

AUBURN SCHOOL BOARD MEETING
Wednesday, March 27, 2024 6:00 p.m.
Auburn Village School GYMNASIUM

- I. **CALL TO ORDER** – Alan Villeneuve, Board Chair
- II. **PLEDGE OF ALLEGIANCE**
- III. **PROOF OF POSTING** – William J. Rearick, Superintendent of Schools
- IV. **NEW BUSINESS**
 - A. Pinkerton Offer-Discussion
 - B. Board Budget Update-Discussion
- V. **OLD BUSINESS**
 - A. Board Clerk Nomination
 - B. 2024/2025 Budget-Discussion
- VI. **PERSONNEL**
 - A. Staff Nominations*
- VII. **OPPORTUNITY FOR PUBLIC TO ADDRESS THE BOARD**
- VIII. **NON-PUBLIC SESSION: RSA 91-A:3 Section II (a-I) (if necessary)**
- VIII. **ADJOURNMENT** (action required)

The next regularly scheduled Auburn Board Meeting is on Tuesday, April 9, 2024 at 6:00 p.m. at the Auburn Village School Media Center.

**Materials provided in packet*

Please note: In addition to the items listed on the agenda, the Board may consider other matters not on the posted agenda and they may enter a non-public session or convene in non-meeting session in accordance with RSA 91-A if the need arises.

**Auburn School District
Teacher Nominations 2024/2025**

V.

<u>Last</u>	<u>First</u>
Ahnen	Meghan
Ashby	April
Ashness	Danika
Avellino	Melinda
Chiesa	Tiana
Cohen	Carly
Duffy	Jessica
Dupont	Nicole
Duquette	Rebecca
Dwyer	Caitlin
Everett	Theresa
Fortier	Karen
Gilon	Jane
Greene	Nicole
Hallenbeck	Lindsay
Harry	Alexa
Henderson	Erin
Huston	Kevin
Joaquin	Amanda
Johnston	Andrea
Kaufman	Sarah
Lavigne	Amanda
Leary	Marissa
Moynihan	Kerrie
Mullen	Billie
Nusbaum	Sara
O'Donnell	Katelyn
O'Neil	Andrea
O'Toole	Jennifer
Pampel	Melanie
Paraskevas II	James
Parker	Andrea
Podbelski	Lauren
Pope	Lisa
Poulin	Sarah
Prunier	Melissa
Rankin	Adam
Reinelt	Linda
Roggenbuck	Kathleen
Royce	Emily
Russell	Tracy
Seymour	Kristen
Smith	Sherri
Spain	Christina
Stamoulis	Zoe
Strabone	Jennifer
Tentas	Elizabeth
Tewksbury	Stephen
Vilandre	Vanessa
Villeneuve	Laura
Wasson	Molly
West	Melissa
Wheeler	Jonathan
Winter	Erin

Auburn School District
Budget Problem FAQs
Last Updated: 3/27/2024 12pm

1. Why is this school year's budget over budget?

There are several reasons why we are over budget this year:

- a. The number of students identified for special education services this year is higher than the number we estimated in Fall 2022 when this year's budget was developed.
- b. Some special education students are receiving more intensive services than estimated.
- c. The number of special education students being identified in our geographical area is increasing, resulting in fewer, more expensive contracted service providers to choose from.
- d. Reimbursement from the State was not maximized for some special education expenses.
- e. Special education spending wasn't sufficiently tracked against the budget this year.

2. How much are we over budget?

We are currently over budget by \$776K. This represents 4.6% of the \$17M budget for the 2023-2024 school year that ends 6/30/2024.

3. Why were the number of kids in need of special education services underestimated? Why was the level of services they needed underestimated?

Each fall, the School District creates a budget for the next school year. This budget includes the best projected cost for the needs of the special education students that the school is aware of at the time. The budget process starts eight months before the new school year starts and ten months before classes begin.

For the 2023-2024 school year, the School District estimated 111 students would need special education services, including 8 students who would need a high level of service not able to be provided at AVS or Pinkerton Academy. These students are served by contracted providers outside of the School District and these services and related services, such as transportation, can be costly. As of March 2024, the number of students currently receiving special education services is 118, a 6.3% increase over what was estimated. Additionally, 14 of the students are receiving services outside of the District, a 75% increase over what was estimated.

