

THE SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA

MINUTES, JUNE 6, 2013

The School Board of Escambia County, Florida, convened in Special Workshop at 3:30 p.m., in Room 160, at the J.E. Hall Educational Services Center, 30 East Texar Drive, Pensacola, Florida, with the following present:

Chair: Mr. Jeff Bergosh Vice Chair: Mrs. Linda Moultrie

Board Members: Mr. Gerald W. Boone (*entered the Special Workshop at 3:38 p.m.*)
Mrs. Patricia Hightower
Mr. Bill Slayton

School Board General Counsel: Mrs. Donna Sessions Waters (*not present*)

Superintendent of Schools: Mr. Malcolm Thomas

Meeting was advertised in the *Pensacola News Journal* on May 31, 2013 - Legal No. 1599580

I. CALL TO ORDER

Mr. Bergosh called the Special Workshop to order at 3:31 p.m.

II. DISCUSSION RE: 2013-2014 BUDGET

The Superintendent said that before getting into a discussion with the School Board, he wanted Mr. Terry St. Cyr, Assistant Superintendent for Finance and Business Services to provide a budget update and to also explain the new production process for budget books now that the School District had implemented the Skyward software program.

There was some concern from School Board Members that Mr. Boone had not yet arrived, so the Special Workshop was recessed at 3:35 p.m. and then reconvened at 3:38 p.m. upon Mr. Boone's arrival.

Budget Update

Mr. St. Cyr provided a brief budget update by reviewing the information outlined in a handout he had provided to School Board Members entitled *Florida Education Finance Program, Revenue Outlook, For the Fiscal Year Ending June 30, 2014*. (NOTE: Mr. St. Cyr had previously provided an update at the May 17, 2013 Regular Workshop.) There were no questions from School Board Members on any of the information outlined in the handout.

Production of Budget Books

Mr. St. Cyr said that he had explained the new production process in an email that he had previously sent to School Board Members (dated 05/31/2013). Mr. St. Cyr noted that although the budget books for 2013-2014 and all successive budget books would look the same as they had in the past, the books were now being generated automatically through the new finance system (Skyward). In prior years, the data was not only keyed into the system, but was rekeyed into these budget books. Massive hours of efficiency have been gained through this new reporting capability. However, there are a few areas that were still a work-in-progress as follows:

- (1) The 2010-11 column was blank since no data from that year was held in history in Skyward. However, this column was built in order to retrieve data from two years prior. For the 2014-15 cycle, the amounts in the 2011-12 column will populate this area.
- (2) The 2013-14 Budget Adjustment column was blank. This column would eventually show adjustments to initial budget requests for capital outlay amounts that will be pulled in capital outlay millage funds (example – school buses). Other adjustments from the initial requests will also be adjusted here. This portion of the report is under construction.
- (3) The last column (2013-14 Proposed Budget) is net of capital outlay requests. Capital outlay requests will be provided on a separate spreadsheet.

It was noted that the budget books were now very “fluid” in that they could be created on demand and would reflect the most accurate year-to-date information available.

Mr. St. Cyr said that there had been an increase of \$94,018 over the 2012-13 original budget but overall the departments had kept their budgets “flat.” He noted that the capital outlay piece of the departmental budgets were not included in Book I; instead those requests, were provided on a separate spreadsheet. He noted that the 2013-14 budget adjustment column was blank as that portion of the report was still under construction. He said that the budget adjustment column would eventually show adjustments to initial budget requests for capital outlay amounts that would be pulled into capital outlay millage funds (example – school buses). Other adjustments from the initial requests would also be shown there. Mrs. Hightower referred to the capital outlay spreadsheet that Mr. St. Cyr had sent via email to School Board Members (06/03/2013). Mr. St. Cyr clarified that the spreadsheet he provided was the capital outlay requested in Departmental Budgets (Book I) and Discretionary (Book II). The amounts requested had been pulled from the general operating budgets and would be considered for the 1.5 mill capital outlay budget as it was developed. It was noted several times that the amounts listed may be increased, reduced, or eliminated upon consideration of 1.5 mill capital outlay needs and priorities.

