DETOUR BOARD OF EDUCATION

Thursday, April 10, 2008
6:00 p.m.

Cody High School
18445 Cathedral
Detroit, Michigan 48228

PROPOSED MINUTES

Call to Order

The Regular Meeting of the Detroit Board of Education of the School District of the City of Detroit was called to order at 6:20 p.m. by the President, the Honorable Carla D. Scott, M.D.

Roll Call

The Secretary of the Board, Joyce Zmieff, called the roll.

Present: Members Carter, Catchings, Cofield, Mathis, Murray, Short, Thornton, Womack and President Scott--9

Absent: Member Tyrone Winfrey and Vice President Hayes-Giles--2

There being a quorum present, the meeting was declared to be in session.

Moment of Silence

President Scott requested a moment of silence.

Welcome from Belinda J. Raines, Principal, Cody High School

Belinda J. Raines, Principal, Cody High School, welcomed everyone to Cody High School. She acknowledged the leadership of the Color Guard, First Sergeant Robert Irwin and Cody’s Concert Choir under the leadership of Ms. Patricia Hall, Director of Choral Music.

Principal Raines acknowledged the establishment of a mini station, indicating that the presence of additional public safety officers as well as certified officers had assisted in insuring that parents and students feel safe. She continued that the academic structure of the building was reorganized to address the academic, social and economic needs of the students, with three smaller learning communities that were established, and that Cody was reconfigured to service students in grades 10-12 as well as a 9th Grade Academy in the Ruddiman location that was established. Principal Raines briefly highlighted additional accomplishments of Cody High School.
Approval of Agenda

President Scott requested that Board Members make sure they were reviewing the revised agenda dated April 10, 2008. She entertained a motion to approve the revised agenda.

Member Carter moved, supported by Member Murray, to approve the agenda without any amendments or changes and to accept all information items as information.

President Scott offered a friendly amendment to Member Carter’s motion: (1) that Member Carter handle the recognition of elected officials and guests due to the absence of Board Member Winfrey, and (2) that Change to the P-Card Restrictions of the General Superintendent be added as No. 2 under the President’s Report, Action Item D.

Member Carter accepted President Scott’s friendly amendment.

A verbal vote was taken. The motion carried.

Approval of Minutes

President Scott requested approval of the Regular Board Meeting Minutes for March 13, 2008.

Member Carter moved, supported by Member Murray, to approve the minutes with any necessary corrections.

A verbal vote was taken. The motion carried.

Report from the President

A. Reports/Updates

1. Recognition of Elected Officials and Guests

Member Carter stated that there were no elected officials.

President Scott acknowledged that the Westside Academy Panthers were present at the meeting. She stated that the Panthers won the State Class A Alternative High School Basketball Championship Title 2007-2008 on March 8, 2008 and because of their stellar performance in the thrilling championship game in Grand Rapids, Michigan, the Detroit Public Schools Westside Academy boys’ team defeated Ferndale Alternative High School by a score of 53 to 48. She continued that the Detroit Public Schools Westside Academy is the only State Class A Alternative School champions in the District’s history and that this is their third state championship.
2. Update on Library Commission

Member Mathis acknowledged a handout, a Report for the Detroit Library Commission, and gave a brief summarization of the March 11, 2008 meeting. He noted that the Detroit Library Budget Meeting was cancelled by the Mayor's Office. He stated that he would advise Board Members of the rescheduled date. He further noted that the Detroit Library Commission's hearing before the Detroit City Council is scheduled for May 6 and he would advise Board Members of the exact time if any Board members wished to attend.

Member Mathis briefly summarized proposed funding for the Detroit Library Commission from the City of Detroit Budget Department and the State of Michigan. He continued to highlight the various upcoming events of the Detroit Library branches.

Member Mathis gave the Board a briefing on the Detroit Library Cooperative, a small non-profit organization, which recently received funding from the State of Michigan.

3. National School Board Association (NSBA) Orlando, Florida Conference

Member Mathis acknowledged attending the NSBA Conference in Orlando, Florida with fellow Board Members—Annie Carter, Terry Catchings and Ida Short. He indicated that he would present a brief report on the conference highlights at the May Regular Board Meeting.

4. Update on Wayne County Association of School Boards (WCASB)

In the absence of Board Member Short, Member Carter presented a brief report on the Wayne County Association of School Boards (WCASB). She indicated that a meeting was held on Thursday, March 20, 2008 and she submitted a handout for the Board Members' perusal.

5. Update on Wayne County RESA

Member Carter presented a brief report on Wayne County RESA. She indicated that she was asked the Detroit Public Schools' count. She stated that as of March 29, 2008 it was reported as 101,947.88 students (FTE).

6. Oakman Orthopedic School

Member Carter stated that fifth-grade student, Bruce Tribble, of Oakman Orthopedic School sent a letter to Make-A-Wish Foundation and that he received his wish that the Detroit Pistons honor the student by giving the school a new library along with laptops. She noted that Bruce was unable to walk and had to undergo several surgical procedures.

