

**Red Clay Community Financial Review Committee**  
**Monday, October 14, 2013**

**Meeting Minutes:**

The Community Financial Review Committee met on Monday, October 14, 2013 at 6:30 PM in the Brandywine Springs School Conference Room.

**Members in Attendance:**

Jane Rattenni – Committee Chair  
William Doolittle – Community Member  
Steven Fackenthall – RCEA Member  
Jill Floore – Red Clay Chief Financial Officer  
Victoria Kent – Community Member  
Michael Piccio – Board of Education Member  
Kim Williams – Community Member

**Others in Attendance:**

Ken Goodwin – Red Clay Manager on Special Assignment  
Mike Matthews – RCEA President  
Tom Pappenhagen – Community Member Applicant

**I. Introduction and Opening Comments:**

Ms. Rattenni opened the meeting welcoming everyone and introduced our guests.

**II. Minutes**

After a review of the September meeting minutes, Mr. Fackenthall moved to accept them and Mr. Piccio seconded. The motion carried. Any new Committee members are invited to the October 23rd training for CFRC at New Castle County Vo Tech.

**III. Race To The Top Presentation**

Mr. Goodwin distributed a packet of information on RTTT including the history and going forward. In 2009 President Obama signed the American Recovery Act asking states to be recognized for innovation and achieving significant improvement in closing the education gaps. There are 4 core education reform areas: adopt standards and assessments for students to succeed in college; build data systems that measure student growth; recruit, develop, reward and retain effective teachers; and turn around the lowest achieving schools.

The 4 key assurances are broken into 12 scopes of work. We took the opportunity to begin these initiatives and make them sustainable, rolling them into our strategic plan.

Also included in the hand-out are the budget pages. The first year lists the 12 scopes of work budget and expenditures. The balance was carried over into the following year. Ms. Floore explained that with that amount of money, you cannot start right away as there is planning and hiring taking place. Transitions were made from scope of work to strategic plan. We have 5 goals in our current strategic plan. We align them from the original RTTT. Advanced coursework are the IB, AP classes, SAT courses; early childhood programs; critical needs area to close the achievement gap using professional services from outside consultants; Academic deans for support; and the parent kiosks located in every school which is goal 5. The last page of the budget is 2013-2014. There isn't much listed on that last page as the funding has been tapered and focused into two main areas: academic deans and preschool. We have made the other items roll into our current budget so most of what you see is salaries. Early childhood teachers, critical needs areas, leadership SAM at Lewis and some indirect costs as well.

Mr. Fackenthal referenced 2011-2102 and asked about parental kiosks what did they entail. Mr. Goodwin stated that in lower income households, parents may not have access from our web pages at home. They can get this information from the school kiosks. Part of that is setting up parent centers within the building. They can get literature on homework help, strategies as well as access to computers. Mr. Fackenthal asked if the principals have the access to update them. Yes, they do. The videos on the kiosks are a few years old. Mr. Goodwin stated that now that we have in-house television videoing that can be done.

Mr. Doolittle asked if there was an original budget sheet and how it has evolved over time. Mr. Goodwin explained not the actual budget but expenditures. Ms. Floore stated that we only have the original application allotment. Each year we have to apply and can show the budget application and changes each year. Mr. Doolittle asked about the parent engagement. Mr. Goodwin also stated that we have an additional mini grant for parent RTTT engagement handled through Malik Stewart. When we do make an amendment to the budget, these pages are what we forward to the State.

Ms. Floore explained that money has come in to us, and we would try to sustain it. The best thing would be to purchase onetime things. People are the most challenging and lead to layoffs. We had 13 literature coaches paid for by Ed Jobs money working on reading and professional development. To sustain them, they were built in to the budget at the cost of 13 excellence units. Sustainability comes at a price.

The State really liked the academic deans. In our reports, the comments on the growth they've seen and the development of PLCs. In order to do PLC, the district has provided support for the collaborative model. The State used Red Clay as a model for others in academic deans and PLCs. The PLC is stands for professional learning community. Teachers meet every week in the tested areas for 90 minutes during the student day. Their goal is define what they want the students to achieve for the year and what will we do when they achieve it as well as how will we achieve it. It's for teachers to work together to close the achievement gap and achieve college/career readiness.

