

**MINUTES OF THE SCHOOL BOARD AUDIT AND BUDGET ADVISORY COMMITTEE
OF MIAMI-DADE COUNTY PUBLIC SCHOOLS
May 9, 2017**

The School Board Audit and Budget Advisory Committee (ABAC) met on Tuesday, May 9, 2017, in the School Board Administration Building, Conference Room 916, at 1450 N.E. Second Avenue, Miami, Florida.

Members Present:

Voting:

Mr. Rayfield McGhee, Jr., Esq., Chair
Mr. Erick Wendelken, CPA, Vice-Chair
Mr. Rudy Rodriguez
Ms. Mari Tere Rojas, School Board Member
Mr. Jeffrey Kaufman
Dr. Nancy Lawther, Alternate
Mr. Albert D. Lopez, CPA
Mr. Julio C. Miranda, CPA, CFE
Mr. Christopher Norwood, J.D.
Mr. Isaac Salver, CPA

Members Absent:

Mr. Juan del Busto
Mr. Jeffrey Codallo
Mr. Alvin L. Gainey, PTA/PTSA President

Non-Voting:

Mrs. Judith M. Marte, Chief Financial Officer

Call to Order

The ABAC's Chair, Mr. Rayfield McGhee, Jr. called the meeting to order at 12:31 p.m.

1. Welcome and Introductions

The Chair requested all in attendance to introduce themselves, which they did. The following persons were present:

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| Dr. Lawrence S. Feldman, School Board Chair | Mr. José F. Montes de Oca, Chief Auditor |
| Ms. Susie V. Castillo, School Board Member | Mr. Jaime G. Torrens, Chief Facilities Officer |
| Dr. Steve Gallon III, School Board Member | Ms. Connie Pou, Controller |
| Ms. Perla Tabares Hantman, School Board Member | Dr. Magaly C. Abrahante, Assistant Superintendent |
| Mr. Alberto M. Carvalho, Superintendent | Ms. Joyce Castro, Assistant Superintendent |
| Mr. Walter J. Harvey, School Board Attorney | Mr. Steffond L. Cone, Assistant Superintendent |
| Dr. Daniel Tosado, Chief of Staff | Ms. Patricia Fernandez, Assistant Superintendent |
| Mr. Luis M. Garcia, Deputy SB Attorney | Ms. Tiffanie Pauline, Assistant Superintendent |
| Mrs. Valtena G. Brown, Dep. Supt./Chief Operating Officer | Mr. Leonardo Fernandez, Treasurer |
| Ms. Daisy Gonzalez-Diego, Chief Communications Officer | Ms. Maria T. Gonzalez, Assistant Chief Auditor |
| Ms. Deborah Karcher, Chief Information Officer | Mr. Trevor L. Williams, Assistant Chief Auditor |

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| Ms. Daisy Naya, Assistant Controller | Ms. Jennifer Rojo Suarez, Chief of Staff |
| Ms. Cristina Rivera Correa, Assistant School Board Attorney | Ms. Dalia Rosales, Chief of Staff |
| Mr. Jose Bueno, Region Superintendent | Ms. Francys Vallecillo, Chief of Staff |
| Mr. John Pace III, Region Superintendent | Ms. Vanessa W. Byers, Administrative Assistant |
| Mr. Orlando Alonso, Administrative Director | Mr. Matthew Tisdol, Administrative Assistant |
| Ms. Cynthia Gracia, Administrative | Ms. Isabella Paez, Intern |
| Mr. Luis Baluja, Executive Director | Ms. Elsa Berrios-Montijo, Staff Assistant |
| Mr. Jon Goodman, Executive Audit Director | Ms. Latisha Green, Administrative Assistant |
| Ms. Mahati Tonk, Executive Director | Mr. Thomas Knigge, Supervisor Special Agent |
| Mr. Eric Ojeda, District Director | Ms. Cynthia Borders-Byrd, Partner, C Borders-Byrd, CPA LLC |
| Ms. Meyme Falcone, District Director | Mr. Donovan Maginley, Partner, RSM US LLP |
| Ms. Tamara Wain, District Supervisor | Ms. Ann de las Pozas, Executive Director, FNEI |
| Ms. Michelle Denis, Fiscal Supervisor | Ms. Giovanna Angulo, Director, The Seed School of Miami |
| Ms. Teresita Rodriguez, Audit Manager | Ms. Rebecca Dinda, Principal, Downtown Miami Charter School |
| Ms. Elvira Sanchez, Audit Coordinator | Mr. Raul Moreno, Oper. Admin., Downtown Miami Charter Schl |
| Mr. Michael Hernandez, Audit Specialist | Ms. Marian Alessandri, Downtown Miami Charter School |
| Mr. Jerold Blumstein, Chief of Staff | Mr. Richard Moreno, Consultant, Charter Schools |
| Ms. Andreina Espina, Chief of Staff | Ms. Kyra Gurney, Miami Herald |
| Ms. Jackeline Fals, Chief of Staff | |

