

A regular meeting of the Charleston County School District Board of Trustees was held on Tuesday, May 27, 2014, in the Board Room at 75 Calhoun Street. The following members of the Board were present: Mrs. Cindy Bohn Coats - Chair, Mr. Tom Ducker – Vice Chair, Mr. Craig Ascue, Rev. Chris Collins, Mr. Chris Fraser, Mr. Todd Garrett, Mrs. Elizabeth Moffly, Mr. Emerson Tripp Wiles, and Dr. Nancy J. McGinley, Superintendent and Executive Secretary. Mr. Michael Miller left the meeting after voting on the East Cooper Montessori Charter School agenda item.

Staff members Mr. Michael Bobby, Mr. Bill Briggman, Dr. Charles D'Alfonso, Mr. John Emerson, Mrs. Michele English-Watson, Dr. Lisa Herring, Mr. Ron Kramps, Mr. Louis Martin, Mr. John McCarron, Dr. Brenda Nelson, Mrs. Terri Nichols, Mr. Paul Padron, Mrs. Latisha Vaughan-Brandon, and Dr. James Winbush were also in attendance.

The news media was duly notified of the meeting. Media representatives were present.

**I. EXECUTIVE SESSION**  
**4:30 p.m.**

Mr. Fraser moved, seconded by Mr. Garrett, to go into Executive Session at 4:30 p.m. to discuss the Executive Session items listed below. The motion was approved unanimously.

- 1.1: Student Transfer Appeals**
- 1.2: Supplement for Wando High School Principal**
- 1.3: Appointment – West Ashley High School Principal**
- 1.4: Annual Renewal of Administrative Contracts for 2014-2015**
- 1.5: Legal Update**

**OPEN SESSION**  
**5:15 p.m.**

**II. CALL TO ORDER, INVOCATION/MOMENT OF SILENCE, & PLEDGE of ALLEGIANCE**

Mrs. Coats called the meeting to order at 5:22pm. Then she called for a Moment of Silence followed by the Military Magnet Color Guards leading the Pledge of Allegiance and Flag Day Presentation.

**III. ADOPTION OF AGENDA**

Mrs. Moffly moved, seconded by Mr. Miller, to adopt the June 9, 2014 agenda with the following revisions. The motion was approved 9-0.

Mrs. Moffly moved, seconded by Rev. Collins, to move agenda items 10.1B, 10.1E, & 10.1G after Visitors and Public Comments.

Mr. Ducker also offered an amendment to also move agenda item 11.1 up on the board agenda. Mrs. Moffly accepted the amendment.

**IV. SPECIAL RECOGNITIONS (15 minutes) – Mrs. Erica Taylor, Executive Director of Strategy & Communications**

**A. Air Force Teacher of the Year**

Mrs. Melissa Parrish, Team Associate with the Office of Teacher Effectiveness, recognized Ms. Melissa Yarborough, a third grade teacher at St. Andrews School of Math and Science for receiving the South Carolina Air Force Association Teacher of the Year award for her STEM concept and philosophy.

**B. Odyssey of the Mind**

St. Andrews Middle School and West Ashley Middle School SAIL Teacher, Ms. Deborah Briggman recognized the state champions for the Odyssey of the Mind Competition: West Ashley Middle School and St. Andrews Middle School teams.

**C. Charleston County Environmental Management Green School Awards & CCSD/ Charleston County Environmental Management Recycling Awareness Student Video Contest**

Ms. Maggie Dangerfield, the district's Sustainability Coordinator, recognized the Green Team Liaison of the Year and the Green Team of the Year winners listed below.

