



**WAKE COUNTY BOARD OF EDUCATION  
MEETING MNUTES  
December 4, 2012**

<u>Board Members Present</u>	<u>Staff Members Present</u>	
Kevin L. Hill, Chair	Dr. Stephen Gainey, Acting Superintendent	Todd Wirt
Keith Sutton, Vice Chair	Cathy Moore	Marvin Connelly
Jim Martin	Cris Mulder	Joe Desormeaux
Debra Goldman	David Neter	Mark Winters
John Tedesco	Danny Barnes	
Chris Malone	Lloyd Gardner	Board Attorney Present
Deborah Prickett	Rose Anne Gonzalez	Jonathan Blumberg
Susan P. Evans	Andre Smith	
Christine Kushner	Jacqueline Ellis	

Chairman Sutton called the meeting to order at 5:55 p.m.

**Board Members' Comments**

- Dr. Martin shared that District 5 had a Board Advisory Council meeting on Wednesday, November 28<sup>th</sup>. Dr. Martin thanked Joe Desormeaux for attending and Christina Lighthall for presenting information regarding capacity areas in District 5. The discussion was very constructive. Dr. Martin stated that he appreciated the citizens who have attended the recent public hearings; Dr. Martin reiterated that the Board is listening and that stability is something the Board values. Dr. Martin requested that the public bring their concerns to the Board as they do want to hear them. Dr. Martin shared that the Board is taking the action it can, that democratic governance is slow, but the Board is working hard, listening, and does care and is making the best efforts it can to solve issues.
- Ms. Goldman shared that she had the opportunity to see the Cary HS Junior Varsity Lady Imps play Cardinal Gibbons recently. The first District 9 BAC meeting was held on November 19<sup>th</sup>; there were several guest speakers and lots of new faces. The meeting was held at Reedy Creek Middle School. Ms. Goldman shared that after attending last night's public hearing, she shared the following comments of what her take away was, *"Out of the 26 speakers that were there, 26 mentioned the importance to them of stability. Out of the 26 speakers, more than half of the speakers mentioned proximity. About 25% of the speakers mentioned feeder patterns and calendar choice."* Key phrases that she heard through the evening included, *"keep the promise you made to our families and children, I jumped hoops to get my choice and now I am going to have to jump hoops again to keep it' keep the choice plan, modify it and make it better; the new board majority promised minor changes and tweaks; make decisions as if your family were affected; a child's success is dependent on his stability and consistency; we exercised our choice, stop the changes and let the families be families."* Ms. Goldman shared that there was one Cary mom who spoke about making sure that as the Board makes decisions that affect an entire county that the Board has its ducks all in a row before the board goes forward with the changes. The parent talked about the importance of

knowing when to stop and knowing when to regroup and think. The parent ended with, *“keep your ducks in a row and the duck stops here.”*

- Mr. Tedesco began by thanking Mr. Hill for his service and his years of hard work at many levels to the district. Mr. Tedesco wished the best of luck to Mr. Sutton and Mrs. Kushner for their future service to the district as Chair and Vice Chair. Mr. Tedesco thanked the remainder of his colleagues, staff, and the Board for their continued support and prayers with his family, wife, and health issues. Their support and encouragement meant a lot.
- Mrs. Kushner shared that two weeks ago she received a hard hat tour of Rolesville High School, which is a marvelous facility. Mrs. Kushner congratulated Underwood’s principal, Dr. Jackie Jordan who completed her doctorate and defended her dissertation. Last week, Mrs. Kushner enjoyed Family Night at Lynn Road Elementary School as they held their Book Fair and Holly Days at Sanderson High School; a craft show to support booster and student groups. Mrs. Kushner shared that regardless of whether citizens liked the Choice Plan, the community has to recognize that it cannot afford it. Wake County does not have the staff, the seating capacity, or the bus capacity to continue the plan. What the Board is embarking upon, a hybrid plan that takes the predictability of a base assignment plan and the best practices of what was learned with the Choice Plan and moving forward to have some stability for families is exactly where the Board needs to be. The Board is responding to family concerns with grandfathering. The Board needs to go forth with what’s best for the entire community so that the Board can put more money into academic programs, the county’s core business. Mrs. Kushner shared that she is excited about the coming year and thanked Mr. Hill for his wonderful service the past year and look forward to working with Chairman Sutton and all of her colleagues.
- Mrs. Prickett shared that on November 15<sup>th</sup>, she had a District 7 BAC meeting at Sycamore Creek Elementary. The meeting was well attended and all enjoyed Dr. Wirt’s presentation on the Common Core. In addition, the BAC discussed early release days and assignment updates. On November 26<sup>th</sup> Mrs. Dale from Leesville High School, organized a community meeting in the Leesville area to talk about safety concerns as a result of an unfortunate accident involving a high school student. There were representatives from the City of Raleigh and the Wake County Public School System. Many parents, interested citizens, and the BAC representative from Leesville High School, Lori Campoli were in attendance. The City of Raleigh is looking at possibly using grant funding to address safety issues for the betterment of the community. A follow up meeting is planned in January. Mrs. Prickett gave a special thanks to Harvey Schmidt and the Greater Raleigh Chamber of Commerce for hosting an Elected Officials event on November 28<sup>th</sup>. Mrs. Prickett shared that she values the relationship the school system has with the Chamber and other area Chambers of Commerce and appreciate the continuing efforts to incorporate business partnerships with schools. Mrs. Prickett shared that she enjoyed being at the public hearing on 28<sup>th</sup> at Sanderson High School and wanted to let the parents know once again that she is listening to their concerns over the new proposed assignment plan and appreciated their questions and interactions. Mrs. Prickett stated that on another note, the behaviors of some of her fellow Board members towards the end of the meeting as was clearly captured on the WRAL video was unacceptable and completely disrespectful not only to her but the parents that were still in attendance. Mrs. Prickett shared that when she watched the video afterwards and saw the pictures in the News and Observer, she was stunned at the behaviors exhibited such as the pointing, the huddling, the movement, the chatting, and openly talking behind her back and over her, in an effort to shut her up and make her lose her train of thought,

