

SCHOOL BOARD FINANCIAL WORKSHOP

GADSDEN COUNTY SCHOOL BOARD
MAX D. WALKER ADMINISTRATION BUILDING
35 MARTIN LUTHER KING, JR. BLVD.
QUINCY, FLORIDA

April 22, 2025

4:30 P.M.

The workshop was open to the public and electronically recorded.

The following Board members were present: Mr. Leroy McMillan, Chairman; Ms. Cathy S. Johnson, Ms. Stacey S. Hannigon, Mr. Steve Scott and Mr. Charlie D. Frost. Also present were Mr. Elijah Key, Superintendent and Secretary to the Board; Mrs. Deborah Minnis, Attorney for the Board; and others.

1. Call To Order

The workshop was called to order by the Chairman, Mr. Leroy McMillan, at 4:39 p.m.

2. Financial Information

• 2025 – 03 Board Revenue Summary Report

Mrs. Bruner stated that the finance team has been working diligently adding in cash receipts and amounts that are deposited into bank accounts from the time they had to print out the revenue and expense reports for the workshop. She stated that so far this year \$1.7 million has been recorded. She stated that the one that is not in the report is what the district receive each month from the State and the amount that come in from taxes. She stated that the revenue report shows the lower lesser amounts because they were the easy ones to enter. She stated that at the next Board meeting there will be a large increase in the revenue balance. Mr. McMillan stated that the \$1.7 million was on page 4 of the revenue report.

• 2025 – 03 Board Expenditure Summary Report

Mrs. Bruner stated that there was nothing new to report in the expenditure summary report. She stated that the year-to-date activity is shown in the report. She stated that there are a large number that is in the draft process. She stated that the numbers have to be recorded. She stated that there will be a better prospect next month, coming in and going out. She stated that the finance department have begun to work on the bank reconciliation. She stated that the PAEC Gateway Contract is a 3-year contract. She stated that the contract amount is \$2,800 dollars. She stated that this contract is for the district's desktop support and skyward finance. Mr. McMillan stated that he wanted to know why the Board was just seeing the contract. Mrs. Bruner stated that Gateway recently sent the contract. She stated that the contract needed the Board's approval. Ms. Hannigon stated that in the midst of transitioning there is a lot of catching up to do when it comes to contracts. She stated that she hoped that there aren't any other contracts that are not updated. Ms. Bruner stated that she spoke with PAEC and the contract will be updated in the system. Ms. Hannigon wanted to know if there was one person in the district over contracts. Mr. McMillan stated that currently each director is in charge of their contracts. Mrs. Bruner stated that she keeps record of contracts for the finance department.

Mr. McMillan asked if the 1099 forms had been sent to the vendors. Mrs. Bruner stated that no, and that an extension has to be filed. She stated that for some reason they are not able to access the pin number to upload the information. She stated that constant calls have been made to IRS to take care the problem. She stated that in the meantime, vendors have been given their payment information.

Ms. Johnson stated that at the last meeting she asked where the district was with federal funds, because they were informed that the federal funds had been frozen.

1. What are the bank balances in all of the accounts (examples, everyday checking, State Board administration, insurance account, and savings account)?
2. Are there any interest earned? She stated that she wanted the Board to get a copy of that information.
3. Can you provide a detailed report on available funds and all project numbers?
4. How do these funds line with our expenditure needs? She stated that she would like the Board to have a copy of that information.

Mrs. Bruner stated that she would provide all the requested information from Ms. Johnson to the Board.