- a. Green Liaison of the Year: Ms. Ashley Harris- Ashley River Creative Arts
- b. Green Day Porter of the Year: Mr. James Benson- West Ashley Middle
- c. Green Team of the Year: Ms. Kit Fox and Mr. Travis Benintendo- Haut Gap Middle

**V. SUPERINTENDENT'S REPORT – Dr. Nancy J. McGinley, Superintendent of Schools**

Dr. McGinley began her comments by recognizing the high school valedictorians. She discussed her experience last week attending numerous graduation ceremonies and thanked principals, teachers, school based staff, day porters, food and nutrition staff, and anyone else that supports CCSD schools. She underscored the importance of preparing our students for 21st Century jobs and stated that this is our core mission and that our core work is supporting our teachers so they can continue to inspire and teach our students. She concluded her remarks with a brief mention of the 4th annual Charleston Educator Symposium beginning tomorrow. The symposium is fast becoming a regional resource for many teachers and principals and the slate of state and national speakers grows each year. This year, US Secretary of Education Arne Duncan is planning to deliver some short remarks on Thursday morning.

**VI. VISITORS, PUBLIC COMMUNICATIONS**

NOTE: Mr. Fraser and Mr. Garrett recused themselves during Mayor Riley's comments regarding the upcoming Tax Increment Financing.

1. City of Charleston Mayor Riley addressed the Board about extending the two Tax Increment Financing requests for the City of Charleston. He said both TIFs (Magnolia – 10 years and Horizon - 5 years) are beneficial to the city and the district. He spoke of businesses that will purchase property if the TIF is approved and said some properties were assessed with the probability of refinancing them with the TIF. Small Minority businesses would participate. The TIF development would allow the involvement of MUSC to link with Burke and the Math and Science schools. When the TIF expires, the tax increase would be huge to the district. Mr. Ducker said all questions were discussed at the Strategic Education Committee meeting.

At 5:47pm, Mr. Miller asked the Board to consider voting on the East Cooper Montessori Program at this time to allow him to vote before leaving the meeting. The request was approved by consensus. The Board paused to vote on the East Cooper Montessori agenda item at this time.

2. Mr. Anthony Bryant expressed concerns about the Board meeting process stating that he was not allowed to address the Tax Increment Financing topic because the Board voted on the agenda item before he had the opportunity to address that topic. Also, Mr. Bryant spoke about an EPA memo relative to his complaint against a CCSD school district employee.
3. Ms. Kate Riddle addressed the Board in support of a Montessori program at Murray LaSaine. She said while the Montessori Program process was transparent, questions are now being raised by some individuals about the program. She outlined all the efforts to share information with parents.
4. Ms. Katy Calloway urged the Board to continue moving forward with the plans to implement a full Montessori Program at Murray LaSaine ES.
5. Ms. Eva Dawson shared a copy of a letter outlining her concerns about the shortage of educational programs for students. She mentioned her grandson who is a gifted and talented student. Mrs. Coats asked Dr. Herring to address the issue.
6. Ms. Louise Monteith addressed the Board in support of Montessori options for students.
7. Ms. Ebony German expressed concerns about Durham Bus Services failure to pick up her child or return her calls to discuss transportation services for her child at James Simons Montessori.

**VII. APPROVAL OF MINUTES/EXECUTIVE SESSION AGENDA ITEMS**

**7.1: A. Open Session Minutes of May 27, 2014, 2014**

Mr. Garrett moved, seconded by Mr. Fraser, to approve the open session minutes of May 27, 2014. The vote was 8-1-0 (Moffly abstained).

**7.2: Executive Session Action Items of June 9, 2014**

The Board voted on the following executive session action items of June 9, 2014.

**1.1: Student Transfer Appeals**

Mr. Ducker moved, seconded by Mr. Fraser, to approve the student transfer appeals # 5, 6, 9, 10, 13, 15, 19, and 20. All other transfers would be referred to the lottery. The vote was 8-0.

**1.2: Supplement for Wando High School Principal**

Mr. Garrett moved, seconded by Mr. Fraser, to approve a supplemental payment for the Wando High School Principal who currently leads the largest high school in district, providing educational growth and opportunities to approximately 3,800 students. The vote was 5-3 (Coats, Collins and Ducker

opposed.