belittle her in public, downplay her point of view, and seeking to strong arm the acting Chair, Keith Sutton, into saying that she was out of order for engaging with the public whom she serves. Mrs. Prickett shared that she was highly impressed with the way Mr. Sutton stood firm and though through the process not making snap decisions under pressure and showed great leadership skills at that point. Mrs. Prickett shared that the moment was a real eye opener, a shining light on the level of dysfunction that is being allowed and tolerated at Board meetings. Mrs. Prickett shared that she has also noticed that the frequency, duration, and the level of intensity of the incidents are escalating. Mrs. Prickett shared that jerking a portable microphone from her hand while leaning into her space, falls into the confines of assault. Some board meetings have become hostile work environments because of a few members. Disagreements and differences of opinions are normal; they are expected and come with the job. Bullying, harassment, and assault do not. As a parent who has personally gone through constant reassignment for her own, and endured along with those in her family and community, she takes public input very seriously. Personally, Mrs. Prickett does not intend to be quiet, to sit down, or run away from her obligations; she is determined to represent District 7 and the parents of the county. If certain Board members do not have control of their behavior, then it is up to them to seek help, to change their actions, or resign their position to someone who does.

- Mrs. Evans shared that on November 20<sup>th</sup>, she was delighted to have participated in the Turkey in the Hole day celebration at Mt. Vernon School. Mrs. Evans was inspired by the warmth and enthusiasm she felt from all of the staff and she is proud of the way the Wake County Public Schools provides alternative learning environments for the students. On November 12<sup>th</sup>, Mrs. Evans shared that she was pleased to have been invited to attend a staff appreciation luncheon at Holly Springs Elementary School. The event was nice with great food and she enjoyed having an opportunity to sit and talk with teachers and other staff members in a relaxed setting and hear what was on their minds. Additionally, Mrs. Evans shared that her prayers are with the staff and families of the school as they are dealing with the tragic loss of the parents of two of their students yesterday. Mrs. Evans expressed her appreciation to all the citizens who have attended the recent public hearings and provided feedback on the proposal for student assignment as well as the many who have corresponded with her over the last several weeks via email. Several issues have been raised that she believes the Board can and will address. She also understands that there is not a completely clear understanding in the general public regarding some of the new rules and processes that are being proposed for the next year and beyond. Some of the feedback received has informed the Board of a need for additional clarity. Mrs. Evans shared the Dr. Gainey has been responsive to this need and has been working with the staff to organize some upcoming public information sessions dedicated solely to sharing information about how the various components of the assignment process will work once the final plan has been approved for next year. Mrs. Evans shared that the staff is also working to develop an online video resource for parents on this subject; the staff is discussing other ways to provide additional means of communication regarding assignment as well. Mrs. Evans shared that she appreciates all of staff's efforts to help inform the public on the subject of student assignment. Mrs. Evans stated that the Board is hoping to make final adjustments to the assignment proposal within the next week. Mrs. Evans encouraged concerned community members to go online to the Wake County Public School System website and review the draft of the assignment proposal and register any feedback on the comment portal provided as well as attend the final public hearing on Wednesday, December 5<sup>th</sup> at the

final public hearing at Rolesville Middle School. Mrs. Evans shared there will be a District 8 BAC meeting on Monday, December 10 at Holly Grove Middle School at 6:30 p.m.

- Mr. Hill expressed his appreciation for the opportunity to have served as Chair for the past year. He stated that it had been an honor and a privilege. Mr. Hill thanked then Vice- Chair Sutton for his guidance, help, and suggestions. Mr. Hill thanked the Office of the Superintendent for the support that the staff provided for the past year as Chair. Mr. Hill especially thanked Melissa Allen for her exceptional support in keeping him organized and on top of things. In terms of student assignment, Mr. Hill hopes that the public saw at the work session that the Board and staff are listening to parents and taking comments and suggestions and them being incorporated into the fluid process before the Board looks at finalizing the plan. As principal over the years, Mr. Hill has spoken to many parents about the difference between being seriously listened to and ideas being looked at and thought about. Mr. Hill assured parents that they are being listened to and changes are occurring in the plan based on input. Parents must advocate for their children, as a principal, advocacy is balanced across the school, as a Board the advocacy has to be balanced across a school system of 150,000 students. Mr. Hill shared that while there are difference at the Board table, everyone wants what is best for students.
- Chairman Sutton thanked Mr. Hill for his service and leadership over the past year.