The Individuals with Disabilities Education Act (IDEA) is a federal law that makes available a free appropriate public education to eligible children with disabilities throughout the nation and ensures special education and related services to those children. This law includes children aged 3-22. There are many factors throughout the year which can change the number of students needing special education services and the intensity of services they need:

- **New preschool children** - children as young as three years old can become eligible for special education services. Because we don't know the number of children in Auburn who will be turning three in any given year and who may need special education services, it's hard to estimate the number of preschool children who will need support. Each year, the school runs a Child Find program which is an optional program for parents to bring their preschool aged children to the school for a brief assessment of needs. The school can get a good idea of preschool children who are coming into the special education system through this program, but since it's optional, it is not perfect. Some children may not be brought to the Child Find program.
- **New child** – at any point in the year, a child of any age not receiving special education services can be determined to need special education services. In addition, new students in need of special education services can move into the District.

- **Increasing needs** - at any point in the year, a child of any age receiving special education services can be determined to need a higher level of special education services.

Due to these many factors, the State offers Special Education Aid to help Districts pay for a minor portion of special education expenses. Aid that is provided is paid in the year after the expense was incurred. Also, some districts, like Auburn, establish Special Education Trust Funds. For this year, these financial safety nets are not enough to completely cover the increase in our special education expenses.

4. Why didn't we maximize reimbursement from the State of NH for some special education expenses? Can we get retroactive reimbursement from the State?

Reimbursement from the State for special education expenses is known as Special Education Aid. Not all special education expenses qualify for Special Education Aid, and for the expenses that do qualify, the State reimburses a portion of them. To receive Special Education Aid, several steps need to be taken, including submitting monthly invoices of costs for each student that have fully executed and parent approved Individualized Education Programs (IEPs) to the State Department of Education. In Auburn, some of the steps did not happen. The District is in the process of reviewing all IEPs, provider service contracts, and provider invoices to maximize reimbursement going forward.

It's important to clarify that Special Education Aid reimbursement is received in the year after the expenses were incurred. For example, reimbursement for expenses incurred in the 2023-2024 school year that ends 6/30/2024 will be received in the 2024-2025 school year.

On 3/25/2024, the School Board discussed the possibility of securing missed reimbursement for qualified expenses with NH Education Commissioner Frank Edelblut. The Board will continue all possible efforts to secure reimbursement.

5. Why can't we get a bond? Or a loan? Or get more money from the Town of Auburn? Or raise more tax revenue? Or use ESSER funds?

Bonds can only pay for capital improvements. They cannot be used to pay for operational expenses and even if they did, they take months to secure and require a town vote.

The School Board has not considered a loan at this time but is considering all options as it continues to address the budget shortfall.

The Auburn School District and Town of Auburn are different legal entities and have different budgets. The Auburn School District does not have a reserve in case of emergencies. The Town has a reserve in case of emergencies, but it cannot be used for District emergencies.

Approving additional expenses requires approval from NH Superior Court to schedule a special District meeting. Additional expenses would then need to be approved by the voters, and revenue would be collected likely in next year's tax bills. It is not a simple or quick process but something the Board may consider as we progress.

With regard to ESSER funds, the District received \$23K in CARES funds (later renamed to ESSER I). These funds were used for educational software and teacher stipends to address instructional priorities by the spending deadline of 9/30/2022. We also received \$52,961 in ESSER II funds. These funds were used for educational software, professional development, and teacher stipends to address instructional priorities by the spending deadline of 9/30/2023. Finally, we received \$119K in ESSER III funds and have spent \$102K primarily on before/after school tutoring, teacher stipends to address instructional priorities, educational software, health services, and projectors. The \$17K balance was planned for teacher training in the remaining months of this

school year. Instead, we will be using the funds to offset qualified unanticipated expenses in this year’s budget. ESSER III funds need to be spent by 9/30/2024.

6. Why is the School Board and Superintendent saying they just learned of the over-expenditure in special education in March when minutes since the December 2023 School Board meeting mention exceeding the special education budget?

