



Cape Cod Collaborative

Board of Directors Meeting Minutes
418 Bumps River Road, Osterville, MA 02655
August 15, 2012 - 5:00PM

I. Call to Order

The August 15, 2012 meeting of the Cape Cod Collaborative Board of Directors was called to order by Dr. Robert Tankard, Co-Chair, at 5:06 PM. The following Board members were in attendance:

Martha's Vineyard	Dr. Robert Tankard, Co-Chair
Falmouth	Terri Medeiros, Co-Chair
Cape Cod Tech	Dr. Joan Bentinck-Smith, Vice-Chair
Brewster	David Telman
Eastham	Mary Louise Sette
Upper Cape RTS	Robert Fichtenmayer
Wareham	Geoff Swett

Also in attendance:

Executive Director	Paul Hilton
Business Manager	Jim Brown
Director of Special Projects	Dr. Joseph Gilbert
S.T.A.R. Program Director	Anita Woods
AEP Program Director	Larry Carroll
Secretary	Beth Deck

Due to time constraints, and in an attempt to maintain a quorum for agenda items requiring votes, Dr. Tankard suggested that the Board take the agenda items out of the order listed on the agenda. This suggestion was accepted by Board members.

II. Executive Director Evaluation

VOTE

Dr. Tankard opened discussion on the evaluation of the Executive Director, Paul Hilton. Copies of materials submitted by Board members for the evaluation were available at the meeting for reference.

Dr. Bentinck-Smith commended Mr. Hilton on his performance as Executive Director.

Dr. Tankard stated that Mr. Hilton had done a magnificent job and recognized his handling of various crises ("Pearl Harbors") which had occurred during his tenure. Dr. Tankard voiced the opinion that Mr. Hilton had done an outstanding job under difficult circumstances.

Ms. Medeiros cited a specific point: the monumental amount of work with the state this year for collaboratives in Massachusetts. She commended Mr. Hilton for presenting the Board with a time line; she felt this specific issue was handled particularly well.

Mr. Telman expressed that Mr. Hilton was doing a great job keeping the Collaborative running smoothly.

Ms. Sette, recognizing that this was only the second Board meeting she has attended since her appointment, voiced her impression that Board meetings are extremely well run.

Mr. Fichtenmayer stated that it has been a pleasure working with Mr. Hilton and he hoped Mr. Hilton would continue in his current position.

Mr. Swett gave Mr. Hilton credit for his willingness to work with Board members who, far from “rubber stamping” Board votes, ask questions and request clarifications. Mr. Swett said that Mr. Hilton is able to respond to Board questions and concerns “in stride”. Further, Mr. Swett felt that Mr. Hilton had done a great job putting and keeping together a fine team within the Collaborative. He commended Mr. Hilton for his “passing on” credit” for Collaborative initiatives to the administration (and the entire staff) when the work of the Collaborative is commended. Mr. Swett was particularly enthusiastic about the work Mr. Hilton has done with regards to the financial area of the Collaborative, stating that in his (Mr. Swett’s) opinion, the Collaborative is the best run collaborative in the state. Mr. Swett said that although he and Mr. Hilton had not always seen eye-to-eye on leadership issues, he noted that he was never disappointed. He did, however, note one disagreement regarding Mr. Hilton’s initial handling of the Board. Mr. Swett felt that Mr. Hilton should “push” the Board and lead the Board to reflect his (Mr. Hilton’s priorities). He noted that Mr. Hilton differed in his view of the Board’s role and did not back down. He noted that, upon further reflection, he gave Mr. Hilton credit for not backing down when facing opposition from a Board member (him) and that this demonstrated the very type of leadership that he had questioned.

Dr. Tankard observed the difficult job faced by the Executive Director, keeping issues moving when a Board has so many turnovers. He asked that the Board consider a motion to accept the evaluations presented by Board members, then in September bring the issue of compensation back before the Board in September.

Dr. Bentinck-Smith made the motion that the Board vote to accept and put on record the evaluations completed by Board members. This motion was seconded by Ms. Medeiros.

SO VOTED – UNANIMOUS

III. Minutes

a. June 13, 2012

VOTE

Dr. Bentinck Smith made a motion that the Board vote to approve the minutes of the June 13, 2012 meeting of the Board of Directors. Ms. Medeiros seconded this motion.

SO VOTED YEA – 6 NEA – 0 ABSTAIN – 1 (Swett)

IV. New Business

a. Collaborative Handbooks

VOTE

Transportation Handbook approval

The Transportation Handbook was not approved at the previous Board meeting, as some Board members did not receive the Handbook for review prior to the meeting. It is necessary for the Handbook to be approved for the 2012-2013 school year. There were not any policy changes associated with the handbook revision, only updates to materials, procedures and forms from previous years.