Book I – Departmental (2013-14 Budget)

Mr. St. Cyr noted that he had sent an updated Book I via email to School Board Members (06/06/2013) which reflected corrected proposed budget amounts for the following cost centers: 4419, 4422, and 4424.

*Superintendent – General (Page 4 & 5 of 97)
Cost Center 4001, Project #01000
Object 0392, Advertising*

*2011-12 Actual Expenditures: \$25,498
2012-13 Original Budget: \$55,000
2012-13 Actual Expenditures (YTD): \$19,034
2013-14 Proposed Budget: \$55,000*

Mrs. Moultrie wondered if the School District was expecting an increase in advertising expenses as the actual expenditures in 2011-12 (\$25,498) and the year-to-date expenditures for 2012-13 (\$19,034) were much less than the 2013-14 proposed budget amount of \$55,000. Mr. Norm Ross, Deputy Superintendent, said that he did anticipate that there would be some cost increase from the Pensacola News Journal. He also pointed out that year-to-date expenditures were not completely accurate as there were several invoices (i.e., employment ads, School Board rules, and Facilities bids) outstanding to date. The Superintendent said that staff would provide a better explanation regarding the proposed advertising budget prior to the next budget meeting.

*Superintendent – General (Page 4 & 5 of 97)
Cost Center 4001, Project #01000
Object 0394, Other Non-Professional Purchased Services*

2013-14 Proposed Budget: \$6,700

Upon inquiry by Mrs. Moultrie, Mr. St. Cyr clarified that the \$6,700 proposed budget in Object 0394, Other Non-Professional Purchased Services would be used for out-of-pocket expenses incurred by the Superintendent's attorney, Mr. Joe Hammons. He further clarified that these out-of-pocket expenses were separate from the legal fees that the School District pays for services provided by Mr. Hammons.

School Board (Page 6 & 7 of 97)
Cost Center 4002, Project #01000
Object 0333, Travel Away – Out of State

Mrs. Hightower pointed out that the description for Object 0333, Travel Away – Out of State, indicated that several Board Members would be attending the NSBA conference in San Diego, CA; however, she said that description would need to be corrected to indicate New Orleans, LA instead. Mr. St. Cyr said that the School Board Office could resubmit the information and his department would update that description.

School Board Attorney (Page 8 & 9 of 97)
Cost Center 4003, Project #01000
Object 0311, Attorney Fees

2011-12 Actual Expenditures: \$122,189
2012-13 Original Budget: \$35,000
2012-13 Actual Expenditures (YTD): \$62,209
2013-14 Proposed Budget: \$70,000

Mrs. Moultrie wondered if the \$70,000 proposed budget for 2013-14 was in-line with what the School District was actually spending because she noticed that the actual expenditures for 2011-12 were \$122,189 and the actual expenditures year-to-date for 2012-13 were \$62,209. The Superintendent said that the budget for attorney fees would vary depending on the amount of cases that were being handled each year. He noted that the actual expenditures for 2011-12 were much higher (almost double) than those in 2012-13 because there were more cases being handled.

School Choice, Transportation & Special Projects (Page 14 & 15 of 97)
Cost Center 4011, Project # 01000
Object 0391, Printing Binding & Reproduction

2011-12 Actual Expenditures: \$3,678
2012-13 Original Budget: \$4,500
2012-13 Actual Expenditures (YTD): \$16,791
2013-14 Proposed Budget: \$5,500

Mr. Bergosh noted that at \$16,791 the actual expenditures year-to-date for 2012-13 had already exceeded the original budget of \$4,500 so he was curious as to why the proposed budget for 2013-14 was nearly the same as it was for 2012-13. Ms. Sandy Edwards, Director of Comprehensive Planning, explained that the expenditures for 2012-13 were significantly higher than those in 2011-12 due to the one-time expense of printing new brochures for all District schools and all career academies.

Affirmative Action & Recruitment (Page 16 & 17 of 97)
Cost Center 4014, Project #01000

Mrs. Moultrie observed that there were no funds budgeted for travel under the cost center for Affirmative Action & Recruitment. The Superintendent said the travel budget for Affirmative Action & Recruiting was included in Book II. (*see: Book II, page 14 of 159, Departmental Travel Budget – By Cost Center, Fiscal Year 2013-14*).

