

04 27 2010 Work Session

New Business

1. [12:30 - 12:45 PM School Board Comments](#)

Minutes:

Mrs. Cunningham will be late for today's meeting.

Board Agenda Review

2. [12:45 - 1:15 PM Review Agenda of April 27, 2010](#)

Minutes:

- C-27: Lease Agreement, Haines City, CPDC, LLC in the amount of \$59,960.04

Dr. McKinzie received the Hearing Officer's Recommended Order yesterday on the Unfair Labor Practice Charges filed by AFSCME and the PEA over the Health Insurance Plans adopted by the Board in June, 2009. As written, the Recommended Order creates a very significant and undetermined liability for the Board regarding employee health insurance. It is our plan to vigorously challenge the Recommendation, and I am told that we have a very good opportunity to have the Order modified.

With the need to address the contingent liability that now exists, Item C-27: Lease Agreement, Haines City, CPDC, LLC in the amount of \$59,960.04 will be removed from today's agenda for School Board approval. This lease agreement was for space in Haines City where the District intended to establish a Health Clinic for our employees under the new health care plan. If we must abandon our current health plan in which 70% of our employees participate, as the Hearing Officer is now recommending, the clinic would be an unnecessary cost and it will not save any out-of-pocket costs for our employees.

The District remains committed to improving available health care for our employees and to save them out-of-pocket expense for such care. Accordingly, while we will pursue legal challenges to the Hearing Officer's Recommendation, the Business Services and Human Resource Services Divisions will work jointly and meet as soon as possible with both PEA and AFSCME to collectively review and consider available options.

- C-19: Unclaimed Property

Mrs. Fields asked what is being done to eliminate or lower the number of unclaimed property. Mr. Grey reported several attempts have been made to contact the persons involved. Funds from unclaimed or uncashed checks older than one year are sent to the State for safekeeping.

- C-16: March 2010 Accounts Receivable Adjustments

Mrs. Sellers asked why these date back to 1998. Mr. Grey reported that most of the entries tested through the audit were received but posted incorrectly. Without the adjustments, our account balances will not show a true financial picture.

- C-24: USDA Fresh Vegetable Grant

Mrs. Lofton asked if the grant was open to any school or only the two that applied? Mr. Grey stated that the grant was submitted by the Food Service Division and two schools were selected that meet the criteria of the grant.

- C-23: SunSmart E-Shelter Program Grant

Mr. Murphy shared with the Board that Polk County is to receive 3 generators through the program rather than the one listed in the grant.

- C-45 Spot Survey

Mrs. Sellers and Mr. Mullenax asked if Lake Marion Creek Elementary School was being increased from K-6 to K-8. Mr. Murphy explained that the school was designed and built as a grade 6-8 middle school but is currently being used as K-8. This clarifies the purpose in Tallahassee.

- C-57 Salary increases for Non-Union

Mr. Mullenax asked how much money is needed? Mr. Ciranna reported \$377,000 for 681 persons. Mr. Mullenax said that because everyone is receiving the same percentage, those who make more will be receiving a higher increase. This creates a big disparity among staff. The people at the top get the most money. Why not divide the \$377,000 between the 681 people equally; it would do so much for morale. Mr. Ciranna stated it was processed the same as past practices.

Mrs. Sellers stated it might be too late to address it this year but perhaps have it discussed for next year that the lower income make a higher percentage. There is merit to the thought process.

3. [1:15 - 1:30 PM BREAK](#)

Discussion

Item 4

4. [1:30 - 2:00 PM Polk County District School Board Audit for the Fiscal Year Ended June 30, 2009](#)

Attachment: [2010-171.pdf](#)

Minutes:

David Blanton and Mary Lynn from the State Auditor General's Office reported on their findings. This audit occurs every third year. Other years are audited by a local outside auditor. It was a clean opinion with the exception of the misclassification of restricted assets. The district did well with the unreserved fund balance ratio, (6.8% or \$46.1 million). One area of concern was the repeating of previous finding (uncorrected actions).

Mr. Mullenax responded that he takes these findings very seriously. Last year, when asked if more staff was needed, it was stated that the responsibilities were being handled internally. He did not want to see the findings next year. Mrs. Fields concurred.

Mr. Harris asked that the Board be notified as findings are corrected. Dr. McKinzie reported that some have already been addressed and it is reported to the School Board through the monthly financials being submitted in a timely manner. There were a different set of circumstances over the past several months; now, duties and responsibilities have been established and a Director of Finance has been hired.

Mr. Grey reported that a procedures manual is being created by an outside company and should be completed by June 30th for monthly and annual processes. The manual will be updated as time progresses. Our biggest issue is timeliness and the delegation of responsibilities.

Mrs. Sellers asked if all the corrections will be in place before the next audit? Mr. Grey responded that the goal is to get the auditors on site earlier and have the audit completed before the end of the year. This allows the district approximately three months to address any findings before the Financial Statement is issued.

Item 5

5. [2:00 - 2:20 PM Budget Projection Update](#)

Minutes:

Superintendent McKinzie and Mark Grey, Assistant Superintendent of Business Services, provided an update of the budget preparations for 2010-2011.

Dr. McKinzie reported that the district will receive \$2.9 million more in revenue; however, the offset is that the increase is based on approximately 500 more students. Expenditures include Class size and the possibility of penalties if we do not meet the requirements in October. If we do not meet the requirements, we will lose FTE fundings that will be returned to the State's general fund. The penalty would be about \$1300 per student for grades Pre/K-3 and \$900 in grades 4-12.

