

A regular meeting of the Charleston County School District Board of Trustees was held on Monday, December 8, 2014, in the Board Room at 75 Calhoun Street. The following members of the Board were present: Mrs. Cindy Bohn Coats - Chair, Mr. Chris Staubes – Vice Chair, Rev. Chris Collins, Mrs. Kate Darby, Mr. Tom Ducker, Mr. Todd Garrett, Rev. Eric Mack, Mr. Michael Miller, Mr. Emerson Tripp Wiles and Mr. Michael Bobby, Acting Superintendent of Schools and Executive Secretary.

I. EXECUTIVE SESSION

4:30 p.m.

Staff members Mr. Jeff Borowy, Mr. Bill Briggman, Dr. Charles D'Alfonso, Mr. John Emerson, Mrs. Michele English-Watson, Dr. Lisa Herring, Mrs. Anita Huggins, Mr. Ron Kramps, Mrs. Audrey Lane, Mr. Lou Martin, Mr. John McCarron, Dr. Brenda Nelson, Mrs. Terri Nichols, Mr. Paul Padron, Mrs. Erica Taylor, Mrs. Latisha Vaughn-Brandon, and Dr. James Winbush were also in attendance.

- 1.1: Student Transfer Request
- 1.2: Student Expulsion Appeal Hearings
- 1.3: Legal Matters

OPEN SESSION

5:15 p.m.

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

Mrs. Coats called the Open Session meeting of December 8, 2014 to order at 4:23pm. Then she called for a Moment of Silence followed by the Pledge of Allegiance.

III. ADOPTION OF AGENDA

- A. Mr. Ducker moved, seconded by Mrs. Darby, to adopt the December 8, 2014 agenda with one amendment, agenda item 10.1E - **Axxis Consulting Contract Amendment - Mr. Michael Bobby, Acting Superintendent of Schools** was pulled. The vote was 7-2 (Mack and Miller opposed).

Mr. Ducker said in response to a question from Rev. Collins about why he wanted to the Axxis recommendation, was that it would allow the Board time to receive additional information about the contract. He suggested that the Board could revisit the contract at the January 12th meeting. He went on to say that the information could be business-sensitive. If it is, he wouldn't want the Axxis contract discussed in Open Session. Rev. Collins asked Mrs. Lane if she was prepared to respond to questions Mr. Ducker had on what has been done already and the plan for the amended contract. Mrs. Lane said she was.

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

- A. **Summer Reading Awards** – Ms. Solange Brewer recognized Summer Reading Award Recipients. The top three schools, faculty winner, and students were recognized.
- B. **CCSD Student Athletic Honors** – Mr. David Spurlock introduced the highest quality outstanding student athletes.

December 2014 Shrine Bowl participants

- Travon Sanders – Garrett Academy
- Tyler Ragsdale – Wando HS

North South Student Representatives

- Daniel Rump – Wando HS
- Melek Thompson – West Ashley HS

Others Recognized

- Wando Womens' Volleyball Team and Coach Alexis Glover
- State Champions - Cross Womens' Team from Academic Magnet HS
- State Champions - Cross Mens' Team from Academic Magnet HS
- Annica Bowbender – Academic Magnet HS AA Golf Champion
- Cooper Pitts - Male Swimmer of the Year
- Elaine Zoe – Womens' Player of the Year in Swimming

V. SUPERINTENDENT'S REPORT – Mr. Michael Bobby, Acting Superintendent of Schools

- Mr. Bobby commended athletes, coaches, and others recognized.
- Mr. Bobby introduced the Charleston Progressive Academy choir after stating that he heard them sing a song about leaders at a recent Teacher Supply Closet event so much he asked them to come to perform at tonight's meeting.

