

MINUTES OF BOARD OF SCHOOL TRUSTEES MEETING
July 16, 2018

The Board of School Trustees met in regular session on Monday, July 16, 2018, at the Education Support Center. The following members were present: Mrs. Jenny Higbie, President; Mrs. Elizabeth Galligan, Vice-President; Ms. Lee Ann Wiseheart, Secretary; Mrs. Donna Corbett, Member; Mr. K. Lee Cotner, Member; and Mrs. Rebecca Gardenour, Member. Also present were the following administrators: Dr. Brad Snyder, Superintendent; and Mr. Bill Briscoe, Assistant to the Superintendent. Mrs. Jan Anderson, Board Member, was absent.

A. CALL TO ORDER:

Mrs. Higbie called the meeting to order at 6:00 p.m.

B. RECITE PLEDGE OF ALLEGIANCE:

Mrs. Higbie asked everyone to join in reciting the Pledge of Allegiance.

C. COMMENTS FROM THE PUBLIC:

The public was invited to address the Board on matters of educational importance. Oral complaints regarding specific students and/or personnel will not be heard. School employees are encouraged to contact their immediate supervisor to be heard on specific complaints relating to the terms and status of their employment prior to addressing the Board. Individuals were asked to confine their comments to no more than three minutes. There were sign up sheets near each entrance prior to the start of the meeting.

Ms. Natalie Thurston, 2909 Moccasin Court, New Albany, spoke in support of the soccer field at the Green Valley Elementary site for our schools and the community.

D. APPROVAL OF CONSENT AGENDA:

- Approval of Minutes of the June 11, 2018, Regular Session;
- Approval of Claims;
- Approval of Payroll;
- Approval of Staffing Report;
- Approval of Overnight Field Trip Requests from Floyd Central High School;
- Approval to Declare Prosser Building Trades House Surplus and Appoint Disposing Agents;
- Approval of Agreement for Photography Services with Lifetouch National School Studios, Inc.;
- Approval to Declare School Buses as Salvage;
- Approval to Donate Property to City of New Albany for Slate Run Road Widening Project;
- Approval of Referendum Change Orders;
- Approval of Amazon Procurement Contract.

Board members have received information regarding each item on the consent agenda; however, any member may request that any item be removed from the consent agenda and discussed separately. Mrs. Gardenour asked to remove the Approval of Staffing Report and Ms. Wiseheart asked to remove the Approval to Donate Property to City of New Albany for Slate Run Road Widening Project. Ms. Wiseheart then made a motion to approval all remaining items on the consent agenda as presented. The motion was seconded by Mrs. Corbett and carried unanimously following a roll call vote.

- Minutes of the June 11, 2018, Regular Session as presented.
- Claims beginning #82120 through and including #82602 in the total amount of \$17,544,163.84 as presented.
- Payroll of 6-15-18 in the total amount of \$2,830,716.55, Payroll of 6/29/18 in the total amount of \$2,213,505.76, and Payroll of \$2,182,908.09 as presented.
- Overnight Field Trip Requests from Floyd Central High School as presented.
- Declared Prosser Building Trades House Surplus and Appointed Disposing Agents as presented.
- Agreement for Photography Services with Lifetouch National School Studios, Inc. as presented.
- Declared School Buses as Salvage as presented.
- Referendum Change Orders as presented.
- Amazon Procurement Contract as presented.

In regard to the Staffing Report, Mrs. Gardenour asked if the person hired for the Radio/TV position at Floyd Central High School has been a teacher or are they coming from the private sector. Mr. Willman, Principal at FCHS, said the person will obtain a Workplace Specialist License, much like a CTE license that a teacher at Prosser would get. To obtain the license, the person must have 6,000 hours of work experience in the field and this individual does. The license is only good for a specific location so the person must be hired before they are able to apply for license. Following the discussion, Mr. Cotner made a motion to approve the Staffing Report as presented. The motion was seconded by Mrs. Galligan and carried unanimously following a roll call vote.

In regard to the Donate Property to City of New Albany for Slate Run Road Widening Project item, Ms. Wiseheart understands this as an eminent domain situation, which is when the government can take a piece of land but must pay the landowners market value. This

project has been approved by the city and a budget has been set. She asked the market value of the land the school corporation is recommended be donated, why is the recommendation to donate, and why not get a win/win situation in which the school corporation gets the market value and sells to the city at a lower rate. Mr. Wiseheart responded that this hasn't gone to eminent domain, but the city has asked the school corporation to donate the piece of land. This is similar to what the corporation did at Mt. Tabor when the city was doing the road widening project there. We have done on several other occasions when it is a benefit to the community and mutually beneficial to the school corporation. This particular piece of land is approximately 360 square feet and a minimal amount, approximately \$80, would be gained if sold rather than donating. The benefit we gain is our sidewalk will end with the new sidewalk installed by the city. Following the discussion, Mrs. Galligan made a motion to approve the donation of property of City of New Albany for Slate Run Road widening project as presented. The motion was seconded by Mr. Cotner. The motion carried with five votes in favor and one vote. Mrs. Galligan, Mrs. Corbett, Mr. Cotner, Mrs. Gardenour, and Mrs. Higbie voted in favor and Ms. Wiseheart voted against.

