

The regular meeting of the Board of Education of the City of Vineland was held in the Board Room, 625 Plum Street, Vineland, New Jersey, Wednesday, January 16, 2013 at 7:00 p.m., pursuant to notice with Mr. Medio presiding and the following members present: Mr. DiGiorgio, Mr. English, Mr. Jennings, Mr. Mercado, Ms. Morello, Dr. Mounier, Ms. Rios and Mr. Ulrich. Absent: None.

Also present: Dr. Guccio, Superintendent, Mr. Frey, Assistant Superintendent, Mrs. Polof, Assistant Superintendent, Ms. Ludy, Board Secretary, Mr. DeSanto, Solicitor, press and public. Absent: None.

Flag Salute:

Yeila Rivera, Alondra Martinez, Joseph Rivera, Genesis Ofray, Francisco Matos, Stacy Sanchez, Jose Bermudez and Naisha Alicea students from Landis Middle School led the Board in the Pledge of Allegiance. Also in attendance were Ms. Johnson, Principal and Mr. Reissek, Vice Principal.

Mr. Medio announced that in compliance with the New Jersey meeting law commonly referred to as "The Sunshine Law," the Vineland Board of Education has caused notice of this meeting to be sent to the following, announcing time and place thereof, agenda, etc.: The Daily Journal, the Atlantic City Press, Clerk - City of Vineland, and Administrative Office Public Bulletin Board.

Special

Presentation (s):

Dr. Guccio introduced Mr. Dan Greco, Principal of Durand Elementary School, to give a presentation on Breast Cancer Awareness.

Mr. Greco introduced Ms. Renee Braxton, Asst. Principal of Durand Elementary School. He said they are here tonight to present the top fundraising school for the Making Strides Against Breast Cancer Campaign. Mr. Greco said as a district we raised over \$4,700 that went directly to the American Cancer Society. Mr. Greco recognized Winslow Elementary School for raising \$1,400.00 as the top fundraising school.

Ms. Bechtel, Principal of Winslow Elementary School, thanked the board and said this cause is near and dear to her heart.

Dr. Guccio introduced, Mr. Stephen Testa from Romano, Hearing, Testa & Knorr to present the 2011-2012 Audit.

Mr. Testa said this year's audit was jointly performed with Bowman & Company. He said over 1,800 hours were put into performing the audit and generating the documents and reports that he will explain tonight.

Mr. Testa said he will explain the format and contents of reports along with related information the board has received. He said the Comprehensive Annual Financial Report (CAFR) is the district's official annual report, which consists of four sections. The first section is an introductory section prepared by district management that discusses district goals, accomplishments and future outlook. Mr. Testa said there is a financial section, the largest section of the CAFR that includes our opinion on the financial statements, financial statements, schedules and disclosures. He said their opinion on the financial statements is an unqualified or clean opinion, which is what the district would want. Mr. Testa said the financial section presents certain required supplementary information in particular a management's discussion and analysis section that is prepared by district administration. Also included in the financial section are required budgetary comparison schedules, which include the original budget, any amendments, final budget, actual and any variance. Mr. Testa said the statistical section presents the demographic information, tax rates, debt information of the city and school district. The final section is the single audit section, which is required because the district expends more than five hundred thousand dollars each in federal and state awards. Mr. Testa said the Auditor's Management Report is for the Administrative Findings, Financial Compliance and Performance. The report is on management and includes the audit findings and recommendations. He said a two page financial summary has been provided to the board with a summarization of the most important information to the school district and board. Mr. Testa said a letter was provided to the board, which is the communication to those charged with governance. He said this correspondence discusses their responsibilities with respect to the audit and describes certain aspects of the district's accounting practices. Mr. Testa said the CAFR is over 300 pages with too much information to review in detail. He said the two page financial summary basically shows what the fund balance consists of and how it was generated. Mr. Testa said there are two ways to generate fund balance one is to have unexpended appropriations or to have an excess of budgeted revenues. This year the district had excess budgeted revenues of approximately \$5,269,000.00 and unexpended appropriations of 10.282 million dollars. Mr. Testa said 15.551 million dollars was generated in fund balance.

