



**Special School Board Meeting Minutes
Tuesday, January 24, 2006 – 2:00 p.m.
School Board Meeting Room
Stuart, FL 34994**

Members Present

Lorie Shekailo – Chair
Laurie Gaylord-Vice-Chair
Dr. David Anderson
Susan Hershey
Nancy Kline
Dr. Sara A. Wilcox, Superintendent
Tom Elfers, School Board Attorney

Members Absent

Kristin Conrad, Student Representative (JBHS)

Staff Present

Ruth Pietruszewski, Cathy Brennan, Hank Salzler, Darrell Miller, Deana Newson, Dr. Frank Raffone

Public

Sean Lewis, John Grady

Press

PBPost – Mike Bender

Stuart News – Kelly Tyko

MCEA – No Representation

AFSCME – No Representation

Call to Order by the Chair at 2:00 p.m. and Pledge of Allegiance to the Flag of the United States.

1. Adoption of the Agenda:*

A. Additions, Deletions or Amendments to the Agenda

B. Approval of the Agenda

Laurie Gaylord moved approval of the Agenda, Nancy Kline seconded, and the motion carried unanimously.

2. Open to the Public:*

No one from the public requested to address the Board.

3. Applicant Interviews:

- Stacey Chados
- Sean Lewis

Deana Newson, Director of HRMD and Staff Development, explained that Lorie Shekailo, Deana Newson, and a committee held the first job interviews for the internal auditor position. The content of the questions for the first round of applicants focused on professional and technical oriented skills. The reviewers looked for knowledge as it related to internal auditing and the red book. The candidates being interviewed today had proven to the committee that they had the professional knowledge to do the job. Deana explained that the goal now was to decide which of the two candidates was the best match for the Martin County School Board. An interview guide had been developed, which was included in the Board's packets along with the candidate's applications. Deana asked Board members to peruse the interview guide to know if Board members wanted to add or delete questions before starting affording each applicant an equal opportunity. Deana defined protected class questions and explained the procedure. All candidates would be asked the same questions. Deana told Board members that Stacey Chados would be interviewed by phone at 3:00 p.m. EST. Board members discussed if applicants should be present at each other's interview. Deana explained that it was a public meeting, so they would be allowed to attend. Dr. David Anderson stated that in the past, as a courtesy, the individuals were not present and interviews were done separately. Sean said that he had no problem leaving the Board room during the other applicant's interview. Tom Elfers reviewed the protected categories; race, ethnicity, gender, religion, disability, and in Florida, marital status. Deana asked if everyone was fine with using the interview guide, asking the questions one by one. She requested if a question was added to write it down, so the other applicant would be asked the same questions. Lorie Shekailo asked Deana to give them guidelines on the time during the interviews. Deana told applicants they had one to three minutes to answer each question, but the first question and the wrap-up questions were exceptions. Deana said if the applicant was going way over, she would interject and ask them to summarize. Dr. David Anderson stated that next time he'd like to be seated at a

3. Applicant Interviews: (Con't)

table, instead of looking down at the applicant. Board members announced that they were ready to begin. The first applicant to be interviewed was Sean Lewis. Lorie Shekailo introduced Sean Lewis. Board members followed the interview guide and conducted the interview of Sean Lewis. When the process was finished, Deana told Sean he may wait somewhere on campus, or she would call him at home. Sean left the Board room as agreed by him earlier, so that the Board could begin to interview the other applicant, Stacey Chados.

Board members decided to move forward with the agenda, Item 6, since it was too early to call Stacey Chados. Board members decided to take item 6 out of order. Deana Newson said it would be before 8:00 a.m. in Kwajalein, so it would be better to skip to an agenda item, and then come back and place the call to Stacey Chados.