Mr. Fackenthall stated that it sounds good but it doesn't happen. Our PLCs are scripted and looking at the same data week after week. Mr. Goodwin stated that this may be happening in some schools. Not all are progressing at the same rate. It's developmental. The State would provide data coaches to drive the team. Mr. Goodwin stated that we will use the data during the collaborative time. Mr. Fackenthall stated that due to the testing cycle, they were looking at the same data. This summer we had PLC training so we are seeing changes within the buildings. We were looking at what works best. He reached out to other states and counties who have been using these programs for several years. How do we marry collaboration with district professional development? Other districts in the State have come to us asking for our input. Mr. Goodwin would be happy to come to Mr. Fackenthall's school to help the PLC. Mr. Matthews stated his teacher surveys state that teachers are not happy with PLCs and don't want them to continue. Mr. Goodwin's surveys have given different answers. Mr. Goodwin stated that the entire professional development model is the PLC.

Red Clay referred to Fairfax County as a model of district initiatives. On their Mondays, they have district level professional development. Mr. Matthews asked if their demographic was similar to ours. Mr. Matthews states that his teachers give up 2 planning periods and before and after school time for the PLC. The union will be looking to include this in contract negotiations. Mr. Goodwin agrees with the State feels that it is essential. This is information the teams are to be taking back to the classroom.

Ms. Williams asked about smarter balance. What she had heard was there was going to be one test at the end of the year that will last several hours. Mr. Doolittle stated he knows there is a Spring to Spring model but no Fall to Spring model. Ms. Williams asked how teacher performance could possibly be linked to these tests. Mr. Goodwin in his talks found that all of these are changing. Ms. Williams stated that we are losing the data when going test to test.

Mr. Matthews asked about the sustainability. The preschool program won great awards for the current program. The funding came from RTTT. The teachers have the expectation that they will teach. The students that went through this program and now in 2<sup>nd</sup> grade are above their peers. We are currently going to the STARS grant money. However, the STARS curriculum waters down what they have been successfully doing. He likes that they can bring in funding, but maybe we need a Bill at the State level excluding certified educators and school systems from having to comply with some of the regulations. Ms. Floore also stated that the STARS program was not designed for public education. It is a business model. It is not a public education model. The two are not congruent. November's meeting will address preschool where we are and what our options are.

Ms. Williams stated that if the State was serious about the program, they would give us units for the program. Ms. Floore explained that we do get preschool units for needs-based students but not generally for 4 year olds. Some districts still have ½ day kindergarten. STARS doesn't prevent a high quality school from teaching but it is not the same funding structure or assumptions as public school. Next month we will have a

presentation on preschool. They are currently at Warner, Baltz and Mote. Ms. Williams asked when the decision will be made on whether we will have it next year. Ms. Floore stated the Spring. We find out if we receive more in RTTT on December 2<sup>nd</sup>. The current application was entered.

Ms. Rattenni thanked Mr. Goodwin for his presentation

#### **IV. Monthly Reports**

Ms. Floore pointed out on Line 3 local revenue. We have negative revenue. We received late payments over the summer, however, the charter preload payment is no longer an expense but taken directly from revenue. The payment has come in prior to our taxes being deposited. This year we have a balance, therefore we were fine. That payment was \$2.8 million. Mr. Doolittle stated that this will have to be factored into our financial position in the future. Ms. Rattenni explained that last year we didn't have this issue. Ms. Floore explained that the County collects the taxes for the district. This year they came through on October 2<sup>nd</sup>, however, our balance sheet ends September 30<sup>th</sup>. Our charter preload was \$2.8 million. The total bill for charters is \$9 million. Mr. Fackenthall asked if the final payments to charters included salaries or late arriving students. Ms. Floore explained that each district has an amount per pupil. Ours is different from Brandywine which is higher and Christina is lower. That number times the students going to a charter. That first preload money is taken from our revenues and given to the charters. The rest comes out in December. Each first year student signs a contract and cannot leave without the school district agreement. If it's before Sept 30<sup>th</sup>, it's easier than after. If someone moves into Red Clay after September 30<sup>th</sup> they are ours. Some move from charter to charter school and some move back to the district. If it is the 2<sup>nd</sup> year, it can happen at any time. Mr. Matthews asked if charter schools were banding together to inflate their rolls. No, parents do that to hedge the enrollment.

