



Construction Services Officer Derrick Sanders welcomed Bond Oversight Committee members and other attending guests just after 8:30 a.m. The meeting was held in the third floor of the Hattie Mae White Educational Support Center in the Superintendent's large conference room.

Item 2 Oversight Committee Meeting Minutes — Jan. 31, 2017

Mr. Sanders asked if there were any issues with the minutes. There being none noted, the committee approved the minutes as presented.

Item 3 First Quarter Progress

Mr. Sanders noted that the team had made lots of progress during the past quarter, most notably with the completion and opening of two projects — Sterling Aviation High School, which he described as a wonderful facility, and Delmar Fieldhouse, which he called a major accomplishment. He said both are wonderful spaces and students are already using them. Mr. Sanders noted that construction contracts had been executed for all projects, adding that significant progress had been made during the first quarter on the eight schools set to open this summer. Those schools are: DeBakey High School for Health Professions (DeBakey HSHP), Sharpstown International School, Mickey Leland College Preparatory Academy for Young Men, and Furr, Wisdom, Milby, Waltrip, and Kashmere high schools. He said the district had hosted two grand openings at Sterling Aviation High School and Delmar Fieldhouse and six groundbreaking ceremonies at Garden Oaks Montessori, Codwell Elementary (non-bond), Sam Houston MSTC, and Lamar, Scarborough, and Westbury high schools. He also noted that three schools — Booker T, Washington High School, Lawson Middle School, and Young Women's College Preparatory Academy — had hosted informal beam signing ceremonies in the first quarter, with Yates High School also hosting a similar event early in the second quarter.

Mr. Sanders then displayed for the committee a series of pictures depicting the progress made during the first quarter at various projects. He said DeBakey HSHP is now complete and will open this August, though crews are still working on a final punch list and installing furniture. He described Milby HS as a wonderful space that the community loved. Set to open this fall, there already have been a series of tours showcasing the work done on the project. He said Furr HS would be done by the end of June and be ready for students by the new school year, while the Kashmere HS renovation and addition project also is on track to finish and open in time for the 2017-2018 school year. Mr. Sanders displayed pictures of progress at three schools — Parker Elementary School, Lawson Middle School and Eastwood Academy — that are set to be completed by the year's end. At Eastwood, he noted, the project recently has gone vertical with steel visible from a good distance away. Progress photos of Booker T. Washington High School and High School for Law and Justice also were shown, the latter of which is visible from I-45. Both are set to be completed by the first quarter of 2018. Mr. Sanders said nearby Yates High School also has gone vertical. The school is on track to be completed by summer 2018, opening in time for the start of the 2018-2019 school year. Mr. Sanders noted that Yates was going to be a really nice building and that the team was proud of the project.

Item 4 Business Assistance (M/WBE) Report and Community Outreach



Business Logistics and Transportation Officer Alexis Licata started her presentation by reminding the committee that the Supplier Diversity Team won the City of Houston's Community Partner of the Year Award for their Interagency Mentor Protégé Program. That program is continuing to move forward, she said, noting that they had conducted 25 protégé interviews in the first quarter as part of the application process for the program's latest cohort. She also noted that her team continues to exceed goals set for Minority- and Women-Owned Business Enterprises (M/WBE) participation. She reported M/WBE commitments for contracts awarded to date are 44.76 percent for architect projects, 19.83 percent for construction firms, 41.41 percent for program management firms and 38.51 percent for other projects. The combined total for M/WBE participating is just shy of 30 percent, which exceeds the 20 percent goal set for construction and the 25 percent goal set for professional services. Ms. Licata also said that HISD held three Workshop Wednesday programs as part of their continued outreach.

Before launching the finance presentation, Mr. Sanders paused the meeting to introduce HISD Board of Education President Wanda Adams, who joined the gathering during the Business Assistance Update. He asked he committee member to introduce themselves to President Adams.