A. CPA Choir Performance

VI. VISITORS, PUBLIC COMMUNICATIONS

1. Ms. Stephanie Hunt expressed concerns about the previous Board's decision to replace Dr. McGinley. She requested the new Board take into consideration the time, talent, and expertise and consider reinstating Dr. McGinley.
2. Rev. Nelson Rivers III expressed concerns about diversity issues at Academic High School (AMHS) pointing out that the lack of diversity at AMHS is appalling. He went on to say that there were 64 African Americans there in 2010, now there are only 15 African Americans there this school year out of the 600+ students enrolled. He concluded that AMHS is a private school funded with public funds. He urged the Board to correct the diversity issue at AMHS.
3. Mr. Sheldon Bloomfield spoke about achievements of students receiving Primary Grade Academy services at James Simons ES. He urged the Board to support the program.
4. Ms. Dot Scott read a letter from Mr. Ben Navarro an Academic Magnet HS parent and partner of CCSD. The letter was in support of the work of former superintendent Dr. Nancy J. McGinley. The letter questioned if the incident at Academic Magnet High School played an important part in the decision regarding Dr. McGinley.
5. Mr. Kirk Lingren, a teacher in CCSD, spoke about a student that disrupted his class today and the conversation he had with the student about his behavior. Then he spoke about being fearful of losing his job in relation to the dismissal of Dr. McGinley. He urged the Board to reinstate Dr. McGinley.
6. Mr. Brad Taggart, a Johns Island resident, expressed concerns about the condition of the Angel Oak ES facility. He suggested Angel Oak Elementary be closed and later reopened as a new school with rebranding and a new name. He volunteered to become involved in planning a new school.
7. Ms. Sarah Johnson addressed the Board in support of paying teachers and school based staff what they should be paid because they deserve it. She spoke about the millions of dollars spent on programs that would not lift the schools up to include the BRIDGE and Race to the Top programs.
8. Ms. Rennie All addressed the Board about the efforts initiated by Dr. Goodloe-Johnson and carried through by Dr. Nancy J. McGinley. She said Dr. McGinley had a clear vision for the District and she made a point of getting to know teachers and spending time in CCSD schools.
9. Mayor Joe Riley thanked school Board members for their service. Then he addressed the Board in support of Dr. Nancy J. McGinley. He said if a mistake was made, there should be an opportunity to correct it. He went on to speak of the district's loss of an accomplished educator with a huge heart and a great leader—Dr. Nancy McGinley.
10. Ms. Susan Bresin, a City Planner from Folly Beach and former consultant, addressed the Board in support of Dr. Nancy J. McGinley. She said the old board, got tangled up in a personal relationship with Dr. McGinley and lost their way. She suggested the new Board take time to discuss bringing Dr. McGinley back because she is needed.
11. Mr. William Pugh, a student at Academic Magnet HS (AMHS), addressed the Board about the lack of diversity at AMHS. He said it's not just about the watermelon ritual that was offensive, it's about "cultural insensitivity" that he and other students there endure daily. While he doesn't believe his peers are racists, he suggested they could be culturally insensitive. He urged the district take measures to change the culture at AMHS and work on increasing diversity at AMHS.
12. Ms. Joanne Simson addressed the Board in support of Dr. Nancy McGinley. She asked the Board to reinstate Dr. McGinley because of all the good work she has done with CCSD schools.
13. Ms. Shane Levy addressed the Board in support of classified employees in the district who have not

