

BUDGET WORKSHOP – JULY 18, 2012

The School Board of Okaloosa County met in Workshop Session on July 18, 2012, in the School District Administration Building, 120 Lowery Place, SE, Fort Walton Beach, Florida.

PRESENT: Rodney L. Walker, Chairman
Cathy Thigpen, Vice-Chairman
Cindy Frakes
Chuck Kelley
Melissa Thrush

Alexis Tibbetts, Superintendent
C. Jeffrey McInnis, Esq., Attorney to the Board

The Chairman called the meeting to order at 8:30 a.m., for the purpose of reviewing district department draft budgets for the 2012-2013 fiscal year.

Mrs. Scallan provided operational budget analyses and a draft operational budget of each department for reference in addressing operational budget items with each department supervisor. Additional information included comparison summaries of department expenditures to the proposed budget, and of last year's budget to the 2012-2013 proposed budget. She stated that some departments may show a reduction in costs because this year the department budgets are strictly operational funds to run each department. She explained that in the past, funding and expenditure information for some departments has been left at the district level; and when reviewed by the Department of Education, it appears as a district cost and is factored as an administrative overhead expense rather than for the program at those schools where it should be reflected. Therefore, a project has been created for this purpose. She stated that a 10% increase from last year in health insurance is factored in the salaries. Additionally, if there was an employee turnover in a department, the salary of that position may reflect an increase or a decrease.

The organizational and staffing charts for Quality Assurance reflected no changes in positions from last year. In response to Ms. Thrush's inquiry regarding copier contracts, Ms. Scallan responded that the district does not have a standardized copier provider; that each department independently contracts for copy machines. She explained that in researching the option of an RFP or RFB on copiers district-wide, it was determined that the district is getting the best price from the State bid contract.

In reference to the staffing chart for Instructional Technology, Mrs. Scallan clarified that the district level secretary is increased to a full time position that is split 70% in Instructional Technology and 30% in Curriculum. Mrs. Thigpen noted that the one technology trainer for the entire district is not a full time position. She recommended increasing the technology trainer position to full time as more teacher training is anticipated with the district moving toward additional digital technology.

Responding to Mr. Kelley's question regarding the 2011-2012 budgeted capital outlay that was not expended and not budgeted for 2012-2013, Mrs. Scallan responded that funds were moved into a project for software and professional development activities. She clarified that the focus for the 2012-2013 proposed budget is to move any school-related costs to the schools after the purchases are made, rather than leaving the expenditure at the district level which would reflect the purchase as an administrative overhead expenditure, and the revenue for those expenses will be moved with the associated costs. An example she gave for Instructional Technology was the allocation of software cost for student assessments.

The staffing chart for Student Intervention Services-ESE was reviewed and Lois Handzo responded to Mrs. Frakes' question regarding the confidential secretary, stating that it is a full time position; however, 17% of the salary is funded through the IDEA

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grant. Mrs. Scallan noted that last year there were additional IDEA funds for positions that were paid from that fund source. This year funding has been moved to the general fund or the positions would have to be reduced or eliminated. Mrs. Handzo explained the responsibilities of the school social workers and the split funding for salaries between IDEA and the general budget.

Mrs. Scallan responded to Mr. Walker's question regarding the vacant Specialist position in Curriculum and Instruction, stating that the position will be filled and is budgeted 100% even though it is currently vacant.

The budget for Staff Development was reviewed with Christy McInnis, with no questions from the Board.

In reference to Student Intervention Services, Mrs. Frakes inquired about the elimination of the part-time specialist position, and commented on the considerable reduction in the budget. Mrs. Handzo responded that she has assumed those ESOL responsibilities of the part-time specialist. She stated that the reduction in the budget is keeping with the focus of moving school-related funds to a project. The school notification system has typically been appropriated through this department, but it is a school service, not a cost of running the department; therefore, the appropriation has been moved to the schools.

Mrs. Scallan noted that the reduction in the budget for CHOICE is attributed to a reduction in the cost of the Embry-Riddle contract, as well as the district-funded portion of the contract which will be allocated to a CHOICE Schools project. In response to Mrs. Frakes question concerning revenue generated from certifications that are earned, Mary Beth Jackson, CHOICE Program Director, stated that those funds are reflected in the schools' budgets; however, the department has oversight of budget expenditures of those funds.