Mr. Testa said in the 2012 budget we anticipated utilizing \$8,862,000. There is an adjustment for prior year encumbrances, which would be orders that were placed in the prior year but not received until the year under audit. Mr. Testa said the net fund balance that was generated was 6.286 million dollars for the year ended June 30, 2012. The total fund balance is 26.9 million dollars. Mr. Testa said the total budget appropriations were 172 million of which 161.9 million was spent. He said 94.03% of the budget was expended, which is very consistent.

Mr. Romano introduced Mr. Bob Nehila from Bowman & Company to discuss the correspondence to those charged with governance as well as the findings and recommendations.

Mr. Nehila said a considerable amount of time was put into this audit. He said the district had a tremendous amount of turnover and as a result there is going to be findings. Mr. Nehila reviewed the following findings in the Auditor's Management Report (AMR):

Finding No. 1: The District was unable to provide supporting documentation regarding whether, during fiscal year 2011-2012, it calculated the increase/decrease in per pupil costs resulting from the 2009-10 certified tuition charge adjustment as required. In addition, the District was unable to provide documentation that the tuition adjustments calculated, but not bill or refunded in fiscal year 2010-11, was ever billed/received or paid in 2012.

Finding No 2: Section 2 of P.L. 2005, c.271 requires a Board of Education to receive disclosures regarding political contributions from certain vendors at least ten (10) days prior to the award of certain contracts. There were four (4) instances where the District obtained the disclosures after the award of the contracts.

Finding No. 3: The capital assets records were not updated until mid-December 2012. When the records were available for audit, the following items were noted which required substantial analysis in order to achieve proper reporting; 1) there were a number of assets contained in the report which should have been fiscal year 2013 additions and 2) there were a number of assets which were purchased in fiscal year 2012 that were not on the asset listing. In addition, the beginning accumulated depreciation per the report did not agree to the prior year ending accumulated depreciation.

Finding No. 4: Due to turnover in key financial positions, the District did not allocate the June 2012 health benefits to the various funds such as the special revenue fund and food service fund and the various schools within the general fund thereby understating expenditures in those funds and schools. An audit adjustment was proposed and recorded to correct this error.

Finding No. 5: A number of budgetary line accounts were over-expended June 30, 2012. Most of these were the result of audit adjustments and reclassifying entries; although in two instances the line accounts over expended were not the result of audit adjustments or reclassifying entries.

Finding No. 6: The following exceptions were noted during our testing of bids and contracts:

- We were unable to determine the District advertised the award of certain professional service contracts and extraordinary unspecifiable services (EUS) contracts as required.
- A number of vendors were disbursed totals exceeding \$17,500 however we were unable to determine that resolutions were passed awarding non-fair and open contracts.
- In several instances cooperative purchasing agreement numbers, state contract numbers or the joint purchase number identifier in the case of joint purchase agreements under Ed Data, were not included on the purchase order as required and we were unable to determine that those agreements were authorized via board resolution.
- There were several instances of vendors being exempt from bidding not being approved by board resolution.

Finding No. 7: For the Food Service Fund, inventory activity was not recorded in the general ledger; adjustments were required for the various federal and state subsidy revenues and receivables; the general ledger did not break out the revenues for daily sales and sales from reimbursable programs and the fiscal year-end accounts receivable and accounts payable were not recorded in the general ledger.

Finding No. 8: In several cases the District did not follow its policies and procedures with respect to Student Activity Funds receipts as not all receipts were deposited in a timely manner.

Finding No. 9: With regard to testing the October 14, 2011 Application for State School Aid (A.S.S.A.) there were some minor discrepancies with what was reported to the state and the detail work papers.

Mr. Nehila said the district is required to complete a corrective action plan. He said during next year's audit they will check to see if a corrective action was taken on every finding. As per Attachment "A" the following Corrective Action Plan was presented and discussed.