- been considered for increases during salary studies.
14. Dr. Harry Walker, a Carolina Voyager Charter school representative, addressed the Board about a proposal to rebuild a new charter school on the Fraser Elementary School site. He mentioned the school racial make-up and has 45% minority students.
 15. Ms. Jaime Cunningham, a special education teacher at Liberty, recognized other teacher of the year candidates. She spoke about Teacher Roundtable discussions and topics discussed. She urged the Board to consider implementing some of the feedback received from this group of teachers.
 16. Ms. Sarah Fitzgerald addressed the Board regarding teacher salary issues. She said it would be disappointing to not implement the results of the salary study.
 17. Ms. Rachel Amey addressed the Board in support of public education and Dr. Nancy McGinley. Ms. Amey said while she served under many strong leaders, Dr. McGinley had a vision for the District and she was not allowed to achieve it. She urged the Board to reinstate Dr. McGinley to lead the district in the right direction—excellence.
 18. Mr. Clifford Ryba addressed the Board about a program at School of the Arts to teach students about equality. He said SOA has been working closely with Mr. Clayton with Axxis. He said a lot of progress has been made. He urged the Board to allow Mr. Clayton to continue to provide services to teach kids not to judge folks by their race or sex.
 19. Mr. Larry Daniel, Dean of the Zucker School of Education at the Citadel, spoke about the Cohort Leadership Program built under Dr. McGinley to ensure readiness of its graduates. He spoke of the efforts in the area of preparing educators in the area of literacy. He concluded that replacing a leader with the talent and fortitude would not be an easy task.
 20. Ms. Krystal Oliveira, a dean at the Citadel, spoke about the Cohort program started by Dr. McGinley. She urged the Board to reinstate Dr. McGinley.
 21. Dr. Paula Orr, a Buist Academy and SOA parent, addressed the Board in support of the diversity issue that is being addressed by Mr. Clayton.
 22. Ms. Robin Smith, a CCSD parent of a disabled student, addressed the Board in support of Dr. McGinley. She asked the Board to consider all the things mentioned tonight and students with special needs.
 23. Ms. Joanne Cannon addressed the Board in support of Dr. Nancy Dr. McGinley and the work she has done to address the needs of students at an early age. She said the wisest thing the Board could do is bring Dr. McGinley back.
 24. Dr. Janet Rose, the former Executive CCSD Director of Assessment and Accountability for 34 years, addressed the Board in support of reinstating Dr. Nancy Dr. McGinley. She said test scores go up. Dr. Maria Goodloe-Johnson created the primary focus of academics which was carried through by Dr. McGinley. She initiated pre-school programs and instituted MAP. Now is not the time to change leadership.
 25. Mr. Patrick Hayes addressed the Board in support of salary increases for teachers. He said CCSD increased its rainy day fund but did not increase the pay of underpaid employees--teachers. He said one CCSD official say they could not make some things public. He urged the Board to make the salary study public and fully implement the salary study.
 26. Ms. Cindy Clark addressed the Board in support of Dr. McGinley. She said Dr. McGinley had a vision and the Board should consider reinstating her.
 27. Ms. Katie Venning, a CCSD teacher with the Middle School Academy, addressed the Board about an at risk student that had been in seven different schools and had literacy issues. She spoke in support of the literacy efforts of Dr. McGinley.
 28. Ms. Missy Hunter, a Whitesides ES teacher, addressed the Board in support of the Primary Grade Academy. She spoke about her work with a student in her class from Ethiopia. She worked closely with him and now he made exemplary on PASS last year and is now reading on a fourth grade level. After highlighting other literacy accomplishments, she urged the Board to continue to support PGA.
 29. Ms. Heather Fairley addressed the Board in support of the Middle Grades Academy program Dr. McGinley brought to CCSD. She said through Dr. McGinley's vision MGA teachers provide support to teachers and students and build a literacy culture. She said the Community of Readers and Literacy efforts played a part in the recent Excellent Report Card.
 30. Mrs. Beverly Birch, a NAACP representative, addressed the Board in support of keeping the Lowcountry Tech Academy on the Rivers campus. She urged the Board to be mindful of the promise made by former board members. She also spoke about Dr. McGinley hiring Mr. Kevin Clayton to address diversity issues. She urged the Board not to delay the vote on Axxis Consulting because of the

Academic Magnet HS.

31. Mr. Anthony G. Bryant addressed the Board about the district's report card, the upcoming budget and other things.
32. Ms. Kara Crowell, a Carolina Voyager Charter School Board member, urged the Board to support an upcoming recommendation for the Fraser campus site that would be presented at the January Audit and Finance Committee meeting. She said the charter school is a diverse school in the downtown area.

VII. APPROVAL OF MINUTES/EXECUTIVE SESSION AGENDA ITEMS

7.1: A. Open Session Minutes of November 24, 2014

Mr. Garrett moved, seconded by Mr. Miller, to approve the open session minutes of November 24, 2014. The vote was 9-0.

7.2: Executive Session Action Items of December 8, 2014

The Board voted on the following executive session action items of December 8, 2014.

1.1: Student Transfer Request

Rev. Collins moved, seconded by Mrs. Darby, to approve a student transfer request. The vote was 7-2 (Coats and Ducker opposed).

1.2: Student Expulsion Appeal Hearings

The Board identified dates for student expulsion appeal hearings and teacher appeal hearings.

Date Thursday

1.3: Legal Matters

-Apple Charter

-Academic Magnet Lawsuit

The Board discussed the legal matters. However, no actions were taken.

7.3: A. Revised Financial Minutes of November 10, 2014 Meeting

Mr. Ducker moved, seconded by Mr. Garrett, to approve the revised financial minutes of November 10, 2014. The vote was 9-0.

B. Financial Minutes of the November 24, 2014

Mr. Ducker moved, seconded by Mr. Miller, to approve the financial minutes of November 24, 2014. The vote was 9-0.

C. Financial Minutes of the October 30, 2014 Special Called Emergency Meeting

Mr. Ducker moved, seconded by Mr. Garrett, to approve the financial minutes of October 30, 2014. The vote was 7-2-0 (Darby and Mack abstained).

Mrs. Coats said the minutes reflect the Board approval of the agreement with Dr. Nancy McGinley. She shared approximate amounts connected to the Board's acceptance of Dr. McGinley contractual resignation.

