

**EAST STROUDSBURG AREA SCHOOL DISTRICT  
BOARD OF EDUCATION**

**SPECIAL BOARD MEETING TO REVIEW THE 2012-2013 BUDGET TARGETS & REQUISITIONS AND  
RELATED BUDGET ISSUES AND TO REVIEW AND TAKE POSSIBLE ACTION ON THE 2006/2007 & 2007/2008  
AUDIT PERFORMANCE REPORT**

**November 9, 2011**

**Carl T. Secor Administration Center – Board Room**

**6:00 p.m.**

**Minutes**

- I. President Horace Cole called the meeting to order at 6:07 p.m. and led those present in the Pledge of Allegiance.
- II. Members present were: James Brunkard, Horace Cole, Robert Cooke, Robert Gress and Robert Huffman (left at 6:27 p.m.). Douglas Freeman, Bet Hays, Audrey Hocker and William Searfoss were absent.
- III. School personnel present: Michelle Arnold, Patricia Bader, David A. Baker, Brian Borosh, John Burrus, Anthony Calderone, Richard Carty, Michael Catrillo, Robert Dilliplane, Irene Duggins, Larry Dymond, Gail Kulick, Sharon Laverdure, Irene Livingston, Fred Mill, Carolina Rodriguez, Patricia Rosado and Steve Zall. Also present were: Tom Dirvonas and Christopher Brown, Solicitors.
- IV. Media Guests present: Channel 13 News
- Community members present: Devin Day, Eileen Featherman, Diane Hinson, Roy Horton, Marjorie James, Mike Meachem, Verona Meachem and Michal Peterson.

**V. APPROVAL OF AGENDA**

**ACTION BY THE BOARD:**

Motion was made by Robert Huffman to approve this agenda for November 9, 2011 (pages 1-2), as submitted. Motion was seconded by Robert Cooke and carried unanimously, 5-0.

**VI. ANNOUNCEMENTS BY THE BOARD**

- A. Mrs. Laverdure stated that the Property/Facilities Committee meeting that was scheduled for tomorrow, 11/10/11 at 9:00 a.m. had to be postponed to November 16, 2011 in the Administration Center Board room at 6:00 p.m.

**VII. SUSPENSION OF RULES**

**ACTION BY THE BOARD:**

Motion was made by James Brunkard to suspend the rules of the day to permit discussion of budgetary items to be presented by the administration or members of the Board and the public concerning review of the 2012-2013 budget targets and requisitions and related budget issues without the necessity of a motion and second being previously made. Motion was seconded by Robert Cooke and carried unanimously, 5-0.

**VIII. PRESENTATION OF BUDGET INFORMATION BY THE ADMINISTRATION**

- A. Mrs. Bader stated that she would like to briefly go over some of the things that the district is doing in the budget preparation process. She stated that in August and September, they try to estimate what the enrollment will be in the 2012/2013 school year. She stated that we also try to make predictions on what the index will be and where some of our expenses are headed. Mrs. Bader stated that with that in mind, we set the targets for instructional departments as well as buildings. She stated that we have two sets of targets that go out. Mrs. Bader stated that

the instructional targets, Mrs. Duggins works with department chairs to set the appropriate level of budgetary targets that each area must need. She stated that, in addition, she sets the principal target. Mrs. Bader stated that the principal target is what they use to enhance instruction and activities and the principal account. She stated that there is an analysis in your workbook and a worksheet for the public which showed how we calculated that and what the total target for each building was. Mrs. Bader stated that for elementary buildings, they set the per pupil principal control budget at \$240 per student, at the intermediate level \$172 per student and at the secondary level \$147 per student. She stated that these are just estimates and they were set at 2% lower than the prior year because we are estimating that our assessed values are not going to generate the same revenues we had, so they decided to set the targets lower. Mrs. Bader stated that the reason we do this is because as soon as we send out the targets we are asking every department chair, every building principal and every administrator to begin creating purchase requisitions that accumulate and rollup into a total building excel worksheet which is included in the budget book. She stated that once administration has a review of these requisitions with all the building principals and other administrators, they give them the go ahead or there might be some adjustments they ask them to make based on the things they presented to them. Mrs. Bader stated that we then give them the go ahead for their budget secretary in every building to begin data entering all this information. She stated that it takes them several weeks. Mrs. Bader stated that the information is then sent to the business office where they reconcile it to make sure everything is correct. She stated that all of this work is being readied for the big budget presentation which will be at the Regular Board meeting in December where they will see the district in total and we will be looking at a bird's eye view of everything instead of all this detail. Mrs. Bader stated that, tonight, the principals will come up and give them a verbal presentation of what their budget money is doing for them and the children. She stated that this is the money that is affecting the children. She stated that they will have an opportunity to review not only the worksheet but the budget justifications which include details of what types of expenses they are planning and give them the opportunity to ask any questions if they'd like. Mrs. Bader stated that at any point during the budget process, they can ask questions but tonight is when building principals are prepared to answer those questions.

- B. Mr. Michael Catrillo, Principal of High School South, thanked the Board for the opportunity to share the High School South budget with them. He stated that speaking for himself and the High School South staff, they continue to see themselves in partnership with all of the Board members to provide a quality education for the students, while at the same time being responsive to the economic conditions that they are operating under. Mr. Catrillo stated that, in light of that, they are happy to say that the High School South budget shows a reduction from last year resulting in savings of over \$38,000. He stated that even with the lower target they received, they were still able to bring it down further. Mr. Catrillo stated that the savings will not affect the quality of any student program and will not eliminate any student program that they have. He stated, in fact, they even included money for a positive behavior student support program that will be put in place next year, as well as for curriculum supplies, classroom supplies and custodial supplies, things you would expect in a regular school budget. Mr. Catrillo stated that one of the things they did last year when the Board expressed concern about Xerox costs and copying costs, they evaluated the copy situation at High School South and were able to work with the business office to eliminate one large teacher copier, combined guidance and main office copiers and eliminated one smaller copier that was left over in the principal's office. He stated that by reducing that and relooking at our copying costs, they were able to show some of the savings that are reflected in that \$38,000 reduction. Mr. Catrillo stated that they also thoroughly reviewed classroom supplies and were able to cut several thousand dollars either by not ordering supplies that they no longer needed or not used often by our staff. He stated, again, none of this will affect the quality of any of the programs that they have. Mr. Catrillo stated that their budget reflects cuts in almost every department, again, done through careful and thorough review of supplies and programs. He stated that the only slight increase was incurred in instrumental music to replace some of the instruments. Mr. Catrillo stated that in foreign language, they replaced damaged books rather than doing a whole rewrite of curriculum which costs thousands and thousands of dollars. He stated that they are simply updating damaged books which they have been using for seven years. Mr. Catrillo stated that it is the same quality program; but, books needed to be replaced which represented a slight increase for the Foreign Language Department. He stated that the rest of the departments were able to find some reductions and make some adjustments to cut back somewhat. Mr. Catrillo stated that this year at High School South, they adopted the motto "Success for All." He stated that this budget will allow them to fulfill the motto while still being economically responsible. Mr. Catrillo stated that he would like to publicly say that he is proud of his staff for the hard work that they did.

Mr. Gress asked if the field house and items along that line are part of Mr. Catrillo's budget. Mr. Catrillo stated that it is part of the Athletic Department's budget. Mrs. Bader asked what exactly is Mr. Gress asking about, maintenance or capital improvements. Mr. Gress said he is asking about supplies and things like that but not capital improvements. Mrs. Laverdure stated that custodial supplies would be under High School South budget

but Mr. Williams helped order these supplies but they are kept at the High School South. Mr. Gress asked if High School North is the same. Mrs. Bader said, "Yes". Mr. Gress stated that, in past, they shifted things where they belong such as contracts for copiers. He asked that as far as the backbone and storage cabinets, are we making sure that we looked at things to see that we used stuff that we have and not buy what we don't need.