Ms. Floore reported there was a question on tax payments and the now defunct Fisker Company owes us \$741,523. We have not received payment and we don't expect to. We don't know how this works with the current federal loan and the current federal shutdown. 1% of our revenue is delinquent and built into the budget. There are also properties that do not pay their taxes and we have built a 1% delinquency into the budget. Fisker owes the county \$200,000 but the county gave them a tax break as an economic development. Since they are delinquent, the tax break disappears.

Mr. Rivera had asked if the financial position report in August would match our October figures. At that time, our position reflected \$10.3 million and we are currently at \$10.4 million.

We are at 51.7% revenues received. Lower than in FY13 because we had taxes in early last year. We will receive \$8.8 million in our taxes. Mr. Doolittle asked if earned more units than what was in the budget? Yes, and that is why we are higher in Division 1 salaries from the State.

Legal is over encumbered on Line 43. We will cut back our purchase order encumbrance.

Mr. Matthews asked about the Cab Calloway building budget being different than the other high schools. Ms. Floore stated that all schools budgets are based on the student number/units formula. However, a school is allowed to carry over 15% as well as the fact that Cab Calloway does not have an athletic program. They do have EPER for music and theater programs but it is much less. Athletics are expensive and supported by the community. Mr. Doolittle asked about the new OCR standards and how that will affect our athletic budgets creating equal opportunities for all students. Ms. Floore explained that has not been worked out at this time.

Last year we were at 21.3% and now we are at 21.6% for expenditures. Line 66 local salaries we were at \$10.4 million and last year we are at \$11 million this year. This includes step and contract increases. Mr. Matthews asked if 25% of teachers retired in one year, would it be less due to newer teacher being hired. Ms. Floore stated that attrition is budgeted in already but it is never enough to offset steps and lane increases.

Ms. Williams asked about summer school money. Ms. Floore explained that this reflects summer school that happened in July. We straddle each budget year. It is always spent before June 30, 2014.

Looking at the federal programs, Ms. Floore pointed out the RTTT monies that are expiring. There are several pockets in PZ schools. The reason the numbers are negative is due to the fact that each year the grants need to be reapplied. We've made the application and have been approved; however, the money has not been placed into our budget from the State. It will be recoded when the funds are in.

Ms. Floore reported we have not felt any financial issues from the current federal shutdown.

The Teaching American History grant is almost expended. FY13 and FY14 for the consolidated grant which we are almost out. IDEA B is approved, but it has not been loaded yet.

Tuition funds don't have the charter payment and they have carried over balances. We have received hardly any revenue but \$7 million is the local carry over. We have not done our tuition billing at this time. Regarding State revenue, the number of students has increased that have gone to ICT so far. 70% of the cost of those students is paid for by the State. Meadowood and RPLC have their own budgets. No outstanding balances.

On the last page you can substitutes tracked. Our numbers so far this year are lower. Mr. Matthews asked if our substitutes are paid comparable to other districts. Ms. Floore explained that State law sets the amount and then vendors bid on the amount per placement as a fee. The long term substitute does not get a higher pay than the day rate substitutes. We, as a district, could put in money but that would be 100% local funding.

The Para's scale has increased and will continue over time which has created problems with other employee classifications. Now we have aides riding the bus being paid more than the drivers. Again, this was a state change in the scale and cannot be fixed on the local side.

## **VI. CFRC Openings**

Ms. Floore has 2 names submitting to the BOA for the community member position. Mr. Pappenhagen asked what day the letter of interest is needed. Ms. Floore stated that the email he submitted would suffice as it has his background information. Mr. Fackenthal asked how Mr. Pappenhagen heard of the opening. Mr. Pappenhagen explained that he saw it on an education blog.

## **VII. Announcements**

The next CFRC meeting will be Monday, November 4, 2013 in the Brandywine Springs Teachers' Lounge at 6:30 PM. Mr. Stewart will give a presentation on the Preschool Program.

## **VIII. ADJOURNMENT**

The meeting adjourned at 8:07 PM.

Respectfully Submitted,

Laura Palombo

Recording Secretary