

**Lynchburg City School Board
Regular Meeting
November 3, 2016**

**BOARD
MEMBERS
PRESENT:**

Michael J. Nilles, Chairman
Sharon Y. Carter
James E. Coleman
Charleta F. Mason
Susan D. Morrison
Derek L. Polley
Jennifer R. Poore
Katie K. Snyder

**BOARD
MEMBERS
ABSENT:**

Regina T. Dolan-Sewell, Vice Chairman

**ADMINISTRATION
PRESENT:**

Scott S. Brabrand, Superintendent
Ben W. Copeland, Assistant Superintendent of Operations and Administration
John C. McClain, Assistant Superintendent of Student Learning and Success
Anthony E. Beckles, Sr., Chief Financial Officer
LaTonya D. Brown, Director for Student Support, Behavior, and Alternative Education
April M. Bruce, Director for Data, Assessment, and Accountability
David A. Childress, Director for Information Technology
Jason J. Ferguson, Director for Transportation
Steven L. Gatzke, Director for Facilities and Maintenance
Marie F. Gee, Director for Personnel
Ethel E. Reeves, Director for Engagement, Equity, and Opportunity
Michael K. Rudder, Director for School Improvement
Wyllys D. VanDerwerker, Director for Exceptional Learners
Wendie L. Sullivan, Clerk/Recording Secretary

**MEDIA
PRESENT:**

Josh Moody, *The News & Advance*

**Agenda
Items:**

- A. Opening Comments
- B-1. Finance Report
- C. Consent Agenda
- D. School Board Committee Reports
- E-1. Fund Balance Recommendations
- E-2. Equity and Inclusiveness: Frequently Asked Questions (FAQ)
- F. New Business
- G. Informational Items
- H. Adjournment

The Lynchburg City School Board met for its regular meeting at 8:05 a.m. in the second floor conference room of the GLTC Transfer Station. Dr. Nilles opened the meeting and asked those in attendance to rise and recite *The Pledge of Allegiance*.

Upon MOTION by Dr. Coleman, SECONDED by Ms. Carter, the school board removed item C-3. Fund Balance Recommendations from the consent agenda to E-1. the first item under unfinished business.

Yes Votes: Dr. Nilles, Ms. Carter, Dr. Coleman, Mrs. Morrison, Mr. Polley, Ms. Poore, Mrs. Snyder

No Votes: None

Abstentions: None

B-1. Finance Report

The school administration, in accordance with the FY2016-17 school operating budget, authorized, approved, and processed the necessary payments through September 30, 2016. The school administration certifies that the amounts approved are within budgetary limits and revenue.

The operating fund expenditure report summarized the payments made through September 30, 2016, for the operating fund.

Total Operating Fund Budget		\$ 93,056,175.00
Through September 30, 2016		
Actual Revenue Received	\$	15,710,898.01
Actual Expenditures	\$	18,595,832.81
Actual Encumbered	\$	63,936,877.60
Percent of Budget Received		16.88 %
Percent of Budget Used, excluding encumbrances		19.98%
As of 9/30/16 – 3 months		25.00%

The revenue and expenditure reports detailed the transactions recorded through September 30, 2016. All reports appeared as attachments to the agenda report.

(SEE SCHOOL BOARD DOCUMENT FILE, MEETING OF NOVEMBER 3, 2016, EXHIBIT "A," FOR A COPY OF THE FINANCE REPORT.)

C. Consent Agenda

Upon MOTION by Mrs. Morrison, SECONDED by Ms. Poore, the school board approved the school board meeting minutes for October 4, 2016 (Regular Meeting); October 6, 2016 (Student Discipline Committee Meeting); and October 25, 2016 (Student Discipline Committee Meeting); the personnel report for the period October 4 – November 3, 2016; the Lynchburg Regional Juvenile Detention Center Education Program Budget: 2016-17; the Capital Improvement Plan: ARC Flash Professional Services; and the request for religious exemption.

Yes Votes: Dr. Nilles, Ms. Carter, Dr. Coleman, Mrs. Morrison, Mr. Polley, Ms. Poore, Mrs. Snyder

No Votes: None

Abstentions: None

(SEE SCHOOL BOARD DOCUMENT FILE, MEETING OF NOVEMBER 3, 2016, EXHIBIT "B," FOR A COPY OF THE CONSENT AGENDA ITEMS.)

D. School Board Committee Reports

Dr. Coleman provided information about the Equity Task Force and noted that additional information will be shared during the school board retreat.

Ms. Poore announced that the Governor's School for Science and Technology will have its open house and ribbon cutting ceremony on November 12, 2016, from 1:00 p.m. until 3:00 p.m.

