

**Red Clay Community Financial Review Committee**  
**Monday, May 10, 2010**

**Meeting Minutes:**

The Community Financial Review Committee met on Monday, May 10, 2010 at 6:30 PM in the Brandywine Springs School Teachers Lounge.

**Members in Attendance:**

Paul Lloyd – Committee Chair  
Jill Floore– Red Clay Chief Financial Officer  
Eric Randolph – Board of Education  
Kim Williams – Board of Education

**Others in Attendance**

Jack Buckley – Board of Education  
Ariadna Castenada – Red Clay ELL Program  
Bill Doolittle – Parent/Community Member  
Eric Loftus – Red Clay Financial Analyst

**I. Introduction and Opening Comments:**

Mr. Lloyd welcomed everyone to the meeting and the members introduced themselves.

**II. New Business**

Ms. Ariadna Castenada from the Red Clay ELL Program gave a presentation. Ms. Castenada distributed a packet detailing her program. Title III is part of the ELL program. This is also part of the No Child Left Behind program. The ELL program assists children who have limited English proficiency. They use research based programs to help identified students. The State regulations are part of the distributed packet.

When a student comes into the district, the registration indicates if the child speaks another language other than English. It is followed by a question “Do you want your student tested for services?” If the answer is “yes”, that is the ELL program’s indication that the child is to be tested. Based on the scores, the child is entered into the program or not. For those students whose parents do not request testing, no testing is done. Once a tested child’s scores indicate a need for ELL instruction, a parent again has the opportunity to refuse services. The ELL program staff discusses the instruction with the parents informing them that they may not be in the program for very long depending on their needs. Students who need help with English are English Language Learners. Students who speak another language are listed as Language Minority Students, not necessarily ELL.

The ELL office is located at the Anna P. Mote Annex. The program is Kindergarten through 12<sup>th</sup> grade and is located in several schools. Lewis Elementary houses our Dual Language Program. This is the only program where students will learn in both English

and Spanish completely, both literacy and content. Other ELL students attend Marbrook, Mote and Baltz Elementary Schools. These students are not taught Spanish, but they use Spanish to transition to English. They may use Spanish more in the beginning and then transition over fully. The middle schools with ELL programs are A. I. DuPont Middle and Conrad Schools of Science. Depending on where the student lives, they follow the feeder of ELL for those two schools. All three high schools house an ELL program.

Students who speak another language other than Spanish are also offered assistance. The ELL program contracts with the Back to Basics Company to provide services for K-8 grades. The contractor comes to the student's school and takes the child from class for English tutoring. In the high schools, the system is different as the students have to earn credits. In the high schools, all ELL students regardless of language are mixed in one class. Ms. Williams asked how much time a tutor spends with a student. Ms. Castenada explained that it depends on the need but a typical range could be an hour three times a week. At the Title 1 schools, ELL children are also given access to the reading specialists. Ms. Castenada stated that ELL children are also invited to come to summer school, which is a critical time to continue the skills learned in school so they are not lost if the children are using a different language at home.

Ms. Castenada explained that the length of time in the program depends. Red Clay gives the students a State test every year to measure their progress. This test is given when the child enters the schools and then again each May. It is scored by an outside company. If our ELL program does not show progress, the district will be cited for not following the law. Ms. Williams asked if the students are required to take the DSTP. Ms. Castenada explained that based on the law, ELL students are only exempt their first year. They are only exempt from the English portion of the test, not the math, social studies or science portions. Ms. Williams questioned the reasonability of this as if students cannot read, how can they take those tests. Ms. Castenada stated that we must follow the laws and State testing. In some cases, interpreters are provided for students. The listing and budget for those are in the distributed packet. When students reach a level of "bridging" within the State ELL test, the student is then taken out of the program and placed into a regular classroom. Students are then monitored for 2 years during the transition. She checks the DSTP and MAP scores, grades, and contact with the teacher to monitor the students. After the 2 years, students have successfully exited the program.

The ELL program has several components. They have the Dual Language program at Lewis; Baltz, Marbrook & Mote have the Transitional Bilingual Program; and in the high schools we have the ESL – Sheltered Instruction Program. In schools with other than Spanish speaking students, we have the ESL Pull-Out program.

