

Leaders

A Newsletter for Florida School Board Members

Supreme Court votes 'No' on Amendments 5, 7 and 9

The Taxation and Budget Reform Commission exceeded its authority and also attempted to mislead voters with deceptive wording of an amendment's summary. Those were two of the reasons the Florida Supreme Court gave for knocking three proposed constitutional amendment proposals off the Nov. 4 ballot.

The TBRC, an appointed body that meets every 20 years, came up with these three amendments. The TBRC's mission is to review Florida's financial and budgetary processes. It has the authority to place amendments on the ballot without legislative approval. However, it was obvious after the Supreme Court got through with them that the TBRC had gone too far.

The Florida Supreme Court heard arguments in early September and on the same day ruled that all three could not appear on the November ballot.

Amendment 5, also known as the McKay amendment after former Senate President John McKay, who was a member of the TBRC, would have required the Legislature to eliminate the Required Local Effort (RLE) property taxes as of Jan. 1, 2011. Revenue losses to public schools were supposed to have been offset by the repeal of sales tax exemptions, a sales tax increase of up to one cent, and spending reductions. While it required the Legislature to replace the lost money, it was good for 2011 only. This amendment could have cost school districts \$6 billion, a gap the Legislature would have been hard pressed to fill.

A Leon County circuit court judge initially ruled against this amendment on the basis that its ballot summary was



Supreme Court victory

From left, FSBA Executive Director Wayne Blanton, attorney Ron Meyer, and Bill Montford, CEO, Florida Association of District School Superintendents, discuss the hearing the court had just held on Constitutional Amendment proposals 5, 7 and 9. In a clear victory for education, the court later that afternoon threw all three off the Nov. 4 ballot.

(FSBA photo by Andy Williams)

not clear regarding the amendment's intent or that the Legislature was only obligated to replace lost revenue for one year only. The Supreme Court agreed.

And Justice Fred Lewis added: "In recent years, advantageous but misleading 'wordsmithing' has been employed in the crafting of ballot titles and summaries. When such wording selections render a ballot title and summary deceptive or misleading to voters, the law requires that such proposal be removed from the ballot..."

The same circuit court judge approved Amendment 7, which would have deleted the restriction about state aid to religious institutions (a back door approach to allowing vouchers), and Amendment 9 which would have also allowed vouchers as well as required that at least 65% of school funding received by school districts be spent on classroom instruction rather than administration.

FSBA President Beverly Slough, St. Johns County School Board, probably said it best. She and other board members were informed of the decision during FSBA's Leadership Retreat in St. Augustine. "When we received the news that

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Special Report

Coping with a tight budget

Leadership Calling

Don't forget to vote Nov. 4

While most eyes are on the race for the White House, please remember that what happens in Tallahassee has a tremendous impact—good and bad—on your schools. Every Florida House of Representative seat and 20 in the Senate are up for grabs this year.

With Florida's budget crisis expected to continue into next year, legislators will be looking for more money. That's one question you can ask the candidates: What new revenue sources will they try to access?

You can also avail yourselves of the information on the FSBA Web site, www.fsba.org and many other education-related sites, to get better acquainted with the men and women running for these important seats.

Severe weather alerting on mobile phones can keep schools safe

The WeatherBug Professional Protect solution is a real-time, location-based wireless weather alerting system that notifies school administrators and faculty of severe weather conditions threatening the safety of students, athletes and staff. The system utilizes Sprint GPS-enabled handsets on the Nextel National Network equipped with an advanced weather alert application from WeatherBug.

Weather information is acquired from the WeatherBug Network, the largest weather network in the world, to provide up-to-the second, localized information specific to school communities. Over 8,000 WeatherBug Stations, located throughout the country primarily atop of schools, monitor and track weather conditions and feed live updates back to the network.

Several school districts including Miami-Dade County, Broward County, and the City of Miami Beach, already rely on WeatherBug Protect for proactive weather alerting and notification.

Broward County has utilized WeatherBug for more than a year and has made critical decisions, such as delaying athletic events and school dismissals due to tornado warnings. "The safety of students and staff is top priority. Multiple districts across the U.S. have suffered the loss of student life due to weather-related incidents during outdoor student activities," said Jerry Graziose, Broward County Schools' director of safety. "This unique application offers an important layer of safety for students, faculty and the general public attending outdoor sporting events and other activities."

