



Board of Trustees Work Session Minutes
Monday, August 22, 2016
Polk Avenue Elementary (Auditorium)
3:30pm

Trustees Present: Chair Danny Gill, Vice Chair Terry Fasel, Christina Updike, Eugene Fultz, Jimmy Nelson, Angela Pulido, Aundrea Croft

Staff Present: Superintendent Jesse Jackson, Brian Fisher, Marie Cherrington-Gray, Elizabeth Tyler, Jennifer Barrow, Barbara Jones, Gail Quam, Richard Columbo, Donna Dunson, Angela Heyward, Julio Acevedo, Damien Moses, Shay Hixenbaugh, Paula Alford, Chris Reams

Others Present: Robin Gibson, recognition recipients...

I. CALL TO ORDER **Dr. Jesse Jackson, Superintendent**
The meeting was called to order at 3:45pm.

II. FINANCIAL REPORT **Brian Fisher, CFO**

A. Monthly Financials

LWCS Financial Executive Summary: July 31, 2016

Consolidated Balance Sheet (unaudited)

- July YOY total assets of the system are \$1,824K higher, and compared to June 2016 the total assets are up \$1,118K. The largest factor contributing to the increase was cash.
- The July YOY comparison of the system's total liabilities reflects a \$1,170K higher level and compared to June 2016, the total liabilities of the system are larger by \$518K. The payroll liability is the source of the total liability increase after accounting for the notes payable principal payments recorded in FY16. The payroll liabilities line includes our reserve for the liability with UHC.
- The system's consolidated net change in fund balance for July shows an increase of \$306K. The fiscal year 2016 GF balance adjustment is a projected surplus of \$223K. No change in the system's ability to meet short-term obligations & long-term debt service starting the new fiscal year...healthy working capital capacity as an organization. The system checks its current, cash-flow and debt service ratios benchmarks quarterly.

GF Statement of Operations (unaudited)

- State revenues represent 1/11 of LWCS's preliminary student FTE blended count (budgeted @ 4,146). Under HB7029 charter sponsors must make 12 or 24 equal payments and July's payment overstates the monthly payment amount slightly. The revenue payments will be further adjusted after actual FTE counts are recorded in October and February. The August capital outlay payment for Bok will include the July 2016 payment.
- Many of the local revenue items are under budget because the activities are associated with the 180 day academic calendar. With the limited contract payroll activity in July, GF revenues outpaced expenditures for the reporting period with a net surplus of \$333K.

The negative variances generally represent expenditures occurring in advance of the budget cycle or expenditures with funding support via the Foundation. These early expenditures are commonly found in purchased services, supplies and capital outlay for the schools.

GF Supplemental Programs (unaudited)

- Pre-K programs coincide with the academic year and will begin to show more activity during the month of August when staff and students return. The current activity reflects late revenue associated with the prior fiscal year and client start-up fees at the high school. The financial objective of the Pre-K programs is to be self-supporting and not pull funding from their FTE programs to support the operation.

The Hillcrest after school program follows the academic year and BPE's after school program has year round programming for students.

GF Transportation (unaudited)

- The majority of the transportation revenue activity in July represents 1/11 of the estimated student ridership revenue in advance of the student count occurring in the Fall and Winter. FTE transportation revenue will also follow the 12 month payment cycle.
- July expenditures reflect the start of the 12 month expenditures in advance of the academic activity.

Food Service Fund 410 (NSLP) (unaudited)

- The NSLP breakfast, lunch and snack program ended the fiscal year with a surplus of \$219K. There are no known audit adjustments affecting the 2016 surplus following the on-site audit review in July. The fund balance of the NSLP program is restricted for specific food service use and promotion of nutrition to children.
- The expenditure activity reported during July is typical in the new fiscal year. No revenue to report during the month until school starts and students are served meals.
- The expenditures reflect those 12-month fixed costs that exist prior to the 180 day school year food program.
- While no Ag Grant was awarded to LWCS this fiscal year, the system own capital investments are underway at school sites; BPE – additional pans & food processor; HcE – hot & cold serving line replacement and food carts; LWHS – roll in racks, food carts, condiment dispenser, hot display cabinet and a mobile Kiosk for remote service on campus.
- The initial RFP development for food service management year has commenced, with timelines and procedures forthcoming. Current contract for food service management concludes in FY17.

Summer Food Service (411) (unaudited)

- The summer food service program covers breakfast, lunch and snack activity during the period of July, August and June of 2017. The program generated a small surplus in FY2016 with the emphasis of the program to make sure children 18 or younger in the community don't go hungry during the summer months when school is not in session. The participation numbers were in the low 100s for lunch most days. The current summer service ended on August 4th and will resume in June 2017.

Federal Programs (420) (unaudited)

- The small level of July expenditures shown in the Federal grants reflect 11/12 month contract employees charged to the grant programs. As a grant sub-recipient LWCS can only spend 25% of its preliminary grant allocation on compensation during the grant application review and approval phase.
- LWCS is initially delayed in submitting reimbursement for the balances due on the FY17 grants until the grant applications are approved by the FLDOE. The following grants have been approved allowing LWCS to start the draw of program funding – IDEA; Programs still pending – Title I + review of funding loss totaling \$348K, Title I, Part C, Title II, Title III, Title IX, Carl Perkins.