- The total of the District's remaining obligation amount for the remainder of McGinley's employment contract is approximately \$740,000.
- The District and Dr. McGinley's obligation under the separation agreement was \$440,000.

VIII. CAE UPDATE

8.1: Communities In Schools – Ms. Jane Riley Gambrell, Executive Director, Communities in Schools - Charleston Area

The Board received the following information on Communities in Schools.

- Communities In Schools of the Charleston Area, Inc. 1989-2014
- Celebrating 26 Years of Empowering Students to Stay in School and Achieve in Life
- The mission of Communities In Schools is to surround students with a community of support, empowering them to stay in school and achieve in life.
- There are 38 CIS Specialists serving 12,697 Students in 27 Schools
- Level I support is available to the entire school population
 - Services provided – a new pair of eyeglasses, tutoring services, school supplies, and the other services provided through the wellness initiative.

- Level II support is available for students that face severe and persistent barriers to success and achievement in school. Level II services or case managed services can help students be successful.
 - More than 10% of this population was case-managed. CIS Student Support Specialists wrap these students with protective factors that counter presenting risk factors
 - Counseling, tutoring, mentoring, life skills, service learning, goal setting, alcohol/drug, healthy lifestyles, basic needs and family supports are common services
- During the 2013-14 school year
 - 8,179 parents were engaged by CIS. And, 3,213 received specific services including family assessments, utility assistance, food, furniture, GED classes, financial literacy and more.
 - 356 community partners and volunteers provided a total of \$632,169.55 in donations
 - 2,057 community volunteers donated 50,007 volunteer hours valued at \$1,000,140
 - 75% of elementary/middle school students maintained a C or higher in math or increased from a failing to a passing grade
 - 78% of elementary/middle school students maintained a C or higher in ELA or increased from a failing to a passing grade
 - 501 high school students
 - End of year outcomes based on 427 students.
 - 99% of students age 17 or older chose to remain in school
 - 77% of high school students finished the year with a 2.0 or higher GPA
- High School Level 2 Seniors
 - 501 high school students
 - End of year outcomes based on 427 students.
 - 99% of students age 17 or older chose to remain in school
 - 120/126 (95%) of these seniors graduated in 2014
 - Septima P. Clark Corporate Academy- 13/16 (81%)
 - Burke 16/17 (94%)
 - Lincoln- 14/15 (93%)
 - North Charleston High School – 25/25 (100%)
 - St. Johns – 24/24 (100%)
 - R.B. Stall -28/29 (97%)
 - 88% of graduating seniors (73 of 120) have enrolled in college
 - 10% of graduating seniors have enrolled in the military
- CIS Schools 2014-2015
 - Angel Oak
 - Edmund A. Burns
 - Chicora
 - E.L. Frierson
 - Goodwin
 - Jane Edwards
 - James Simons
 - Lambs
 - Mary Ford

- o Memminger
- o Mitchell
- o Mt. Zion
- o N. Charleston Elem.
- o Pepperhill
- o Sanders-Clyde
- o Burke
- o Haut Gap
- o Lincoln
- o Northwoods
- o Sanders Clyde
- o Jerry Zucker
- o Burke
- o Garrett
- o Lincoln
- o N. Charleston High
- o St. Johns
- o Septima P. Clark
- o R.B. Stall

Mr. Miller asked about funds and how much is provided by the district and other sources. Mr. Miller asked how the district's investment impact is measured. Mrs. Gambrell said she would provide information about funding to include a breakdown of funds. She also spoke of supports provided to schools and said all schools receiving services from CIS are Title I schools. Mr. Miller asked if the staff employed by Communities in School (CIS) resembled the population of students at the school they were assigned to. Mrs. Gambrell said some African American staff members assigned to schools. Mr. Miller inquired about diversity as it relates to the CIS senior staff and if there was room for improvement. Mr. Garrett said regardless to the answer to Mr. Miller's question he appreciates the job they have done. Mr. Miller said it was necessary to consider the importance of diversity in the District. Mr. Wiles said Mr. Miller's question was irrelevant when it came to the CIS group. Mr. Miller said he was only interested in knowing if the people employed by the CIS group reflected the people they served. Mr. Wiles said it was his hope that children were being taught that it did not matter what the person looks like. He said he didn't think diversity was about the race of the person, but the attention that is given. If the group is being judged on what it looks like, then the Board is getting off on the wrong track. Mr. Miller said the CIS staff should be a diverse group since the district is diverse. Mrs. Coats said she agreed with Mr. Miller. However, CIS employees do not work for the district it could only be considered during approval of the budget.

