

MINUTES

July 6, 2016

The Board of School Trustees of the Attica Consolidated School Corporation met at 4:30 p.m. for a Workshop in the Board Room of the Superintendent's Office at 205 E. Sycamore Street, Attica, IN 47918. Members present were Michael Wriighthouse, Chris Gayler, Mike Bossaer, Kelly Hiller and Darrin Spragg. Also present were Mr. Derek Marshall, Superintendent, Carrie Brier, Corporation Treasurer, Jodi Schmid, Deputy Treasurer and Mr. Daniel Askren, Corporation Attorney. The meeting was recessed at 4:35 p.m. and moved to the Attica High School Cafeteria, 211 E. Sycamore Street, Attica, IN 47918, to accommodate the larger than normal crowd. Meeting reconvened at 4:50 p.m.

RECOMMENDATIONS AND REQUESTS

Mike Bossaer made a motion the Board approve the agenda as presented, seconded by Kelly Hiller and passed 5-0.

MOMENT OF THANKFULNESS

COMMUNICATIONS FROM THE FLOOR

Chris Mattox asked why we had a 4:30 p.m. start time for the meeting, felt that it was too early for most people who work to be able to attend.

Kelly Carlson asked if this workshop would be a question and answer session with the public.

Deb Harmeson voiced interest in knowing if there were beginning and ending balances given to Board Members at each meeting.

Adam Bonebrake asked who is held accountable for the audit findings, feels there are no checks and measures in place and wanted to know how that will be fixed. Would also like to know when he will get answers to his list of questions that he left with the Superintendent and Board at the June 27, 2016 Board meeting.

REPORT OF THE SUPERINTENDENT

CORRECTIVE ACTION PLAN WORK SESSION

Finding 2015-001 – FINANCIAL TRANSACTIONS AND REPORTING

Mike Wriighthouse stated that this is the most common problem with a small school staff. With limited staff the segregation of duties can be a challenge. Darrin Spragg stated this is the result of one person doing several different jobs. Kelly Hiller suggested having outlined steps in place for each job. It was also suggested that there be a comprehensive list and backup plan in place. Mr. Spragg noted that it would be good practice to have each administrative employee write out a job process sheet.

Finding 2015-002 – PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Mr. Wriighthouse stressed that there was no criminal activity that had taken place, no missing money and that the SBOA specified that our corporation ledger is in order. If there had been criminal activity the Attorney General would have been immediately notified. The report was entered incorrectly into Gateway. Kelly Hiller suggested that there be a second set of eyes by distributing the information to the Board on a process sheet. Chris Gayler stated that he would like to see if there is more training for Board Members so the Board can be the second set of eyes and provide more checks and balances.

Finding 2015-003 – CASH MANAGEMENT, MAINTENANCE OF EFFORT, AND REPORTING

There should be a Special Education grant internal control in place. Would also like to see a second review for making sure there is no fraud. Again segregation of duties is a must.

Finding 2015-004 – INTERNAL CONTROLS OVER TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES

Title I plan had been prepared and submitted by the treasurer and was not signed off on or proofed by the Title I director. Kelly Hiller suggested there be a small committee to ensure proof of the plan. Chris Gayler and Mike Wriighthouse stated that now is the time for the board to contract a company to do a surveillance audit. It was stated that in the exit interview the SBOA likes to see as many things printed on paper as possible. They prefer hard copies instead of only computer files. Mrs. Hiller stated that we were just going to have to embrace paper.

Finding 2015-005 – SPECIAL TESTS AND PROVISIONS – HIGHLY QUALIFIED TEACHERS AND PARAPROFESSIONALS

Our elementary school is now a testing site for the Para Pro exam. Mike Bossaer stated that a copy of each record will be kept in the personnel file.

Finding 2015-006 – REPORTING, PROCUREMENT AND SUSPENSION AND DEBARMENT, AND SPECIAL TESTS AND PROVISIONS – PAID LUNCH EQUITY

Carrie Brier explained the process of electronic review. Jodi had shared this information at the board retreat but could not show a saved copy to share with SBOA. Kelly Hiller stated that a copy should be placed in the drop box for the board to review.

Finding 2015-007 – ELIGIBILITY

Mike Bossaer stated there needed to be a proof of the review. SBOA is working with Harmony to eliminate any issues. Kelly Hiller suggested that the applications be checked on a monthly basis. Mr. Spragg would like to see a board member working directly with Jodi on this for double checks. The notification letter was sent but not proven. Jodi Schmid stated that SBOA suggested that a copy of the letter be saved with a spreadsheet of each family whom it was mailed to.

