



HAMILTON-WENHAM
REGIONAL SCHOOL DISTRICT
5 SCHOOL STREET, WENHAM, MA 01984 · TEL. 978-468-5310

SCHOOL COMMITTEE MEETING

Buker Elementary School

Wednesday, October 16, 2019

7:00 p.m. - 9:00 p.m.

Multi-Purpose Room

Agenda

1. Call to order

7:00 PM

2. Pledge of Allegiance

3. Citizen's Comments

4. New Business

- a. Powers and Sullivan FY19 Audit Presentation, *Frank Serreti, CPA and Partner* [Exhibit](#)
- b. FY20 Updated Budget Forecast, *Vincent Leone, Asst. Sup. of Fin.* [Exhibit](#)
- c. HWRSD 2019-2020 School Committee SMART Goals [Exhibit](#)
- d. Superintendent Search Process [Exhibit](#)
- e. Vote on 2019 MASC Resolutions [Exhibit](#)
- f. Vote on Action Pertaining to Longmeadow
- g. Donations for High School - Robotics [Exhibit](#)
- h. Renewal of 8th Grade Boys' Hockey with HWRSD
- i. Renewal of 8th Grade Girls' Hockey co-op with Marblehead

5. Superintendent's Report

- a. FY21 Budget Process

6. Chair's Report

7. Capital/Financial Planning Committee

8. Policy Committee

- a. Second Reading of Policy Section B [Exhibit](#)

9. Consent Agenda

- a. Warrants [Exhibit](#)
 - Voucher No: 8
 - Voucher No: 1016
 - Voucher No: 1018
 - Voucher No. 2818
 - Voucher No. 2821
 - Voucher No. 2822
 - Voucher No. 2823
 - Voucher No. 2824
- b. Vote to approve prior meeting minutes: September 18, 2019 [Exhibit](#)

10. List Items and POC for Future Meetings

11. Vote to Adjourn

HAMILTON-WENHAM REGIONAL SCHOOL DISTRICT

MANAGEMENT LETTER

JUNE 30, 2019



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To the Honorable School Committee
Hamilton-Wenham Regional School District
Wenham, Massachusetts 01984

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Hamilton-Wenham Regional School District (District) as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

However, during our audit we became aware of other matters that we believe represent opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions concerning those matters.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various District personnel and will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

The District's written responses to the matters identified in our audit have not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of management of the District and is not intended to be and should not be used by anyone other than these specified parties.

September 30, 2019

HAMILTON-WENHAM REGIONAL SCHOOL DISTRICT

MANAGEMENT LETTER

JUNE 30, 2019

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MATERIAL WEAKNESSES

MATERIAL WEAKNESSES

This report does not identify any matters that we consider to be material weaknesses in internal control.

COMMENTS AND RECOMMENDATIONS

COMPLIANCE WITH CASH AND INVESTMENT POLICY

Comment

The School Committee adopted a cash and investment policy on November 2, 2016. For custodial risk related to bank deposits, the policy allows for unlimited deposits up to one year in financial institutions that are fully collateralized or fully insured by Federal Depository Insurance or the Depository Insurance Fund. The District's policy limits unsecured deposits to no more than 5% of an institution's assets and no more than 25% of the District's cash. At year-end, the District's bank deposits totaled \$5,530,084. Of this balance, \$5,280,084 was uninsured and uncollateralized, which represents 95% of the District's bank deposits.

For custodial credit risk related to investments, the policy requires review of the financial institution's financial statements and the background of the brokerage house and broker/dealer (Advisor). Further, all securities not held directly by the District, will be held in the District's name and tax identification number by a third-party custodian approved by the Treasurer and evidenced by safekeeping receipts showing individual CUSIP numbers for each security.

Based on our discussion with the Treasurer, procedures have not been implemented to comply with these policies.

Recommendation

We recommend that the Treasurer implement procedures to comply with the School Committee's cash and investment policy or that the School Committee policy be revised if deemed necessary.

Management Response

Effective October 1, 2019, the District has transferred all funds in bank accounts with balances in excess of \$250,000 into an Internet Cash Sweep Management System, which allows all funds to be FDIC insured. In addition, the District Treasurer will annually review our financial institution's financial statements and will annually review all securities held by a third-party custodian to determine if they are held in the District's name and tax identification number.

PROCUREMENT – DOCUMENTATION OF WRITTEN QUOTES

Comment

Massachusetts General Laws for procurement, such as Chapter 30B for the procurement of supplies and services, require written quotations from no fewer than three vendors for purchases between \$10,000 and \$50,000. Currently, this supporting documentation is maintained at the individual school locations and is not centralized in the Business Office.

It is our understanding that it is possible to document the quotations electronically in the current accounting system and to upload supporting documentation to substantiate the quotations. Implementing this process would centralize the quotations electronically within the accounting system and would streamline the purchase requisition process by making the data available to the individuals that are responsible for approving the requisitions and ensuring compliance with procurement laws.

Recommendation

We recommend that the District consider utilizing the accounting system to document compliance with procurement laws and to streamline the requisition approval process.

Management Response

During fiscal year 2020, District leadership will meet with department heads and individuals tasked with creating purchase requisitions and train them on the software's capabilities to help streamline the approval process.

