



SOUTHEAST ISLAND SCHOOL DISTRICT

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MEMORANDUM

TO: SISD BOARD OF EDUCATION

THRU: Lauren Burch, Superintendent

FROM: Lucienne Smith, Contracted Business Manager
Alaska Education & Business Services, Inc.

A handwritten signature in black ink, appearing to read "Lucienne Smith", is written over the printed name and title.

Date: April 17, 2018

SUBJECT: FINANCIAL REPORT NARRATIVE

QUARTERLY REPORTS – We have completed the 3rd Quarter 941 and ESC reporting and are now working on completing the 3rd Quarter grant reports.

E-RATE – USAC is currently reviewing our 2019 application and we expect to have all their questions wrapped up in the next couple of weeks. Until we know what the legislature funds regarding the annual Broadband Assistance Grant (BAG) for next year, we will not know our actual erate funding. There is currently a bill in the House for funding up to 25 Mbps bandwidth for our outer sites.

We will be submitting a Category 2 application to USAC next year to refresh some of our infrastructure. Airica and I will be discussing this over the next few months to determine our greatest need. Category 2 allows us to apply for funding for Access Points used in a LAN; Antennas, cabling, connections and related components used for Internal broadband connections; Caching; Firewall services and components that are separate from Basic Firewall protection; Switches; Routers, Racks, Uninterrupted Power Supply (UPS/Battery backup); Wireless Controller systems, Managed Internal Broadband (3rd Party Services); and Basic Maintenance of Eligible CAT 2 equipment. From that list you can observe that it allows for quite a menu of items, the only stipulation is they will fund up to \$160 per student in total. For SISD that would be approximately \$30K over a period of 5 years. We can use it all in one year, or over two years and even spread it out over 5 years.

INSURANCE RENEWALS – We are still expecting to have our general liability, property insurance, worker’s compensation, and auto insurance questionnaires completed by the end of April – the Broker did not get them all sent out as early as usual.

PEHT sent out our Health Insurance renewal and it was a 7.58% increase over the current year. We will, once again, in January obtain health questionnaires from staff and work with our broker to stop the rise in this cost and possibly even reduce it.

FY 2019 BUDGET – The 2nd draft is further on the agenda.

You may have heard that Timber Receipts were included in the Omnibus Bill which passed Congress and was signed by the President. The funding is for two years and SISD may receive this years before June 30th. It will be interesting to see how fast the wheels of bureaucracy move in this case.

FY 2018 AUDIT – Yes it is that time already! Southeast’s OASIS data has been sent to the auditors and they have provided the sampling. The interim and final audit has been scheduled for the weeks of June 11th and the week of September 17th respectively. Once again with our ongoing electronic documentation, this will be an off-site audit.