

Agenda Item: 1690  
PREP Board: 6.12.2013

**PIEDMONT REGIONAL EDUCATION PROGRAM  
BOARD MEETING  
May 22, 2013**

The PREP Joint Board of Control met on Wednesday, May 22, 2013, at 10:00 AM at the Albemarle County Office Building, located at 401 McIntire Rd, Room 235, Charlottesville, Virginia.

**BOARD MEMBERS PRESENT:** Mr. Ned Gallaway, Albemarle County Schools Representative, Ms. Leah Puryear, Charlottesville City Schools Representative, Ms. Elizabeth Hutchins, Culpeper County Schools Representative, Ms. Brenda Pace, Fluvanna County Schools Representative, Mr. Jason Collier, Greene County Schools Representative, Mr. Jim Nelson, Madison County Schools Representative, and Ms. Jane Mays, Nelson County Schools Representative

**BOARD MEMBERS ABSENT:** Mr. Greg Strickland, Louisa County Schools Representative and Mr. Chris Ubben, Rappahannock County Schools Representative

**STAFF MEMBERS PRESENT:** Dr. Tom Smith, Acting Executive Director: Ms. Joanne Tyler, Clerk: Mr. G. Rodney Young, PREP Board Attorney

A listing of Superintendents and Directors in attendance is on file in the PREP office.

**Agenda Item No. 1. Call to Order – Approval of Agenda** Madam Chair called the meeting to order at 10:10 am.

Mr. Ned Gallaway made a motion to approve the agenda and Mr. Jason Collier seconded the motion. The motion passed unanimously.

**Agenda Item No. 2. Consent Agenda**

- 1676. Minutes of the April 24th Meeting
- 1677. Minutes of the May 9<sup>th</sup> Meeting
- 1678. Review of List of Claims for April 2013
- 1678. Review of Expenditures for April 2013 (A–E)
- 1680. Custodial Invoice
- 1681. Approval to Appropriate and Expend \$40,964 in Charlottesville Medicaid Carryover Funds
- 1682. Approval to Appropriate and Expend \$70,708.39 in Fluvanna Medicaid Carryover Funds and \$13,120.67 in PREP Carryover Funds
- 1683. Approval to Appropriate and Expend \$17,762.50 in Contingency Funds to pay Acting Executive Director

**Agenda Item No. 3 Action Items**

**1684. Approval of the Consent Agenda**

Mr. Ned Gallaway made a motion to approve the consent agenda and Ms. Elizabeth Hutchins seconded the motion. The motion passed unanimously.

Mr. Ned Gallaway informed the Board, item 1683 includes FICA tax.

**1685. Approval to Appropriate and Expend \$27,809.57 in Contingency Funds to pay Attorney Fees.**

Ms. Jason Collier made a motion to approve the Appropriation and Expenditure of \$27,809.57 in Contingency Funds to pay Attorney Fees and Ms. Elizabeth Hutchins seconded the motion. The motion passed unanimously.

Mr. Ned Gallaway informed the Board that the amount owed in Attorney fees are March \$13,131.62 and April \$14,677.95 bills. The March bill has already been paid without the approval of the Board. It was paid out of a line item, 3000, that the Board approved for the process audit and this action is repaying back the line item and paying the current legal fees due.

Mr. Gallaway informed the Board there will be more legal fees to pay and inquired if the Board wanted to pay the fees as they come in or spread them out over time, if appropriate from accounting standards.

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Dr. Smith cautioned the Board from paying invoices that were incurred during this fiscal year after July 1<sup>st</sup>. The auditor will accrue those fees back automatically. Even though a line may go over, as long as your bottom line is not over, then it evens itself out. Dr. Smith mentioned as an example; an August bill comes in that was for services in May or June, the auditors will subtract it off the final line.

Dr. Smith mentioned that he has had discussions with Dr. Atkins about PREP historically returning money that was left over from the budget to the appropriate localities, not the shared service revenue, the budget revenue and his recommendation for this year would be that PREP does not return any left over money from the budget, aside from the shared services, but apply it to the contingency funds.

**1686. Approval of FY2012 Financial Statement.**

Mr. Ned Gallaway made a motion to approve the FY2012 Financial Statement and Ms. Brenda Pace seconded the motion. The motion passed unanimously.

**1687. Approval of the FY2014 PREP Operating Budget.**

Mr. Ned Gallaway made a motion to approve issuance of contracts for 2013-2014 for the existing employees at their existing salaries with the exception of those who will be recommended for non-renewal and Mr. Jason Collier seconded the motion. The motion passed unanimously.

Dr. Smith reminded the Board the PREP Budget was presented during the January and February Board meetings. Dr. Smith informed the Board, he did receive confirmation from the Superintendents confirming their individual budgets with PREP. Dr. Smith mentioned he was directed to keep all existing salaries as is from 2012-2013, there will be no step increases and no cost of living increase. The only increase was in VRS. He notified the Board, the previous director had put in the previous budget the 11.66 % employee share but did not put in the 3% of VRS of the full 5% of VRS is paid by the employee. He confirmed this with the Fluvanna and Charlottesville Finance Directors.

Dr. Smith noted specific Assumptions: Programs and enrollment will increase/decrease in 2013-2014 in the following manner: Education and Related Service program by 219; A corresponding reduction in two (2) full-time PT staff; Multiple Disabilities and Autism self-contained program increases by six (6); Emotional Disabilities self-contained program decreases by two (2); Ivy Creek School decreases by four (4) students; and the Hearing Impaired program decreases by four (4) students.