- LWCS requested a no cost grant extension for the AWARE grant, and we are awaiting approval.
- IDEA and Title I will continue as the two largest entitlement grants under management in the federal programs fund in FY2016-17.
- It is expected that all unspent entitlement and competitive grant funds as of June 30, 2016 will be carried-forward and will be additional resources to each new grant appropriation in FY2016-17. Authentication of the carry-forward amounts will not be officially confirmed by the FLDOE until later in 1Q or 2Q of FY2016-17. Documentation of grant expenditures has been submitted to the DOE for review and upon approval will establish the carry-forward allocations.

B. SAFE Incentive Funds

Student Attire for Education Fund – K-8 documents has been submitted. We'll receive \$10 per students in the near future from this fund.

C. Consulting Agreement – Bellwether Education Partners

One of our generous donor's has taken care of the financial piece for us to partner with Bellwether Education Partners. They'll assist us with a strategic plan for Middle & High School and our STEM Initiative. They take a deeper look at our system and where we are and share the areas we can improve in and enhance our system.

D. Personnel Changes

Personnel changes for instruction and non-instructional is presented for your review and will need your approval at our Board Meeting this afternoon.

III. ATTORNEY'S REPORT

Mr. Robin Gibson

There has been a lot of legal activity in our system. Our IB students are not receiving LWHS info. I have been working with PCSB and I think we have it resolved. We have done some work on Bok Academy's application to not include the academic piece. Our recent consultant contracts have to fit our state and federal guidelines. We are working on some potential legislation that will assist us in the future. We will also address the pipeline project. We also had some personal leave concerns which came up due to several employees that got sick before returning to school for the new year. We have worked them out with the employees. We also received a few public records request from a company that does not allow sufficient time to get them the information and they request funds to settle out of court if info is not received. We have responded to all in a timely manner. Mayor Fultz advised the FL League of Cities is working on this and I will be sure to keep you guys updated. We had a question about ESE equipment being purchased out of donated funds. All of our funds go to our students and we do not see any future litigation coming out of this.

IV. SUPERINTENDENT'S REPORT

Dr. Jesse Jackson

A. MINUTES: June 13, 2016 BOARD OF TRUSTEES WORK SESSION AND MEETING

Presented for your review and approval at the August 22, 2016 Board of Trustees Meeting.

B. PRINCIPAL'S UPDATE (3 minutes please)

Dale R. Fair Babson Park Elementary – Principal Elizabeth Tyler

Great start to the new school year. We had our highest orientation turnout ever. Bus transportation went well. We have 12 of our teachers who went to see Ron Clark in Lakeland. We started the year with 458 students.

Lake Wales High School – Principal Donna Dunson

We started the year with 1515 and 300 in IB. Our elementary band program is underway. Our Design Technology and Innovation started well also. Dr. Eileen Holden spoke at our morning meeting today. We had a great start to the school year. Our 1st football game is Friday. Our High School is adopting Janie Howard Wilson – our students are tutoring & assisting. We have 60 students signed up so far.

Polk Avenue Elementary – Principal Gail Quam

We are excited about our great orientation turnout. We have 5 kindergarten class this year. We do not have any more slots in VPK. Our enrollment is 520. Our new staff is trained and ready and our Leadership Day is in November. Great start to the school year.

Hillcrest Elementary – Principal Jennifer Barrow

Our enrollment is 684 and we budgeted for 671. Our goal is 700 this year. We are excited about our new staff. Our Soar Academy and Foundations Academy is doing well. This is going to be a great year!

Janie Howard Wilson Elementary – Principal Barbara Jones

We have 423 so far this year. We need about 460 and we are working on it. We are grateful for all the support. Our staff is excited and ready to go! We had a great turnout at our Orientation. We had the most attended K week! We had a great start to the new school year.

Edward W. Bok Academy – Principal Damien Moses

Great orientation as always! We had a lot of parents at the morning orientation which was a pleasant surprise. Our first week went well. Our Zero Robotics Team won 1st place at NASA/MIT. We are now going to compete on the national level. Thanks to the High School students who spoke at our morning meeting. We are excited about the renovation of our STEM classroom. We have a new STEM teacher David Lockett and we are glad to have him. We budgeted for 591 and we have 600. We had a great start so far for the year!

Dr. Jackson

I would like to commend you guys for all your hard work and providing the best education for our students. We'll keep working hard in providing the best for our students and parents. Our grad rate continues to increase and our College Fair is coming up. I can only be proud, knowing that what we do is necessary, and you guys continue to make the magic happen. Our teachers make the difference!

C. NEXT MEETING DATE

The September Work Session and Board Meeting will be on **Monday, September 26, 2016 at Edward W. Bok Academy**. The Work Session will begin at 3:30 PM and the Board Meeting will begin at 5:00 PM.

V. OTHER BUSINESS FOR THE GOOD OF THE CAUSE (None)

VI. ADJOURN

Meeting adjourned at 4:44pm

Respectfully Submitted,

Marie Cherrington-Gray, Corporate Secretary

Board Approved: _____