Mr. Brunkard stated that High School South went through major renovations but there still seems that renovations are not finished, like the back door of the High School South. He asked what are the conditions for that and how do things go. Mr. Brunkard stated that in looking at the whole school now, what needs to be ratcheted down or put in place. Mr. Catrillo stated that the doors are something that were voted on and are in the processes of being completed. He stated that they create security issues but that the doors were voted on to be fixed. Mr. Catrillo stated that, other than building a walkway that was eliminated in the original construction and the Property/Facilities Committee considered and he knows it is an extremely expensive project to increase the flow of the building, the building is in pretty good shape and he does not foresee any other expense. Mr. Brunkard stated like Mr. Gress said about the field house and other things that are still in the process of renovations, are you not finding anything else. Mr. Catrillo stated not in the main building. Mr. Gress suggested a bike rack for the front of the building. He stated that they have them by the field house but there are kids that would like to bring their bikes and not place them inside the front of the building. Mr. Catrillo stated that they did place one in the back by the student parking because they did not want them biking near the buses. Mr. Gress stated that, in his opinion, they should be closer to school and not all the way down there. He stated that they can speak about this in the Property/Facilities Committee meeting. Mr. Catrillo stated that he is not opposed to his suggestion and they can place one in the front.

Mrs. Bader stated that one of the things they asked the principals to do is to supply a list of capital projects to Mr. Shearouse for consideration. She stated that they can be as minor as painting, to carpeting or to building a shed. Mrs. Bader stated that all these things are submitted during this budget process and will be considered at the Property/Facilities Committee meeting next week. She stated that, in addition, they asked each principal if there is an item that is too large to fit in their budget such as a scrubber or a tracker. Mrs. Bader stated that this is an item that won't fit in the confines of their budget because they try to keep the budget capped to just encompass instructional needs but there are other needs as well. She stated that they asked the principals if they need any of these items which will be considered at the December meeting. Mrs. Bader stated that, in addition, she would like to add that the sub-committee of the safety committee, one of their tasks is to go around to all the buildings and do inspections. She stated that one of the things they look at is if there is a buildup of supplies in a certain area to begin looking at it through a safety point of view to see if they are in a boiler room or a stairway or something like that. Mrs. Bader stated that they moved this as a priority to view the buildings and view the supplies to make the principal aware. She stated that they have been very successful in identifying these areas and speaking to principals and department heads about it. Mrs. Bader stated that they are taking an active role in that. Mr. Brunkard stated that this is, again, one of those things that when you look at one thing, you turn up another thing. He stated that when you go into a building and see a place that should not be used for storage like a boiler room because it should function like a boiler room and not a storage facilities. Mr. Brunkard stated that not only that, things were stored their but when supplies were purchased in 2006 , and again in 2008, and again 2010, instead of using and rotating to reshelv properly, such as papers and things that have a certain shelve life were pushed to the back. When you exhaust the 2008 and 2010 item, you look back at the 2006 stuff and it was desiccated. It is not only that they are stored in properly but we need to rotate things and use it more properly. It is one of the things that when we are looking at safety issues we come up with ideas like the supplies being misallocated or mishelved and not used as good as they should be.

- C. Mr. John Burrus, Principal of Smithfield Elementary and J. T. Lambert Intermediate Schools, stated that just like Mr. Catrillo, at Smithfield Elementary and J. T. Lambert Intermediate Schools, they looked at how best they can provide the best possible education for the students as well as be cautious of their spending. He stated that at Smithfield, their target figure was \$101,859.00. Mr. Burrus stated that the budget requisitions from the staff and him totaled \$100,000 which is \$1,859 below the target figure and \$7, 240.00 below what their current budget is for this year. He stated that with that said, they looked over supplies. Mr. Burrus stated that they had not ordered through bid supplies like they did in the past both with pencils, pens, folders but also copy paper as well. He stated that not knowing what the student enrollment will be, they put a little money in reserve just in case they use their supplies and find pens in the back or highlighters that are dried up like Mr. Brunkard said. Mr. Burrus stated that at the elementary school, they decreased by one copier and now they have a large copier in the faculty room and one in the office versus two copiers in the faculty room and one in the office as in previous years. Mr. Burrus stated that the budget contains mathematics consumables for K-2 grades and software for Brainpop for the middle level grades 3-5 as well as elementary version K-2. He stated that each teacher was allotted \$200 for supplies for their classrooms. Mr. Burrus stated that a lot of teachers with younger students buy boxes for students to help

them keep organized within their desk so they do not rummage through their desk looking for their supplies. Mr. Brunkard stated that he has always been a champion of the idea of giving teachers a discretionary account to use on this sort of thing. He stated that he hopes that as the budget process goes on and there are inevitable cuts in the budget that we don't cut out discretionary funds for teachers to buy those necessary supplies and to recompense them in some small way for their out of pocket expenses. Mr. Brunkard stated that they always make judicious use of that. He stated that he appreciates it as a parent of students, sending kids into school knowing that whatever kids are in the classroom and show up without something that they need, that the teacher will be able to hand them what it is. Mr. Brunkard stated that there is no better use of our money than there is to put it into the hands of our teachers to dispense it appropriately, as it is necessary and it is been an issue over years. Mr. Brunkard stated that when we go to cut things out of budgets, he really hopes that the discretionary funds for teachers remain in the budget.

- D. Mr. John Burrus stated that J. T. Lambert's budget includes the principal's fund, grade level funds, all of department funds (music, consumer science, foreign languages, health and PE and library). He stated that at J. T. Lambert, the target figure that was given to them by the district was \$309,632.00. Mr. Burrus stated that the requisitions that were submitted totaled \$308,682.00 which was \$950.00 below target and they are \$24,000 below what their current 2011/2012 school year budget is. He stated that the items that they requested will suffice for providing normal operations of the school and to provide the best possible education. Mr. Burrus stated that they looked at inventories that they have. He stated that if you look at bid items for paper and supplies at the 6-8 grades, the supplies area is significantly lower by thousands of dollars. He stated that the paper is a little lower than last year's bid supplies because they are trying to use up their inventory. Mr. Burrus stated that, again, they did put some money in supply reserve just in case they use up the inventory or run short. He stated that they were very careful with the amount of LCD projectors that they have and that they were not ordering too many bulbs. Mr. Burrus stated that they ordered some bulbs and put some in reserve in case they run out. He stated that the LCD projectors are used on a regular basis most days.

Mr. Gress asked why is the technology stuff not under technology since they are technology related, like the computers are. He stated maintenance, software that he ordered; mice and keyboards should be, too. Mr. Gress stated that he is just asking. He stated that the district buys computers and they are under the technology budget but now they are replacing them so they are coming out of the school's budget. Mr. Burrus stated that it is similar to the curriculum. He stated that when they adopt a series, they get everything they need but then the buildings are responsible for the consumables that they use. Mr. Burrus stated that the keyboards and mice that break here and there come out of the building budget so they need to have funds available. Mr. Gress stated that in his opinion they shouldn't. He stated things like TVs are something they should be providing like the computers. Mr. Gress stated that you need TVs and some don't work or are old and they should be coming out of the technology budget and not the buildings' budgets. Mr. Burrus stated that TVs were discussed at his administrative review with Mrs. Laverdure, Mrs. Duggins, Mrs. Bader and Mr. Borosh. He stated that his technology budget has been high in the past due to equipment of good morning J. T. Lambert, which they use to do all announcements. Mr. Burrus stated that the TVs that are being replaced are 20 years old. Mr. Gress stated that he understands but they should not come out of his building's budget. Mr. Burrus stated that they spoke to see if this should be a technology initiative but he was able to include it within his budget and still come in within the target figure. He stated that at the administrative review, they decided to keep it in his budget but in the future they will need to replace the TVs on the 6<sup>th</sup> and 8<sup>th</sup> grade floor but the 7th grade needed it the most. Mr. Gress stated that he appreciates what he did but sometimes you need this and something else you are not getting because this is a priority. Mr. Gress stated that you guys cut your budget to the bone and the total budget is about 1.2 million dollars but then MCTI gets a walk on the half million dollars. He stated that that the district then cuts \$33 from this or \$57 from that but then MCTI gets to get half million dollars. Mr. Gress stated that he knows it is beyond us but for 300 kids they get a half million dollars of extra money. He stated that he is just going per student cost and here principals are not buying some consumables and you say we are because we don't want to upset anybody. Mr. Laverdure stated that she likes that he is asking the principals if there is anything they are not getting to run their programs. She stated that she thinks the staff and principals are getting the money they need to run an excellent program. Mrs. Laverdure stated that if it is working and we are doing what we need to do, it does not mean we are "nickel and diming" these folks. Mr. Gress stated that this is his opinion and he thinks in certain areas, we might be and he has said this before. Mrs. Laverdure stated that they are asking the administrators. Mr. Gress stated that he understands that but he has been through this process for ten years. Mr. Brunkard stated that there is a process where certain things we are lumping together and putting in as building expenses but they do not necessarily fit into one cart or another. He stated like in terms of our shopping for it, like the technology stuff. Mr. Brunkard stated that when we are doing things that are necessary like maintenance and upgrades of computers, that should sort of fit into that budget because it is not just replacing a light bulb in a