**1.3: Appointment – West Ashley High School Principal**

Mr. Fraser moved, seconded by Mr. Ascue, to approve the principal recommendation to appoint Mr. Lee Runyon as principal at West Ashley High School. The vote was 8-0.

**1.4: Annual Renewal of Administrative Contracts for 2014-2015**

Mr. Fraser moved, seconded by Mr. Ascue, to approve the annual renewal of administrative contracts for the 2014-2015 school year. The vote was 8-0.

**1.5: Legal Update**

The Board received a legal update. No action was taken.

**7.3: Financial Minutes of May 27, 2014**

Mr. Ascue moved, seconded by Mr. Ducker, to approve the financial minutes of May 27, 2014. The vote was 8-0.

**VIII. CAE UPDATE**

The Board did not receive a CAE Update.

**IX. MANAGEMENT REPORT(S)**

The Board did not receive a Management Report.

**X. COMMITTEE REPORT(S)**

**10.1: Audit & Finance Committee – Mr. Todd Garrett**

**A. Audit & Finance Committee Update**

*The Committee will provide information and receive input from Board members on the following:*

- Items that are currently before the committee that have not been brought forward to the Board;*
- Future topics the committee plans to bring forward; and*
- What is needed to move the item forward?*

**B. Agreed Upon Procedures – 1 Cent Sales Tax Construction Program**

Mr. Garrett moved, seconded by Mr. Fraser, to approve the recommendation to accept the agreed upon procedures report for the 2011-2016 one cent sales tax building program, through December 31, 2013 as presented. The vote was 8-0.

Mr. Ed Royall and Mr. Tim Grove addressed the Board on behalf of the Elliot Davis CPA firm. They informed the Board that the system of internal control used by the district is remarkable and level of layers is unlike any other he has seen. A testing was done to touch each project. All the procedures they were asked to apply were applied. There were a few minor spreadsheet corrections. But overall, they were pleased with their findings.

Rev. Collins asked Mr. Bobby about the audit. Mr. Bobby said it was generated out of the Charleston Educational Excellence Financing Corporation (CEEFC) committee meeting. They felt it was imperative to have it done. The program speaks highly of the work Mr. Bill Lewis and Mr. Rick Holt have done over the years. And, it speaks highly for a district seeking a referendum.

Mr. Ducker asked if three bids were brought back in response to the Board's request. Mr. Bobby confirmed.

Mrs. Coats said the MUNIS system was a minor issue. Then she asked if the upgrade was in place. Mr. Bobby said the formula was corrected in MUNIS.

Mr. Fraser commended staff for having done a great job.

**C. Nutrition Services RFP Award for the Purchase of Perishable and Non-Perishable Food Items and Distribution – Pulled 6/6/14 by W. Campbell**

This item was pulled from the agenda. Therefore, no action was taken.

**D. Pattison's Academy for Comprehensive Education (PACE's) Request for Facility and Transportation Services**

Mrs. Coats moved, seconded by Mr. Garrett, to table the recommendation in response to a request from PACE Academy for facility and transportation services. The vote was 8-0.

- Staff recommends that the Board decline to provide a facility or space for Pattison's Academy for Comprehensive Education ("PACE"). Staff also recommends that the Board decline to financially

support the costs of the school's student transportation. However, staff recommends that the Board consider whether transportation of the school's students could be provided through the CCSD bus contract, for transportation at the most cost-effective rate, as long as PACE remains responsible for payment of those services. (Note: the result would likely be a reduction in their current cost of operation).

Mr. Garrett said the Audit and Finance Committee voted to not approve the recommendation. However, Mr. Wiles has a different recommendation from the Policy and Personnel Committee. He asked the district to provide a bus contract through Durham Bus Services with district responsible for paying the cost.

Mr. Garrett said the reason why it was not recommended was because it would be more expensive for them to do it. Mr. Bobby said prior to the Audit and Finance Committee meeting, they did an investigation and felt Durham could provide at a lesser cost. However, after discussion of the services that are needed, it was determined that it would exceed the services they were already receiving because it's a challenge. Mrs. Coats asked Mr. Bobby if the district could assist the charter school in getting a cost effective amount. Mr. Bobby said the district would work with them to come up with a more effective cost solution. Mr. Bobby said the challenge was that the charter began without transportation. Over time, it was determined that it was needed.

