

***Northeast Regional School
Of
Biotechnology and Agriscience
Board Meeting Minutes***

Date: March 19, 2014

Time: 4:30 PM

Place: Vernon James Center

Present: David Peele
Mac Hodges
Benjie Forrest
Joe Landino
Norris Tolson
Lloyd Armstrong
Dwight Respass
Lynn West
Kenneth Harrell
Ethan Lenker

Absent: Michael Dunsmore

Chairman David Peele called to order the March meeting of the Northeast Regional School of Biotechnology and Agriscience Board of Directors at 4:30 PM on March 19, 2014. Resource personnel present were Hal Davis, Principal of NERSBA and Jean Woolard. Also present were Joyce Loveless from the NC New Schools Organization, Michael Cowin, Finance Officer with Pitt County Schools, Tracie Asby, faculty member at NERSBA, Paul Spruill from Tideland Electric Membership Corporation, Anges Powell, and Gerald Wynn.

Mac Hodges led the board in prayer and the Pledge of Allegiance.

Inga Spruill proceeded with roll call.

Chairman David Peele presented the agenda for approval. Chairman Peele requested a new business agenda item to appoint a sub-committee for academic development at NERSBA. With no further additions or deletions, the agenda was accepted as amended.

Chairman David Peele offered the March minutes for consideration and noted the minutes were posted on the NERSBA website. Norris Tolson moved to approve the minutes as presented followed by second from Mac Hodges. The motion to adopt the minutes was approved unanimously by the board.

Public Comments:

Chairman David Peele introduced Paul Spruill representing Tideland Electric Membership Corporation. Mr. Spruill offered to provide assistance and help to NERSBA from Tideland EMC. Chairman Peele thanked Paul Spruill for the appreciated offer of assistance and direction.

Principal Hal Davis thanked Ms. Wyatt and the Roanoke Beacon Staff for covering NERSBA and related news articles during FFA week.

Finance Report: Michael Cowin

Michael Cowin, Finance Officer with Pitt County Schools presented the finance report. Mr. Cowin provided a very extensive budget report as of March 18, 2014. This report reflects the current budget and year-to-date operations. Mr. Cowin explained the summary of available balance of \$31,462.75 in a reserve account that will be available on a projected basis for the next fiscal year.

Principal Hal Davis commended Mr. Cowin on doing a great job for our school from his budget presentations and communications between Pitt County Schools and NERSBA.

2012-2013 Audit Report: Carr, Riggs & Ingram, LLC

Principal Davis introduced Mr. Jeff Best from Carr, Riggs and Ingram, LLC. Mr. Ingram provided a detailed audit report to all board members. Mr. Best stated that they appreciate the opportunity to provide the audit to the Northeast Regional School of Biotechnology and Agriscience for the 2012-2013 year.

At the conclusion of the report on internal control over financial and compliance and matters based on an audit of financial statements performed in accordance with government auditing standards, items listed in the report identified certain deficiencies with internal control that are considered to be material weaknesses and significant deficiencies. Those deficiencies are outlined below:

- 13-1 Segregation of duties at the individual school level. Duties should have been segregated more. One person is providing most of those duties in accounting functions.
- 13-2 Internal Control over Financial Statement Preparation. The board has limited staff with technical ability to prepare its year financial statements and notes.
- 13-3 Supporting Documentation (Individual School). All transactions should have adequate supporting documentation.
- 13-4 Bank Reconciliations (Individual School). All bank reconciliations should be prepared in a timely matter.
- 13-5 Unrecorded Accounts Payables. There was one accounts payable that had not been recorded.
- 13-6 Approval of Journal Entries. Out of the fourteen journal entries tested, two journal entries recorded did not have adequate supporting documentation. All journal

entries recorded were not approved by a management level independent of the preparer.

Compliance and Other Matters:

- 13-7 Excess of Expenditures over Appropriations. During the fiscal year that ended June 30, 2013 the board reported expenditures within the General Fund that were in excess of the amount appropriated for that function in the budget by \$4,861.00.
- 13-8 Significant Violations of Finance Related Legal and Contractual Provisions. During the fiscal year which ended June 30, 2013 the boards' finance officer was not individually bonded through a commercial surety bond for at least \$50,000.00 as required G.S. 115C-442.

