

SCHOOL BOARD MEETING

Thursday, May 26, 2016

The School Board of the Sioux Falls School District 49-5 of Minnehaha County, South Dakota, was called into regular session, pursuant to due notice, on Thursday, May 26, 2016 at 4:00 pm in the Instructional Planning Center, 201 East 38th Street, Sioux Falls, South Dakota, with the following members present: Douglas C. Morrison, Kate Parker, Carly Reiter, Vice President Todd Thoelke and President Kent Alberty. Absent: None. Jeffrey Holcomb, President of Southeast Tech, and Rich Kluin, Vice President of Finance and Operations, were also present.

Kent Alberty congratulated Southeast Tech for being ranked 21st in the Top 50 Best Value Community Colleges of 2016 by Value Colleges. Jeff Holcomb, Southeast Tech President, stated the criteria was based on the graduation/transfer rate, graduate salaries and tuition rates.

Action ST00124

A motion was made by Kate Parker and seconded by Doug Morrison, five (5) votes "yes" on roll call, **approving the minutes of a meeting** held on April 6, 2016, which were furnished to the Sioux Falls Argus Leader for publication, in unapproved form, all in accordance with SDCL §13-8-35.

Action ST00125

A motion was made by Kate Parker and seconded by Carly Reiter, five (5) votes "yes" on roll call, **approving the agenda** as presented.

Action ST00126

A motion was made by Doug Morrison and seconded by Kate Parker, five (5) votes "yes" on roll call, **approving Item A through H on the consent agenda**, as follows:

A . Approving the Authorizations and Ratifications, as follows:

A1. Disposal of School District Property

Authorizing the disposal of surplus property to sell at private sale, public auction, sealed bids or to dispose of, in accordance with SDCL §6-13-1, as follows:

A1. Disposal of School District Property (Continued)

Item No.	Description	Location	Appraisers	Appraised Value	Property File No.
a.	2 - Benwil TPO-7 Swing Arm Hoists. (Asset ID: 6199, 6200)	Southeast	Pat Amor M. Lindsey Whalen Joel Bork	\$0	2016-ST0033
b.	2 - New Generation Start Testers. (Asset ID: 6217, 6218)	Southeast	Pat Amor M. Lindsey Whalen Joel Bork	\$0	2016-ST0033
c.	Hunter 811 Alignment Hoist. (Asset ID: 6231)	Southeast	Pat Amor M. Lindsey Whalen Joel Bork	\$0	2016-ST0033

B. Accepting the **Consolidated Report of Trust and Agency Funds** of May 26, 2016 and stating for the record that as of March 31, 2016, receipts total \$37,195,168.80 and disbursements total \$36,403,893.88 (see MRF #ST106).

C. Accepting the **Consolidated Report of Trust and Agency Funds** of May 26, 2016 and stating for the record that as of April 30, 2016, receipts total \$39,137,568.57 and disbursements total \$37,734,079.31 (see MRF #ST107).

D. Approving the **Vice President of Finance and Operation’s Report** of May 26, 2016 in accordance with the SDCL §13-8-35 (see MRF #ST108) and directing that detailed statement of receipts and balances on hand, as of March 31, 2016, be published as part of these minutes, in accordance with SDCL §13-8-3.

E. Approving the **Vice President of Finance and Operation’s Report** of May 26, 2016 in accordance with the SDCL §13-8-35 (see MRF #ST109) and directing that detailed statement of receipts and balances on hand, as of April 30, 2016, be published as part of these minutes, in accordance with SDCL §13-8-3.

F. **Approving financial transactions** of Southeast Tech – March 2016 (see MRF #ST110).

G. **Approving financial transactions** of Southeast Tech – April 2016 (see MRF #ST111).

H. **Accepting the Southeast Tech Personnel Report**, as follows:

H1. **Change in Employment Status.** Accepting the change in employment status, as of the effective date indicated, of the personnel identified below who were previously employed by Board Action:

<u>Name</u>	<u>Effective Date</u>
ABE Tutor, part-time	
Driver, Marilee	02/28/14
Oostra, Donelle	04/30/14

H1. Change in Employment Status (Continued)