E. ACTION ITEMS:

Consider Approval of Revised Board Bylaw 0144.1 "Board Compensation";

Mr. Briscoe recommended approval of the revised bylaw. This was presented for first reading at the last meeting. It states that Board members will be compensated up to two times during any calendar year when they are not physically present but participate in the meeting via electronic means.

Upon motion by Mrs. Gardenour, second by Mrs. Corbett, approval was given to Revised Board Bylaw 0144.1 "Board Compensation" as presented and recommended. Following a roll call vote, the motion carried unanimously.

F. INFORMATION AND BOARD DISCUSSION ITEMS:

Receive Update for Future Referendum Projects at Green Valley;

As we finish several of the referendum projects, Dr. Snyder discussed the potential of adding a soccer field at the former Green Valley Elementary School site. Referendum monies can be used for this project provided that there is money left over and provided that we have fulfilled all the projects that were promised. Once the Greenville Elementary project is finalized and approved and the current Green Valley is demolished, the Board can consider additional projects. He is anticipating bringing a recommendation for demolition of Green Valley in August or September with work taking place in October and anticipating bringing a recommendation on the Greenville project in September or October. With this anticipated schedule, the school corporation could move forward with the soccer field project in October or November, if that is the will of the Board, with the idea of the field being ready to use beginning the 2019-2020 season.

Mr. Wiseheart shared that the feasibility study for a possible addition of an artificial turf soccer field to the Green Valley site has been completed and shared photos of and discussed the proposed site plan. This field would serve NAHS boys and girls teams as well as used by Hazelwood and Scribner Middle Schools teams. The estimated cost for this project is \$3,229,010. Referendum funds are available for the project.

Ms. Wiseheart asked to confirm there are currently soccer fields at the following locations in New Albany: Prosser, Binford Park, Silver Street Park, and Community Park. Mrs. Higbie said there is a single field at Prosser. There was a second field at Prosser that was used as a practice field; however, it was absorbed into the referendum project with the Prosser site expansion. There are two fields at Binford Park; however neither field is "full size" and therefore, middle school and high school soccer cannot play games there. In the past, the middle school teams have played at Silver Street Park, but unfortunately, this year they are having to reseed and no one is permitted to use the field during the month of August. Community Park does not have any lined fields or space large enough for a lined field. Mrs. Higbie added there is an additional field off Budd Road called Cannon Acres which is a smaller field. It is not a full size field, but could be used for practices. Ms. Wiseheart then confirmed at Floyd Central High School has their own field and Dr. Snyder said yes, they have two fields that are used by FCHS boys and girls teams as well as Highland Hills Middle School.

Mrs. Corbett said she spoke with Mayor Gahan and he said soccer is becoming a very popular sport and they have more requests for use of fields than they can accommodate. He added there is a big demand for turf fields. Ms. Wiseheart asked if the city has a plan and Mrs. Corbett said she asked that and they do not so far.

Ms. Wiseheart asked what the Prosser field would be used for if the Board approves this. Mr. Unruh said the Prosser field would be used as a practice field for the boys and girls teams as well as could be used by the middle school teams. The field at Green Valley would be used for games by boys and girls teams and, with having the lighting, could be used by the middle school teams as well when there was not a high school game being played there. Ms. Wiseheart commented, with the Mayor saying the demand is high, she would like to see the school corporation reach out to the city and see if we could work together rather than the school corporation paying the entire costs. This would free up some funding to do other things at Green Valley rather than putting \$3.2 million into the field. Mr. Cotner added that a problem with that is they will need certain times and that may conflict with when the schools need it. He hears our administrators saying we have a significant need and may have the money from the referendum to do the project. His opinion is we need to build it and own it.

Mrs. Gardenour asked if we should wait until all current referendum projects are completed before approving this project in order to make sure the funds will not be needed for those projects and would be available for the soccer field project. Mr. Wiseheart said there is approximately \$3.2 million set aside in a contingency fund for change orders and to date approximately \$500,000 has been used. Mrs. Gardenour asked the effect of the lights on the neighboring houses. Mr. Wiseheart said they make LED cut-off fixtures that will be used to keep the lighting down and we will have to meet the lighting spillover in the city ordinances.

