



Financial Oversight Committee Meeting

1829 Denver West Dr., Building 27
Golden, CO 80401

Meeting Minutes

March 6, 2018 – 10:00 a.m.

Financial Oversight Committee (FOC)

Members Present:

Brian Ballard
Mike Bestor
Mary Everson
Chris Johnson
Gordon Calahan
Scott Tarbox

Committee Members and Staff Absent:

Bob West

Staff Present:

Dr. Jason Glass, Superintendent
Kathleen Askelson, Chief Financial Officer
Steve Bell, Chief Operating Officer
Nicole Stewart, Budget and Treasury Director
Stephanie Corbo, Finance Director
Debbie Rainguet, Exec. Asst. to CFO

Independent Auditor and Other:

Paul Niedermuller, CliftonLarsonAllen, LLP

Approval of Minutes: Scott Tarbox moved to approve the minutes from February 6, 2018. Gordon Calahan seconded. The minutes were approved as presented.

Committee Role: Brian Ballard led discussion about the committee's role, consistency of messaging, and considerations for continued improvement of the committee's effectiveness as a resource for the Board and with communication to the public.

Employee Negotiations Update: Kathleen Askelson reported on the status of negotiations with the employee associations. She noted that meetings are ongoing and currently focused on contract language while awaiting status of funding from the state.

Budget Update: Nicole Stewart and Askelson reviewed the budget presentation shared with the Board at the March 1 Board of Education meeting. Areas covered included a review of the budget timeline and deadlines, a year-to-date update on the financial status of 2017/2018, expenditure and revenue assumptions and recommendations for development of the 2018/2019 budget, action needed for Board direction on budget, and status of HB 17-1375 Mill Levy Override Sharing with charter schools. Stewart noted that for 2017/2018 estimated enrollment decline was less than anticipated which offset the shortfall from lower than anticipated retirement/turnover savings. Askelson commented on the pending state actions surrounding PERA changes, residential assessment rate changes and competing state needs. She stepped through the itemized list of recommendations from Cabinet that included school level needs as communicated through the District Accountability Committee and mandated increases. She also discussed compensation variables for steps/lanes/quartiles, a scalable cost of living increase, proposed changes to benefit contributions for employees covering children, competitive compensation for specific positions and/or schools and budget placeholders.

Askelson reported on recommendations for a mill levy sharing plan that the Board is required by statute to have in place and communicate by July 1. She noted that Jeffco currently shares 100 percent of mill levy overrides with district charter schools and that the recommendation is to continue to share 100 percent with 95 percent allocated equally to charters based on funded pupil count as it is now and the remaining 5 percent allocated based on free and reduced lunch counts.

There was discussion regarding the departmental budgeting for outcomes model and request forms, student based budgeting funding factors, the process for identifying and prioritizing Cabinet recommendations, community engagement opportunities, status of enrollment projections, an update on underspend, status of reserves, school security needs, funding for new FTE, and efforts to change the funding model in the School Finance Act.

There was further discussion regarding the plan for sharing the mill levy overrides and how charters currently receive free and reduced funding. Dr. Glass clarified that the plan doesn't affect governance but rather shifts resources to where they are needed.

The committee agreed to submit a recommendation to the Board that states, "FOC strongly endorses the district's budgeting process: (1) the Budgeting for Outcomes and Student Based Budgeting models align the district's budget priorities with its long term strategy; and (2) the district seeks and obtains community feedback at a variety of levels in this process and utilizes this information to identify and prioritize funding recommendations."

Audit Committee Update: Stephanie Corbo reported on the February Audit Committee meeting. Items covered at the meeting included a review of the second quarter financial report, a summary review of internal audit activity, a presentation from the district's data privacy and security director and chief information and technology officer, a draft annual report of committee activity for submission to the Board, and an update on the request for proposal for independent financial audit services.

Wrap Up and Next Meetings: Askelson reported on a statewide effort to introduce a ballot issue for a tax to fund transportation needs that will impact the district's decision to move forward with certificates of participation and/or a bond to fund facility improvements.

The meeting was adjourned at 11:25 a.m.