Item 5 Bond Financial Report

Controller Sherrie Robinson directed the committee to page 143 of the Bond Oversight Committee Quarterly Report for detailed financial information. She explained that the 2012 Bond Program was now considered to be a \$2.1 billion program after the addition of the \$212 million in supplemental funding. Of that \$2.1 billion, \$1,197,304,184 has been committed, including \$424,607,129 in encumbrances and \$772,697,055 in actual expenditures. That leaves \$905,145,779 available to complete the remaining projects. Ms. Robinson noted that the committed funding shows an increase of about \$55.8 million over Dec. 31, 2016. She added that her team expects to sell about \$540 million of the remaining available funding at the end of May. That will leave about \$100 million of the original \$1.89 billion for future needs, she explained.

Committee Member Gary White asked if the district had dipped into the pot of supplemental funds. Ms. Robinson said no, and that they didn't plan to until the fall. Mr. White asked if the district would need to use that money. Mr. Sanders and Chief Operating Officer Brian Busby confirmed that they would need the supplemental funds, but noted a detailed report on the plan for those funds would be presented later in the meeting.

Item 6 Bond Communications

Ms. Wood reported that the big focus for the last quarter had been supporting principals and helping them plan and coordinate milestone events, including two grand openings (Sterling Aviation High School and Delmar Fieldhouse), six groundbreaking (Garden Oaks Montessori, Houston MSTC, Codwell Elementary School (non-bond), and Lamar, Westbury, and Scarborough high schools). She noted that six more milestone events would be held in throughout the second quarter. In addition to milestone events, the team also is placing a major emphasis on pushing project-specific updates to their respective school communities via SchoolMessenger. Ms. Wood said the focus would shift this summer to helping develop



strategic transition plans for principals moving into new facilities. Those plans often include a packet of accompanying communications materials such as callouts, blog posts, letters, and maps. The team also plans to be on-site on opening day, helping each school with its respective opening.

Ms. Wood noted that the 2012 Bond Program would be nearly 50 percent complete by the start of the 2017-2018 school year — a milestone the team was trying to spread far and wide. She encouraged committee members to share it with their constituencies. Ms. Wood further noted that the bond communications teams was reaching out to various media outlets to promote the progress of the 2012 Bond Program. She also said that the team's work and expertise had been recognized by both the Texas and National school public relations associations.

Committee Member Sonny Flores asked Ms. Wood to send him an invitation to the Milby High School Grand Opening, set for Aug. 17. Ms. Wood confirmed that she would.

Item 7 Looking Ahead

Mr. Sanders said the district would have eight projects completed and open to students by the start of the 2017-2018 school year. Those projects include DeBakey HSHP, Leland College Preparatory Academy for Young Men, Sharpstown International, and Milby, Furr, Wisdom, Waltrip, and Kashmere high schools. He said another six schools are set for completion in the third and fourth quarters of 2017. Those schools include Eastwood Academy, Parker Elementary School, Lawson Middle School, and North Forest, Sharpstown, and Scarborough high schools. Mr. Sanders also noted that 40 percent of all bond projects would be completed and open to students by the end of the second quarter, 47 percent would be completed and open to students by the end of the third quarter, and 55 percent of all projects would be completed and open to students by the end of the year. He said the completion rate was a major accomplishment and noted that the team was trying to promote that milestone.

Item 8 Bond Surplus Report

Mr. Busby presented the committee with a report on bond surplus funds, which he noted had been presented to the Board of Education the previous Thursday in a workshop and was expected to go before the board for a vote on the coming Thursday. Mr. Busby noted that the department had forecasted a \$99.1 million savings in the bond program — \$20.4 million coming from renovation and addition projects, \$51.8 coming from new school projects, \$12 million from districtwide projects, and \$14.8 from construction contingency. He said savings from renovated campuses would be returned to each respective renovated school, while the savings from new projects would be re-directed to bond projects across the district. The realignment, he said, is to ensure all schools are built as originally promised to voters. He noted that the surplus would allow the district to build pools at Washington, Yates, and Milby high schools, and provide needed communications equipment to the Yates communications magnet program, fine arts spaces for Westbury High School, and a new classrooms for Pilgrim Academy and additional school at Bellaire High School. Mr. Busby said the savings from districtwide projects would go to the original allotment for districtwide safety and



security measures. The \$14.8 million in contingency funds represents a standard 15 percent contingency that is reserved should unanticipated issues arise, he added.