Mr. Rayfield McGhee, ABAC Chair asked for a moment of silence as a brief remembrance on behalf of the Committee's former member, Ms. Susan M. Kairalla, who had recently passed away. He then asked Mr. Jose Montes de Oca, Chief Auditor, if he wanted to make some remarks. Mr. Montes de Oca said that he had known Ms. Kairalla for many years and during those years he came to realize she was an exceptional person. He mentioned that she was outspoken, her mind was always working to find ways to help children and her heart was always on the side of those in need. He acknowledged that Ms. Kairalla counseled him many times on practical ways to deal with Audit Committee issues and constantly reminded him to not take criticism personally. He concluded by saying that he will remember Ms. Kairalla for the noble values she always exhibited. Mr. Isaac Salver recommended that in her memory a plaque be presented to her family recognizing Ms. Kairalla's long-time and deep involvement with M-DCPS. Mr. McGhee lauded Ms. Kairalla, stating that she was a person who was always held in very high esteem and recognized her commitment to the School Board and the children of Miami-Dade County.

2. Approval of the Minutes of the School Board Audit and Budget Advisory Committee (ABAC or Committee) Meeting of March 7, 2017

The Chair presented the aforementioned document and asked if there were any additions or corrections to the minutes. There being none, a motion was made by Mr. Albert Lopez and seconded by Ms. Mari Tere Rojas, for approval of the minutes to serve as a memorialization of the March 7, 2017, ABAC meeting. The motion carried unanimously.

AUDIT REPORTS:

3. Recognition of Mrs. Judith M. Marte, Chief Financial Officer, Mr. Ron Steiger, Chief Budget Officer, and Mr. Leonardo Fernandez, Treasurer for receiving the Standard and Poor's District Rating Upgrade

Mr. Montes de Oca noting the leadership of the School Board and the Superintendent of Schools, recognized Mrs. Judith Marte, Mr. Leonardo Fernandez, and Mr. Ron Steiger for their great accomplishment. The Chair then invited Mrs. Marte to make some comments. She reiterated Mr. Montes de Oca's recognition of the Superintendent and the School Board and acknowledged that, without their firm hand at the wheel and the support of her staff, they would have not been able to do the work they did.

Mr. Lopez congratulated the team and asked how much the District had saved in the issue of the latest bonds as the result of this upgrade. Mrs. Marte responded the last bond issue was \$250 million, and the District saved \$17 million as a result of the upgrade.

The Superintendent noted that this is a testament to a great fiduciary responsibilities exhibited by this team.

Ms. Mari Tere Rojas thanked Mrs. Marte and her wonderful team for their great work. Ms. Perla Tabares Hantman echoed Ms. Rojas' sentiments.

4. Presentation for the last 26 of 126 Charter Schools Audited Financial Statements FYE June 30, 2016

Mr. Montes de Oca presented the above-mentioned statements, stating that there were no issues with the financial statements. He then yielded the floor to Mr. Jon Goodman to address any questions or concerns.