Mrs. Gardenour added that, in her opinion, since the option of adding a soccer field was not discussed in the original referendum planning, we pay back the \$3 million that is leftover to be good stewards of the money. Ms. Wiseheart followed up by asking what would be done with the money if not used for the soccer field. Dr. Snyder explained that the tax rate would drop by two or three cents for one year because that excess money would be used for the bond payment then the rate would go back up the following years. Ms. Wiseheart asked if we have to ask the community how to spend the extra money since it is from the referendum and Dr. Snyder replied that it is a Board decision, as long as the funding is used at a referendum school site.

Mrs. Corbett added, in her opinion, just because we can, does that mean we should. Her concern is that that money may be needed somewhere else down the road that we do not foresee and we will not have it. Dr. Snyder explained there are spend-down tests in place by the IRS and there are penalties if we do not meet those spend-down tests rapidly enough.

Mrs. Galligan asked if we do not move forward with this soccer field, what is the plan to make equity in the soccer programs for the two high schools and middle schools. Administration said at this time there is no Plan B. However, we still have to do something with the former Green Valley Elementary site and we do need to provide some type of practice area for the city schools. If we go someplace other than a referendum site to provide this space, then there are funding problems. Dr. Snyder said he firmly believes we owe it to NAHS to have another field for them since we took one away at the Prosser site.

Following the discussion, Board members agreed to proceed with discussions and Administration bring a recommendation to the Board in August.

Review Green Valley Elementary School Commemoration Plaque;

Dr. Snyder shared copies of the rendering of the commemoration plaque by the architect and asked for Board input before sending to fabrication. He added that the “rule of thumb” is to include everyone involved in the project from the 1028 hearing through the grand opening. Mrs. Gardenour commented that when the plaque was done for FCHS, all the Board members met with the Superintendent and it was decided to list the Board officers when the referendum was passed and the majority of the plaques have that. Therefore, she asked that that be added out of respect for the Board members.

Following discussion, Board members agreed to leave plaque as was presented tonight.

Receive Information Concerning the State Board of Accounts July 1, 2014 to June 30, 2016, Audit;

Mr. Street shared the following concerning the State Board of Accounts audit:

- The audit took place from February through May 2018;
- The audit period was July 1, 2014 through June 30, 2016;
- New emphasis from the state was internal controls;
- Findings:
 - o 2016-001
 - Issue: Health Savings Account (HSA) disbursements were not posted to the clearing account before being deposited into individual accounts. The cause was a change in methodology (direct deposits) in 2014.
 - Corrective Action: HSA disbursements will go to a clearing account before being deposited into individual accounts.
 - o 2016-002 – Child Nutrition
 - Issue: In 2015, no evidence was presented that Semi-Annual Certifications or Personal Activity Reports were completed and certified during the year.
 - Corrective Action: The issue is no longer relevant. Time clock information serves as time and effort report.
 - o 2016-003 – Child Nutrition
 - Issue: No evidence was presented to ensure the Annual Financial Reports and School Food Authority Verification Collection Reports were reviewed by someone other than the preparer for accuracy.
 - Corrective Action: Reports will be reviewed and recorded with a secondary signature.
 - o 2016-004 – Child Nutrition
 - Issue: No evidence presented to ensure compliance with cash management agreement (net cash resources did not exceed three month average expenditures), although the cash management standard was in compliance.
 - Corrective Action: Cash management record will be reviewed and recorded with a secondary signature.