Mr. Busby noted that the decision to use surplus bond funds on current bond projects was made after consultation with Chief Financial Officer Rene Barajas and the bond legal team.

Ms. Adams said she had discussed the plan for redistributing the bond surplus with the bond team. Initially, she was apprehensive, she said, noting that during the previous 2007 Bond, surplus funds were redistributed through trustee allocations, Because the allocations varied in amount from district to district, her district was provided less money than others. Had the surplus funds from the 2012 Bond been redistributed in a similar way, she would have received more than her fellow trustees, she said. However, she said, Mr. Busby and the bond team convinced her it was important to make sure all bond schools were able to benefit in an equitable way. She described the plan as great, fair, and workable and said she hoped the full Board of Education passed it at their workshop on the coming Thursday.

Mr. Flores said the plan seemed fairer than it had been with the previous redistribution plan. Committee Member Robert Eury asked how the finance department would account for the redistributed funds. Mr. Busby explained that if the board approved the plan, a new column would be included on the finance report to show the progression of dollars spent. He noted that no money could be moved until the measure was approved by trustees. He also congratulated Mr. Sanders, pointing to his hard work and dedication as the reason for the program's success.

Several committee members asked how the district was able to establish a surplus. Mr. Sanders said the first reason was related to the market softening, which was expected. As costs per square foot stabilized, the district was able to capitalize on it by expediting the execution of projects and contracts. When the team originally asked for supplemental funding, the average cost per square foot was hovering around \$232 to \$235, he said, noting that many projects ended up coming in between \$218 and \$225 per square foot. On buildings with large footprints, that can save a significant amount of money, he said. Mr. Sanders said the second reason was related to the contracts used. At the beginning of the 2012 Bond Program, he said, the team planned to use all Construction Manager At Risk (CMAR) contracts, but many of those were switched to Competitive Sealed Proposal (CSP) contracts. Mr. Sanders explained that CMARs are more like a qualitative bid based on a contractor's qualifications. He said CMARs can be more expensive and typically are used on more difficult projects where a contractor is needed early on in the process to work with the architect. With a CSP, drawings are completed by an architect and then put out on the street for bidding, Mr. Sanders said, explaining that the team used the CSP method for some of the district's more straightforward projects.

Committee Member David Quan asked what the average price per square foot was currently. Mr. Sanders noted that it was now at \$220 per square foot and could drop even more, adding that the decrease would not benefit HISD as all projects already were under contract.

Committee Member Gary White said he didn't understand why the \$99 million was referred to as a surplus because the district wouldn't have it without utilizing the \$212 million in supplemental funding approved by the board. Mr. Sanders replied that it was a fair question



and noted that once the board approved the \$212 million in supplemental funding, he began looking at the overall bond budget as \$2.1 billion, rather than \$1.89 billion, which is why they now consider it a surplus. Mr. White asked why none of the supplemental funds had been spent if it was, in fact needed. Mr. Busby explained that the supplemental funding could only be used for renovation projects because of the laws surrounding tax maintenance notes. Many of the district's first projects were new construction, for which tax maintenance notes cannot be used. Mr. White asked if the surplus funds were coming from program reserves. Mr. Busby said no, indicating the surplus was coming from project contracts coming back under budget. Mr. White again asked if the \$99 million surplus was coming out of the \$1.89 billion bond program. Mr. Busby reiterated that the \$99 million surplus is what is forecasted to be left over after compiling all bond dollars — the initial \$1.89 billion, the \$212 million in supplemental funding, and the \$190 million in approved revisions, the last of which is left over 2007 Bond funding. Mr. White asked how much of that forecasted surplus had already been realized. Mr. Busby explained that they only had actual realized savings on the projects that have been completed, noting that the amount is \$26 million to \$29 million and comes from projects such as Condit Elementary School, Sterling Aviation High School, the middle school restrooms upgrade and the district athletic facility projects. Mr. Busby added that they developed a plan for the forecasted surplus before all savings had been realized in an attempt to make better use of the funds, while also ensuring all schools are built as promised to voters. With many projects still in their early stages, there is some flexibility in being able to add scope, he said. But once the projects are built and completed, he said, it will cost more to go back in and add items after the fact because it would be considered a modification on a new building.

