnel has grown to provide substitute programs and employer services for K-12 school districts. Ms. Wixey indicated that Renhill begins with the existing pool of substitutes a district uses, bringing those substitutes on as Renhill employees. Renhill then becomes responsible for all of the absence tracking, reporting and securing qualified substitutes for each assignment. As employer of record, Renhill would be responsible for taxes, risk management, unemployment, workers' compensation, and all payroll-related process matters. Additional recruiting is ongoing to insure 100% fulfillment in the classroom each day.

Absences will continue to be reported through a web-based management system. The District would have a primary point of contact from Renhill located in their Perrysburg, Ohio office. However, all of the on boarding and recruitment of qualified substitutes would take place within the District.

Board members asked questions about the staffing service. Should the Board decide to utilize Renhill's services, implementation could take from three to four weeks.

WORK SESSION: TOPIC – BUDGET

Chief Financial Officer A. Scott Gainer began with discussion on House Bill 1 (HB1), the state biennial budget. Funding for schools is embedded in the state biennial budget. Of particular note this time around is the strong emphasis on education. The model is shifting from a per pupil allocation to an evidence based model.

What does this look like in terms of the Cleveland Heights-University Heights School District? Twenty percent of our revenue comes from state sources. The bulk of our revenue, roughly \$60-70 million is based on real estate taxes. We can expect a 1% reduction in revenue from the state for FY10. In the second year of the biennial budget, we can expect another 2% decrease. Most of the school districts in Cuyahoga County will see the same reductions.

Superintendent Doug Heuer spoke about the philosophy behind HB1. Mr. Heuer dissected the process the state used for determining the per pupil allocation. The Supreme Court, as long ago as 1996, ruled that this system was illegal according to the state constitution because it made districts overly reliant on property tax. The Governor, working with the Ohio Department of Education, proposed a new funding formula. If and when this new formula is fully funded by the state of Ohio, it will shift the funding so that the state is picking up roughly 59% of the total cost, 41% will be borne by local districts. It is believed by legal specialists that this shift will be what is necessary to meet the court mandate to remove the over reliance on property tax for funding schools.

Mr. Heuer continued that the new formula continues to be based on students indirectly, but the dollar figures are calculated based upon delivery units – the classroom level, the building level, and then the district level. The state defines what constitutes each level and allocates funds thereto.

This House Bill, Superintendent Heuer said, in addition to supposedly shifting funding more toward the state and less away from the local district, is also a significant move towards increasing state control over district funding. They are actually putting into place a specific model that says how many teachers and administrators you should have and what your building size should be for elementary, middle and high school units. A significant amount of implied state level control is built into this bill.

Additionally, each year a building and district must submit a plan as to how they will expend the state dollars they are allocated. As these spending plans go in, they will be compared against the model, Mr. Heuer said.

Dr. Joseph Micheller, Director of Educational Services, summarized what can be expected from HB1 in the next one to two years. He mentioned that almost everything is going to change in the way schools

operate. National standards are currently being developed by 46 out of 50 states. Ohio is one of the states. HB1 directly references these national standards. Life in schools, Mr. Micheller mentioned, is aligned to the state and federal standards. It is not a bad alignment, he said, but the problem is that in our state we are implementing a model that is totally under funded.

Scott Gainer concluded the work session by quoting Dr. Dick Maxwell, considered one of the foremost experts in the state of Ohio on school finance. “The new model will be phased in over several biennia with very little increase in the next couple of years. This is a recipe for needing additional local taxes to be approved, and this might not be easy to explain in light of this new funding reform.”

FINANCE

Permanent Appropriations

It was recommended that the Board of Education approve the Permanent Appropriations for fiscal year 2009-2010, as presented (see official minutes).

Chief Financial Officer Scott Gainer indicated the District, as directed by the Board, cut \$2.4 million from the budget. The District exceeded the \$2.4 million reduction by an additional million dollars. The additional reduction was accomplished through significant electricity savings and the Superintendent’s efforts at finding other areas of potential savings, which included reducing his own budget by approximately 40%. Mr. Gainer said the District is committed to continue looking for additional cost savings.

No. 09-09-125

It was moved by Mr. Cicero, seconded by Mr. Coble, that the Permanent Appropriations be approved.

Vote on the motion was as follows:

Ayes: Mr. Cicero, Mr. Register, Ms. Pepler,
Mr. Zucker, Mr. Coble

Nays: None

UPCOMING MEETINGS

Tuesday, October 6, 2009 – Regular Board Meeting

Tuesday, October 20, 2009 – Special Board Meeting – TOPIC: Board Policy on Student Rights and Responsibilities

MOTION TO ADJOURN

It was recommended that the meeting be adjourned.

No. 09-09-126

It was moved by Mr. Cicero, seconded by Ms. Pepler, that the meeting be adjourned.

Vote on the motion was as follows:

Ayes: Mr. Register, Mr. Coble, Ms. Pepler,
Mr. Zucker, Mr. Cicero

Nays: None

The meeting was adjourned at 9:06 p.m.

Kal Zucker, President

Scott Gainer, Chief Financial Officer