Collaborative for Educational Services
Board of Directors Meeting Minutes (APPROVED)
November 13, 2019
97 Hawley Street, Northampton, MA 01060

Present from the Board: John Cotton, Maureen Nichols, Gene Stamell, Barbara Doyle, Jonathan Schmidt, Kyle Belanger, Laura Fallon, Matt Wilhelm, Mike Knapp, Carey Etchels, Jenn Eichorn, Dan Hayes, Michael Merritt, Jennifer Mallette, Keith McFarland, Sarah Hall

Present from CES: William Diehl, Barbara Siegel, Sarah Molloy, Karen Reuter, Rebecca Lincoln, Jill Robinson, Angela Burke, Darnell Thigpen Williams

Additional Present: Steve Erickson and Linda Wosko from Whittlesey

Call to Order and Introductions

Dan Hayes called the meeting to order at 6:35 PM. There was not yet a quorum at this time so the meeting opened with the Executive Committee.

The Board and CES employees did introductions.

Sarah Molloy introduced the new email address (board@collaborative.org) that was set up for sending topic requests, questions, etc. The email is currently connected to her email address and she will pass on the emails to the appropriate individuals.

Public Comment

Dan Hayes thanked Michael Knapp and Laura Fallon, whom he saw at the Massachusetts Association of School Committees (MASC) conference. He saw Suzanne Crawford there as well, but she was not at the meeting tonight. There were really good presentations at the AESA (Association of Education Service Agencies) event as well.

Dan also mentioned the recent election for Division V of MASC. Laura Fallon was elected the chair of the division. Laura explained that Division V is the Connecticut Valley division. They help with district concerns and are a great way to communicate things to get on the MASC agenda. They also host professional development and in the past have partnered with CES on this. Laura would like to bring this Board’s voice to the state level through MASC.

Approve Minutes of September 25, 2019 Board of Directors Meeting (vote required)

A copy of the September 25, 2019 minutes were provided to all Board members in their packets. Laura Fallon proposed an amendment under the “Public Comment” section. Where it reads “SPED circuit breaker” it should read “regional transportation reimbursement.”
Jonathan Schmidt moved that the Board approve the minutes of the 7/25/19 Board of Directors meeting including the proposed amendment. Laura Fallon seconded the motion. None opposed and the motion passed.

SJE Presentation

Bill Diehl introduced the Social Justice & Equity (SJE) presentation explaining that CES committed to doing our own internal SJE work before we work with others on it. We've done work with a number of districts and at the previous Board meeting a request was made to learn more about this so we asked our SJE co-chairs to present today. The co-chairs are Jill Robinson, Darnell Thigpen Williams, and Safire DeJong. Jill and Darnell presented on the internal SJE work we’ve been doing and Angela Burke presented on the external SJE work we’ve been doing with districts.

A copy of their presentation is attached to these minutes.

Darnell presented CES’ SJE Mission and Guiding Principles, which was provided to all Board members in their packets. At the end of their presentation they passed out exit tickets for Board members to fill out if desired, asking if there is SJE facilitation/training that they as a Board would like us to support you with. A copy of this exit ticket is attached to these minutes.

Laura asked about what Becky Mazur said in the video they showed regarding CES making time for internal SJE work. Bill explained that they have their internal SJE dialogues during the work day.

Gene asked how districts can ask for our consulting services. Angela said to email her at aburke@collaborative.org.

Note: At 6:51 PM there was a quorum.

Annual Report (vote required)

Note: This agenda item was moved until after the September financials to accommodate our internal auditors’ arrival.

A copy of the FY19 Annual Report was provided to all Board members in their packets. Bill explained that the Annual Report is a great way to document everything we do and that we are required by statute to do this every year. This report goes to DESE and DESE requires that we include all of the things we do, the number of people involved, the costs involved, and a cost comparison to show that our services are cost effective. The report also goes to School Committee Chairs and to the State Auditor.

Bill pointed out that his intro has the same incorrect numbers as the Annual Audit’s MD&A so the approval will include the same amendments from the audit. A letter from Bill with the edits was passed around to the Board members during the earlier audit portion of the meeting.

Laura asked why our OTC (Occupational Therapy Center) doesn’t offer much of a cost savings. Bill responded that the OTC and the CCATT (Collaborative Center for Assistive Technology and Training) have both run deficits for a while. The Board had a committee that looked at this issue a couple of years ago and we were able to do some work on this. The Board decided to continue to support the two centers. The veteran staff have been involved for a while so there are certain cost there, but expertise as
well. Barbara added that we can’t increase our price because our districts can’t afford it and we can’t go beyond what the market will bear.

Dan concluded that it gives good information on the scope of work and how interconnected CES is with school districts, the community, surrounding states, and throughout the nation in different capacities (such as Albert Mussad’s work).