1. The Business Administrator and the Assistant Business Administrator will review Tuition Calculations to ensure accuracy.
2. The Executive Director of Purchasing will review the vendor accounts to ensure timely receipt of Pay-to-Play forms.
3. The School Business Administrator and the Assistant Business Administrator will review all assets to be recorded in the fixed assets before year end.
4. The School Business Administrator and the Assistant Business Administrator will review health benefit allocations to ensure timely posting of benefits.
5. The School Business Administrator and the Assistant Business Administrator will review each line item to ensure there are no over expended lines.
6. The School Business Administrator and the Assistant Business Administrator will ensure all Professional Services are advertised annually.
7. The School Business Administrator and the Assistant Business Administrator will ensure all Food Service Inventory is recorded annually.
8. The Principals and Student Activity Accountants will ensure all deposits are made in a timely manner.
9. The School Business Administrator and the Assistant Business Administrator will review the ASSA to ensure proper claiming of students.

Mr. Testa thanked the board for their time this evening and allowing them to be a service to the district.

Motion: A motion was made by Ms. Morello, seconded by Mr. Mercado, to approve the Audit, all the findings and Corrective Action Plan as listed on Attachment A. of the board packet. All Members voted “yes.”

Approval of Minutes: Upon motion by Ms. Morello, seconded by Mr. Mercado, the minutes were approved from December 5, 2012 and December 12, 2012. All Members voted “yes” except for Mr. Jennings and Ms. Morello who “abstained.”

Mr. Mercado asked if the board will be approving executive session minutes in the future. Mr. Medio said that will be discussed.

Report of the
Secretary/Custodian
of School Monies:

Upon motion by Ms. Morello, seconded by Mr. Mercado, the reports of the Secretary and Custodian of School Monies for the month of October and November 2012, which are in agreement were approved as submitted and on file in the Minute Book, and the Board approved its monthly certification of budgetary major account fund status and the Board Secretary’s monthly certification as on file with the Secretary. All Members voted “yes.”

Solicitor’s Report: None.

Public Comment on
Agenda Items: None.

Recommendations:

B. Proposed for review or discussion or adoption by Board Members: None.

Approval of Bills: Upon motion by Ms. Morello, seconded by Mr. Mercado, the bills were approved and warrants issued for same (\$3,911,844.32). All Members voted “yes”.

Emergent Item(s)
(with prior approval) None.

Public Comments: Ronald Walker, Parent
Mr. Walker requested to hear more input from our teachers, community leaders, and parents. He would like to revisit the way our students are being classified. Mr. Walker said in order to move a district forward we must work together to give the students the education they need.

Rodney Mulligan, Vineland Resident
Mr. Mulligan expressed his concern that Mr. Dantine received payment for sick days while being employed by Cumberland County College. He spoke in support of school uniforms. Mr. Mulligan also expressed his concern on super bowl betting on school grounds and buses not having their headlights on in the rain. He also mentioned that there is a Vineland Board of Education vehicle constantly going by his house.

Carol Deola, All Kids First
Ms. Deola wished everyone a happy new year. She said that she is here at the request of parents in the community who are requesting for parental consent to be put back in place at the preschools.

Tina Ross, PTO President Mennies School
Ms. Ross questioned why we are having school uniforms for our children. Mr. Medio said there was a lot of support from the board and community for the uniforms. He said on February 13th a public hearing will be held on school uniforms.

Board Member

Remarks:

Mr. Jennings said school uniforms are used for various reasons. He said if everyone in the school is wearing a uniform and someone is approaching the school out of uniform they will stand out from the crowd. Mr. Jennings said uniforms also prevent arguments over what students are wearing and makes it easier for the parents.

Mr. English said he has known Mr. Mulligan a very long time. He said we have outstanding employees in this district and to single out maintenance is not correct. Mr. English said there are several vehicles in the district that have the Vineland Board of Education logo. He said Mr. Weaver is probably one of our most all around outstanding employees in this district. He feels the people who are not doing their job got the message. Mr. English respects Mr. Mulligan for speaking as a member of the public and tax payer but thinks he is basing a lot of things on the past. He said the board and departments got the message. Mr. English requested for Mr. Mulligan to take down license plate numbers because it is expensive to GPS vehicles out. He said this is a good district and believes we take care of our employees.