Dr. Bentinck-Smith made the motion that the Board vote to approve the 2012-2013 Transportation Handbook. Mr. Fichtenmayer seconded the motion.

SO VOTED – UNANIMOUS

b. FY13 Spending Plan

VOTE

- Personnel

- Reductions

Mr. Hilton noted that two resignations have been received. One from Emily Harris, a paraprofessional with the S.T.A.R. Program, was included in the Board packet. The second, from Tom Klimm, has not yet been put in writing. Mr. Hilton asked the Board to consider voting to accept both resignations. Mr. Swett asked Mr. Hilton if the annual employee turn-over rate had ever been calculated. Mr. Hilton responded that no formal calculation has been made, however he believed the turn-over rate to be in the range of 15-20% annually.

Mr. Telman made the motion that the Board vote to approve the two reductions as described by Mr. Hilton. Mr. Fichtenmayer seconded this motion.

SO VOTED – UNANIMOUS

- Updated Budget Information – FY13

Mr. Brown provided Board members with an updated budget package reflecting modifications in personnel. There will be further changes prior to September. No Warrant was requested for this meeting.

c. Chatham/Harwich Regionalization

VOTE

Mr. Hilton noted that it was necessary to have a vote to admit the Monomoy Regional School District as a member district of the Cape Cod Collaborative. The Chatham and Harwich School Committees dissolved on June 30, 2012 and thus cannot have members participate as members of the Board of Directors. The Massachusetts Department of Elementary and Secondary Education (MA - DESE) had initially indicated that admitting the Monomoy Regional School District would be considered a change in the articles of Agreement and thus would not be considered until (at least) March of 2013. Mr. Hilton explained that, after further discussion and coordination with regional legislators (most specifically Representative Vieira and Senator Wolf), the MA-DESE has indicated that the admission of the Monomoy Regional School District would not be considered a change in the Articles of Agreement and could proceed as soon as practical. Mr. Hilton recommended the following actions:

- Vote Recognize Monomoy School District as member of the Collaborative
- Vote to accept change to Collaborative membership

Mr. Telman made the motion that the Board vote to recognize Monomoy School District and to accept the Monomoy School District's membership in the Collaborative. This vote was seconded by Mr. Fichtenmayer.

SO VOTED – UNANIMOUS

Mr. Hilton noted that Mr. Davol, the Collaborative Board member formerly appointment by the Chatham School Committee, is awaiting formal appointment to the Board by the new Monomoy School Committee.

- Camp Burgess

The Collaborative has been investigating the potential to establish programming at the YMCA Camp Burgess in Sandwich throughout the late Spring and Summer. The Sandwich Public Schools had operated a program at the Camp for the previous two years, but could not maintain sufficient enrollment to support this program (from a single district). The Collaborative is seeking to enhance the programming of the Alternative Education Program through coordinated efforts with Camp Burgess. A copy of the agreement that had been in effect between Sandwich and Camp Burgess was provided as reference.

Mr. Hilton explained that the proposed programming would include instructional activities, recreational activities and leased space with an estimated cost of \$58,000 for the year. Mr. Hilton recommended that the Collaborative pursue this enhanced programming with the initial funding (\$58,000) to be drawn from the Collaborative Fund Balance and to be replenished if/when enrollment increases to support the enhancement. Mr. Hilton further explained that the Collaborative will continue to evaluate the success of the program throughout the year and that further recommendations will be brought before the Board in the Spring of 2013 regarding the continuity of this program enhancement.

Mr. Hilton indicated that he was recommending that the Board authorize the Collaborative to proceed with this initiative with initial funding from the Collaborative Fund Balance.

Dr. Tankard asked how many new students were expected to be added to the Alternative Education Program as a result of this increased programming capability. Mr. Carroll responded that he expected an additional 12 to 13 students could be added through this program. Mr. Carroll expressed the opinion that recent legislation demanding districts educate expelled students was likely to increase enrollment demand for the Alternative Education Program.

Dr. Tankard further inquired about the initial staffing pattern that would be necessary to support the program. Mr. Carroll indicated that there would not be any additional staffing for the program; coordination and re-deployment within the current staffing would allow the Collaborative to begin the program at Camp Burgess.

Mr. Fichtenmayer made the motion that the Board vote to authorize the Executive Director to sign a lease with the YMCA to allow Collaborative use of facilities at Camp Burgess for Collaborative programs. Further, Mr. Fichtenmayer asked that the Board vote to allow the program to be funded from the Collaborative's General Fund – Fund Balance as proposed. Mr. Swett seconded this motion.