Mr. Ducker asked how schools are selected. Mrs. Riley said high poverty low performing schools and those schools come to CIS asking for help. Mr. Ducker asked about CIS's annual budget. Mrs. Gambrell said she would include it in the information sent to the Board.

Mrs. Coats concluded that the results were phenomenal.

Mr. Bobby said the return on investment analysis indicate that CIS value is far more than the district's portion in funding. The amount is \$1.2 million for the schools CIS serves.

IX. MANAGEMENT REPORT(S)

9.1: Security and Safety Project – Mr. Jeff Scott & Ms. Dana Enck 2013 Security Assessment Update

Mr. Scott highlighted some information from the presentation provided to the Board earlier. Mr.

Scott said staff was tasked to go into schools to look at safety needs in 2013. The information was brought back to the Board in April. Today's presentation is an update to the work that has been done to date.

Mr. Scott spoke about a conversation he had with Ms. Michelle Gray, the parent of one of the deceased students at Sandy Hook Elementary School, last week. He also spoke about a recent conference he attended where the word "Time" was used a lot and efforts are to be prepared but not scared. This is an ongoing effort that began ten years ago. The most recent effort is the Buzz In/ Buzz Out system for visitors and parents. Two of the prevailing themes from our reviews with our Public Safety Partners was the keep the person from entering the building (Deter), and to create delays of penetration (Delay) into the building if they did make entry. This would either prevent an event, or mitigate the number of people affected while School Personnel and Public Safety responded. The recommendation was to set up the access control to require someone to be buzzed into the office, and buzzed out of the office, once they have been through the visitor management process. This has been accomplished in the planning process of the new schools under construction. Thirteen schools were affected.

Previously, there were only magnet locks. Staff is working toward the conversion from magnetic locks to strikes. The Surveillance and Access Control program began 8 years ago. Magnetic locks were the option for existing schools and there were over three hundred in CCSD schools. The locks were converted to electric strikes at existing schools. Magnetic locks are required to unlock when someone approaches the door. Therefore, someone standing outside of the school could enter the building as soon as someone approaches the door to see who they are. Magnetic locks are also required to release for a Fire Alarm and power failure. Electric Strikes allow the door to function normally without this weakness. This increases our capabilities to Deter and Delay significantly at those schools affected (30 schools completed).

Surveillance and Access Control - There were three schools that were on our scheduled up fit for surveillance and access control. Two of these schools were also in need of a vestibule. These schools house over 2400 students. This improved the capability to Deter, Detect, Delay and Respond. Pinckney, Belle Hall, James B. Edwards were completed.

School Based Emergency Radios - When the schools completed their assessment of their emergency radio communications needs we received requests for 70 more school based radios. Communication is a Key capability in the area of Response. CCSD Security has issued 88 school base radios based on these requests and assessments.

- **District Based Emergency Radios** - Capabilities at after-school programs (elementary) have not been up to the same standard as during the school day. Communication was a known weakness. Our recommendation was to outfit each Kaleidoscope program with a District-based radio. This will allow them to communicate with District Emergency Managers, Local Emergency Responders via Consolidated Dispatch, and each other. Thirty-six District based walkie-talkies were distributed.

Fencing Needs – Mr. Scott spoke about how expensive it is. Then he spoke about a recent incident with a suicidal man in the Mt. Pleasant school zone.

Mr. Scott spoke about fencing at the Air Force Base near Lambs Elementary pointing out that whenever there is a major highway in the front of a school that is a major risk. He spoke about the problem experienced on the playground to gain access the basketball court in the afternoon.

Fencing is needed near Garrett to close the back of the school off because there are no windows in the back of the school to see what is going on. The Metal Detector effort, which is incomplete

at this time, is needed for school entrance and for sporting events at all schools. PA Systems have been installed to have the PA system cover the entire facility. Training Assessment is needed for Emergency managers and trainers.

Mr. Ducker asked Mr. Scott about his budget request for the upcoming school year. Mr. Scott said funds are needed to maintain the systems in place. Also, he said security cameras are ten years old.

Mr. Miller asked about safety concerns that have not been addressed but are critical. Mr. Scott said the district has a long way to go and he didn't think the process could speed up. The work is an ongoing process. Rev. Mack asked if all school safety issues had been addressed. Mr. Scott said his staff would continue to study to determine the needs and the costs have not been determined.

Mr. Miller asked about students not being able to have book bags. He asked if an alternative could be considered that would not pose a safety issue. Mr. Scott said that is the school principal's decision. Mrs. Coats asked Mr. Bobby to provide information to the Board on safety issues in schools.

