

Reorganization Meeting, December 1, 2014

The December 1, 2014, meeting of the Moon Area Board of Education was held in the High School Board Room 7:15 p.m., for general purposes. The meeting was CALLED TO ORDER by President A. Michael Olszewski. The following directors were present:

Mr. Olszewski	Mrs. Tatone	Mr. Tranter	Mr. Harbaugh	Mrs. Schisler
Mr. Bussard	Mr. Hauser	Mr. LaRue	Mr. Testa	

Also seated at the Board table: Mr. Baker and Mr. Brungo

Administrators present: Mrs. Johns, Mrs. Lindsey, Mr. Haslett, Mrs. Prevost, Mr. English, Mr. Addy, Mr. Caton, Mr. Gallup

There were approximately 15 people in the audience, including administrators.

Superintendent's Report

Mr. Baker presented a draft copy of the school calendar for the 2015-2016 school year to the Board for review. The calendar proposes school beginning on August 17, 2015 and closing May 27, 2016. There would be a two week holiday for winter break.

Approval of Reports

IT WAS MOVED by Mr. Tranter, SECONDED by Mr. LaRue “that the Board of Education approve the following reports as reflected in the December financial report:

- Treasurer's Report
- Investment Report
- Board Summary Report
- High School/Middle School Activities Fund Report
- Food Service Profit and Loss Report.”

All directors voted in favor on a voice vote.

Payment of Bills

IT WAS MOVED by Mr. Harbaugh, SECONDED by Mr. Bussard, “that the Board of Education approve the bills for payment as listed in the December Financial Report as follows:

General Fund	\$ 1,221,801.76
Activities Fund	\$ 9,344.90
Total	\$1,231,146.66.”

All directors voted in favor on a voice vote, with the exception of Mr. Testa and Mr. Hauser who voted in disfavor of the payment to MM Architects.

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Mr. Testa would like to know what the check to MM Architects in the amount of \$189,273.12 is for. He also asked if they are being paid a percentage of the estimated cost as per PlanCon.

Mrs. Lindsay responded that is their progress payment for their most recent services rendered. She would be happy to provide a copy for the Friday packet. Mrs. Lindsay responded that we are paying according to the contract approved and there are percentages in that breakdown.

Mr. Testa would also would like to know what percentage are they being paid, estimated cost, 6% and he also would like some more detail around this and he will be questioning this going forward. If it's 6%, they were also awarded the construction management job, and that total is 6%. If we are paying them 6% does that include construction management fee, and they haven't done any work to date, are we overpaying them? Mrs. Lindsay will check into this.

Mrs. Lindsay responded that the construction manager has been on site at a number of the meetings and making comments and obtaining information along with the architects themselves, and gathering information.

Mr. Testa commented that he has seen the contract for the architect's services but nowhere does it reference their job duties are for contract construction manager. Has a contract been issued for construction management services?

Mr. Baker commented that there is a contract for construction management and Mrs. Lindsay commented that we have a separate contract for construction management.

Mr. Testa also asked how these payments are broken down to make sure we are not over paying them.

Mr. Olszewski asked for confirmation and validation for the next meeting of the separate contracts.

Mr. Testa also asked if the bond has been issued yet. The bond has not been issued yet. Where is this money coming from if it's not coming from the bond? Normally funds are in place before starting a project.

Correspondence

None.

Committee Reports

Education Committee

Mrs. Tatone reported that the district held its regularly scheduled in-service today. The morning began with the Superintendent providing staff with an overview of the strategic plan and recommendations for repurposing Hyde. This was followed by a presentation by Chris Caton covering the following topic areas: understanding rigor, analyzing academic tasks for level of rigor and the new Evidence Based Selected Response (EBSR) question format which will appear

on the PSSAs this spring. During the afternoon, teachers worked in their grade levels and departments analyzing their assessments for level of rigor and developing EBSRs to help prepare our students for the new test format. We also had a group of elementary teachers visit Avonworth School District with Caroline Johns. The purpose of this visit was for the teachers and administration to visit primary and intermediate buildings in order to make recommendations to the architect regarding furniture and classroom set-up. The Guidance counselors continued their work on the Naviance rollout as well as transition planning under the new configuration.

