

SCHOOL BOARD WORKSHOP

GADSDEN COUNTY SCHOOL BOARD
MAX. D. WALKER ADMINISTRATION BUILDING
35 MARTIN LUTHER KING, JR. BLVD.
QUINCY, FLORIDA

February 25, 2014

4:30 P.M.

This workshop was open to the public and electronically recorded.

The following Board members were present: Mr. Roger P. Milton, Chairman; Ms. Audrey D. Lewis; Mr. Charlie D. Frost; Mr. Judge B. Helms; and Mr. Isaac Simmons. Also present were Mr. Reginald C. James, Superintendent and Secretary to the Board; Mrs. Deborah Minnis, Attorney for the Board; and others.

1. Call to Order

The workshop was called to order by the Chairman, Mr. Roger P. Milton, at 4:35 p.m.

2. The Financial Workshop will end a little earlier this session to allow time for a Special Board session to dissolve the Gadsden County Board Leasing Corporation – Articles of Dissolution – Attorney Minnis will provide guidance on the procedural issues

3. Financial Data Report

4. Discussion Items

- a. List of contractors and notification to Board regarding vendors with total payments greater than \$15,000 and other payment issues.
- b. An internal accounts fiscal staff meeting was held on February 20, 2013 to discuss control procedures and deficiencies noted in the prior audit. The internal account's external auditor was interactive in the discussions. District personnel also discussed the implementation of a standardized form; timeliness of obtaining and recording the 1099 data needed of tax purposes from vendors; changes in obtaining their bank accounts which resulted from the delivery change by the bank; and the vendor notification which was previously delivered to the principals for immediate implementation on February 4, 2014 after its adoption by the Board at the January 28, 2014 Regular Board Meeting.

- c. Auditor's General preliminary and tentative findings were delivered on February 11, 2014 and revised and redelivered on February 28, 2014. We are currently working on the response to be included in their audit report and will provide them the information before the 30 due date of March 12, 2014.

Ms. Ferree stated that the preliminary and tentative audit findings showed significant deficiencies with the district's financial reporting, and other additional matters.

Board members agreed with Mr. Simmons to schedule a workshop to further review and discuss the preliminary and tentative audit findings.

- d. Additionally, we are currently responding to FDOE's request regarding our current status on the prior year Auditor General Report No. 2013-167.

Ms. Ferree stated that the Auditor General Report No. 2013-167 was an audit status update report showing a self-evaluation of the district's progress toward addressing the auditor general's audit recommendations.

- e. We responded in early February to an e-rate Payment Quality Assessment.

- f. 2014 – 15 FTE forecast was filed with FDOE on January 24, 2014. The projection is 158.42 UFTE less than the current year's budgeted amounts and 128.78 less than the 3rd calculation UFTE for which the district is receiving reduced FEFP disbursements than previously budgeted for. Overall the district's projected enrollment trend continues to decline due from various factors. Primarily notable factors are the aging of the county's population, as indicated in the census data, approval of another charter school opening in the next fiscal year, and expansion of existing charter schools into the high school grade level.

Looking ahead, the next year's budget needs to be established using even more conservative figures to we do not have to resolve continued reductions in subsequent FTE counts like we are encountering in the current fiscal year. The opening of the merged Havana schools for a K through 8 program will be helpful, but the Board may want to hold a workshop to discuss other school mergers to align the number of schools with the shift in the county population.

- g. External Factors that affect the District's financial position. The district is beginning to review other cost savings measures to address funds that are being spent on unfunded State mandates. A recent example of this was noted when the District recently had to complete a technology tools survey which allows districts to buy technology tools from any remaining FEFP virtual funding.

The result of our review of virtual school payments at the district indicated there were no remaining funds that could be used to upgrade the technology delivery system for our rural district as allowed by Section 1002.45(1) (e), Florida Statutes. The District only receives funding from FEFP as virtual school funds only for the virtual school only students.

However, the State requires all seniors to take virtual online courses as part of their matriculation requirements, which is not part of the virtual school FEFP funding. A review of amounts paid to all the virtual school contractors paid in the prior fiscal year indicated that the district well exceeded the virtual school funding of \$1,110. The payments to the virtual school contractors ended up totaling \$94,091.45.

Dr. Jackson has taken the lead and coordinated formulating a virtual school review committee to review the options available to the district to get a handle on this required but unfunded cost to the district's operations.

h. Other agenda items:

- i. Approval of the 2014-15 Florida School Boards Association Dues
- ii. Approval of the 2014 -15 E-Rate Contract
- iii. Budget Amendments

5. School Board Requests and Concerns

In response to Mr. Frost's question whether or not the working format would be the same for Office Managers if there was a change, Ms. Ferree stated yes, because the procedures are standardized and should be interchangeable.

Ms. Lewis stated that she was concerned about Havana Middle School's new PreK classroom wing having enough classroom space when the merger is complete. She stated that the district needed to be proactive and creative to ensure there was enough room for growth.

Mr. James requested Mr. Shepard provide the Board with a cost analysis to include every square footage of the new PreK classroom wing at Havana Middle School.

Mr. James announced the faith-based meeting scheduled on Thursday, March 13th, 6:00 p.m. at the Havana Middle School Multipurpose Center.

6. The workshop adjourned at 5:44 p.m.