

Red Clay Community Financial Review Committee
Wednesday, April 10, 2013

Meeting Minutes:

The Community Financial Review Committee met on Wednesday, April 10, 2013 at 6:30 PM in the Brandywine Springs School Teachers Lounge.

Members in Attendance:

Jack Buckley – Community Member
William Doolittle – Community Member
Steven Fackenthall – RCEA Member
Jill Floore – Red Clay Chief Financial Officer
Victoria Kent – Community Member
Larry Miller – Community Member
Kenneth Rivera – Board Member

Others in Attendance

James Comegys –Director of Curriculum, RCCSD
Leah Davis – Board of Ed President, RCCSD
Michael Matthews – RCEA Member
Deborah Roberts – Supervisor of Accounting, RCCSD

I. Introduction and Opening Comments:

Mr. Miller opened the meeting welcoming everyone introducing our guests, Mr. James Comegys, who will give a presentation on Curriculum and Instruction and Ms. Debbie Roberts, who will give a presentation on Federal Fund Closeouts.

II. Minutes

After a review of the March meeting minutes, Mr. Fackenthall moved to accept them and Ms. Kent seconded. The motion carried.

III. Presentation

Ms. Floore explained that this time of year is our wrap up of federal funding which ended on December 31, 2012. Our regular funding ends with the District's June 30th fiscal year end. Ms. Roberts distributed a packet on Federal Funding. Each fund has its own timeline. The top page of the presentation is the Consolidated Grant timeline FY12. This grant just finished. The grant period was 7/11 to 12/12; 18 months. The award notice was not given until October of 2011 even though the money was loaded earlier. A report on fund standings is sent to the program managers each month. Their report is more detailed than the one reviewed by this committee and the superintendent on a monthly

basis. The PZ report is slightly different as their grant writing is unique. There is also an annual report due to DOE as of June 30th. The closing of the grant requires all funds be encumbered or expended by December 30th of that year. We have the 3 month close out time to pay the encumbrances. If small balances free up due to an over encumbrance or a discount from the vendor, we take those balances and review the grant to see how we can recode current expenses to use every cent. The final report on the closed grant is due on June 15th to DOE. We have a program on DSC so any program manager can see what is spent on any given date. Ms. Roberts cross references the DSC and FSF reports to make sure there are no errors.

Ms. Kent asked about a balance on Page 4, the Title 4 grant. Ms. Roberts explained that grant ended 2 years ago, but DOE came back with more funding. We didn't have enough time to expend that funding so some will be returned to the State.

Mr. Matthews asked about RTTT lack of parent involvement funds. He asked why the funds have not been spent. Ms. Roberts explained that information must come from the program manager. We have only 2 months to expend those funds. Ms. Roberts explained that Malik Stewart and Irene Hills are working to expend that money.

Ms. Floore explained there are also small grants that the schools apply for. The grants vary in size and they are listed in the report. We do not list what is applied for, only what has been granted. Ms. Kent asked what is ABE. Ms. Roberts explained, Adult Basic Education.

Ms. Roberts explained that we did not expend the entire Off the Streets amount and those funds will go back. The materials came in at a lower amount than expected and there was not enough time to expend the remaining money.

Ms. Kent asked about EMints. Ms. Roberts explained that we are the fiscal agent for East Side Charter. After receiving the grant, they chose not to participate and they did not expend the money, and we could not in their place. The money will revert back to the state.

There is a small encumbrance in Perkins. There was a glitch in the system and we had trouble recoding. It will get done in time. Ms. Roberts also mentioned the end dates can truly be longer for cleanup than what is originally stated.

Ms. Kent asked about 1003G funds. That is part of the PZ grant which was given in 2 parts. PZ which is RTTT and 1003G is a school improvement funds. Mr. Matthews asked if those funds would be expended over the summer. Ms. Roberts explained yes because it's not just professional development but the summer enrichment programs, i.e., salaries, buses and student materials. We knew this funding was approved before the funding was loaded. Therefore funds were borrowed from curriculum and had to be recoded to be in the correct funding lines.