The table below outlines what information was known when regarding the budget and special education expenses since December 2023. Note: An Expenditure Report is a detailed report produced by the Business Administrator and periodically given to the Superintendent and Board that shows the amount of money budgeted for a specific purpose (line item), the amount of money committed (encumbered) for a planned expense for the rest of the budget year, the actual amount expended to date, and the expected available balance, if any, at year end. The available balance in any one line item can be either a positive number or a negative number, and the sum of all available balances in each line indicates how much a budget is over or under.

The “Available Balance” in the table below is the sum of all the available year end balances shown on each referenced Expenditure Report.

Date & Event	Information known & discussed by the Board
School Board meeting on 12/12/2023	Superintendent Rearick outlined the reasons why there is an increase in special education expenses and indicated the administration team is continuing to closely monitor expenditures. The Superintendent indicated he will be asking to expend money from the Special Education Trust Fund in April or May. The Expenditure Report showed a projected year end Available Balance of \$215,011 at this time.
School Board meeting on 1/9/2024	The Expenditure Report showed a projected year end Available Balance of \$206,223 at this time. The Board did not receive a Special Education report at this meeting as the Director was not available.
1/30/2024	Tracy Griffenhagen, Director of Student Services, submits resignation/request for early release from contract.
School Board meeting on 2/13/2024	<p>Superintendent Rearick indicated we are over budget due to special education expenses and is in discussion with the attorney around the process to access revenues. He indicated there will need to be a public hearing in March to access funds from the Special Education Trust Fund. The Expenditure Report showed a projected year end Available Balance of \$137,548 at this time.</p> <p>The School Board accepts the resignation of Tracy Griffenhagen effective 2/16/2024. Superintendent Rearick informs the Board that Christine Osborne, Director of Student Services in Hooksett, will help Auburn on an interim, part-time basis.</p>
School Board meeting on 3/12/2023	<p>Christine Osborne outlines her findings from the team’s recent review of the Special Education program in Auburn, including costs previously unknown to the District, a considerable number of unexpected students with special needs, and that the purchase order process was not followed. Cory Izbicki, the Business Administrator, indicates he reviews expenses every day and cash flow is not a problem.</p> <p>The Expenditure Report showed a projected year end Available Balance of \$49,266 at this time.</p>
3/13/2024	Cory Izbicki, Business Administrator, is placed on administrative leave. Karen Lessard, a former SAU Business Administrator, is hired on a part-time, interim basis

Date & Event	Information known & discussed by the Board
	to assess Auburn’s expenditures and budgets and support Hooksett and Candia, the other towns in the SAU.
Email from Superintendent Rearick on 3/16/2024	Superintendent Rearick informs the Board the District is over budget by approximately \$890K.

7. If the Board was notified on 3/16/24 that the budget was over by \$890K, why was \$776K communicated at the 3/21/24 meeting?

In its continued review of special education provider contracts and invoices, the team was able to renegotiate some service rates and reduce projected spending on 3/18 and 3/19. The level and quality of services received by students of these providers was not impacted.

8. Why does the Superintendent and Business Administrator work for the SAU and not the Auburn School District?

Every public school district is required to have a School Administrative Unit (SAU) and arrange for Superintendent services. Like many districts, Auburn, Candia, and Hooksett share a single SAU. The SAU provides a variety of services to the three school districts such as compliance with state requirements, curriculum management, procurement (e.g., bus contract), financial planning & accounting, personnel management/human resources, and other services. There is a 17-member SAU Board made up of representatives from the school boards of the three districts, and the SAU Board selects and manages the Superintendent. The Superintendent selects and manages a small team, including the Business Administrator.

Each year, expenses to support the SAU are compiled into a budget and approved by the SAU Board. Each of the three school districts pays for a portion of the SAU expenses from individual District budgets.

9. How does the budget cycle work?

On March 12, 2024, the district voters approved the School District budget for the 2024-2025 school year that will begin on July 1, 2024. The budget cycle is a months-long process that starts in the fall of the previous school year. The steps of the budget process for the 2024-2025 budget are below.

