

THE DELTA ACADEMY  
BOARD MEETING MINUTES  
MONDAY, NOVEMBER 29, 2021  
N. LAS VEGAS, NV 89030

Present:

Mr. Morlon Greenwood  
Ms. Vikki Courtney  
Mr. Mark Ross  
Ms. Cynthia Jones

Guests:

Dr. Kyle Konold  
Mr. Bruce Congleton  
Mrs. Heather Grech  
Dr. Brenda Pearson  
Mrs. Jesse Fox

1. Call to Order and Roll Call

Meeting called to order by Mr. Morlon Greenwood and roll call.  
A quorum was declared.

2. Approval of minutes from September 15, 2021

Mr. Greenwood pointed out that the board training was only \$1,000, not \$5,000 as allotted in the minutes. Dr. Konold suggested keeping the original amount for any future trainings.  
Motion to Approve: Mark Ross                      Second: Cynthia Jones                      Vote: Unanimous

3. Public Comment and Discussion

As suggested in the board training, public comment and discussion has been moved up in the agenda. It is important to allow for public discussion to take place on all agenda items before the items are voted on by the board members. There is written policy in place to limit each person to two minutes for comments and that statement listed on all meeting announcements and the agenda. Mrs. Grech explained that having public comment and discussion here in the meeting is the best practice. Dr. Konold will add the two minute limit to the next agenda on the line item.

4. Two open board positions and creation of Succession Committee

Mrs. Jackie Locks has stepped down to focus on her health and Mrs. Clarissa Cota has accepted a fellowship for Future College Presidents that does not allow her enough time to be a board member. Dr. Konold provided a handout of the new board member requirements. One new board member needs to be a licensed school administrator or teacher and one new board member needs to have experience in accounting, law, or human resources. The recent training recommended the creation of a succession committee that would oversee the application and interview process. The succession committee would then present to the board their recommendation of new board members. Ms. Courtney volunteered to be a part of that committee and knows of a potential board member. Ms. Jones agreed to join the committee as well. Delta's sponsor was notified of the recent resignations and current openings

on the board. The committee needs to be limited to two board members so that the open meeting law is not violated. Candidates will be presented at the next board meeting at the end of January. Motion to approve Ms. Courtney and Ms. Jones to be members of the succession committee:

First: Vikki Courtney

Second: Mark Ross

Vote: Unanimous

5. FY21 Independent Audit Report presented by RubinBrown

Mrs. Heath Grech from RubinBrown presented a copy of the financial statements. The biggest adjustment made was for the site improvements done to prepare for the portable classrooms. An adjustment was made to reclassify that expense to a capital asset with a depreciation schedule. Operational revenues and expenses all remained very close to internal financials. Financial Summary shows a condensed balance sheet including the GASB 68, which is a requirement to report Delta's allocated proportionate of the PERS net pension liability. The school is not Required to pay back that liability, but it has to be reported in the financials. Delta's net position without GASB 68 is \$1,500,000, which is an increase from 2020 of \$700,000.

Mrs. Grech next went over the audit findings. She expressed her appreciation of everyone involved in the audit and their cooperation and patience. The first finding was the change of the site improvement from an expense to a capital asset. Capital assets require a different Accounting treatment. It was segregated in the books but was listed on the income statement instead of the balance sheet. Any significant change to the financial statement is deemed a finding and it has been adjusted. Delta staff have reviewed the requirements of classifying capital assets and put in place new policies and procedures to rectify this issue. The second finding is in regards to the Accounting Policies and Procedures needing an expansion on the review process. Reviews were not clearly documented. Review process policies have now been strengthened and will be reviewed during the next agenda item. The third finding was a carryover finding that has already been fixed and future policies are in place to help enhance and fine tune the procedure in regards to the Superintendent's contract. Any additional compensation needs to be approved by the board with actual amounts and a reason to the amount. Dr. Konold explained that part of the new policy would include an evaluation of the Superintendent that would lead to a recommendation by the board. Mrs. Grech stated that overall the audit was very positive and mainly just to enhance current policies and procedures. Motion to approve the FY21 independent audit report as presented by RubinBrown:

First: Vikki Courtney

Second: Mark Ross

Vote: Unanimous

6. Accounting Procedures – Revised 11.29.2021

Dr. Konold sent all board members a revised copy of the Accounting Procedures manual that included a few minor changes. First change on page two was changing the wording to state "The Delta Academy Governing Board has overall responsibility for the Academy" instead of the superintendent. All references to the "Director" now reads as "Superintendent". Accounting procedures now include the bookkeeper reviewing the budget line items against expenditures to ensure there are no deficits in the line items. Additional costs over 10% of the budget category would need board approval.