CENSUS DATA TESTING – OTHER POSTEMPLOYMENT BENEFITS LIABILITY

Comment

With the implementation of Government Accounting Standards Board Statement #75 – Accounting and financial reporting for postemployment benefits other than pensions, there is greater emphasis on substantiation of the underlying census data which is the basis for the actuarially determined liability. Based on our testing of the census data and the supporting documentation maintained in employee files to support the census data, we found approximately 60% of active employee files did not include marriage licenses to support spouse eligibility for health insurance.

Recommendation

We recommend that employee files are reviewed to ensure that marriage licenses have been obtained to support all spouses that are enrolled in District health insurance plans.

Management Response

Moving forward, the District will require all employees enrolling in our health insurance to submit marriage licenses and birth certificates for all dependents covered.

DOCUMENTATION OF INTERNAL CONTROLS

Comment

In December 2013, the U.S. Office of Management and Budget (OMB) issued *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) in an effort to (1) streamline guidance for federal awards while easing the administrative burden and (2) to strengthen oversight over the expenditure of federal funds and to reduce the risks of waste, fraud and abuse.

The Uniform Guidance supersedes and streamlines requirements from eight different federal grant circulars (including OMB Circular A-133) into one set of guidance. Local governments were required to implement the new administrative requirements and cost principles for all new federal awards and to additional funding to existing awards made after December 26, 2014 (fiscal year 2016).

In conformance with Uniform Guidance, the non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States (the Green Book) and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Management is responsible for internal controls and to see that the entity is doing what needs to be done to meet its objectives. Governments have limited resources and constraints on how much can be spent on designing, implementing, and conducting systems of internal control. The COSO Framework can help management consider alternative approaches and decide what action it needs to take to meet its objectives. Depending on circumstances, these approaches and decisions can contribute to efficiencies in the design, implementation, and conduct of internal control. With the COSO Framework, management can more successfully diagnose issues and assert effectiveness regarding their internal controls and, for external financial reporting, help avoid material weaknesses or significant deficiencies.

The COSO internal control framework must incorporate the 5 major components of internal control, while addressing the 17 principles of internal control that support the COSO framework. Refer to www.coso.org for articles describing the 5 components and their 17 principles in detail.

Management should evaluate and assess the government's internal control system to determine whether: each of the five essential elements of a comprehensive framework of internal control is present throughout the organization; whether each element addresses all of the associated principles; and whether all five elements effectively function together.

Recommendation

We recommend management follow the best practice for establishing and documenting their internal control system using the COSO Internal Control Framework.

Management Response

The District will endeavor to develop a process and protocol for applying the COSO Internal Control Framework to all new Federal Awards.



HAMILTON-WENHAM REGIONAL SCHOOL DISTRICT

**REPORT ON EXAMINATION OF
BASIC FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2019

HAMILTON-WENHAM REGIONAL SCHOOL DISTRICT
REPORT ON EXAMINATION OF BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

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Independent Auditor's Report

To the Honorable School Committee
Hamilton-Wenham Regional School District
Wenham, Massachusetts 01984

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Hamilton-Wenham Regional School District (District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, located on the following pages, and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the District's internal control over financial reporting and compliance.



September 30, 2019

Management's Discussion and Analysis

Management's Discussion and Analysis

As management of the Hamilton-Wenham Regional School District, we offer readers of these basic financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2019. The District complies with financial reporting requirements issued by the Governmental Accounting Standards Board (GASB). Management's discussion and analysis are part of these requirements. All amounts, unless otherwise indicated, are expressed in whole dollars.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Hamilton-Wenham Regional School District's basic financial statements. These basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of finances, in a manner similar to private-sector business.

The *statement of net position* presents information on all assets and liabilities, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected revenues and earned but unused vacation leave).

The government-wide financial statements distinguish functions that are principally supported by member Town assessments and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities include administration, instructional services, other student services, operation and maintenance, employee benefits and other fixed charges, programs with other districts, depreciation and interest. The District had no business-type activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on *near-term inflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Hamilton-Wenham Regional School District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District's budgetary basis of accounting, pension and other postemployment benefit plan.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

Net position of \$17.5 million reflects its investment in capital assets; less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to pupils; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position of \$432,000 represents resources that are subject to external restrictions on how they may be used.

The remaining balance of unrestricted net position has a year-end deficit of \$42.3 million. The primary reason for this deficit balance is the recognition of \$36.8 million and \$11.5 million of other postemployment benefit liabilities and pension liabilities, respectively.

The District's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources for governmental activities by \$24.4 million at the close of 2019.

	<u>2019</u>	<u>2018</u>
Assets:		
Current assets	\$ 5,768,955	\$ 5,931,293
Capital assets, non depreciable	378,341	-
Capital assets, net of accumulated depreciation	<u>20,134,601</u>	<u>21,129,049</u>
Total assets.....	<u>26,281,897</u>	<u>27,060,342</u>
Deferred outflows of resources.....	4,595,982	5,416,482
Liabilities:		
Current liabilities (excluding debt)	2,745,780	2,765,105
Noncurrent liabilities (excluding debt)	48,596,090	45,758,499
Current debt	1,079,917	1,956,932
Noncurrent debt	<u>2,378,864</u>	<u>2,530,000</u>
Total liabilities.....	<u>54,800,651</u>	<u>53,010,536</u>
Deferred inflows of resources.....	436,502	783,399
Net position:		
Net investment in capital assets	17,525,820	17,147,103
Restricted	432,090	532,117
Unrestricted	<u>(42,317,184)</u>	<u>(38,996,331)</u>
Total net position.....	<u>\$ (24,359,274)</u>	<u>\$ (21,317,111)</u>

Governmental activities decreased the District's net position by \$3.0 million. The following table shows the key elements affecting this decrease.