Rev. Collins asked if all schools were safe. Mr. Scott said in his opinion, schools are as safe as they could make it at this time and they are still addressing issues as they become aware of them. Rev. Collins inquired about metal detectors and who is authorized to be responsible for them. Mr. Scott said when there are incidents about specific threats they bring in a metal system to address the threat. Also, they are done randomly. Rev. Collins asked if there would be metal detectors to protect all students similar to the one used at Bridgeview. Rev. Collins asked about trainings. Mr. Scott said new employees are trained during new employee orientations.

Rev. Collins asked if metal detectors pick up anything other than metal. Mr. Scott said it detects metal.

- **Projected Cost Estimate**

- \$1,900,000.00 in Capital Expenditures (spent \$1.6M)
- \$200,000.00 in recurring GOF Expenditures (Estimated at \$100K for the Training Position)

Mrs. Dana Enck expressed her appreciation for the Board's support with security needs in the District.

X. COMMITTEE REPORT(S)

10.1: Audit & Finance Committee – Mr. Todd Garrett

B. 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?

C. Head Start/Early Head Start Financials – Mrs. Ruth Taylor

Mr. Garrett moved, seconded by Rev. Collins, to approve the Head Start/Early Head Start financial report of October 1, 2014 – October 31, 2014. The vote was 9-0.

D. City of North Charleston Joint Use – Mr. Michael Bobby, Acting Superintendent of Schools

Mr. Garrett moved, seconded by Mr. Ducker, to approve the Joint Use Agreement between the City of North Charleston Recreation Department and Charleston County School District, at no cost to the district. The vote was 9-0.

Mr. Bobby said this joint agreement would take years of agreements and put them all in one place with reconciliation of all issued to both parties so there would be an up to speed updated document to build on and annually review. Mr. Wilcher has done a great job in partnering with the city's staff to bring this recommendation forward.

E. Procurement Audit – Mr. Michael Bobby, Acting Superintendent of Schools

Mr. Garrett moved, seconded by Mr. Ducker, to accept the Procurement Audit for FY 2014. The vote was 9-0.

Mr. Garrett shared the following findings: Purchase made after the contract expired and the Sole Source that was not an emergency was done with a split payment and that has been addressed.

Rev. Collins said in finding #2, the renovations for Murray LaSaine ES, that was not an emergency. He asked if that was a violation of a state code. Mr. Wilcher said it was addressed.

Rev. Collins asked about the list of independent contractor support #3. Mrs. Coats said that's the scope of work. Mr. Wilcher said staff is working to increase the work by minority businesses.

Rev. Collins asked about sampling done by the auditors. Mr. Finney said a number is assigned to each of the total number of transactions and twenty five transactions are selected randomly. Also, transactions over a certain amount are also reviewed.

Mr. Wilcher responded to an inquiry about a P-Card transaction that was thought of as a split purchase.

Mr. Bobby said he appreciates the in-depth questioning. Mr. Finney has been doing audits for a number of years and this is the best he has seen in years. Mr. Wilcher and others are doing a good job in making this happen. He congratulated Mr. Wilcher and his staff and Mr. Finney for doing a good job.

F. Axxis Consulting Contract Amendment - Mr. Michael Bobby, Acting Superintendent of Schools

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

G. Fraser/Archer Campus – Fetter Healthcare - Mr. Michael Bobby, Acting Superintendent of Schools

Mr. Garrett moved, seconded by Rev. Collins, to approve the recommendation to reverse the May 9, 2011 decision to allow District staff to move forward with Fetter Healthcare request with respect to the future use and development of the Archer and Fraser campus. The vote was 9-0.

Mr. Garrett said the Archer/Fraser property was taken off the table because of property shortage in this area. If the board desires to remove this property from the moratorium to consider the proposal from Franklin C. Fetter, only. While there was a unanimous vote from the Audit and Finance Committee, he is concerned that the district is looking at partnering with a non-profit organization. Fetter proposes to sell its building that is appraised at \$250,000. The Archer/Fraser property is worth far more than that that is not an educational program.

Mr. Bobby said this request came from representatives of Franklin C. Fetter. The district views it as an opportunity to fulfill its master plan for this campus much earlier than the district planned to and include wrap-around services for the Peninsular area. The district is only asking the Board is to give staff the authority to continue negotiation with Fetter. Also, there is also an owner of a property downtown that would make it a more viable opportunity. The district's plan was to make the facility an early education facility and services for staff. Mr. Bobby confirmed that no sale would take place without the approval of the CCSD Board. Then he reiterated that approval of the recommendation would only allow staff to continue its discussion with Fetter because they have services that are valuable to decisions that are being considered.