6. Approve Agreement with Public Financial Management LLC (PFM)- (COPY ATTACHED)

Sue Hershey asked Darla Miloszewski-Roddy, MCSD Executive Director of Finance, if the period of this agreement was for a year. Darla introduced John Grady, PFM Management Consultant, to give Board members an overview of the agreement. John Grady handed out a report prepared for the Board that showed the proposal of how the bond proceeds would be invested. He covered the highlights. He explained the strategy given the expected draw schedule and the current market. Based on the draw schedule provided to build the middle school, the proceeds were expected to be expended by February 2007. He stated that this was a really quick draw schedule. PFM recommended laddering out maturities between March 2006 and February 2007. He explained that the actual amount invested may vary because rate changes are on a daily basis. The average net yield was 4.64%. The arbitrage rate was 4.54%. The arbitrage rate determines how much is allowed to be earned on those proceeds according to specific draw schedules. He informed Board members that since the draw schedule was short, all the spending requirements were met; therefore, the district would be allowed to earn as much as possible, as long as this draw schedule was met. Sue Hershey stated that she assumed PFM would assume all responsibility for reporting and documenting in exchange for .08%. John Brady responded that yes, the fee is .08%. All of PFM clients are governmental agencies and is PFM's only focus. The company serves as an extension to District staff. The District will have online access and will be provided with GASB 40 compliant month end statements. GASB 40 requires the disclosure of risk of certain assets and the percentage invested in each investment type. Quarterly reports will be provided, with a market update comparing the investment rate of the portfolio with State Board of Administration rate. Sue Hershey asked if Darla recommended approval. Darla answered yes. Darla stated that the District is not real aggressive with investing; normally funds are kept in SBA. She stated that this would help earn more without staff having to do extra work to keep track of the funds. Wells Fargo, the trustee, will be transferring the funds back and forth. Lorie Shekailo asked who had the responsibility of making sure the District complied with arbitrage rules. Darla believed John Stokes would be responsible. John Brady stated that Mr. Stokes probably prepared the arbitrage certificate for the bond issuance. He continued to tell the Board that PFM had an in house arbitrage group that could help monitor the arbitrage compliance.

Sue Hershey moved approval of Item 6, Lorie Shekailo seconded, and the motion carried unanimously.

John Grady stated that he looked forward to working with the Board.

Lorie Shekailo stated that it was now 3:00 p.m., and they could move onto the next interview. Board members returned to Item 3, applicant interviews.

3. Applicant Interviews: (Con't)

- **Stacey Chados**
- **Sean Lewis**

Deana Newson made the phone call to Stacey Chados in Kwajalein. Stacey was put on speaker phone in the Board room. Board members started the interview process, asking Stacey the same questions that Sean Lewis answered. Deana explained the interview process to Stacey. After Stacey's interview was completed, Board members discussed the two candidates and reviewed the positive and negative aspects involved in the Internal Auditor position. They compared the two candidates. The salary of the Internal Auditor's position was discussed by Board members at length. Board members discussed whether to keep the salary for the position at \$80,236 as it had been advertised, which would mean changing the position's index, or keeping the position at the index the position had been assigned in the past. Deana explained salary schedules to the Board, and explained the choices they could make to determine the Internal Auditor position's salary.

4. Selection of Internal Auditor:*

Sue Hershey made a motion to support Sean as Internal Auditor.

Laurie Gaylord asked if there was a recommendation from staff.

Sue answered, "No, this is ours."

Nancy Kline seconded the motion.

The motion carried with a 4 to 1 vote. Dr. David Anderson was the lone dissenting vote

Lorie Shekailo announced Sean Lewis was the Internal Auditor. Sue Hershey asked who would contact Sean. Lorie Shekailo questioned the salary. Dr. David Anderson felt the salary of the Internal Auditor should remain at the index as it was originally set. Lorie Shekailo's opinion was that if Sean was willing to come in at the salary that was advertised, that the index on the position should be reduced. Deana remarked that the position had been advertised at the dollar value, \$80,236, not the index. Deana explained that the salary schedules that were Board approved did not

4. Selection of Internal Auditor:* (Con't)

contain the Internal Auditor position or the School Board Attorney, because those positions are the Board's employees. Deana explained the options that the Board had regarding compensation for these two positions.

Sue Hershey changed her motion to include at its current salary shall be its current indexed level, which is not what we advertised.

Nancy Kline seconded the motion.