<u>Name</u>	<u>Effective Date</u>
Administration, 12 Month, full-time Holcomb, Jeffrey	06/30/16
Clerical, 12 Month, full-time Karpen, Janet	06/03/16
Employment Contract, full-time McKenna, Roxanna	06/30/16
Smorawske, Edee	04/28/16
Streng, Sanna	06/30/16
Wohlwend, Dana	06/30/16
Federal Work Study, part-time Currie, Catlin	05/05/16
Fuhrer, Chelsea	05/05/16
Gilliam, Emily	05/05/16
Howard, Charlene	05/05/16
Schell, Rebekka	05/05/16
Instructor, 186 Day, full-time Pastrano, Xavier	06/30/16
Instructor, part-time Brenner, Nichole	06/30/16
Bursing, Axanthia	06/30/16
Castardo, Ruby	06/30/16
Cavin, Georgina	06/30/16
Dirnberger, Laurie	06/30/16
Dunbar, Mark	06/30/16
Erdman, Corliss	06/30/16
Erickson, Tami Jo	06/30/16
Hayashi, Jenny	05/12/16
Jaskulka, Ashton	06/30/16
Johnson, Beverly	06/30/16
Johnson, Leslie	05/12/16
Johnson, Shaina	06/30/16
Kassing, Elizabeth	06/30/16
Larson, Amanda	06/30/16
Lewis, Nancy	06/30/16
Lunde, Lloyd	06/30/16
Mack, Clinton	06/30/16
Martin, Christopher	06/30/16
McKenna, Katherine	06/30/16

H1. Change in Employment Status (Continued)

<u>Name</u>	<u>Effective Date</u>
Instructor, part-time (Continued)	
Nady, Robert	06/30/16
Noldner, Tracy	06/30/16
Pepper, Dustin	06/30/16
Peters-Walters, Stacy	06/30/16
Prouty, Terry	06/30/16
Reid, Robert	06/30/16
Schneider, Terry	06/30/16
Schroeder, Johnnie	06/30/16
Schultz, Kellie	06/30/16
Stueven, Rebecca	06/30/16
Taylor, Abbey	06/30/16
Tipton, Caroline	06/30/16
Willuweit, Bernadette	06/30/16
Zweifel, Linda	06/30/16
Instructor, Substitute, part-time	
Gibson, Allen	05/13/16
Lab Assistant, part-time	
DeVaney, Stacy	05/06/16
Grassel, Jacqueline	05/06/16
Nelson, Renae	05/06/16
O'Bryan, Brenna	05/06/16
Salzwedel, Jackie	05/06/16
Vandenbos, Sara	04/21/16
Warnock, Stephan	05/29/15
Other Help, part-time	
Anderson, Emily	06/30/16
Anderson, Pam J	06/30/16
Fillaus, Kristi	06/30/16
Hotchkin, Stacy	06/30/16
Johnson, Andrew	02/15/16
Mack, Clinton	06/30/16
McKenna, Katherine	06/30/16
Pries, Dianne	06/30/16
Woessner, Cynthia	06/30/16
Zweifel, Heather	06/30/16
Student Help, part-time	
Blair, Ian	05/05/16
Currie, Catlin	05/06/16

H1. Change in Employment Status (Continued)

<u>Name</u>	<u>Effective Date</u>
Student Help, part-time (Continued)	
Eldridge, Keenan	05/27/16
Howard, Charlene	04/30/16
Meyer, Derek	05/13/16
Student Tutor, part-time	
Diede, Diandra	02/23/16
McComish, Michael	04/28/16
Ramsbey, Tyler	05/03/16

H2. Salary Adjustment

<u>Name</u>	<u>Current</u>	<u>Proposed</u>
Instructor, Adjunct, Spring 2016 Session, Addendum to Budget, lump sum		
Foster, Fenecia	TAACCCT3 Grant, Gen Ed, Orig Budget, \$2,700.00	Gen Ed, Add Courses, \$3,000.00 Eff. 05/31/16
Pastrano, Xavier	TAACCCT3 Grant, Gen Ed, Orig Budget, \$5,040.00	Gen Ed, Add Courses, \$5,340.00 Eff. 05/31/16
Instructor, Adjunct, per hour		
Lunde, Lloyd	Instructor, 186 Day, Engineering Tech, 1.0 FTE, Lane 8, Step 10, Base, \$64,187.00	Adjunct Instr, Eng Tech, \$900 per cr hr, Eff. 07/01/16
Other Help, part-time, per hour		
Brinkman, Jeremy	Cust & Maint, Summer, \$10.50	Cust & Maint, Summer, \$11.00 Eff. 05/02/16
Other Help, part-time, lump sum		
Stiehl, Danica	TAACCCT3 Grant, LPN, \$750.00	TAACCCT3 Gr, LPN, \$1,250.00 Eff. 04/16/16

