

***Larry B. Hammond, Superintendent***  
***Board Report***  
***February 15, 2022***

Planning effectively for appropriate staff is forever an issue within a school district. This is especially true for Gallatin County as plans are made for the transition to a new superintendent. In addition to having a new superintendent, the district will have a new transportation director, director of special education/preschool and Director of Finance/Chief Finance Officer (CFO) for the 2022 – 2023 school year. Every position within a district is a “most important” position and usually everyone has this feeling regarding their own position.

This report will focus primarily on finance with some reflection on the past as well as recommendations for your consideration as plans are made for Mr. Gamble to transition out of the district. At this point in time, Kelley has indicated the current arrangement requires too much time on his behalf for the future. He is willing to assist as a consultant with the transition, which is common practice when a CFO is hired without previous experience in the role. If a CFO is hired that has previous experience, the need for a consultant will not be necessary. The experience should have been as a CFO to warrant no support in assuming the role. January 15, 2015, an audit report was submitted by Auditor of Public Accounts Adam Edelen that revealed a need for change in the Gallatin County Finance Department. I can provide a copy of the audit at your request. The findings revealed an excessive amount of funds were being allocated to staff the department. After additional research, I feel confident it is beneficial for me to share some figures for you to consider as you make staffing decisions moving forward. The approved 2014 – 2015 salary schedule for the director of finance was \$84,000. In addition to the director of finance, a consultant was paid \$37,578. for the first half of the 14 – 15 school year which would equate to \$75,157. for the year. That totals \$159,157. for the director of finance. Although the cost continued to increase over the years, this practice of a Director of Finance and a Consultant to assist the Director of Finance began December 2000. In addition, the finance department had staff to address payroll, monthly bills/invoices and activity funds which increased the overall cost for the finance department significantly. Currently, the finance department consists of 2 full time staff members to address payables, activity funds and payroll.

The finance staff has been reduced from three full time members (payables, payroll and activity funds) that were here when I came to the district in 2017. We currently have 2 employees in finance that fulfill the responsibilities associated with payables, payroll and activity funds. A comparable adjoining district has 4 full time employees in the finance department. Amanda can further describe the duties in 2017 for you as well as various other aspects of performance and productivity with district staffing at that time. Kelley has performed a tremendous service to the district as the finance officer on a part time basis with minimal cost. He has effectively led the previous staff as well as the current staff. I feel confident in speaking for Kelley in saying the finance department is both effective and efficient. We have confidence in their ability as well as commitment to the district. More than likely, the next CFO will not have the experience

and expertise of Kelley. Consequently, that person will likely need the additional assistance of a consultant somewhat like what occurred in 2000. However, the difference is quite significant. The consultant will not be needed for 15 years. The expectation would be for the new CFO to excel and need little or no assistance after 1 year. Kelley is willing to serve as the consultant if needed with your approval. The adjoining district referenced earlier has been training a person full time for 2 years to meet the need when the current CFO retires. We made the transition where I was employed previously in a similar fashion.

The new Gallatin County Superintendent may very likely be a person with no previous experience as a superintendent. Having a full time CFO will be of tremendous benefit to him or her. Every member of the district administrative team will be crucial to the success of the new superintendent. He or she will likely depend heavily on the CFO for financial advice when making decisions and recommendations to the board. The trusting relationship will be essential to further improvements within the district.

Consequently, the recommendations referenced in the second paragraph are to approve a CFO job description as well as corresponding salary schedule.

I will continue making staffing decisions with the assistance of current personnel in the best interest of the district. The incoming superintendent will be informed of the current status of staffing issues and a brief history of the district evolution since 2017. This should be of assistance in making 2022 – 2023 an even better year for students and the entire Gallatin Team.