building. He stated that we have the different compartments that we put things into and we should make sure, year to year, for comparison that we put the right things into the right categories. Mr. Brunkard stated that there are all kinds of rules for that and it is not necessarily easy, especially when you are doing things in piecemeal and catch up. He stated that you are taking care of the 7<sup>th</sup> grade this year and hope you can take care of 6<sup>th</sup> and 8<sup>th</sup> grade floors in later years and things like that. Mr. Brunkard stated that sometimes in these budgets, we see that they fit in different categories in terms of trying to weigh them and move forward in the best process with them. He stated that we have to be careful in what we are doing with it.

Mrs. Bader stated that she wanted to add that she finds it exciting to hear how each principal is going to use their money. She stated that it is a reflection of their personality how they want to do things, but also as a reflection of the central office administration, they try to remain relevant so they do undergo to revise the budgeting process. Mrs. Bader said, for example, it used to be about 5-7 years ago departments would receive a target and they would try to create a computer lab of some kind and some were more successful than others. She stated that they eliminated this philosophy by saying no longer are we going to do that we are going to have a replacement cycle where our Director of Instructional Technology sets out a plan and sticks to it by upgrading a building at a time. Mrs. Bader stated that this year, we have identified a need that there are some buildings that have TVs that no longer accommodate the instructional needs, Bushkill Elementary and J.M. Hill Elementary. She stated that as part of our 2012-2013 school year plan, both of those buildings will be receiving in the budget presentation for the preliminary budget, new TVs throughout the whole building. Mrs. Bader stated that they are scheduled to get new computers and will get new TVs. She stated that as they identify these needs, central office is trying to remain relevant and in control of the district. Mrs. Bader stated that it is a change in philosophy from a lot of the older budget seasons. She stated, again, they are trying to focus the principal's money, principal's control and instructional control just on the students' needs. Mrs. Bader stated that if there are capital projects, technology requests or fixed assets, they are trying to say elevate those concerns to the central office administrators and they will take a look at it. She stated that they will manage the district as a whole. Mrs. Bader stated that it is a change in philosophy and they are seeing some remnants of the old way. She stated that we are chipping away at all this. Mrs. Bader stated that in 2002, there was something called "Your Schools, Your Money", where costs were supposed to be associated with each building. Mrs. Bader stated that a lot of this accounting is geared towards that. She stated that they had telephones, custodial and licensing all hitting every building as it was being incurred. Mrs. Bader stated that they are sticking with some of that because there are rumblings that we are going to head back to that kind of cost accounting but we do try to manage it at the district level if we possibly can.

#### **Public Participation:**

Mrs. Meachem asked if Mr. Burrus said that he came in \$24,000 under budget. Mr. Burrus stated that he said his budget was \$24,000 less than this current school year's budget.

- E. Mr. Richard Carty, Bushkill Elementary Principal, stated that his target this year for his building was \$140,088.00. He stated that they came in \$10,060 under budget. He stated that he knows a lot of people asked if he has the programs that he needs. Mr. Carty stated that he does believe that they have the supplies and materials that they need to run a responsible budget. He stated that one of the things that is challenging is that we are ordering supplies like one month after we have been in school. Mr. Carty stated that when he first printed out the numbers, he thought there might be a mistake because he was \$10,000 under but he went and checked because there are a couple of items that every year he has to put them in like the consumables math supply. Mr. Carty stated that you want to make sure you don't miss those because whenever you are talking about books, you are talking about a substantial amount of money. He stated that he went back and checked thoroughly that he had everything that they needed. Mr. Carty stated that he checked with the teachers to see what they needed. He stated that he always tells them if there is something that you need that is a big ticketed item, he needs to know. Mr. Carty stated that as long as they can justify why they need it, then they will try to get it fitted into the budget. He stated that he also sat down with the custodian and thoroughly went over their inventory of the bid supplies and IU paper supplies. Mr. Carty stated that this is difficult to do because, like he said, you are ordering a month right after you have been in school. He stated that we, basically, went back three years because it is guess work to try to determine exactly what you are going to need for the next school year but you can determine what you spent last year and what your inventory is. Mr. Carty stated that they had a lot of different spreadsheets. He stated that the sheets the Board has, actually show that the bid supplies are lower. Mr. Carty stated that in the budget analysis sheet, every single object category except in the 500's, is actually less than what they spent the previous year and they are dealing with a little less money this year than they were last year. He stated that the Board has heard that they are trying to do their best to save money and take this task very seriously. Mr. Carty stated that in the 500 category is a 2.15% increase due to instructional mileage which is minimal, about less than

\$200, because when they get to the end of the school year, it is usually negative and they borrow from somewhere else. He stated that the other substantial savings is from copy machines. Mr. Carty stated that he thinks this was long overdue. He stated that they replaced two copy machines with new copy machines that are much more efficient. Mr. Carty stated that teachers are happy with the new machines which saved us money as well. He stated that other than basic supplies and materials, and we always put in some replacement items since we do not know what will break, he always orders chairs and desks since they know they will need to replace some each year. Mr. Carty stated that it is difficult when you are doing a budget a month into the school year. He stated that inventory helped us tremendously but you do have to go back like three years to try to figure out exactly what you are using over the years. Mr. Carty stated that in some cases, we didn't need to order as many supplies and in other cases if we didn't order anything last year, than we added a little more this year. He stated, again, he was pleased with his target. Mr. Carty stated that, at first, he was apprehensive because it was less than the year before but they ordered everything they felt they needed to run successful programs and still came in under budget. Mr. Carty stated that he was pretty happy with that and said, believe me teachers will let him know if there is something that they don't have that they need.

- F. Mrs. Livingston, East Stroudsburg Elementary Principal, stated that at East Stroudsburg Elementary (ESE) they looked at how to provide the best education for their students while simultaneously being conservative with their budget. She stated with those goals in mind, after completing their budget detail for the 2012-2013 school year, ESE is under the targeted budget by \$15,557. Mrs. Livingston stated that they have the supplies and materials needed to support our school motto, which is "ESE, Where We Strive for Excellence." She stated that all of our supply rooms were inventoried and reorganized by a school team consisting of a custodian and staff.

Mr. Gress thank Mrs. Livingston for doing that. He stated that he sees that all schools are putting in consumables to save money on copy costs. Mr. Gress stated that it is good to see her explanation as well as from other elementary schools.

- G. Mrs. Michelle Arnold, J. M. Hill Elementary School Principal, stated that J. M. Hill Elementary's total building budget target was \$114,328. She stated that this year, they came in \$1,254 under our target. Mrs. Arnold stated that our teachers at J. M. Hill are fiscally responsible in their ordering. She stated that when we received our target, she asked the teachers that they order exactly what they need and to keep in mind the responsibility of being fiscally sound in the back of their minds. Mrs. Arnold stated that if there was anything that needs to be cut, she would rather cut it from her budget. She stated that she wanted to be sure that the children got everything that they needed. Mrs. Arnold stated that she was pleasantly surprised that when they gave her everything that they needed and all of the instruction areas and special areas gave her what they needed, they were under budget. She stated that it just goes to show that they are getting what they need. Mrs. Arnold stated that, as far as the copiers, they don't have the luxury yet of having those nice new copiers. She stated that they have one. Mrs. Arnold stated that she did not see a reduction yet in the copier lease but she knows that next year, they will see a significant reduction in copier cost as far as ease and the leasing. Mrs. Arnold stated that they are looking forward to that next year which will be wonderful because it is a large chunk of her budget. She stated that also in her budget, supplies are included such as classroom supplies, copy paper, laminating paper, etc. Mrs. Arnold stated that she puts in her principal's budget money for their school-wide positive behavior support program. She stated that things that are needed are posters, handbooks, other posters that are redone for classrooms each year. Mrs. Arnold stated that one thing that is in her budget, the upgrade for technology because with the infrastructure at J. M. Hill being done this year, there will be some technology upgrade that will be needed. She stated that it is her vision to have that technology upgrade for all of her classrooms.