SO VOTED – UNANIMOUS

- Advanced Studies and Leadership Program (ASLP)

- Note from participant

Mr. Hilton directed the Board to a “thank you” note from an ASLP participant from Summer 2012.

V. Other

a. Disclosure of Appearance of Conflict of Interest

The Collaborative has secured the services of an employee that was recommended to file a "Disclosure of the Appearance of Conflict of Interest" as he is related to a school district administrator in the region. Mr. Hilton noted that the Collaborative consulted with Collaborative counsel regarding this matter. Since this item was added to the agenda, the employee has notified the Collaborative that he will be unavailable to work a regular schedule during the 2012-2013 school year, but may be able to continue as a consultant. Mr. Keith Woodbury is a certified Speech and Language Pathologist (SLP) with significant expertise and experience with Assistive/Augmentative Technology.

b. FY 12 Closeout

Mr. Brown and Mr. Hilton discussed the status of the close-out of the FY2012 and the preparation for FY2012 Audit. Votes were recommended regarding items associated with the close-out of the fiscal year in preparation for the FY2012 Audit.

• Encumbrances

VOTE

Mr. Hilton noted that encumbrances were recommended for Board approval that are associated with expenditures that were planned, but did not occur (or were not delivered) before June 30, 2012. The Finance Subcommittee reviewed and discussed these recommendations in advance of the Board meeting.

Mr. Brown brought to the Board's attention items that will need to be reconciled prior to submitting financials for the Audit. Mr. Brown noted that FY12 is projected to close with a substantial positive variance.

Mr. Brown explained that the Collaborative was able to close with these funds available for several reasons including:

- The re-writing of transportation contracts, eliminating the deficit this department carried during the previous fiscal year.
- Salaries and wages had a small increase.
- Decreasing benefit costs.
- Holding costs for technology to a slight increase.
- Holding costs for custodial services to a slight increase.
- Decreasing vehicle costs (maintenance)
- Increased revenue through increased enrollments in programs, coupled with salary savings with positions that were (temporarily) unfilled.

Mr. Brown asked that the Board solidify the Collaborative's financial status by encumbering funds for outstanding issues were not paid for prior to June 30, 2012.

• Accounting Software Purchase & Training/Consultation

\$40,000

Mr. Hilton explained that, at the Board Meeting held April 11, 2012 the Board of Directors voted to approve the purchase of the AccuFund Software at a cost of (up to) \$22,595. This expenditure was not completed by June 30, 2012. The training for the implementation of this software was also a component of the approved FY12 budget. Training costs are estimated to be \$17,500. The Board is asked to approve an encumbrance for the software purchase and training totaling \$40,000.

- **Alternative Education Program Gym Floor** **\$35,000**
Mr. Hilton explained that the Board of Directors approved the expenditure of \$40,000 for the procurement and installation of a “floating” gym floor at the Otis School as a component of the FY12 budget. The flooring was not delivered until after June 30, 2012 and will be installed in the coming weeks. The costs for the floor and installation are projected to be less than originally anticipated.
- **Handheld Radios (AEP & STAR)** **\$25,000**
Mr. Brown explained that the programs at Otis and Osterville necessitate the use of portable radios for safety as well as crisis management. Mr. Hilton noted that the Collaborative had annually purchased radios each year for the programs that were not durable enough for ongoing use, requiring constant repair/maintenance and frequent replacement. During FY12, the system was assessed and a procurement was initiated for appropriate radios for use in the programs. These items were not received before June 30, 2012.
- **Otis School Roof Maintenance** **\$15,000**
The Otis Memorial School continues to require intensive maintenance of the roofing system. During FY12, there was maintenance to the roofing, but the extent of the planned maintenance was not completed before June 30, 2012.
- **Osterville Building Exterior Maintenance** **\$12,000**
The Osterville building requires additional attention to the exterior of the building (scraping/painting). This work was not completed before June 30, 2012.

Dr. Bentink-Smith made a motion that the Board vote to encumber \$127,000, as outlined in the agenda, to cover expenses accrued but not paid for during FY12. This motion was seconded by Mr. Fichtenmayer.

SO VOTED – UNANIMOUS

c. Establishment of Reserve Accounts **VOTE**

Mr. Hilton reminded the Board that the Finance SubCommittee (Mr. Fichtenmayer, Mr. Davol, Mr. Swett) met in an informational setting last week and met again before this evening’s meeting (Mr. Fichtenmayer and Mr. Swett).

During the development of the FY12 Spending Plan, the SubCommittee had recommended the establishment of “reserve accounts” to support the needs of the Collaborative in particular areas. The funding “reserved” is/was intended to decrease the impact of anticipated and unanticipated expenses upon the operational budget of the Collaborative. Mr. Hilton noted that a vote of the Board of Directors will be needed to access funds from any reserve account.