Mrs. Scallan clarified that as funds are allocated to the schools' project, the revenue will be allocated to the same project.

Rodney Nobles presented the budget for Deputy Superintendent for Operations and there were no questions from the Board.

Kaye McKinley, Deputy Superintendent for Curriculum, Instruction & Assessment, reviewed the staffing chart with the Board. In response to Ms. Thrush's comments regarding the inconsistency between the two secretaries of the Deputy Superintendents, Mrs. McKinley explained that her secretary is responsible for duties of other cost centers, such as the Ballet Academie, and Take Stock and The Foundation which fall under Community Affairs.

During review of the budget for Community Affairs, Mrs. McKinley explained that the budget increase is related to the expense of background screenings for the mentors and fingerprinting for overnight chaperones.

The Superintendent's budget and staffing chart were reviewed with Dr. Tibbetts. There were no questions from the Board.

Mrs. Scallan presented the budget for Chief Financial Officer. There were no questions from the Board.

Steve Bolton answered questions regarding the Maintenance Department's staffing chart. Mrs. Scallan commented that the vacant positions are funded and currently are in the process of being filled. He responded to Mrs. Frakes' question that funding under energy services is for fuel. He stated that the projected budget for fuel is based on the usage from the past year.

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There were no questions from the Board in regard to the budget for the Niceville Central Complex.

The staffing chart for Bay Area Office was reviewed, and in response to Ms. Thrush's inquiry regarding custodians, Mr. Nobles explained the difference between district custodians in this department and custodians in the Maintenance Department. At the request of Ms. Thrush, Mr. Nobles provided a comparison of custodial staff between this department and the Carver Hill complex.

Mrs. Scallan reviewed the staffing chart and budget for the Purchasing Department. The slight increase in salaries is due to the shifting of positions. Mrs. Scallan explained that an employee moving to a new position does not assume the salary of the previous employee holding that position. Salary increases and decreases may also be attributed to an employee changing his benefit options.

The staffing chart for Risk Management was reviewed with Mrs. Scallan and there were no questions from the Board.

Mrs. Scallan explained the staffing chart for Budgeting & Financial Services. She stated that the Budget Specialist position remains vacant and she requested to keep it budgeted. She stated that the funds will not be spent while the position remains vacant. In response to inquiries in regard to filling the vacant position, Mrs. Scallan explained that although additional duties which have been assigned to the department are being completed, it is not optimal and at some point the position will need to be filled.

Mrs. Scallan requested that an accountant position be budgeted at 100% even though the individual will be working 60%. She explained that the employee will be moving into retirement and has the corporate knowledge needed for the position. She stated that the value of the employee's knowledge versus bringing in a new individual would be an asset to the efficiency of the department. She explained the reason that funding for this position is not an issue.

In regard to the staffing summary for Accounting & Financial Reporting, Mrs. Scallan requested to eliminate a district level secretary position and add an accountant position. She explained that the level of responsibility for the district level secretary is higher than the position is classified and should be elevated. She noted the turnover of individuals in that position because of the accounting duties involved.

Dr. Bill Smith presented the budget for Educational Support Services, informing the Board that staffing is the same and the budget is similar to that of last year. He noted that the appropriation increase in the Purchased Services category is due to the School Plant Survey and the FISH (Florida Inventory of School Houses) Validation. He explained the State requirements regarding these. Mrs. Scallan commented the projected increase in energy services is related to fuel expense.

There were no questions from the Board in regard to the School Plant Planning budget. Dr. Smith stated that the biggest value to the department was the recovery of insurance funds of approximately \$1.56 million from FEMA, which was attributed to the Specialist, and as the District's building official he assessed the percentage of damage.

Ryan Gore reviewed the Information Systems staffing chart, explaining the elimination of a 10 month secretary and the addition of an FTE data technician. He stated that the role of the additional FTE data technician will be virtual education, due to a significant increase of data entry to meet the new State requirement that students must take a virtual course in order to graduate.

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Ms. Thrush noted a significant decrease in Purchased Services in the Carver Hill Budget. Ryan Gore commented that the contract with Cox for internet service was re-negotiated which significantly dropped the department's costs.