Rev. Collins said PACE spends \$200,000 annually. He asked if Durham could provide the services for half the amount. Mr. Bobby said the cost would be more. Originally they talked about reducing expenses, based on a certain condition. However, they decided they wanted a different level of services. That would cost more than they are paying now. Staff is willing to do whatever the Board directs them to do. However, more time is needed to continue the investigation further. Mrs. Moffly suggested postponing the approval. Mr. Wiles asked if it would be included in the budget that is being approved tonight. Mr. Bobby said the budget could be amended at a later time. It was determined that this agenda item would be on the next board agenda.

#### **E. East Cooper Montessori Charter School**

Mr. Garrett moved, seconded by Mr. Fraser, to approve the recommendation for ECMCS to utilize the former Whitesides ES building. This to allow ECMCS the ability to expand their offerings in the east zone and be a part of the solution to alleviate the need for additional seats and capacity in District 2. ECMCS accepts the building in "as is" condition and they will be responsible for all maintenance and operating costs. They will also be required to make any improvements required by the Office of School Facilities (OSF). Additional details regarding the agreement are outlined below. The vote was 9-0

1. Rent free for a period of five years and renewable for two additional five-year periods with one year's notice.
2. Phase I beginning in August 2014, ECMCS would relocate approximately 60 middle school students to the annex of the old Whitesides campus.
3. Phase II ECMCS would relocate approximately 250 students in the early elementary and primary into the main building on the campus beginning August of 2015.
4. ECMCS accepts the building in an "as is" condition, and they will be responsible for all maintenance and operating costs. They will also be required to make any improvements required by the OSF.
5. Per Rev. Collins' recommendation, the Principal of ECMCS will bring a plan back to the Board to increase diversity at the school.
6. Per Mr. Ducker's recommendation, the Board will approve ECMCS going forward pending a contract be brought back to the Board in the near future. The Board should also approve a lease agreement with ECMCS. Mr. Fraser said the contract would take up to 45 days. Then he suggested the Board approve a written memorandum of agreement at the June 23, 2014 meeting signed by the principal and CCSD Board Chair and a lease agreement within the next 45 days. Mr. Ducker accepted the amendment offered by Mr. Fraser.

Mr. Garrett said after talking to Mr. Bill Lewis, it was determined that there was no plan for the old Whitesides ES facility. Therefore, it was determined that they could use the facility rent-free for five years. Other details are outlined above. Rev. Collins requested the Principal of ECMCS bring a plan back to the Board to increase diversity at the school.

Ms. Jodi Swanigan stepped forward to address the request from Rev. Collins to address the diversity request. Ms. Swanigan said that is one of the reasons they want to move to have space to increase diversity. She said the applicant pool would be expanded. She has a waiting list and they take in 200 applications annually.

At 6:00pm the Board took a five-minute break. The meeting reconvened at 6:05pm with the same members present.

#### **F. FY 2015 Workers Compensation Excess Insurance Package**

Mr. Garrett moved, seconded by Mr. Fraser, to approve the recommendation to authorize staff to **maintain the present deductible of \$750,000**, to procure excess workers compensation coverage for FY2015. The funding source is FY2015 General Operating Fund. The vote was 8-0.

Mr. Garrett said the deductible could be increased to save money. However, the amount the district would pay would increase. Therefore a recommendation was made to maintain the deductible. He also said \$7.6 million would be left in the reserve fund and there would not be a millage increase.

#### **G. Middle School Bell Times**

Mrs. Moffly moved, seconded by Mr. Garrett, to pull the recommendation to change bell times for Title I middle schools to an earlier time. The vote was 8-0.