Work has begun to revamp kindergarten round-up. This effort is being led by Neil English and Ashley Beeson. Areas of focus are the procedures of round-up and assessments. An analysis of the assessments currently being used is underway in an effort to ensure that kindergarten teachers have all of the relevant information needed to help our new students with a successful transition into school. Once this analysis is complete, a report will be provided to the board regarding recommended changes.

A reminder to all 3rd and 4th grade parents, the district is hosting two informational meetings about the math curriculum. These sessions will provide parents guidance in regards to homework expectations as well as provide background about the Math Expressions program. The date for the 3rd grade program is tomorrow Tuesday, December 2, and the date for the 4th grade program is Wednesday, December 3. Both meetings will run 6:00-7:00 p.m. in the middle school LGI. If parents have a conflict with one of the dates, they are encouraged to attend the other evening.

Finance Committee

The school board received the audited financial statements for fiscal year ending June 30, 2014 prepared by Hosacht, Specht, Muetzel and Wood, LLP. The following are comments regarding the information presented:

- 1) The Moon Area School District's long standing practice of amending its expenditure budget once the final full year results are known was discontinued in 2014. The old practice which amended the budget for every single line item to match exactly the annual budget hides from the board and the public where our spending was high and where it was low. Instead every expenditure line item ends up right on the budget. For 2013-2014 and for all following audits, we will show line item variances. If folks have over or under spent budgets, you will see the variances and have every opportunity to ask for an explanation. This is best practice.
- 2) The auditor found an issue, a finding that Moon had overspent its general fund budget for 2013-2014. The size of the overage is approximately the same as an unbudgeted arbitration award to MAESPA employees resulting from a grievance filed more than two years ago when the previous business manager unilaterally reduced the hours worked by a number of MAESPA employees below the level at which benefits were earned. The superintendent as well as the COO/CFO, finds the audit exception to be warranted. Responding to the finding as follows: Moon Area School District changed its accounting practices for 2013-2014 to permit and use variance reporting particularly with respect to expenditures. Prior practice amended the budget to exactly match annual expense at year end. It is the view of the management, this disguises, over and under

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spending practices and does little to encourage fiscal responsibility or accurate reporting. In future years, management will show variance by each budgeted line. We will amend our budgetary reserve by our variance by revenues as part of year end closing. In this manner we will be able to demonstrate whether the school district maintained final expenditures in line with revenues received. It should be noted that the former business manager retired from his position in late April 2014, approximately 6 weeks before the end of the fiscal year. Up to and including the time of his departure, the former business manager did not indicate any concerns regarding spending. He lowered spending estimates to \$100,000 below budget on working papers in support of the 2014-2015 fiscal year. Management is working diligently to implement a new fully integrated accounting, payroll, HR purchasing software product called Aptifund and associated internal control protocols that will not only give a better financial transparency, but also assign accountability for budgetary and spending decisions to the appropriate department and building administrators. This system will go live on January 1, 2015. Even though half a year will have passed under the current system, management is cautiously optimistic that we will be able to avoid a replication of this years' overspending findings. Balances are being transferred into Aptifund in January. At that time, there will be improved line of sight into the first six months of this fiscal year. Please note that the board will receive its first financial statements from this system at the March 2015 board meeting when the January 2015 statements are presented. If issues are apparent, prior to that time, they will be reported promptly to the board. Budgeting for the current fiscal year used a skinny version of position control. Prior year budgets used no position control whatsoever. As a result management believes that it has a significantly better idea of pay and benefit costs than in prior years. In future years with the implementation of Aptifund, and position control and final protocols will be more robust enabling far better forecasting than at present.