	<u>2019</u>	<u>2018</u>
Program Revenues:		
Charges for services	\$ 1,114,263	\$ 1,108,450
Operating grants and contributions	7,827,566	7,500,940
Capital grants and contributions	16,875	5,611
General Revenues:		
Member town assessments	28,421,240	26,607,448
Grants and contributions not restricted to specific programs	4,717,242	4,385,816
Unrestricted investment income	25,631	13,675
Miscellaneous	<u>2,092</u>	<u>80</u>
Total revenues.....	<u>42,124,909</u>	<u>39,622,020</u>
Expenses:		
District administration	1,114,659	1,115,601
Instructional services	20,725,565	19,543,681
Other student services	3,286,029	3,012,168
Operation and maintenance	2,155,409	2,112,250
Employee benefits and other fixed charges	13,011,440	12,395,603
Programs with other school districts (tuitions)	3,436,848	3,234,139
Depreciation	1,315,684	1,327,814
Interest	<u>121,438</u>	<u>170,209</u>
Total expenses.....	<u>45,167,072</u>	<u>42,911,465</u>
Change in net position.....	(3,042,163)	(3,289,445)
Net position, beginning of year.....	<u>(21,317,111)</u>	<u>(18,027,666)</u>
Net position, end of year.....	<u>\$ (24,359,274)</u>	<u>\$ (21,317,111)</u>

Revenue increased by \$2.5 million during the year, which was primarily due to a \$1.8 million increase in member town assessments, a \$331,000 increase in unrestricted grants and contributions and a \$327,000 increase in operating grants and contributions.

Expenses increased by \$2.3 million during the year, which was primarily due to a \$616,000 increase in employee benefits, a \$203,000 increase in programs with other districts, a \$274,000 increase in other student services and a \$1.2 million increase in instructional services. The increase in employee benefits is mainly due to a \$194,000 increase in health insurance costs, a \$306,000 increase in expense related to the recognition of the OPEB liability and a \$116,000 increase in expense related to the recognition of the net pension liability. The increase in programs with other Districts primarily relates to tuitions to collaboratives and private schools. The increase in other student services relates to pupil transportation and food services. The increase in instructional services primarily relates to teacher's salaries and classroom supplies.

The \$3.0 million decrease in net position is primarily due to a \$1.9 million decrease from the change in the OPEB liability, a \$1.1 million decrease from the change in deferred outflows of resources related to OPEB, and a \$1.0 million decrease from the change in the net pension liability. These decreases were offset by a \$640,000 increase from the net change in deferred outflows/inflows of resources related to pensions.

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Hamilton-Wenham Regional School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Hamilton-Wenham Regional School District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

At year-end, governmental funds reported a combined ending fund balance of \$2.3 million of which \$1.6 million relates to the general fund, \$859,000 relates to the revolving fund, a deficit of \$378,000 relates to the Winthrop fire protection fund and \$193,000 relates to the nonmajor governmental funds. Cumulatively there was a decrease of \$488,000 in fund balance from the prior year. This decrease was due to a \$154,000 decrease in the general fund, a \$37,000 increase in the revolving fund, a \$378,000 decrease in the Winthrop fire protection fund and a \$7,000 increase in the nonmajor governmental funds.

The general fund is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund was \$1.3 million, while total fund balance was \$1.6 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 3% of total general fund expenditures, while total fund balance represents 4% of that same amount.

The \$154,000 decrease in the general fund is primarily due to the use of excess and deficiency to balance the operating budget. The \$37,000 increase in the revolving fund is due to expected timing differences between the receipt and expenditure of program funds. The \$378,000 decrease in the Winthrop fire protection fund is due to expected timing differences between costs being incurred to complete the project and the permanent financing of the project.

Capital Asset and Debt Administration

Outstanding long-term debt of the District totaled \$2.5 million as of June 30, 2019, of which \$1.2 million relates to the Cutler School roof and other school building repairs and \$1.3 million relates to the Buker School and Winthrop School heating and roof projects.

The District has been approved to receive school construction assistance through the MSBA. The MSBA provides resources for eligible construction costs and debt interest and borrowing costs. During 2019, the final payment of \$1.1 million was received.

In 2019, the District acquired Apple iPads that were financed through capital lease agreements totaling \$34,000. As of June 30, 2019, outstanding capital leases totaled \$79,000. The iPad lease is funding the acquisition of iPads for the District's 1 to 1 digital learning program at the high school.

Capital asset additions totaled \$700,000, the majority of which relates to information technology, playground and other equipment, and the Winthrop Fire Protection Project.

Requests for Information

This financial report is designed to provide a general overview of the Hamilton-Wenham Regional School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Office, Hamilton-Wenham Regional School District, 5 School Street, Wenham, Massachusetts 01984.

