

BOARD OF DIRECTORS

MEETING

MINUTES

DECEMBER 15, 2008

Board Members In Attendance:

Dr. Robert Windom, Chairman

Gen. Howard Crowell, Vice Chairman

Mr. Fred Derr

Dr. Celia Edmundson

Mr. Herb Jones

Dr. Gene Pillot

Mr. Woody Wolverton

Administration in Attendance:

Mr. Daniel Kennedy, Headmaster, CEO

Col. Stephen Cork, Financial Officer

Professor Robert Lechner, Director of Instruction

Guests:

Ms. Kim Walker, Attorney, Williams Parker Law Firm

Dr. Windom, Chairman of the Board called the meeting to order at 2:45 p.m.

Old Business:

1. Dr. Windom requested approval of the minutes from the last meeting. There was no discussion on the minutes. No objections. The motion to approve the minutes was passed unanimously.
2. Dr. Windom discussed the importance of this meeting and emphasized the Board's responsibility to oversee, monitor, and make sure they are fiscally responsible. He feels the Board owes this to the public to whom we are responsible. He is proud of the outstanding faculty at SMA and of Dan Kennedy's leadership. He feels that some things have come to his attention that need to be taken care of by the Board before they become more serious. He believes one of the most important things is to look at the size of the school. He feels the flavor of the school could change with more students. Dr. Windom feels that we should do a survey of the teachers and families to see what they want for the school pertaining to its size. Dr. Windom feels an unbiased person should conduct a poll. Dr. Windom spoke with a parent and asked her to poll other parents of SMA Cadets. That occurred sometime during November.
3. Dr. Edmundson said that the data from such a poll would be neither reliable nor valid and that such a poll should not be conducted without Mr. Kennedy's approval. She further stated that the faculty has been surveyed and that they have opportunities through their departments to discuss any issues of concerns.
4. Mr. Kennedy feels that he would like to increase the enrollment. He does not want the Board to limit the enrollment. He would feel completely restrained if the Board tied his hands and put constraints on him as to how many students he could have here at SMA.
5. Mr. Kennedy mentioned that he plans on adding another teacher in every department and all the teachers' salaries will be up to the district's next year. Mr. Kennedy mentioned that the capacity of the building is 700, and his plan is to go to 650. There was some discussion on the FTE income which the school will get in October and February. Mr. Kennedy mentioned that we have 25 students attending MCC (dual enrollment) and around 13 at SCTI for whom we receive partial money on these students.

6. General Crowell is concerned that all of a sudden we are in the 700 range, and this is more than we planned on having for this school.
7. Dr. Pillot asked Mr. Kennedy what his recommendation was, and Mr. Kennedy answered 700. Dr. Pillot moved for approval of 700. The motion was seconded by Dr. Edmundson and approved 6 to 1. Dr. Windom was the dissenting vote.
8. Dr. Windom discussed that in the Bylaws it says a CPA should be doing the financial work. He asked a CPA company what it would cost to have a CPA to prepare monthly financial reports, and the estimate was around \$2500 to \$3,000 a month. This could save the school money. With the school paying over \$100,000 for Col. Cork and \$62,000 for Mrs. Cork. Dr. Windom believes the bookkeeper on campus full time is qualified to do the work with oversight by a CPA. He also does not think it is a good idea to keep records at home. Dr. Windom mentioned the errors or deficiencies that were found by the auditors over the past few years. Dr. Windom would like to mention that he met with the District School Board finance department and found some errors on the report that was sent to the State. Some of the salaries sent to the state from SMA were incorrect. For example, one salary was sent to the state for \$40,000 when the actual salary was around \$62,000. He had a concern with this.
9. Dr. Pillot stated that Dr. Windom's meeting with the chief financial officer indicated a lack of trust on the part of the Board in the SMA administration.
10. Mr. Derr stated that the Corks have done a good job and that they do accept other responsibilities as well. Mr. Derr stated that we should get a list of what they actually do and go over it at the next meeting. Mr. Derr stated that the list of concerns read by Dr. Windom have been addressed.
11. Mr. Wolverton has a problem with the books being kept at home also.
12. Col. Cork mentioned that he keeps some files here and some at home.
13. Dr. Pillot mentioned that the auditors will always come up with some corrections. This has been his experience in the past.

14. Mr. Jones would like to know if we are paying too much to get the work done. General Crowell mentioned that this is a good point. We need to get a list of both of their duties for the next Board meeting to go over and review. Before any decisions are made, we really need to look at where we are financially. General Crowell feels we really need to protect the school.
15. Mr. Kennedy mentioned that Mr. Lechner's last day will be this Friday and this will be saving us \$80,000 and that Jann Vasiloff will be leaving with a savings of around \$44,000. He will not be replacing Mr. Lechner but will be giving his duties to different faculty members. Mr. Kennedy recommends paying Mr. Lechner for the remainder of the year, his salary of \$87,000. And then pay him his \$87,000 over three years. Mr. Lechner retired from the School district in 1996 and began withdrawing from the Florida Retirement System at that time.
16. Dr. Pillot moved for approval of Mr. Lechner's continued association with SMA and General Crowell mentioned that we have some budget issues to deal with first. General Crowell would like to know what kind of money we have before we can make these decisions. Mr. Lechner agrees to continue working at SMA with his current salary until June 30, 2009. As of July 1, 2009 he will be working as a consultant at one third of his current salary. His duties will be reduced. Motion was tabled until January 7th.
17. It was agreed that Mr. Kennedy, Dr. Windom, and Mr. Derr would draw up the retirement document for Mr. Lechner. They will then have Mr. Lechner approve this. Then Ms. Walker will approve it before bringing it to the next board meeting for approval.
18. Mr. Jones mentioned that he heard there was a uniform issue. Mr. Kennedy explained that the uniforms are not a budget item and supplied by the army.
19. Mr. Crowell feels there are a lot of issues that need to be resolved.
20. Dr. Edmundson said that it is appropriate for the Board to meet twice a month until budget and other issues are resolved.
21. Dr. Edmundson asked that the agenda be created with Mr. Kennedy's input prior to its submission to the Board.

22. It was mentioned that the agenda should be followed at the next meeting.

23. Next meeting will be January 7th 8:00 a.m. – 11:00. With the following meeting on
January 21st 8:00 – 11:00

24. Meeting Adjourned.

Dr. Robert Windom, Chairman

Mr. Daniel Kennedy, Headmaster

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