

UPPER PERKIOMEN SCHOOL DISTRICT

Education Center

2229 E. Buck Road, Pennsburg, PA

VIRTUAL

Finance Committee Meeting

October 19, 2020

CHAIR: Melanie Cunningham

Ex-Officio: Dr. Kerry Drake, President

MEMBERS:

Judy Maginnis

Keith McCarrick

Business Manager: Sandra Kassel

Assistant Business Manager: Dan Direso

Superintendent: Dr. Allyn Roche

AGENDA

1. Approval of Meeting Minutes
 - a. September 21, 2020 (Attachment A)
2. Discussion
 - a. STEB – Impact on 2021- 2022
 - b. Act 1 Index and Adjusted Index
 - c. Charter School Impact on 2020-21 Budget and on Next Year's Budget
 - d. Project Funds Available
 - e. Wood Property Update

Mission & Vision Statement: The Finance Committee is an advisory committee who are devoting the extra time and effort to understand the finances of the district in order to assist and guide the Board on financial decisions which affect the short and long term financial health of the district.

UPPER PERKIOMEN SCHOOL DISTRICT

FINANCE COMMITTEE

September 21, 2020

The Finance Committee Meeting was held virtually with the following committee members attending: Melanie Cunningham (chairperson), Keith McCarrick, and Judy Maginnis. Others in attendance were: Dr. Allyn Roche, Sandy Kassel, Dan Direso, and Jenn Malone.

Motion by Keith McCarrick, seconded by Judy Maginnis, to approve the May 18, 2020 Finance Committee Meeting minutes. Motion carried.

DISCUSSION –

a. GASB 84 – Changes in the Accounting of School Activity and Scholarship Funds

Dan Direso provided a Power Point and explained GASB 84 which became effective for the 20-21 fiscal year. GASB 84 establishes criteria for identifying fiduciary activities for all state and local governments. This applies to Student Activity Funds and Private-Purpose Trust Funds (Scholarship Funds).

- Key Definitions
 - Administrative Involvement
 - Direct Financial Involvement

Student Activity Funds that were previously in Fund 81 will now move to Fund 21 for Middle School and High School Clubs, and Elementary and Principal Accounts will now move to the General Fund. The reason they move to General is because they operate at the direction of the building principal. Since the principal directs the use of funds, it is determined that the district has administrative involvement over the use which disqualifies the funds from being classified as fiduciary.

Scholarship Funds that were previously in Fund 71 will now move to either Fund 89 or the General Fund 10. Scholarships awarded/determined by district personnel establishes Administrative Involvement. As the district controls the award it will be accounted for in the General Fund. Awards determined by non-district personnel qualify as custodial funds and will be moved to Other Custodial Fund, (Fund 89).

Based on the information the estimated General Fund transfer will be \$276,282.64 (one-time). Estimated operating revenue of \$26,986.00, and estimated expenditures of \$34,361.96 are the approximate yearly amounts.

Mr. McCarrick asked for a chart of which funds will move to which accounts. Dan has created a chart and it will be attached to the minutes.

b. Transportation – RFP Beginning 2021-2022 School Year

Jenn Malone informed the committee that the state encourages districts to go out for an RFP on services such as transportation. Our current contract expires June 30, 2021. Jenn went through the RFP and explained the content and why it contained specific information regarding our new software. The committee discussed the statement in the RFP that says the contractor must maintain A permanent place of business, including bus depot, inside the boundaries of the district. The committee decided to add a little flexibility to the statement. Mrs. Maginnis asked about the statement regarding the approval of the drivers. This is included because it is encouraged by the state. The bus company bears the liability.

Sandy Kassel did inform the Board that they will most likely see an addendum to the RFP concerning the number of days of transportation and clauses on situations like COVID-19.

Mr. McCarrick asked about the cost of taking over transportation. Mrs. Kassel informed Mr. McCarrick that this would not be recommended due to the high cost in leases and personnel. Also the reimbursement formula for district owned is less favorable.

Mrs. Cunningham suggested a timeline in November and let the final decision regarding the timeline to the administration.

c. Grants for COVID-19

An explanation was provided for each COVID grant that has been awarded and a description of the allowable expenses was provided. The grants discussed were as follows:

ESSER Funds – Elementary and Secondary School Emergency Relief Fund	\$238,934.00
PCCD Grant – 33861 – COVID Health and Safety Grant	\$244,484.00
COVID Mitigation Grant -	\$ 15,936.76
Montgomery County Grant - Approved Aug. 13, 2020	<u>\$394,625.98</u>
We are still waiting for information on allowable expenses	
Total Grants	\$893,980.74

The committee asked if the Montgomery County grant could be used for additional staff. We do believe it will be allowed to be used for additional staff.