Mr. Brunkard stated that in the accompanying material, we have notification concerning the library. He stated that it troubles him that sometimes when we set the budget, we don't pay adequate attention to adequately funding our libraries. He read: "For as long as our memory serves, the library department has not experienced a budget increase. Many items we purchased are fixed cost but increase annually. Therefore, the amount available to support basic operating cost decreases yearly leaving us short with attempting to increase and update our print collections to reach State guidelines, which currently and consistently, we do not meet with the exception of the East Stroudsburg Elementary library." Mr. Brunkard stated that it is one of those things that he knows going forward in this budgeting process there is going to be a tendency to try to cut expenses constantly. He stated that he felt, having participated in the previous years of these things, that we always visit our libraries first and strip them of their assets when it is something that everyone uses. Mr. Brunkard stated that they build in our students the ability to access the library and to appreciate the value of that printed material. He stated that he thinks it is one of the last areas we should be cutting instead of one of the first. Mr. Brunkard stated that he thought he should comment on this since there was a very nice comment in there on what happens with library funding. He stated that he would like to point that out before we start further squeezing our budget, as will inevitably happen.

Mrs. Arnold stated that she appreciates that but she will also talk about the other departments and the increases they face as well. She stated that everything has gone up everywhere but she does appreciate that comment. She stated that she appreciates it but she could argue in any other department and area because cost has gone up. Mr. Brunkard stated that she brought up the library because it is close to the middle of the alphabet whether we start in the beginning or the end. He stated that he noticed in his experience that the library does tend to get punished in the budget process.

- H. Mrs. Bader stated she would like to point out that on the third plastic coversheet it appears that Mr. Baker's budget is coming in over target but there seems to be some type of mistake and they will be looking into it. Mr. David Baker, Middle Smithfield Elementary Principal, stated that he is glad she clarified that because he was approaching very sheepishly after seeing the reductions that everyone else was able to present. He stated that what he was prepared to say was that they were able to supply all of the needs within the money they were allotted for the students and staff to run successful programs in the school and function the way it should be. Mr. Baker stated that his principal's target this year was \$117,000 which was almost \$26,000 less than this current year's budget. He stated that they are \$26,000 below and they should be just fine and part of the reason is a reduction in the projected enrollment for our building which has gone down; therefore, they get less money. Mr. Baker stated that our staff did a great job. He stated that they talked about looking in all closets and they did an excellent job going through everything that they have and accounting for extra consumables and things like that. Mr. Baker stated that they ordered only what they needed to use throughout the school year based on their student projections. He stated that one of the expensive items are the copiers. Mr. Baker stated that, hopefully, when their time comes around to get new copy machines and get on that lease program, they will show a significant drop in the overall budget as some of the schools have. He stated that if that is not a mistake and he hopes it is, he is sure he can get it down to where it needs to be. Mr. Baker stated that one of the big expenses were for cafeteria tables, life skills class and Head start program. He stated that there is a huge amount of people coming in for the free and reduced lunch. Mr. Baker stated that close to 60% of the building qualify for free and reduced lunch and a lot of them come to the breakfast, so it fills up quickly. He stated that during lunches they have about 33% of our students in the lunchroom at one time. Mr. Baker stated that when they come to breakfast including the Heat Start kids, they have parents and helpers that come in with them so it fills up. He stated that other than that, money is going to consumables. Mr. Baker stated that there is money in reserve for a lot of new books that will be running out. He stated that the teachers will take a look at that when the time comes. Mr. Baker stated that other than that, he thinks it is a responsible budget. Mr. Brunkard asked if during the aftermath of the renovations, did he find anything that was not supplied to him besides the obvious cafeteria tables that he mentioned. He asked other than that, is there still unfinished stuff. Mr. Baker said, "No", because they are in very good shape. He stated that the only minor things is like the swipe card entry by the playground to avoid someone having to walk all around the whole building to save some time. Mr. Baker stated that other than that they are in great shape because they are loaded with most recent technology like TVs. He stated that they cut back on a lot of custodial things because of the moving and got a little low here and there but overall they are in good shape.
- I. Ms. Gail Kulick, Resica Elementary Principal, stated that she is not going to stand here and repeat everything that her colleagues have already said as far as many of the areas where the money is going to. She stated that obviously at Resica, her money is going towards the same needs such as for consumables. Ms. Kulick stated that they got the new copiers and it has really helped and benefited in the time that the teachers have spent needing to copy as well as the cost has decreased substantially. She stated that they are about \$13,566 under from last year's budget. Ms. Kulick stated that they are approximately \$7,275 under the target that she was given. She stated that the biggest items that Resica has other than the math consumables and replacement consumables for intervention classes. Mrs. Kulick stated that she ordered K-5 "Traits Writing", which is a research-based writing program that compliments the "Crate Traits" writing process that we currently use and it aligns with common core standards where the district is heading. Ms. Kulick stated that this work will be integrated with reading communication arts, math, science and social studies. She stated that the other area that they have been fortunate to have is for the Artist in Residence. Ms. Kulick stated that she has money put aside for it this year. She stated that the Monroe County Arts Council only had one grant and gave it to Resica last year and this year they had two grants and Resica received one of them. Ms. Kulick stated that they are very happy to be able to get that grant since it is highly sought after. She stated that Resica is getting up there in age and many things need to be replaced like the cafeteria tables. Ms. Kulick stated that she ordered some cafeteria tables to replace those that are breaking. She stated that they are not slated yet to have their TVs changed but she ordered one to hold them over for different presentations as well as for viewing bus videos, since the one she has is very small. Ms. Kulick stated that the last item which costs above what anyone else has, which is a minimal amount, is for LCD projectors. She stated that she is trying to get LCD projectors for each grade level for teachers to share. Ms. Kulick stated that they have been very slowly acquiring those projectors and teachers are using them more and

more, so it is becoming very difficult since they only had two or three to share in the entire building. She stated that they do have some LCD projectors but the cost of the bulbs are more than the cost of buying a new projector so they are buying a couple of new projectors to replace the others and she is putting those projectors in some classrooms until the bulbs die out. Ms. Kulick stated that they will then continue to move forward.