Ms. Rojas inquired whether there were any major findings on the five charters schools that had deficit balances. Mr. Montes de Oca responded that there were no major findings. She also inquired as to the type of assistance provided by the District to charter schools with issues such as these. The Chief Auditor informed Ms. Rojas that the charter schools do not receive any assistance related to these fiscal matters, since they have their own governing boards and management companies. He reminded the audience that the audit department reviews the financial statements and sometimes conducts audits as a result of major issues noted in these reviews.

Mr. Carvalho pointed out that traditional public schools that report to him are held to a much higher reporting standard, related to fiscal matters, especially when it comes to compliance with the use of Title I funds.

Mr. Salver asked about the difference between the fund balance and the net position for Miami Arts, Inc. Mr. Goodman explained that the difference is that the net position is

calculated using the full accrual basis of accounting, whereas the fund balance is determined using the modified accrual basis of accounting.

Mr. Christopher Norwood recused himself from participating in the discussion of ASPIRA Arts Deco Charter School, ASPIRA Leadership and College Preparatory Academy, and ASPIRA Raul Arnaldo Martinez Charter School, due to a potential conflict of interest.

Ms. Hantman asked Mr. Montes de Oca if his office is allowed to audit charter schools. He responded that his office is allowed to perform audits; however, the reception that the internal auditor receives from the charter school staff and the availability of the records they request is another matter.

Following up on another comment, Mr. Norwood stated that he was not averse to including, along with the charter schools audited financial statement information, the charter schools' annual review conducted by the Charter Schools Operations office, which has a compliance review component.

Ms. Rojas concurred with Mr. Norwood's statement and reiterated that charter schools undergo a compliance review process where all areas are comprehensively assessed on an annual basis. She then asked Ms. Tiffanie Pauline to elaborate. Ms. Pauline explained that there is an annual review performed by her office covering academic, operational, governance and financial compliance components. She pointed out that the financial compliance component relies on the independent audited financial statements submitted by charter schools and concluded that this review is part of the information used in the renewal application process where some decisions are made based on this report.

Mr. Salver inquired whether the academic assessment of students attending charter schools were the same as the student academic assessments performed by public schools. Ms. Pauline responded in the affirmative.

There was extensive discussion about the level of scrutiny of audits of charter schools versus traditional public schools. The Chief Auditor acknowledged the concerns expressed by the administration related to charter school audits. He recognized that they are not on the same level-playing field, since the audits of traditional public schools often include several areas in addition to the audit of financial records. However, he advised the audience that additional allocation of audit staff would be needed to perform this additional audit work at charter schools since this cannot be accomplished with the available resources. On the other hand, Mr. Norwood insisted on including the compliance annual document along with the financials in the renewal application process, since it is completed annually.

Mr. McGhee requested for this pending issue of the charter schools' annual compliance document be submitted along with the financial statements to be placed on the agenda as "Old Business" and addressed at the next ABAC meeting.

There being no questions or comments, a motion was made by Mr. Salver, and seconded by Mr. Rodriguez, which carried unanimously, to recommend that the **Presentation for the last 26 of 126 Charter Schools Audited Financial Statements Fiscal Year Ended June 30, 2016**, be received and filed by the School Board.

5. Internal Audit Report – Audit of Certain Risk Elements of the Federal; Charter School Program Start-Up and Continuation Grants

The Chief Auditor introduced the above-mentioned report and informed the Committee that the audit did not disclose any duplicate payments or reimbursements. Two recommendations were provided in the report to enhance the controls that are in place. He then yielded the floor to Mr. Goodman to address any questions or concerns.

There being no questions or comments, a motion was made by Mr. Lopez and seconded by Ms. Rojas, which carried unanimously, to recommend that the **Internal Audit Report – Audit of Certain Risk Elements of the Federal Charter School Program Start-Up and Continuation Grants** to be received and filed by the School Board.

6. a) Internal Audit Report – Selected Schools/Centers

Mr. Montes de Oca introduced the above-noted report and informed the Committee that the report included 39 schools, 33 of which had no audit exceptions. He noted that at one of these schools, Scott Lake Elementary, the Principal had notified OMCA of a financial discrepancy which was investigated and the results published in this report. He then yielded the floor to Ms. Maria T. Gonzalez to address any questions or concerns.

