

THE SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA

MINUTES, APRIL 18, 2013

The School Board of Escambia County, Florida, convened in Special Workshop at 3:00 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
Mrs. Patricia Hightower
Mr. Bill Slayton

School Board General Counsel: Mrs. Donna Sessions Waters

Superintendent of Schools: Mr. Malcolm Thomas

Meeting was advertised in the *Pensacola News Journal* on April 1, 2013 - Legal No. 1594512

I. CALL TO ORDER

Mr. Bergosh called the Special Workshop to order at 3:00 p.m. He welcomed everyone in attendance to the monthly "open discussion" workshop of the Escambia County School Board.

II. OPEN DISCUSSION

- Order of Agenda Items – *Boone*

Mr. Boone said that there had been "unfinished business" at least twice since he had been on the School Board. He said that Mrs. Waters had advised in the past that the "unfinished business" section would need to be forward on the regular meeting agenda because the School Board could not address "unfinished business" after they had already adopted the agenda for that meeting. Mr. Boone said that he had mentioned to Mrs. Waters on several occasions that he believed it would be appropriate for the School Board to finally consider placing "unfinished business" in the proper order on the regular meeting agenda even though the School Board very rarely ever had any "unfinished business" to attend to. Mr. Bergosh asked School Board Members if they had any issue with Mr. Boone's suggestion. The Superintendent asked for clarification from Mr. Boone that he was suggesting that the "unfinished business" section be moved forward on the regular meeting agenda. Mrs. Hightower thought that if there was any "unfinished business" that it would have to be submitted as part of the Consent Agenda because "unfinished business" at most meetings was something she believed had not gotten to the point of needing a motion; rather the School Board was still discussing the matter. Her thought was that "unfinished business" would not be something that the School Board would be taking action on at that meeting anyway because they had not finished discussing the matter. Mrs. Waters advised that Robert's Rules of Order provided that the general order of an agenda was minutes, reports from officers, reports of special committees, special order, unfinished business, and then new business; therefore, according to Robert's Rules of Order, any unfinished business would be handled at the beginning of the order of business before any new items for action but it could all be combined onto the Consent Agenda. The Superintendent said that he would work with Mrs. Waters and Mrs. Holley DeWees, Administrative Recording Secretary on changing the placement of "unfinished business" on the regular meeting agenda. Mrs. Hightower suggested that perhaps items from Internal Auditing should be moved from the Consent Agenda to "new business" either before or after Items from the General Counsel. It was her belief that items from Internal Auditing were similar to Items from the General Counsel in that those items were from offices under the direction of the School Board and not the Superintendent. She noted that all other items under Consent Agenda were from departments under the direction of the Superintendent.

- May through July 2013 Calendar – Bergosh

There were no changes to the schedule for May 2013:

May 16th Special Workshop, 3:00 p.m., Room 160, Hall Center
May 17th Regular Workshop, 9:00 a.m., Room 160, Hall Center
May 21st Regular Meeting, 5:30 p.m., Room 160, Hall Center

There were no changes to the schedule for June 2013:

June 6th Special Workshop, 3:30 p.m., Room 160, Hall Center
June 17th Regular Workshop, 10:00 a.m., Room 160, Hall Center
June 18th Regular Meeting, 5:30 p.m., Room 160, Hall Center
June 25th Special Workshop (tentative), 3:00 p.m., Superintendent's Conference Room, McDaniel Building

There were no changes to the schedule for July 2013:

July 11th Regular Workshop, 2:00 p.m., Room 160, Hall Center
July 16th Regular Meeting, 5:30 p.m., Room 160, Hall Center
July 23rd Special Meeting, 5:00 p.m., Room 160, Hall Center
July 30th Special Meeting, 5:30 p.m., Room 160, Hall Center

- National School Boards Association Conference Recap – Bergosh

Mr. Bergosh noted that he, Mrs. Moultrie, and Mrs. Hightower had attended the recent National School Boards Association Conference in San Diego, California. He said there were some very interesting speakers at the NSBA conference including: Geena Davis (actress and founder of the Institute on Gender in Media), who spoke about reducing gender stereotype and increasing the number of female characters in media targeted for children and Neil deGrasse Tyson (astrophysicist and director of the Hayden Planetarium in New York City), who spoke on scientific literacy and STEM. Mr. Bergosh gave a brief review of the “break-out” solutions that he had attended during the conference. He provided a handout to School Board Members and the Superintendent that included the links to information from all of the different “break-out” sessions. Mr. Bergosh said that overall it had been a “good” conference with lots of information provided. Mrs. Hightower and Mrs. Moultrie each provided a brief review of the “break-out” sessions that they had attended. Mrs. Hightower commented that overall it had been a “wonderful” conference and she felt that all of the keynote speakers had something very valuable to say.