### **Superintendent's Comments**

- Dr. Gainey shared that on November 14<sup>th</sup>, he was invited to Timber Drive Elementary to recognize Tiffany Lachenmayr who was named a Millken Family Foundation National Educator. Ms. Lachenmayr received a \$25,000 award and is one of forty teachers nationwide. State Superintendent, Dr. June Atkinson presented Ms. Lachenmayr with her award.
- The first Superintendent Summit that Dr. Gainey was directly involved in was held on November 15<sup>th</sup>. He enjoyed working with and meeting the parents, community members, and staff.
- Dr. Gainey shared that he appreciated being invited to the District 9 BAC meeting on November 19<sup>th</sup>.
- On November 20<sup>th</sup>, Dr. Gainey had the opportunity to visit N.C. State and talk with Dr. Monica Price's class, Future Teachers. He spoke with the students regarding classroom procedures, the interview process, and IEPs.
- On last Monday, Dr. Gainey and Mr. Neter met three large groups of 800 bus drivers. They had the opportunity to tell them thank you for what they do for the school system.

### **APPROVAL OF THE MEETING AGENDA**

Chairman Sutton added an Action Item for after Closed Session, Interim Superintendent. Christine Kushner made a motion to approve the amended Agenda. The motion was seconded by Jim Martin.

Mrs. Goldman shared that since she was unaware of what the Action item will be after Closed Session that has been added to the agenda. Ms. Goldman shared that she feels blindsided to have an action item added to the agenda without having materials or knowledge ahead of time; which is in direct violation of the policy that the Board just passed to do so.

Board Attorney, Jonathan Blumberg, shared that the Board has looked at the Agenda policy, but understands that the Board Chair has been able to add items at the beginning of the agenda, which may be an issue for the Board to begin to study going forward.

Chairman Sutton shared that the action item is regarding the issue around the superintendent

The Board voted 5 to 3, with Kevin L. Hill, Susan P. Evans, Keith Sutton, Christine Kushner, and Jim Martin in favor of approving the amended Agenda and Deborah Prickett, John Tedesco, and Debra Goldman voting “no”. The motion passed 5 to 3.

Dr. Martin shared the policy that was in question, “*amending the regular board agenda, the Board Chair, the Superintendent, or any two members of the Board may add items to the agenda including resolutions at the beginning of the meeting. Any items made may only be added for Board action upon a 2/3 vote of all members.*”

With that understanding, Chairman Sutton stated that adding the action item regarding the Superintendent to the agenda failed to pass.

Kevin L. Hill made a motion to approve the Meeting Agenda as printed with no additions. The motion was seconded by John Tedesco. The motion to approve the Meeting agenda as printed was unanimously approved.

#### **PUBLIC COMMENT – 6 P.M.**

*Citizens who sign up to address the Board during public comment will be called on in priority order first for items on the agenda, then for items not on the agenda. Each individual speaker will be allowed three minutes for remarks. Issues or concerns involving personnel matters are not appropriate for this public comment setting. After 30 minutes of public comment, any speakers remaining will be recognized at the end of the agenda for their comments.*

- **Lynn Edmonds** – Ms. Edmonds shared that she supports what Cathy Moore said in the work session and that she likes early release Fridays. Ms. Edmonds stated that as the Board goes forward in coming years, that early release days will be moved off of Fridays because that’s what principals and teachers say they need. The Board should take into consideration that if the principals and teachers prefer for early release to not be on Fridays, to make a strong effort to make a big public relations campaign for parents.
- **Jennifer Mansfield** – Ms. Mansfield congratulated Mr. Sutton and Mrs. Kushner on being Chair and Vice Chair. Ms. Mansfield shared that Board members have claimed that they fired Superintendent Tata for being a bully and yet some Board members are every bit the bully that Superintendent Tata was claimed to be. Ms. Mansfield shared that “I’m sorry” ceases to be an apology when you add “but you made me do it”. Ms. Mansfield stated the Mrs. Prickett did nothing wrong at the Public Hearing; the hearing was over. If Mrs. Prickett was out of line and inappropriate for speaking to the audience, then so were Mr. Sutton, Mrs. Evans, and Dr. Martin. For some Board members to judge what is appropriate in terms of comments and behavior at meetings is laughable to her. Ms. Mansfield has sat through meetings that she felt had been hijacked by some Board members and their supporters for three years; including the Economically Disadvantaged Student Task Force Meetings, and Board Advisory Council Meetings. Ms. Mansfield shared that if the Board really fired Superintendent Tata for being a bully, then the Board should prove it and stop

their own bullying behavior and stop tolerating the bullying behavior of your friends, colleagues, and supporters. Ms. Mansfield shared that as the Board embarks on the new student assignment plan, the achievement balancing that the Board is trying to have is going to take a lot of movement of students. Ms. Mansfield challenged the Board to leave their magnet schools and return to their base schools if they are committed to seeing all schools achieve.