Michael Cowin noted that an internal auditor is working very closely with the staff at NERSBA who will review the details of the audit closely and insure there is documentation provided and that all invoices have been pre-approved and dual signatures completed for all purchases. Mr. Best stated during his report that a lot of good things to insure compliance are in place at NERSBA now.

Principal Davis noted the school recognized weaknesses from day one and have tried to properly address those deficiencies. Mr. Davis feels good about the leadership Mr. Cowin has provided and the job Mrs. Spruill and the staff at NERSBA are doing to follow the accounting procedures for making purchases and completing business transactions for the school.

Mr. Best referenced that internal controls are hard to maintain. With no further questions or comments Mr. Best thanked everyone for their assistance with the preparation of the audit report.

Old Business:

NERSBA Board of Director Membership

Chairman Peele announced that the North Carolina Northeast Commission appointed Jean Woolard to the Northeast Regional School of Biotechnology and Agriscience board of directors as Washington County's representative. Mrs. Woolard will replace David Peoples who resigned earlier this year. Mrs. Woolard will make arrangements for a court judge to conduct a ceremony to install new board members during the April directors' meeting. Vice Chairman Hodges moved with a second from Joe Landino to accept the nomination on behalf of Mrs. Jean Woolard. Motion was approved unanimously.

Chairman Peele also discussed the submission of names of business people to be added to the board. These names will be submitted for recommendation to Washington County Chamber of Commerce for approval to the NERSBA board during the April board meeting.

New Business:

Vice Chairman Mac Hodges reported on the 2014-2015/NERSBA Budget Committee meeting held earlier with Mr. Michael Cowin. The Committee will be meeting again to make final preparations for the 2014-15 operational budget proposal.

Principal Hal Davis reported on the NERSBA Peer Review Visit held on March 13th. The Peer Review visit is an opportunity for outside school officials, faculty and administrators to review our school and provide instructional feedback to faculty and staff.

The Legislative Study Committee Visit held at NERSBA was also very successful as noted by Principal Davis.

The Industry Education Day at NERSBA is set for March 20th as noted by Mr. Norris Tolson. Fourteen industry representatives from Research Triangle Park, NC are scheduled to meet with our scholars throughout the day on March 20th.

Principal Davis reminded the board of the Student/Parent/Faculty Study Visit to Charlotte County, VA on March 25th through the 26th. Mrs. Tracie Asby will be a part of this visit. Mrs. Asby noted four students from NERSBA, board member Joe Landino, Jewel Tetterton from the Research Station, Buffy Everett, teacher, and Laurie Spencer, parent will be involved with this tour. They will be visiting schools, and a student led farm during the study visit.

Principal Davis reported that the NERSBA Design Principles' Rubric Review is set for Monday, April 14, 2014. The team visiting the school will be looking at how NERSBA incorporates the design principles of the New Schools organization into the overall instructional framework at the school on a daily basis. Mrs. Joyce Loveless informed that board that this opportunity is a very powerful experience for schools in their growth and future development. New Schools will be facilitating that process with the faculty and other stakeholders looking at evidence that supports where NERSBA places itself among the six design principles.

Principal Davis reviewed the NERSBA Student Recruitment Plan. He has completed informational rounds at the individual middle schools. The New Student Orientation is scheduled Thursday March 20th at 7:00 PM in the Vernon James Center.

Principal Davis reported on NERSBA Faculty Recruitment for 2014-2015. He has posted position openings in every major college and university in North Carolina. The NC New Schools Organization has listed potential openings for faculty employment on their website as well.

Chairman Peele discussed the academic issue for upcoming juniors of working with community colleges and NC State University with respect to potential course offerings. After some discussion the board asked Mrs. Joyce Loveless from NC New Schools to offer ideas regarding this issue at the April board meeting.

With no further discussion the Board proceeded into a closed session under statute NC G.S 143-318.11(a) (5). At 6:00 PM. Mr. Norris Tolson moved to enter into executive session, followed by a second from Mr. Benjie Forrest. The motion passed unanimously.

After an executive session, Chairman Peele announced the next scheduled board meeting would be held on April 16, 2014 at 4:30 PM at the Vernon James Center.

The meeting adjourned at 7:08 pm.

Minutes submitted by: Inga Spruill