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Basic Financial Statements

STATEMENT OF NET POSITION

JUNE 30, 2019

	<i>Primary Government</i>	
		<u>Governmental Activities</u>
ASSETS		
CURRENT:		
Cash and cash equivalents.....	\$	4,918,540
Receivables, net of allowance for uncollectibles:		
Intergovernmental.....		<u>850,415</u>
Total current assets		<u>5,768,955</u>
NONCURRENT:		
Capital assets, nondepreciable.....		378,341
Capital assets, net of accumulated depreciation.....		<u>20,134,601</u>
Total noncurrent assets		<u>20,512,942</u>
TOTAL ASSETS		<u>26,281,897</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions.....		1,254,805
Deferred outflows related to other postemployment benefits.....		<u>3,341,177</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES		<u>4,595,982</u>
LIABILITIES		
CURRENT:		
Warrants payable.....		728,891
Accrued payroll.....		1,730,809
Accrued interest.....		13,599
Other liabilities.....		142,153
Compensated absences.....		132,328
Capital lease obligations.....		44,917
Notes payable.....		850,000
Bonds payable.....		<u>185,000</u>
Total current liabilities		<u>3,825,697</u>
NONCURRENT:		
Compensated absences.....		291,219
Net pension liability.....		11,482,455
Total other postemployment benefits liability.....		36,822,416
Capital lease obligations.....		33,864
Bonds payable.....		<u>2,345,000</u>
Total noncurrent liabilities		<u>50,974,954</u>
TOTAL LIABILITIES		<u>54,800,651</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions.....		<u>436,502</u>
NET POSITION		
Net investment in capital assets.....		17,525,820
Restricted for:		
Gifts and grants.....		432,090
Unrestricted.....		<u>(42,317,184)</u>
TOTAL NET POSITION	\$	<u>(24,359,274)</u>

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government:					
<i>Governmental Activities:</i>					
District administration	\$ 1,114,659	\$ -	\$ -	\$ -	\$ (1,114,659)
Instructional services	20,725,565	264,814	1,698,825	16,875	(18,745,051)
Other student services	3,286,029	849,449	154,980	-	(2,281,600)
Operation and maintenance	2,155,409	-	-	-	(2,155,409)
Employee benefits and other fixed charges	13,011,440	-	5,453,315	-	(7,558,125)
Programs with other school districts (tuitions)	3,436,848	-	-	-	(3,436,848)
Depreciation	1,315,684	-	-	-	(1,315,684)
Interest	121,438	-	520,446	-	399,008
Total Governmental Activities	\$ 45,167,072	\$ 1,114,263	\$ 7,827,566	\$ 16,875	\$ (36,208,368)

See notes to basic financial statements.

(Continued)

STATEMENT OF ACTIVITIES (continued)

YEAR ENDED JUNE 30, 2019

	<u>Primary Government</u>
	<u>Governmental</u> <u>Activities</u>
Changes in net position:	
Net (expense) revenue from previous page.....	\$ <u>(36,208,368)</u>
<i>General revenues:</i>	
Member town assessments.....	28,421,240
Grants and contributions not restricted to specific programs.....	4,717,242
Unrestricted investment income.....	25,631
Miscellaneous revenue.....	<u>2,092</u>
Total general revenues.....	<u>33,166,205</u>
Change in net position.....	(3,042,163)
<i>Net position:</i>	
Beginning of year.....	<u>(21,317,111)</u>
End of year.....	\$ <u><u>(24,359,274)</u></u>

See notes to basic financial statements.

**GOVERNMENTAL FUNDS
BALANCE SHEET**

JUNE 30, 2019

	General	Revolving Fund	Winthrop Fire Protection Project	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents.....	\$ 2,902,764	\$ 937,144	\$ 780,662	\$ 297,970	\$ 4,918,540
Receivables, net of uncollectibles:					
Intergovernmental.....	850,415	-	-	-	850,415
TOTAL ASSETS	\$ 3,753,179	\$ 937,144	\$ 780,662	\$ 297,970	\$ 5,768,955
LIABILITIES					
Warrants payable.....	\$ 334,522	\$ 9,097	\$ 309,003	\$ 74,269	\$ 726,891
Accrued payroll.....	1,658,976	40,730	-	31,103	1,730,809
Other liabilities.....	113,888	28,265	-	-	142,153
Notes payable.....	-	-	850,000	-	850,000
TOTAL LIABILITIES	2,107,386	78,092	1,159,003	105,372	3,449,853
FUND BALANCES					
Restricted.....	-	859,052	-	192,598	1,051,650
Assigned.....	329,498	-	-	-	329,498
Unassigned.....	1,316,295	-	(378,341)	-	937,954
TOTAL FUND BALANCES	1,645,793	859,052	(378,341)	192,598	2,319,102
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 3,753,179	\$ 937,144	\$ 780,662	\$ 297,970	\$ 5,768,955

See notes to basic financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TOTAL FUND BALANCES TO THE STATEMENT OF NET POSITION**

JUNE 30, 2019

Total governmental fund balances.....	\$	2,319,102
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		20,512,942
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, these amounts are not deferred.....		4,159,480
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(13,599)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	(2,530,000)	
Net pension liability.....	(11,482,455)	
Total other postemployment benefits liability.....	(36,822,416)	
Capital lease obligations.....	(78,781)	
Compensated absences.....	<u>(423,547)</u>	
Net effect of reporting long-term liabilities.....		<u>(51,337,199)</u>
Net position of governmental activities.....	\$	<u>(24,359,274)</u>

See notes to basic financial statements.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2019