Mr. Testa commented the former business manager did not unilaterally reduce MAESPA hours. If you recall, that was at a board direction to reduce costs and a board vote and the board had knowledge. There was a public meeting with a board meeting. Mr. Bennett did not unilaterally reduce any hours and did not cause a lawsuit.

Mrs. Schisler commented she was going by the information that the administration came to the board with, with very specific recommendations.

Mr. LaRue commented that once a budget is issued, it does not change. There was no line of sight with any variances for each line item.

Mr. Hauser felt that this was inaccurately presented. Mr. Bennett did not unilaterally invoke the reduction of MAESPA hours. No administrator has the power to do that without the power by the board. The statement should be corrected.

Policy Committee

No report.

Student Activities Committee

No report.

Facilities Committee

No report.

Legislation Committee

No report.

Moon Transportation Authority

No report. Moon Transportation Authority does not meet in December.

Transportation Committee

No report.

Parkway West Career and Technical Center

Mr. Tranter attended the meeting at Parkway. Parkway is doing very well, 75 more students from last year. February they will host PTOs at Parkway so folks can get an idea of what Parkway is all about.

Solicitor's Report

No report.

Audience Recognition (Agenda Items only)

None.

Endorsement of the Proposed Repurposing of Richard J. Hyde Elementary

IT WAS MOVED by Mrs. Tatone, SECONDED by Mr. Bussard, "that the Board of Education endorse the proposed re-purposing of Richard J. Hyde Elementary as presented."

Mr. Testa what are the renovation costs? We will know the costs after the analysis has been conducted. The renovation for the first year is from the capital improvement project.

IT WAS MOVED by Mr. Testa, SECONDED by Mr. Hauser, "that the Board of Education table this motion until we receive an analysis of costs."

All directors voted in dis-favor on a roll call vote, with the exception of Mr. Hauser and Mr. Testa who voted in favor. Motion fails.

IT WAS MOVED by Mr. Hauser, SECONDED by Mr. LaRue, “that the Board of Education amend the original motion to include the word “exploration” in the motion.”

All directors voted in favor on a roll call vote, with the exception of Mr. Testa and Mr. Tranter who voted in disfavor. Motion to amend original motion passes.

IT WAS MOVED by Mrs. Tatone, SECONDED by Mr. Bussard, “that the Board of Education endorse the exploration of the proposed re-purposing of Richard J. Hyde Elementary as presented.”

All directors voted in favor on a roll call vote, with the exception of Mr. Tranter and Mr. Testa who voted in disfavor.

Endorsement of the Strategic Plan

IT WAS MOVED by Mrs. Tatone, SECONDED by Mrs. Schisler, “that the Board of Education endorse the Strategic plan as presented.”

All directors voted in favor on a voice vote.

Personnel

IT WAS MOVED by Mr. Tranter, SECONDED by Mr. Harbaugh, “that the Board of Education approve the items listed:

I. Approval of Remediation and Middle School Math/ELA Lab Facilitators

“that the Board of Education approve the following Remediation and Middle School Math/ELA Lab Facilitators for the 2014-2015 school year:

High School Keystone Algebra 1 Remediation Facilitators

Haley Martin

Upper House Math Lab Facilitators

Angela Marino—retroactive to November 3, 2014.”

II. Approval of Extra Pay for Extra Duty Position

“that the Board of Education approve the following extra pay for extra duty position at the Middle School on Mondays and Tuesdays only, effective November 25, 2014:

Bus Duty (pm)

Morgane Longello.”

III. Approval of Sabbatical

“that the Board of Education approve a Restoration of Health Sabbatical for Jacqueline Tidd from her position as a Grade 6 Language Arts and Social Studies teacher at the Middle School from January 13, 2015 until June 13, 2015 per direction from her doctor.”

Audience Recognition (Non-Agenda Items)

None.

Adjournment

IT WAS MOVED by Mr. Hauser, SECONDED by Mrs. Tatone, that the Board of Education adjourn this meeting, 7:53 pm.”

Respectfully submitted,

Lisa Brown
Clerk, Board of Education

Gia R. Tatone
Secretary, Board of Education