- **Operational Reserve** **\$40,000** **VOTE**
Mr. Hilton noted that the Board of Directors approved the FY12 Spending Plan including this reserve account funded at \$40,000. He indicated that this vote would commit these funds to the “Operating Reserve” account. The purpose of the Operating Reserve account is to have established funds available to support unanticipated operating expenses.

- **Capital Reserve** **\$40,000** **VOTE**

Mr. Hilton noted that the Board of Directors approved the FY12 Spending Plan including this Capital Reserve funded at \$40,000. He indicated that this vote would commit these funds to the “Capital Reserve” account. The purpose of the Capital Reserve account is to provide funds to support the capital needs of the Collaborative (buildings, vehicles, equipment).

Mr. Hilton noted that the Capital Reserve fund might be used for unforeseen capital items and can be drawn upon as the need arises (by a vote of the Board). Mr. Brown explained that it is through the Capital Reserve fund that the Collaborative had funds available to take advantage of the Camp Burgess opportunity, a significant improvement in service to Collaborative members.

- **Other Post Employment Reserve**

 - **Initial / Budgeted Reserve** **\$ 80,000** **VOTE**

Mr. Hilton noted that the Board of Directors approved the FY12 Spending Plan including approximately \$80,000 to be allocated to the Other Post-Employment Benefit (OPEB) Reserve account. He indicated that this vote would commit these funds to that account.
 - **Additional Recommendation** **\$100,000** **VOTE**

Mr. Brown explained that the Collaborative is obligated to fund Other Post-Employment Benefits (OPEB). He noted that, according to the latest actuarial study (conducted in 2010), and according to GASB45 governmental accounting standards, the Collaborative is approximately \$900,000 underfunded in accumulating funds to meet this obligation (through 2012). Mr. Hilton indicated that this vote will commit an additional \$100,000 to a reserve account that may be used towards meeting the Collaborative OPEB obligation.
 - **Workers’ Compensation Reserve** **\$ 80,000** **VOTE**

Mr. Hilton explained that a reserve account is being recommended to meet the expected increase in Workers’ Compensation premiums over the next three years. He explained that the Collaborative had significant claims experienced this past year (FY12) including two (2) teachers with significant leave periods. He noted that there was substantial salary savings associated with the Workers’ Compensation claims. Mr. Brown noted that the Finance SubCommittee recommended that the savings associated with these claims in FY12 be placed in a Reserve Account to decrease the impact (in future years) of the Workers’ Compensation Insurance premium associated with the FY12 claims experience.

Mr. Hilton reminded the Board that the state is in the process of developing processes for increased (state) oversight of collaboratives. Mr. Hilton asked the Board to vote on the establishment of these Reserve Accounts in a manner that indicates that the establishment of these reserves is absolutely clear. Mr. Hilton noted that these account votes must be made at this time as the Collaborative must submit FY12 information to the auditors within the next month to ensure a completed audit for Board approval in December. Mr. Hilton reminded the Board that collaboratives in Massachusetts must now submit completed and approved audits to the DESE in January.

Dr. Bentinck-Smith made the motion that the Board vote to approve the establishment of Reserve Accounts as described in the agenda, including \$260,000 for Other Post Employment and Workers' Compensation Reserves. This motion was seconded by Mr. Fichtenmayer.

SO VOTED – UNANIMOUS

Mr. Swett noted that the Board should recognize the fiscally responsible and effective management of the Collaborative.

VI. Executive Session (if necessary)

Ms. Medeiros made the motion that the Board vote to enter Executive Session. A roll call vote was taken: Dr. Bentinck-Smith – Yea, Dr. Tankard – Yea, Mr. Swett – Yea, Mr. Fichtenmayer – Yea, Ms. Settee – Yea, Mr. Telman – Yea. The Board entered executive session at 5:45 PM.

a. Contract Negotiations

There are two items regarding contract negotiations with non-union employees that will be discussed in Executive Session.

b. Personnel Matters – Litigation Strategy

An update will be provided regarding personnel matters that are being litigated.

Mr. Telman made the motion that the Board vote to exit Executive Session, returning to Regular Session only for the purpose of adjournment. A roll call vote was taken: Ms. Medeiros – Yea, Dr. Bentinck-Smith – Yea, Dr. Tankard – Yea, Mr. Swett – Yea, Mr. Fichtenmayer – Yea, Ms. Sette – Yea.

VII. Adjournment

The Board of Directors returned to Regular Session. The meeting was adjourned at 6:00 PM.