Attempting to clarify Mr. White's questions, Mr. Quan asked why it was necessary to sell the last tranche if the money was not needed. Mr. White followed, saying the team had initially suggested they would only spend the supplemental funding if it was needed. He said it seemed the district only needed \$113 million of the \$212 million, if they had \$99 million remaining. Mr. Busby said he felt the full amount was needed because many projects underwent a value engineering process that cut parts of their project. It seems only right, since there is money left, to revisit those decisions and see what might need to be added back in, he noted. He further explained that finance had suggested the extra money be saved to pay off the debt, but he felt the redistribution plan was paramount to ensure equity across all schools and make sure schools and communities are made whole. Ms. Robinson noted that her team was engaged in a strategic planning process to ensure tax maintenance note dollars were spent only on renovations, as the law requires. Committee Member Craig Johnson summed up the issue, saying the district had many schools that had to reduce their budget, but got to end of the project and realized they had extra money. He said he didn't want to get to end of bond program and then realize that there were still items to be addressed as a result of the earlier cuts. He suggested the money should be reinvested in the bond schools so they can get the scope they were originally promised. Mr. Busby noted that he met with his team and academics to discuss programmatic needs at each campus. Mr. White asked if there was latitude built into the plan. Mr. Busby explained that the plan was strategic and specific, with surplus amounts allocated to specific projects. He noted that the agenda item set to go before the board outlined how much each school would receive. Mr. Quan asked about the possibility of the plan being passed by the Board of Education. Mr. Busby said he couldn't presume to know how the board would vote, but noted that his team

HOUSTON INDEPENDENT SCHOOL DISTRICT

Construction and Facility Services • 3200 Center Street • Houston, Texas 77007-5909
www.HoustonISD.org • www.facebook.com/HoustonISD • www.twitter.com/HoustonISD



had communicated the plan individually to each trustee in the weeks leading up to the vote so that they would be informed about the plan and understand how their respective districts are affected. Mr. Busby added that the team presented some of the information to during a meeting with Bellaire High School constituents the night prior and it was well received. Mr. White asked if the surplus funding was being distributed equitably or equally amongst trustee districts and if some were getting more than others. Ms. Adams responded, providing him with the example of the pool at Milby High School. She noted that the community had coming to many board meetings to speak out about the school's need for a pool for months. In the project's original scope, a pool was included, she said. But that was later cut from the project due to funding issues. After the project is complete, Milby is predicted to have just \$119,000 in surplus, which would not have paid for a pool. But, she said, with the proposed funding redistribution plan, the district was able to provide Milby with \$4 million to pay for the pool. At Yates, the school will get funding to better equip its communications magnet program, while Westbury will get funding for a new fine arts facility. Mr. White asked if the district had been communicative with schools throughout the process. Ms. Adams confirmed that they had been, noting that while some schools might have wanted even more, they felt this was the fairest way.

Before moving on to the next presentation, Mr. Sanders stopped to introduce HISD Superintendent Richard Carranza, who had just joined the meeting. Mr. Carranza thanked the committee for their time and input as overseers of the bond. He said he was proud of Interim Chief Operating Officer Lenny Schad, Chief Operating Officer Brian Busby, and Construction Services Officer Derrick Sanders for getting the bond program back on track and helping it gain momentum. He said he viewed the progress being made with the current bond program as a step toward the district's next bond program. He noted that while the district was doing great things at the high school level, there were still a myriad of needs at the elementary and middle school level. Mr. Carranza noted that Ms. Adams had stressed the importance of being transparent in all dealings. Mr. Johnson asked the superintendent if he would be willing to speak to his community, specifically fathers, about what the district is doing to level the playing field and bring all schools up to a certain level. Mr. Carranza said he'd be happy to meet with him and suggested he reach out to Mr. Busby or Mr. Sanders to schedule the meeting. Mr. Busby suggested Mr. Johnson schedule the meeting through HISD Chief of Staff Cynthia Wilson, who he then introduced to the group. Construction Audit Manager John Gerwin then introduced new Chief Audit Executive Garland Blackwell to the committee. Ms. Adams commended the committee for asking the bond team tough questions, noting that the trustees do the same. She also thanked HISD staff for their hard work. She again stressed the importance of transparency and then noted that as long as the district put kids first, it would help them ensure they were doing a great job and making students, who are the constituents, proud. Students, she said, need great schools, great places to learn, and awesome technology.

