

**Collaborative for Educational Services
Board of Directors Meeting Minutes
Open Session
November 15, 2017
Greenfield Community College**

Present from Board: Michael Knapp, Howard Moore, Ed Sturtevant, Chrissa Young, Melissa Burke, Cynthia Kwiecinski, Cathy Englehardt, Dan Hayes, Don Sluter, Robert Decker, Maureen Nichols, Virginia Ahart, Patricia Smith, David Young, Cara Castenson (Guest), Michael Simpson

Present from CES: Bill Diehl, Terry Senio, Barbara Siegel, Kathy Levesque, Sarah Molloy

Call to Order and Introductions

Dan Hayes, Chair of the Board, called the meeting to order at 6:35 PM, but there was not a quorum so he opened the meeting with the Executive Committee. He explained that means that the Executive Committee are the ones who will be voting instead of the full Board. Cathy Englehardt added that they take the general consensus of the whole Board before they vote.

Don Sluter, Hussain Hamdan, Cathy Englehardt, Mike Knapp, and Dan Hayes make up the Executive Committee.

The Board did introductions.

Upon the arrival of other Board members, Dan Hayes officially called the meeting to order at 6:40 PM with a full quorum.

Public Session / New Business

Tom Grover, a History teacher employed by CES for the Department of Youth Services education initiative, addressed the Board concerning DYS and SEIS teacher salaries and salary schedules, as compared to public school peers. Dan Hayes thanked him for presenting.

Approve Minutes of 9/27/17 Board of Directors Meeting (vote required)

Don Sluter moved that the Board approve the minutes of September 27, 2017. Michael Knapp seconded. Pat Smith abstained; all others were in favor and the motion passed.

Approve Minutes of the 11/7/17 Finance Committee Meeting (vote required)

Cathy Englehardt moved that the Board approve the Finance Committee minutes of November 7, 2017 and Don Sluter seconded. Pat Smith abstained; all others were in favor and the motion passed.

Approve Open Session Minutes of the three Property Committee meetings (vote required)

Bob Decker moved that the Board approve the Property Committee open session minutes of October 19, 2017, November 6, 2017, and November 8, 2017 and Cathy seconded. Pat Smith abstained; all others were in favor and the motion passed.

Decide upon procedure for approving Executive Session minutes of the three Property Committee meetings (vote required)

The Board concluded that they will decide this during the Property Committee Report part of the agenda.

New Initiatives in Technology

The presenter, Angela Burke from CES, was sick so this was cancelled.

Annual Report (vote required)

The Board received the Annual Report for the period ending June 30, 2017. Bill Diehl informed the Board that the state requires us to submit this in December every year after we gain approval from the Board. In the report, we reflect on what we have done and reflect on any challenges or trends. This one is the longest we've had. Bill did a presentation with information from the report and went through our 5-year strategic plan. As part of his presentation, Bill listed the statistics for our programs and services. Kathy Levesque added that we have done a number of programs that are new to us and that were for the state. Dan reminded the Board of the Social Justice and Equity conference as well.

Bill then went through some fiscal highlights that are also in the Annual Audit report. We have \$125,255 revenue over expenditures. It's a \$250,000 turnaround from last year. Our General Fund had a 6% increase in revenue. 56 new continuation grants and contracts. This was a decrease from 60 in FY16. He noted that we faced the challenging trends of decreased federal and state grants and districts having to reduce expenditures. To deal with these challenges, we re-organized the agency and implemented new technology systems (IV, Salesforce, Applicant Tracking). We are also strategically growing our direct services, developing new business, and are working on strategic plans for current business (such as with OTC and CCATT). We have also increased focus on areas that are expected to grow in need and funding (eg. ELL, SJE, Poverty). We have also increased focus on the expansion of opportunities in services and programs and in geographic reach.

Bob Decker moved that the Board accept the Annual Report for FY17 and Cathy Englehardt seconded. Michael Knapp abstained. All were in favor and the motion passed.

Annual Audit (vote required)

Barbara introduced Steve Erickson and Linda Wosko from Whittlesey & Hadley, P.C.. Linda is the audit manager and Steve, the partner, ran the presentation. They gave a high level overview of the Annual Audit. The Board previously received the full audit. They noted that they keep the Finance Committee abreast of any issues so if there were any issues they would have been in touch with them before the presentation. There are no findings or issues. They use a risk-based approach so they use their generally accepted standards, talk to management, review minutes, and review internal controls. They determine the significant audit areas that are more likely to have mistakes and closely focus on those areas. The balance sheet between FY16 and FY17 is comparable and the only differences are due to timing. In regards to the statement of activities, there was a good improvement over FY16. The decrease in grants was a general decrease that changes a little each year normally. Because of the amount of federal funds we receive they do a federal single audit. Both were clean opinions with no audit findings. The filing deadline is today, but we have an extension to submit as soon as they have Board approval.