The ELL program draws funds from 3 sources. The first is Title III and is federal funds. There also used to be state LEP funds, but those no longer exist. They are currently funded through the State Stabilization Funds and their future is uncertain. The third fund is district tuition money. Based on the regulations, the district must provide the necessary programs to give the student language proficiency, professional development and parent

communication. We have several schools serving our students, but the school clerical staff does not speak Spanish. We must use some of the funds to provide help in the form of a clerk at the school when the students are in school. At the HS level, the biggest challenge is finding certified highly qualified teachers. When a student comes into the school, she has a teacher who is certified as an English as a Second Language. That teacher cannot teach science or social studies. We have teachers certified in those subject areas and we hire a Para professional to accompany those teachers to provide the ESL help. Translations are quite necessary. We have to provide parent communication. We post Spanish translations on our website. We also have translations of our registration information in Korean and Chinese. All documents and forms done for English speaking students must be done in Spanish. When a student registers, the forms have a spot to indicate if the parent would like correspondence in Spanish. That information is placed in our system until the parent requests a change. Sometimes the students speak English but the parents do not, so we provide that service. Ms. Williams asked about the Alert Now program. Ms. Castenada is the Alert Now for Hispanic students. She has asked the administration and teachers not to use the translations provided by Alert Now as they end up with incorrect information. Intellego does our translations. Red Clay goes to bid for these services prior to a contract being made.

The Latin American Community Center (LACC) provides an after school program for Red Clay students. They report to Ms. Castenada on how many students they serve. DSTP proctors are needed for the ELL students. Some tests are in Spanish so proctors are not needed, but we also have Greek, Thai, and many other languages served. Ms. Williams asked if these students are on a 504 plan. Ms. Castenada explained that no, as long as they qualify for ELL, they are allowed a proctor. The State provides the test that qualifies the student. It is called WIDE. It was started in Wisconsin and Delaware and there are now 23 states using this process.

Red Clay has 10 ELL summer school programs. The Title 1 schools offer a summer program for students in Grades 2-5. We look at our K-1 low scoring students, watching their proficiency and DIBELS. She then offers them a place in the summer school. The first 100 students who respond by a certain date, attend and the others are on a waiting list. Our Dual Language program at Lewis has a summer program at Warner. This program gives them Spanish literacy proficiency lessons. It follows the same summer school calendar. She provides for the teachers and supplies, Title 1 will provide the transportation and meals. It is a collaboration that maximizes funding. We estimate 136 students attended.

This year we had a new Scott Forsman text book. Therefore, we needed new text books for our ELL students. There are also consumables that are needed each year and supplies to support the program.

Tuition Funds. Travel funds are used for the teacher who travels from school to school to test these students. The funding breakdown is included in the packet for tuition funds as well. Association Dues are listed. Ms. Castenada needs to belong to professional organizations due to the nature of her position. Ms. Floore added that there are also the

local funds that pay for our portion of the ELL teachers. Mr. Buckley stated that he doesn't feel the public realizes that tuition funding relieves regular expense funding. These students are our students, regardless of what language they speak. If we didn't use tuition funding, we would have to use our local funding. Mr. Lloyd asked how this program qualifies for tuition funding. Ms. Floore stated that it qualifies under DOE's special programs process. Meadowood, ILC and First State School applied for special programs process. It is to protect against unfunded mandates in federally regulated programs.

Mr. Doolittle asked how the new state testing would have an effect on the ELL student's eligibility. Ms. Castaneda stated that there are many unknowns at this time. She does know that the accommodations will change, so proctors will still be needed. Ms. Castaneda has already had some DCAS testing and the state has inquired on how well it worked. Ms. Castaneda stated that we are the largest ELL populated district in Delaware. We also keep online data. Our funding and populations are carefully tracked. Ms. Castaneda explained we have about 2,000 students and that includes those who are being monitored that have recently left the ELL classroom. Mr. Buckley stated that equals about 15%. Mr. Doolittle asked if that number has grown. Ms. Castaneda stated that the numbers are consistent. 150 students may leave the program, but another 150 will be added.

Mr. Lloyd thanked Ms. Castaneda for her presentation and time.