## INFORMATION ITEMS

### FINANCE

#### **1. COMPREHENSIVE ANNUAL FINANCIAL REPORT**

This report is the Comprehensive Annual Financial Report of the Wake County Board of Education for the fiscal year ended June 30, 2012. The Board's independent certified public accountants, Rives & Associates, LLP, have audited the basic financial statements and related combining and individual fund statements and schedules. Auditor opinions on internal control structure and compliance matters are included in the single audit section of the Comprehensive Annual Financial Report. Fiscal Implications: As a result of appropriate fiscal management, including realistic budgeting practices, effective cost controls and sound cash management, the Comprehensive Annual Financial Report indicates a strong financial position at June 30, 2012. Savings: Not Applicable. Recommendation for Action: No Action Necessary.

#### **2. LETTER FROM RIVES & ASSOCIATES, LLP REGARDING THE ANNUAL AUDIT**

This letter of comments and suggestions to the Wake County Board of Education is provided by Rives & Associates, LLP as constructive suggestions with respect to matters that came to their attention in connection with the annual audit. Fiscal Implications: Not Applicable. Savings: Not Applicable. Recommendation for Action: No Action Necessary.

#### **3. AUDIT COMMITTEE REPORT**

Presentation of the Audit Committee report on the Comprehensive Annual Financial Report review. Fiscal Implications: None. Savings: Not Applicable. Recommendation for Action: This item is for information.

Mark Winters, Finance Officer, requested to combine the three information items into one presentation.

Mr. Winters shared that on November 30<sup>th</sup>, Rives and Associates presented the financial report to the Audit Committee. Mr. Winters shared that this is the first year of a three year renewable contract with Rives and associates. The Audit Committee and the Board of Education approved the contract with Rives and Associates in the spring of 2012. In 2006, the Board of Education established the Audit Committee to review the annual audit and findings prior to the presentation to the Board. The committee consists of CPAs, financial experts, and attorneys from the community recommended by the Board of Education and the Superintendent. Each member serves a rotating term. Wake County Public School System is one the few school systems nationally and the only school system Mr. Winters knows of in North Carolina that has an established Audit Committee.

Sarah Martin, the Audit Committee Chair, shared that the Audit Committee consists of six voting members currently and one open position. Ms. Martin shared that the Audit Committee met three times over the past year for the selection of the auditors, a review of their scope of work and their audit plan, and review of the final audit work. The most recent meeting, was held on Friday, November 30<sup>th</sup>. The Committee was pleased after questioning the auditors at some length about the work they performed to find that Rives and Associates issued an Unqualified Opinion on their audit work with no significant audit findings and no management letter comments. Ms. Martin shared that from past experience as an auditor, this is an unusual occurrence in many instances to have no management letter comments.

Lynn Rives, from Rives and Associates, shared the status of the audit and what Rives' objectives were for the audit and what the results were. Mr. Rives stated that the audit has been completed and submitted to the Audit Committee. The financial statements have been submitted to the Local Government Commission for review and approval. Mr. Rives shared that the auditors received complete cooperation from management and staff.

Mr. Rives shared that Rives and Associates expresses an opinion on the financial statements that is presented as part of the Board's consolidated annual financial report. Rives and Associates applied limited procedures to management's discussion and analysis. The auditors report on their considerations of internal controls over financial reporting and compliance with federal and state major programs. In addition, Rives makes observations and suggestions for improvements.

Mr. Rives shared that the Board of Education has an unqualified opinion, which is the best opinion that an audit firm can give. Rives and Associates did not have any issues with the financial statements or deficiencies in internal controls over financial reporting. The auditors did not find any deficiencies in internal controls or find any compliance issues with federal and state programs. The Board and staff should be applauded as it takes a lot of work for a district of this size to come through an audit with no findings. In addition, the Board has a very robust internal audit staff which assists in having a nice, clean, audit report.

Mr. Winters thanked everyone involved with the audit this year, including the finance and budget staff, Rives and Associates and the Audit Committee. Mr. Winters gave a special thanks to Robyn Presley and her staff. Ms. Presley generates all of the schedules, puts the book together, Ms. Presley and her staff verifies that all the numbers tie correctly.

Mr. Winters highlighted the statistical section of the Comprehensive Annual Financial Report. The section provides global information about the school system and the county. County Statistical Reports are found in the book as well, which are provided by Wake County Government Finance.

Mr. Winters reviewed page 71, the fund balance over the past ten years for Wake County Public Schools. The unassigned fund balance is the fund balance that the Board has the opportunity to use for emergencies and one-time expenditures that have to be approved by the Board of Education.