- Starting in September 2023, the Superintendent’s office and AVS Administrative team estimated expenses for the next school year and began assembling the draft budget.
- In November and December 2023, the School Board reviewed the draft budget, asked questions, and sought clarification on specific line items and expenses. The School Board approved the budget at the December 2023 meeting.
- In December, the School Board presented the budget to the Town Budget Committee. The Committee reviewed the budget and also asked questions and sought clarification. The Committee approved the budget at this meeting pending the clarification and correction of an energy cost line item.
- In February 2024, the School District Deliberative Session was held. The Deliberative Session is an opportunity for town residents to understand the proposed budget and the language of the warrant article that will appear on the ballot the following month. At this meeting, there was majority approval to advance the warrant article as written to the ballot.
- In March 2024, the district voters approved the warrant article that established the District budget for the upcoming school year.

10. Since Pinkerton Academy offered \$30,000 to pay for field trips, classroom supplies, spring sports, arts/music programs, and school bus transportation, will the School Board be putting these things back in place?

The School Board received a written offer of assistance from the Pinkerton Academy Board of Trustees on Monday, 3/25/2024. The Board of Trustees is offering a credit up to \$30,000 specifically for 2024 spring sports, field trips, and arts/music programs. The offer is not a donation or a reduction to what we pay Pinkerton for our high school students. If the offer is accepted, the Auburn School District will need to pay it back next school year. The School Board will discuss the offer at its next meeting on Wednesday, 3/27 at 6pm.

11. How has the District historically addressed budget overages?

We exceeded our budget one other time in the last 18 years*. We typically come in at or below budget and we return unused funds to the Town most years. In the 2013-2014 school year, the District went over budget due to unexpected special education expenses and eight more students enrolled at Pinkerton Academy than originally estimated. Although that overage was much smaller than the one we have today, we used the same remedies that we're using now, including using excess revenues, cutting operating expenses, and using trust funds.

** Eighteen (18) years is the tenure and memory of our longest-serving School Board member or Administrator.*

12. Why is there an impact to next year's school budget – and what is it?

Currently, there are several obstacles the SAU and Board are trying to assess with regards to next year's school budget. These challenges include the following:

- We may have to take an advance against next year's budget to pay for this year's expenses.
- We may have higher special education expenses that continue into next year that are beyond what was budgeted.
- We won't have a Special Education Trust Fund to fall back on as a safety net as it will be used for expenses incurred this year.

Many of these challenges along with a deeper look into next year's budget will be discussed at future School Board meetings.

13. What options is the Board considering to address next year's possible budget problem?

One option the Board is considering for next year is adding a preschool program at Auburn Village School. A local preschool program was proposed to the Board at the December 2023 School Board meeting. The proposal included the many details involved in starting a preschool program, including classroom space required, teacher/staffing credentials and levels, separate playground equipment needed, a lottery system for regular education students, and transportation. The benefits of educating our special education preschoolers locally and the net savings of doing so was also discussed. At the time, the Board asked for more information regarding the logistics of the program starting next year, the cost of the program, and net savings. The AVS Administrative team and Superintendent are updating the proposal with the additional information requested. This topic will be discussed at future School Board meetings.

The Board will also consider rebuilding the trust funds being used to help with this year's budget (Special Education Trust Fund and Capital Trust Fund), including allocating a higher amount in the Special Education Trust Fund to better support years of increased need.

14. Who will be held accountable for this problem?

As we address the issue at hand, we are also reviewing past events to understand what occurred in order to prevent future issues. It is evident that certain responsibilities were not fulfilled, and the reporting structure did not anticipate this level of growth in special education costs. The district Special Education Coordinator and the Business Administrator are no longer with the SAU/District.

15. Where can I find the agendas and minutes of School Board meetings?

The AVS website (<https://auburn.sau15.net>) has a drop-down menu for School Board information. From there, you can find a table of the meeting dates, agendas, materials and minutes for all meetings. Additionally, a public notice for upcoming School Board meetings is posted at least 24 hours in advance online on the AVS website, at the school, and at the SAU. The School Board sets its meeting schedule at the beginning of the school year and meetings are typically held on the second Tuesday of each month at 6:00pm in the AVS Media Center.