For further information, contact Al Dethlefsen, channel manager, WeatherBug Professional, at 888-747-8901 x4041, adethlefsen@aws.com or Kurt Hawker, public sector account manager for Central Florida and the Treasure Coast, at 772-260-2574 or kurt.hawker@sprint.com.

Florida chosen for national pilot program

Florida is one of six states that has been chosen to participate in the Differentiated Accountability Pilot aimed at helping states differentiate between underperforming schools in need of dramatic interventions and those that are closer to meeting the goals of No Child Left Behind.

Florida and the other five states—Georgia, Illinois, Indiana, Maryland, and Ohio—will be able to tailor solutions to individual schools' problems and focus resources where they are most needed. These pilot states will not be required to follow the sanctions that are laid out in federal law for schools that have not made adequate yearly progress (AYP).



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Model Plan for K-12 employees' 403(b) plans faces vote in Florida school districts

All across the state, school districts are preparing to vote on a "Model Plan" for educators' tax-deferred retirement benefits accounts. Billions are at stake for educators—and for the 90-plus investment companies that currently are approved to manage retirement plans for K-12 employees.

The Independent Benefits Council (IBC) selected five companies for inclusion in the Model Plan after vetting more than 30 proposals submitted in response to a request for proposal issued in October 2007.

A coalition of Florida's education associations, the IBC brings together the Florida Education Association, the Florida Association of School Administrators, the Florida School Boards Association and the Florida Association of District School Superintendents, who were joined by a team of risk managers. A looming Jan. 1 deadline imposed by the IRS for the implementation of new rules means school districts must reevaluate their optional retirement plans, including 401k, 403(b) and 457 tax-sheltered accounts.

"New IRS regulations transferred significant responsibility for plan compliance from vendors to school districts," said IBC Chair Wayne Blanton, FSBA executive director. "Especially during a time when the K-12 budget is shrinking, it is essential that we adopt a cost-effective means of ensuring compliance. The IBC Model Plan accomplishes this, while at the same time providing educators with a high quality investment plan."

With the decisions of many school districts pending on the vote, IBC Executive Director Tom Cerra said that this is not the first time the IBC has fought for the best interests of educators. "In 2001, it was pension reform. In 2003, it was health insurance reform," he said. "We saw the opportunity to better the lives of Florida's educators and school district staff then, and we see it now."

"Leadership means doing the right thing despite political pressure to maintain the status quo," said Mr. Cerra. "Adoption of the Model Plan is a clear victory for educators and for the companies that rose to the challenge to qualify for participation."

Consumer advocates and Florida Chief Financial Officer Alex Sink are applauding the IBC's efforts on behalf of school district employees. "There is great urgency to get the message out that unless we plan carefully for our retirements, all Americans, including educators, will face unprecedented challenges in maintaining their standard of living," Ms. Sink said.

"Over the course of the next 20 years, this innovative program is expected to provide more than \$2 billion in increased benefits to Florida school-district retirees," said Lori Parham, AARP Florida state director. "Every penny of those savings will help district retirees enjoy the benefits of their retirement plans."

Florida has eight of the nation's largest school districts, and school district employees contribute some \$380 million annually to their 403(b) retirement accounts.

The five vendors selected as "Best in Class" by the IBC signed letters of commitment agreeing to certify that they will offer favorable rates to

all districts regardless of size and guaranteeing those rates for three years. They also certified that their plans are the best they currently offer in any Florida K-12 district.

The participating vendors are AIG Retirement and AXA/EQUITABLE (annuities), PlanMember Financial Corporation (multi-product custodial accounts) and American Century Investments and Waddell & Reed (mutual funds).

"By limiting the number of choices to five very carefully vetted companies—including options that provide advice and recommendations—while still offering a full complement of investment options, the IBC has lessened the potential for confusion and provided educators reassurance that they are making wise choices that are in their best personal interest," said Walter Dartland, president of the Consumer Federation of the Southeast.

Price is important since school system employees for years have paid significantly higher fees to vendors than university, health care and other public-sector employees. And by narrowing the field of vendors to five and limiting the types of plans they may offer to educators, the Model Plan ensures that vendors are selling only quality products. Still, retirement investors will be able to choose from more than 600 investment options.

"When school district employees are faced with so many options to choose from, they simply don't have the time to school up on which plans will provide the best bang for their buck," said Dr. Blanton.

"The Model Plan simplifies the process and offers peace of mind that the companies selected have met the most stringent of standards."