Mr. Winters shared that the school system had a decrease of close to \$2 million from 2011 to 2012. The total fund balance has increased from 2011 to 2012 from \$65 million to \$92

million. The largest increase in those categories are due to the prepaid non-spendable category and the subsequent year's expenditures category.

Pages 73 and 74 have general government revenues by source. On page 74, it shows the total revenues received of \$1.2 billion; there is an increase over the prior year of approximately \$12 million which is an one percent increase in revenue at the same time, the school system's student growth increased by 2.5%.

Since 2007, the school system has grown by over 18,000 students which is a 14.7% growth and the school system's revenues have increased by 3.6%. In 2009, the school system had \$1.4 billion in revenues which was about the time the economic downturn took place and the school system started losing funding. Since 2009, the school system's revenues have decreased by 12.2% and the school system has still maintained a 6.6% growth in students.

Mr. Winters reviewed pages 75 and 76 which are the schedules for expenditures by function. Mr. Winters shared that the school system's schedule of expenditures of Federal and State awards begin on page 110 and end on page 111. Mr. Winters then reviewed pages 46 - 48, the local expenditures and revenues.

Mr. Sutton thanked Mr. Winters, Mr. Neter, and their staff for a job well done. Mr. Sutton also thanked the Audit Committee and Mr. Rives for their hard work.

Mr. Tedesco commended Mr. Winters, Mr. Neter, and the entire staff as they continue to do an exceptional job. Mr. Tedesco inquired if last year's audit was additionally a no findings audit? Mr. Winters responded that there was one finding last year. Mr. Tedesco shared that since Rives and Associates was a new audit firm for the Board, would it be possible sometime in the future to see if Mr. Winters and his department has found any pros and cons to the different a firm as the Board continues to evaluate who the board uses in the future. Mr. Winters shared that he and his staff would be more than happy to share the information with the Board.

Mr. Tedesco went on to share that the board had conversations at length going through the budget process at length regarding the fund balance, but according to the financials presented, the Board has \$32 million remaining in fund balance. Mr. Winters agreed. This is significantly in excess of the 6% policy. Mr. Tedesco stated that by policy, the Board would be required to return 4% of that to the County Commissioners and the taxpayers. Mr. Winters agreed and stated that the Board voted to waive the policy last year.

Ms. Goldman shared that she felt the Board was sort of scared into preserving the fund balance and cutting down on so many services for students, teachers, schools, and custodial services; that she has great concerns and wonders why this is happening and why staff isn't looking at that. Ms. Goldman stated that the board should not have to keep waiving its policy to hang on to the fund balance when it is taxpayer dollars that are coming forward. Mr. Winters shared information that he shared last year that was in play, but is not in play this year, is the Education Jobs Act, which was close to \$28 million. Mr. Winters shared that the school system does not have that money; it is no longer available to Wake County Public Schools. Mr. Winters shared the staff maximizes the school system's funds on a weekly and monthly basis where staff reviews any salaries that they can put on an Education Jobs Fund



and take them off of local dollars. The budget is managed as a whole (\$1.2 billion budget), not just at the local dollars. Staff tries to get the best use out of state and federal dollars and not use local dollars during the year.

Mr. Neter, Chief Business Officer, reminded the Board that in the current year's operating budget, the Board is using somewhere between \$28 and \$29 billion of the unassigned fund balance to keep the operating budget in place. If the fund balance were not in place for the current year's budget, staff would have to make \$28-\$29 million worth of cuts which would be the equivalent of 1,000 teacher assistants, 500 teachers, and every central service administrator position would be eliminated without the unassigned fund balance. As staff begins preparing next year's proposed budget, staff faces a similar challenge and there is no guarantee that these funds will replenish. The school system placed itself in a precarious position a year ago as staff proposed using \$34 million of unassigned fund balance leaving about \$5 million. Staff knew that some would replenish, staff knew there would be \$7 million in workers compensation that had been set aside as staff anticipated the state legislature assigning the responsibility for paying state claims to the local LEAs, other savings where staff continues to have freeze on all central services positions. The Board is not out of the woods. Mr. Neter is glad that the fund balance did replenish; but is not a total solution for next year. There are significant issues even at the Federal level. There are significant potential automatic federal funding cuts that would come into play.

Mr. Hill shared that the audit report shared was for the budget year that ended last June. Mr. Hill shared that the \$32 million being discussed in fund balance is not what is on hand right now, but what was talked about in June and was incorporated into what the Board approved this year. Mr. Winters shared that the \$28 million is what staff put into the budget for this year, the \$32 million is available for board use today.

Dr. Gainey shared that the Board needs to be very careful what kind of funding staff puts recurring expenses on. The school system has to be very mindful of that. The school system has to be careful when the recurring expenses are tied to certain types of money.

### **CONSENT ITEMS**

John Tedesco made a motion to approve the Consent Agenda. The motion was seconded by Susan Evans. The motion was unanimously approved.