H2. Salary Adjustment (Continued)

<u>Name</u>	<u>Current</u>	<u>Proposed</u>
Specialist, 184 Day, per hour Hotchkin, Stacy	Lab Specialist, 210 Day, 1.0 FTE, Horticulture Tech, Level N, Step 16, Base, \$25.88	Lab Specialist, 184 Day, 1.0 FTE, Hort Tech, Level N, Step 16, Base, \$27.30 Eff. 08/08/16
Mack, Clinton	Lab Specialist, 210 Day, 1.0 FTE, Welding Tech, Level N, Step 8, Base, \$23.94	Lab Specialist, 184 Day, 1.0 FTE, Welding Tech, Level N, Step 9, Base, \$25.51 Eff. 08/08/16
Sackett, Julie	Lab Specialist, 210 Day, 1.0 FTE, Electronics Tech, Level N, Step 13, Base, \$25.15	Lab Specialist, 184 Day, 1.0 FTE, Elect Tech, Level N, Step 14, Base, \$26.79 Eff. 08/08/16

H3. Employment Recommendations

<u>Name</u>	<u>Effective Date</u>	<u>Actual Pay</u>
Instructor, 186 Day, per annual Carlson, Jason	07/01/16	\$56,164.00 FY2015-16
Instructor, part-time, per hour Erickson, Tami	04/18/16	\$35.00
Mack, Clinton	04/15/16	35.91
Misc Stipend Payments, lump sum Simons, Melissa	05/31/16	\$750.00
Stiehl, Danica	05/31/16	750.00

H3. Employment Recommendations (Continued)

<u>Name</u>	<u>Effective Date</u>	<u>Actual Pay</u>
Other Help, part-time, per hour		
Walker, Chase	04/20/16	\$10.50
2015-16 School Year, Instructor Overload, lump sum		
Amor, Patrick	07/01/15	\$6,300.00
Armstong, Misty	07/01/15	3,420.00
Berry, Vincent	07/01/15	1,620.00
Burchatz, Ronald	07/01/15	2,160.00
Castardo, Ruby	07/01/15	2,520.00
Gacke, Nancy	07/01/15	6,840.00
Hoier, Patrick	07/01/15	5,040.00
Hoss, Sherri	07/01/15	1,840.48
Johnson, Shaina	07/01/15	900.00
Lanphere, Nicholas	07/01/15	2,160.00
Larsen, Kristen	07/01/15	3,600.00
Lease, Sara	07/01/15	11,160.00
Merritt, Jason	07/01/15	1,800.00
Pepper, Dustin	07/01/15	360.00
Pothast, Lee	07/01/15	2,160.00
Schlepp, Jeffrey	07/01/15	900.00
Wendell, John Michael	07/01/15	4,320.00
Summer, 2016, Adjunct Instructor Budget, lump sum		
Ahrendt, Sarah Michele	05/24/16	\$2,210.80
Bowman, Kaay S	05/09/16	1,600.00
Brekke, Ryan Jeffrey	05/09/16	2,340.00
Carlson, April Elizabeth	05/17/16	5,638.30
Cavin, Georgina D	05/09/16	12,420.00
Cox, Bryan J	06/06/16	5,580.00
Cuppy, Tanya Ann	05/17/16	7,695.00
Curtis-Cramer, Sherry Lynn	06/06/16	2,700.00
Davis, Chris E	05/09/16	6,840.00
Derry, Elise Kaye	05/19/16	1,594.40
Dvanajscak, Amanda Jo	05/16/16	2,700.00
Foster, Fenecia Lynn	05/09/16	7,200.00
Gillis, Sara Jo	06/06/16	2,700.00
Gundvaldson, Kristen	06/06/16	7,800.00
Hanson, Mylynn Jean	05/17/16	2,160.00
Hoss, Sherri Lyn	05/09/16	10,920.00
Hoyt, Jodi Lynn	05/09/16	5,340.00
Hunking, Debra Lee	06/06/16	5,400.00
Jacobs, Karle Ann	05/25/16	2,601.60
Kaardal, Ivar M	05/09/16	3,240.00