There being no questions or comments, a motion was made by Dr. Nancy Lawther, and seconded by Mr. Eric Wendelken, which carried unanimously, to recommend that the **Internal Audit Report – Selected Schools/Centers**, be received and filed by the School Board.

6. b) Internal Audit Report – Selected Adult and Community Education Centers/ Technical Colleges

The Chief Auditor introduced to above-referenced report and informed the Committee about the difference between this report and the prior one, is due to, the establishment of a new accounting system for internal funds which records some transactions differently. He was pleased that the report had no findings. He then yielded the floor to Ms. Maria T. Gonzalez to address any questions or concerns.

There being no questions or comments, a motion was made by Mr. Lopez, and seconded by Mr. Kaufman, which carried unanimously, to recommend that the **Internal Audit Report – Selected Adult and Community Education Centers/Technical Colleges**, be received and filed by the School Board.

7. Internal Audit Report – Follow-Up Audit of Internal Controls Over M-DCPS Purchasing Card Program (P-card) for Non-School Site Locations

Mr. Montes de Oca introduced the report noted above and informed the Committee members that this follow-up report established that out of 22 recommendations made in past reports, 20 were implemented. He then yielded the floor to Mr. Trevor Williams, to address any questions or concerns.

There being no further questions or concerns, a motion was made by Dr. Lawther and seconded by Ms. Rojas, which carried unanimously, to recommend that the **Internal Audit Report – Follow-Up Audit of Internal Controls Over M-DCPS Purchasing Card Program (P-card) for Non-School Site Locations** be received and filed by the School Board.

8. Financial Statements on Educational Facilities Impact Fees Agency Funds of Miami-Dade County, Florida Financial Report as of September 30, 2016

The Chief Auditor provided an overview of the above-mentioned report and informed the Committee that this audit was conducted pursuant to an inter-local agreement between Miami-Dade County and the School Board. The audit of the School Board's records was submitted to the Miami-Dade County in December and they reciprocated by submitting this report to the School Board after the end of their fiscal year. He said the report from Miami-Dade County had no findings and offered to entertain any questions or concerns.

Dr. Lawther inquired about the legal requirements on new construction exempting builders from paying impact fees. Mr. Montes de Oca responded that there are certain criteria that exempt a building from impact fees, but was not totally familiar with what the exemptions are. He then yielded the floor to Mr. Jaime Torrens, Chief Facilities Officer to identify those criteria. Mr. Torrens explained that impact fees are assessed by the county on all residential development that may potentially generate students and the only exemption relates to adult residential facilities.

Ms. Castillo inquired if the impact fees of Miami-Dade County also apply to municipalities. The Chief Auditor responded, that they do.

Mr. Lopez, noting that the financial audit had a clean opinion, inquired if there were any recommendations regarding operational controls or deficiencies related to the financial statements. Mr. Montes de Oca responded that his understanding of the inter-local agreement is that it only requires a financial statement audit and that is the document that is been presented.

There being no further questions or concerns, a motion was made by Mr. Salver, and seconded by Mr. Rodriguez, which carried unanimously, to recommend that the **Financial Statements on Educational Facilities Impact Fees Agency Funds of Miami-Dade County, Florida Report as of September 30, 2016**, be received and filed by the School Board.

9. a) Miami-Dade County District School Board Financial and Federal Single Audit Report No. 2017-194

Mr. Montes de Oca presented the above-stated report and management letter and informed the Committee that the Single Audit is conducted every third year by the Auditor General (AG) and during the intermittent two years by the external auditors retained by the District. He noted that the Single Audit was free of any findings for the third year in a row. He then explained that the management letter is issued pursuant to an examination of issues dealing with finances and it contains a finding pertaining to charter schools not being included in the District's financial statements as component units. Mr. Montes de Oca noted that the administration was in disagreement with the Auditor General's finding.

Ms. Rojas stated that although she read the finding regarding the inclusion of the charter schools' financial statements as part of M-DCPS' and agrees with the responses provided by management, it appeared to her that the AG was not satisfied with the response and she wanted to know what else needs to be done.