Dan thanked the Finance Committee for working on this.

There was a question about the office equipment etc. under net assets and if that is fair market value or the depreciated. That number is cost. They don't know what it is actually worth if we sold that today. Below those lines there is accumulated depreciation related to those equipment. That would be the number to compare.

A question was asked about the insured deposits at People's Bank – we only have \$250,000 insured deposits. The amount over \$250,000 is not federally insured, but is fully covered by the Depositors Insurance Fund of Massachusetts. So in fact all our deposits are 100% insured. They will tweak the report a little to show this more clearly.

A member asked why their old logo was still on the report. The said that they cannot legally use their new logo since it's still in DBA.

Another member asked about pension liability. OPEB, other post-employment benefits, such as health insurance, life insurance and deferred compensation upon retirement are not a consideration for CES. More than 20 years ago, the Board of Directors voted to not have retirement health insurance, except for those who were grandfathered. Districts who offer insurance in retirement are required to have a trust to hold the funds needed to provide the accrued value of the benefits. We pay monthly for the couple of grandfathered employees and are not required to have a trust. We offer coverage for employees who retire from CES with at least 25 years of service and who have yet to reach Medicaid eligibility.

It was asked if the conflict of interest statement is a requirement. The auditors replied that we are required to ask to make there's no collusion or business with Board members or parties related to Board members, as defined by the statute. There is no standard form. The auditors confirmed that CES had created the document that was passed out at the meeting. There was a Board suggestion that the Executive Director ask our legal counsel to review and update, if needed, the Board form. The ED is to bring the reviewed / revised form to the next meeting.

It was confirmed that we have insurance to cover litigations.

Bob Decker moved to accept the audited Financial Statements for FY17 as presented by Whittlesey with the clarification that deposits over the FDIC level (\$250,000) are fully insured by the Depositors Insurance Fund of Massachusetts and Cathy Englehardt seconded. All were in favor and the motion passed.

Cumulative Surplus Vote (vote required)

We are required to calculate the cumulative surplus which includes looking at the audited unexpended funds and any prior year surplus that was used in the current year. The surplus is not allowed to exceed 25% of the previous year's general fund expenditures. The Board votes to accept the figure and they vote as to how they want to manage any positive surplus. The Board can vote to distribute the surplus back to the membership or to leave it in place for CES to use to fund our work. In the past, at the suggestion of the Executive Director and auditors, the Board has voted to keep it for CES to use. Last year the cumulative surplus percentage was -2.2%.

Bob Decker motioned to accept the final dollar \$(10,550) amount of the cumulative surplus percentage of -.12% as presented by Whittlesey and Don Sluter seconded. All were in favor and the motion passed.

Hires and Separations (vote required)

Cathy Englehardt motioned to approve the hires and separations as presented and Maureen Nichols seconded. All were in favor and the motion passed.

Conflict of Interest Statement

The Conflict of Interest statement and signature sheet were reviewed. This is a requirement for Board members to sign.

David Young asked about two parts of the statement and whether members were required to sign the CES statement since they've already signed a statement for their School Committee. Collaboratives and school districts are in an unusual situation in this regard. Don brought up that for his district, every two years they do an ethics training. Dan said that their auditors say we need to say this. There was a question if taking the training and providing a certificate from the School District is adequate to meet the Collaborative requirement. Bill said that this has been standard in the past, but he will bring this up with our legal counsel. He will also request that counsel review and update the CES statement, as needed.

Executive Director's Report

Bill pointed out several key points from his report (please see complete report for more highlights).

- We've been doing increased site-based PD offerings. We have 38 new ones just in September. This is promising to him as it represents the fact that we are building our PD service capacity. We can keep our staff capacity up to serve our member districts while staying fiscally viable.
- Albert Mussad has been trained in Planning for Success, a district strategic planning process sponsored by DESE. He is working with one district and can work with others.
- We are doing a lot of integration of technology into the classroom as well.
- We just got a grant to develop 20 high school internships in STEM areas. We are developing collaborations with UMass and local industry partners for these internships. Bill told the Board that if their districts are interested, then they should let us know. Matt Rigney is the key person for this grant. He has contacts in each school district who do connecting activities. It's not directly publicized to the students.
- Bill also noted that the state is increasing focus on having vocational work in comprehensive schools. We have a consortium that other schools can join and we may be able to build you into the grant. They are offering things that vocational schools don't have so it is similar, but not competing.
- The SPIFFY Coalition and Healthy Families have been doing a lot of work as well: farm to school, healthy eating, bike pathways, etc.
- We sponsored the annual safe school summit for the first time.
- SPIFFY had a data release meeting. This data looks at a snapshot and over the years of the different prevention factors and risk factors that youth face. The use of alcohol and smoking has been going down slowly. Bill noted that it's district-based.
- Bill then listed some statistics for our direct services. We are doing well and meeting our goals.