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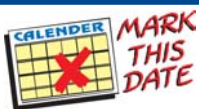
Upcoming Events

Oct. 23

FSBA Committee Day, Grand Hyatt Tampa Bay

Dec. 2-5

FSBA/FADSS/FSBAA/FEN/FERMA/FELL/SUNSPRA/
FASA Annual Joint Conference
Grand Hyatt Tampa Bay



From the President

By BEVERLY SLOUGH



Beverly Slough

We won the battle, but the war remains

The war over public education as we know it has begun, focusing first on the proposed constitutional amendments originally scheduled for the Nov. 4 ballot.

Two battles in the war have already occurred. Two lawsuits were filed by groups opposed to these three amendments. Amendments 7 and 9 were tied together because they both concerned school vouchers, and Amendment 5, which would have eliminated the required local effort, was filed as a stand-alone suit. Both matters were heard in circuit court in Tallahassee in August, with different results. The court ruled in our favor on Amendment 5 and against us on Amendments 7 and 9.

The battles were re-engaged Sept. 5. The Florida Supreme Court voted unanimously to strike all three amendments from the November ballot on the basis of misleading language. It made for an exciting day when we received the news that we had prevailed in both battles, soundly defeating the assaults on public education in our great state. (See Page 1 for more information about this education victory.)

The news came during the FSBA Board of Directors Retreat, much to the delight of all those in attendance. Though the threat of a hurricane cut short the retreat, everyone enjoyed two days of learning and networking. Dr. Joe Joyner, my own superintendent, provided us with some timely instruction on Servant Leadership, and Pegine Ecchavaria challenged us to be torchbearers in our leadership. I am grateful that we were able to come together to focus on the challenges ahead and to re-engage in our passion for the children we serve.

As we work hard to build leadership bridges over the very troubled waters we face, I strongly urge every School Board member in Florida to access the tools on the FSBA website to prepare yourselves to engage in these battles.

Our Advocacy Committee, under the leadership of Colleen Conklin, Flagler County School Board, and Caroline Zucker, Sarasota County School Board, has worked hard to provide us the tools we need to win the war, and Ruth Melton, FSBA's legislative relations director, has gathered the information that we need to engage the enemy.

With the hard work of all of us, the war can be won, but the battlefield will likely be bloody. We must stand together and rise into the leadership positions entrusted to us to fight for Florida's children and their right to a free, uniform PUBLIC education.

Another source for the tools you need can be found at FSBA's conferences in the spring and fall. Please make plans

now to attend the annual joint conference Dec. 2-5 in Tampa. We will welcome many new school board members following the November elections and continue to build our skills to enhance our leadership.

Even though times are trying financially, participation in the conference will help us gain the skills we need to further engage the battles going into the next legislative session. We must be prepared and informed to build bridges over the troubled waters that we face. The return on investment makes our attendance at the conference imperative!

Ms. Slough, a member of the St. Johns County School Board, is FSBA's 2008-09 President.

Amendments

Continued from Page 1

all three amendments had been swept from the ballot the room erupted in cheers and elation," she said. "The very hard work by FSBA staff to form strong coalitions against all three amendments was certainly vindicated by the unanimous vote of the Supreme Court. It was a great day for Florida's children."

"We're extremely satisfied that the Supreme Court did the right thing," added FSBA Executive Director Wayne Blanton. "The unanimous votes on 5, 7, and 9 left no doubt that the TBRC had greatly exceeded its responsibilities."

"The Supreme Court's decision totally upheld the positions advanced by the education community that proposed Amendments 7 and 9 were outside the authority of the TBRC to propose," said Tallahassee attorney Ron Meyer, who represented FSBA and other education groups.

"Amendment 5 was deceptive and did not inform voters of the consequences of voting for it, and will likely result in a substantive opinion that will be issued by the Supreme Court in this case, restricting the ability of proponents of future constitutional changes to use misleading ballot titles," said Mr. Meyer.

"In reversing the trial court decision which had left Amendments 7 and 9 on the ballot, the Florida Supreme Court, reaffirmed the importance of an independent judiciary to serve as a check on groups like the TBRC when they run amok," he added.

As state funding tightens, school districts try to cope

Florida's worst budget crisis in years hasn't abated yet. The latest news out of Tallahassee showed state revenue was still lower than estimates, which means even more cuts from state agencies and school districts.