- District Committee Makeup – Bergosh

[Handout provided to School Board Members]

Mr. Bergosh said he wanted to have a discussion with his fellow School Board Members, the Superintendent, and staff about committees. He said the reason he had put this topic on the agenda was because he knew that very soon we were going to be doing something with the fraud, waste and abuse hotline and he had been researching the matter and would like to have input and would like to also suggest an implementation committee. He said he had researched how other school boards around the state of Florida and around the country handled committees. He noted that this was his 7th year on the School Board and the only committees he could remember that the School Board had been a part of was the School Attendance Zone Advisory Committee (SAZAC) but yet he knew there were numerous committees “buzzing” around the School District that look at various things. He wanted to know if there was some way to establish a more formalized process like other school boards had done with respect to establishing committees to look at issues such as a School Board policy, school security, and facility priorities. He asked School Board Members to review the information from other school districts that he had provided as well as the current language of their own policy. He said that he would like to make the current language better. Mrs. Hightower said she was not aware of a committee that the School Board had formed since she was elected in 2004; however she knew that prior School Boards had citizen advisory committees. She recalled a time when each of the five School Board Members had a citizen advisory committee for a different area of responsibility (i.e., facilities, budget, curriculum, etc.). Mrs. Hightower said that she saw nothing in the current School Board policy that would prohibit Mr. Bergosh or any other School Board Member from

forming a committee. Mrs. Hightower said the one thing to remember if a School Board Member chose to form a committee or even with Superintendent's committees was that all meetings of advisory committees must be advertised in accordance with Florida's Sunshine Law. The Superintendent said that committee meetings were advertised and therefore, nothing would prohibit a School Board Member from attending such meetings and also the public was noticed should they like to attend. The Superintendent asked School Board Members to bear in mind that there were many different kinds of committees formed to consider issues related to the day-to-day operation of the School District. He said the results of the committees work was typically presented to the School Board at workshops such as this so it was not like School Board Members were excluded from that information. In terms of a committee on School Board policy, the Superintendent explained that each chapter of policy fell under a particular division (i.e., Curriculum, Finance, Human Resources, etc.) and that a committee was formed for each of those areas. He said it had been decided a few years back that Mrs. Waters as General Counsel was the School Board's representative on those policy committees. The Superintendent also mentioned that committee meetings regarding the Student Rights & Responsibilities Handbook were also advertised and School Board Members were welcome to attend. Mr. Bergosh noted that the common denominator in most of the policy examples he had provided, was language that said that committees did not act on behalf of the school board, they simply advised the school board. He also noted that many of the policy examples he had provided also included a school board policy committee component. He said that he would like to see a policy committee made up of School Board Members, the Superintendent, and some of the Superintendent's staff so that issues could be flushed out and then perhaps issues could be brought to a special "open discussion" workshop for discussion prior to being placed on a regular meeting agenda for the School Board's final consideration. He said he would also like to see a committee formed, with School Board representation, to look at local capital funding priorities. He noted that there were many capital needs throughout the School District and thought that perhaps having a committee to field some of those issues might be helpful. Responding to an earlier comment by Mrs. Hightower about the current School Board policy not prohibiting a School Board Member from forming a committee, Mr. Bergosh pointed out that the current policy stated only that committees may be formed and members may be appointed by the School Board. He referred to other school board policies which specified that the chairman could form a committee. Mrs. Hightower said the reason policy was probably did not specify chairman was because it was a discussion that the School Board collectively would need to have in order to determine whether the majority of the School Board Members felt that it was necessary to have a certain type of committee. Mrs. Hightower suggested that such a discussion could occur at a special "open discussion" workshop such as this one. Upon inquiry by Mrs. Hightower, Mrs. Linda West, Coordinator of Board Affairs, said that throughout the years, there had been specialized committees established by various School Board Members. Mrs. West said that typically the discussion about forming a committee occurred during a School Board Workshop and School Board Members would determine whether such a committee was necessary and then an individual School Board Member would form the committee and then report on the committee's work at each School Board Meeting. Mrs. Hightower suggested to Mr. Bergosh that if he wanted to draft some verbiage different from the verbiage currently in School Board policy that he should do so and then bring it to the School Board for consideration; however, she maintained her belief that there was currently nothing in policy that would prohibit any School Board Member from suggesting the formation of a committee. Mr. Bergosh said he appreciated the input from Mrs. Hightower and that he would be following-up on this matter in the near future.