Dan and Bill feel it’s important to get these reports to our senators and state representatives. Dan will get this to Senator Hines and Rep. Alice Peisch as a lot of these conversations look at how collaboratives can be part of the solution and will give insight into how collaboratives, especially this one, are connected to the communities.

Bill thanked Kathy Levesque who put this together and noted that it was also a group effort from across the agency. He also noted that one of CES’ objectives laid out in the Articles of Agreement talks about having an impact on and developing knowledge in order to build legislative support.

Barbara let the Board know that the Annual Report should be posted on our website in a couple of days.

Michael Knapp moved that the Board accept the FY19 Annual Report as presented and amended. Jonathan Schmidt seconded the motion. All Board members were in favor and the motion passed unanimously.

Annual Audit (vote required)

Note: This agenda item was moved to right after the SJE Presentation in order to accommodate our internal auditors arrival.

A copy of the audit as well as the Management Discussion and Analysis (MD&A, an addendum to the FY19 Independent Auditor’s report) was provided to all Board members in their packets. Dan explained that every year we have internal auditors come in from Whittesley. Steve Erickson presented their findings. A copy of their presentation is attached to these minutes.

Steve Erickson noted that the bottom line is everything worked out fine and there were no findings. Their opinion is that we are in accordance with generally accepted accounting principles.

Steve Erickson walked the Board through their process, which included developing expectations, testing those expectations, reading Board of Directors meeting minutes, talking to management, and developing a risk profile. Based on the risk profile they then focus on particular areas. For instance, because of the amount of federal income we receive they do additional testing around that.

They look at, but don’t issue an official opinion on internal controls. There were no issues found with the internal controls.

The bottom line is we had a profit of $598,000. The two key changes between 2018 and 2019 are a decrease in grants receivable in DYS and a decrease in SEIS as well.

Barbara noted that we are going to extend the UFR since the deadline is so close the Board meeting.

In regards to communications with management, Steve Erickson said there were no issues. Barbara and her team were very helpful.
Bill added that last year we were worried about the budget and decided to hold off on giving staff 2% COLA. By May we did have the funding and decided to give it retroactively. This reflects hard work by our staff in keeping expenses down and increasing revenue. Those especially to commend are those working in the field – they had a $414,000 increase in revenue from last year. A lot of that is from tuition programs. Our professional services increased $270,000 from FY18 to FY19. Bill would like to publicly commend them for the work they’ve done and all of this to help serve our member districts.

Laura asked about the bad debt, where it comes from and if it’s typically from districts not paying. Barbara confirmed that is where it comes from. We keep things on the books because we really hound to get our payments, but sometimes it doesn’t work and then we write it off.

Linda, from Whittelsey, had sent some corrections to Bill’s MD&A after it was posted so Bill handed it out to the Board that shows the changes. A copy of this document is attached to these minutes. He highlighted the changes and noted what they used to be. Bill noted that they are relatively minor and they work to our benefit.

*Laura Fallon moved that the Board accept the FY19 audit as presented by Whittlesey Forward Advising and amended. Jonathan Schmidt seconded the motion. All Board members were in favor and the motion passed unanimously.*

**Cumulative Surplus (votes required)**

A Board member asked why the cumulative surplus is separate from the audit. Barbara responded that DESE says it has to be. It only looks at the general fund and DESE requires that if it exceeds 25% then anything above 25% has to go back to the districts. Anything below 25% is up to the Board. In our history it’s always gone back to the fund.

**Calculation**

Barbara explained that the calculation is done by taking the numbers out of the financial statements and doing the math. The numbers can be matched in page 35 in the audit. In FY19 it’s on page 28. Our swing went from -4.5% to 6.1% this year. This vote will just be to accept that this is the math. At the request of a Board member, Barbara read out the numbers used and how it is calculated.

*Gene Stamell moved that the Board accept the calculations and the final dollar amount of the cumulative surplus, as presented by Whittlesey Forward Advising. Michael Merritt seconded the motion. All Board members were in favor and the motion passed unanimously.*

**Retain the Surplus**

Bill recommended to the Board that we take the surplus and divide it in half with half going into the fund balance and the other half going towards things we’ve deferred because of our budget situation. He listed some examples that could be considered, such as HEC Academy needing a new roof, conference rooms need to be redone, and we’ve put off staff training and doing some things districts have asked for that we haven’t had the capacity to do.