Mrs. Marte responded that the AG's interpretation of the Government Accounting Standards Board (GASB) standards is contrary to the way most school districts and municipalities do. She explained that with the support of OMCA she held numerous conversations with the AG and obtained the opinion of the Florida Department of Education on the subject matter of charter schools, which supported the position taken by District management. However, management was unable to dissuade the AG from excluding the finding from the report. Mrs. Marte concluded that failure to take the actions that the administration has taken would have unnecessarily burden our tax payers and disregard the latitude given to the District by homeowner's ordinance. She concluded that there is nothing else that needs to be done.

There being no further questions or concerns, a motion was made by Mr. Kaufman, and seconded by Ms. Rojas, which carried unanimously, to recommend that the **Miami-Dade County District School Board Financial and Federal Single Audit Report No. 2017-194**, be received and filed by the School Board.

9. b) Miami-Dade County District School Board Financial and Federal Operational Audit Report No. 2017-196

The Chief Auditor presented the above-mentioned report and informed the Committee that this is the third audit published by the Auditor General (AG) who conducted an extensive operational audit of the District. This report has eight findings, none of which were for misuse of funds, and management provided responses. He then yielded the floor to District administrators to address any questions or concerns.

Dr. Steve Gallon inquired about the AG's finding regarding impact fees and how these funds can be designated for a particular project. The Chief Auditor responded that the AG's report contends that impact fees should not be used to pay for old debt, the proceeds of which were not used for the benefit the residents of buildings on which the fees were assessed. To provide further clarification, Mr. Torrens explained that Dr. Gallon's example and associated

question relate to monetary contributions for school concurrency mitigation and that those funds apply exclusively to the school being impacted and cannot be transferred to any other school.

There were several other comments from members of the Committee regarding IT, charter schools and the parallel between findings from the AG and the District's external auditor, which the administration properly addressed.

There being no further questions or concerns, a motion was made by Ms. Rojas, and seconded by Mr. Lopez, which carried unanimously, to recommend that the **Miami-Dade County District School Board Financial and Federal Operational Audit Report No. 2017-196**, be received and filed by the School Board.

10. Financial Statements of The Foundation for New Education Initiatives, Inc. for the Year-Ended June 30, 2016

Mr. Montes de Oca presented the above-stated report and informed the Committee that these financial statements are required to be brought to the School Board every year and was pleased to announce this report has no findings and contains a clean opinion. He then yielded the floor to Ms. Meyme Falcone to address any questions or concerns.

There being no questions or comments, a motion was made by Ms. Rojas, and seconded by Dr. Lawther, which carried unanimously, to recommend that the **Financial Statements of The Foundation for New Education Initiatives, Inc. for the Year Ended June 30, 2016**, be received and filed by the School Board.

OTHER REPORTS:

11. Monthly Financial Report Unaudited – For the Period Ending February 2017

Mr. Montes de Oca explained that these reports are presented at every ABAC meeting to keep its members apprised as to how the District is doing financially and then yielded the floor to Mrs. Marte for any questions.

There were no questions. This report was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC was required.

12. Office of Management and Compliance Audits' Activity Report

The Chief Auditor introduced the above-noted report and stated that it summarizes what activity has transpired in OMCA since the last ABAC meeting and welcomed any questions.

There were no questions. This report was presented for informational purposes only; therefore, no transmittal to the School Board by the ABAC was required.

Old Business:

13. Update on WLRN (The School Board's Potential Legal Options Relating to Friends of WLRN, Inc. and South Florida Media)

The Chief Auditor explained that this was a follow-up discussion emanating from the last ABAC meeting and the instructions that were given to the School Board Attorney to prepare some recommendations. He then yielded the floor to Mr. Walter Harvey to address this item.

Mr. Harvey referred to his memorandum, addressed to The School Board and dated April 7, 2017, which contains the legal options relating to Friends of WLRN (Friends) and South Florida Public Media (SFPM) that The School Board may consider. He offered to answer any questions or concerns pertaining to this item.