Mr. Garrett said the Audit and Finance Committee did not vote on this item. Mrs. Coats said it should be a Consent Agenda item. Then, she asked Mr. Bobby to share the details. Mr. Bobby said the Middle School stop and start times are different. The intent is to address this issue. He spoke of the options considered to include two-three runs. Coupling of age groups—middle and high students was met with concerns from Dr. Winbush. Dr. McGinley said staff looked at creative solutions and there are problems with all considered. A solution is needed to find equity. Teachers and parents have addressed the Board calling for a solution. She asked the Board to allow staff to bring a solution to the Board in the future.

Mr. Fraser said the Board may need to rethink all start times and not just try to address this issue separately. Dr. McGinley said time and transportation expertise is needed to rethink the whole situation. She doesn't want to put the five schools on hold for one year. However, she may ask the Board to approve it for one year to allow time to rethink the entire transportation piece.

Rev. Collins said when negotiating prices for bus services, time schedules should be considered. He said the whole system should be reexamined.

Mr. Ducker reminded everyone that Dr. McGinley said a comprehensive solution was needed. Mr. Ascue said hopefully the comprehensive solution would not take long. He doesn't want to extend Durham's contract. Mr. Bobby said the Council of Great City Schools provided a draft of the work they did a few weeks ago. Staff will look at that and send out a Request for Proposal. One thing must be done to complete the other and get the best results. Mr. Fraser called for the question since a lot of information was provided earlier at the Audit and Finance Committee meeting.

#### **H. 2<sup>nd</sup> Reading and Adoption of the FY2015 Budget**

Mr. Garrett moved, seconded by Mr. Fraser, to approve the second reading and adoption of the Charleston County School District fiscal year 2015 budget shown below. The vote was 8-0.

- General Operating Fund - \$404,009,148
- Special Revenue Fund - \$62,037,007
- Education Improvement Act - \$23,320,351
- Food Service Budget - \$24,231,393
- Debt Service/Capital Budget - \$84,217,107/\$206,450,124

Mr. Bobby said there are some minor changes since the first reading of the budget. All of the changes are in the area of reducing the anticipated expenditures. He said \$1.6 million in anticipated expenditures was removed. It was a line item for potential middle school transportation bell time solution. There were reductions in a number of other areas. At one point the district considered reducing the impact on fund balance. There are some non-recurring items that could be recouped

next year. However, it is not nearly as great as it was this year--\$733,000. An amount that was not included in non-recurring, that could be considered non-recurring is what will be done with those schools that are now running extended contracts where teachers work more than 190 days. While the Renaissance School days were reduced, 10 extra days are still being carried on and additional days were added to the additional three schools for next year. That is not designed to be a forever decision, however, it could be if it is something the district make as a standard because it work so well. At this point, it hasn't reached that level of significant outcome.

Mr. Ascue asked about the reduction in Montessori expenses. Mr. Bobby said it was a result of reviewing and fine tuning the program. It was not a cut, but a refinement of anticipated costs.

Mr. Fraser asked if it reflected where the district thought the budget would go. Mr. Bobby said it reflected amounts the state has earmarked for reading coaches. If the district accepts funds from the state for teacher coaches, if there is a difference in the amount, it must be made up by the school because there is not a placeholder in the district's budget to cover variations in compensation packages for staff. If principals want teacher coaches, they must be ready to look into their school budgets to find the funds needed to support the district. Also, the state added funds for CD-K students that should release some funds. The state has identified millions of dollars to support Technology—digital resources which the district already pays for out of Fixed Cost of Ownership funds. The state will also provide funds for technology support. The district has not made decisions regarding repurposing those costs. The funds from the state would allow the district to enhance services in those areas or free up fund balance.

Mr. Fraser asked about funds allocated to rural schools. Mr. Bobby said it would be positive to get funds for rural schools from the state.