Ms. Floore explained this was once a 1 to 2 page document. Due to the federal complexities in tracking and reporting, it is now a 9 page document. There are quarterly reports due to DOE that were just completed by Ms. Roberts.

Mr. Miller thanked Ms. Roberts and invited further questions be sent directly to her.

IV. Presentation

Mr. Comegys introduced himself and gave a brief history of his experience in Appoquinimink School District and here at Red Clay. He then distributed information regarding the Curriculum and Instruction budget. He has a \$2 million budget that is dedicated to the students of Red Clay. They have only spent 40% of their funding at this time.

They supervise the instruction materials for the entire district. Two specific areas don't fall under him but they do work together on providing the instruction for Vocational Services and Health and Physical Education. They are federal programs worked through Chris Miller and Sharon Rookard with Malik Stewart of our district.

Ms. Floore explained that in 2008 there were priority items dictated by the Referendum through community and administration. They were full day KN and restoring our balance as well as increasing curriculum, library, and performing arts budgets. It was almost doubled from the old budget line item. The last couple of years it has been stable. Then RTTT came in and grew the budget.

Mr. Comegys explained key areas they focus on are common core alignment, K-3 literacy program, college and career readiness and professional development. Some of the funding came from federal funding; therefore there is more that can be done. We have been holding budget items for next year as well.

Dues and conference fees – AVID membership is included in that. It should be moved to consults and professional services. Ms. Floore explained that coding is critical. The financial system limits us in explanations and each district can use one code while another would code it to another area for the same item.

Books and publications are textbooks. This year Central introduced a Spanish program, therefore \$8,000 was paid by his organization. Stanton split the cost of their Spanish program. We also pay for dual enrollment materials for students taking college level classes. We also purchase reference materials for administrative use. Mr. Rivera asked what other funds would pay for text books. Mr. Comegys stated large purchases come from his department. Schools are also responsible for replacing text books from their school budget. Ms. Floore stated there has been a lot discussion on what happens when a book is not returned or returned damaged. There are ramifications but alternatives are needed for students who cannot pay back the cost of the book. Ms. Davis asked about a major text book adoption, where does that funding come from? Mr. Comegys stated that is a conversation they always have. Some may be needed to be held from this year to be

combined with next year's budget. Some vendors will allow you to purchase one phase and then the next as funding is available.

Mr. Matthews asked about Trail Blazers for mathematics is inadequate when addressing common core. It has not been replaced for 10 years. Mr. Comegys stated that he is aware of that and agreed to replace but that cannot be replaced until a year and a half when the common core is fully realized. Ms. Davis stated that the text books won't be ready earlier either. Ms. Kent stated that we are spending a lot of money to follow a trend. Mr. Comegys stated they will speak to the common core and what is needed by the students along the way and match that need and then supplement when necessary.

Consultants, trainers and professional services include Flippen trainers and Mass Insight as consultants. Program fees for the IB program at Dickinson. Ms. Davis asked if Educationally Speaking comes from this. No, Ms. Floore stated that came from the consolidated grant.

EPER salaries and OECs are mostly summer training and STEM training. There is more to come in that category.

Equipment rental includes buses. We also rent chairs sometimes for professional development programs, and our copier. Food is for evening meetings as attendees come straight from the schools. Fuel is for traveling using the district vehicles to Dover and around the district. Instructional supplies may include books, but we are looking to recode. This is the catchall for items needed in the classroom as well as MAP testing. Lodging/out of state, that includes meals for out of state travel which includes teachers going to conferences. Travel costs include the air fare. There is also coordination with Malik Stewart and Title 1 budgets. Ms. Davis asked how it is determined who attends. Mr. Comegys states there are different forms. Sometimes it's the lead teachers for a subject, an award winner or we invite those who would like to attend and choose from the applicants. If it's local, we ask them to pay for their own travel and we just pay the conference fee. Ms. Davis asked what is required after the trip. Mr. Comegys explained that they come back to the curriculum council and explain what was learned and how helpful it was.