Mr. Flores asked Mr. Carranza how many schools he had visited since joining the district. Mr. Carranza said 52. Mr. Flores asked how HISD compared to other school districts in which the superintendent had worked previously. Mr. Carranza said that while the context — such as the way schools are funded and how bonds are issued — is different, the issues are the same. He said those challenges include ensuring equity and access for all students, building schools, determining who goes to what school, managing transportation, recruiting principals, and evaluating teachers. Mr. Carranza further noted that he had never worked with a more

HOUSTON INDEPENDENT SCHOOL DISTRICT

Construction and Facility Services • 3200 Center Street • Houston, Texas 77007-5909
www.HoustonISD.org • www.facebook.com/HoustonISD • www.twitter.com/HoustonISD



talented team than the one in HISD, nor had he been in a city with such a can-do spirit. Moving forward, Mr. Carranza said the focus would be on solidifying relationships with businesses and the general community and ensuring all students were served equitably.

Item 9 Update on Recapture

New Chief Financial Officer Richard Barajas and General Manager of Budgeting and Financial Planning Glenn Reed briefed the committee on the status of the recapture process. Mr. Barajas, who previously worked in Garland ISD, said many of the questions asked in Houston also were asked in Garland. Mr. Barajas noted that he had spent the last six weeks studying recapture and detachment, which are part of the Robin Hood state school finance system implemented in 1993. He said he had spoken with the Texas Education Agency (TEA) and noted that the district was on the frontier, as no other district had undergone detachment. He noted that HISD held an election in November, asking voters how to make the district's recapture payment to the state. The options, he said, were to purchase attendance credits or allow the TEA to detach property from HISD and re-assign it to a property-poor district. Voters voted against purchasing attendance credits, which began the detachment process, he said. Mr. Barajas noted that TEA was in the process of detaching \$8 billion worth of commercial property as of July 1, which coincides with the beginning of HISD's next fiscal year. The district has since decided to hold another election on May 6, asking voters once again to decide how to make the recapture payment. The biggest change between now and then, he said, was that the TEA agreed to recognize half of HISD's homestead exemption, which dropped the recapture payment from \$116 million to \$77 million. He noted that the election was not to make recapture go away, but simply to determine how the district should make payment to the state. He noted that early voting for the May 6 election was underway.

Mr. Eury asked how the different payment options would impact the bond program and questioned whether or not the detachment — and the accompanying drop in the tax base — would impact HISD's bond ratings. Mr. Barajas said that would depend on how ratings companies look at the situation, noting that the outlook remains stable despite the recapture and detachment processes hanging over the district. Mr. Eury questioned whether detachment would affect the district's ability to repay bonds, noting that the debt rate would not change. He also noted that there currently was no mechanism for getting property re-attached to HISD. If property were attached to Aldine ISD and they later became property wealthy, would that property then be detached again and given to someone else, he questioned. Mr. Barajas said being the first and largest district to face potential detachment gave HISD a good opportunity to help define some of the rules. Committee Member Michael Davis asked why the TEA had only acknowledged half the homestead exemption and not the full amount. Mr. Barajas said that was based on a legal interpretation, noting that a new measure would have needed to be passed in order for the full amount to be recognized. He said roughly 300 districts were making recapture payments, and the state likely wouldn't want to give up that revenue. He also reminded the committee that the Texas Supreme Court had ruled last May that the state school funding system is marginally constitutional. Mr. White asked if the recapture payments go to the state's general fund. Mr. Barajas said the money went to the general fund, but is used to fund schools. Mr. White asked if the state was required to use that money to fund schools. Mr. Barajas said there was no statute that formally required it. Mr. Barajas explained to the committee that the district was undergoing