In regard to the budget for the School Board, Mrs. Thigpen suggested removing the appropriation for lobbying services. Mrs. Frakes stated that those services haven't been used in the last two years and the need for the service in 2012-2013 is not anticipated; however, those services will be important to the District as soon as funds become available.

Mrs. Frakes requested \$3,000 be budgeted for out-of-county travel so that funds will be available should the new Board member want to attend trainings, as well as for any legislative events that she may attend. Ms. Thrush did not support the \$2,000 increase.

Mrs. Thigpen stated that as the Board moves forward with wireless and paperless systems, these expenses should be included in the budget. She noted that printing expense will decrease, but will be absorbed in other areas. Mrs. Scallan suggested earmarking \$20,000 for the paperless software subscription, which may be more than the actual cost, and that the wireless system be appropriated through capital outlay rather than operational.

Mr. Kelley noted that the School Board budget is approximately \$60,000 more than last year's expenditures. He stated that allocating funds for the paperless system and the increase in travel could be done with funds from the existing budget by reallocating funds from lobbying services into these two areas.

Ms. Thrush noted the lack of capital outlay revenue this year and requested that a capital budget workshop be held so the Board could review the funds allocated to district-wide projects.

Mrs. Scallan confirmed the Board's direction to reduce the School Board budget by \$45,000, earmark \$20,000 for the paperless software subscription, and increase out-of-county travel by \$2,000. She stated this would be a net reduction to the department budget of \$22,000. She stated that lobbying services would be eliminated and a line item for paperless subscription would be added under other services.

Jay McInnis reviewed the budgets for the Transportation Departments. In the Central zone, three bus driver positions have been deleted and no additional positions are requested. Ms. Thrush commented that routing software would increase efficiency and help with any demographic changes and changes that may occur in feeder schools; she recommended that next year the department consider a software program that would tie into the GPS and GIS systems, and the maintenance logs. Mr. McInnis responded that he would look into having vendor presentations to determine a cost, and a committee to make a recommendation.

Mr. Nobles informed the Board that discipline on buses has progressively become worse which becomes a safety issue. He stated that an area transportation needs to look into is additional cameras. Mr. McInnis commented that cameras have been installed in approximately one-third of the bus fleet.

In the North Transportation department, it was noted that a monitor position has been deleted. Mrs. Scallan explained that the budget for salaries has increased because three monitor positions were paid with IDEA funds and those funds are no longer available. The monitor positions are required; therefore, funding for those positions has been moved to the general fund.

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The staffing chart for Transportation South was reviewed, and Mr. McInnis stated that two transportation assistant positions and two bus driver positions have been deleted. He stated that the vacant positions of mechanic and bus monitor will be filled. Mr. Kelley noted that the budget for this year is \$180,000 more than what was expended last year. Mrs. Scallan stated that she would research the source of the increase and provide clarification in an email.

Mike Foxworthy presented the budget for Human Resources. He noted the vacant district level clerk position that is budgeted, and explained the process of building electronic personnel files. He noted that the department is behind in this process due to the need of a software program that can build electronic files for instructional personnel directly from My Learning Plan. He anticipates working with MIS on writing the program.

Mr. Foxworthy informed the Board that converting employees' Social Security numbers to an automated employee numbering system is a priority of the department. He explained that it is a significantly large project due to the large volume of employees. Ms. Thrush suggested that instead of hiring a district level clerk to fill the vacant position, that Information Systems hire a temporary programmer. Mr. Kelley noted the overtime funds that were budgeted and not spent last year, and Mrs. Thigpen suggested transferring those funds to Information Systems for a temporary programmer. Mr. Nobles stated he would meet with Ryan Gore and look into moving the overtime funds from Human Resources to Information Systems for this purpose.

After Mrs. Scallan confirmed that the funds are available to increase the Technology Trainer position to full time, the Board concurred to increase the Technology Trainer position to 100%.

Mrs. Scallan stated that the changes directed by the Board would be made and replacement pages for the budget notebooks would be provided.

There being no further business, the meeting was adjourned at 11:15 a.m.

Jan Crawford, Recorder

ALEXIS TIBBETTS, Ed.D.
SUPERINTENDENT AND
CORPORATE SECRETARY

RODNEY L. WALKER
CHAIRMAN OF THE BOARD