7. Miscellaneous

President Scott noted the following Michigan Association of School Boards (MASB) awards:
• Board Member Ida Short received the Advocacy Skills Specialty Award from the Michigan Association of School Boards (MASB)

• Board Member Marie L. Thornton received: (a) Master Boardmanship Award from the Michigan Association of School Boards (MASB) (b) Master Diamond Award from the Michigan Association of School Boards (MASB)

• All Board Members received the Honor Board Award from the Michigan Association of School Boards (MASB)

* * *

President Scott acknowledged that the Detroit Public Schools—Renaissance High School and Cass Technical High School led the state in the number of National Achievement Scholarship winners. She stated that students—Phillip M. Bauman, Constance-Marie C. James, Sharron A. Seaton, Chinedum K. Umazhi and Paul Darnell each received a $2,500.00 scholarship stipend.

Public Comment – Request for Public Speakers

President Scott stated that she had received requests to speak from the six persons listed below:

1. Jenine Walker—Sampson Webber Middle School and City High School
2. Marla Jordan—DPS termination
3. Verlina Brewer—DPS termination
4. Felisha Hughes—Central High School
5. Keith Johnson—Finney High School
6. Linel A. Quinn—Cody High School

President Scott stated that each speaker would be given five minutes.

President's Remarks

President Scott stated that she had two Action Items: (1) Petty Cash Account for Board Related Expenses (Board Office and Office of the General Superintendent) and (2) Change to the P-Card Restrictions of the General Superintendent.

1. Petty Cash Account for Board-Related Expenses
   (Board Office and Office of the General Superintendent)

President Scott stated that she had a discussion with the Secretary of the Board, Ms. Zarrief, regarding catering for Board Committee meetings and that Ms. Zarrief had requested establishment of a petty cash account for Board-related expenses in the amount of $300.00. President Scott noted that all original receipts would be submitted to Chief Financial Officer.

Discussion ensued.
Member Womack stated for the record that the petty cash account should not be used for reimbursement of Board Members’ cab fares; that there is no State statute regarding same; and that Board members receive stipends which are to cover transportation expense.

Member Thornton requested that special consideration be given when a Board member is requested to attend a meeting in order to makeup a quorum.

Member Short stated that Board members have been requested to attend last minute functions and/or in emergency situations.

President Scott noted for the record that neither she nor any other Board member had requested nor received any payment for cab fare.

Member Carter moved, supported by Member Cofield, to establish a petty cash account in the Office of the Secretary of the Board for Board-related expenses in the amount of $300.00.

A verbal vote was taken. The motion carried. Member Jimmy Womack opposed.

2. Change to the P-Card Restrictions on the General Superintendent

President Scott stated that she requested that the restrictions on the General Superintendent’s P-Card be changed in order to allow for business related expenses.

Discussion ensued.

Member Jimmy Womack suggested this item be forwarded to the Policy Committee to re-establish the policy for the purpose of clearly defining the scope of spending.

Member Short noted that in the past the Board had not restricted the Superintendent’s spending on the P-Card.

Member Mathis stated that he was in agreement with Member Short and that he would support granting the P-Card.

Member Carter requested clarity regarding the restrictions of the P-Card. President Scott responded that currently the Chief Financial Officer does not allow any expenses (acknowledgment of business relationships, condolences, tragedies, etc.) on the P-Card because there is governing policy but that the Board needs to allow the General Superintendent some flexibility for spending when it pertains to business related expenses and that personal expenses would be reimbursed.

Member Murray asked if there are any limitations or guidelines in place to protect the integrity of the District.

Member Thornton noted in reviewing the General Superintendent’s current contract, the contract stipulates that she must submit an audit report quarterly to the Board regarding her business
expenditures but that to date a report(s) had not been submitted. She continued that a P-Card policy does exist that was adopted by this Board and that she would suggest this item be tabled for further review by the Board.

General Superintendent responded that she had used the P-Card in question twice for the purpose of establishing relationships with the Board members by taking them to lunch; that the lunch expenditures were submitted to the Chief Financial Officer and that prior to going to lunch she had inquired regarding the guidelines for the P-Card and was informed that former superintendents had the ability to have a business lunch. She continued that it is absolutely reasonable in executing the duties of superintendent of a major urban school district that one would have the opportunity to take business partners to lunch and that it is absolutely reasonable that those business partners then bring more to the District than anything paid for by a lunch.

The General Superintendent further responded that there were instances where she had covered expenses to the tune of $500.00 by using her personal charge card. She continued that in the first quarter of her tenure she had traveled to four conferences, totaling $4,000.00 which was not paid for by District funds.

Discussion ensued.

Member Womack stated that the Board limited the policy because other Board members did not want the scope to be as broad. He suggested that the policy go back to the Policy Committee so that the Committee could broaden the scope of the policy to be in compliance with the wishes of the Board.

Member Short acknowledged that there are legislators that want to meet with the General Superintendent and that it is difficult to schedule a meeting because of the question who would pay for the meeting.

Member Cofield moved, supported by Member Murray, that the Board move forward with allowing the General Superintendent usage of the P-Card for business expenditures (i.e., business breakfast, lunch or dinner and acknowledgments of business relationships (i.e. tragedies and condolences), pending approval, and to have the policy reviewed by Committee and to have the Committee report back at the May regular board meeting thus not limiting the General Superintendent's ability to proceed with District business.

President Scott requested a roll call vote on the motion.

The Secretary of the Board, Joyce Zarrieff, called the roll.