H3. Employment Recommendations (Continued)

<u>Name</u>	<u>Effective Date</u>	<u>Actual Pay</u>
Summer, 2016, Adjunct Instructor Budget, lump sum (Continued)		
Kappenman, Gerard Lee	06/06/16	7,920.00
Kavanagh, David F	06/06/16	2,700.00
Kramer, Jaclyn Heide	05/17/16	713.60
Landry, London Christopher	05/17/16	280.00
Lang, Sarah Elizabeth	05/17/16	3,819.30
Larsen, Kristin Jenell	05/09/16	5,100.00
Lease, Sara Jane	05/21/16	\$2,601.60
McCabe, Sarah Lynn	05/17/16	4,616.00
McGee, Patricia Ellen	06/06/16	2,700.00
McManus, Stacy Leanne	06/06/16	5,400.00
Michels, John D	06/06/16	2,340.00
Moore, Sharon Christin	06/06/16	2,340.00
Morris, Roger A	05/09/16	2,880.00
Nowak, Deborah A	05/09/16	4,000.00
Olson, Curtis Carl	06/06/16	3,780.00
Pastrano, Xavier Mikhail	06/06/16	5,040.00
Pepper, Merrel Lewis	06/06/16	2,700.00
Peters, Dennis A	06/06/16	2,700.00
Pommer, Jacqueline Kay	05/09/16	3,240.00
Poppenga, Jalanni Jean	05/21/16	3,048.80
Prouty, Jessica Ann	05/17/16	4,127.50
Roller, Cynthia Jane	06/06/16	3,840.00
Russell, Dennis Gary	06/06/16	2,700.00
Schaffer, Kenneth W	06/06/16	4,680.00
Stainbrook, Amy JoAnn	05/17/16	5,974.20
Stueven, Rebecca M	05/17/16	7,687.00
Suhr, Lori Ann	05/16/16	1,800.00
Talcott, Roberta L	06/06/16	2,700.00
VanOverbeke, Jeffrey S	06/06/16	5,400.00
VanVliet, Jamie Lynn	05/21/16	3,048.80
Weihe, Kimberly Elnora	05/09/16	5,940.00
Wellnitz, Kristin Kay	06/07/16	2,700.00
Williams, Brian Keith	06/06/16	2,700.00
Wolff, Dana H	05/09/16	2,400.00

Action ST00127

Rich Kluin, Vice President of Finance and Operations, **presented the FY17 budget report** (see MRF #ST112) as follows:

Southeast Tech began its initial budget process in October 2015. Between October 2015 and April 2016, administration, professional, and classified staff developed program budgets at the cost center level for presentation to the Southeast Tech Council. The Southeast Tech Council includes two School Board members and community members representing key industry segments. The Southeast Tech Council met on May 17th to review the FY17 preliminary budget prepared by Southeast Tech and formulate a recommendation for approval by the Sioux Falls School District Board of Education.

Post-Secondary Fund					
	Budgeted FY16	Projected FY16	Change	Budgeted FY17	Change
Revenue	\$22.9M	\$22.9M	\$-	\$22.4M	(\$0.5M)
Expense	<u>\$24.3M</u>	<u>\$23.7M</u>	<u>(\$0.6M)</u>	<u>\$22.4M</u>	<u>(\$1.3M)</u>
	(\$1.4M)	(\$0.8M)	\$0.6M	\$-	\$0.8M
New Building Investment	<u>(\$1.0M)</u>	<u>(\$1.0M)</u>	\$-	<u>(\$1.4M)</u>	<u>(\$0.4M)</u>
Fund Balance Change	<u>(\$2.4M)</u>	<u>(\$1.8M)</u>	<u>\$0.6M</u>	<u>(\$1.4M)</u>	<u>\$0.4M</u>
Fund Balance	\$6.2M	\$6.5M	\$0.3M	\$5.2M	(\$1.3M)

The FY17 budget presented to the School Board is balanced at the operating level. The FY17 budget spends into the fund balance by \$1.4 million to complete the building and renovation project that is currently underway.

Credits are projected to increase from 55.7k to 56.2k or 1% due to program expansions in Automotive Technician, Diesel Technician, and Electrician programs.