Jonathan asked if they would be voting on this to be discretionary spending money or if the Board would vote on the spending as it comes up. Bill said those were just examples, but it’s up to the Board. Right now we are asking for discretion on how to spend it.
Laura asked what the process would be if the Board voted to send the surplus back to the districts so Barbara walked them through the potential process, explaining that she believes (as we’ve never experienced it before) the division of surplus funds would be calculated the same way as the Agreement handles dissolution of the Collaborative. There are very specific accounting procedures for that. It would be in the form of credit to use at the Collaborative. Mike Knapp says he’s just grateful it’s not a deficit and is in favor of reinvesting the money in the Collaborative. Dan pointed out there are deferred maintenance costs so the two options are going through this complicated formula versus asking the districts to fund things.

*Jonathan Schmidt moved that the Board retain half the surplus in the fund balance. Mike Knapp seconded the motion. All Board members were in favor and the motion passed unanimously.*

**Use the Surplus in FY20**

Jonathan asked the Board if they wanted to approve this with a request for a plan for how the money will be spent or if they want to have a say over how it’s spent if it’s over a certain amount. The Board discussed this and the question, and decided on requesting a report on how the money was spent so they could show their committees how it was used to improve CES. They then discussed where to include that information, such as in Barbara’s financial reports or the Executive Director’s report since that already goes to school committees.

Dan noted that in the past the Board has given the Executive Director discretion, but if there is a big contract outside of the wheelhouse of CES, the Executive Director would come to the Board in advance. Dan also noted that this conversation is to ensure there is full transparency between the Executive Director and the Board. Bill informed the Board that we will go through an internal process to determine our priority and that would happen throughout the year.

*Jonathan Schmidt moved that the Board approves the discretionary spending of half of the FY19 surplus to be spent in FY20 with the understanding that at the end of the year the Board will receive a report for how it was spent. Laura Fallon seconded the motion. All Board members were in favor and the motion passed unanimously.*

**September Financials**

Barbara would like to express how grateful she is for Rebecca being her Assistant Director of Finance. It’s her and her team who put all of the information together for her reports. Rebecca pointed out she is also the Chief Procurement Officer.

Barbara informed the Board that there is nothing in the packet for this section of the meeting due to the two audits we’re going through so she will do a verbal report.

At this time we have a deficit $482,719 through September. It’s important to note that in July and August many of our services are not being used yet since schools are not open, including HEC Academy. We have fewer professional development services as well so our revenue is very low in those two summer months. Even in September things are still winding up and schools are figuring out what services your students need. Our related services also don’t really start to get going until the beginning to mid-October. Last year we were negative $381,701. It is important to note that the in general fund through September 30, 2019, our position has improved by $57,651 as compared to last year at this
time. The September revenue shortfall is primarily a timing issue. The month end invoices for the two large contracts had not been processed by the 30th. They were the following week.

**Election of Vice Chair (vote required)**

Dan explained that at our last meeting we did an election and were looking for a vice chair and we had one volunteer, Don Sluter. The Board then voted Don in. Dan was recognizing that it goes against our Articles of Agreement as the Chair and Vice Chair are required to be from two different counties. Dan has expressed his disappointment and Don is aware that the articles are very difficult to change. We could in the future look at going through the amendment process.

Michael Knapp volunteered to be considered for Vice Chair.

*Gene Stamell moved that the Board approve that Michael Knapp be the Vice Chairperson of the Board of Directors for FY20. Laura Fallon seconded the motion. All Board members were in favor and the motion passed unanimously.*

**Approve Amendments to By-Laws to include Policy Subcommittee (vote required)**

A copy of the proposed amendments to the by-laws was provided to the Board members in their packets. Dan explained that the former Vice Chair saw the reason to have a policy subcommittee so the Board would like to create this subcommittee, but we need to amend the by-laws in order to do so.

Michael confirmed with Dan that the Board is voting to approve the by-laws as amended in the packet.

It was noted that there is a reference to a third footnote that does not exist. Sarah Molloy explained that there should not be a footnote, it is a formatting error and should therefore be removed.

Laura noted a difference in language as far as how the subcommittee members are voted in. The Board discussed which language they prefer and decided that each subcommittee’s section should be amended to state that “The Board shall annually appoint the [Finance/Policy/Warrant/Executive] Subcommittee at the first Board meeting of the fiscal year.”

*Michael Merrit moved that the Board approves the amended by-laws as presented and discussed. Michael Knapp seconded the motion. All Board members were in favor and the motion passed unanimously.*

**Appointment of Policy Subcommittee (vote required)**

Jonathan Schmidt, Laura Fallon, and Dan Hayes volunteered to be on the Policy Subcommittee. Dan recommended bringing in a community member to help with this, such as Cathy Englehardt. We will ask Don, who is absent but has expressed interest in a previous meeting, if he would like to join.