### **III. Old Business**

Ms. Williams asked about the training of the BOE and CFRC members for the new financial system. Ms. Floore stated that she has followed up and the state has no scheduled training regarding the conversion so it will be the responsibility of the districts. For the CFRC, the state has our policy and by-laws and they are going to let us know if we are considered "grandfathered" into the new law. They are currently developing training for new Committees. Therefore, any one of us would have the opportunity to go through that training but new members would be required. There won't be much detail on the new financial system in that training, however, that would be up to us to provide. Mr. Lloyd stated that one of the most useful things he received on the committee was obtaining the handouts from Ms. Floore's office explaining the accounting system. He feels it would be beneficial for the members to take the training. Ms. Floore explained that July 1 is the date of the conversion. The State is training our employees. She will translate coding for the committee members but the format in which the reports are done will be the same. Mr. Buckley asked if it would be in more detail. Ms. Floore explained that the current IBU is 2 digits. That will now be a 6 digit operating unit. Ms. Floore stated she has converted every IBU so it will look the same and make it easy to follow. If we want to change that in the future, we can. For the ease of conversion, it was better to keep it similar.

Mr. Buckley has asked that a discussion and/or recommendation by this committee on the Barbacane audit would be expected by the Board. If no formal recommendation is given,

that would be fine. Mr. Lloyd stated that Mr. DeFroda had spoken with him to find out what the committee had recommended and was looking for our support. We will revisit this at our July meeting. Ms. Williams asked the cost of the audit. Ms. Floore stated it was \$65,000. Because the bid went through an RFP, our cost is locked in.

Mr. Lloyd stated that School Board Policy was to be revisited this meeting. Ms. Floore stated that it was tabled due to Mr. Buckley not being able to attend last month's meeting. Mr. Buckley explained that Policy 6001 was reformatted and made into policy before it came to the committee. He wanted the committee to review it to view the roles of the committee and comment regarding our bylaws. Mr. Lloyd stated that he believes it needs to sync not only with our bylaws but with the new law that has been recently put into place. Ms. Floore stated that this policy is in DOE's hands now and we are waiting for input back from them. We are grandfathered in under the committee and policy. But they are reviewing it for alterations to language to comply with their version of the code. Any new member will have to go through their training. It would not be a change to our policy but it will change our bylaws. There were no changes regarding our new financial system. She did make one note regarding the leasing of buildings. Mr. Buckley asked about the committee having the administrative memos. Ms. Floore explained that she has never made a copy of all the administrative memos for the committee, but the district employees have access to them. Mr. Buckley asked if there were more than what was listed there. Ms. Floore stated, yes as we recently revised one. Mr. Buckley feels the memos deal with things this committee should be aware of. Ms. Floore will copy those memos to the committee. Mr. Buckley feels that each month, there is a policy and memoranda that is very important to the view of the Board. Mr. Lloyd stated that the policy is a broad document, high level without a lot of detail. The CFRC reviews financial reports provided by the district. He feels that is adequate to express what we do. He doesn't feel anything has been omitted, but more of our mission could be added. Ms. Floore added that it could state that our committee's bylaws are maintained on the district website. Mr. Buckley would also like to add that the Chair of the CFRC will report quarterly to the BOE or as requested. Ms. Williams asked if we could talk about how the Chair of this committee would not necessarily be the person who gave the presentation to the BOE. Ms. Floore suggested that it be a written report rather than a presentation. Mr. Buckley added that it doesn't say a presentation, it states a report. Mr. Lloyd looked at what the other districts were doing. The other Chairs were simply providing the meeting minutes. Mr. Buckley would like to see our mission as the CFRC incorporated into the 6001 policy paragraph. Mr. Lloyd will send his amended version to Mr. Buckley to get his comments.

Mr. Lloyd referenced a travel policy. He has not seen any discussion in the Board minutes on this issue. Mr. Buckley explained that there has not been any travel since this policy has been in place. Mr. Lloyd asked about one Board member and Ms. Floore explained that took place over 12 months ago. Mr. Lloyd also pointed out the fiscal policies should be reviewed. In particular, one governing the sale of surplus property like the Pines. Ms. Floore stated that it is in Policy 6003 and it is governed by state code. There was a discussion on the hearing that was held pertaining to that property. The

property cannot be assessed until a hearing is held. The hearing was the first step in possibly selling the property.