- J. Mr. Robert Dilliplane, Lehman Intermediate Principal, stated that there were two numbers that were thrown around tonight. He stated that one was that they were given a target to meet this school year. Mr. Dilliplane stated that with respect to the target and according to the sheet that the Board has, they came in under target by \$611. Mr. Dilliplane stated that he made an adjustment to one purchase for next year and will speak about it later. He stated that this enabled us to come in \$837 under target. He stated that with respect to last year's target, we are roughly \$15,000 under. Mr. Dilliplane stated that the one area that he did experience an increase in was in the 500 object account simply because last year, he did not budget hardly anything for postage money. He stated that they hardly mailed any letters home because anything that goes home he sends through students. Mr. Dilliplane stated that he does this for two reasons; one to teach students responsibility to take important documentation home and two, to utilize the Connect Ed System very heavily which we are paying good money for. He stated that the combination of teaching responsibility and using the Connect Ed System has been very effective at Lehman. Mr. Dilliplane stated that there has also been an obvious cost savings because they have saved thousands of dollars by having students take documentations home. He stated that he has spoken to parents in the community and they do comment that they like Connect Ed messages and do appreciate it. Mr. Dilliplane stated that they do not see it as a bother or an intrusion because they like to know what is going on. He stated like many other schools, they lost copiers. Mr. Dilliplane stated that they are operating with two fewer than what they had in the past, but they are fine. He stated that if you look at the cost of the copiers, to buy them and maintain them, you are roughly talking about \$6,000 a piece so you are talking about almost \$12,000 in savings and they are doing just fine. Mr. Dilliplane stated that one of the things they experienced at Lehman, since the building is about 10-12 years old, is that at one point and time there were smaller printers in the classrooms but they are dying. He stated that this year seems to be the year of the dying printer. Mr. Dilliplane stated that it seems that every other week someone's printer kicks the bucket. He stated that we are not replacing those because, instead, they are going with a more cost effective solution whereby we may buy one bigger one and put it in a strategic location where everybody on that floor can use it. Mr. Dilliplane stated that it is working well and everyone seems to be happy. He stated that he mentioned earlier that there is roughly \$226 in savings with technology and that is not reflected on the technology information that is in front of the Board because he just did this a week ago. Mr. Dilliplane stated that they had a situation where one document reader was ordered for an entire math department, which was a bigger model, but they switched over to five portable models. He stated that his concern with the one bigger model was that you have a department with roughly 8-10 people that will somehow share one document reader and that will not work. Mr. Dilliplane stated that with people's different schedules, different floors and teaching different periods, it is hard to ascertain when they are going to need that document reader. He stated that what they actually were able to do instead of buying one for \$600 is that they got five for about \$300. Mr. Dilliplane stated that they have a situation now where the people in the department who wanted one will get them and they are saving about \$300. Mr. Dilliplane stated that it is only about \$300 but it is huge with respect to instruction because now you have five people that will be using the technology. He stated that one last thing he will mention is that they lost our after school grant money, so he does not want to lose out on the opportunity to give students extra practice afterschool that they were able to accomplish with that grant. Mr. Dilliplane stated that they are consolidating some of our clubs that are already and have been in place and they are trying to accommodate the kids in the homework club after school.
- K. Mr. Steve Zall, High School North Principal, stated that like the other individuals who presented from each building this evening, obviously, they take it very seriously to be fiscally responsible for taxpayers and for their communities. He stated that in working with the department chairs, they feel they have accomplished that. Mr. Zall stated that yet, once again, for several years, they have worked hard ensuring that they are providing what they need for our students. Mr. Zall stated that some of the things that have occurred and are redundant like the copiers and holds true for their building as far as reducing cost. He stated that after standing at this podium last year for the same presentation and hearing Mr. Dilliplane talk about the postage, he took a couple months to notify our school community that they will no longer be mailing out progress reports and grades. Mr. Zall stated that he reduced postage cost. He stated that he still sends out summer mailings since there are no students in session at that time. Mr. Zall stated that as far as budget projections for next year, they came in over the target amount by \$418. He stated that there are three areas that jump out more than others as to why they would have that increase. Mr. Zall stated that one area was in the Science Department due to cost of additional books. He stated that science is an expensive area when it comes to necessary resources. Mr. Zall stated that physic labs need to match up with maps and having to convert software. He stated that another area is in physical education. He stated that they have worked with a minimal budget in the past. Mr. Zall stated that although they have shown



an increase this year, they are still within the target amount. He stated that the reason for the increase is in them trying to build up and add a cardiovascular unit of instruction within High School North. Mr. Zall stated that this is not anything that they have not supported in the past. He stated that they are looking to bring in bikes, treadmills, etc. to give some additional instructional opportunity for students who are not in the sports or competitive end of it or for those kids who have a medical situation, like a cast on the arm. Mr. Zall stated that the largest area of increase is in the 700 account and or in the instructional account. He stated that what they have there is a budget amount of \$30,000 that they are seeking to upgrade and refurbished their TV studio. Mr. Zall stated that Mr. Dilliplane indicated how old the building is. He stated that they are going on their 12<sup>th</sup> year of use of that studio. He stated that the equipment is outdated and any addition they bring in does not match with it due to technology. Mr. Zall stated that they are very much “jerry-rigging” things together to try to do what they are capable of doing. He stated that it is not to put the instructional opportunities at a disadvantaged. Mr. Zall stated that they are seeking and requesting \$30,000. He stated that they have not sat down to match up all the fine tuning costs for the necessary equipment but they did put the amount of \$30,000, which someone estimated. Mr. Zall stated that this is why you see overage of \$418 for H. S. North. Mr. Gress stated that, once again, he would like to comment that the \$30,000 should not come out of the building budget. He stated that this is a class and is part of the curriculum that we are teaching. Mr. Gress stated that we see the state of the art facility that we have down here and it is only right that he gets this. He stated that according to him, H.S. North’s budget is not over. Mr. Gress stated that it is actually under budget at about \$29,000. He stated that something like this should be under technology to outfit the school properly. Mr. Gress stated that this is not a replacement but should be part of curriculum; therefore, his budget is not over but under. Mr. Brunkard stated that he also sees the large amount on the science program. He stated that as you look at the breakdown, it is a very sensible allocation. Mr. Brunkard stated that the funds are for repairing and maintenance on microscopes for the entire department. He stated that this is the sort of thing you periodically will have to do; otherwise, our students will continue to fall farther behind in science. Mr. Brunkard stated that he would wish that we could do that for \$43,000 instead of \$43, 834. He stated that he really hopes that when people start striking money out of this budget that they don’t take it out of science or from the upgrade in the other facilities of \$30,000. Mr. Brunkard stated that if they can do it for \$29,900, then that is one thing but let’s not just try to wipe out a lot of the money from these things where it is necessary.

#### **Public Participation**

- A. Mrs. Meachem stated that Mr. Zall said that they will be using Progressbook to save on postage, which is fantastic. She asked when will Progressbook be updated to show parents whether or not their children have completed their senior project and the grade that they have received. Mrs. Meachem stated that it did not show it last year or this year. She stated that this is a big problem because in the spring when everyone is getting ready to graduate they find out the grade but it is not on the report card or on the progress report. Mr. Zall stated that they are aware of it, but this is not a budget line item. He stated that they have had conversations with Mr. Borosh and they are in tune with the company, Harris, to try to get this as a line item or a column that will reflect that. Mrs. Meachem asked when will this happen. Mr. Zall said he knows that they are working on it but does not know the timeline. Mr. Borosh said that, unfortunately, when you customize a program change there is cost associated with it. Mrs. Meachem stated that the reason that she is bringing this up is because students don’t graduate and what she had to go through to find out she does not want other parents to go through this. She stated that children do not know the grade or know if they passed this project. Mrs. Meachem stated that around March, they are told that they didn’t pass, causing the students to ask why am I finding out now since this was a year ago. Mrs. Duggins said this should be on the report card. Mrs. Meachem said it is not. Mr. Zall stated what Mrs. Meachem is talking about is that in Progressbook, the way the template is set up, is what they are looking to identify because the senior project or graduation requirement is not a class and; therefore, not built into the Progressbook system. He stated that they are trying to find a way in which to have it where it can show up and be reflected and as progress is being made, parents and staff are able to identify what the status is and where they are at. Mr. Zall stated that they do have the information that Mrs. Meachem is speaking about and it is something that they are addressing and looking into. He stated that another alternative that they can look at might be is that they can convert it to be part of the advisory homeroom and become an assignment in there as opposed to being a class. Mr. Zall stated that they would have to look at the logistics. Mrs. Laverdure stated that this is important and should be looked into right away. Mr. Zall said, “Absolutely”.
- L. Mrs. Irene Duggins, Assistant Superintendent for Curriculum and Instruction, stated that she would like to publicly thank our staff, teachers and administrators. She stated that she knows from a personal perspective how hard they have worked to really search if this is something they must have to deliver a quality program, how can we continue to provide the same or better services and still be fiscally responsible. Mrs. Duggins stated that she wants to thank everybody. She stated that, in the past, they would not have ordered books before emailing back

and forth through schools to see who has extra. Mrs. Duggins stated that her budget has many components. She stated that the first is the gifted budget K-12. She stated that this budget funds five gifted teachers throughout the district who service ten schools. Mrs. Duggins stated that with these funds, we make sure we are compliant with Chapter 16 Regulations for gifted education and that we provide our students with challenging opportunities above and beyond the normal curriculum. She stated that they try to make sure that the teachers participate in IU 20 networking sessions, so that they can network with other gifted teachers throughout the region. Mrs. Duggins stated that there is money for mileage and sometimes for a small fee if they bring an outside presenter. She stated that they have not gone out to conferences in the past two years but she thinks it is important that they send one from every level to remain current on gifted pedagogy and are able to collaborate with each other. Mrs. Duggins stated that we also started trying to have some additional programs for gifted students. She stated that, this year, they started IF Institute where elementary students throughout the district come together once a month. Mrs. Duggins stated that they have a small amount of money in there to help with supplies. She stated that it has been very well received and a very good opportunity for our students to network with each other as well. Mrs. Duggins stated that this also includes any specialized field trips and fees for academic competitions and things like that. She stated that this budget has come in on target.