*Michael Merritt moved that the Board approves Jonathan Schmidt, Laura Fallon, Dan Hayes, Don Sluter as members of the Policy Subcommittee and that a community member be appointed by the subcommittee. Michael Knapp seconded the motion. All Board members were in favor and the motion passed unanimously.*

**Appointment of Finance Subcommittee (vote required)**
Dan explained that right now the Finance Subcommittee consists of himself, another Board member and two superintendents (one from each county). The subcommittee generally meets the week before a full Board meeting, usually in the mornings, but this is flexible. The subcommittee provides guidance and input to the Executive Director and the Director of Finance & Operations and makes recommendations to the full Board. This helps streamline getting information to the Board. Jennifer Mallete volunteered to be on the Finance Subcommittee.

Jonathan Schmidt moved that the Board approves Jennifer Mallete as a member of the Finance Subcommittee. Gene Stamell seconded the motion. All Board members were in favor and the motion passed unanimously.

Hires and Separations for 9/1/19 - 10/31/19 (vote required)

A copy of the 9/1/19 - 10/31/19 report was provided to all Board members in their packet. Dan explained this is a requirement that the Board approves the hires and separations. He noted that there are often seasonal fluctuations. If there is anything that strikes the Board they can ask questions.

John Cotton moved that the Board approve the Hires & Separations for dates 9/1/19 through 10/31/19. Laura Fallon seconded the motion. All Board members were in favor and the motion passed unanimously.

Executive Director’s Report

A copy of the Executive Director’s report was provided to the Board in their packets. Bill noted that the first part has the same wrong numbers as the audit. He included this information in a final report since this is what goes to the school committees.

Bill reviewed some of the many highlights from his Executive Director’s report:

- We’ve had increased participation in our services.
- We are in the process of inviting Gateway and Worthington to join as member districts. We need 2/3 approval from our member school committees. Bill has been visiting the school committee meetings to talk about this and our work with your district. We have 18 that are either done or scheduled. Bill will reach out to you and school committee chairs about this. We are also increasing the cost to non-members, which will help us keep costs low for member districts.
- Albert Mussad is trained in planning for success and DESE approves of his work.
- We’re doing a lot more with co-teaching, paraprofessional, SJE work, etc.
- We’re launching a Principals PLC that Smith Vocational is sponsoring. We used to have one and are reinstituting it.
- Every two years SPIFFY (Strategic Planning Initiative for Families and Youth) does a Prevention Needs Assessment survey with 8th, 10th, and 12th grade students in Hampshire County. We have a great track record of responses. It’s a good source of information about the risk and preventative factors for your kids. Results have been published and our team is now meeting with member districts on an invited basis. Some overall findings are that vaping is going way up and smoking and alcohol are going down. In terms of bullying, girls are experiencing bullying more than boys and LGBT students are experiencing more.
- Our Alternative Youth Programs for Perkins are focusing on supporting the transition to Perkins V.
HEC Academy numbers are a little low right now, but we’re working on building that up.

Mt. Tom had a wonderful year with 16 students. We’re now up to 14. We had folks visit from GCC (Greenfield Community College) and Greenfield Public schools because they’re thinking about doing a similar academy in Greenfield. Jonathan asked for clarification that Barbara Cheney is no longer working for Mt. Tom. Bill confirmed that she did leave. Karen Reuter came in at the same time and has been shepherding it. We have a very strong teacher there now. Karen spoke to this, stating that the transition is difficult and the students are saddened by Barbara leaving, but we’ve built a wonderful team and some of the students who have been here a while have helped reinstitute some favored aspects of the program. There is also a support staff person and educational mentor who are still there and they’ve been very key to providing the consistency and holding the values and principles that Barbara was very good at.

We won a grant from DESE to do a statewide Institute on partnering for children with disabilities transitioning into Public Pre-K or K. We are running this on behalf of DESE as a new initiative.

DYS (Department of Youth Services) is doing a lot of cutting edge work on college prep and career work. Students recently participated in a national songwriting contest.

Both DYS and SEIS have terrific professional development. They have really strong intensive programs for our teachers.

We are doing a lot of work developing educators statewide. Albert for instance, is doing a lot of EL education.

The state used to have DSAC’s (they are supports for low performing districts), but they morphed into SSoS’ (Statewide System of Support) and they have contracted with us to give supports with EL and Special Education.

Our R&E (Research and Evaluation) team is continuing to work with Easthampton around behavioral interventions and are looking at disciplinary data.

Our new Human Resources Director is terrific and is doing some great work on policies and procedures with current and new staff (i.e. retention and recruitment).

**ACTION ITEM:** Send the Executive Director’s report to the Board and ensure it reflects the new numbers before we send it out.

**Topics of Board Interest**

Feel free to let us know now or email board@collaborative.org if you have any topics you want to discuss. No topics were presented tonight.

**Adjournment (vote required)**

Dan adjourned the meeting at 8:51 PM.