When the Legislature adjourned in May, it approved a budget that, for the first time, had local effort dollars exceeding the state effort in total revenues expended. In other words, districts are putting in \$9.4 billion and the state is putting in \$9 billion. These funds include FEFP, categoricals and lottery/school recognition only. Last year, the state kicked in \$9.7 billion compared to local contributions of \$9 billion.

Then, in late August, the Revenue Estimating Conference projected there would be nearly \$1.8 billion less revenue than expected to support the 2008-2009 budget. Expecting this, Gov. Charlie Crist had ordered state agencies to trim their budgets four percent. At the same time, school districts were directed to tighten their budgets two percent. That's because the state only provides half of K-12 funding with the rest coming from local property taxes. This is expected to cover about \$1 billion of the revenue shortfall with the rest coming from state reserves.

Florida's chief state economist has also projected that the state will face a budget deficit of \$3.5 billion for the 2008-09 budget, which

means legislators may be looking for more revenue sources during next year's legislative session or in a special session this year after the November elections.

What are districts doing to deal with these reductions? Many are cutting back or eliminating teacher aide positions, hiring fewer teachers and scaling back or eliminating after school programs.

Bottom line is that most school districts have had to make some difficult choices about where to trim. Since some of those budget slashing determinations might involve collective bargaining agreements. The Florida Educational Negotiators, at its annual conference earlier this year, compiled a list of 61 items that school districts could consider.

As Max Schmidt, executive director of the Florida School Labor Relations Service, pointed out in his Special Report—Balancing the Budget, "The purpose of generating the list is to give districts ideas which they may wish to use in their deliberations over the summer and through next year in balancing budgets."

He warned that school districts should "exercise extreme caution in reducing or depleting contingency reserves, especially to fund recurring expenditures."

See Suggestions on back

Here are some of the suggestions, some obvious, some not so obvious: (This complete list can also be accessed at FEN's Web site, www.flfen.org/os/specialreporto8.htm.)

- ✓ Close schools, delay opening new ones or add on to existing schools rather than build new ones.

- ✓ Return alternative discipline students to home schools.

- ✓ Eliminate the seven-period day in secondary schools.

- ✓ Eliminate block scheduling.

- ✓ Reduce magnet school budgets.

- ✓ Increase class sizes, particularly in elementary physical education, gifted and alternate education classes.

- ✓ Eliminate all but required summer school classes.

- ✓ Change school start and end times.

- ✓ Consolidate bus stops.

- ✓ Utilize strategies to maximize FTE counts.

- ✓ Reduce discretionary budgets for schools.

- ✓ Eliminate busing not required by law.

- ✓ Shorten athletic seasons.

- ✓ Reduce junior varsity/freshman athletic schedules.

- ✓ Close facilities during winter and spring breaks.

- ✓ Eliminate lawn maintenance contracts.

- ✓ Implement energy savings strategies.

- ✓ Remove personal electrical appliances.

- ✓ Discontinue the scheduled purchase of band uniforms.

- ✓ Eliminate or reduce media and clerical assistants.

- ✓ Reduce the number of other non-teaching personnel.

- ✓ Eliminate or reduce technology coaches.

- ✓ Reduce the number of school counselors and psychologists.

- ✓ Eliminate or reduce reading coaches.

- ✓ Reduce number of school deans.

- ✓ Eliminate district administrative positions; offer early retirement to district administrators.

- ✓ Return district staff to school positions.

- ✓ Eliminate salary bonuses for administrators.

- ✓ Reduce field trips and supplies.

- ✓ Eliminate wellness programs.

- ✓ Do not adopt new textbooks.

- ✓ Eliminate outside consultants.

- ✓ Transfer property insurance payments to the capital fund.

- ✓ Review workers compensation claims.

- ✓ Increase indirect costs from the school lunch program.

- ✓ Increase school facility rental fees.

- ✓ Non-renew extended DROP participants

- ✓ Non-renew annual contract teachers.

- ✓ Privatize custodial and/or transportation services

- ✓ Review cell phone expenditures and privileges.

- ✓ Eliminate or restrict overtime pay.

- ✓ Reduce paid in-service time.

- ✓ Reduce contract lengths.

- ✓ Reduce hours for non-instructional personnel.

- ✓ Shift a portion of health insurance premiums to employees. Also, reduce health insurance benefits.

- ✓ Increase student contact time for elementary and secondary teachers.

- ✓ Reduce supplemental pay.

- ✓ Freeze salaries or negotiate salary reductions.

- ✓ Negotiate bonuses in lieu of salary increases.

- ✓ Deplete contingency reserves.