Mrs. Duggins stated that the next budget is the curriculum and instruction budget which has several components. She stated that the staff development budget funds the staff development days for the district K-12. Mrs. Duggins stated that if you really broke down what we pay for presenters, they are actually doing it for less than \$40 per teacher. She stated that it also includes supplies and training that we need to maintain credentials such as CPR, AED trainings for coaches, physical education teachers and administrators. Mrs. Duggins stated that we also have training materials for passive restraint trainings for our special education teachers, instructional aides, student helpers and so forth. She stated that it also funds the CPE Tracker which keeps track of Act 48 hours and Act 45 hours which teachers and administrators are required to get. Mrs. Duggins stated that this budget has maintained what we had in the past; however, as she gets into the next one, it is what you heard some of the principals say that grant funding has gone away in many cases and substantially reduced in other cases. She stated that over the past three or four years, a large percentage of the professional development cost and academic cost has been funded through grants for the initiatives. Mrs. Duggins stated that we do not see that to be continuing as a trend. She stated that she does not see that she will be turning over more money to the district in the end of the year as she has been able to do in the past. Mrs. Duggins stated that if we take the curriculum and instruction budget, the first part of it is, basically, the funds required to take care of our department in that regard. She stated that she has the same expenses that the principals would have. Mrs. Duggins stated that they have a certain percentage that they have to pay for copiers, certain allocation for postage and home education expenses. She stated that she also takes care of the honors reception for High School North and High School South and any other expenses that may come about. Mrs. Duggins stated that she also included some money, in case she has to bring the teachers in over the summer to do some curriculum work or something that might have been unexpected or something that was decided through school improvement that needed to be done. She stated that her overall budget, because we have lost grant funding and because Mr. Borosh's technology department and her department had to incur some of the recurring costs that we absolutely must have, we worked very hard to see if we can reduce this budget in any way. Mrs. Duggins stated that they were able to reduce it by \$15,321, in addition to the 2% reduction from the beginning. She stated that the second part and the third part fund the elementary initiatives and secondary initiatives. Mrs. Duggins stated that they are not going to start any new initiatives next year, so they are going to maintain what they have been doing. She stated that we will maintain the Maps and Dibels at the Elementary level. Mrs. Duggins stated; however, since they are no longer getting grants for tutoring and no longer are obligated to give tests three times a year, K-12, they are looking at perhaps not administering MAPS testing to grades K-1 where we have other screening tools. She stated that when she mentioned this to teachers, there were big smiles on their face. Mrs. Duggins stated that we are obligated to test and see where students are but at the same time, enough has declared itself. She stated that we do not see this as a significant lost. Mrs. Duggins stated that a couple of years ago, we implemented what is called OLSAT testing in the second grade which is mandated by Chapter 16 to identify our potentially gifted learners as well as identify child find issues for any children that may be in need of special support. She stated that this has been funded by grants for the last two years, so she has to pick up this cost which is about \$8,300. Mrs. Duggins stated that, in addition, this includes any training materials that were not able to be put in the staff development budget. She stated that it will maintain the initiatives that we started. Mrs. Duggins stated that one of the most successful programs that we started was a takeoff from Classrooms for the Future. She stated that the State eliminated the program but we decided to keep our own version of the program going. Mrs. Duggins stated that we started the ETECH Academy and this is our third year now. She stated that we take 30 teachers a year from grades K-12 who commit to year-long intensive training. Mrs. Duggins stated that they meet monthly and are invited to a week-long technology boot camp in the summer. She stated that because these teachers are committing to the intensive training and giving so much of their time and they are not paid for this, this is how we try to give them some tools in the classrooms so they can

integrate the technology that they have been taught. Mrs. Duggins stated that it is a very successful program. She stated that we are also going to maintain what we have started, which is the Reading and Writing across the Curriculum that Mrs. Kulick mentioned. She stated that this is also in preparation for Common Core, Professional Learning Communities, Effective Integration of Technology, Response to Instruction and Intervention and School-wide Positive Behavior Support. Mrs. Duggins stated that the initial funds come from my budget and then the principals maintain the program. She stated that we have all elementary schools that have programs in place, J. T. Lambert and High School South are currently planning this year and by the end of the next year, we hope to have all of our schools participating. Mrs. Duggins stated that this is the elementary and secondary portion of her budget.

Mrs. Duggins stated that the next portion of her budget is for Virtual Academy. She stated that, again, this is very difficult to budget for. Mrs. Duggins stated that she needed to budget for what we might call our optimum expenses if we are able to get more students to leave the cyber charter schools and come back to us. Mrs. Duggins stated that we currently have about 35 students and they opened it up this year for 7<sup>th</sup> and 8<sup>th</sup> graders. Mrs. Duggins stated that they are hoping to really be competitive with the cyber schools. She stated that they are losing a lot of students to the cyber schools. Mrs. Duggins stated that the current tuition that we pay per student for a regular education secondary student as of May 2011, and they alter this number annually, is \$12,692.79. She stated that if a student has an IEP then we pay \$23,004.65; therefore, it is very costly. Mrs. Duggins stated that as of July 1, 2011, the district gets zero funding for these students nor are we allowed to claim them on our basic education subsidy. She stated that we have been running this for about three years and, at most, it probably costs us about \$4,000 per student to operate our own program. Mrs. Duggins stated that this is estimating on the higher end so it will probably be less than that. She stated that the more students we are able to get back then that cost will be different. Mrs. Duggins stated that over the past three years, we use this for credit recovery for our students, which is very in tune now with what we have to do for the four year graduation cohort data. Mrs. Duggins stated that it is now a part of the school improvement plans that we have to show what we are doing to help with that. She stated that sometimes it is more appropriate for a student that makes a bad choice, such as bringing a weapon to school where we are forced to suspend them and instead of sending them to an alternative school at a much higher cost, we are able to maintain them with our own curriculum and in our own Virtual Academy. Mrs. Duggins stated that we really saved the district a good deal of money over the past few years (\$204,902, \$156,802 and 274,861). She stated that it seems like you may, up front, have to put out some money but if you really factor all of that, it is much more efficient for us to run our own Virtual Academy. Mrs. Duggins stated that we also run a summer school which is self sufficient and does not cost the district any money and it is a good service for our students.

