

## Carroll Education Foundation

Minutes from Nov. 10, 2015 meeting

### Members in attendance:

Steve May, Katrina Scagnoli, Beth Stephens, Dr. Chris Lagoni, Van Taylor, Jay Bush, and Steve Keown, Amy Powlen, and attorney Miriam Robeson

The Meeting was called to order. Van motioned to approve the last meeting minutes, and Amy seconded the motion. All agreed. Motion passed.

### Internal Controls Discussion

Van reviewed the by-laws and noted that the by-laws mention in article #10 about a conflict of interest, but does not specifically mention scholarships. Presently the board member term is from August to August. So, if a current member had a conflict of interest (child or another relative who would be eligible for a scholarship), it was discussed that it would not be favorable for that member to be on the scholarship committee. The board would have to make a decision on where the line would be drawn as far as the relationship: child/grandchild/step-child/relative etc. There would also have to be a determination as to whether the board member would be able to serve on the board, but not the scholarship committee, or if the member would have to step down from the board as well as the scholarship committee if a conflict of interest exists.

The board asked Miriam to attend for guidance on setting up internal controls as well as the subject of conflict of interest concerning board member and/or committee members. Miriam stated that the board can be as detailed as we want, when setting up guidelines in our by-laws.

Jay mentioned that it would be ideal to have a good balance of people serving on the board, as members come and go. And that people with school age children have a vested interest, so we need to find a balance. Also, that public opinion is a matter of perception too.

Van mentioned that it would be uncomfortable and would possibly influence a member's decision, depending on who they sit next to at the meetings and believed that the board ultimately makes the decision on who receives the scholarships, after the scholarship committee makes their recommendations.

Katrina asks, does the board know, prior to the awards ceremony, who the recipients are?

Dr. Lagoni answered that question: No, only the committee saw those scholarship applications.

Miriam also stated that the by-laws could be interpreted 2 ways: 1. That the committee has the ultimate decision on who the scholarships would go to. 2. That the board has the ultimate decision on who the scholarships would go to.

Jay stated that initially the board members were on a staggered term in order to preserve institutional memory. He stated that we need to send the right image to the public, no nepotism, and no conflict of interests. All were in agreement with this.

Steve K. stated, as long a member with a child (or other conflict) is not on the scholarship committee he does not have a problem with the member being on the CEF board.

Dr. Lagoni also explained how one of the current local scholarship programs works. The program is run by a Trust Dept. who meets with the Carroll scholarship committee for their recommendations. And that committee only meets during the scholarship season, which is typically the second part of the year. Also, Dr. Lagoni states that the committee for said scholarship has different members than the committee for the McCain scholarship. The scholarship committees are made up of some configuration of: teachers, counselors, High School principals and Dr. Lagoni.

Katrina asks Miriam for guidance on this and Miriam states that we need to make it clear in our governing documents, whatever decisions/directions we take.

Miriam gives the board guidance with regard to some points on how other local scholarships operate:

1. You cannot sit on the scholarship committee if you have a child who is currently eligible for the scholarship.
2. The scholarship committee has the final decision.
3. Board members do not know until scholarship awards, whom the committee chose as scholarship recipients.

Van suggests that a board member sits off the board for the period of a year, if they have a conflict of interest.

Van also states that there are to be 2 board members on the scholarship committee.

Jay agrees that there should be 2 board members on the scholarship committee.

Steve M. asks what do we refer to as "scholarship season"?

Dr. Lagoni answers that it is December to June.

Steve M. suggests that maybe we could just suspend a board member for that time period?

Board member terms are said to be a 3 year term, and member can serve for 2 terms, then the member has to lay out for at least one year. Also, 3 absences constitute resignation from the board. Term limits are for all board members, not for officer terms. Officers are elected every year.

The school guidance counselor and other school district residents were also mentioned as possible scholarship committee members, however they would not necessarily sit on the CEF board.

Miriam states that if we make the scholarship committee as autonomous as possible, then we have done our due diligence. And we need clarification of our by-laws. We also need to include a note in our next meeting notification that goes out to board members, that we will be amending our by-laws.

So, with discussion on this subject, it was agreed that we would have Miriam work on writing up some clarification on the interpretation of by-laws, and she would then give this to the board for review and consideration.

Jay made a motion that the board would ask Miriam to review the by-laws and draft an amendment to the by-laws to state that a current member on the board cannot sit on the scholarship committee and will not know the actions of the scholarship committee, if said member has a conflict of interest.

Steve K. seconded the motion. All agreed. Motion carried.

#### **ELECTION OF OFFICERS:**

There was a discussion on terms and attendance requirements. Amy made a motion to keep the terms but remove the limits. Steve K. seconded the motion. All agreed. Motion carried.

Van stated that he will go off the board, to abide by the current by-laws.

Katrina agreed to serve as President, Jay agreed to serve as Treasurer, and Beth agreed to serve as Secretary for another year.

No one, at this time came forth to serve as Vice Pres., but we may fill that position at a later date.

Katrina motioned to accept the nomination for officers and Amy seconded the nominations. All agreed. Motion carried.

#### **Next Meeting Date:**

The next meeting will be January 12<sup>th</sup>, 2015 at 6 p.m. at the Administration Building.