



SMMUSD Financial Oversight Committee Meeting Minutes

Date: Wednesday, September 9, 2020

Time: 6:00 pm to 8:00 pm

Location: Zoom

https://drive.google.com/file/d/16Z4JF1PEaNJ4YnxOIJmuFXh_LIQ4Jt2u/view?usp=sharing

I. Call to Order

6:05 pm

<u>Committee Members:</u>	Matthew Covington	Matthew Crawford
	Alex Farivar	Seth Jacobson
	Michael Kremer	Marc Levis-Fitzgerald
	Payal Maniar	Renu Mevasse
	Melinda Newman	Kimya Afshar, MHS
	Natalie Ricciardulli, SAMOHI	

<u>Staff:</u>	Melody Canady joined @ 6:18 p.m.	
	Gerardo Cruz	Kim Nguyen

<u>Board Liaison:</u>	Jon Kean	Craig Foster joined @ 6:25 p.m.
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<u>Absent:</u>	Shawn Landres	Gordon Lee
	Laurie Lieberman	

II. Welcome New Members

6:05 pm

The FOC welcomed new members Renu Mevasse and Melinda Newman. The committee also welcomed Student Members Natalie Ricciardulli from SAMOHI, serving her 2nd year, and Kimya Afshar from Malibu High.

III. Approval of Agenda

6:06 pm

A motion was made by Ms. Newman and seconded by Ms. Maniar to approve the meeting agenda.

AYES: Nine (9) (Mr. Covington, Mr. Crawford, Mr. Farivar, Mr. Jacobson, Mr. Kremer, Mr. Levis-Fitzgerald, Ms. Maniar, Ms. Mevasse, Ms. Newman)

STUDENT ADVISORY VOTES: Two (2) (Ms. Afshar, Ms. Ricciardulli)

NOES: None (0)

ABSENT: Two (2) (Mr. Landres and Mr. Lee)

ABSTAIN: None (0)

IV. Approval of FOC Meeting Minutes

6:07 pm

A motion was made by Mr. Crawford and seconded by Ms. Maniar to approve the June 30, 2020 meeting minutes as amended.

Under II. Approval of Agenda,

A motion was made by Mr. Crawford and seconded by Mr. Levis-Fitzgerald to approve the ~~June 22, 2020 meeting minutes~~ **meeting agenda**.

Under IV.A. Nominating Subcommittee Recommendation for Membership effective July 1, 2020,

The committee discussed **the requirements of the Brown Act, as well as standing Board policy regarding the expiration of applications on file, as they applied to** the process **by which** the committee was to review the applications received.

Prior to leaving the meeting, Mr. Landres requested that the record reflect his support of the FOC recommendation going to the Board with respect to the committee's ~~actual~~ **policy** work.

AYES: Nine (9) (Mr. Covington, Mr. Crawford, Mr. Farivar, Mr. Jacobson, Mr. Kremer, Mr. Levis-Fitzgerald, Ms. Maniar, Ms. Mevasse, Ms. Newman)

STUDENT ADVISORY VOTES: Two (2) (Ms. Afshar, Ms. Ricciardulli)

NOES: None (0)

ABSENT: Two (2) (Mr. Landres and Mr. Lee)

ABSTAIN: None (0)

V. Unaudited Actual Report

6:12 pm

Director of Fiscal Services, Mr. Gerardo Cruz provided the committee with an overview of the unaudited actual report that was presented at the September 3, 2020 Board meeting.

Ms. Canady will schedule a meeting for any members who wishes to go over the District budget and the 2020-21 Local Control Funding Formula (LCFF) Calculation.

The following unaudited actual documents may be found at the below links.