### **APPROVAL OF MEETING MINUTES**

- 4. August 28, 2012 - Policy Committee Meeting Minutes
- September 25, 2012 - Policy Committee Meeting Minutes
- September 25, 2012 - Board of Education Meeting Minutes - **REVISED**

### **FINANCE**

#### **5. REPORT OF ADMINISTRATION APPROVED CONTRACTS**

The attached summaries are provided as information in accordance with Board Policy 8361. The summaries list all change orders, and contracts having a value greater than \$50,000 and not over \$100,000, and purchase orders in excess of \$250,000 for October 2012. Fiscal Implications: Not Applicable. Savings: Not Applicable. Recommendation for Action: Not Applicable.

**6. GIFTS TO THE SYSTEM**

Seventy six gifts have been donated to the Wake County Public School System. The approximate value of the gifts is \$39,392. Fiscal Implications: Not Applicable. Savings: Not Applicable. Recommendation for Action: No Action is Required.

**7. CONTRACT FOR BANKING SERVICES**

As a good business practice, centralized banking services are placed for bid on a periodic basis. In previous years, WCPSS partnered with Wake County Government to seek best prices for banking services. The current centralized bank for each party is Wells Fargo. In 2012, WCPSS issued a joint Request for Proposal with Wake County Government for new banking contracts. Finance staff from each organization reviewed, scored and ranked each proposal disregarding cost. After completing the review, staff opened costs proposals and analyzed anticipated banking fees along with operational costs in conducting business with each of the finalists. The Wells Fargo proposal provides the lowest cost for WCPSS banking fees and the lowest operational costs for individual schools. Fiscal Implications: Funds are available in the 2012-13 budget. Savings: Not Applicable. Recommendation for Action: Based on the review of the proposals, we recommend continuing banking services with Wells Fargo.

**8. MARY P. DOUGLAS TRUST FUND**

In the 1970's, Mary P. Douglas established a trust fund to support Douglas Elementary School and family members continued to contribute to the fund after her death. The school met trust fund requirements by utilizing these funds for the benefit of the students and staff. In July, Wells Fargo contacted Dr. Susan Spivey, principal at Douglas Elementary School, in regards to terminating the Mary P. Douglas Trust Fund due to the reduced value remaining in the account. The bank recommends closing the trust fund due to the administrative cost of operating the fund and market value risk. WCPSS consulted with our attorneys to determine the legal implications and the next steps in transferring these funds to the Douglas Elementary School Working Funds Account. The remaining balance of over \$40,000 will be recorded on a separate line item in the individual school fund account and all requirements of the original trust fund will remain. Fiscal Implications: No fiscal implications. This transaction is a transfer between bank accounts. Savings: Not Applicable. Recommendation for Action: No action required.

**9. IBM SUPPLEMENTS FOR BUSINESS CONTINUITY AND RECOVERY SERVICES**

Business recovery services have been provided through IBM since June 1996. Coverage includes assistance in preparing for and responding to a disaster. Supplements are utilized to identify the different types of hardware and software included in the recovery services as well as levels of coverage for each. Current three-year term is expiring so new supplements are being presented to renew coverage for another three years. Two of the six current supplements are no longer required which will allow the district to realize a monthly savings of \$3,863. Total monthly fee charged moving forward will be \$5,430. First year runs through November 30, 2013. Supplements are evaluated annually. Fiscal Implications: Total anticipated amount for three-year term is \$195,480. \$38,010 will be needed this fiscal year.

\$65,160 will be required during each of the 2013-14 and 2014-15 fiscal years. \$27,150 will be required during the 2015-16 fiscal year. Funding for contracted services is identified in the Technology Services 2012-13 operating budget. Funding is being planned for in the 2013-14 budget request. Savings: A savings of \$46,356 will be realized in the first year, with \$27,041 of this amount during this fiscal year. Recommendation for Action: Staff is requesting Board approval of supplements.

#### **10. CHANGE ORDER 5: ST TECH, INC. SERVICES AGREEMENT**

On September 6, 2011 the Board awarded an agreement to ST Tech, Inc. to serve as a preferred vendor for Technology Services. Initial amount encumbered to cover existing contracted resources provided by ST Tech through September 30, 2012 was \$178,200. Change Order 1 was processed in December 2011 to add funding needed to cover additional contract personnel being utilized through ST Tech on the Department of Public Instruction (DPI) initiative to replace the current BUD System, also known as the BAAS Project. Additional development time to finish additional tasks required to complete the project resulted in Change Order 2 being executed in May of this year to add \$49,100. Current change order will add funding to carry us through final completion of the project. Fiscal Implications: Total amount of change order is \$151,200. Funding for contracted services is available in the current Technology Services operating budget. Up to \$220,320 in Edujobs funding will be received from NC DPI to reimburse WCPSS contract costs for development of required interfaces with the state BAAS system. Savings: Not applicable. Recommendation for Action: Staff is requesting Board approval of change order.