The impact of the FY17 budget to Southeast Tech students is an increase of \$10 per credit to maintain services at their existing levels. One-half of the increase (\$5/credit) is retained at the local level to fund the operations of Southeast Tech. The remaining one-half of the increase (\$5/credit) is to provide for the costs of building construction and related debt service for facilities funded by the Health and Education Facility Authority. The increase in per credit fees represents a 4.5% increase over FY16 per credit fees.

The Post-Secondary budget has 2.25 FTE less than FY16 primarily achieved through attrition and non-replacement of contract positions.

Budget Highlights:

Revenue (Post-secondary Fund)

- \$281k increase in fees from increases in per credit amounts paid by students. This represents a \$5 fee increase.
- \$540k placeholder allocation from House Bill 1182 to fund instructor salary enhancements. Final distribution of funds will be based on Administrative Rules formulated by the SD Department of Education.
- \$270k decrease due to proposed fund balance transfer from book store enterprise fund being cancelled.
- \$1,051k reduction in other state and federal revenue due to the FY16 one-time grant of 900k from the Governor’s Office of Economic Development (GOED) and a 200k reduction in projected FY17 Federal TAACCCT 3 grant reimbursements.

Expenditures (Post-secondary Fund)

- \$193k increase in salaries of all types was achieved through a combination of attrition, a reduction in adjunct instruction, and part time staffing levels. A \$540 thousand increase in salaries of STI Instructors is being provided through HB1182, pending final rules. Classified staff will receive salary increases as provided in the K-12 negotiated agreements.
- \$619k increase in health insurance and other benefits increases associated with the increase in full time salaries and projected benefit enrollments.
- \$306k decrease in Purchased Services through a reduction in travel and professional services provided by 3rd parties.
- \$232k decrease in Supplies through reductions in classroom supplies, software, other supplies, and food purchases.
- \$450k decrease in expenses to due operational efficiencies to be identified. Budgeted task.
- \$176k decrease in Dues and Fees due to the FY16 one-time transfer of \$146k and the elimination of the on-going annual operating subsidy of \$30k to the Childcare Enterprise Fund.
- \$882k decrease in equipment and improvements due to one-time equipment purchases through the GOED grant and one-time technology equipment purchase for the new building.

Enterprise Funds

Bookstore Fund

	FY16	FY17	Change
Revenue	\$2.33M	\$2.47M	\$0.14M
Expense	<u>\$2.59M</u>	<u>\$2.44M</u>	(\$0.15M)
	(\$0.26M)	\$0.03M	

TSI Fund

	FY16	FY17	Change
Revenue	\$574K	\$0K	(\$574K)
Expense	<u>\$596K</u>	<u>\$0K</u>	(\$596K)
	(\$22K)	\$0K	

Scarborough Fund

	FY16	FY17	Change
Revenue	\$431K	\$286K	(\$145K)
Expense	<u>\$301K</u>	<u>\$286K</u>	(\$15K)
	\$130K	\$0K	

Food Service Fund

	FY16	FY17	Change
Revenue	\$0K	\$545K	\$545K
Expense	<u>\$0K</u>	<u>\$573K</u>	\$573K
	\$0K	(\$33K)	

Budget Highlights:

Enterprise Funds

- The Training Solutions Institute Fund will be closed at the end of FY16. The CDL program will be transferred to the Post-Secondary Vocational Fund. Testing Center operations will be incorporated into the Admissions/Academic Support areas and run by existing Post-Secondary Vocational Fund staff.
- A Food Service Fund will be established with the opening of a food court in the new building.

Southeast Tech’s FY17 budget provides for expansion in the Auto, Diesel, and Electrician programs, maintains operations at current service levels for remaining programs, and provides for the operation of the new facility through increased custodial staffing, utility and supply costs. The 5-year projection forecasts a stable fund balance in the \$4.5 to \$5.0 million range through FY21, representing an approximate 20% of prior year balances.

President Alberty explained that this was the time for a public hearing. President Alberty called for the public to come forward with questions, testimony or comments. No one spoke.

Following general discussion, a motion was made by Carly Reiter and seconded by Kate Parker, five (5) votes “yes” on roll call, **acknowledging the public hearing and tentatively approving the FY17 Southeast Tech budget.**

Action ST00128

On motion by Todd Thaelke and seconded by Kate Parker, five (5) votes “yes” on roll call, the School board **adjourned** at 4:30 pm.

KENT ALBERTY
 Presiding Officer

TODD VIK
 Business Manager