

**Red Clay Community Financial Review Committee**  
**Wednesday, October 10, 2012**

**Meeting Minutes:**

The Community Financial Review Committee met on Wednesday, October 10, 2012 at 6:30 PM in the Brandywine Springs School Teachers Lounge.

**Members in Attendance:**

Jane Rattenni – Committee Chair  
William Doolittle – Community Member  
Steven Fackenthall – RCEA Member  
Jill Floore – Red Clay Chief Financial Officer  
Victoria Kent – Community Member  
Lynn McIntosh – Community Member  
Kenneth Rivera – Board Member

**Others in Attendance**

Leah Davis – President, Red Clay School Board Member  
Irene Hills – Principal, First State School & Red Clay Manager of RTTT.

**I. Introduction and Opening Comments:**

Ms. Rattenni opened the meeting welcoming everyone and introducing our new board member, Kenneth Rivera and our guest, Irene Hills.

**II. Minutes**

The September Minutes were distributed via email and in print at the meeting. A vote was not taken.

**III. First State School Presentation**

Irene Hills, Principal of First State School, made a presentation to the CFRC on the school, its students and funding. Ms. Hills distributed a copy of the school yearbook and program summary. Ms. Floore included in the CFRC packet a copy of the school's budget and contract with Christiana Care.

Ms. Hills explained that this is her 7<sup>th</sup> year as Principal of the First State School. The school is its 28<sup>th</sup> year and was founded in partnership with Christiana Care. Previously, the Department of Education had supported the school through the Colonial School District. Prior to that, it was once thought these students with chronic illnesses could best be supported through homebound care. The State supports the program with \$314,500 annual appropriation as well as the units the students earn through the 30<sup>th</sup> count process. For the last several years 17-18 students have been enrolled. Students come from all of the districts in New Castle County and the school is funded as a tuition based program. We bill back the district which the student resides in for the cost of the program.

Generally, the total cost of the program is divided by the number of students. That amount is billed to the home district.

There are only 2 other schools like this in the nation. The students are taught on grade-level. Teachers are on curriculum councils and involved in the decisions on curriculum at the district level. They take all of the state mandated tests, i.e., DCAS. Computers are used but must be ordered through Christiana Care as they have a standard that must be met for their site.

For admission, students are recommended by parents, physicians and eligibility for enrollment is decided by the admissions team. The teachers and nurses, along with Ms. Hill, make the decision on admission. There is a waiting list of 3-4 students each year.

The program is extremely successful. Some students have gone on to college. This is a year-round program. Once the "school year" is complete, there is summer school and summer camp. Ms. Rattenni asked if these students were inpatient. Ms. Hills explained that they are out patient and transported to the school, unless they had a recent surgery and could be inpatient on a temporary basis. They have family fun nights, the next being this December. They have one overnight field trip each year. Nurses go along. Past trips have been to Gettysburg and Lancaster. Psychologists work with the students and parents. Every year there is an award ceremony or graduation. Last year they had a child graduate who had been there kindergarten through 12<sup>th</sup> grade. This year there are 3 graduates.

The cost is about \$55,000 per child. This figure is not far from the cost of the Meadowood Program. Mr. Doolittle asked if they were all "complex" labeled units. Ms. Hills explained yes that the I.E.Ps (individual Education Plan) are very extensive. Ms. Kent asked if they are so severe, are they ever hospital bound? No, they all go home unless in a surgical recovery. In general terms, some types of chronic illnesses they experience are: transplant recipients, uncontrollable diabetes, hemophilia, and other hard to monitor health issues. If the students are not accepted, they are served with homebound services. Mr. Doolittle asked about the unit given for a Nurse for the program. Ms. Floore explained that the nurses there are through the contract. Mr. Doolittle asked that be looked into as a nurse unit is given per number of complex students. Ms. Floore explained that is worked into the total number of nurses allocated to the district. We then distribute that allocation and often need to fund nurses out of excellence as well because the formula does not cover one nurse per building.

Ms. Floore explained that there are contract negotiations with Christiana Care each year for the renewal of the program with the Director of Pediatrics at Christiana Hospital. It is a partnership and both sides have been pleased to work together. Looking at a breakdown of the budget, there is \$182,000 in salaries, \$839,000 in contracted services for the actual building site, a program specialist, 3 registered nurses, a full-time recreation therapist, medical director, physical and occupational and speech therapists as well as PHD psychologist. There are no Para-professionals in the program.

Ms. Kent asked about the budget beginning balance. Ms. Floore explained that over the last several years the balance has grown and we are now spending that down. However, there is a sufficient projected tuition balance that the tax would not be expected to increase next year to accommodate. Tuition funds also support ELL, unique alternatives as well as Meadowood and RPLC. First State School funds from DOE have not increased; it is a line item in the budget.

Mr. Doolittle asked why the program was designed for 24 students but we run at a capacity of 17-18 students. Ms. Hills explained that it depends on the staff and services available as well as the contract with Christiana Care. Last year we added the 18<sup>th</sup> student along with another teacher.

Mr. Doolittle asked what the cost of a homebound student on average is. Ms. Floore stated that it varies due to the number of hours required for the student. Mr. Doolittle stated that it is now being mandated that the student receive the same amount of hours as a student in school. Ms. Floore explained that it also depends on finding the person(s) available to do the home schooling. Teachers are working during school hours and high school students have very specific classes and languages. Homebound is paid through IDEA.