Report: <https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=56834&MID=3737>

Presentation: <https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=56841&MID=3737>

VI. Discussion/Action Items

- 7:10 pm A. Conflict of Interest Pledge
- The conflict of interest pledge is an annual document that must be signed by all members. The pledge was circulated for member signatures and will be electronically provided to all members after all members have signed the pledge.
- 7:13 pm B. Board of Education mandates for 2020-2021
- The committee received the 2020-19 FOC Charges approved at the September 3, 2020 Board meeting. The Board's meeting minutes may be found at the end of these minutes.
- 7:14 pm C. Subcommittee Membership
- The subcommittee membership are as follows:
- Budget Recommendations: Ms. Maniar, Mr. Covington, Mr. Jacobson, Ms. Newman
- Tax Revenue and Assessed Valuation: Mr. Farivar, Mr. Crawford, Mr. Kremer, Ms. Newman
- Bond Oversight: Mr. Kremer, Mr. Covington, Mr. Crawford, Mr. Lee, Ms. Mevasse
- 7:08 pm D. Recruitment and Nomination Process of FOC Members
- It was recommended that the **annual FOC member appointments** timeline include starting a search/**outreach** ~~for new members if existing members decide they would not like to continue~~ beginning in January (of the year of the nomination) ~~for outreach~~; **in March, for announcement and applications will be accepted** through the deadline of mid-April; **with a final recommendation by the sub-committee** to full FOC at May meeting, **and a recommendation to the School Board at a regularly scheduled June meeting.**
- Ms. Maniar will join the nominating subcommittee.
- The FOC Subcommittee Nomination presentation may be found at the end of these minutes.
- The 6/13/2019 meeting minutes on FOC Nomination Process may be found at:
<https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FOC/FOC1819/FOC-Minutes061319.pdf>

This item was tabled to allow the subcommittee and Board Liaisons time to meet and discuss the recommended nomination process as presented, clarification on full resumes being disclosed to the full committee and the recommendation process for returning members.

VII. Receive and File (Limited Discussion)

A. Joint Meeting Minutes / Study Session with the Board of Education: August 13, 2020

VIII. Public Comments None

IX. Committee Comments None

X. Next Meeting: Thursday, October 29, 2020 – Zoom

XI. Adjournment: 7:45 p.m.



**BOARD OF EDUCATION MEETING
MINUTES - MEETING "HYBRID" FORMAT**

September 3, 2020

G. CONSENT ITEMS

Passed with a motion by Dr. Tahvildaran-Jesswein and a second by Ms. Lieberman.

- Yes Mr. Oscar de la Torre
- Yes Mr. Craig Foster
- Yes Mr. Jon Kean
- Yes Ms. Maria Leon-Vazquez
- Yes Ms. Laurie Lieberman
- Yes Mr. Ralph Mechur
- Yes Dr. Richard Tahvildaran-Jesswein

Minutes:

The board approved Item Nos. 1.ii-iv, 2.ii-iv, 3.i-xviii, and 4.i-iv listed under the Consent Calendar. The board voted on Item Nos. 1.i, 2.i, and 4.v separately.

Time Start: 8:05 p.m. Time End: 8:36 p.m.

1. Curriculum and Instruction Items

i. Approval of Independent Contractors 2020-21

Minutes:

Motion Passed: It is recommended that the Board of Education enter into an agreement with the following independent contractors. Passed with a motion by Mr. Foster and a second by Mr. Mechur.

- Abstain Oscar de la Torre
- Yes Mr. Craig Foster
- Yes Jon Kean
- Yes Maria Leon-Vazquez
- Yes Laurie Lieberman
- Yes Ralph Mechur
- Yes Dr. Richard Tahvildaran-Jesswein

Mr. de la Torre asked that the district conduct a program review for multi-year contracts, including the number of students/parents served and efficacy in meeting outcomes. Dr. Mora information that comes from the surveys could be shared with the board at the completion of each program. He also asked if existing district staff could perform some of the duties listed in the agenda item. He also requested information about Santa Monica Police Dept. involvement in the Parent Project contract. Dr. Mora said that information could be provided in a Friday Memo.

ii. Conference and Travel Approval/Ratification-2020/2021

iii. Approve CTE Advisory Committee

iv. Special Education Contracts

2. Business and Fiscal Items

i. Award of Purchase Orders

Minutes:

Motion Passed: It is recommended that the Board of Education enter into an agreement with the following independent contractors. Passed with a motion by Ms. Lieberman and a second by Mr. Mechur.