Rev. Collins said he didn't think it was a wise decision. Mr. Ducker said Voyager Charter will appear before the Audit & Finance Committee with a proposal for the same property.

Mr. Miller said Fetter is asking for that property. However, if the property is removed from the list, it could possibly lead to selling district assets. Mr. Bobby clarified that he is not talking about selling but allowing them to use the facility and build multiple stories to provide needed services by the College of Charleston and Early Head Start. Also, he said the College of Charleston is currently serving students and this could also be an opportunity to serve students of CCSD employees.

Rev. Collins suggested a proposal be brought to the Board beforehand. Mrs. Coats reminded everyone that there is a moratorium that the Board approved saying that the district could not discuss it.

Mr. Garrett said since two entities (Fetter and Voyager) inquired about the property, the offer should be opened to both for 90 days only.

Mr. Miller said they approached the district some time ago. He only heard from the charter group a week ago. The charter plan does not align to the district's master plan for that site. Mrs. Coats referred the Board to the motion and said clarification is needed because it's not specific to Fetter.

H. Financial Audit for Fiscal Year 2014 Mr. Michael Bobby, Acting Superintendent of Schools

Mr. Garrett moved, seconded by Mr. Miller, to approve a recommendation to accept the Financial Audit for FY2014. The vote was 9-0.

Mr. Finney said several documents were provided to the Board—Financial Statement management letter, PowerPoint presentation,

- The district received an "unmodified opinion", which is the best opinion the CCSD could receive. He commended the District and its financial staff.
- **Fund Balance** - The district's fund balance increased by \$12.3 million. The plan was for it to go down. This year's tax results impacted fund balance. The unassigned fund balance was identified - 39.2%. The reason why fund balance decreased happened at the County level because included in the assessed value were exempt values which resulted in a decrease and less revenue to the district.
- **Auditing and Accounting** – In 2015 the GASB68 will be implemented. The State has an unfunded requirement from South Carolina Retirement System (SCRS) that is approximately \$18 billion. Last year when it was mentioned, the cost to CCSD was unknown. Now, the amount is known. The cost to CCSD is \$500 million. He went on to point out three things—this is not a liability the district would have to satisfy every year, however, the district must continue to make employee retirement payments annually. The SCRS only has a limited number of ways to make it happen. Therefore an increased amount is possible. The district would always be able to go to the unassigned amount for an update.
- Compliance issues are identified in findings. All issues identified were related to Payroll issues the first half of the year. New management was hired and things have changed significantly since new staff was hired.

Future Financial Risks

Mr. Finney urged the Board to continue to look at long term cash flow because a large percentage of the district's budget is salaries. Mr. Garrett said 78%. Mr. Finney said that's a huge amount the district must come up with.

Also, he said with the building of new schools, there is an increased operating cost due to

continued increases in salaries and benefits.

Ms. Terri Shannon, Ms. Kellie Meyers, and staff were commended for doing a good job managing the district's finances.

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

A. Request to Revise Act 340 by Charleston Legislative Delegation – Collins, Ducker, Mack and Miller

Rev. Collins moved, seconded by Mr. Ducker, to ask General Counsel to compose a letter to Legislative Delegation requesting that they consider revising Act 340 with respect to the per diem allowance for meetings attended by board members. The motion failed 4-5. (Coats, Darby, Garrett, Staubes, and Wiles opposed).

Rev. Collins said three board members (Mr. Ducker, Mr. Miller, and him) were no longer compensated for mileage after they reached their limit of 50 meetings last year. Rev. Collins' request asked that Legislative Delegation to delete/modify the language related to the number of meetings the members of the Board are compensated for.

Mr. Garrett said this topic was discussed last year and everyone on the Board was aware of the commitment before they ran for the Board. Rev. Collins said the district had already identified funds to cover the amount. Mr. Bobby acknowledged that some undesignated contingency funds have been identified that could be used.

Mr. Ducker said Mr. Garrett didn't have a good understanding of required Board services. This would send the responsibility to the Local Delegation to forward to the Governor for approval.

XII. NEW BUSINESS

1. Mr. Ducker spoke about the Education Funding Reform and potential repercussion from a recent Supreme Court decision. He said legislation is being proposed to address the Supreme Court's Decision. It has impact on rich and poor school districts. He said Beaufort is moving fast on this issue and forming a coastal coalition to propose changes. He urged Mr. Bobby to prepare a presentation for the Board.

