



The Newport Board of Education held a work session on February 10, 2021 at 6:00 PM. The meeting was held via video conference.

CALL TO ORDER

Chairman Malone called the meeting to order and asked for a roll call. The following were present: Ramona Malone, Dr. Julie Smith-Morrow, Melissa Sheffel, and Aaron Sutherland.

Also, in attendance: Tony Watts, Superintendent, Brandon Voelker, Attorney, and invited guest Stephen Wright, Senior Financial Advisor with MCF Advisors.

Ms. Malone asked those in attendance to stand and recite the Pledge of Allegiance and pause for a Moment of Reflection.

PRESENTATION

Stephen Wright, Senior Advisor with MCF Advisor, was present to discuss the Chester Davis Scholarship Foundation fund.

Mr. Wright introduced himself and shared his personal and business background information with the board. He shared a general overview and brief history of the organization including the structure, number of employees, number of MCF's clients that are supported by the institutional division of the company, assets under management, current clients, and locations. They are a fully independent firm.

MCF will assist the board as follows if hired:

1. Origination of a clear investment strategy thru an investment policy. Based on the objectives stated in the investment policy and the appropriate risk mitigation strategy, investment managers are selected for each asset class outlined with the statement. This statement drives the goals set by the foundation.
2. MCFs institutional staff will provide the highest levels of experience and expertise to the foundation. An experienced consultant will be assigned to the foundation backed by a team of three investment professionals and a dedicated service administrator.
3. Fiduciary investment management/advisory services – MCF will help navigate fiduciary responsibility through investment analysis involving detailed reporting utilizing numerous industry standard analytical measurements. Clients receive quarterly investment reviews and reports, and a quarterly capital market recap and outlook report. They can also assist with an endowment distribution policy,

MCFs fee is 1% annually on assets under management, billed quarterly.

After answering many questions from the board regarding independent custodial service provider fees, whether MCF manages any other education foundations, can MCF manage distribution of scholarship funds directly to students, and how MCF would invest the funds and stay in compliance with the will, the board thanked Mr. Wright for attending tonight's meeting. His presentation gave a great snapshot of MCF's services and support.

SCHOLARSHIP DISCUSSION

Jennifer Hoover provided a report to the board for discussion and consideration as they move thru the process of revamping the education foundation. The report covered current scholarship funds, amounts, location of funds, and where the distribution of funds is housed.

Guiding questions for the board to think about moving forward:

1. What are the requirements for a student to receive funds from the Chester Davis account?
2. Will other scholarship funds be transferred to the foundation?
3. Are original by-laws still applicable?
4. Should a separate accounting system be established for the scholarship funds?

After review, Mr. Sutherland questioned whether a forensic audit should take place? One account that transferred from Citizens Bank in 2015 to Heritage Bank has an amount that no one can account for. Given some time, Ms. Hoover felt she could internally figure out the foundation accounts since there is not a lot of activity. She will investigate the additional funds found at Citizens and report back to the board.

The board did not make any decisions this evening but will entertain the idea of re-writing the by-laws to change the make up of the education foundation.

Ms. Hoover asked the board to consider hiring a MUNIS consultant from KEDC to review our financial systems and processes. This coincides with the work we are currently doing with Linda Rains.

Ms. Hoover also informed the board that approximately \$81,000 needed to be transferred from Chester Davis funds to the general fund for reimbursement of scholarships distributed to students since 2017.

NHS UPDATE

Mike Hunter, Newport High School interim principal, was present to discuss their strategy for helping failing students. Mr. Hunter and his administrative staff have mailed out letters to all parents who have a child failing two or more classes who are at risk for retention. They are requiring students to attend virtual interventions during the afternoon. They are also offering extended school services during the week. They have offered small groups to come in on Monday, Tuesday, Thursday, and Friday from 12:00-3:00 and Wednesdays from 8:00-3:00.

Teachers are calling parents and students and home visits are taking place to encourage students to attend these additional intervention classes. There are a lot of attendance and participation issues. 7th grade failures might be traced to transition issues.

Mike admits the failures are astounding but feels if we can get the students back in school, a lot of their grades can be brought up. Ms. Sheffel asked if making "in-person" participation mandatory for failing grades is ever considered. Right now, the high school and primary school are considering bringing students back for full days, but the problem lies with the intermediate school because of space.

The board and Mr. Watts thanked Mike for his commitment to the students. Mike's enthusiasm to make the high school successful is evident and appreciated by all.

ADJOURNMENT

There being no further business, on MOTION BY SHEFFEL AND SECONDED BY SMITH-MORROW the meeting adjourned. Time: 7:37 PM

1181 - MOTION CARRIED 4-0

Chairman

Secretary