- Protocol for Incident Reporting to District from Anonymous Tip Line – Bergosh

Mr. Bergosh said that this topic actually drove the last topic of discussion. He commented that this was an important issue to him and one that he had brought to several of these discussion workshops in the past. He said that this was an issue he had spoken to the Superintendent about on a number of occasions and he believed that they were making progress in that direction. He understood that there had been an expressed willingness to go forward with this matter but he believed it was very important to be deliberative in how it was done and that it was done properly. Mr. Bergosh noted that he had brought forth some information over the last several months as he had been doing research, speaking with people, and working very closely with the Director of Internal Auditing on this issue. Mr. Bergosh noted that he had provided School Board Members with a copy of three memorandums issued in the past by the Director of Internal Auditing. He said that the initial discussion on an anonymous fraud, waste, and abuse tip line was an "off-shoot" of the ethics

report from 2007. Mr. Bergosh pointed out that as had been discussed in previous meetings, one of the management recommendations that came from that report was that the School District should establish a tip line. Upon inquiry by Mr. Bergosh, Mr. David Bryant, Director of Internal Auditing, said that the reason for that recommendation was that internal auditing standards require his office to look at the School District's governance policies and so when looking at the Code of Ethics and the methods of reporting violations, they had noticed that the hotline that was in place at the time was not functioning as it went directly to voice mail and yet the voice mail had not been set up; therefore, at that time there was really no mechanism for reporting. Mr. Bryant said that his office began looking at the best practices for hotlines. He said that his office felt and the literature indicated that a hotline should really be handled by an independent third party and not tied directly to an operational component of the School District because the reported violation might involve that component. In addition, his office had recommended an independent third party to provide for more transparency. Mr. Bryant noted that after his office had followed-up on their initial report, they found that the tip line had been changed over soon after Human Resource Services was notified that it was not functioning. Mr. Bergosh commended Mr. Bryant for the research that he had done on this issue. He noted that Mr. Bryant and his staff, at the request of the Superintendent, had undertaken a very detailed survey regarding Florida school district hotlines. (Mr. Bryant's office had been asked to perform research and analysis regarding the usage of employee/vendor/public hotlines and/or tip-lines utilized by other school districts in the state of Florida. Mr. Bryant's office contacted all 67 school districts within the state and spoke with a variety of district personnel at each school district.) Mr. Bergosh noted that a copy of the survey results was included as part of the three memorandums from the Director of Internal Auditing that he had mentioned earlier. At the request of Mr. Bergosh, Mr. Bryant provided a quick summary of the results from the Florida School District Hotline Survey. He said that roughly half of the school districts had some form of hotline however, the majority of them were not for what the School District was considering in that the majority were not for fraud, waste, and abuse reporting but rather for reporting bullying and other student-related activity. He said the majority of those hotlines reported to an internal unit inside the school district (i.e., compliance officer, school district investigator) and only a few reported to an independent third party; however, Mr. Bryant said he still considered an independent third party to be a best practice. Mr. Slayton wanted to know how many of the school districts had hotlines handled by an independent third party. Mr. Bryant said that only four of the school districts survey had hotlines that were handled by an independent third party. He noted that it would be difficult to break-down the numbers of the 36 school districts with hotlines that would be only for reporting fraud, abuse, and waste because many of the school district would combine all issues and some would take calls only related to fraud, waste and abuse. He said that most of the time, when a school district establishes a hotline, they were not just specifically saying that the hotline was for only a specific type of reporting. Mr. Slayton wanted to know if Mr. Bryant had an idea as to what kind of success those school districts had with their reporting hotlines or how much of a difference those hotlines had made. Mr. Bryant said that the Superintendent had actually asked about the return on investment because if the School District spends the money they obviously they would want to know they would have a return on investment. He said that his office had found, with all the literature and from all the school districts that they had spoken to, that they were happy with their hotline and that they do receive reports on them but as far showing for example, that they spent \$10,000 on the hotline and then a \$50,000 fraud was reported on that hotline, they really could not get that information. He said it was really more about the transparency, that employees knew they could report something anonymously, and the reputation of the school district. Mr. Bergosh was concerned that currently, employees may not necessarily feel that there is a reporting mechanism where they can report something but remain anonymous in fact, he believed that Mr. Bryant's climate survey had shown that roughly 50% of employees did not have confidence that if they reported an incident that it would be followed-up on. Mr. Bryant said that back when office conducted the Code of Ethics evaluation in 2007, they had actually surveyed some random employees from all levels throughout the School District and found that a large majority of those employees were aware that the School District had a Code of Ethics but were not really aware of how to report, a large majority said they would feel comfortable reporting but they did not know how, and a large majority did not believe that any real action would be taken even if they did report something. Mr. Slayton wanted to know if any improvements had been made since that 2007 survey, in other words, had the School District done something to assure employees that they were listening to them. Mr. Bryant said the School District currently had the same hotline that they had before that goes directly to Human Resource Services staff. He said that his office had not undertaken to do another survey of thousands of employees like they had done before and he believed it would be premature to do so at that point considering that the matter was currently