Dr. David Anderson asked Tom Elfers if the Board had the authority to raise or lower the salary. Tom answered that the Board had the authority to change the salary, either way.

Dr. David Anderson stated that the salary was advertised at \$80,236. Nancy Kline asked what the difference was between the advertised salary and the salary, if the position was left at the current index. Deana Newson said about a 4% difference, roughly \$3,000.

Nancy Kline offered to withdraw her second, if Sue Hershey withdrew her motion. Sue said, "Yes, keep it where it is at \$80,000, Nancy Kline said, "the advertised amount." Sue continued, "and change whatever it is."

Lorie Shekailo repeated what the motion would be, to offer the salary as \$80,236 or thereabouts and adjust the index to that amount. Sue and Nancy answered, "Right."

Lorie Shekailo asked, "And we have a motion and a second?"

Nancy Kline seconded, and the motion carried unanimously.

Deana Newson left the Board room to find Sean and bring him to the Board room. She found Sean. Sean and his wife, Kerry Lewis, entered the Board room.

5. Approve School Choice Options for 2006/2007 School Year:*(COPY ATTACHED)

Hank Salzler, Assistant Superintendent, stated that students could attend JBHS if they lived anywhere in the county. He stated that the changes were made at the middle school level. Last year students were allowed to zone out of schools that were at or near capacity, which was Hidden Oaks Middle. Hank reported with the opening of the new middle school, choice had been frozen to see the impacts of the move. There will no longer be any of the middle schools at or near capacity. Students completing their eighth grade year will be allowed to remain at their current school (grandfathered), which means they would provide their own transportation. At the high school, the attempt is to try and get voluntary zoning out of SFHS. SFHS has 2068 students, whereas MCHS has 1808 students and JBHS has 1350 students. There is room and capacity at all the schools. Choice will remain open to JBHS to try and achieve balance. SFHS students may now go to any high school. JBHS can only go to MCHS for signature programs. Board members were given data on students enrolled at each high school on Choice for the 2004/05 and 2005/06 school year. Hank Salzler answered Board members questions.

Sue Hershey moved approval of Item 5, Nancy Kline seconded, and the motion carried unanimously.

Lorie Shekailo

Offered Sean Lewis the position as Internal Auditor. She said, "We would love to see you come on board as our Internal Auditor, if you would be interested."

Sean Lewis

Accepted the position. He stated that he would love to.

Lorie Shekailo

Asked Deana Newson to be in contact with Sean and set-up all the details.

Dr. Sara A. Wilcox

Asked who would be notifying Stacey.

Lorie Shekailo

Told Deana Newson she would appreciate Deana contacting Stacey Chados to give her the results of the interviews and disclose the Board's decision.

7. Open to the Board

Nancy Kline

Attended the Greater Florida Consortium of School Boards. The focus of the meeting was to assure there was adequate funding in the 2006 legislature. The consensus was to have school districts funded at 27th, instead of the current position of 47. Nancy placed information from the meeting in all the Board members boxes in the Superintendent's office. Issues were hurricane relief, local discretionary milage, and the Jessica Lundsford Act, since all of these issues impact funding for this year and the years to come. A motion was approved for the Consortium to advocate stronger financial support at the upcoming legislative session. Staff members from the county representatives will be contacting Dr. Wilcox and our Director of Finance to see what our projected funding needs will be for next year to align the request with the actual needs. A web page to inform everyone will be available on February 1st. Discussions were on 65% Solution, Save Our Summers, and district size, which are all items challenging local control. Nancy stated that Martin County School District is not a member of the Consortium, be she attended as an invited guest. The last item discussed was that the living cost had jumped 4.7% since 1998 for housing, energy, and medical costs. Dr. Wilcox and she met with Dr. Sameer Hinduja, a professor from FAU, who has done research for several years on adolescent internet use. He would like to present a one hour seminar/workshop on cyberbullying. Nancy attended it at FAU last year and found it very informative. After he presents the workshop, the Board would decide if he could administer a fifteen minute survey through the middle school principals to students, which would give

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7. Open to the Board (Con't)

information on how students are using the internet in terms of research. The survey would give the Board information to be used as a tool. Nancy asked the Board if they would allow him to present to them a one hour workshop.