Yes: Members Catchings, Cofield, Mathis, Murray, Short and President Scott--6
No: Members Thornton and Womack--2

Abstain: Member Carter--1
Absent: Member Winfrey and Vice President Hayes-Giles--2

The motion carried.
President Scott stated for the record that the P-Card issue was not a request from the General Superintendent, that President Scott, herself, had attended a business meeting where she was told that business leaders in the community had heard that the Detroit Public Schools General Superintendent was unable to send flowers to the State Superintendent and that the business leaders were taking up a collection so that the Detroit Public Schools General Superintendent could have that kind of expenditure. President Scott continued that she informed the business leaders that she would have the full Board address the issue and that is why she placed the item on tonight's agenda because she was embarrassed.

**Report from the General Superintendent**

The General Superintendent stated that there was one information item. She continued that on April 24-25, 2008 a seminar and summit would convene on school dropout. She noted that guest speakers include Governor Jennifer Granholm, State Superintendent Mike Flanagan and Mr. Hecker, President of AFT Michigan. She stated that it is a two-day event sponsored by United Way and she had forwarded the information to each Board Member for an opportunity to participate and to become informed.

The General Superintendent continued that 150 slots had been reserved for the Detroit Public Schools, without cost or registration, in acknowledgment of the District's size and the fact that the District had been publicly held up to reports by the universities and by the media that the District had a graduation rate, a dropout rate and a failure problem in the schools, which is a significant public concern. She continued that it is her intent to send all of the parent liaisons to the conference, the assistant superintendents and she had invited all Board Members. She requested that the Board Members contact her office to reserve slots for the District so that it would free up slots for other interested participants in the city. She stated that the information would be on the District website Friday, April 11, 2008 and that she would encourage parents, unions, constituents and stakeholders to be a part of that citywide seminar and summit on student failure and dropout and how it impacts the entire city.

**Closed Session**

President Scott stated that there was a Request for Closed Sessions to be held during the April 10, 2008 Regular Board Meeting for the following:

A. Pursuant to MCL 15.268(8)(a) for Just Cause Terminations (Non-Tenured Teachers)
B. Pursuant to MCL 38.202 and MSA 15.2001 for Just Cause Terminations (Tenured Teachers)

Member Thornton moved, supported by Member Cofield, to approve the request for the closed sessions.

A verbal vote was taken. The motion carried.
Reconvene of Meeting

President Scott acknowledged and welcomed the staff, parents and students of Bennett Elementary School. She informed the staff, parents and students of Bennett that the District would discuss this evening the improvements that are to be made at Bennett, and she assured them that the District would leave Bennett in better condition than it was prior to the fire.

President Scott requested that the report on Bennett be read to the staff, parents and students of Bennett because they had to leave due to time and travel.

The General Superintendent requested that the Chief of Facilities, Nathaniel Taylor, provide a report on the status of Bennett Elementary School.

Member Womack moved, supported by Member Cofield, that the agenda be amended to take item 15. A. 1. a., Bennett Repair and Renovation Project, as the next discussion item.

A verbal vote was taken. The motion carried.

Committee on Facilities, Equipment, Real Property and Information Technology as it relates to Infrastructure

A. Action Item

1. Facilities Management and Auxiliary Services

a. Bennett Repair and Renovation Project

Member Cofield requested that the General Superintendent, Dr. Calloway, report on Bennett Elementary School. Dr. Calloway requested that the Chief of Facilities, Nathaniel Taylor, report on Bennett Elementary School.

Mr. Taylor stated that Bennett Elementary School had a fire on December 26, 2007 and the General Superintendent had stipulated that she wanted the school to be better than it was before the fire. He continued that there are two options: (a) not to exceed $4,874,497.00 to include the upgrade of the building to include air conditioning, new phone system, roof replacement and to allow the additional building to be connected to the main building or (b) repair the building as it was before without any major improvements at $2,487,225.00. Mr. Taylor stated that this is an accelerated construction project and that the General Superintendent’s recommendation would be to enter into any and all contracts related to this project, selecting option (a) with the total project not to exceed the $4,874,497.00 and that this figure would allow staff to meet the timelines required to have the school ready for the fall semester.

Discussion ensued.

Member Womack asked (1) if the fire was a contractor-related fire, (2) what part of the project cost would the insurance company pay, and (3) how much insurance does the District carry. Mr.
Taylor responded that yes the fire was contractor-related and that the contractor coverage was a $1 million policy. He continued that staff is looking at having contractors increase their amount of insurance coverage when doing work on District buildings. He deferred to Risk Management to respond on the amount of insurance coverage carried by the District.

The General Superintendent responded to Member Womack’s concerns and stated that staff had the same concerns and is looking into the amount of insurance coverage carried by the District, consulting with District attorneys trying to find out how to hold the contractor responsible for the total loss. She continued that it would have been the District’s preference to have the insurance declare the building a total loss so that a brand new building could have been built but that the insurance company did not declare the building a total loss.

Discussion ensued.

Member Short questioned if the District had a process in place to insure that the accelerated refurbishing process is properly done, inspected and approved. Mr. Taylor responded that yes staff is currently putting into place a process.

Member Thornton stated that it was her understanding that the District was required to have insurance on all school properties. She asked if that were so what would be the insurance coverage amount on the Bennett building. She also asked if the District did not have insurance coverage on the building, would staff take funds from the District capital improvement program fund.

Mr. Taylor responded that he could not speak for Risk Management and thus he could not answer if the District carried a specific policy on the Bennett building. The General Superintendent responded that District General Counsel had information to share.

Ms. Teresa Gueyser stated that in terms of the contract, there is an indemnification obligation of the contractor in the event that the contractor caused damage to the building. She further stated that $1 million is the amount of insurance that the contractor was required to carry.