- Abstain Oscar de la Torre

- Yes Mr. Craig Foster
- Yes Jon Kean
- Yes Maria Leon-Vazquez
- Yes Laurie Lieberman
- Yes Ralph Mechur
- Yes Dr. Richard Tahvildaran-Jesswein

Mr. de la Torre asked about a variety of vendors listed. He would like a copy of the Creative Activism contract listed on page 8.

ii. Acceptance of Gifts – 2019/2020

iii. 2020-21 Financial Oversight Committee (FOC) Charges

iv. Recommendation of Appointments to Fill Vacancies On The Measure BB and Measure ES Bond Oversight Committee (BOC)

3. Facilities Improvement Project Items

- i. Award of Agreement – Districtwide - Safety and Security Project – Technology Services - Direct Source Communications - Measure M**
- ii. Reassignment of Agreement - Edison Language Academy and Santa Monica High School – Solar PV and battery installation – Holt Renewables, LLC (Holt) - Measure ES**
- iii. Award of Contract – Santa Monica High School – Interim Repairs Project – Library Renovation Project – Bid #21.01.SMS – Pardess Air - Measure SMS**
- iv. Change Order #01 Santa Monica High School – Interim Repairs / Upgrades Project – Music Building Flood Repair Project – G2K - Measure SMS**
- v. Award of Agreement – Obama Center - Windows, Paint, Floors & Doors Project - Technology Move Management Services – Direct Source Communications - Measure SMS**
- vi. Award of Agreement – Obama Center - Window, Paint, Floors & Doors & HVAC Project (Phase II) - Move Management Services – Mover Services Inc. - Measure SMS**
- vii. Award of Contract – Obama Center – Windows, Paint, Floors, Doors, HVAC (Phase II) Demo Project – Bid #20.06.SMS – The Nazerian Group - Measure SMS**
- viii. Change Order #12 – John Adams Middle School – HVAC Project - Phase II – Construction Contract Bid #19.34.ES – Pardess Air, Inc. – Measure ES**
- ix. Amendment #02 to Agreement – Lincoln Middle School – HVAC/FA Project – Abatement Monitoring Services– Ninyo & Moore – Measure SMS**
- x. Contract Amendment #01 to Agreement – Lincoln Middle School – Campus Assessments Project – Building Analysis - Architectural Services – A4E - Measure SMS**
- xi. Change Order #03 - Malibu Elementary School – Malibu Alignment Project – Playground – Bid #20.08.M – Zone 26 Construction - Measure M**
- xii. Contract Amendment #03 – Malibu Elementary School – Malibu Alignment - Playground – Special Inspection Services – Converse Consultants – Measure M**
- xiii. Amendment #02 to Agreement – Malibu Middle & High School – Campus Improvements Project – FF&E Services – Pacific Office Interiors (POI) – Measure BB**
- xiv. Amendment #46 to Agreement – Malibu Middle High School – Campus Improvements Project –Oversight and Monitoring PCB Removal – Alta Environmental – Measure ES/BB**
- xv. Contract Amendment #03 – Malibu Middle & High School - Campus Plan Project – Technology Move Management Services – Direct Source Communications – Measure M**
- xvi. Amendment #05 to Agreement – Malibu Middle & High School - Campus Plan Project - Move Management Services – King Office Services - Measure M**

- xvii. **Contract Amendment #38 to Agreement – Will Rogers Elementary School – HVAC & Fire Alarm Project - Survey Services - Psomas – Measure SMS**
- xviii. **Contract Amendment #02 – SMASH/Muir Elementary School – Window, Paint, Floors & Doors & HVAC Project - Shade Sail - Architectural Services – DSK Architects - Measure SMS**

4. Personnel Items

- i. **Certificated Personnel - Elections, Separations**
- ii. **Classified Personnel – Merit**
- iii. **Classified Personnel – Non-Merit**
- iv. **2020-2021 Declaration of Need for Fully Qualified Educators**
- v. **Establishment of a New Classification - Director, Risk Management**

Minutes:

Motion Passed: It is recommended that the Board of Education enter into an agreement with the following independent contractors. Passed with a motion by Mr. Foster and a second by Ms. Leon-Vazquez.

