

EDGE for Educational Excellence, Inc.
Special Meeting
February 1, 2016 at 3:30 pm
Location: Putnam Edge High School
951 Moseley Avenue, Palatka FL 32177

The meeting was called to order by Chairperson Pat Freeman. All members present for meeting except Grace Thomas who was excused.

The meeting was held to discuss the following specific topics:

Status of New Policy with United Healthcare

Cory Booth, agent with Bates – Hewitt Insurance was present.

Mr. Booth provided background information on the life insurance and health benefit plans Edge has with Florida Blue for 2015. In October, Mr. Booth recommended that Edge change to United Healthcare to avoid the ongoing billing problems experienced with Florida Blue. The life insurance and dental/vision plans were to become effective January 1, 2016 and would be billed together. Edge paid an estimated advance premium in December for the month of January. However, there was some mis-communication and lack of follow-up in receiving required employee information to get the plan uploaded in their system. That information was received around January 9th. Ms. Freeman asked about the coverage for the employees for January since no cards had been received. Some had scheduled appointments but the system was not showing our plan active. Mr. Booth stated that the coverage was there, but the employees might have to pay out of pocket and get reimbursed after-the-fact. Mr. Booth acknowledged that this wasn't the best case scenario for employees and apologized for any inconvenience it may have caused.

Mr. Booth agreed to print temporary cards for any employees to use until their permanent cards arrive. He also agreed to have a digital copy of the plan sent to Edge so employees could receive a copy.

Cancellation of Life Insurance with Florida Blue in 2015

Ms. Freeman stated that she has obtained copies of all the invoices from the school's file to try and identify what went wrong and how to prevent it from happening again. Ms. Freeman offered an apology to the employees for the billing problems with Florida Blue and that the information should have been shared with staff from the beginning.

Ms. Freeman stated that Edge paid an advance estimated premium with Florida Blue for both plan in December, 2015 for start-up in January, 2015. For the months from January – May, invoices were not consistently received but were paid when they did arrive. No bill was received for June and other invoices were showing past due payments back to the beginning of the year. We found that Florida Blue was not crediting payments made for the life insurance. We then received invoices in July that still showed past due payments for months that had clearly been paid. When Ms. Keith called on August 6th, Florida Blue told her that our policy was being cancelled for non-payment. We received formal notice the next day. During this interim, Mr. Booth nor Ms. Freeman were able to get proper credit applied and have the policy re-instated. Ms. Freeman apologized for the problems we had with Florida Blue and failure to keep employees informed as to what was happening.

Mr. Booth was asked to try and determine if a refund was due Edge or its employees. He will let Ms. Freeman know the results of his follow-up.

Financial Reporting and Management

Mr. Nelson provided a report that covered payables for December, 2015 and January, 2016. Payables for these two months exceeded the FTE received from the state. He stated that, in the past, we had some cash reserves to cover months should expenses exceed income but that money had been spent on the College Road demolition, purchase of chemistry lab equipment and fees for accreditation that had not been planned for. Questions were asked about late fees for the mortgage, the agreement with New Tech, lawn service and internet services.

Mr. Nelson stated that our priority with payments is to ensure that payroll, taxes, employee benefits and retirement were always paid. Depending on when we get our FTE check from the district, some bills may be paid late and incur a fee, but they are usually paid within 30 days of receipt.

Mr. Hadaway commented that the board needs more information to ensure that we are paying our bills timely, see how we are doing to budget and can project expenses so we can plan accordingly. The board has a responsibility to be transparent and have information communicated more timely to everyone.

Following discussion, Ms. Freeman stated that she would talk with our accountant to immediately make changes to the financials so that we have more information and determine changes needed in our internal processes. More discussion will be scheduled during the next board meeting.

With no further business, the meeting adjourned at 5:45pm.

Respectfully submitted,

Pat Freeman