Member Mathis made the observation that the fastest growth population in the city of Detroit occurred in southwest Detroit and that moving 600 plus children from Bennett Elementary School after the fire to Boynton had really impacted Boynton Learning School. He continued that he had met with the parents of Bennett students and the parents stressed that they would remove their children from the Detroit Public Schools because they wanted their children to attend schools in their neighborhoods. He noted that the District dollars to be received from the state and other funds based on losing even half the students then $4 to $5 million would be lost anyway.

Member Womack questioned if the $4.8 million refurbishing amount included or factored in any change order costs. Mr. Taylor responded that it did.

Member Cofield requested clarity regarding whether or not the District is covered by an insurance policy for the District, and if the District is self insured as a rule.
Ms. Gueyser responded that there are certain policies that the District maintains for buildings for comprehensive general liability and that she was not certain if Bennett was covered by the comprehensive general liability policy, it may or may not be. She reiterated that in terms of the indemnification provision the contractor is responsible for the total cost associated with the damage that was done to the building not just up to the limits of the insurance coverage.

Member Cofield moved to approve option a: the upgrade of the building to include air conditioning, new phone system, roof replacement and an additional building to be connected to the main building at a cost not to exceed $4,874,497.00. He noted that the recommendation, coming out of committee, did not require a second.

Member Cofield called for question, supported by President Scott.

President Scott requested a roll call vote on the motion.

The Secretary of the Board, Joyce Zarrieff, called the roll.

Yes: Members Carter, Catchings, Cofield, Mathis, Murray, Short, Thornton, Womack and President Scott--9

Absent: Member Winfrey and Vice President Hayes-Giles--2

The motion carried.

The General Superintendent stated that in the case of this event, as in any other catastrophe, you think that you’re arising to have your normal, regular school day, and you learn that through some contractor’s error, your building had burned beyond use. She continued that in this instance the Assistant Superintendent, Nathaniel Adams and Chief of Facilities Nathaniel Taylor and his staff moved into action immediately. She noted that they coordinate the transporting of parents to meetings, that they worked out the logistics of where there were buildings with sufficient space, and that they made sure that interpreters were present at meetings. She acknowledged that it was a job well done in the emergency planning and she commended their fine job in their representation of the Board, the General Superintendent and staff of the Detroit Public Schools.

B. Information Items

The items listed below were for information only. No action was required.

1. Facilities Management and Auxiliary Services
   a. Facilities Update—Discussion Only
   b. Bond Program—Professional Liability/Tail Coverage
2. Information Technology
   a. Information Technology Update—Discussion Only
3. Minutes from March 7, 2008
Committee on Audit

A. Action Items

1. Resolution to Rescind Inspector General Position

President Scott stated for clarity that the Resolution to Rescind Inspector General Position was no longer necessary because of the discussion and action to be taken on the second Resolution to Establish Internal Audit Department.

2. Resolution to Establish Internal Audit Department

Member Catchings presented the Audit Committee report and stated that on April 3, 2008 the committee recommended the following actions be approved: (1) Resolution to Rescind Inspector General Position; and (2) Resolution to Establish Internal Audit Department. He continued that the recommendation, coming out of committee, did not require a second.

Discussion ensued.

Member Womack questioned the reasoning for rescinding the recommendation of the Board to hire an Inspector General; Member Catchings responded that the Audit Committee’s findings were detailed in the Board materials, specifically on page 101 in the Board materials.

Member Thornton reminded the Board of the money expended to Pierce Monroe in search of an Inspector General. She suggested that in her review of the resolution, and in her review of the Board’s Bylaws, specifically Article II, Section 4. B. and C., that the resolution is not in compliance with the Bylaws, and that to her belief not in compliance with the Audit Charter as well.

Member Murray inquired if the establishment of an Internal Audit Department would have the same effect as the Inspector General function and would the Internal Audit Department come under the authority of the Detroit Board of Education or the Office of the General Superintendent. President Scott responded that the Internal Audit Department would have an Executive Director who would possess the same qualifications as an Inspector General and that the Internal Audit Department would be staffed with four auditors, an attorney and secretarial support. She referred the Board Members to the Audit materials which reflected that consideration was given to the cost factor, to the price differential of both, and that the Audit Committee determined that it was feasible to establish an Internal Audit Department and that in order to accomplish this task, the Audit Committee recommended to rescind the previous Board action.

Member Catchings requested that Chief Financial Officer, Joan McCray, discuss the price differential between the two options. Ms. McCray stated that option 1 entailed establishment of an Internal Audit Department with one Executive Director, four program associates, one assistant general counsel and one clerical with an estimated cost based on mid-range salaries for those positions to be $679,167.00. She noted that because a large portion of the program associates’
responsibilities would involve oversight of the District’s grant programs that a portion of those salaries would be paid out of the District’s grant funds. She continued that option 2 would entail one Inspector General with an estimated cost based on mid-range salaries for the positions to be $263,969.00 and 37 percent for benefits.

The General Superintendent stated for clarity that the resolution did not come out of her office but at the Audit Committee meeting they looked at the situation where there were contracts that had been approved by the Board, and that the contracts were in 3 to 4 offices throughout the District. She stated that some of the contracts were a year to two years old, and in order to resolve those contracts with those vendors, staff had to look at if those vendors had legitimate contracts where the District stood in terms of owing the vendors, if they did or did not perform services, what is the District’s liability. She recalled the Audit Committee was looking at how to put a team in place and that she would guess it would take at least a year to unravel some of those contracts in preserving the District’s integrity. She noted that she had been working with the Procurement Department as well as the Title 1 Office, and since many of the funds are federal funds, the Title 1 Office could help pay for the salaries to reinstitute an Internal Audit Department and that the Audit Committee requested that staff bring forth that proposal to the Board as well.