- Yes Oscar de la Torre
- Yes Mr. Craig Foster
- Yes Jon Kean
- Yes Maria Leon-Vazquez
- Yes Laurie Lieberman
- Yes Ralph Mechur
- Yes Dr. Richard Tahvildaran-Jesswein

Mr. Foster would like wildfire addressed in the job description. Dr. Kelly replied that could be included in the emergency operations training responsibilities.

5. General Consent Items

- i. **Adopt Resolution No. 20-04 – Board Member Absence on August 13, 2020**

ITEM : II.G.2.iii. 2020-21 Financial Oversight Committee (FOC) Charges

Recommended Motion

It is recommended that the Board of Education amend the following charges for the Financial Oversight Committee (FOC).

Rationale

The Board of Education convened a joint session with members of the Financial Oversight Committee on [August 13, 2020](#). During that joint meeting, the FOC presented proposed charges for 2020-21.

Comments

- Budget Recommendations - This subcommittee will serve as FOC representation at Superintendent Budget Advisory Committee meetings as well as to provide research and guidance as requested on budget related issues.
- Tax Revenue and Assessed Valuation - This subcommittee will research, follow and review Redevelopment (RDA) Fund calculations, the assessed valuation reports from the Cities of Malibu and Santa Monica, and the financial projections for sales tax revenue in the City of Santa Monica to help understand the budget implications of sales taxes on Prop YY and Measure GS.
- Financial Benefits of Sustainability - This subcommittee will remain in place however will just participate in the Sustainability Task Force and will monitor other efforts to identify financial benefits associated with sustainability.
- Bond Oversight - This subcommittee will continue to be involved in evaluating and assisting with District financing issues including but not limited to the preparation of an updated debt policy.

Date: September 6, 2020
To: The Financial Oversight Committee
From: The 2020 Nominations Sub-Committee
RE: 2020 Nominations Process and Potential Improvements

Each year, either three or four members of the FOC reach the end of their term and may step down or seek a new term on the Committee. Members also occasionally step down during the school year due to extenuating circumstances. The FOC appoints a Nominations Sub-Committee each year to evaluate the candidates for open seats and make recommendations on who should be nominated. In the context of last Spring's nominations process, the Nominations Sub-Committee presents this report to the Financial Oversight Committee (FOC), and requests that the FOC have a discussion of the goals of the process and agree on a clearly defined process for future nominations.

Principles

To fully define the process, we've identified some principles the process should follow:

- The Nominations Sub-Committee should be a standing group appointed at the beginning of each school year and be tasked with overseeing outreach and any vacancies that occur during the year, as well as the annual nominations process.
- The annual nominations process should begin early enough in the year that there is ample time for outreach, applications and interviews, and FOC discussion and approval prior to the last regular meeting of the year.
- Current FOC members whose terms are expiring should be treated as candidates like other applicants.
- The recommendations of the Nominations Sub-Committee should be presented to the FOC by the May meeting in written form (report). This will allow for an informed discussion by the FOC, and time to revise and defer action until June if necessary.

Clarification Needed

Given the lack of clarity and agreement on whether and how to consider prior year applications, it is also recommended that the FOC either determine or request the Board of Education to determine a clear, detailed explanation of the handling of prior-year applications. This should detail whether applications are considered valid for twelve months from the date of the application or whether the "one year" language in the governing documents means that applications received in one year will also be considered during the following year's process independent of the specific date of the application or the process.

Proposed Process and Timeline (for discussion)

To provide clarity on the Nominations Sub-Committee process, below is a proposed timeline for key activities for discussion and approval.

September: Appoint Nominations Sub-Committee for current school year.

October - January: Sub-Committee works with staff to plan messaging and outreach. Develop appropriate communication plans for FOC members and each school site to share this information via PTA council, Site leadership, and other appropriate venues.

February - March: Request FOC members to share any intent to step down or be re-considered. This would be non-binding, but would help in planning.

March 1st: Open FOC member applications (online) for 45 days.

April 15th: Close Applications. Final date for current FOC members to formally indicate that they wish to be considered for a new term.

March 15 - May 5: Nominating sub-committee screens applications, conducts candidate interviews, compiles findings and develops report.