Page 6 and 7 highlight the policy in place in regards to the second audit finding of the review process of monthly bank transactions. Financial statements are reviewed and signed off by the business manager and then given to the superintendent for review and signature. This procedure has been in place and followed for the current fiscal year. Ms. Courtney asked if a

board member needs to be reviewing outgoing checks. Dr. Konold explained that five people are involved in all expenses and two signatures are required, his own and the principal's. They make up the banking authority. Mrs. Grech added to the discussion that the board approves the operating budget and large contracts so as long as the expenditures are within the operating budget then it is normal for the school banking authority to sign all checks without a board member review. Dr. Konold included examples of the monthly and quarterly review process including signatures and the bid worksheet to evaluate any contracts over \$10,000. Contracts over \$250,000 require a sealed bid. Motion to approve the Delta Academy Accounting Procedures manual as revised on 11.29.21:

First: Vikki Courtney

Second: Mark Ross

Vote: Unanimous

7. FY20 Corrective Action Plan

A corrective action plan has been put in place and needs board approval to complete it. This new audit was addressing the previous findings and seeing if they were still of concern. Part of the response and corrective action would include that these findings have all been addressed and no longer a concern after the second audit. Dr. Konold clarified that the only finding that needs to continue to be developed is the superintendent's compensation process. Moving forward, the superintendent's compensation will be an actual amount rather than a reference to a pay scale. This will also include a new evaluation process stating benchmarks and goals to reach as to the reason for additional compensation. Dr. Konold agreed to add to the corrective action plan that the board is responsible for establishing a policy to evaluate the superintendent to determine the compensation package including additional funds. A policy to determine those benchmarks are to be decided upon by the financial committee and then presented to the board.

For Finding #2, the corrective action plan is addressed in the accounting manual.

Finding #3 was reviewed by current auditors and determined that there is not anyone employed at Delta that is getting undue compensation. Delta had already been in compliance with this findings. Mrs. Grech added that what the school district called this a "finding", but the previous auditors did not consider it finding; just a note. The current auditors chose to put in writing that The Delta Academy has significant contracts with these companies but it was not a finding of concern.

For finding #4, Dr. Konold has submitted all contracts past and current and will continue to follow the same policy with all future contracts, including any EMO contracts. Mrs. Grech positively responded to the question that all corrective action plans listed would make Delta in compliance. Dr. Konold submitted all items that were requested including past and present contracts and meeting dates when contracts were approved. Significant contracts were approved by the board functioning under the bylaws of section 11 part B where if as long as the board approved of the operating expenses and budget, it was up to the school to go through the bid process and sign contracts. Dr. Konold would like to have all new contracts under a consent agenda. Mrs. Courtney would like to recommend a short meeting every month. A motion to accept the FY20 Corrective Action Plan with the corrections as noted in the meeting and added by 11.30.21:

First: Vikki Courtney

Second: Mark Ross

Vote: Unanimous

8. Current financial status

The first quarter's P&L was reviewed. It shows a bottom line of \$323,000. The statement of cash flow including the previous year rollover and showed a balance of over \$1,400,000 in the account. A copy of the Financial Performance framework as reviewed by CCSD was included showing all standards are being met. Delta's current enrollment is 820 students, which is higher than was budgeted so Dr. Konold will make an amendment to the budget to show the additional revenue including new grants at the next board meeting.

9. Administrator's report

Mr. Congleton reported that the school has 175 students enrolled in the day school program with about 150-160 students attending daily. Some students and families have decided to remain at home due to COVID-19 concerns. The curriculum is set up in a way that these students can still continue their school work from home using the online platform. The school is doing its best to meet the needs of each student and family. Mr. Congleton has set out a policy to move all unsuccessful online junior high students to either attend the day school next semester or enroll in their zoned school where they have a chance of being more successful. Mr. Congleton said the graduation rate was of concern but the high school has the alternative framework in place. This allows Delta to help students that have failed for several years and been in trouble. Mr. Tafoya is aware of the students that we enroll and he is not currently concerned with our graduation rate because of our alternative framework.

Delta's RAPA program is holding their first concert on Monday December 8, 2021. Delta is hosting monthly parental engagement workshops which can be found on our website. Delta's Culture Club is hosting a Russian New Year Celebration including the Russian Ballet performing on December 14<sup>th</sup>. The semester ends on December 17<sup>th</sup>.

10. Adjournment

Mr. Greenwood adjourned the meeting without objection.