

SCHOOL ADMINISTRATIVE UNIT #13
SCHOOL BOARD MEETING
TUESDAY, OCTOBER 15, 2013 - 6:00 PM
K.A. BRETT SCHOOL LIBRARY, TAMWORTH
APPROVED MINUTES

Board members attending: Chair Ray O'Brien, Bruce Brooks, Jim Curran, Todd Desmarais, Wendy Grzesik, Sloane Jarell, Marie Labrie, Lisa Lee, Charlie Pugh, Lisa Remick, Brett Taylor, Jack Waldron

Others attending: Superintendent Lou Goscinski, Special Education Administrator Raina Shearer Chick, Business Administrator Michael O'Neill

CALL TO ORDER: Chair Ray O'Brien called the meeting to order at 6:01 PM with nine board members in attendance. All present pledged allegiance to the flag.

APPROVAL OF AGENDA: Motion by Jim Curran to approve the agenda, seconded by Sloane Jarell. The motion passed 9-0.

APPROVAL OF MINUTES: 8-20-13 SAU #13 Board Meeting: Motion by Bruce Brooks to approve the minutes, seconded by Charlie Pugh. One omission and one error was pointed out and with these corrections the motion passed 6-3 with Lisa Remick, Sloane Jarell, and Jim Curran abstaining.

PUBLIC INPUT: None

GENERAL ITEMS

- A. SAU #9 Update: Superintendent Goscinski introduced SAU #9 Superintendent Carl Nelson to the board and invited him to speak. Superintendent Nelson said he would be glad to answer any questions, and he handed out SAU #9 newsletters for the board's information, which he said would answer 90% of the questions that people might have. He spoke about the target goals for SAU #9 for this year, which are posted online. He said Conway has done a study of closing one elementary school and that tomorrow night a decision will be made about where they want to go with this. He said closing a school would save about half a million dollars. He said it's an economic issue, not an educational issue, and it should be a community call. Board members raised the issue of getting some data on our town kids, saying that they are getting questions from parents and that it would be a big help in annual reports. Superintendent Nelson said it would be a time-consuming project because records would have to be gone through individually. He said as kids test out, we've seen a vast improvement in AP tests, and there are also the NECAPS and SAT tests to look at. He said he would continue to look into getting the information that the board requested. The board thanked Superintendent Nelson for attending this meeting and his presentation.

Todd Desmarais, Brett Taylor, and Lisa Lee arrived at the meeting during this presentation.

CHAIRPERSON'S REPORT:

A. Calendar

1. Next SAU Board Meeting: 11-12-13 @ 6:00 PM, Madison Elementary School, Ruth V. Chick Memorial Library.
2. Public Hearing (RSA 194-C: 10) for the SAU #13 Fiscal Year 2014-2015 Budget (RSA 194-C: 9): 11-12-13 – Place, Start & End Time TBD: Superintendent Goscinski said he was hoping that the board would move the budget tonight and then have the public hearing along with the next board meeting on November 12. The board agreed to hold the public hearing at 6:00 PM on November 12 at the Madison Elementary School, followed by the regular SAU board meeting at 6:30 PM.
3. Update on Cooperative School District: Ray O'Brien said the committee met and Jack Waldron was elected chairperson. Jack said there was a wide-ranging discussion of what a cooperative district might mean. He said they agreed to meet again on October 21 at 6:00 PM and everyone will go through their idea of what we can cooperate on, both now, and as a cooperative district. He said they were planning to get in contact with other districts such as Governor Wentworth, Interlakes, and the Gorham-Milan District.

BUSINESS ADMINISTRATOR'S REPORT:

- A. 2012-2013 Final Budget Expenditure & Revenue Reports: Business Administrator Mike O'Neill said that money has been moved to reflect the changes in staffing so you don't see the negatives anymore, and that all responsibilities have been taken care of. He noted that the business administrator has moved from contracted to employee and that administrative assistant services has moved to financial assistant/receptionist. Mike said the Fund Balance Projection was included in the board packet; the projected fund balance as of June 30, 2013 was \$91,664.92, less an encumbered amount for the Digital Learning Initiative of \$20,000, leaving a balance of \$71,664.92. He said last year the board voted that the SAU cannot carry over more than \$50,000. The proposed amount to be used to offset FY 2015 is \$22,500, with a resulting Fund Balance of \$49,164.92.
- B. 2013-2014 Budget Expenditure & Revenue Reports:
- C. FY 12 Audits: Status Report: A draft of the 2012 audit was handed to the board in which the auditors stated that they were unable to render an opinion on the financial position of SAU #13 as of June 30, 2012. Mike O'Neill explained that there were expenditures that were unable to be classified because when the 2011 database was not closed on June 30, 2011, activity that occurred after that date was lost. Mike said it is possible that the mistake could be found, but it would take many hours of work because all transactions for a certain period of time in the past would have to be reversed and reposted. The superintendent noted that the employees who were here at the time the mistakes were made are no longer here. He said his opinion was that this auditing firm would never be satisfied and that he would like to move on to the FY 13 audit. Raina Chick added that there was nothing to indicate any mishandling of federal grant money or a red flag to indicate any illegality. Lou Goscinski said to find the error and correct it would require forensic accounting. Marie Labrie suggested soliciting a local volunteer who is studying forensic accounting. Lou Goscinski pointed out that this issue has tied up the finalization of the audits of Madison and Freedom, which he had promised would be in the annual

reports. He said it feels like the auditing firm is holding us hostage on this and some pending issues in Tamworth. Todd Desmarais said this is the direct result of being two years behind in the audits and a non-functioning SAU at the time; the people at that time are no longer here and we've been doing everything in our power to fix it since then.