Member Thornton inquired if there were PCN numbers, the amount of money involved, and that the resolution had to be amended before further discussion of establishment of an Internal Audit Department. President Scott responded that when the investigation was done, it was discovered that the PCN numbers for an Internal Audit Department were already included in the 2008-2009 budget and were pre-established for these positions and that the total amount for the department as listed in the Audit materials is $679,167.00.

Member Catchings moved, supported by Member Cofield, to establish an Internal Audit Department.

Member Womack offered a friendly amendment to Member Catchings’ motion stating that:

- the Executive Director report to the Audit Committee of the Board;
- the Executive Director have the same qualifications as an Inspector General, but paid as an Executive Director;
- the Board’s Policy Sub-Committee establish the mechanism by which the District employees and the General Superintendent and her staff would interface with this Committee; and
- the Board’s Bylaws as a first reading tonight be changed to reflect the language adjustments from Inspector General to Executive Director.

Member Catchings accepted Member Womack’s friendly amendment.

Member Murray questioned to whom the Internal Audit Department would report. President Scott responded that the Internal Audit Department would report to the Board’s Audit Committee and that a relationship would be established with the District and General Superintendent as well.
Member Short acknowledged that Member Womack’s friendly amendment would restore the original Audit Charter.

Member Thornton requested clarity that the Executive Director would report to the Audit Committee of the Board; and that the full Committee would forward its recommendations to the full Board. Member Womack responded that the intent of his friendly amendment is to be compliant with the very costly consultation the District received, that in fact the District received a free second opinion. He continued that the Executive Director over the Internal Audit Department would report directly to the entire Audit Committee of the Board, the Board would establish a policy that would allow for there to be some interface between the General Superintendent and her staff, unencumbered by the Board, but that it would come through a Policy approved by this Board and in accordance with the consultants’ recommendations.

Member Carter called for the question, supported by Member Murray.

President Scott requested a roll call vote on the call for the question.

The Secretary of the Board, Joyce Zarrieff, called the roll.

Yes: Members Carter, Catchings, Murray, Thornton, Womack and President Scott--6

No: Members Cofield, Mathis and Short--3

Absent: Member Winfrey and Vice President Hayes-Giles--2

The motion carried.

Member Cofield requested additional clarity as it related to Member Womack’s friendly amendment. Member Womack responded that the Sub-committee on Policy would establish how the Executive Director and the Audit Committee would interface with the General Superintendent and her staff, but that the policy must be approved by the full Board.

President Scott acknowledged and thanked Member Womack for his research, and for his efforts in securing a free, licensed, certified public accountant second opinion. She continued that Member Womack submitted the consultants’ findings and that the consultants agreed with the District’s Audit Charter but that they encouraged some very strict guidelines. President Scott noted that the certified public accountant is a Detroit Public Schools graduate, and that he had volunteered to give additional consulting services to insure that the District sets up its Internal Audit Department correctly.
President Scott requested a roll call vote on the motion to establish an Internal Audit Department with the following stipulations:

- the Executive Director report to the Audit Committee of the Board;
- the Executive Director have the same qualifications as an Inspector General, but paid as an Executive Director;
- the Board’s Policy Sub-Committee establish the mechanism by which the District employees and the General Superintendent and her staff would interface with this Committee; and
- the Board’s Bylaws as a first reading tonight be changed to reflect the language adjustments from Inspector General to Executive Director.

The Secretary of the Board, Joyce Zarrieff, called the roll.

Yes: Members Carter, Catchings, Cofield, Mathis, Murray, Short, Thornton, Womack and President Scott--9

Absent: Member Winfrey and Vice President Hayes-Giles--2

The motion carried.

B. Information Item

The item listed below was for information only. No action was required.

1. Update on Status of 2007 Comprehensive Annual Financial Report (CAFR)—For Discussion Only

   Committee on Finance, Budget, Title I and Legislative Affairs

A. Action Items

President Scott stated in the absence of Member Winfrey, she would present the report for the Committee on Finance.

The General Superintendent requested that the Chief Financial Officer, Ms. Joan McCray, proceed with the four following action items:

1. February 29, 2008 DEP (Month to Actual)

2. DEP Budget Update/Amendment 8 (Resolution)

President Scott noted that the Committee on Finance discussed Actions Items 1 and 2, February 29, 2008 DEP (Month to Actual) and DEP Budget Update/Amendment 8 (Resolution) and she requested that Ms. McCray proceed in that order. She asked if there was need for discussion.
President Scott moved to approve Action Items 1 and 2, February 29, 2008 DEP (Month to Actual) and DEP Budget Update/Amendment 8 (Resolution). She noted that these action items came out of Committee tie-barred and did not require a second.

A verbal vote was taken. The motion carried. Member Thornton opposed.


Discussion ensued.

Member Thornton stated that it was her understanding that the Executive Director for Risk Management had resigned effective April 12, 2008 and that she had concern relative to the gap in insurance coverage for the period March 22, 2007 to date and asked if there was an acting deputy executive director in place to proceed with the responsibilities of that department. The General Superintendent responded that there is no acting deputy executive director that staff would post the vacancy again and continue its search, and that in the interim, she and staff would continue to handle the day-to-day responsibilities.