recapture because of rising property values across the state. HISD property values have continued to rise, but the legislature previously kept increasing the cap, keeping the district from going into recapture. HISD property values rose so quickly, the state couldn't increase the cap fast enough, he said, noting that the state benefits from increasing property values because it means they can provide less funding. Mr. Eury complimented Ms. Wood and other communications team members for their work on the recapture website, noting that he had referred many people to it. Mr. Barajas said he thought the videos the district created were spot on. Mr. Eury noted that he was representing and working with a major property owner, as well as his own personal property, set for detachment from HISD and reattachment to Aldine ISD. He said there was a significant difference in the tax rate and amount of money to be paid in the first year. He also noted that having a detached property across the street from an attached property creates an uneven playing field for business and building owners and in real estate. He added that he had spent a lot of time trying to explain the process to out-of-state building owners.

Mr. Quan noted that the detached property would be taxed at the rate of the institution to which it is transferred, which he described as unconstitutional because it gave property owners no way to control their tax rate. Mr. Quan said he understood that the district was not allowed to declare a formal position, but noted that he felt encouraged to vote against the referendum during the first election. The measure was defeated, he said, explaining that the community had essentially dared the state to detach property. Now the district is subject to detachment and people don't seem to want that to happen, he said, pointing to the second referendum being held in May. Mr. Quan asked if the district and community had accomplished anything in voting against the measure in November. Mr. Barajas said he heard and read about outside groups encouraging people to vote against the measure. The one thing that was certain, he said, was that when voters defeated the measure, it put the district into detachment. Since then, the district has had an attorney working with the TEA in an attempt to get the organization to interpret the law differently than they had previously. The TEAs decision to recognize half of the homestead exemption could be viewed as an act of consolation to reduce the current year's recapture payment. Mr. Barajas noted that since the second election had been called, Mr. Reed had hosted multiple meetings around the district in an attempt to explain the recapture and detachment, ensuring voters could make an educated decision. After the election on May 6, HISD will have a clearer picture of what to expect and will be able to develop a better game plan going forward. Mr. Barajas noted that there also were other factors to consider — House Bill 21, a possible special session — as the district prepared a budget for the coming fiscal year. The Board of Education set a June 15 deadline for budget adoption, he said. If a special session is called, the district will put forward a budget based on current law, he added. Mr. White asked if the TEA changes could impact the calculation that determines if HISD is considered property wealthy. Mr. Reed noted that the district would still have that designation based on what is currently proposed. Mr. Barajas noted that the legislature could alter the cap to again keep HISD out of recapture. But if the district's wealth value goes up, it could push HISD back into the process. Mr. Eury noted that detachment was permanent. Mr. Barajas noted that there had been a bill to allow for reattachment, but it hadn't gone anywhere. Mr. Quan asked how the \$77 million attendance credit purchase would impact per-student funding. Mr. Reed noted that it wouldn't because the district cut \$95 million from the budget last year in preparation for this payment. He also noted that the \$77 million payment was less than the \$162 million payment for which the

HOUSTON INDEPENDENT SCHOOL DISTRICT



district had budgeted. Mr. Barajas noted that if detachment were to become a reality, the district would get a reprieve from paying the money because the state would collect it via property. However, he said, it still is problematic because the district would be losing property wealth, which is equivalent to an economic downturn. Mr. Quan said the district would never get the property back. Mr. Barajas said it would take a new law outlining the reattachment process for that to happen. Mr. Barajas said the situation could become complicated if property was re-assigned to a new district that then passed a bond based on wealth from HISD property. Any new law allowing the property to revert back to its original owner could impact the new district's ability to repay its debt.