Madam Chair informed the Board that she, Dr. Atkins, Ms. Keller, Ned Gallaway, and Ed Gillespie met with PREP and Ivy Creek Staff a couple of weeks ago to introduce Dr. Smith as the Acting Executive Director and to inform them of VRS and the impact it would have on their salaries come July 1st.

Dr. Smith informed the Board he does not like preparing a Budget in the manner in which it has been. Dr. Smith mentioned to the Board that the Expenditures do match the Revenues and that they could approve the Budget now to let out contracts and come back in June to make adjustments.

Ms. Keller informed the Board that Fluvanna has not adopted a Health Insurance Plan as of yet. Health Insurance for Fluvanna Staff will increase 18% and with PREP it will increase 25% if Fluvanna goes with Coventry. Ms. Keller informed the Board there is an additional cost to including PREP in the plan of \$216,100 for employees. Ms. Keller informed the Board there needs to be a plan on how PREP and Fluvanna share the cost. She mentioned Fluvanna cannot absorb that on their own and she cannot ask her employees to pay additional costs. She asked that there be some formulated approach to deal with this. Ms. Keller suggested meeting with Dr. Smith, the finance director from Charlottesville and Fluvanna and the PREP Attorney to discuss this and come back to the Board with suggestions. Ms. Keller mentioned she wants to have an approved Memorandum of Agreement (MOA) by both Boards by June. Currently the PREP Attorney is reviewing the MOA. Ms. Keller mentioned that increases may need to be made, and it may not happen with the Budget that was just presented.

Mr. Young informed the Board that he did review the MOA and sent it back to Fluvanna the day before. There were three items in the MOA that he did not alter but would leave it to the Board for consideration and determination; (1) administrative fee. (2) health insurance (3) Fluvanna wants PREP's personnel/payroll policies to be in agreement with Fluvanna. Mr. Young felt that these are Board decisions, not a lawyers decision.

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Dr. Smith informed the Board that PREP does have liability insurance through VSBA with errors and omissions.

Dr. Atkins recommended the salary scale is specific in noting there was neither a step increase nor a cost of living increase.

Mr. Gallaway and Mr. Young requested that any questions and concerns concerning the Budget be sent to Dr. Tom Smith prior to the June meeting so he has time to address them.

Mr. Gallaway requested that Fluvanna present the Board with justification for the Admin Fee of \$1000.00 each employee.

Dr. Atkins asked the Superintendents to confirm that their local budgets have been approved. All Superintendents present verified their budgets have been approved.

Madam Chair asked for volunteers for a Budget Sub-Committee: Dr. Eberhardt, Ms. Keller, Ed Breslauer and Dr. T. Smith. Dr. Collins will serve as a substitute as needed.

**1688. Approval of appointing the Fiscal Agent for FY2014.**

Mr. Jason Collier made a motion to approve the Fluvanna County School Board in conjunction with the Fluvanna County Treasurer as the fiscal agent for PREP for 2013-2014 and Ms. Elizabeth Hutchins seconded the motion. The motion passed unanimously.

Mr. Young reminded the Board that by law, the Treasurer of the County is the fiscal agent.

**Agenda Item No. 4 Information Items**

**1689. Transition Program Grant Proposal**

Dr. Smith mentioned that this proposal has come before the Board previously, and that PREP is asking for permission to apply for the Grant.

Dr. Smith will investigate the deadline for the grant.

Important dates to remember:

- A. Ivy Creek School Carnival – May 29<sup>th</sup>, 12:30 – 2:30 pm
- B. Ivy Creek School Talent Show – May 30<sup>th</sup>, 1:00 pm, Ivy Creek Gymnasium
- C. Ivy Creek Graduation – May 31<sup>st</sup>, 1:00 pm, Ivy Creek Gymnasium

Mr. Young suggested the Board come up with a process for a seeking an Executive Director for PREP. He mentioned the Board needs to come up with some concrete recommendations in terms of the process:

- 1. Does the Board conduct a search using existing Board and Staff Personnel by creating a sub-committee in order to initiate and follow through on the entire process of the search
- 2. Does the Board retain a consultant firm

Ms. Keller volunteered Fluvanna to post the position and run the position through her Human Resource Office. Ms. Keller reminded the Board to e-mail her any revisions/suggestions to the PREP Executive Director Job Description.

Sub-committee for the Executive Director Job Description and process was created: Ned Gallaway, Jason Collier, and Dr. Collins.

Mr. Jason Collier introduced Greene County's new Special Education Director, Ms. Mindy Shifflett.

Ms. Brenda Pace requested that the Board recognize Dr. McManus for her dedication and service to PREP. Dr. Smith informed the Board that staff have requested an end of the year gathering to include Dr. McManus and present her with a gift of recognition. Madam Chair requested that Dr. Smith and the Clerk work together on a gift for Dr. McManus.

**Agenda Item No.5 Closed Meeting**

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There was no Closed Meeting

**Agenda Item No. 6 Certified Closed Meeting**

**Agenda Item No. 7 Adjournment**

Mr. Ned Gallaway made a motion to adjourn and Mr. Jason Collier seconded the motion. The motion passed unanimously. The Meeting adjourned at 12:05 pm.

Respectfully Submitted:

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Chairman, PREP Joint Board of Control

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Clerk, PREP Joint Board of Control