President Scott asked Member Thornton to recall all the months that the District went without an Executive Director for Risk Management that the department staff did continue on with its responsibilities. She continued that the General Superintendent fulfilled her duties, the department was changed, the Board had voted several times on the different insurance policies prior to getting someone. She noted that the recommendation is from the person that was hired to do the job and there had been a thorough investigation. She acknowledged it was her belief that the General Superintendent and her staff had done an admirable job considering the chaos that the current administration walked into and that the department would continue to function.

The General Superintendent clarified that the responsibility is not hers alone but suggested that it is the responsibility and challenge of the Board and the District to present them in such a way that someone would be interested in the position and that the position get filled.

President Scott asked if there were additional questions or need for further discussion.

President Scott moved to approve Action Item 3, Insurance Policy Renewal – Educator’s Legal Liability Insurance. She noted that this action item came out of Committee and did not require a second.

A verbal vote was taken. The motion carried. Member Thornton opposed. Member Womack abstained.
4. Contract Ratification – Snelling Personnel Services

Ms. McCray proceeded with Action Item 4, Contract Ratification – Snelling Personnel Services. The General Superintendent stated that there had been a history of discontent with the vendor and the Board had been very critical in its discussions regarding the vendor and that she did not bring forth the recommendation. She requested that the Chief Financial Officer, Ms. McCray, explain how staff arrived at a contract that was put through committee on the agenda.

Ms. McCray stated that the Snelling contract was brought before the Board in June 2007 and was approved in July 2007; the Board took a re-look at the contract and had some concerns and asked the then superintendent to go back and look at the contract and to address the concerns that the Board had at that time; the Board then approved a month-to-month contract extension in July 2007. She continued that the vendor had continued to work within the District; the vendor submitted a letter requesting to withdraw its personnel due to non-payment of services that had been performed. She noted that staff investigated and realized they did not have a contract with the appropriate dollar authority so the contract was extended month-to-month with no additional dollars added to pay the contract. She stated that current invoices total $600,000.00 and that staff is in the process of reconciling those invoices and staff believed the amount is more in the range of $400,000.00. She noted that the vendor pulled all of its personnel effective March 31, 2008.

Discussion ensued.

Member Womack stated for the record that there are vendors that have done great work for the District and have established relationships and that one of his concerns with this particular contract is what internal employees would be performing the work previously performed by Snelling personnel. President Scott responded that at the Committee on Finance meeting the President of DAEOE spoke and indicated that the duties performed by the Snelling Personnel, those duties are in the process of transition to the DAEOE members.

Member Womack further stated for the record that the Snelling Personnel did not pull their employees but rather were told that they were done and he requested clarity of the issue. The General Superintendent responded that she did not have at hand that information.

Member Thornton stated that in her review of the contract and its transmittal, she cautioned that there needs to be consistency in the contractual language.

Member Carter stated that she was pleased that the work is returned to the DAEOE members, that they had done the work for many years, and that the DAEOE members are the most qualified to do the work. She thanked and commended the DAEOE members.

President Scott offered clarity that obviously Snelling Personnel had done the work and needed to be paid, that the General Superintendent had not brought it forward to continue the services of the contractor. The General Superintendent stated that she and the Board had agreed as part of their process of communicating that there are three ways that items could come forth to the Board: (1) my full signature and approval on a document; (2) for discussion if I had questions;
(3) or she would not sign an item because of some unreadiness and further discussion required on the part of the Board. She cited that because of the unreadiness and debate among Board Members that she did not sign the contract but that she allowed it to move forward to the Board so that the Board could make the decision.

President Scott moved to approve Action Item 4, Contract Ratification – Snelling Personnel Services. She noted that this action item came out of Committee and did not require a second.

President Scott requested a roll call vote on the motion.

The Secretary of the Board, Joyce Zarrieff, called the roll.

Yes: Members Carter, Catchings, Cofield, Mathis, Short, Thornton, Womack and President Scott—8

Excused: Member Murray for the vote—1

Absent: Member Winfrey and Vice President Hayes-Giles—2

The motion carried.

The General Superintendent commented that for the record the Board did the right thing; if the contract was inappropriate, that is another matter, but that Snelling Personnel were here and they did the work and that she felt it was a Board decision in light of the amount of the contract.

President Scott acknowledged that Member Murray indicated earlier that he was not feeling well and requested to be excused.

B. Information Items

The item listed below was for information only. No action was required.

1. Title I Allocations to Schools—For Discussion Only.

   Committee on Academic Achievement, Curriculum Development and Information Technology (related to curriculum), Parent Involvement and Community Involvement, Title I and Safety, Student Code of Conduct and Expulsion

   A. Action Items

   Member Short presented the report from the Committee on Academic Achievement, Curriculum Development and Information Technology (related to curriculum), Parent Involvement and Community Involvement, Title I and Safety, Student Code of Conduct and Expulsion. She stated that there is a third item to be added to the agenda, the list of Detroit Public Schools Contracts Submitted for Board Approval 4-10-08 Presented by Ms. Joan McCray, Chief Financial Officer.
1. Resolution for The Month of the Young Child—April 2008

Member Short requested that Wilma Taylor-Costen present and read the Resolution for The Month of the Young Child—April 2008.