	General	Revolving Fund	Winthrop Fire Protection Project	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Member town assessments.....	\$ 28,421,240	\$ -	\$ -	\$ -	\$ 28,421,240
Intergovernmental.....	5,410,831	1,406,552	-	930,613	7,747,996
Intergovernmental - teachers retirement.....	5,453,315	-	-	-	5,453,315
Charges for services.....	-	375,672	-	738,591	1,114,263
Miscellaneous revenue.....	2,092	-	-	-	2,092
Investment income.....	25,631	-	-	-	25,631
TOTAL REVENUES.....	39,313,109	1,782,224	-	1,669,204	42,764,537
EXPENDITURES:					
Current:					
District administration.....	1,114,659	-	-	-	1,114,659
Instructional services.....	19,680,185	615,811	-	724,664	21,020,660
Other student services.....	2,034,731	15,702	-	1,228,159	3,278,592
Operation and maintenance.....	2,230,287	19,397	-	435	2,250,119
Employee benefits and other fixed charges.....	4,204,281	-	-	5,330	4,209,611
Pension benefits - teachers retirement.....	5,453,315	-	-	-	5,453,315
Programs with other school districts (tuitions).....	2,342,688	1,094,160	-	-	3,436,848
Capital outlay.....	-	-	378,341	50,297	428,638
Debt service:					
Debt service principal.....	1,935,000	-	-	-	1,935,000
Interest.....	163,008	-	-	-	163,008
TOTAL EXPENDITURES.....	39,158,154	1,745,070	378,341	2,008,885	43,290,450
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	154,955	37,154	(378,341)	(339,681)	(525,913)
OTHER FINANCING SOURCES (USES):					
Premium from issuance of bonds.....	-	-	-	4,075	4,075
Capital lease financing.....	-	-	-	34,062	34,062
Transfers in.....	-	-	-	308,456	308,456
Transfers out.....	(308,456)	-	-	-	(308,456)
TOTAL OTHER FINANCING SOURCES (USES).....	(308,456)	-	-	346,593	38,137
NET CHANGE IN FUND BALANCES.....	(153,501)	37,154	(378,341)	6,912	(487,776)
FUND BALANCES AT BEGINNING OF YEAR.....	1,799,294	821,898	-	185,686	2,806,878
FUND BALANCES AT END OF YEAR.....	\$ 1,645,793	\$ 859,052	\$ (378,341)	\$ 192,598	\$ 2,319,102

See notes to basic financial statements

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2019

Net change in fund balances - total governmental funds.....	\$	(487,776)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay.....		699,577
Depreciation expense.....		<u>(1,315,684)</u>
Net effect of reporting capital assets.....		(616,107)
<p>Revenues in the Statement of Activities that do not provide current financial resources are unavailable in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable differ between the two statements. This amount represents the net change in unavailable revenue.....</p>		
		(611,619)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are unavailable and amortized in the Statement of Activities</p>		
Principal payments on capital leases.....		91,393
Premium from issuance of notes.....		(4,075)
Capital lease financing.....		(34,062)
Net amortization of premium from issuance of bonds.....		26,007
Debt service principal payments.....		<u>1,935,000</u>
Net effect of reporting long-term debt.....		2,014,263
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net change in compensated absences accrual.....		(7,973)
Net change in accrued interest on long-term debt.....		15,563
Net change in deferred outflow/(inflow) of resources related to pensions.....		640,123
Net change in net pension liability.....		(1,004,775)
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits ..		(1,113,726)
Net change in total other postemployment benefits liability.....		<u>(1,870,136)</u>
Net effect of recording long-term liabilities.....		<u>(3,340,924)</u>
Change in net position of governmental activities.....	\$	<u>(3,042,163)</u>

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2019

	Private Purpose Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents.....	\$ 163,172	\$ 98,569
Investments.....	390,906	-
TOTAL ASSETS.....	554,078	98,569
LIABILITIES		
Liabilities due depositors.....	-	98,569
NET POSITION		
Held in trust for other purposes.....	\$ 554,078	\$ -

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2019

	Private Purpose Trust Funds
<u>ADDITIONS:</u>	
Contributions:	
Private donations.....	\$ 155,000
Net investment income:	
Investment income.....	29,283
TOTAL ADDITIONS.....	184,283
<u>DEDUCTIONS:</u>	
Educational scholarships.....	17,047
NET INCREASE (DECREASE) IN NET POSITION.....	167,236
NET POSITION AT BEGINNING OF YEAR.....	386,842
NET POSITION AT END OF YEAR.....	\$ 554,078

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Hamilton-Wenham Regional School District (District) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described herein.

A. Reporting Entity

The Hamilton-Wenham Regional School District (the District), was regionalized in 1974 and by agreement serves the Towns of Hamilton and Wenham, Massachusetts. A seven member School Committee governs the District, which consists of elected members from the member Towns.

For financial reporting purposes, the District has included all funds, organizations, agencies, boards, commissions and institutions. The District has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the District (the primary government) and its component units. The District has no component units that require inclusion in these basic financial statements.

B. Government-Wide and Fund Financial Statements*Government-Wide Financial Statements*

The government-wide financial statements (i.e., statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities* are primarily supported by member Town assessments and intergovernmental revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and displayed in a single column.

Major Fund Criteria

Major funds must be reported if the total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of an individual governmental fund are at least 10 percent of the corresponding element (assets and deferred outflows of resources, liabilities and deferred inflows or resources, etc.) for all funds of that category or type.

Additionally, any other governmental fund that management believes is particularly significant to the basic financial statements may be reported as a major fund.

Fiduciary funds are reported by fund type.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either government or business-type. Governmental activities are generally financed through intergovernmental assessments or other nonexchange transactions. The District does not have any activities classified as business-type activities.

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a particular function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.

Certain costs, such as employee fringe benefits, property and liability insurance, among others are not allocated among the District's functions and are included in employee benefits and other fixed charges in the statement of activities. Depreciation is reported as one amount, in total, on the statement of activities. None of these costs are allocated among the respective functions.