Item 10 Technology Presentation

Chief Technology Information Officer and former Interim Chief Operating Officer Lenny Schad provided the committee with an update on the status of technology projects and upgrades. He said the important thing to remember was that technology upgrades came in two separate packages. Every budget for all new and renovated schools includes a designated technology line item, which covers new and upgraded technology in the new and renovated parts of the building, he said. There also is a separate \$100 million bond allocation for general technology needs throughout the district. The technology line item that is part of all bond projects covers three main areas —infrastructure, classrooms and common areas. Infrastructure includes everything that is needed to wire up a new campus or the renovated portion of an existing campus. Examples include fiber, cabling and network equipment, wireless access points, security cameras, and VoIP, Schad said. In classrooms, that budget would go to interactive projectors at the high school level and whiteboards at the middle school and elementary school levels. It also would include enhanced audio, teacher laptops and desk computers in labs, Mr. Schad said, noting that some programs — like AutoCAD — require a hardwired desktop computer. Common areas are the third area covered by a bond project budget, he said, noting that items in those areas include signage, projection and presentation stations, administrative computers and network printers, and wireless access. Mr. Schad pointed to lunchrooms, cafeterias, and other common meeting areas as examples of such spaces. He stressed that upgrades are only done in new or renovated portions of a building, adding that older areas that are not renovated are not retrofitted using the technology line item from each bond project budget.

Mr. Schad said the separate \$100 million bond allotment for technology included \$40 million for infrastructure and wireless network updates. Examples include replacing infrastructure in campuses with old cabling and expanding networks on all campuses. Mr. Schad said \$17 million was earmarked for VoIP telephone service being implemented districtwide, while another \$43 million was set aside for collaborative devices in classrooms. He noted that technology replacement previously had been left to the discretion of each campus principal, which sometimes caused an inadvertent divide between those that embraced technology and those that didn't. In an attempt to ensure technological equity across the district, Mr. Schad said his team was now implementing a five-year life cycle replacement program districtwide. The program, he explained, would centralize the responsibility and take the burden off principals. It also would ensure no computer in the district would be older than five years. Mr. Schad said they also were implementing a standard number of computers for each school. At the elementary school level, the standard is four students for every one device, and at the middle school, its three students for each device. The high schools will continue to operate



under the district's one-to-one PowerUp laptop initiative. Mr. Schad said campuses with additional funds can exceed that ratio, while those below the ratio will be brought up by the district in an attempt to level the playing field. He also noted that his division was implementing a mobile device management system across the district. Mr. Schad said he was especially excited about the laptop replacement program because it was desperately needed across the district.

Mr. Davis asked if the Information Technology department was providing training to accompany all the new equipment. Mr. Schad said that would be provided by a separate department. He noted that he has an ed tech team made up of former teachers. That team, he said, meets with the curriculum department and focuses on instructional practices. The initial focus is training on all the tools and resources now available to teachers, he said. He further explained that the ed tech and curriculum teams didn't tell teachers which tools to use. Rather, he said, they explained how to use all of them, letting teachers pick and choose what worked for them. Mr. Schad noted that HISD has very powerful tools in its infrastructure, but is still working on getting everyone up to speed on how to use them.. Mr. Quan asked about the use of both Apple and Microsoft computers. Mr. Schad said he felt it was a waste of time to be territorial about specific brands. He said his team does not limit the types of devices that can be used. They instead explain all tools on all types of devices and let people use what they like. Mr. White thanked Mr. Schad and his team for their work. Mr. Schad closed out his presentation by introducing Information Technology Directors Pat Collins and Scott Gilhousen and Technology Project Manager TJ Johnson. Mr. Schad noted that each of the three worked closely with the bond program and did a great job and were focused on customer service.

Item 11 Furniture, Fixture, and Equipment Presentation

This presentation was postponed until the July meeting due to the limited time available.

There being no further questions or discussion, the committee determined there was a need to meet in executive session, and the meeting was adjourned.

The information outlined above reflects the author's understanding of the key discussions and decisions reached during this meeting. Should you have any additions and/or clarifications to these meeting notes, please notify the author in writing promptly. These notes will be relied upon as the approved record of the meeting, unless a written notice to the contrary is sent to the author within seven (7) days of the submission of these meeting notes.

Prepared by Communications.