Member Short noted that this action item came out of Committee and did not require a second.

A verbal vote was taken. The motion carried.

2. Recommendation for Student Readmissions

Member Short requested that Member Thornton report on the action item, Student Readmissions.

Member Thornton moved, supported by Member Carter, that the Readmissions Sub-Committee’s recommendation for those students who appeared before the Board’s Reinstatement Panel at hearings for readmission with conditions on April 4, 2008 be approved by the full Board.

A verbal vote was taken. The motion carried.

3. Contracts Submitted for Board Approval 4-10-08
Presented by Joan McCray, Chief Financial Officer

President Scott acknowledged that there was miscommunication, that she had conversations only with the Committee on Academic Chair and the Committee on Human Resources Chair, and that because of urgency, the committee chairs had agreed that she would add the item to the agenda. She requested that the Board amend the agenda to include this item.

Member Cofield moved, supported by President Scott, that the third item be added to the agenda, the list of Detroit Public Schools Contracts Submitted for Board Approval 4-10-08 Presented by Joan McCray, Chief Financial Officer.

Member Womack stated that for clarity there is no Contract Committee, and that the contracts have not gone through the individual committees for the committees to make their assessments and that the request is to add this list of contracts to the agenda so that the Board could discuss them because there would be potential action.

A verbal vote was taken. The motion carried. Members Thornton and Womack opposed.

Chief Financial Officer, Joan McCray, acknowledged that she received the contracts two days ago and that the items have not gone through the standard committee process; however, that through her due diligence in reviewing the purpose for the contracts, her recommendation is that the Board approve the contracts because all except for two are needed to facilitate the expenditure of the District’s grants and title funds and to approve requisitions that staff already had in the system.
Ms. McCray stated that the additional two contracts were (1) Olympia Entertainment, Inc. which is the production of Evening of Fine Arts at the Fox Theatre in May and (2) Midwest Health Center, PC which is the pre-employment screening services where the contract was not awarded back in July as it should have been. She further stated that staff would proceed based on the pleasure of the Board but she alerted the Board that if the contracts are required to go through a full committee process next month, then staff is deferring the timely expenditure of the District’s grant funds, programs and services.

The General Superintendent acknowledged that Ms. McCray explained to her that the contracts are part of the 200 contracts that are grant funds that the District already received a special waiver that by April 30, 2008 the District could spend the funds. She continued that she requested that Ms. McCray communicate with the committee chairpersons who were involved with these funds and to communicate with the President of the Board to ascertain how to proceed.

Member Womack stated that the Board committees need to do their due diligence as it relates to all contracts and that he is sensitive to the urgency. President Scott responded that in the past urgencies had come before the Board, that the urgency to date is the crisis as it relates to the Title 1 funds, and in her conversation with Ms. McCray today, she decided that instead of just adding the item to the agenda, which was her right to do as Board President, she felt it was appropriate that this urgency come through the committee chairs. She continued that in her discussions with the two committee chairs if the Board allowed the item to go forward that there be a provision affording all Board Members the opportunity to review each and every contract. She stated that Ms. McCray having just received the contracts, did not have the contracts prepared, but that Ms. McCray assured her that the contracts would be prepared and available for review in the Board Office on Monday, April 14, 2008. She noted that the Board Members would have from Monday, April 14 through the end of the business day on Thursday, April 17, 2008 in which to review the contracts and that should Board Members have questions they could direct those questions to the appropriate committee chair.

Member Mathis stated that he supported the Board’s approval of the grant contracts so that the Board could move forward, clean the District up, and improve the quality of education for the children.

Member Thornton indicated that she took the initiative to learn how to decipher the contracts and that it is important to have an understanding of the contract scope of services, to have some background information on the company, and that the Board should not blindly approve contracts which would open the floodgates for an audit. President Scott responded that as she indicated initially, the whole idea is to pass the contracts provisionally, with four business days to be given Board Members for review before the contracts are processed and signed.

The General Superintendent indicated that there are 30 contracts listed, 26 of them are catalog bids for general classroom supplies and equipment, they are contracts that this Board had approved annually, none are new, and there are Federal funds to pay for them. She continued that the reason that she was willing with two days notice to bring the contracts to the Board is the
long standing tradition of the Evening of Fine Arts program whose contract is on the list as well as the Midwest Health Center who provided many years of pre-employment screening services to the District.

Member Short moved, supported by Member Mathis, to make a provisional adoption of the contracts and that all Board Members take the time to visit the Board Office, review the contracts, and whatever questions or concerns they may have to call the committee chair and that she would forward the questions onto the General Superintendent, and if there is something seriously wrong, to advise the Secretary of the Board so that that particular contract(s) could be pulled.

President Scott requested a roll call vote on the motion.

The Secretary of the Board, Joyce Zarrief, called the roll.

Yes: Members Carter, Catchings, Cofield, Mathis, Short and President Scott--6

No: Members Thornton and Womack--2

Excused: Member Murray was absent for the vote--1

Absent: Member Winfrey and Vice President Hayes-Giles--2

The motion carried.

Member Womack requested a point of order to that motion, that for purpose of clarity that the Board voted on the contracts, that the contracts move forward exactly the way they are, the contracts cannot be changed without coming back to the Board. President Scott responded that if there is major unrest, that the Board President, the General Superintendent and the Chief Financial Officer would meet and if there is need to have a Special Board Meeting she would arrange that but that she would hope that could be avoided.