Mrs. Maginnis asked for the grant document to be included in the update and shared with the other Board members.

d. Wood Property

The committee was brought up to date on the process regarding the Wood property. Each party had obtained an appraisal and in accordance with the agreement the appraisers agreed on someone to do a third appraisal as outlined in the Option of First Refusal document. The third appraiser contacted us today and will email a proposal next week and will be able to look at the property around October 12th. This could be an important property to the district in the future in helping to reduce some of the traffic concerns around the high school.

Next meeting we will discuss the Act 1 Index and STEB information.

Motion by Judy Maginnis, seconded by Keith McCarrick, to **adjourn the meeting at 7:13pm**. Motion carried; all voted aye.

Activity Number	Activity Name	Cash Balance	Old Fund	New Fund
50	Water Polo Club	3,339.81	81	21
500	HS Student Activity/General	24,379.71	81	10
510	Environmental Club	1,915.59	81	21
813	UPHS Link Crew	386.19	81	21
814	Gaming Club	-	81	21
1000	Art	2,014.39	81	21
1005	Band	583.39	81	21
1015	Choir	285.63	81	21
1025	FBLA	8,160.91	81	21
1030	Drama	12,282.93	81	21
1040	Esperanto Club	54.40	81	21
1045	NHS	2,062.61	81	21
1055	Student Council	21,572.87	81	21
1060	Yearbook	2,800.28	81	21
1075	LEO	2,239.58	81	21
1090	Debate Club	932.40	81	21
1093	UPTV Club	554.15	81	21
1095	WOW Club	3,246.06	81	21
1590	Class of 2020	1,379.20	81	21
1595	Class of 2021	1,831.88	81	21
1600	Class of 2022	121.69	81	21
1610	Class of 2023	882.93	81	21
2000	Hereford Elementary Student Activity	7,579.98	81	10
3000	MS Student Activity	7,667.92	81	10
3005	MS Student Council	2,856.62	81	21
3010	MS Leo's Club	307.96	81	21
3015	MS Yearbook	3,001.43	81	21
3020	MS JSJ	831.55	81	21
3025	MS Drama	10,973.67	81	21
3030	MS Reading Olympics	270.10	81	21
3035	MS NJHS	156.22	81	21
3045	MS WOW Club	543.69	81	21
3500	Marlborough Elementary Student Activity	23,737.47	81	10
874	4th & 5th GC Student Activity	189.13	81	10
738	Upper Perk Future Educators	1,550.89	71	10
4000	Gulack Foundation	103,900.48	71	10
4010	Wilson R. Ritter Memorial	1,936.08	71	10
4015	Andy Weaver Memorial	205.48	71	10
4020	Buchman Centennial	7.40	71	10
4025	Camp Rockwood/Boy & Girl	2.76	71	10
4030	UPV Lions	19.56	71	89
4035	Lila Bittenbender Scholarship	52,815.26	71	10

Fund	Fund No.	Cash Balance Transfers
Student Activities	81	(149,142.34)
	10	63,554.21
	21	85,588.13
		-
Scholarships	71	(259,196.47)
	10	212,728.43
	89	46,468.04
		-

4045	Barry J. Fetterman Memorial	433.83	71	10
4055	Kyheim Tripp Scholarship	918.96	71	10
4065	Anne K. Raymond Scholarship	12,972.14	71	10
4070	Deborah Hodge Memorial	100.00	71	10
4075	Terry Fetterman Athletic Award	1,967.66	71	10
4080	Commonwealth Ins. Group T/A Durn &	-	71	10
4085	Ralph W. Engle Memorial	-	71	10
4090	H Melvin Diehl Scholarship	42.06	71	10
4095	UPHS Faculty Scholarship Fund	3.77	71	10
4105	Dr. Anita S. Dutton Education	3.67	71	10
4110	Misc Scholarship Acct	0.28	71	10
4115	Ben Oberholtzer Memorial Scholarship	43,943.17	71	89
4125	Sally Welsh Memorial Scholarship	86.23	71	10
4130	Samantha Snyder Water Polo	3,391.56	71	10
4135	Hank Highlands Memorial Scholarship	49.49	71	89
4145	Lechner & Stauffer Ins. Agency	-	71	10
4150	Joan T. Smith Scholarship	9.42	71	10
4155	SP4 Ray Ira Haas Scholarship	-	71	89
4160	Perkiomen Valley Women's Club	10,486.81	71	10
4170	Nestler Scholarship Foundation	21,893.69	71	10
4175	Norma Reichenbach-Nichols Scholarship	2,455.82	71	89
4180	Knights of Columbus	-	71	10
4185	Wally Bieler Memorial	-	71	10