- We are also keeping CBWE afloat with 3 Springfield students.
- As far as our work with educators goes, Bill mentioned our work teaching educators about kids in poverty, our personalized learning initiative, and teaching with primary sources.
- Rich Cairn is in charge of the history workshops and has a great website. We also have a grant to make it more accessible to special needs students and second language students.
- Bill briefly mentioned and let the Board know there is more information in the report about marketing, research and evaluation, finance, and HR.
- Bill brought up that this year we are a part of Mohawk Trail's grant to provide web-based support. We are also helping the Berkshires develop a collaborative.

Charter Schools and Other Issues - Discussion

At our last meeting, charter schools came up in the context of our Professional Development department doing work for them. It was fine with the Board, but the Board raised more questions around it so we said we would bring it to this meeting. Bill brought up the following areas of discussion:

- Membership in the Collaborative – one area Charter school has asked about this.
- Services we provide – how does the Board feel about offering services to Charter schools
- Best practices - Opening avenues for Charter schools to share their best practices with our non-charter public schools

Best Practices: Dan brought up his experience at the MASC / MASS Conference where he went to a workshop about charter schools working with school districts. He said that there are superintendents in the state who are very involved in working with leaders of charter organizations to solve issues. They also work together on areas they agree upon that need to make legislative changes. The superintendents were thinking that these charter school students are their students for that area and all of those students should be served and best practices shared between them. Dan said it was a good model about how people can come together and change legislation.

Membership in the Collaborative: The Board then reviewed the process for adding new members to the Collaborative. Gateway Regional School District, which used to be a member, has requested to rejoin. They will have to send us a letter requesting consideration for admission. The Board has to agree with 2/3 majority. We then amend the agreement to include them and that has to be approved by 2/3 of the school committees and then has to be signed by all of the school committees. Charter schools probably recognize that they won't be able to pass those hurdles due to current politics. Bill noted that no collaboratives that he contacted in Massachusetts have charter schools as members.

Services we provide: We are currently looking for opportunities to expand the services in our reach. Bill pointed out that if we have empty seats, then we can fill those seats with whoever and that would benefit everyone. Bill mentioned that CES had a good meeting with Pioneer Valley Arts and that they have a good leader. They want to buy from us a set of Licensure programs for them to get their teachers licensed as a job perk. It doesn't take anything away from our membership. He brought this up as an example of things we are investigating. Bill wants to know if the Board is okay with us pursuing those non-member fee-for-service opportunities. The Board expressed support of this; it helps students in the region and helps CES since charter schools are going to pay like non-members.

Property Subcommittee Report

Dan Hayes declared that it's in the best interest to go into Executive Session due to a detrimental effect an open meeting would have on our negotiating position when discussing real estate. Since there was no longer a quorum at this point, Don Sluter motioned to go into Executive Committee while inviting the rest of the Board members to be present, along with CES staff members Sarah Molloy, Bill Diehl, and Barbara Siegel. There was a roll call vote and all were in favor.

[EXECUTIVE SESSION MINUTES IN SEPARATE DOCUMENT]

Don Sluter motioned to go back into open session and Michael Knapp seconded. A roll call vote was done and all were in favor. The motion passed.

The Board decided that we will wait to approve the Property Committee executive session minutes until publicizing them will no longer have a detrimental effect on our negotiating position.

Don Sluter moved to add Cathy Englehardt to the Property Committee. Michael Knapp seconded. All were in favor and the motion passed.

New Business

Cathy asked if anyone has asked MASC to do a policy review. Bob said Frontier did, but he was not involved. Pat said they are in the process of doing it in the consolidated districts. She's not on the committee, but she said people who are involved in it seem to appreciate it. It's not a short term project.

Mike said that for his school, at one point it wasn't clear where policies stood. The policies now are curated and updated by MASC and they pay an annual fee.

Bill reminded the Board that there will be a training for new school committee members in December. It is a free training.

Adjournment (vote required)

Cathy Englehardt motioned to adjourn at 8:58 PM and Michael Knapp seconded. All in favor and the meeting was adjourned.