B. Information Items

Member Cofield informed everyone that the District had a contest during African American World History Month and he requested that the General Superintendent provide the update. The General Superintendent requested that Mrs. Shirley Brown, Assistant Superintendent of Curriculum and Instruction give the report.

Mrs. Brown stated that the Detroit Public Schools’ students participated in an African American World History Month pacesetter’s contest and to date 257 students participated in comparison to the 590 students in 2007. She continued that the students were to read books pertaining biographies and autobiographies and to verify their findings using graphic organizers and to date staff is still verifying the graphic organizers to determine the winners for elementary, middle and high schools.
Mrs. Brown stated that the Office of Curriculum & Instruction is currently working on a five-year program currently in draft form that would support Finney and McNair schools that are moving forward and becoming full African-Centered Education facilities.

Mrs. Brown noted that staff and the Detroit Public Schools parent liaisons are working with parents to bring together an African Child Symposium as well as additional professional development for the staff that would support African Centered Education in the District.

The items listed below were for information only. No action was required.

1. Out of District Transfer Policy
2. Update -- African Centered Education
3. Minutes from January 24, 2008

Committee on Human Resources and Policy

A. Action Items

1. Personnel Recommendations
2. Terminations -- Just Cause (Non-Tenured Teachers and Tenured Teachers)
3. Executive Director, Office of Food Service

President Scott requested that Member Mathis present his Committee on Human Resources report.

Member Mathis stated that there were three Action Items:
1. Personnel Recommendations
2. Terminations -- Just Cause (Non-Tenured Teachers and Tenured Teachers), and
3. Executive Director, Office of Food Service

Discussion ensued.

Member Thornton presented questions with regard to the personnel recommendations and requested clarity with regard to usage of Fund 11 and Fund 14. The General Superintendent requested that Ms. de Jesus respond to Member Thornton's request. Ms. de Jesus stated that she believed the document was in error, that the usage would be from Fund 11, and that she would verify the information.

Member Thornton informed the Board and the General Superintendent of her observations of District employees on District time not performing their duties and responsibilities but enjoying other activities at the expense of the District. President Scott requested that the General Superintendent provide an investigation into Member Thornton's observations.
Member Mathis moved, supported by President Scott, to approve the Committee on Human Resources and Policy three Action Items:

1. Personnel Recommendations
2. Terminations – Just Cause (Non-Tenured Teachers and Tenured Teachers)
3. Executive Director, Office of Food Service.

A verbal vote was taken. The motion carried. Member Thornton opposed. Member Womack voted no with prejudice.

B. Information Items

The items listed below were for information only. No action was required.

1. Resignations, Retirements and Transfers
2. Minutes from March 11, 2008

Ad Hoc Committee on Bylaws

A. Action Item

1. Proposed Amendments to Bylaws

President Scott in the absence of Vice President Hayes-Giles reviewed the Proposed Amendments to Bylaws as of March 13, 2008.

President Scott indicated that on page 4, the proposed change read: A Board Member must attend at least 4 training classes with the Michigan Association of School Boards before holding an office.

Member Womack moved, supported by Member Thornton, to approve the proposed change on page 4: A Board Member must attend at least 4 training classes with the Michigan Association of School Boards before holding an office.

President Scott requested a roll call vote.

The Secretary of the Board, Joyce Zarrief, called the roll.

Yes: Members Carter, Catchings, Cofield, Mathis, Short, Thornton, Womack and President Scott-8

Excused: Member Murray for the vote--1

Absent: Member Winfrey and Vice President Hayes-Giles--2

The motion carried.
President Scott indicated that on page 5, the proposed change read: The Board may remove an appointed Commissioner pursuant to the procedures set forth in Attachment 1 [Removal of Member(s) of the Detroit Library Commission].

Discussion ensued.

Member Womack requested that Member Mathis ascertain what the Detroit Public Library Commission had in place within their Bylaws for this Board's review. Member Mathis indicated that the Detroit Public Library Commission had been in discussions for about two months and that a decision would be rendered on April 15, 2008 and he would report the findings at the May 8, 2008 Regular Board Meeting.

President Scott indicated that on page 10, the proposed change read: These Bylaws may be amended at any regular meeting by a vote of not less than two-thirds of the Members of the Board, said amendment having been duly proposed at a previous meeting.

Member Thornton moved, supported by Member Mathis, to accept this change so that there is consistency with other Bylaws language that reflects the two-thirds vote.

President Scott requested a roll call vote.

The Secretary of the Board, Joyce Zarrieff, called the roll.

Yes: Members Carter, Catchings, Cofield, Mathis, Short and Thornton--6

No: Member Womack and President Scott--2

Excused: Member Murray for the vote--1

Absent: Member Winfrey and Vice President Hayes-Giles--2

The motion carried.

President Scott questioned if Board Members had any further proposed changes to the Bylaws.

Member Womack requested a first Bylaws reading change that the number required to amend the agenda be changed from a simply majority to reflect what Robert's Rules of Order supports. President Scott responded that there would be a review of Robert's Rules of Order and a report at the May 8, 2008 Regular Board Meeting.
Public Comments

During this portion of the meeting, President Scott allowed time for members of the audience to address the Board regarding any issue about the school district.

Adjournment

It was moved and supported that the meeting be adjourned. President Scott adjourned the meeting at approximately 11:00 p.m.

Carla D. Scott, M.D.
President

Joyce D. Zarrieff, MPA
Secretary of the Board