



TCS Project Management



District Priority: Refine our Capital Projects Oversight

3 issues highlight the need

October 2021 - May 2023



- October 2021 - TCS planned HVAC projects using ESSER funding and carryover project funding from the TC Commissioners
 - BOE approved this plan with a reasonable expectation that funding could be allocated, however, documentation that this was conveyed to the commissioners cannot be located

October 2021 - May 2023



- PFE Piping was planned and TCS expected to use Lottery funding and ESSER funding
- An additional contract amendment for A&E services for a total of \$98,500 was signed by a TCS employee but never approved by the BOE.
 - We are now short \$98,500 on that line item.
 - The total project may finish under budget in other line items.

October 2021 - May 2023



- Last week, TCS found a “double” payment. A payment the school paid and the county paid for \$7,625
 - The county manager and I have been working together to check all payments for the Piping to make certain there are no other double-payments

October 2021 - May 2023



- Any “double” payments will need to be deducted from the total amount of reimbursements from the county.

Project Management



- August 2023, Mr. Putnam became the Director of Facilities
 - Since this date, there have not been any overcommitment or contracts signed without approval.
 - Projects planned have been completed.

Bond Project Management



- July 2024 - CFO Gabi Juba resigned from the position
 - TCS has been unable to fill the position
 - Working with NCASBO who provides a mentor to help with our finances

Bond Project Management



- October 2024 - TC Commissioners will work with the LGC to sell the school bonds
- November 2024 - the first Bond funds will be drawn down and projects can begin

Bond Project Management



- Due to not having a finance officer and scope of project oversight, I propose we allow the TC Commissioners to manage the Bond projects, but only the bond projects.
- Mr. Putnam can continue with everyday facility needs as well as other projects that have already began (RHS football field as an example)

Bond Project Management



- The current agreed-to bond projects total as follows:
 - 213 separate projects
 - 11 different construction sites

Bond Project Management



- Henderson County uses a joint facilities committee with Commissioners and School Board members.
- I recommend we present a proposal to the Commissioners and sign a MOU to confirm that if they manage the bond projects the following shall occur:

Bond Project Proposal



1. County general fund revenues (derived from the property tax increase) will pay for all bond costs.
2. A permanent joint committee consisting of at least 2 members from each board (BOE and BOC), the TC manager, and the TCS Superintendent will be maintained for the life of the bond projects to meet as needed.

Bond Project Proposal



3. Based on joint committee recommendations, both Boards will approve an architectural firm(s) and contractor(s) to complete all bond projects.
4. Both boards will approve changes/change orders/additional projects from bond funding following a recommendation from the joint committee to both Boards.

Bond Project Proposal



5. The County and School Board will sign all contracts jointly.
6. The Commissioners and School Board will jointly hire a construction manager, to manage all bond projects. The fee may come from the bond amount.

Bond Project Proposal



7. The County will pay all bills directly.
8. All sales tax refunds on the bond projects will be returned to the bond fund to allow for additional construction.

Bond Project Proposal



RE: Regular Capital Outlay

9. The County will allocate Article 40 and 42 funds and lottery funds to the Board of Education's capital outlay fund. Allocations may be made by project; however, a reasonable amount, such as the \$220,000 yearly daily repair allotment, will be undesignated to allow the School Board to address immediate repair issues without the delay of seeking County approval.

Bond Project Proposal



RE: Regular Capital Outlay

11. All contracts for regular capital outlay over \$90,000 will require joint signatures.

Bond Project Proposal



RE: Transparency

12. At least quarterly, the County and school district staff will meet to discuss ongoing capital projects. At least quarterly, the County Manager will provide a spreadsheet showing both Boards and the public the sources and uses of all capital revenues for the current fiscal year organized by source of revenue. ([Example attached from McDowell County](#)).

Bond Project Proposal

RE: Transparency



13. The County Manager and Superintendent will meet to identify current revenue uses and source balances as of July 1, 2024.
14. Monthly if requested (but a least quarterly), the County's construction manager will update the Board of Education in-person on the progress of the bond projects at a school board meeting.

Bond Project Proposal



RE: Transparency

15. The school district will continue to use previously agreed-upon protocols and electronic project files to provide the County with full information on all capital projects.