Mr. Mercado congratulated everyone who was approved for retirement this evening. He thanked the students from Landis Middle School for the flag salute and the public for their input. Mr. Mercado said if the issues that Mr. Mulligan discussed can be addressed the board will address them. He thanked all the board members who participated in Saturday's retreat and believes it was one of the most productive meetings the board has had. Mr. Mercado said he looks forward to Dr. Gruccio's input and a very progressive year.

Mr. Ulrich congratulated the retirees especially Debbie Nutt, first grade teacher at D'Ippolito Elementary School. He thanked Mr. Walker for his input.

Dr. Mounier thanked the members of the public who spoke tonight. He said all of the board members are available by phone and if anyone has a concern to please contact them. Dr. Mounier feels it would be great to have more community leaders and school employees speak about their activities.

Ms. Rios congratulated and thanked the Landis Middle School students for reciting the flag salute in Spanish and English. She also congratulated Winslow Elementary School for the great job they did on the Breast Cancer Awareness fundraiser along with all the schools that participated. Ms. Rios reminded everyone that on February 13, 2012 voting will be held on the school uniforms. She said that she is the chair of the Policy & Personnel Committee and they have been discussing the uniform policy for the past year and a half. Ms. Rios said she has kept the community aware and has presented minutes on what was discussed and input on what the committee decided. She urged everyone to attend the February 13th meeting to express their opinion on school uniforms.

Mr. DiGiorgio thanked everyone for their input along with the students for their presentation of the flag salute. He said if you are an employee of the school district you should do your best and take your job seriously. Mr. DiGiorgio agrees with Mr. English's comments that Mr. Weaver has done and continues to do an excellent job.

Ms. Rios said that the financial summary is always available to the public.

Ms. Morello said she is interested in pursuing the choice option for the preschool parents. She feels that many parents who are hesitant to put their child on a bus to go across town to preschool may opt to bring their child themselves on their way to work. Ms. Morello said hopefully Dr. Gruccio will have her plan in regards to the board goals, strategic plan and community input. She looks forward to working with everybody and is hoping for great things.

Dr. Gruccio said the Governor declared January as School Board Recognition month. She said the people sitting up here give a lot of their time for no money and are here because they care. Dr. Gruccio said we do not always agree but we work together, which is how we are going to move forward. She thanked the board for all of the time that they give and appreciates their efforts.

Report/Remarks by
Board President:

Mr. Medio said the Finance Committee will be Mr. DiGiorgio as the chair along with Mr. Mercado and Mr. English. He said a meeting is going to be scheduled for some time next week.

Resolution: Ms. Ludy read a resolution to convene into executive session for the following reasons as outlined in N.J.S.A. 10-4-12. Any matter involving the purpose, lease or acquisition of real property with public funds, the setting of bank rates or investment of public funds where it could adversely affect the public interest if discussion of such matters were disclosed; negotiations with the State for property acquisition; discussion of lease issues with the Vineland Public Charter School. Any matter involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of the performance, promotion or disciplining of any specific prospective public officer or employee or current public officer or employee employed or appointed by the public body, unless all individual employees or appointees whose rights could be adversely affected request in writing that such matter or matters be discussed at a public meeting. The nature of discussion is possible tenure charges against two employees; possible termination of non-tenured teacher; termination of a substitute employee; certification revocation of a tenured employee. **BE IT FURTHER RESOLVED** that the Board of Education hereby declares that its discussion of the aforementioned subject(s) may be made public at a time when the Board Attorney advises the Board of Education that the disclosure of the discussion will not detrimentally affect any right, interest or duty of the School District or any other entity or person with respect to said discussion.

Motion: Upon motion by Ms. Morello, seconded by Mr. Mercado, the resolution was passed. All Members voted “yes”

Motion: A motion was made by Ms. Morello, seconded by Mr. Mercado, to recess to executive session. All Members voted “yes.”

The board recessed to executive session at 10:05 p.m.

The meeting resumed at 10:07 p.m. to vote on two items.

Adjournment: The Board adjourned the meeting by voice vote at 10:10 p.m.

Respectfully Submitted,

Cherie Ludy
Board Secretary

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