Ms. Johnson – 5. How many federal fund projects disbursements reports, the 399's are still outstanding to the Florida Department of Education? Mrs. Bruner stated that only the ones related to ESSER. Ms. Johnson – 6. Can you provide me with proof of that information and who has been given their award letters? Mrs. Bruner – responded yes, there are copies of the award letters, and there were two grants where the funds were drawn down, but no expenditures were made. She stated that money would have to be returned back to the State. She stated that the grant funds were never put into Skyward. She stated that the departments were not given the codes needed to make expenditures. Ms. Johnson – 7. Whose job would that be? Mrs. Bruner responded that was the job of the previous finance director. Mr. Scott questioned which federal grants. Mrs. Bruner stated that one of the grants was for \$10,000 the other was for \$15,000. Ms. Johnson – 8. With the number of staff that in the finance department on board right now, did you not catch that information? Mrs. Bruner stated that there was not anyone dedicated to grants until recently. She stated that when the department came on board with the staffing changes, the budget manager was still doing payroll. She stated that the budget manager is now working full time with budgeting. She stated that the finance department is now in the process of working to get grant sheets online. Mr. Key stated that this was grant funding from the previous year. He stated that Mrs. Bruner was not the individual responsible for those grants at the time. He stated that she is correcting and ensuring everything has been spent. Mrs. Bruner stated that as far as the current year., the finance department is taking the necessary steps to make sure nothing is lacking behind. She stated that the budget manager is Ms. Deborah Young and she will be handling the monthly reports to make sure everything is on point and the reports to DOE are accurate. Ms. Johnson – 9. What is the projected cash flow, of the next quarter, or the end of the school term and will the district be able to sustain our extended school year, and the 3rd grade reading camp? Mr. Key stated that all those things are taking care of through federal programs or federal grants. He stated that there will be more than enough money to take care of the 3rd grade reading camp and any other camps. He stated that all of the summer programs are taken care with grant monies. Mrs. Bruner stated that the summer program for the ESE students will be taken care of through the required maintenance and effort. She stated that only a portion will flow through the general funds, the remaining are grant funded. She stated that in regards to tracking the cash flow, the department is currently not to the point where we can manage the tracking. Ms. Johnson – 10. Were the federal funds frozen? Mrs. Bruner responded yes the federal funds were frozen. Ms. Johnson – asked when the federal funds are frozen how does the district sustain, and how are the bills paid? Mrs. Bruner stated that the district was able to draw down some of the federal funds that were frozen. She stated that the majority of the funding comes through the State and those were scheduled. She stated that did not impact the district's cash flow and bills were being paid. Ms. Johnson – did it impact our vendors? Mrs. Bruner stated that vendors were not impacted. Ms. Johnson – 11. How often are we learning the status of federal fund and expenditure? Can we implement more frequent reporting? Mrs. Bruner stated that the finance department does not have a tracker or a list of every federal dollar that is coming in. She stated that we are only frozen with the State, funds are being drawn down through the FLAG system. She stated that once the ESSER funds are reconciled, funds will be available to draw down. Ms. Johnson – So. The Flag system is frozen at this time. Mrs. Bruner stated that yes, but she was given access to pull the reports. She stated that once the ESSER reconciliation is completed, the funds will be available to draw down. She stated that for right now the district has been surviving on monies in the general funds, State funding and taxes. Ms. Johnson - So, we are able to sustain at this time. Is there anything else we should be made aware of at this time. Mrs. Bruner stated that the