Mrs. Duggins stated that the last part of her budget is curriculum and instruction initiatives. She stated that one of the first areas on this, is based on our feedback from our grade 1 teachers. Although we do purchase many consumables from K-2, we have not in the past three years purchased grade 1 math workbooks. Mrs. Duggins stated that they had black line masters and they have been copying from them. She stated that they asked if they can please purchase these workbooks and this was unanimous from the teachers throughout the district. She stated that knowing that the principals' budgets were tight, she decided to put this in the initiative. She stated that she worked with the textbook company and was able to negotiate a deal to buy two and get one free. Mrs. Duggins stated that there is \$2,793.00 in the budget to buy them the workbooks and then she will see how that works out. Mrs. Duggins stated that, also, we are not having any new initiatives but are maintaining the initiatives that we have; however the State has new initiatives for us. She stated that we have heard a lot about the Keystone Exams and the Common Core. Mrs. Duggins stated that by July 2013, we must be prepared to implement Common Core Math and Common Core English Language Arts K-12. She stated that there is a lack of alignment between the expectations of the Common Core, our curriculum and the eligible content for PSSA. Mrs. Duggins stated that there is a lot of work that teachers are currently undergoing; therefore, she put some money in here for math resources, in the event we have to purchase any additional materials or textbooks. Mrs. Duggins stated that, at the same time, we have to prepare for the Keystone biology test. She stated that the State is not giving it this year but next year, our students will need to take that and there is a lack of alignment there as well so we need to pace it differently. She stated that we need to work on grades 6-10 science and replacements will be needed there. Mrs. Duggins stated that the biology teachers are currently working on that. Mrs. Duggins stated that some money has also been included for the textbooks that we may need to replace in science to meet the demands of Keystone biology. She stated, finally, she included some money for summer work. Mrs. Duggins stated that it is very hard to do all of this intensive work and take teachers out of the classrooms. She stated that we will do some of it through release time; but, we will need to do some intensive work over the summer because they do need to work and collaborate on a K-12 basis. Mrs. Duggins stated that there is some money for that, approximately 75 hours. She stated that the other thing that is different when you look at this and this will also apply to the Virtual Academy, is that last year we did not budget for benefits. Mrs. Duggins stated that now in

order for us to have a very clear cost of what something is going to cost, we do not just say the curriculum rate which is about \$28 per hour, but we also budget for the benefits cost. She stated this will go up every year because of PSERS. Mrs. Duggins stated that there is \$1,200 for a new initiative which is another program from the State, Keystone Integrator. She stated that she is going to try to run our own this year. Mrs. Duggins stated that we have been training the principals to understand the effective use of technology in the classrooms. She stated that she would like to recognize some of our teachers and have our own program. In the past, principals nominated teachers and we chose two as a district to send to the State. Mrs. Duggins stated that they then submitted a portfolio and the State chose 100 teachers to participate in the summit. She stated that we thought we would do that and give each teacher that was nominated by their building principal and former Keystone stars as being an outstanding integrator of technology, some type of little pin or award. Mrs. Duggins stated that we would pick our two and invite them to our technology boot camp and then give them, again, some type of technology tool that they would be taught on that they would not have in their classroom. She stated that this will ultimately impact our classrooms and our teachers.

Mr. Brunkard thanked Mrs. Duggins for her presentation. He stated that he thinks she has done as good as job as anybody could in explaining this to us. Mr. Brunkard stated that as he looks at the numbers, everything is under the 300 category, which is for professional contracted services and this is 80% of her budget. He stated that she explained well the total budget of about 1.1 million dollars. Mr. Brunkard stated that she has around \$360,000 under the 300 category and for Virtual Academy. He stated that there is about another \$400,000 involved in curriculum and instructive budget initiatives. Mr. Brunkard stated that she explained some of the necessity for it and we are moving towards the Keystone Exams and that sort of thing, but it seems to be one of those large items that might have some way of attacking to constrict and contain it. He stated that it is supposed that she has been doing all of that and with everybody's help. Mr. Brunkard stated that when we look at the curriculum and instruction budget and set aside the 300 category, it is not a very large budget and he can see where all supplies are accounted for. He stated that in the past years, we have attempted to vitalize our instruction and over the past years with different programs and the import in places like Step by Step. Mr. Brunkard stated that although we did not go forward with those, he views curriculum & instruction as being one of those areas where we either utilize the people who we have in place or we import, at some expense, programs that help the people who are in place to be more functional in doing so. He stated that he does not know as the process goes forward and we start to approach Keystone Exams or we get different test results from our students, which path we are going to take. Mr. Brunkard stated that he is an outgoing Board member but he would just say, in this process, to please let us not spend undue amounts of money on importing programs that say that they will help us except for where you have the idea that you are going to spend the money one way or another. Mrs. Duggins stated that most of the staff development that we are doing is through the IU 20 and there is no fee for them. She stated that the 300 category is called contracted services but that is to pay the teachers that are doing the work or presenting at our conferences. Mrs. Duggins stated that the Business Office breaks this cost to include the benefit within their 100 or 120 accounts. She stated that this includes the cost of paying the teacher to do the curriculum work, to present the workshops and it includes breaking it down to pay their benefits. Mrs. Duggins stated that this has not been budgeted in the past. She stated that in order to have a good idea of what it will actually cost us, we cannot say it will cost us \$28 an hour when, in fact on top of that, we have to pay PSERS, Social Security, State and Local taxes, etc. Mrs. Duggins stated that this is new and pretty substantial. Mr. Brunkard stated that he was just making a comment on the sort of things that have been tried in the past, where things might go in the near future and all that relevant to the budgetary approach. He stated that he understands where Virtual Academy might replace cost that would be incurred otherwise. Mr. Brunkard stated that he understands that sometimes it is more expedient, efficient and from the clock point of view, easier to buy something that has already been developed, in place and can be implemented rather than develop it ourselves. He stated that we had recent experience in rather expensive programs and half million dollar programs where we decided not to go forward with it. Mrs. Duggins stated that, unfortunately, she does not have the grant funding to do that and the district would not be able to sustain it. Mrs. Duggins stated that we do need to, if the teachers develop the programs and work with her to develop it, release them from the classrooms or pay them to develop programs. She stated that this is why we put the money for paying the teachers who helped developed these things. Mr. Brunkard stated that his comments were not criticism because it looks to him that she is on track with the budget and explained it well to them. He stated that this was a warning shot because of past experience of what we attempt to do sometimes in the process of curriculum and instruction.

- M. Mr. Cole stated that he would like to recognize some individuals, who are in the audience tonight, who have gone through the Primary and General elections yesterday and to the best of his knowledge, have succeeded. He stated that those individuals who, unofficially will be coming on the Board are: Eileen Featherman, Marjorie James and Roy Horton. Mr. Cole stated that there was a fourth person but he left before he could find an appointed time to

acknowledge them and that is Mr. Meachem who was with us during the early part of this session. He stated that one other one that is not here this evening and who will also be coming on board is Mr. Ron Bradley. Mr. Cole stated that Mr. Searfoss was the incumbent who was successful in getting reelected to his current position on the Board. Mr. Cole stated that you have a lot of work ahead of you as you can see. He stated that he thinks it is admirable to see these individuals glean some of this information that may be helpful to them for the December Board meeting.

- N. Mr. Brian Borosh, Director of Instructional Technology, stated that he will try to keep this as painless as possible to try to get them out of here in a couple minutes. He stated that within the technology budget there are several sections. Mr. Borosh stated that there are his department budget, initiatives budget, lease initiatives budget, lease part for years 2, 3 & 4 and there is an instructional technology software part for district-wide software. He stated that on page 7 there is the technology budget which has the cost associated with district technology to keep the technology department operational and to provide technology district-wide for operational and instructional purpose. Mr. Borosh stated that the increase from last year is because the cell phones were added to his realm of responsibility so he added this into this part of his budget. He stated that Microsoft Office licenses were split between this budget and initiatives but when he spoke to Mrs. Bader, they felt it was no longer an initiative because it is a recurring cost so that part was moved over into the department budget. Mr. Borosh stated that the initiatives part of the budget is on page 13. He stated that, as Mr. Gress indicated before, some things are still being done at the school level. Mr. Borosh stated that Mrs. Laverdure, Mrs. Bader, Mrs. Duggins and he discussed this and they decided that they need to start pulling back from a school based philosophy to a more central philosophy. He stated that there is an increase in this area because they are budgeting for TV replacements for Bushkill Elementary and J.M. Hill Elementary as these schools are up for computer replacements in the 2012-2013 school year and, as part of that, we want to have new TVs in those buildings. Mr. Borosh stated that this is something that he has not budgeted before. He stated that TV replacement at Bushkill Elementary, since it was built in 1998, has not received new TVs. Mr. Borosh stated that the TVs at J.M. Hill Elementary were there when Mrs. Laverdure was Principal; therefore, they are quite old. Mr. Cole stated that was a long time ago. Mr. Borosh stated that they decided to incorporate that as an initiative in his budget. He stated that the other items are for printers between the ten schools and other minor things like servers. Mr. Borosh stated that lease initiatives are what we are looking at procuring as part as the district computer replacement cycle. He stated that on page 25, it has the purchase projections that we will see for 2012/2013. Mr. Borosh stated that J. M. Hill Elementary, Bushkill Elementary and East Stroudsburg Elementary are up. He stated that J. M. Hill Elementary will be in its fifth year, this year, so they are one more year than the four-year cycle. Mr. Borosh stated that we decided to hold off on procuring computers until the 2012-2013 school year because of with the building renovations that will take place at JM Hill this summer. He stated that the JM Hill computers will be a straight purchase, (as opposed to the typical lease agreements we enter into) through QZAB Program so it is in the capital reserve budget and not in his budget. Mr. Borosh stated that we are also looking at the Classrooms for the Future program that the State started a few years ago. He stated that they are looking to replace year two and three machines at both High Schools which are about 480 computers. Mr. Borosh stated that throughout that section you can see the breakdown building by building and see where everything is supposed to go and the accompanying quotes.