Other items not identifiable as program revenues are reported as general revenues.

The effect of interfund activity has been removed from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

Investment income is susceptible to accrual. Other receipts and revenues become measurable and available when the cash is received and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria is met. Expenditure driven grants recognize revenue when the qualifying expenditures are incurred and all other grant requirements are met.

The following major governmental funds are reported:

The *general fund* is the primary operating fund and is used to account for all financial resources, except those that are required to be accounted for in another fund.

The *revolving fund* is used to account for the District's revolving fund activities, which are established in accordance with Massachusetts General Laws.

The *Winthrop fire protection project fund* is used to account for fire protection improvements at the Winthrop Elementary School.

The *nonmajor governmental funds* consist of other special revenue and capital project funds that are aggregated and presented in the *nonmajor governmental funds* column on the governmental funds financial statements. The following describes the general use of these fund types:

The *special revenue fund* is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than permanent funds or capital projects.

The *capital projects fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets of the governmental funds.

Fiduciary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the governmental programs.

The fiduciary fund type *private purpose trust fund* is used to account for assets that are held for future scholarships and awards.

The fiduciary fund type *agency fund* is used to account for student activity assets that are held in a purely custodial capacity.

D. Cash and Investments

Government-Wide and Fund Financial Statements

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition. Investments are carried at fair value.

E. Fair Value Measurements

The District reports required types of financial instruments in accordance with the fair value standards. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. Fair value standards also require the government to classify these financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value practical expedient rules, which allow for either Level 2 or Level 3 depending on lock up and notice periods associated with the underlying funds.

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include actively traded equity and debt securities, U.S. government obligations, and mutual funds with quoted market prices in active markets.

Level 2 – Pricing inputs are other than quoted in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Certain fixed income securities, primarily corporate bonds, are classified as Level 2 because fair values are estimated using pricing models, matrix pricing, or discounted cash flows.

Level 3 – Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy and is based on the lowest level of input that is significant to the fair value measurement.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements. For more information on the fair value of the District's financial instruments, see Note 2 – Cash and Investments.

F. Accounts Receivable

Government-Wide and Fund Financial Statements

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and fiduciary funds financial statements are reported under the accrual basis of accounting. The recognition of revenue related to accounts receivable reported in the governmental funds financial statements are reported under the modified accrual basis of accounting.

Intergovernmental

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, receivables are recorded as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, receivables are recorded when the qualifying expenditures are incurred, and all other grant requirements are met.

These receivables are considered 100% collectible and therefore do not report an allowance for uncollectibles.

G. Inventories

Government-Wide and Fund Financial Statements

Inventories are recorded as expenditures at the time of purchase. Such inventories are not material in total to the government-wide and fund financial statements, and therefore are not reported.

H. Capital Assets

Government-Wide Financial Statements

Capital assets, which include buildings and improvements, and machinery and equipment are reported in the government-wide financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation. Except for the capital assets of the governmental activities column in the government-wide financial statements, construction period interest is capitalized on constructed capital assets.

All purchases and construction costs in excess of \$10,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

Capital assets (excluding land and construction in progress) are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Buildings and improvements.....	15-50
Machinery and equipment.....	5-20

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

Governmental Fund Financial Statements

Capital asset costs are recorded as expenditures in the acquiring fund in the year of the purchase.

I. Deferred Outflows/Inflows of Resources

Government-Wide Financial Statements (Net Position)

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has reported deferred outflows of resources related to pensions and OPEB in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has reported deferred inflows of resources related to pensions in this category.

Governmental Fund Financial Statements

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents assets that have been recorded in the governmental fund financial statements, but the revenue is not available and so will not be recognized as an inflow of resources (revenue) until it becomes available. The District does not have any elements that qualify for reporting in this category.

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J. Interfund Receivables and Payables

During the course of its operations, transactions occur between and within individual funds that may result in amounts owed between funds.

Government-Wide Financial Statements

Transactions of a buyer/seller nature between and within governmental funds are eliminated from the governmental activities in the statement of net position.

Fund Financial Statements

Transactions of a buyer/seller nature between and within funds are *not* eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as "Due from other funds" or "Due to other funds" on the balance sheet.

K. Interfund Transfers

During the course of its operations, resources are permanently reallocated between and within funds. These transactions are reported as transfers in and transfers out.

Government-Wide Financial Statements

Transfers between and within governmental funds are eliminated from the governmental activities in the statement of net position.

Fund Financial Statements

Transfers between and within funds are *not* eliminated from the individual fund statements and are reported as transfers in and transfers out.

L. Net Position and Fund Equity*Government-Wide Financial Statements (Net Position)*

Net position reported as "net investment in capital assets" includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets. Outstanding debt related to future reimbursements from the state's school building program is not considered to be capital related debt.

Net position is reported as restricted when amounts are not available for appropriation or are legally restricted by outside parties for a specific future use.

Net position has been restricted for "gifts and grants" which represents assets that have restrictions placed on them from outside parties.

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Financial Statements (Fund Balances)

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The governmental fund balance classifications may include the following:

"Restricted" fund balance includes amounts subject to constraints placed on the use of resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or that are imposed by law through constitutional provisions or enabling legislation.

"Committed" fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the member communities.

"Assigned" fund balance includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed.