Lorie Shekailo

Asked if we had information from any of the groups that have done presentations on this subject.

Dr. Sara A. Wilcox

Said the District had not collected any information, but the schools had been doing things in this area. Schools had worked with School Resource Officers and talked about this subject at Principals meetings.

Sue Hershey

Asked if this presentation was for the Board.

Nancy Kline

Answered that Principals or any staff pertinent to the subject could attend. She stated that when she attended it was cutting edge information.

Dr. Sara A. Wilcox

Explained that the District had a process to go through for approving or disapproving surveys. If this was something that the Principals feel was important, than the survey could be sent through the process. Dr. Sara Wilcox suggested having the workshop before a Board meeting.

Sue Hershey

Felt the information was important and suggested setting up the workshop.

Laurie Gaylord

Wondered how the current level of educational funding at 47th impacted our test scores versus how the relationship was between the school calendar and the test scores. She wondered if there was any correlation. She asked how the District was progressing with the energy manager.

Dr. Sara A. Wilcox

Answered that the District was in the process of hiring an energy educator. She informed Board members that eleven people were interviewed for the position, and it has been narrowed down to three applicants. Dr. Wilcox informed Board members that the position would probably be filled the first week in February. The chosen individual will then go for training, and the company would provide the training.

Laurie Gaylord

Stated she could help the energy educator out. She often drives by Hobe Sound Elementary at night and their lights are all off. She reported, however, that when she has gone by South Fork High School at night, all the lights are left on, and the classrooms are empty. She announced that the butterfly release ceremony at HSE would be on Friday, January 27th, at 12:45 p.m.

Sue Hershey

Informed Board members that she attended Governor Bush's press conference in Miami. She hoped the District would receive funding for the recruitment and retention of teachers, including help with down payments on homes. She stated we need places for teachers to live, no matter whether it is in Martin, St Lucie, or Indian River, Okeechobee, or Palm Beach counties. Teachers leave because they can not afford to live in the community. She gave her input on the laptops. She felt most of the teachers had adequate resources. She felt if given the funds, they should be used to update the technology.

Dr. Sara A. Wilcox

Agreed with Sue Hershey, continuing to say that she would rather see the money go into teacher's salaries.

Sue Hershey

Said that wouldn't happen because they were considering the slot revenue, which is non-recurring.

Dr. Sara A. Wilcox

Stated it is another example of top-down decision making, and just because it's one district or one school that may want to go that way, doesn't make it good for every district or every school.

Sue Hershey

Requested an update on fingerprinting.

7. Open to the Board (Con't)

Lorie Shekailo

Explained that the calendar is not made for the FCAT. There are a lot of factors governing the make-up of the calendar. She stated that she does not do things just for the FCAT, and she wanted to make that known. The FCAT is one of the factors, but there are other considerations.

Dr. Sara A. Wilcox

Said it was unfortunate that the editorial was so misinforming. She stated that when she read the newspaper articles, there seemed to be a misunderstanding that if school starts later there will be more time in the summer. If you recall, when the district started later, the school year ended after Memorial Day.

Sue Hershey

Said it's still 180 days; however, the teacher's first paycheck, should they decide to implement that this year, will direly be affected. Their last paycheck would be the end of this school year. Their next paycheck wouldn't be until mid-September.

Dr. Sara A. Wilcox

Stated they were looking at implementation in 2007-2008.

Sue Hershey

Said it should be a local issue. It has always been a local issue and should remain local. Our present schedule works for our students, the dual enrollment classes, and enrollment in the universities. The same may not be in other districts. It is the erosion of local control to put it at the state level.

Lorie Shekailo

Reiterated that every decision is not made based on the FCAT.

Sue Hershey

Stated that Disney wants the workers, that's what it's about.

There being no further business to bring before the Board, the meeting was adjourned at 5:05 p.m.

VICE-CHAIR (Laurie Gaylord)

SECRETARY (Sara A. Wilcox, Ph.D.)