district is not in a financial pit fall. Ms. Johnson – 12. What measures are being put in place to prevent future delays? Mrs. Bruner stated that the district is working with different partners from surrounding counties to see how they handle things and the auditors since they are in house. She stated that department is in the process of developing the proper procedures and putting everything in place. Ms. Johnson asked once that information is in place please provide the Board with a copy. Ms. Johnson - 13. What is the contingency plan? What plan do we have in place to make sure the district can operate effectively? Mr. Key stated that Mrs. Bruner is not the one that makes the decision when it comes to contingency. He stated that everything Mrs. Bruner has been saying is putting things in place to make sure this doesn't take place ever again. He stated that she has been balancing and cleaning up the prior year. He stated that the finance department has been doing a wonderful job keeping the district afloat and making sure the process and the procedures are in place. He stated hats off do the finance department. He stated that they are juggling prior information as well as the current year. He stated that the auditors and State are pleased with the direction the district is headed. Mrs. Bruner stated that when it comes to contingency, finance has had a heavy workload. She stated that with these type of analysis, she would love to be performing at a higher level but the department is not there yet, but are aiming to get to that point as preparation begin for the next fiscal year. Ms. Johnson stated that she thinks it would a good idea to know if any federal funds are frozen before voting. She stated that the Board had no idea. She stated that information should be brought forward. She stated that previously there were no issues with the 399, is there a reason we do now? Mr. Key stated that is not true, there were issues in the past with the 399's. He stated that all the things you are asking are what led to the conversation he had with DOE. He stated that Mrs. Bruner is doing things accurately and it's going to take time to clean up the prior year and trying to stay afloat. He stated that the district will not have these issues in the 25-26 year because corrections are being made. Mrs. Bruner stated that not all of the federal funds were frozen. She stated that the district still had access to most of the funds through the Flag system. She stated that the district is not in any calamity. Ms. Johnson stated that funds can be drawn down. Mrs. Bruner stated that the system is open where funds can be drawn down quarterly, or monthly. She stated that districts can choose how they wish to draw down funds. She stated that in the past supporting information could not be found to support why funds were drawn down, and is what caused questioning and an investigation with DOE. She stated that moving forward the Board will receive information from the finance department. The department will be more transparent. Ms. Johnson – 14. Did you say the RSV were frozen at this time, and allowed you to receive some information? Mrs. Bruner stated that the Flag System used to draw down funds was frozen. She stated that once the ESSER Grant reconciliation is complete and sent to the State, the Flag system will open up and funds can be drawn down. Mr. McMillan stated that he was at the auditor meeting last week and the two people that sat in that office were very please in the direction the district was heading. He stated that he was informed that if the contract was renewed from the past director, the district would not have been far with the State coming in. He stated that the district was in a complete mess. He thanked Mrs. Bruner for getting the district in the right direction. Mr. Key stated that just for clarification Mr. Chairman, they were talking about years, not just the last 3 years. He stated that in regards to pulling down funds, Mrs. McGriff can verify that monies can be encumbered. Ms. Hannigon stated that she had the chance to set in the finance director's office and was able to sit, learn and get a better understanding. She stated that she understands that a report is received every month and when looking at the report it is not what I should be looking at, it's what I should be looking for. She stated that hopefully the gaps in the district will be diminished and we can get over the hiccups. She stated that she totally acknowledges all the work being done and the effort. She stated that that the district should have some kind of system that can be put in place the knowledge and provide the data to help us, so this does not happen again. She stated that she was hopeful that the district gets to a better place. She stated that she realizes that there is a lot of education for staff. Mrs. Bruner stated that there is a plan already in place and procedures will be set in place. She stated that everything will be put in writing, the website developed and training scheduled. Ms. Hannigon stated that when you mentioned Ms. Kathy, we know that Ms. Kathy is one person. Is there a need for additional bodies if temporary to help the finance department, and if we do, is there available funding? Mrs. Bruner stated that having knowledgeable people on Board would help. She stated that different things were looked at and are hoping that next year something can be done a little different. She stated that the department is

trying to manage what it has and what can be done at this time. She stated that it will take at least a year or two to get everything caught up. She stated that the department is working with the auditors. Mr. McMillian stated that he wanted to make sure the 1099's are taken care of and on time. He stated that he wanted to make sure the district stays within its financial budget. Mrs. Bruner stated that a plan is in place. She stated that in the past a lot of things were copied and pasted. She stated that she wanted to make sure everything is accurate. She stated that beginning the next fiscal year there will be more charts and graphics. Mr. McMillian thanked Mrs. Bruner.

3. Facilities Update

Mr. Hudson stated that the summer months are the coming and is the best time to get things fixed and taken care of. He shared with the Board information on the following: George Munroe - pictures of portable heaters. He stated that the system was old and in the process of being repaired. He stated that United Rentals gave the district support). Carter Parramore Academy – the district contracted a vendor to do steam cleaning. He stated that the units can start back up once the cleaning is complete. Stewart Street Elementary School – the picture showed the new equipment. He stated that weed covering will be provided that will help keep the units working longer. Havana Magnet School – there was some wash out and some sagging around the roofing area. He stated that the area would be cleaned. Gadsden County High School – the school will be re-keyed. Walker Building – flooring is an issue in the restrooms. He stated that there was a possibility there may be more of an issue until we go underground. Mr. Scott stated that he believes it is going to cost to repair the flooring because it started on one side then another. Ms. Johnson wanted to know if there will be a new system in place to keep track of the keys. Mr. Hudson stated yes, he would have one of the maintenance workers (Mr. Josh) who is working with Mr. John Thomas to have everything electronically. Mr. Key stated that one of the systems that will be put in place will be for employees who leave the district to turn all school items before leaving, if not a paper check will be held until items are received. Mr. Frost wanted to know if a policy or procedure needed to be put in place. Mrs. Minnis stated that it would be a procedure to notify staff.

4. Educational Items by the Superintendent

None.

5. School Board Requests and Concerns

None.

6. The workshop adjourned at 5:55 p.m.