"Unassigned" fund balance includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Sometimes the District will fund outlays for a particular purpose from different components of fund balance. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balances in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. When different components of fund balance can be used for the same purpose, it is the District's policy to consider restricted fund balance to have been depleted first, followed by committed fund balance, and assigned fund balance. Unassigned fund balance is applied last.

M. Investment Income

Investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL).

N. Use of Estimates

Government-Wide and Fund Financial Statements

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the year. Actual results could vary from estimates that were used.

O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of both the Essex Regional Retirement System (ERRS) and the Massachusetts Teachers Retirement System (MTRS) and additions to/deductions from the Systems fiduciary net position have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions)

are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Long-term Debt

Government-Wide Financial Statements

Long-term debt is reported as liabilities in the government-wide statement of net position. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported gross of the applicable bond premium or discount. Bond issuance costs are reported as an outflow of resources in the reporting period in which the costs are incurred.

Governmental Fund Financial Statements

The face amount of governmental funds long-term debt is reported as other financing sources. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as general government expenditures.

Q. Compensated Absences

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies. Compensated absence liabilities related to governmental activities are normally paid from the funds reporting payroll and related expenditures. Compensated absences are reported in governmental funds only if they have matured.

Government-Wide Financial Statements

Vested or accumulated vacation and sick leave are reported as liabilities and expensed as incurred.

Governmental Fund Financial Statements

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon maturity of the liability.

R. Fund Deficits

Several individual temporary fund deficits exist at June 30, 2019, within the nonmajor governmental funds. These deficits have been funded through grant proceeds in the subsequent year.

S. Total Column

Government-Wide Financial Statements

The total column presented on the government-wide financial statements represents consolidated financial information.

Fund Financial Statements

The total column on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not the equivalent of consolidated financial information.

NOTE 2 – CASH AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all Funds. Each Fund Type's portion of this pool is displayed on the balance sheet as "Cash and Cash Equivalents". The deposits and investments of the trust funds are held separately from those of other funds.

Statutes authorize the investment in obligations of the U.S. Treasury, agencies, and instrumentalities, certificates of deposit, repurchase agreements, money market accounts, bank deposits and the State Treasurer's Investment Pool (the Pool). The Treasurer may also invest trust funds in securities, other than mortgages or collateral loans, which are legal for the investment of funds of savings banks under the laws of the Commonwealth. In addition, there are various restrictions limiting the amount and length of deposits and investments.

Custodial Credit Risk – Deposits

In the case of deposits, this is risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy allows for unlimited bank deposits up to one year in financial institutions that are fully collateralized or fully insured by Federal Depository Insurance or the Depository Insurance Fund. The District's policy limits unsecured deposits to no more than 5% of an institution's assets and no more than 25% of the District's cash may be comprised of unsecured bank deposits. This percentage may be increased for no more than 30 days during times of heavy collection or in anticipation of large payments that will be made by the District in the near future. These payments may be for such items as debt service payment or regional school assessments. Their credit worthiness will be tracked by Veribanc, or other bank credit worthiness reporting systems. They will be diversified as much as possible. CDs will be purchased for no more than one year and will be reviewed frequently.

At year-end, the carrying amount of deposits totaled \$5,110,792 and the bank balance totaled \$5,530,084. Of the bank balance, \$250,000 was covered by Federal Depository Insurance and \$5,280,084 was uninsured and uncollateralized.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the government will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The District's policy to mitigate custodial credit risk requires review of the financial institution's financial statements and the background of the brokerage house and broker/dealer (Advisor). The intent of this qualification is to limit the District's exposure to only those institutions with a proven financial strength, capital adequacy of the firm, and overall affirmative reputation in the municipal industry. Further, all securities not held directly by the District will be held in the District's name and tax identification number by a third-party custodian approved by the Treasurer and evidenced by safekeeping receipts showing individual CUSIP numbers for each security.

At year-end, the District's investments totaled \$459,791, of which \$69,899 and \$321,007 are invested in equity securities and debt securities, respectively, which are subject to custodial credit risk.

Interest Rate Risk

The District's policy to mitigate interest rate risk is to manage the duration of investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of June 30, 2019, the District had the following investments and maturities:

Investment Type	Fair value	Maturities		
		Under 1 Year	1-5 Years	6-10 Years
Debt securities:				
U.S. treasury bonds.....	\$ 62,167	\$ -	\$ 30,811	\$ 31,356
Government sponsored enterprises.....	162,422	-	50,595	111,827
Corporate bonds.....	96,418	24,995	71,423	-
Total debt securities.....	321,007	\$ 24,995	\$ 152,829	\$ 143,183
Other investments:				
Equity securities.....	69,899			
Money market mutual funds.....	68,885			
Total investments.....	\$ 459,791			

Credit Risk

The District's policy to mitigate credit risk allows for unlimited investments in United States Treasury and United States Government Agency obligations. In regards to other investments, the District will only purchase investment grade securities with a high concentration in securities rated A or better. The District may invest in the Massachusetts Municipal Depository Trust (MMDT) with no limit to the amount of funds placed in the fund.

As of June 30, 2019, the District's investments in corporate bonds included \$25,055 in A rated securities, \$24,995 in A- rated securities, and \$46,368 in BBB+ rated securities. The District's investments in U.S. Treasury Bonds and government sponsored enterprises included \$62,167 and \$162,422, respectively, in AA+ rated securities.