Finding 2015-008 – SPECIAL TESTS AND PROVISIONS – VERIFICATION OF FREE AND REDUCED PRICE APPLICATIONS

Same as above

Finding 2015-009 – PROCUREMENT

Chris Gayler suggested that we get all future bid documentation from Chartwell's and include in the Board minutes.

Finding 2015-010 – PROGRAM INCOME

Mike Wriighthouse stated that the daily deposit sheets must be reconciled daily with Harmony. This must be fixed there is no evidence of fraud but this is a place it could easily take place. Jodi Schmid stated that more training would be given to cafeteria cashiers and managers in applying prepaid lunch payments. Carrie Brier and Jodi also stated that training will take place for them as well since SBOA is requiring a new pass through account for all schools who deal in prepaid lunch accounts.

COMMENTS

PENALTIES, INTEREST, AND OTHER CHARGES

Mike Wriighthouse stated that the penalties and interest were waived and this comment was corrected. Mike Bossaer stated that the board has already taken action to give the treasurer more flexibility in their duties. Mr. Marshall stated that any future incidents and the SBOA stated that the treasurer will have to pay for penalties and interest personally.

BAD DEBTS AND UNCOLLECTIBLE ACCOUNTS & COLLECTION OF AMOUNTS DUE

Mr. Marshall explained that the board adopted a new policy recently and enforcement of that policy would begin. Mike Wriighthouse stated that the majority of these bad debts are unpaid lunch fees. Mike Bossaer stated that the board does not want to make kids eat an alternative lunch but realizes that has to change. Kelly Hiller stated that a new policy will be going into place that would restrict students ECA privileges if they owed money on school lunch as well.

OVERDRAWN CASH BALANCES

Mr. Marshall read the section of the audit report and listed the school bus replacement fund, the school lunch fund, the school technology fund, and the clearing fund.

FUND SOURCES AND USES

Mr. Marshall stated that the auditors found that a school bus was paid for with Capital Projects monies and that a PLD lease was paid for with school bus replacement funds. Mike Wriighthouse made the comment that the corporation is investigating the claim that this was caused by the bank posting these to the incorrect accounts.

APPROPRIATIONS

Mr. Marshall read this comment from the audit. Mike Bossaer stated that if the board should have been asked by the treasurer to hold an additional appropriations hearing.

DEPOSITS

Kelly Hiller stated that deposits need to be made daily. Mike Wriighthouse agreed and stated that this will be fixed immediately.

CREDIT CARDS

Discussion centered on the fact that not all receipts for credit card purchases were collected or turned in. Mike Bossaer stated that there is a mobile app that will help aide in the process especially for the heat printed receipts. Kelly Hiller stated that if employees do not turn in receipts then they should have to pay for it.

OFFICIAL BONDS NOT RECORDED

It was explained that the bonds were not officially recorded. The bonds were mailed and returned because they lacked the board member signatures.

PUBLIC WORKS AND PUBLIC PURCHASES LAW

Mr. Marshall stated that the corporation received multiple bids, on the different phases of the project, but because the project went over \$150,000 the corporation received this comment. The corporation failed to fill out the proper bidding paperwork.

ORDINANCES AND RESOLUTIONS & PRESCRIBED FORMS

Mr. Marshall stated that the prescribed mileage forms were corrected after the last audit but some forms already existed. He also stated that employees were being reimbursed at fifty cents per mile after the federal rate rose to fifty four cents.

CURRICULAR MATERIALS RENTAL CHARGES & EDUCATIONAL FEES

Mr. Marshall said that the state board of accounts has stated that the school corporation's attorney must verify the textbook rental and course fees and that will be done each July in the future.

EXTRA-CURRICULAR ACCOUNT (ECA) RISK REPORT NOT FILED

Mike Wriighthouse explained that the treasurer and ECA treasurer had completed the report and that during the audit exit conference the treasurer discovered that she had not submitted it and promptly did so.

COLLECTIVE BARGAINING AGREEMENT

Mr. Marshall explained that the teachers and administrators work many hours on the bargaining of the master contract and neither side had any intentions of having prohibited items in the contract. The teacher's rights section of the contract led to this comment.

SUPERINTENDENT CONTRACT

Mr. Marshall explained that the state board of accounts stated that the corporation was advised to hold a hearing each year even though the contract is advertised and approved for three years at a time.

There being no further business to come before the Board at this time Michael Wriighthouse made a motion the meeting adjourn at 6:30 p.m., seconded by Chris Gayler and passed 5-0.

Michael Wriighthouse President

Darrin Spragg Member

Chris Gayler Vice President

Kelly Hiller Member

Mike Bossaer Secretary