Mr. Lloyd also asked about a policy on administrative compensation. He didn't see a policy and would like to know the process in which administrative compensation is decided. Ms. Floore stated it isn't policy, but procedure and determined directly by the board. The administrative salary schedule is based on a responsibility index. Each job is classified by its responsibility level from superintendent down to associate. The Board has no discretion on setting the salary. The Board only has discretion when setting the salary for the superintendent. Mr. Buckley stated the Board looks at a salary increase for the administrators after contract negotiations for the other groups are completed. Mr. Buckley feels they have been very conservative during his time on the Board. Ms. Floore stated the index is posted on the website. Mr. Lloyd's concern was that the present superintendent's salary looks inflated. Ms. Floore explained that includes benefits and his actual salary is as listed on the website. It also includes a sick leave payout upon the retirement of the former superintendent. It is why looking at just the object code is misleading unless you look at the detail.

Ms. Floore distributed the financial reports. In the packet she included the audit findings from the American Recovery Act of 2009 and internal control assessment. There were no findings for Red Clay.

Ms. Floore asked them to look at the Financial Position Report. The projected balance as of June 30, 2010 is \$15.1 million. On February 1<sup>st</sup> she reported to the committee that the projected balance was \$12.9 million. Since then, several things have happened. This report took place at the end of April, so we only have May and June to finish and based on the balances in the appropriations and IBUs/MBUs, we will not need to use the contingency so that has been put back into the balance. The balance also includes a factor for carry-over balances of 10% that will show on the balance and will be used in the next fiscal year. We track the carry-over budget vs. the regular budget. These occur mainly at the schools. The third item that adds to the balance is the closing of purchase orders under \$1,000 due to the conversion to the new State financial system. This is the vast majority of our purchase orders. The schools are diligently spending down their budgets. Ms. Floore will see the close out but will not see start up until July 19, 2010.

Ms. Floore stated that there is little to present with the monthly financial reports. The revenue side has more State money included. That took our balance up to 95% revenues received. Our local revenue for taxes taken in is at 100.28%. We are using a narrow margin of our delinquencies. The expenditures list IBU 06 Assessment is DSTP and the bills have not been received yet as per Dr. Qvarnstrom. Page 2 has school improvement money loaded as an FY07 appropriation; therefore, State All Other will never meet 100%. Mr. Loftus made some notes on the federal funding presentation made last month to clarify where one IBU may be referencing multiple appropriations. We are now finished with reporting FY09 so they will be removed from future reports. On Page 6 you may notice one revenue is higher than the other in local receipts. She pointed out that this is the last of our 3 year debt from tuition to Division 32. We make that transfer

in June in the amount of \$587,000. Division 32 has it listed as a receivable. IBU 67 dropped down, this is our consortium. We were expecting a reimbursement on transportation and it has come in. Meadowood and ILC budgets are exactly where expected at this time of year. Mr. Randolph questioned the Voc Ed funds. Ms. Floore explained that they are 2 year funding. They would be listed within the last year's encumbrances and expenses on the last line. Last month she had distributed the break down of that number. Even though new funding is given, the prior funding must be spent first or we lose it. The last four items are gate receipts for the high schools. They don't have to spend it or they can spend it all down. The ticket taker salary does come out of the receipts and it goes through the business office, no cash is given out of the gate receipts. Whatever percentage they spend is their discretion. At this time the gate receipt balances are Dickinson \$12,000; Conrad \$5,100; McKean \$20,000; and AIHS \$55,000.

Mr. Lloyd asked if anyone had any new business. Due to schedules and close out, the committee agreed to schedule the next meeting for August 9<sup>th</sup>.

#### **IV. Public Comments**

There were no public comments at this time.

#### **V. Announcements**

The next CFRC meeting will be held Monday, August 9, 2010 in the Brandywine Springs Teachers Lounge at 6:30 PM.

#### **VI. ADJOURNMENT**

The meeting adjourned at 10:00 PM.

Respectfully Submitted,  
Laura Palombo  
Recording Secretary