### **SCHOOL PERFORMANCE**

#### **11. BOARD POLICY 3610/4510/5040: PROFESSIONAL LEARNING TEAMS**

*Second Reading.*

This policy has been updated to reflect the current work of Professional Learning Teams in the District. This policy was reviewed by the Superintendent's Leadership Team on September 24 and October 8, 2012. The Policy Committee reviewed it on October 30, 2012 and referred it to the November 13 Board meeting for action. Fiscal Implications: None. Savings: N/A. Recommendation for Action: Board approval is requested.

### **TRANSFORMATION**

#### **12. GRANT PROPOSALS**

- Competitive (#13913): Confucius Institute at NC State University, the Confucius Classroom/Enloe High School.
- Competitive (#14013): NC Department of Public Instruction, 21<sup>st</sup> Century Community Learning Center Summer Program Grant/ Individual Schools.
- Entitlement (#14113): US Department of Education, Office of Elementary and Secondary Education, Indian Education Program/ Central Services.
- Competitive (#14213): Ronald McDonald House Charities (RMHC), RMHC Grant/ Individual Schools.
- Competitive (#14313): Adopt-A-Classroom, Classroom Grants/ Individual Schools.

Fiscal Implications: Any required cash and/or in-kind matching contributions vary by grant program. Savings: Grant funding supplements existing resources. Recommendation for Action: Staff is requesting Board approval.

**HUMAN RESOURCES**

**13. RECOMMENDATION FOR EMPLOYMENT**

- 1. Professional
- 2. Support

**POLICY**

**14. BOARD POLICY 1519: BOARD RESOLUTIONS**

*Revised; Second Reading*

This policy was presented to the Board for a first reading at its 11/13/12 meeting. Fiscal Implications: None. Savings: N/A. Recommendation for Action: Board approval is requested.

**15. BOARD POLICY 2303/3003/4003: CRIMINAL RECORDS CHECK**

*Revised; Second Reading*

This policy was presented to the Board for a first reading at its 11/13/12 meeting. Fiscal Implications: None. Savings: N/A. Recommendation for Action: Board approval is requested.

**16. BOARD POLICY 2333/3033/4033: REPORTING INFORMATION TO THE PRINCIPAL AND EXTERNAL AGENCIES**

*Revised; Second Reading*

This policy was presented to the Board for a first reading at its 11/13/12 meeting. Fiscal Implications: None. Savings: N/A. Recommendation for Action: Board approval is requested.

**BOARD ADVISORY COUNCIL NOMINATIONS**

- 17. This represents new nominations to the Board Advisory Councils. The nomination forms are attached for the Board's review and consideration. Fiscal Implications: None. Savings: None. Recommendation for Action: Board approval is requested.

**ACTION ITEMS**

**FACILITIES**

**23. ADOPTION OF A RESOLUTION DOCUMENTING APPROVAL OF A LEASE WITH STATE OF NORTH CAROLINA FOR SUBMISSION TO THE LOCAL GOVERNMENT COMMISSION – WAKE YOUNG WOMEN'S LEADERSHIP ACADEMY**

There exists a need to obtain education facilities to be used by the Board for location of the Wake Young Women's Leadership Academy. Terms and conditions of a twenty year lease agreement were reached with the State of North Carolina and approved by the Board at its meeting on October 16, 2012, to lease several buildings upon the Governor Morehead School campus at 301 Ashe Avenue, Raleigh NC. The lease term begins August 1, 2013, with a rental rate of \$10.00 per square foot for 29,292 square feet of space exclusively occupied by the Board, and \$3.80 per square foot for 29,412 square feet of space that Board occupies non-exclusively and shares with Lessor. The Wake County Board of Commissioners adopted a resolution on November 19, 2012, approving the Lease and agreeing to appropriate sufficient funds to the Board to meet the Board's payment obligations under the Lease as described in the resolution.

Pursuant to Section 115C-530 of the North Carolina General Statutes, the Local Government Commission must approve the terms of the lease. As part of the application process, Board must approve and submit a resolution memorializing its decision and relevant findings of fact. A copy of the Resolution is attached for review. Fiscal Implications: Annual rental rate is \$10.00 per square foot for 29,292 square feet of space exclusively occupied by the Board, and \$3.80 per square foot for 29,412 square feet of space non-exclusively occupied by Board and shared with Lessor, totaling \$404,685.60 for the first year. Funding would come from the Operating Budget. Savings: Not applicable. Recommendation for Action: Staff requests Board adoption of the resolution for submittal to the Local Government Commission.

Joe Desormeaux, Assistant Superintendent for Facilities shared information with the Board. John Tedesco made a motion to approve. The motion was seconded by Debra Goldman. The motion was unanimously approved.

## **POLICY**

### **24. BOARD POLICY 1200: DUTIES OF OFFICERS**

*Revised; First Reading*

The revisions to this policy were reviewed by the Superintendent's Leadership Team on 11/19/12. This same information was presented at the Policy Committee meeting on 11/27/12. Fiscal Implications: None. Savings: N/A. Recommendation for Action: Board approval is requested.

Dr. Gainey presented information to the Board. Jim Martin made a motion to approve. The motion was seconded by Susan P. Evans. The motion was unanimously approved.