Report should include:

- Names and qualifications of recommended candidates including their applications (redacted as appropriate)
- Summary on why these candidates are being recommended
- Applications funnel (e.g., xx applied, yy interviewed, zz recommendation)
- The nominating sub-committee does NOT need to provide specific details of all evaluated candidates but should be available/ able to speak to candidate selection/ rejection theses if asked.

May FOC meeting: Nominating Sub-Committee presents findings and recommendations to FOC. The FOC votes to make any recommendations to the board. The names of those being recommended should be published in the posted agenda.

June - Board reviews and makes FOC member recommendations.

Context: The Spring 2020 Process

At the May 19, 2020 FOC meeting, the need for nominations was agendaized and discussed. Two members announced they were not continuing, and two said they were willing to continue for another term. After some discussion, it was determined that the applicants from 2019 should also be considered, consistent with the Board-approved governing documents, which state that applications “will be considered for a period of one year.”

On June 4, 2020, by email, FOC Chair Seth Jacobson asked the three of us, Matt Crawford, Marc Levis-Fitzgerald, and Gordon Lee, to serve as the Nominations Sub-Committee. We agreed, and were invited to meet with Shelly Nahass to discuss the prior year’s applicants as a preliminary step in the process. At that time, the FOC application announcement had already been released and the due date was quickly approaching, so there was already some urgency. In the available time before the next FOC meeting, Matt Crawford was able to talk to Shelly about the prior year applicants and get her opinion on whether they were qualified and should be considered and/or granted a new interview.

At the June 11, 2020 FOC meeting, the Sub-Committee reported to the FOC that there were some qualified candidates from the prior year, but no new applications had been received. There was also a discussion about the desire for a more diverse candidate pool, given that the FOC governing document as adopted by the Board of Education includes a membership goal for the FOC of representing the composition of the student population. A request was made for staff to distribute the application announcement more widely, with some targeted placements, and for each FOC member to distribute it as well.

The deadline for applications was June 23, 2020. As of that time, staff had received five new applications. Staff worked to schedule zoom interviews with the Sub-Committee members and each of the applicants. One applicant withdrew from consideration before the interview, but all four other applicants were interviewed with just a few days’ notice.

Subjectively, the interviews went well. The candidates were strong, and all spoke well and offered a unique perspective that they could bring to the FOC. The Sub-Committee felt that two candidates had risen above the others but, in the absence of direct evaluation of the prior year applicants, full consideration of all the eligible applicants could not be completed prior to the special FOC meeting later that day, which had been scheduled largely in order to present the nominations. Adding to the complication was how to handle the seats currently occupied by Michael Kremer and Shawn Landres. Matt Crawford spoke to FOC Board Liaison Jon Kean and Seth Jacobson about the entire situation, and all concurred that the best path forward was to recommend nominating Michael Kremer and Shawn Landres, but defer the recommendations on the two vacant seats until the prior year candidates had been given consideration.

At the FOC meeting that day, June 30, 2020, the Sub-Committee delivered the recommendation to re-nominate Michael Kremer and Shawn Landres but defer the nominations until consideration could be given to the prior year candidates. This recommendation was unexpectedly contentious, with some FOC members strongly disagreeing with the direction that had been given to the Sub-Committee just one week earlier regarding the prior year candidates, as well as the Sub-Committee’s recommendation on how to handle the incumbent seats. Instead, a motion was put forth to force the Sub-Committee into publicly naming the two current candidates who were rated highest, based on the contention that the prior-year applications were more than twelve months’ old and were therefore expired. This motion failed, but discussion continued on how to proceed. Eventually, the FOC voted to not consider the prior-year candidates, and Matt Crawford named the top two candidates. There was then discussion of how

to handle this information. Because the Sub-Committee had not planned on making recommendations, no documents were prepared for distribution, so the FOC did not have any information on the recommended nominees. After some debate, the FOC voted to re-nominate Michael Kremer and Shawn Landres and nominate Melinda Newman and Renu Mevasse as new members.

Conclusion

While the Nominations Sub-Committee was happy to serve in this capacity, and performed the duties to the best of our abilities, the compressed time-schedule and the changing rules made it more difficult than it needed to be. In addition, the general lack of decorum and respect for process that was evident during the June 30 meeting was unproductive and unprofessional. The FOC is made up of knowledgeable, experienced professionals who know their business and care deeply about the SMMUSD. We should be able to discuss and disagree respectfully.