Human Resource Management - General (Page 66 & 67 of 97)
Cost Center 4304, Project #01000
Object 0310, Professional & Technical Services

Mrs. Moultrie noted that the description for Object 0310, Professional & Technical Services, referred to UCAC. Dr. Alan Scott, Assistant Superintendent for Human Resource Services, said that UCAC, Inc. was the group that handled the School District's unemployment claims.

Book II – Discretionary Local (2013-14 Budget)

ESEAL Training (Pages 30 & 31 of 159)
Cost Center 7001, Project #02140

Mr. Boone wanted to know why there was a budget for ESEAL Training when the ESEAL program was closed in March 2010. (NOTE: *At the March 16, 2010 Regular Meeting, the School Board accepted the Superintendent's recommendation to close and consolidate ESEAL and A.V. Clubbs Middle School program and approve a contract with The Camelot Schools of Pennsylvania, LLC to serve the students of those two programs.*) The Superintendent recalled that when ESEAL was closed, some of the ESEAL programs (i.e., horticulture, culinary, landscaping, etc.) were moved into the District's traditional high schools. He noted that the programs now served by traditional high schools would still incur the same type of operating expenses as those previously incurred by ESEAL. He believed this was most likely the project that was established when ESEAL existed and that staff had just not changed the project title but essentially, this was the funding source for career activities for special education students who were now being served on traditional high school campuses.

Academic Competition (Page 90 & 91 of 159)
Cost Center 7001, Project #11000
Object 0310, Professional & Technical Services

2011-12 Actual Expenditures were \$14,737
2012-13 Original Budget was \$22,400
2012-13 Actual Expenditures are \$16,977 YTD
2013-14 Proposed Budget is \$11,000

Mr. Boone wanted to know why the 2013-14 proposed total budget for the Academic Competition cost center was only \$11,000 when the actual expenditures in 2011-12 and year-to-date expenditures in 2012-13 had been much greater than that amount. Mr. St. Cyr pointed out that there was a decrease in the budget for Object 0310, Professional & Technical Services, from \$9,000 for 2012-13 to \$0 for 2013-14. He noted that there was also a decrease in the budget for Object 0332, Travel-Away-In State, from \$2,100 for 2012-13 to \$0 for 2013-14. He clarified that the travel budget for the Academic Competition had been moved to the Student Academic Travel budget in Book II. (*see: Book II, page 117 of 159, Student Academic Travel*). The Superintendent said that he would have Mr. St. Cyr confirm that the \$0 amounts were correct.

Comprehensive Student Drug Prevention (Page 97 & 98 of 159)
Cost Center 7001, Project #11050

Mrs. Moultrie noted that the 2013-14 proposed total budget for the Comprehensive Student Drug Prevention cost center was \$75,000. The Superintendent said that \$75,000 had been the consistent total budget amount since the inception of the Comprehensive Student Drug Prevention project; however, actual expenditures had never been even half of that amount. He noted that the bulk of the funds (about \$35,000) were being spent on canine drug searches from local law enforcement agencies.

*Diplomas (Page 123 & 124 of 159)
Cost Center 7001, Project #12020
Object 0391, Printing, Binding & Reproduction*

*2012-13 Original Budget was \$7,800
2012-13 Actual Expenditures are \$16,703 YTD
2013-14 Proposed Budget is \$8,800*

Mr. Bergosh noted that the proposed budget of \$8,800 for next year was much lower than this year's actual expenditures of \$16,703 (YTD). Upon inquiry by Mr. Bergosh, the Superintendent that he would have the appropriate department head respond at the next budget meeting as to the reason for the requested budget amount.

III. PUBLIC FORUM

Mr. Bergosh called for public forum; however, there were no speakers.

IV. ADJOURNMENT

There being no further business, the Special Workshop was adjourned at 5:13 p.m.

Attest:

Approved:

Superintendent

Chair

PENDING BOARD APPROVAL