### **25. BOARD POLICY 1323: RULES OF ORDER**

*Revised; First Reading*

The revisions to this policy were reviewed by the Superintendent's Leadership Team on 11/19/12. This same information was presented at the Policy Committee meeting on 11/27/12. Fiscal Implications: None. Savings: N/A. Recommendation for Action: Board approval is requested.

Jim Martin made a motion to approve with a minor revision, where Board Policy 1519 is cross referenced, that the title of the Policy is listed.

Ms. Goldman shared that one of the things that came out of the Policy Committee Meeting was to have more discussion on the policy by the Board, specifically in regards to F. Voting #2. Dr. Martin shared that he did check Robert's Rules #46, and it states, *"While it is the duty of every member who has an opinion on a question to express it by his/ her vote, yet he or she cannot be compelled to do so. He/she may prefer to abstain from voting though he/she knows that the effect is the same as if he/she voted on the prevailing side."* While Dr. Martin respects Ms. Goldman's concern, Robert's Rules weighs in on this, that a member may abstain, but abstention counts toward a vote for the prevailing side.

Ms. Goldman shared that Robert's Rules says prevailing side, not in the affirmative. If the Board is voting to do something or not do something and the Board votes no is very different than what the policy says.

Dr. Gainey shared that staff will bring back to second reading clarity on the Board Chair issue and will take back to Policy Committee, clean up the language on F. Voting #2 before first reading again.

Susan P. Evans seconded Jim Martin's motion to approve the Policy with the revision of adding the title of the cross-referenced policy.

Dr. Martin clarified his motion that, the Board vote on the Policy as stands so that the Board corrects the legal issues of the Chair voting with the understanding that the rest of the policy will come back to Policy Committee.

Ms. Goldman suggested that at the next meeting, bring the Policy back as second reading and place it on Action with the language correction. With the inconsistency that has been noted, Ms. Goldman said that she would prefer to see the language in the second reading and that the second reading be placed on action.

Jonathan Blumberg, Attorney for the Board, shared that the Board's policy reads on Rules of Order, is that the Board has its own Rules of Order and they are in place and it is only that when you have hole or a gap that Robert's Rules of Order fills in. At this point, the Board's policy indicates that the Board has a duty to vote and if you do not vote, it is in favor of the motion. Mr. Blumberg shared that it would be a change to move to Robert's Rules of Order that warrants a significant discussion of the Board of what that could mean in situations. Mr. Blumberg shared that he feels that it is a significant issue and should go to the Policy Committee and have a full debate.

After several comments, Dr. Gainey recommended that staff pull the item totally and bring it back to the Board when it is completely ready.

The Board voted on the motion that was on the floor, item #25, Rules of Order with the changes to the cross reference at the end and all the changes highlighted. The Board voted 2 to 6, with Jim Martin and Christine Kushner voting "yes" and Kevin L. Hill, Susan P. Evans, Deborah Prickett, Chris Malone, Keith Sutton, John Tedesco, and Debra Goldman voting "no". The motion failed to pass.

### **CLOSED SESSION**

John Tedesco made a motion to go into Closed Session at 7:18 p.m. to consider confidential personnel information protected under G.S. 143-318.11 (a) (6) and 115C-319, to consider confidential student information protected under G.S. 115C-402 and the Family Educational and Privacy Rights Act, 20 U.S.C. 1232 g, and to consult with the board attorney and preserve the attorney-client privilege as provided in G.S. 143-318.11 (a) (3). The motion was seconded by Debra Goldman. The motion was unanimously approved.

Debra Goldman made a motion to come out of Closed Session at 8:41 p.m. The motion was seconded by Chris Malone. The motion was unanimously approved.

**ACTION ITEMS CONT'D**

**HUMAN RESOURCES**

**26. RECOMEMNDATION FOR ADMINISTRATIVE APPOINTMENT(S)**

Kevin L. Hill made a motion to approve the following Administrative Appointments:

- (1). Jordache Artis, 2012-2013 Converted Assistant Principal position at Durant Road Elementary School to Assistant Principal at Durant Road Elementary School effective 12/5/12.
- (2). Rebecca Foote, 2012-2013 Converted Assistant Principal position at Enloe High School to Assistant Principal at Enloe High School effective 1/2/13.
- (3). Patricia Hill, Part-time teacher at Mills Park Elementary School to Interim Assistant Principal 80% Teacher 20% at Mills Park Elementary School effective 12/6/12 – 2/28/13.
- (4). Sue Sisson, Retiree to Interim Assistant Principal at Reedy Creek Middle School effective 12/5/12 – 1/31/13.

The motion was seconded by John Tedesco. The motion was unanimously approved.

**ADJOURNMENT**

There being no further business coming before the Board, Debra Goldman made a motion to adjourn. The motion was seconded by John Tedesco and was unanimously approved. The meeting adjourned at 8:45 p.m.

Respectfully submitted,

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Keith A. Sutton, Chair, Wake County Board of Education

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Stephen Gainey, Acting Superintendent, WCPSS

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Melissa R. Allen, Recording Secretary