Mr. Miller explained at Del Tech, he would ask who wanted to go where and how it would benefit the college. Then they would have to come back and explain it back to them after it was attended. It also helped explain to the community and auditor what was return on the investment was. It may be helpful in the process. Mr. Comegys also explained that these travel workshops need to align with the strategic plan. Ms. Davis agrees with Mr. Miller that the report back then what happens with the follow through. How has it impacted the school, students learning or the strategic plan was it worthwhile. Mr. Comegys agreed they would be improving that process. Mr. Mathews was bombarded with the opportunities and training offsite, but it is regarded as one more thing to do. Whether it is a strategy to implement, forms to fill out, or a report back to the committee or school. Mr. Fackenthall stated many don't take advantage of the opportunity as they don't want to report back. Mr. Matthews also stated there are some

who just want to travel. Mr. Miller stated that they need to state prior to attending why they want to go and what will be gained.

Multimedia equipment is rental of equipment for a program or print media. We now can do this in-house with the purchase of new software. We are also tapping into our students to do design work for us.

Postage is mailings for choice buddies, SAT classes, direct mailings from their office. It may be done by DSC, but we then pay them for the postage.

Printing and binding is out of our Red Clay print shop. There will be more in that as charge backs come through.

Mr. Fackenthall asked about consultant and trainers, is any of that for half-day training for the teachers? Mr. Comegys stated it is a wide variety of items. One was a workshop for capturing kids' hearts; another was Springboard (English curriculum) training. Flippen training was for administrators. The IB training was for the teachers at Dickinson. Mr. Fackenthall stated that in his experience there is monthly training that loses its value when it's too much. Does this include the substitutes for the teachers who are in training? No, "Goal to Support" is where the substitute's costs are listed. Mr. Fackenthall reiterated that some of the training is too much when each training is to be implemented into the classroom. Ms. Davis asked then what is the priority. Mr. Comegys stated that is a discussion outside of the financial program.

Mr. Fackenthall asked if the teachers are already listed as highly effective teachers, why don't we ask them to be the consultant for the training. Mr. Comegys stated there are lots of places where that is currently happening.

EPER also includes TAG teachers. Mr. Rivera asked who falls under EPER. Mr. Comegys stated that is only the hourly extra time. No full-time salary is in that figure. Full time TAG teachers are paid for out of state/local units earned at the building level.

We hope to replace our US History books this year which is estimated at \$100,000. A Biology replacement text book should also be about \$100,000. Employees are traveling to a math conference which will come in at \$5,000. We hope to support more RTI materials in our secondary schools as that program goes forward. We can buy our supplies for STEM institute now but cannot pay for the substitutes/teachers until after July 1. We paid for last summer in this fiscal year. We are budgeted out at \$2 million leaving \$100,000 budget.

Mr. Buckley asked why the list of planned is not encumbered. Mr. Comegys stated they are waiting for hard quotes for the textbooks, etc. They will be encumbered in the next few weeks.

Mr. Mathews asked about RTI materials. Mr. Comegys stated they are for secondary and reading and math interventions. For the elementary schools, you would look at the Goal

To Support for substitutes and materials. His concern is materials that are purchased but never used. Are there any guarantees that it would be used? Mr. Comegys explained 3 guarantees that it will be used: 1. It will be aligned with our strategic plan, 2. His team will walk through the schools to see what is used, and 3. He doesn't want to spend money just to buy it and not be used, Ms. Kent asked if we test the materials to be used in the classroom. Mr. Comegys explained that yes we do pilot some programs. There is a careful balance needed on what is piloted and what is chosen. We go to conferences and talk to other administrators. We invite vendors to come to us and look at our data not what is happening elsewhere. We also need to sort out what we already have.

Mr. Doolittle asked about the future. How are the budget consequences in the future? Mr. Comegys explained that we are doing all we can opening communications with the other groups within Red Clay to improve instruction for tier one and move to students with extra needs and those who are not improving.

Mr. Miller thanked Mr. Comegys. Mr. Comegys stated that if there are follow up questions. Please contact him directly.

V. Updates

Ms. Floore hoped to have more audit information on the Barbacane Audit. It is still not complete. There is a meeting scheduled for tomorrow with Barbacane.