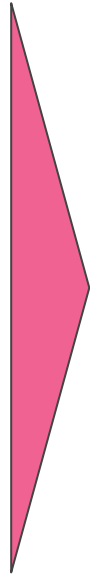
That being said, the Sub-Committee does believe that the best interested applicants were nominated, and we look forward to working with the entire FOC, including the new members, in the months ahead to improve this process and continue the critical work of providing financial oversight and advice to the Board of Education.

Finally, we would like to thank Payal Maniar for her valuable input into this report, which was offered even though she was not a member of the Sub-Committee last Spring.

2020 Nominations Process

Recap of Last Year's Process

- ❖ Sub-Committee appointed, reviewed applications, and made recommendations all in June.
- ❖ Lack of time and clarity of rules led to confusion and disagreement.




Recommendations Actions

- ❖ Amend the existing process:
 - Revise nominations process timeline
 - Codify handling of re-nomination of current members
- ❖ Request clarification from Board (through Board liaisons) on the following issues:
 - How prior year applications should be handled for consideration.
 - Brown Act and privacy considerations regarding applications and the nominations process

Looking Ahead - Principles to Consider

To support a repeatable, clearly defined and transparent member nominations process we need

- ❖ Sub-committee appointed early in each school year
 - ❖ The sub-committee nominations process to begin early enough to allow adequate time for applicant outreach, interviews and developing written report and presenting findings to FOC by May of each year
 - ❖ Current FOC members terming out should be treated as other applicants and may be interviewed by or required to submit materials/ information to the sub-committee as well.
- 

Proposed Sub-Committee Process/ Timeline

For Discussion

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
<i>FOC nominates Nominations Sub-Committee</i>	At Meeting									
<i>FOC members communicate intent to step down or be reconsidered</i>										
<i>Open FOC member applications + Communicate position availability</i>										
<i>Close FOC member applications</i>										
<i>Sub-committee screens applicants / conducts interviews</i>										
<i>Sub-committee compiles findings and prepares written report</i>										
<i>Sub-committee presents to FOC/ FOC votes on recommendations to Board</i>										At Meeting
<i>Board makes FOC member nominations</i>										

Discussion



**BOARD OF EDUCATION MEETING
MINUTES - MEETING "HYBRID" FORMAT**

August 13, 2020

D. STUDY SESSION

**1. TIME STAMP: 5:30 p.m. -Joint Session with the Financial Oversight
Committee (FOC) (60 mins)**

Time Start: 5:33 p.m. Time End: 6:09 p.m.

Following the presentation and discussion, the board gave staff direction to work with representatives from the FOC subcommittee and City of Santa Monica staff to explore refinancing to generate savings through lower interest rates. Additionally, the board liaisons to the FOC will discuss the committee's charges and bring them back for approval. The board thanked Ms. Mulvaney, Ms. Slaugh Nahass, and Mr. Gordon for contributing their expertise to the FOC for many years.

ITEM : II.D.1. TIME STAMP: 5:30 p.m. -Joint Session with the Financial Oversight Committee (FOC) (60 mins) 

Rationale

As part of the requirements associated with the annual funds given to the School District from the City of Santa Monica, the Financial Oversight Committee (FOC) was appointed as an independent oversight committee regarding the financial matters of the District. This includes an annual report from the FOC to the School Board, reviewing the past year and offering its observations about the District's financial matters.

In addition, the FOC's charge was amended at the June 5, 2008, Board meeting (Item A.22) to include responsibilities associated with the Measure R parcel tax, approved by the voters at the February 2008 Special Election. Measure R requires that an Independent Citizens Oversight Committee monitor proposed and actual parcel tax expenditures each year.

Therefore, in compliance with the foregoing, the Board of Education will convene a joint session with members of the Financial Oversight Committee on August 13, 2020.

Supporting Documents

[FOC Joint Mtg PPT summary to BOE 081320.pdf](#)

[FOC Annual Report to BOE081320-compressed.pdf](#)