Mr. Rivera asked who is covered by the local portion of salaries. Ms. Hills explained that it is the 3 teachers and the educational diagnostician as well as a .25 psychologist (comes 1 day a week). Mr. Rivera asked why Ms. Hills' salary is not part of that as she is the principal. Ms. Floore explained that this is just one portion of Ms. Hills' duties and the fraction varies as she is not housed there. Ms. Hills explained that even though she is not housed there, every decision goes through her. She is available by phone at all times.

Ms. Hills announced First State School will have Mr. Amer Sajed as a principal for a day. He is the CEO of Barclay International. He will be joined by his wife and public relations representative.

Ms. Rattenni thanked Ms. Hills for her presentation and welcomed her to stay for the remainder of the meeting.

#### **IV. Old Business**

Our meeting with the Facilities Committee will take place at our December 10<sup>th</sup> meeting. The meeting will be held in the Baltz conference room.

Our next regular meeting is November 7<sup>th</sup>. We will talk about IDEA and special education funding. The consolidated grant will now be in February as January is for the final budget.

#### **V. Other Items**

Ms. Floore reported that she presented the FY13 Preliminary Budget to the Board and it was approved. The Board also was presented the CFRC recommendation to move the preliminary budget presentation and vote to an earlier date on their schedule. The agreement was to move it to August at a minimum. Ms. Davis asked if the preliminary budget could be done at a workshop. Ms. Floore answered yes, that is a possibility.

Ms. Floore explained that we are currently in preparation for the State financial system to shut down for a week to upgrade the system. This affects our Business Office, Payroll and Human Resource departments.

At the end of our September 30<sup>th</sup> count, we are up 19 units from last year. We currently have 1089 units with 1070 units earned last year. Within that number, we receive 1 nurse for every 40 Division 1 units. Mr. Doolittle will check on the language for nurses on complex students. As he recalls, there is a provision that the school should earn one for every 6 or more complex students. Mr. Doolittle will send the link to Ms. Floore on this language.

The question was asked last month what is the difference between FY11 and FY12, why is the charter payment so much larger. The comparison of year to year for charters was distributed to detail at what school the increases incurred.

## **VI. Monthly Reports**

Ms. Floore explained that with the passing of our preliminary budget, the numbers are now loaded into the report. Our revenue includes our tax receipts. These taxes are due in October and we receive this in a lump sum. We do receive some tax money year round as late tax payments come in to the County. The state pre-funds 75% of our allocation from last year and later they true up to match our 30<sup>th</sup> count units. Our total is similar to last year; we have 55% at this time. Last year we had 56.9%, mostly due to the fact that last year we received a tax payment in September. Ms. Kent asked if DOE pays transportation 50/50 if that's why it is lower. Ms. Floore explained it is 90/10 and that a district may go down in units, so DOE doesn't want to fund it all before the count is in, but they will bring that up to 100% before the year is up.

On the expense side the amount expended are payments that have been made. The amount expended and encumbered are funds already spent and those in reserve on a purchase order. Looking at the figures, you'll see Summer School is at 104%. In this case we received more revenue than what was estimated. This means more students paid so more services were provided. It will be this way for the year.

On Page 3 there is a mistake due to the formula not pulling the right data. The FY12 expenditures were not \$149 million in September. They were actually \$46.5 million or 24.8%. And in FY13 we were at 23.9%.

Ms. Kent asked about the copy center at 190%. Ms. Floore explained that the copy center bills back the schools. The schools send in their items for copying prior to the start of school. Those charges will be charged back to the schools, whereas the schools costs will then rise as the copy centers go down.

In the department Accountability, the years compare 44% vs. 14%. The difference is paying the data coaches regularly rather than all at the end of the program.

Ms. Rattenni pointed out that the expended and encumbered is where we should be. This is a gauge that we look at to make sure we stay on track.

In Federal Programs we are currently spending those funds that expire at the end of September and December 2012. The end dates vary and some cover several years. After the end date, we have 3 months to clean up. This means money must be encumbered prior to the end date and the payments made on those encumbrances by the end of the 3 month clean up. They are currently loading FY13 funding. Debbie Roberts gives a presentation in later in the year reviewing the funding and close out figures.

On a side note, \* explanations are cut off of the monthly reports. They will be placed back on for next month.

Ms. Kent asked about Conrad's expenditures compared to previous years on Page 9. Ms. Floore explained that Conrad has a school budget, but due to the transition to a 6-12 program and the expansion of their 12<sup>th</sup> grade class, this is the last year they will receive expansion funding and that is funded under district programs so the school doesn't appear to have false additions or deletions since school budgets are based on unit count.

## **VII. Public comments**

There were no public comments at this time.

## **VIII. Announcements**

The next CFRC meeting will be held Wednesday, November 7, 2012 in the Brandywine Springs Teachers' Lounge at 6:30 PM. The meeting with the Facilities Committee will take place on December 10, 2012 at Baltz.

## **IX. ADJOURNMENT**

The meeting adjourned at 8:10 PM.

Respectfully Submitted,

Laura Palombo

Recording Secretary