Rev. Collins asked where to find the school pool funds. Mr. Bobby said it is not a separate line item because several years ago, school funds were reduced by 70%. Now schools are funded at 90%. He suggested getting it back to 100% in the future. Rev. Collins agreed and suggested funds be identified to make it happen. Mr. Bobby said he would ask Ms. Kellie Meyers to see how much it would cost. However, he asked the Board not to ask staff to go back to cut something to make it happen. Also, Mr. Bobby said there is a staffing contingency controlled by Dr. McGinley to address issues when there are allocations or other needs. There is also a small non-personnel contingency controlled by Dr. McGinley. Requests can be made for discretionary things that are not needed.

Rev. Collins asked about the Substitute Teacher costs. Mr. Bobby did not have the information available to answer the question.

Mr. Ducker asked if computer education teachers would be cut. Mr. Bobby said everything that was given last year was maintained. He said the positions are .5 to 1.0 and those areas weren't further advanced. Mr. Ascue suggested that area be enhanced. Also, he said he wanted to see savings in the area of Kelly Services. Mr. Bobby said he would bring a report to the Board on the savings for Kelly Services. Mr. Bobby said the savings for Kelly Services would be apparent in the area of insurance benefits.

Mr. Fraser said the budget was thoroughly reviewed in the Audit and Finance Committee meeting and there are some big ticketed items that would not be carried over next year such as the salary study implementation.

Mr. Garrett said 1100 employees were in the overpaid category. Step increases are not considered for folks in the frozen category. However, that wouldn't apply for a Cost of Living increase.

**10.2: Policy & Personnel Committee – Mr. Tripp Wiles**

**A. Policy Committee Update**

*The Committee will provide information and receive input from Board members on the following:*  
*-Items that are currently before the committee that have not been brought forward to the Board;*  
*-Future topics the committee plans to bring forward; and*  
*-What is needed to move the item forward?*

**10.3: Strategic Education Committee – Mr. Michael Miller**

**A. Strategic Education Committee Update**

*The Committee will provide information and receive input from Board members on the following:*  
*-Items that are currently before the committee that have not been brought forward to the Board;*  
*-Future topics the committee plans to bring forward; and*  
*-What is needed to move the item forward?*

**XI. POTENTIAL CONSENT AGENDA ITEMS**

**11.1: Magnolia and the Horizon Tax Increment Financing Agreements – Horizon Project and Magnolia/Neck Project**

NOTE: **Mr. Fraser and Mr. Garrett left the room.** At 6:05pm Mr. Fraser and Mr. Garrett left the room due to their business relationship relative to the TIF that was being discussed.

Mr. Ducker moved, seconded by Mr. Ascue, to approve the recommendation to consider tax incentive finance area development agreements for the Horizon Project and Magnolia/Neck Project. Thereby, extending the Horizon Tax Increment Financing (TIF) for the Horizon Project for 5 years 2033 – 2038; and extending the Magnolia Project for 10 years – 2022 -2043. The vote was 7-0. (Both, Mr. Fraser and Mr. Garrett recused themselves).

Extend the Magnolia Project for 5 years from 2033 -38 and in the 6<sup>th</sup> year go into the TIF and extend the Horizon Project for 5 years. Mr. Bobby said the request had two options. The one recommended is the one with the rebate. The district would receive \$1.5 million.

Mr. Bobby said the Horizon TIF was for five years and the full rebate amount would be received.

Mr. Ascue suggested the Small Women and Minority Business Enterprise (SWMBE) be utilized because of the size of the contract.

Mr. Ducker said it's a good recommendation. Then he said in addition to the TIF, info sent there is a rebate —He said there will be a rebate of \$36 million or more. This information is not written in the document. Mrs. Coats suggested it be a part of the motion. Mr. Ducker said the Magnolia project would be extended for three years, 2023-2033 and there will be a rebate.

**XII. NEW BUSINESS**

Rev. Collins – Amend budget to include a line item for board members under Informational Technology.

Mr. Ascue – Montessori at M. LaSaine. Mr. Ducker said SEC would have it on a future agenda.

Since there wasn't any further business to come before the Board, Mr. Fraser moved, seconded by Mr. Ascue, to adjourn the meeting 7:20 p.m.