E-1. Fund Balance Recommendations

The fund balance for the 2015-16 school year is \$1,358,955. The school administration has discussed possible uses for those funds and recommends the following:

Return of Funds to Health Insurance Reserve	\$	500,000
Purchase of Finance/HR Software	\$	400,000
Replenishment of Maintenance Reserve	\$	200,000
Renovation of Empowerment Academy	\$	100,000
Textbooks Reserve	\$	91,176
Purchase of All Terrain Fork Lift	\$	35,000
Purchase of Custodial Equipment	\$	32,779
		\$1,358,955
		=====

Additional information regarding the recommended uses for the 2015-16 fund balance is presented below.

Return of funds to Health Insurance Reserve (\$500,000)

Due to an anticipated increase in medical claims over the budgeted amount, the school administration requested to use \$600,000 from the Health Insurance Reserve. The claims for 2015-16 exceeded the budget by only \$100,000 which resulted in \$500,000 in unused funds. The school administration recommends that these unused funds be returned to the Health Insurance Reserve for future use.

Purchase of Finance/HR Software (\$400,000)

Funds were approved to be used this past year to purchase new Finance/HR Software. Because of the reduction in state revenue due to the decrease in ADM, the purchase was delayed.

Replenishment of Maintenance Reserve (\$200,000)

The air conditioning system at Paul Munro Elementary school failed during the year resulting in the need to use funds from the Maintenance Reserve to assist with covering the cost of replacing the air conditioning unit. These funds will replace the money used from the reserve.

Renovation of Empowerment Academy (\$100,000)

Due to the reduction in our state revenue, the renovation cost for the Empowerment Academy was taken from the operating maintenance budget in order to have the facility ready for the start of school. These funds will replace the funds used from the operating maintenance budget.

Textbooks Reserve (\$91,176)

Textbook funds can only be used to the purchase of textbooks and any funds not spent during the school year must be carried over.

Purchase of All Terrain Fork Lift (\$35,000)

These funds will be used to purchase an all-terrain fork lift for the Department of Maintenance's use in the warehouse.

Purchase of Custodial Equipment (\$32,779)

These funds will be used to purchase five (5) ride on floor scrubbers.

Questions had been raised by board members about the purchase of the software for finance and human relations. Mr. Beckles explained that the current software was purchased in 1993. The software in use does not have a human relations module, so there is a significant amount of manual data entry for payroll and other financial items associated with personnel. The outdated interface presents challenges when training new users who are familiar with web-based software. The auditors suggested a new software system five years ago. Many of the computations performed by the software needs to be recalculated manually to ensure that the data are correct. There is no audit trail when changes are made to employees' positions or compensation. The software does not have a billing module, and the company that supports the employee self-service has advised they will no longer offer support. The list of problems with the current software continued.

Upon MOTION by Dr. Coleman, SECONDED by Ms. Carter, the school board approved the fund balance recommendations.

Yes Votes: Dr. Nilles, Ms. Carter, Dr. Coleman, Mrs. Morrison, Mr. Polley, Ms. Poore, Mrs. Snyder

No Votes: None

Abstentions: None

E-2. Equity and Inclusiveness Guidelines: Frequently Asked Questions (FAQ)

As a follow-up to the Equity and Inclusiveness Guidelines that were presented to the school board in the spring, a Frequently Asked Questions (FAQ) document has been created to help with implementation of the guidelines. Some of the questions this document helps to answer are relative to honoring the contributions of various identities in our nation and community; dates for religious observances and how to avoid conflicts with these observances within the schools' calendars; and what parents should do if they believe their child is being treated unfairly due to their race, gender, or other characteristics.

The FAQ document, which will continue to evolve as questions are raised, was presented to the school board for comments, questions, and feedback. A draft calendar for use by staff was also given to school board members as an informational item.

Ms. Mason arrived at 8:30 a.m.

The school board discussed the possibility of having this information placed on the school division's web site so that it can be available to the community. There was additional discussion about training activities for school board members through VCIC.

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(SEE SCHOOL BOARD DOCUMENT FILE, MEETING OF NOVEMBER 3, 2016, EXHIBIT “C,” FOR A COPY OF THE FREQUENTLY ASKED QUESTIONS.)

F. New Business

None

G. Informational Items

Next School Board Meeting: Tuesday, November 15, 2016, 5:30 p.m., Board Room, School Administration Building

H. Adjournment

The meeting adjourned at 8:33 a.m.

Michael J. Nilles, Chairman

Wendie L. Sullivan, Clerk

(SCHOOL BOARD DOCUMENT FILES ARE LOCATED IN THE DEPARTMENT FOR FINANCE AT THE SCHOOL ADMINISTRATION BUILDING.)