Ms. Rojas inquired about the status of the Corporation for Public Broadcasting's Inspector General (CPB-IG) audit of WLRN-TV and Radio Stations and (WLRN)/Friends. The Chief auditor reminded the audience about the key issues that led the District to request permission from CPB for the submission of an audit of WLRN divested of any financial activity associated with Friends contributions, and the reason for submitting the request. This action would cease the incurring of potential fines (due to the late submission of the required report), while allowing the District to receive grant funds probably at a lesser scale, and prevent interruption at the District level of much needed grant funds. At present, plans are for the external auditing firm conducting the WLRN audit to be stationed at the OMCA's office to complete the audit, and for staff from the District's Accounting Department to prepare the financial statements of WLRN that will be audited by the external auditor (Cynthia Borders-Byrd).

Mrs. Marte stated that her administration had recently received the request to prepare the financial statements and had agreed to put year-closing work aside to prepare these financials. She anticipated that the financial statements would be completed within a few weeks, with the caveat that staff is expecting receipt of certain information from the former Finance Director of WLRN, to prepare the financials.

Mr. Harvey reminded the audience that the CPB-IG audit was still ongoing and the auditors were in the process of meeting with employees from WLRN during their audit fieldwork.

Ms. Rojas expressed concern about the amount of time that is taking to resolve this matter. Mr. Harvey replied that from the audit side, the CPB-IG indicated that it would take, at a minimum, six months to complete their audit and publish the report. Regarding Friends, he said that according to conversations he has had with members of that entity, it is unlikely that Friends will submit their financial audit until the IG audit is completed.

The Vice-Chair referred to the minutes of the last ABAC where it was noted that a Committee member had registered strong sentiments for the District to take swift immediate legal action and asked if any actions have been taken to protect the School Board. Mr. Harvey responded that the District appears to have gained some concessions since Friends have given assurances that they will be responsible for the penalties. On the operational side, the District is presently facing some issues; however, it appears that Friends have acknowledged the District's concerns and are willing to meet and go over fundraising issues and operational issues involving SFPM.

Ms. Hantman requested clarification as to why the Board was not notified before 2014 that the operating agreement was not signed. She stated that the question was posed during the March 7, 2017 ABAC meeting; however, it was not reflected in the transmittal letter from the ABAC Chair to the School Board and she felt this needed attention. Specifically, she wanted clarification as to what happened in 2010 and 2011. Mr. Harvey replied that in 2010 there was no agreement in place and some of this information is reflected in his most recent correspondence to the School Board on the subject matter. He stated that he would be willing to provide Ms. Hantman with any documents regarding the timelines between 2010 and 2011.

Dr. Gallon mentioned that several documents have been presented to the Committee regarding this issue and lamented that he felt at a cross-roads with the situation. He asked that since now the School Board Attorney complied with the request and provided the options available to the School Board, whose responsibility is it to provide a recommendation to the School Board and what were management's plans in respect to establishing a timeline for the conclusion of an operating agreement. He observed that a timeline is a must; otherwise, this situation would continue to linger.

Dr. Tosado replied that the responsibility for negotiating the operating agreement and making a recommendation to the School Board rests with the District administration. He said that this is a two-track issue: first is the audit being conducted by CPB-IG which will proceed according to their own timeline. Consequently, District management is unable to provide a timeline on this part. Second, regarding the operating agreement, there is a good faith effort being made between the interested parties to resolve it. Dr. Tosado explained that the District administration had struggled with Friends to schedule meetings and have dialogues, but recently, Friends appears to be more willing to engage in discussions. Accordingly, it is his intent to have the administration actively continue pursuing this matter; however, if no action takes place in the near future, he is willing to come back to the ABAC with one of the legal options/recommendations that the School Board Attorney has already presented.

The ABAC Chair expressed concern about the Committee making a recommendation on an issue that is evolving and stated that as a Committee, it is within its purview to opine on an audit once it is completed and presented to the Committee. Therefore, it is up to the administration and the School Board to hash out the details.

Ms. Rojas wanted to know, who from management would be responsible for working with the School Board Attorney on the operational issues and negotiations that are needed to get that agreement completed. The Superintendent stated that Dr. Tosado, along with Ms. Daisy

Gonzalez-Diego, are working with the Attorney's Office and the Chief Auditor to resolve these issues.