being discussed. However, Mr. Bryant said that from his office's perspective not much had changed operationally speaking from 2007 to what was now in place in 2013. Mr. Slayton noted however, that the reality was that the current hotline was confidential. The Superintendent confirmed that it was, but said that he believed that what was being proposed and what Mr. Bryant had researched was far superior to what the School District was currently doing. He believed that for an employee to report anonymously to someone other than School District personnel would provide a different level of confidence. He noted that it did not mean that they do not trust anybody, it was just that sometimes if someone was going to blow the whistle, they would feel better about blowing the whistle to someone who was not going to recognize their voice or their phone number. The Superintendent said that staff was preparing to move forward on this matter and expected to be able to do this at the beginning of the next school year.

Mr. Bergosh said that a protocol for incident reporting from an anonymous tip line was a priority for him considering that the School District was a large organization with over 5,500 employees and a nearly \$600 million budget. He was convinced that an anonymous tip line could help uncover fraud, waste and abuse and would also have the ability to change employee behaviors as well because employees would know that someone could report them anonymously. Mr. Bergosh spent the next few minutes reviewing information outlined a handout that he had provided to School Board Members entitled, "*Hear that whistle blowing! Establishing an effective complaint-handling process*" from Grant Thornton LLP. Mr. Bergosh said that when researching the hotline issue, he had gone back to the basics and looked at what the business community does with regard to this matter. He gave a brief overview of the Sarbanes-Oxley Act (SOX), which is a federal law enacted in 2002 that set new or enhanced standards for all U.S. public company boards, management and public accounting firms. (The bill was enacted as a reaction to a number of major corporate and accounting scandals including those affecting Enron, Tyco International, and WorldCom.) Mr. Bergosh said that Grant Thornton LLP had helped corporations implement the important aspects of the SOX so that they were in compliance with the law. He noted that SOX did not apply to government bodies such as school boards, but there were issues and ideas outlined in the handout that he believed would be very applicable to the School District. He suggested that each School Board Member review the handout thoroughly. Mr. Bergosh then reviewed the Model Accounting Complaint-Handling Process (MACH Process) as outlined in the handout. Mr. Bergosh said that he would like to see this process modified to apply to this School District. He especially liked that the MACH Process included a screening step for each claim, which would be the responsibility of a claims screening committee consisting of an audit committee member, legal counsel, internal auditing member, human resources member, and risk management member. Mr. Bergosh referred to an illustration in the handout that outlined each step (receiving, screening, and documenting claims) of the MACH Process in flowchart format.

- Current Status of Spencer Bibbs Project – Boone

Mr. Boone requested an update on the status of the Spencer Bibbs project. Mr. Shawn Dennis, Assistant Superintendent for Operations, said that Bay Design was involved in the process and was in the currently in the middle of Phase II drawings. He said there had been some minor changes to the plans in terms of office spaces and some alignment. Mr. Dennis said that once the Phase II drawings were finished, there would be another series and then about 30 to 45 days until a bid was put out for a contractor, followed by another 30 days or so until the matter was submitted on an agenda for the School Board's consideration. He said that realistically, within the next three months, the School District could be breaking ground at Spencer Bibbs to start work on that project.

- Update on Campus Security Task Force – Moultrie

Mrs. Moultrie requested that Mr. Shawn Dennis, Assistant Superintendent for Operations, provide a brief update on the campus security task force. Mr. Dennis reported that the task force was working very well and at this point had met about five times. He said that they did take the opportunity to hold several of their meetings at two different school campuses just to give the task force some orientation and perspective as to the current configurations, some of the obvious vulnerabilities on school campuses. He said that school campuses basically spanned the spectrum of highly fortified and secure to relatively open. Mr. Dennis reported that the task force subsequently moved into the analysis of various assessments that were available for deployment at schools to check for threat and vulnerability and was rapidly coming to a conclusion on a

particular assessment protocol. He noted that the next meeting of the campus security task force would be on April 23, 2013.

- 2013 Graduation Plan – *Superintendent*
[Handout provided to School Board Members]

Mrs. Carolyn Spooner, Director of High School Education, reviewed information regarding the [2013 Graduation Plan](#) as outlined in a handout provided to School Board Members. The information provided included, the new times for graduation, the order of graduation ceremonies, the new schematic for the Pensacola Bay Center setup, the order of introduction, and other pertinent items of interest. The Superintendent said that the 2013 Graduation Plan would be communicated to parents over the next several weeks.

III. PUBLIC FORUM

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

IV. ADJOURNMENT

There being no further business, the Regular Workshop was adjourned at 5:25 p.m.

Attest:

Approved:

Superintendent

Chair

PENDING BOARD APPROVAL