Mr. Borosh stated that the next section is for debt services with the year 2, 3 & 4 leases. He stated that on page 44 is the explanation and lease schedule and what they are for. Mr. Borosh stated that accompanying that are pages 45-46. He stated that on page 46, it gives us a historical perspective. Mr. Borosh stated that it tells us what cycle the buildings were on, the leases they were on prior to when they started, when they ended, how many computers were replaced and what the accompanying figure was with that. He stated that one part of that, there was an increase for next year because if you look back last year, we included network equipment and server equipment. Mr. Borosh stated that this was always paid by budgets in the past but we decided to enter into a lease with that. He stated that on page 49, it has that his budget is over the targeted amount by \$52,251. Mr. Borosh stated that one reason is that Study Island, which was paid by a grant was cut by the State and now it will be covered by his budget. He stated that they entered into three new programs this past year like Teachscape which cost \$5,000 for the recurring fee for maintenance, TexthelpRead and Write Gold, and Dragon Naturally speaking for low learners and special education students. Those programs we bought with ARRA IDEA money and we own it but this is for the maintenance and recurring fees for software upgrades and things like that.

Mrs. Bader stated that between the preliminary budget and the final budget, we will be moving all telephone costs from Mr. William's budget to Mr. Borosh's budget.

Mr. Gress asked with the telephone and grant funding, are we realizing all the savings and costs that were promised to us with the five year contracts. Mr. Borosh stated that Mr. Cooke tends to review the phone bills

every Friday and we have considerable savings in that area. Mr. Gress stated that he is speaking about eRate funding. Mr. Borosh stated that, right now, we are in the review process and out of all the entities in the State that applied to for eRate, he believes 72% of those entities have been funded so far this year. Mr. Gress stated that this was something that was guaranteed to us as part of the whole process. Mr. Gress stated that Mr. Borosh has the TVs for certain schools here so High School North and other schools, in his opinion, should have their TVs rolled into his budget too because if we are doing it for J. M. Hill and Bushkill Elementary, other schools should be replaced, too. Mr. Borosh stated that they are looking at a long term plan for that, similar to the replacement cycle for the computers. He stated that they will include all; but, will replace them over the course of a couple of years, since we cannot do them all at one shot. Mr. Borosh stated that we are starting with J.M. Hill Elementary and Bushkill Elementary because the computers are being replaced at both schools. Mr. Gress stated to make sure that when we are purchasing the printers, we are not buying to save on the printers but spending more money on cartridge costs. Mr. Borosh stated that we are buying replacement toner at a cost of 15% less than the genuine toner. Mr. Gress stated that he sees what Mr. Borosh is saying but sometimes you get free printers. Mr. Borosh stated that we do not go that route. Mr. Gress stated that he is also talking about the large copiers because they get expensive. He stated that we should go to those vendors of the old leases and tell them we can go with them off the State contract and not go with somebody else if we can get rid of old leases that are killing us. Mr. Gress stated that they should go for a 3-5 year lease because many schools have leases expiring next year or the following year. Mr. Gress stated that at the County, they did this since they realized the economy how it is, they said okay and they got rid of existing lease if they agreed to sign up for 3-5years. He stated that everything is cheaper such as usage, electricity, etc. Mr. Gress stated that this is just a thought for down the road.

Mr. Borosh stated that the buildings added copiers because they had an explosion in student population and maybe they weren't the right size at the time but now with student population dropping off, we feel everything is the right size for the building. He stated that teachers seem to be happy with them and we heard the testimony of principals who got the new copiers. Mr. Gress stated not from the ones that have the old copiers. Mrs. Bader stated that because every lease we have with Xerox has a different end date, they have a plan where we can get on two replacement cycles for the buildings. She stated that we can take those copiers of the buildings that are not off and move them to the administration building just to use up the lease. Mrs. Bader stated that, in addition, the copier vendor said we can have the pricing that we got for this current fiscal year for next fiscal year as an add on to the current lease, so we are looking into those options. Mr. Gress stated that nothing against Xerox, but they are the most expensive. Mr. Borosh stated that based on the RFP's received, they were the most expensive. Mrs. Bader stated that it was really for performance. Mrs. Laverdure stated and also for the lease satisfaction. Mr. Gress stated that he has gone through copier bids three times, and many more than here, and now he is doing bids for the fourth time.

Mrs. Bader stated that we are going to be referring to the budget binders at the November and December meetings, so if they would like to place them on the cart, the Business Office will update them for you and have them for you at the meetings instead of dragging them back and forth, unless there is something they want to refer to.

Mrs. Laverdure thanked the Administrators for their time this evening and for all the hard work they have done.

**IX. PUBLIC PARTICIPATION --** Agenda Items Only

**X. BOARD COMMENTS AND POSSIBLE ACTION REGARDING BUDGET ISSUES**

**XI. FISCAL ITEM**

**A. 2006/2007 & 2007/2008 AUDIT PERFORMANCE REPORT**

**ACTION BY THE BOARD:**

Motion was made by Robert Cooke to adopt and approve the response and corrective action plan as prepared by the Administration and presented at this meeting regarding the Auditor General's 2006/2007 and 2007/2008 Audit Performance Report, subject to such revisions as may be agreed upon by the Board, at this meeting. Motion was seconded by Robert Huffman and carried unanimously, 5-0.

(See pages 3-7)

**Public Participation**

- A. Ms. Michal Peterson asked when were the invoices from Shawnee Academy sent and when does the district expect reimbursement for them. Mrs. Bader asked which one she is referring to. Ms. Peterson stated that she is speaking about the ones that are listed in the letter from the different districts. Mrs. Bader asked if she is speaking about the ones that total \$182,258.59. Ms. Peterson said, "Correct". Mrs. Bader stated that they have been sent out over multiple fiscal years going back to 2004/2005. She stated that the district has asked the State, as our right is, to have it withheld from the subsidies of those districts and we are waiting for the State to comply. Ms. Peterson asked if the State has to make that decision or do we know that it will be accomplished. Mrs. Bader stated that we do not know that it will be accomplished. She stated that we have asked them twice because the districts won't pay us. Mrs. Bader stated that the district has asked PDE twice to withhold it from subsidies and we are just waiting. Ms. Peterson asked if we have any type of deadline. Mrs. Bader said, "No".
  
- B. Mr. Gress stated that he appreciates all the comments that we are submitting to the State. He asked if we currently have everything in place to make sure that none of them occur again. Mr. Gress stated that he knows that we are following procedures for bidding and monitoring the other items. He stated that some things cannot be explained since Mrs. Bader was not here when these occurred but he wants to make sure, for the record, that we have everything in place to make sure it does not happen again. Mrs. Laverdure stated that, actually, it started to be in place a year ago. Mr. Gress stated that he realized the bidding thing on a couple of them and thanked the district for the information.

**XII. ANNOUNCEMENTS/INFORMATION**

**XIII. ADJOURNMENT 8:05 P.M.**

Respectfully Submitted,

Patricia L. Rosado  
Board Secretary