Mr. Bobby said the proposal has been on the table for two years and he traveled to Columbia to share the proposal with the Delegation. One thing that is still true is that CCSD is a school district that is outside of the vast majority of districts in the state and CCSD could be treated well by this plan. However, some larger and smaller districts would probably be unhappy with the outcome, if the plan is not tweaked. He explained that a district in the Midlands receives 250 mills of tax for operating purposes. CCSD receives 98.7 mills of tax for operating purposes. The proposed bill will create a floor for 100 mills. The district in the Midlands would have to reduce its taxes by 150 mills, which would be favored by taxpayers. The same plan would allow CCSD to raise taxes to 100 mills. However, Mr. Bobby cautioned everyone that CCSD should be cautious going forward. He supports the plan as long as there is an opportunity for this district to raise its revenue without having to raise taxes. Also, he mentioned that there was an amendment, had the bill gone forward last session. Georgetown, Berkeley, Dorchester, and Beaufort would all be affected.

Mr. Bobby said a coalition should be formed to try to understand and approach delegation so everyone would understand the legislation going forward.

Mr. Ducker said the proposal was linked to a \$600 million shortfall. Mr. Bobby said the state places all funds in one pot and distributes funds equally to all districts. And, in order to fund the plan including some additional funds for districts like CCSD, there is a shortfall. However, the developers of the plan didn't suggest how the state should manage the shortfall even though there will be an additional requirement to make it happen. The most recent Supreme Court decision requires us to figure it out. He urged everyone to pay close attention. A meeting with the Legislative Delegation would be planned in January to discuss this matter.

Mr. Miller asked if CCSD would align itself with Beaufort and other counties. Mr. Garrett asked if the Board should ask Delegation about the plan. Mrs. Coats suggested the Board ask Clara Heinsohn for assistance. Mr. Ducker said some districts are preparing spreadsheets to share with everyone. When that becomes available a representative from neighboring counties should be involved.

Mr. Bobby said neighboring districts are in a different position than CCSD because their taxes are higher. There are two variables—1) taxes delete or not and 2) additional revenue or not. And, CCSD is one of the handful of districts in the "or not" category in both categories.

Mr. Miller suggested CCSD align itself with the other districts. He said the Delegation is scheduled to meet on Tuesday in Columbia. Mr. Ducker said there are efforts are in place to delay filing the legislation. He said the district needs to know what is being done because some districts are desperate.

2. Mr. Garrett asked for a Diversity Update at the next meeting on where the district is with the teacher/principal population.
3. Mr. Garrett said the Salary Study shows the starting salary for CCSD teachers. He said the base teacher salary has gone up 44% for starting teachers and 36% for average income. He went on to say that CCSD has been leading the way and would like to fully implement the salary if there are funds available.
4. Mr. Garrett said about Buist/Academic Magnet HS diversity, he would like to know what is being done to address that. He asked that it be addressed with policy.
5. Mrs. Coats asked for Middle school efforts to get applicants for Academic Magnet HS.
6. Rev. Collins asked that Committee see what is being done to address diversity.

Mr. Bobby said he would cherish idea of having Mrs. Lane, Mrs. Holiday and Mr. Clayton address the Board to allow the Board to see how, when and where the work would take place. He suggested bringing it forward at the next board workshop early in January. Also, Mr. Bobby announced that there is a positive effort with Principal Judith Peterson and others that are actively working on the issue of how to increase representation of the under-represented student group population in the most rigorous schools across the county. They are also looking at admissions at Academic Magnet HS and Buist Academy. Mr. Bobby also said Mr. Clayton, Mrs. Lane, and Mrs. Holiday spent time at a workshop earlier to talk about the diversity plan.

Rev. Mack announced that a report on the District 9 Task Force November 10th report was included in the agenda packet. Then he asked the Board to reconvene the Task Force to revisit the plan presented to the Board on February 10th to include all District 9 schools and come up with a plan of action of how to improve schools in that district to include new folks moving in and those attending schools elsewhere. Mrs. Coats asked that it be listed as an action item in January 2015.

Mr. Miller asked about unpacking the achievement gap information. Dr. Herring said it would be unpacked at the New Board Orientation on Thursday, December 12, 2014.

Since there wasn't any further business to come before the Board, at 9:15pm, Rev. Collins moved, seconded by Mr. Miller, to adjourn the December 8, 2014 Board meeting. The vote was approved by consensus.