Motion by Todd Desmarais to accept this auditor's report with no opinion and move on, seconded by Jack Waldron. The vote failed with 8 against and 4 in favor.

There was further discussion. Brett Taylor said he didn't think this company was working well with us and that we needed to decide about going with a new auditor to do next year's audit.

Motion by Jack Waldron to create a Request for Proposal for a new auditor to do the SAU FY 13 audit, seconded by Charlie Pugh. The motion passed unanimously.

Motion by Charlie Pugh to accept this audit as is and move ahead with Mike O'Neill figuring out for our benefit where the \$20,000 got posted, seconded by Todd Desmarais. The motion passed 7-3-2 with Jim Curran, Wendy Grzesik, and Brett Taylor opposed and Bruce Brooks and Todd Desmarais abstaining.

Ray O'Brien said that at the very least we need to make sure this doesn't happen again, and we should indicate that we are going to accept the auditors' recommendations. Ray asked the business office to assure the board that these recommendations are being followed and documents are kept up to date. The superintendent said that at one of the next meetings the documents will be in the board packet. The recommendations were:

- 1) Maintenance and monitoring of accounting records; recommendation that the SAU implement policies and procedures to ensure that monitoring is done throughout the year and at year-end.
- 2) Controls over journal entries; recommendation that journal entries to be kept in a binder with supporting documentation to be reviewed by a knowledgeable person.
- 3) Cash reconciliation; recommendation that the treasurer is to review monthly reconciliations between the treasurer's records and the general ledger.
- 4) Purchase approval; recommendation that purchases are reviewed by SAU officers and records are kept.
- 5) Capital asset records; recommendation that a list of capital assets shows additions, useful life and dispositions are properly accounted for.

Ray O'Brien noted that the board has discussed these recommendations and all are in place. He said we look forward to a smoother sailing.

SPECIAL EDUCATION ADMINISTRATOR'S REPORT:

- A. Brief Update on IDEA Carryover Funds: Special Education Administrator Raina Chick said we had to reallocate and consolidate about \$14,000 from last year and that is done.

- B. Brief Update on NHDOE Special Education Performance Indicators: Raina said we send a lot of data to the Department of Education and they have issued reports on all three districts on whether we have complied with the spirit and details of the IDEA. She handed a list to the board and said all districts are fully in compliance; there were no findings of noncompliance.

SUPERINTENDENT'S REPORT

- A. Strategy to Update School Board Policies: Superintendent Lou Goscinski said he has talked with the New Hampshire School Board Association (NHSBA) staff attorney Barrett M. Christina and it has been determined that our policies across the board are outdated. Attorney Christina said that for \$900 per district the NHSBA could identify all the policies that we have and compare them with what is required and identify any concerns and issue a report. The superintendent said he would like to use SAU money to hire Attorney Christina to look at the policies of the three school districts and have him bring forth his recommendations. He said it would take about eight weeks to give us a baseline and the total cost would be \$2,700. Jim Curran requested that we be supplied with a list of all our policies on a disk of searchable documents.

Motion by Jim Curran to approve hiring NHSBA Attorney Barrett Christina to identify policies and issue a report as outlined by Superintendent Goscinski. Seconded by Brett Taylor. The motion passed 11-1 with Jack Waldron opposed.

- A. Superintendent Evaluation Form: On the agenda as a placeholder.

SCHOOL BOARD BUSINESS

- A. Review SAU #13 2014-2015 Proposed Budget:

Lou Goscinski asked for direction from the board about health insurance in regard to what market they wanted it to be compared with, but Ray O'Brien said it is not on the agenda.

Ray O'Brien noted that the bottom line of the budget is an increase of \$10,075.52, which Bruce Brooks noted is a little over \$3,000 for each district. There was no discussion.

Motion by Jim Curran to carry forward the proposed 2014-2015 budget for the public hearing, seconded by Bruce Brooks. The motion passed unanimously.

PUBLIC INPUT: None

NON-PUBLIC SESSION: Motion by Jim Curran seconded by Wendy Grzesik to move to non-public session pursuant to RSA 91-A: 3, II (a), (b) & (c). At 8:15 PM on a roll call vote the board entered non-public session:

Jim Curran- Aye
Bruce Brooks - Aye
Todd Desmarais - Aye
Wendy Grzesik - Aye

Sloane Jarell - Aye
Marie Labrie – Aye
Lisa Lee – Aye
Lisa Remick - Aye
Ray O'Brien – Aye
Charlie Pugh – Aye
Brett Taylor – Aye
Jack Waldron – Aye

The Ayes have it.

Personnel matters were discussed.

There was a discussion about an employment contract.

Motion by Jack Waldron to approve the Director of Students Services contract, seconded by Charlie Pugh. The motion passed 8-4 with Ray O'Brien, Bruce Brooks, Wendy Grzesik, and Jim Curran abstaining.

Motion by Jim Curran to come out of non-public at 8:55 PM, seconded by Wendy Grzesik. The motion passed unanimously.

ACTION AS A RESULT OF NON-PUBLIC: Ray O'Brien announced the extension of a contract with the Special Education Administrator pursuant to the proposal by Superintendent Lou Goscinski.

ADJOURNMENT: Motion to adjourn by Jim Curran, seconded by Wendy Grzesik. The motion passed unanimously and the meeting adjourned at 9:00 PM.

SAU #13 Joint Board Meeting October 15, 2013

Approved Minutes
Respectfully submitted,

Patricia Ambrose

Patricia Ambrose
Recording Secretary, Public and Non-Public Minutes