Mr. Rivera asked at the last meeting for a federal funds update. There is no new information. The state has loaded the grant. It is for our responsibility to input the priorities and data into the plan and the budgets. 90% is being loaded by the state. This will not be completed until July. Different scenarios will be presented at the April Board meeting. Ms. Floore does not believe it will be 10% but closer to 5%. Mr. Doolittle shared his experience in Washington at the budget talks on sequestration. The good news is we are in better shape than other parts of the country. Ms. Floore stated the loss of \$3 million in Ed jobs and stimulus money is larger for Red Clay than the \$500,000 of sequestration, though both have significant impact.

Mr. Rivera spoke with Mr. Stewart on what could be cut. He wants to have a plan for each 5% or 10%. He would like to see a plan. Ms. Floore explained that is her understanding that the April workshop is for that purpose. Mr. Rivera would like to have the options earlier than the Board workshop.

Mr. Rivera came out of his talks with Malik stating that large RIFs may not happen. Ms. Floore stated she cannot guarantee there won't be any RIFs. Ms. Kent explained that you would have to work backwards from the rules to what options we can use. Ms. Floore stated one of the only plays we have is excellence units.

Mr. Matthews asked if the teachers can be notified prior to the vote of the Board on RIF. Ms. Floore explained legally we cannot do that. The positions are voted on by the board and then the teachers are notified. Mr. Matthews asked if the funds are made available,

do we go back to the RIFed teachers. Ms. Floore stated yes we do a recall unless the priority has changed and a different type of teacher is needed.

Mr. Miller explained we receive the report on all of the federal funds. The assumption is that they will be ongoing. The end dates are there as they will not necessarily continue. The federal deficit is making less money available to schools. Our reality is that we will have fewer resources to work with.

VI. Monthly Reports

We received our local tax money and we are now at 99%. Overall, we are at 94% as there is still outstanding money due us for the Division 1 salaries from the State.

We should be at 75% encumbered and expended. We are currently at 71.5% expended and encumbered, slightly lower than we were last year. With the exception of one, Special Services which is our alternative school, we are at 102% of budget. That won't be recoded, it will be over budget. We purchased more seats in our alternative school.

Ms. Kent asked about referendum technology is lagging behind from last year. Ms. Floore explained that is due to planning major purchases. They accumulate them and do them all at once. This is the time of year when the technology is reviewed at the school so they can be prepared for the start of school next year regarding replacements and laptops, etc. We will see a significant increase over the next few months.

Our tuition revenue is at 95.7%. The only one over is unique alternative at 172.6% of the budget. UA is for students' interagency collaborative team. We bring a case to DOE for private placement in DE and out of state. This year the budget has almost doubled. State pays 70% and local pays 30%. Mr. Matthews asked what determines why they are placed outside the district, is it litigation. Mr. Doolittle explained that if the district, and possibly the State, cannot meet the needs of a special education student, an outside agency is needed for the education of that student. Ms. Floore explained it may be through agreement of all parties, not necessarily litigation or settlement.

The last two pages review Meadowood and RPLC. There are no new changes. Utilities remain up as we received more money from the State for needs based funding.

We are at 89.6% on district expenditures being in good shape for the end of the fiscal year.

Mr. Doolittle asked about the ratio of Division 1 State salaries and local salaries for Richardson Park differ from the rest of the district model. Ms. Floore stated that is for RPLC and Central. There are more tuition dollars for those schools. Some is for the autism specialist at RPLC and Spanish classes at the secondary school.

VII. Public Comments

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Mr. Fackenthall asked regarding the minutes from last month's meeting with Amy Grundy. He had asked about the Lewis \$70,000 and she was to get back to him. Ms. Floore had a written answer from Ms. Grundy for Mr. Fackenthall detailing what was purchased with that funding.

VIII. Announcements

The next CFRC meeting will be held Wednesday, May 8, 2013 in the Brandywine Springs Teachers' Lounge at 6:30 PM.

IX. ADJOURNMENT

The meeting adjourned at 8:30 PM.

Respectfully Submitted,

Laura Palombo

Recording Secretary