- o 2016-005 – Child Nutrition
 - Issue: Effective internal control not in place to ensure compliance with the Procurement, Suspension and Debarment compliance requirement. Didn't present evidence of adequate number of quotes being obtained.
 - Corrective Action: For contracts over \$25,000, vendor will be vetted through the SAMS.gov resource to ensure vendor is eligible to receive payments from federal funding. Three quotes will be obtained for purchases over \$3,500.
- o 2016-006 – Child Nutrition
 - Issue: An effective internal control system was not in place to ensure compliance with prepaid meal account.
 - Corrective Action: Collections at the building level will be deposited into the prepaid account (8400). Actual sales will then be transferred to the 800 fund. The balance in the 8400 prepaid account should reflect the actual prepaid amount to be cross-checked against a reconciliation.
- o 2016-007 – Special Education Grant
 - Issue: Effective internal control not in place to ensure compliance with the Procurement, Suspension and Debarment compliance requirement. Didn't present evidence of adequate number of quotes being obtained.
 - Corrective Action: For contracts over \$25,000, vendor will be vetted through the SAMS.gov resource to ensure vendor is eligible to receive payments from federal funding. Three quotes will be obtained for purchases over \$3,500.
- o 2016-008 – Title I
 - Issue: Did not have effective internal control system related to grant agreement and Reporting and Special Tests Provision – Comparability compliance requirements.
 - Corrective Action: Reports will be reviewed and recorded with a secondary signature.
- o 2016-009 – Career and Technical Grant
 - Issue: Effective internal control not in place to ensure compliance with the Procurement, Suspension and Debarment compliance requirement. Did not present evidence for an adequate number of quotes being obtained.
 - Corrective Action: For contracts over \$25,000, vendor will be vetted through the SAMS.gov resource to ensure vendor is eligible to receive payments from federal funding. Three quotes will be obtained for purchases over \$3,500.
- o 2016-010 – Improving Teacher Quality Grant
 - Issue: Expenditures were made from the program funds before the eligible period of performance.
 - Corrective Action: This grant has different timelines than similar grants. Expenditures will not be attributed to the new grant until approval from management.
- o 2016-011 – Improving Teacher Quality Grant
 - Issue: Did not establish effective internal control system related to the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirement. An expenditure was originally posted to the incorrect fund leading to a repost.
 - Corrective Action: Better documentation of transfers of expenditures regarding grant programs.
- Conclusion
 - o Internal controls are a new requirement for schools. New Albany Floyd County Schools is implementing internal control standards across the corporation and are currently ahead of state requirements.
 - o Other improvement steps include cross-training, frequent Indiana Association of School Business Officials attendance, team concept, and open and frequent communication.

Receive Update from the Business Office:

Mr. Street provided the following update:

- Every Student Succeeds Act (ESSA) Changes:
 - o Expenditures are costed to the building when possible
 - Previous: 0100-11300.00-110.00-0000-0000
 - Current: 0100-11300.00-110.00-0000-1930
 - Future: 0101-11300-110-1930-00
- New Legislation:
 - o HEA 1009
 - Passed during the 2017 legislative session
 - Overhauls school corporation financial reporting and budgeting
 - Effective January 1, 2019
 - Eliminates the following funds: General, Transportation, Bus Replacement, Capital Projects, Art Association, Historical Society, Public Playground, and Racial Balance

- Education Fund: payment of expenses that are allocated to student instruction and learning
 - Tuition distributions to education fund (part of tuition then transfers to operations fund)
 - Teacher salaries and fringe benefits
 - Principal salaries and fringe benefits
 - Special programs: CTE, Gifted & Talented, Special Education, etc.
 - Guidance counseling, nurses, speech pathology
- Operations Fund: payment of expenses related to overhead and operations
 - Transportation
 - Bus Replacement
 - Capital Projects
 - General Fund Operational – Business Office, Human Resources, Utilities, Custodial and Maintenance, Property Insurance
- Capital Projects Plan: expenditures over \$10,000 for capital assets or projects considered capital in nature
- School Bus Replacement Plan: five-year plan
- o HEA 1167
 - Passed during the 2018 legislative session
 - Technical amendments to HEA 1009
 - Effective January 1, 2019
- o Transfers
 - January 1, 2019
 - General Fund transfers to Education Fund
 - Capital Projects, Transportation, Bus Replacement to Operations Fund
 - Portion of General Fund to Operations Fund
- What to Expect:
 - o New chart of accounts – many changes to accounts other than fund changes
 - o Several resolutions for January 1, 2019
 - o Budgeting process will look different
 - o NAFCS has plan in place, improving as new guidance comes out

Review Metal Detecting Wands in Schools;

Board members discussed the Indiana Governor's initiative regarding distributing metal detecting wands to interested school districts free of charge. Districts are permitted to request one wand per every 250 students. Ms. Wiseheart said she is interested in requesting these for our district. She would like to see the Administration work with the SRO's and local law enforcement to discuss the best use of these. Mr. Cotner added he agrees we need to order the wands and then let SRO's have at their discretion for use. Dr. Snyder said central office staff have had discussion and they do plan to order the wands and work out a plan on use after having discussions with local law enforcement. Today, they do not envision wandering every student, every morning; it will be on an as-needed basis. His suggestion would be to order at least one per grade level at the secondary schools and one per building at the elementary schools with a few additional ones.

G. MISCELLANEOUS

Dr. Snyder reminded Board members of the New Teacher Orientation Breakfast scheduled for Thursday, July 18th beginning at 8:30 a.m. at the Education Support Center.

With no further business to be brought before the Board, the meeting was adjourned at 8:10 p.m.

Respectfully submitted,

Pam Schindler, Recording Secretary