Mrs. Sellers noted that the penalty isn't too bad; it is the constitutional law that is the force behind the action. Dr. McKinzie stated there is no penalty written in the constitution; this is coming from the Legislature. The Legislature is wanting this to be the 'train wreck' it is to effect the November vote. We had asked that the count be based on the February FTE rather than the October but the Legislature held fast to the October date.

Mrs. Sellers asked if the district has the funds to provide the 80 additional classrooms needed. Dr. McKinzie stated we do and will but this will affect the number of electives being offered.

Other expenditures include salary increases, increase in unemployment payments, and the retirement contribution was increased to 4.25%.

Potential Solutions:

- Levy .25 Critical Needs Millage - possible \$7 million for 2010-11 budget, will require a super majority by the School Board and placed on the ballot in November 2011 in order to use this levy beyond 2011 budget year.
- Reductions in department/division budgets - \$2.5 million
- Reduce Contingency Fund (not reserve fund)- \$1.5 million (Currently we have approximately \$7 million)

Mr. Harris asked what the .25 millage would be used for this year; last year it was for health insurance. Mark and Dr. McKinzie stated it would be used to keep employees (salaries and benefits) but that would be only for the one year until, and if, the voters approve it in November 2011.

Mrs. Sellers commented on the need to be cognizant of the timeline in notifying the Elections Office to have it on the ballot. School Board Attorney

Wes Bridges will communicate with that office as more information becomes available from Tallahassee. The Governor could veto the bill.

Mrs. Sellers asked if the departments' budget reductions involved staff. Mr. Grey reported that budgets have been reduced as much as possible, there could be positions involved. The services being provided by those departments will decrease or be eliminated. Eventually, the cuts will affect the services to our schools. One area of savings was by not replacing retirees (their duties and responsibilities will be absorbed by others in the department) and by eliminating programs to return staff back to the classroom.

When notified that Mark Wilcox lost its grant funding, high school/middle school building principals and administrators volunteered a 20% hold back in their budgets to continue the services of the Center. And, staff allocations of the center were reduced. The cost is approximately \$5.62 per student per day at that site.

Item 6

6. [2:20 - 2:30 PM Review Job Description for Director, Personnel](#)

Attachment: [Job Description for Director Personnel 4-27-10 WS.pdf](#)

Minutes:

Ron Ciranna, Assistant Superintendent of Human Resources, announced that Linda Searcy, Director of Personnel, is retiring. Her job description has been updated and, once approved, will be advertised.

Mrs. Sellers asked why all salary grades aren't being corrected at one time rather than bringing them individually to the Board? Mr. Ciranna agreed with her suggestion but as job positions were coming open, the job descriptions were being updated.

Mr. Harris asked if the salary for directors and above is a set amount? The backup material does not support the procedure. Mr. Murphy stated that some persons were making in excess of the amount when it was initiated and, as that position comes up for rehiring, the amount is corrected. Those being paid above the amount are frozen until the pay grade is correct.

Item 7

7. [2:30 - 2:45 PM Salary Raises for Non-union Personnel](#)

Attachment: [Salary Raises for Non-union Personnel 4-27-10 WS.pdf](#)

Item 8

8. [2:45 - 3:00 PM Enhancing Education Through Technology Grant Application \[Competitive\]](#)

Attachment: [EETT Summary.pdf](#)

Minutes:

Information

Item 9

9. [New textbook adoption for K-12 Mathematics](#)

Attachment: [School Board Summary Math Textbooks 04 27 10.pdf](#)

Attachment: [Big Ideas MATH Order Form FSBD and ISBN numbers.pdf](#)

Attachment: [Pearson Math2011 Algebra 1 and Algebra 1 Honors CustomerCopy Feb 2010.pdf](#)

Attachment: [2010 Secondary Textbook Adoption Committee Members with school addresses.pdf](#)

Attachment: [BUDGET IMPACT ANALYSIS 09-10 math textbook purchases.pdf](#)

Attachment: [Go Math Order Form.pdf](#)

Attachment: [2010 Publisher Presentation Schedule.pdf](#)

Attachment: [2009-2010 Math Textbook Adoption Order of Elementary Presentations.pdf](#)

Attachment: [GlencoeMiddleSchoolFWOChart.pdf](#)

Attachment: [Math Textbook Adoption anticipated books to order and anticipated costs 04 13 10.pdf](#)

Attachment: [2009-10 Math Textbook adoption application.pdf](#)

Attachment: [2010 Finalized Elementary Textbook Adoption Committee Members with school addresses.pdf](#)

Attachment: [2009-2010 Math Textbook Adoption General Committees Meeting Agenda 01.19.2010.pdf](#)

Minutes:

Mrs. Sellers asked if the funds to purchase new textbooks come from local dollars. Dr. Nickell stated that the money is directly from textbook funds. New State math standards changed dramatically and we have to update our textbooks.

Mrs. Lofton asked if the end-of-the-year tests meet the proposed new State requirements. Dr. Nickell reported they do not. Textbook materials are marketed nationally and Florida's standards are unique. We look for something that is closely alligned. Mrs. Lofton stated that Florida's standards are significantly more stringent than other states. Our Legislators, and much of the public, do not understand the end-of-the-year tests requested by the Legislature.

Adjournment

Meeting adjourned at 1:55 PM. Minutes were approved and attested this 7th day of May, 2010.

Kay Fields, Board Chair

Gail F. McKinzie, Ph. D., Superintendent