Ms. Castillo requested that before this item formally comes before the School Board for a decision, it includes a recommendation from the ABAC as to which of the legal options should be taken.

Mr. Salver recommended that the School Board establish a separate sub-committee to address this issue because he feels it is not up to the Audit and Budget Advisory Committee to hash-out this agreement. He does not want to participate in a discussion that should be the School Board's responsibility and not that of the ABAC.

Mr. Carvalho concurred with Ms. Castillo and added that the ABAC should receive all information critical to the WLRN/Friends matter to ensure that the decision made is not devoid of relevant corollary information.

Mr. Norwood stated that he firmly believes that until this issue is resolved, WLRN/Friends topic should be placed under "Old Business" in ABAC's meeting agenda. The ABAC should be receiving periodic updates. He asserted that this is part of what the Committee should do and this authority should not be abdicated.

Mr. Salver lamented that this dialogue has evolved into political discussions that go far beyond the scope of the ABAC and that School Board members are driving the discussion, instead of the ABAC members. He added that, consequently, ABAC members are required to listen to the School Board members' concerns going on record on issues that should be discussed during their own Board meetings.

Ms. Rojas made a point of clarification stating that as a School Board member she is a constitutional officer. In addition, she emphasized, that she and Ms. Hantman are part of the ABAC, and as such have the authority to engage in conversation with the rest of the ABAC members.

Dr. Gallon noted that in his opinion, and based on the variety of issues previously considered by the ABAC, this topic is part of the Committee's responsibilities. He then asked for clarification from the School Board Attorney as to the direction that this item should take going forward if the ABAC meeting is not the place for this discussion to take effect.

Mr. Harvey advised that if the Committee decides this is not the forum for this discussion to take place, an audit report of WLRN should be forthcoming from Ms. Borders-Byrd and subsequently, another audit from CPB-IG; therefore, there will be various opportunities for future discussion related to this item.

Ms. Hantman alluded to Mr. Salver's previous comments and pointed out that the WLRN issue is a serious matter that School Board members must address and for which they are responsible. She again questioned the timelines for dealing with the operating agreement and emphasized that she had sent a memorandum asking for clarification on this topic, but had not received any answers; therefore, she is still asking the question of whether there was a draft of the agreement in 2010 or 2011.

Ms. Castillo pressed the Committee members to provide a recommendation as to the legal options, but cautioned about rushing to reach a decision.

Dr. Feldman said that he hoped that the ABAC would take a position on the four legal options; not a philosophical stance, but a stance based on fiscal issues. He stated that, based on the progress made on this item, district staff and the Superintendent should be able to meet with Friends and map a strategy to be presented at the July ABAC meeting.

Mr. Lopez expressed concern regarding the ABAC not having enough information to proffer a sound opinion at this time.

The Chair also questioned whether the Committee could opine on the fiscal impact, given the information its members had been given and the time frame required, but recommended that they at least look at what the ABAC can do. He gave Mr. Norwood assurances that this matter would be brought to the ABAC as "Old Business" until it is resolved.

After a very lengthy discussion and several motions made and withdrawn, as to what the Committee should do with regard to the legal options proffered by the School Board Attorney, it was finally agreed that the Superintendent's M-DCPS Task Force To Ensure Integrity In Public Broadcasting will weigh in on which is the best option and have its decision included as part of the ABAC agenda for the July 18, 2017, meeting as an action item under "Old Business". The ABAC would then consider the Task Force's input in making its recommendation to the School Board.

New Business:

None.

Adjournment

There being no further business to come before the Committee and upon motion duly made and seconded, the meeting was adjourned by Mr. McGhee, Jr. at 3:40 p.m.

/lg

Attachment (Recusal Form)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Christopher Norwood, hereby disclose that on May 9th, 20 17:

(a) A measure came or will come before my agency which (check one or more)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____;
- inured to the special gain or loss of my relative, _____;
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

My company provides compliance + governance consulting services to the 3 Aspira schools.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

May 9th 2017
Date Filed


Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.