Concentration of Credit Risk

The District will minimize concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. The District's investments in corporate bonds for Bank of America, Citigroup, Federal Farm Credit Banks and Wells Fargo each exceeded 5% of the District's total investments. Investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

Fair Value of Investments

The District holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the District's mission, the District determines that the disclosures related to these investments only need to be disaggregated by major type. The District chooses a tabular format for disclosing the levels within the fair value hierarchy.

The following table presents financial assets at June 30, 2019, for which the District measures fair value on a recurring basis, by level, within the fair value hierarchy:

Investment Type	June 30, 2019	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value:				
<u>Debt securities:</u>				
U.S. treasury bonds.....	\$ 62,167	\$ 62,167	\$ -	\$ -
Government sponsored enterprises.....	162,422	162,422	-	-
Corporate bonds.....	96,418	-	96,418	-
Total debt securities.....	321,007	224,589	96,418	-
<u>Other investments:</u>				
Equity securities.....	69,899	69,899	-	-
Money market mutual funds.....	68,885	68,885	-	-
Total other investments.....	138,784	138,784	-	-
Total investments measured at fair value.....	\$ 459,791	\$ 363,373	\$ 96,418	\$ -

U.S. Treasury bonds, government sponsored enterprises, equity securities, and money market mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Corporate bonds classified in Level 2 of the hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

NOTE 3 – RECEIVABLES

At June 30, 2019, receivables for the individual major and nonmajor governmental funds totaled \$850,415. The receivable balance represents fiscal 2019 state aid payments received after year-end.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<u>Capital assets not being depreciated:</u>				
Construction in progress.....	\$ -	\$ 378,341	\$ -	\$ 378,341
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	38,884,119	-	-	38,884,119
Machinery and equipment.....	1,453,157	321,236	-	1,774,393
Total capital assets being depreciated.....	40,337,276	321,236	-	40,658,512
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(18,319,654)	(1,104,517)	-	(19,424,171)
Machinery and equipment.....	(888,573)	(211,167)	-	(1,099,740)
Total accumulated depreciation.....	(19,208,227)	(1,315,684)	-	(20,523,911)
Total capital assets being depreciated, net.....	21,129,049	(994,448)	-	20,134,601
Total governmental activities capital assets, net.....	\$ 21,129,049	\$ (616,107)	\$ -	\$ 20,512,942

Depreciation expense was not allocated to school functions and appears unallocated on the statement of activities.

NOTE 5 – CAPITAL AND OPERATING LEASES

Capital Leases

The District entered into lease agreements to finance iPads for the High School's 1 to 1 Digital Learning Program. Under this program, parents are required to sign an agreement with the school where an annual fee is paid for the right to use an iPad, the necessary software applications, and technology support services. The agreements include a buyout provision at the end of the term. The District has also entered into lease agreements to finance three trucks.

These lease agreements qualify as capital leases for accounting purposes and therefore have been recorded at the present value of their future minimum lease payments as of the inception date of the lease agreement.

The assets acquired through capital leases are as follows:

<u>Asset:</u>	Governmental Activities
Machinery and equipment.....	\$ 455,555
Less: accumulated depreciation...	(335,118)
Total.....	\$ 120,437

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019, were as follows:

<u>Years ending June 30:</u>	<u>Governmental Activities</u>
2020.....	\$ 48,249
2021.....	26,200
2022.....	<u>9,623</u>
Total minimum lease payments.....	84,072
Less: amounts representing interest.....	<u>(5,291)</u>
Present value of minimum lease payments... \$	<u><u>78,781</u></u>

Operating Leases

The District leases copiers and a digital mailing system. The total cost of these leases for the year ended June 30, 2019, was \$73,370 and is reported as instructional services and administration expenditures in the financial statements.

The future minimum lease payments for the District's operating leases are as follows:

<u>Years ending June 30:</u>	<u>Governmental Activities</u>
2020.....	\$ 73,370
2021.....	4,567
2022.....	<u>1,443</u>
Total	<u><u>\$ 79,380</u></u>

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

There were no interfund receivables and/or payables between funds at June 30, 2019. Interfund transfers for the year ended June 30, 2019 consisted of a transfer from the general fund to fund various athletic programs offered by the District in the amount of \$308,456.

NOTE 7 – SHORT-TERM FINANCING

Short-term debt may be authorized and issued to fund the following:

- Current operating costs prior to the collection of revenues through issuance of revenue or tax anticipation notes (RANS or TANS).
- Capital project costs and other approved expenditures incurred prior to obtaining permanent financing through issuance of bond anticipation notes (BANS) or grant anticipation notes (GANS).

Short-term loans are general obligations and carry maturity dates that are limited by statute. Interest expenditures and expenses for short-term borrowings are accounted for in the general fund.

Details related to the short-term debt activity for the year ended June 30, 2019, is as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2018	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2019
BAN	Winthrop School Fire Suppression System	2.75%	01/23/20	\$ -	\$ 850,000	\$ -	\$ 850,000

NOTE 8 – LONG-TERM DEBT

State law permits the District, under the provisions of Chapter 71, Section 16, to authorize indebtedness for capital acquisition and construction. Furthermore, written notice of the amount of debt authorized and general purpose of the debt must be given to the Board of Selectmen in each of the member communities comprising the District.

At June 30, 2019, the District's General obligation bonds outstanding are as follows:

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2019
Cutler School roof and repair projects	2030	\$ 1,582,000	2.0 - 3.5	\$ 1,180,000
Buker/Winthrop heating and roof projects	2032	1,531,000	2.0 - 3.0	1,350,000
Total Bonds Payable, net				\$ 2,530,000

Debt service requirements for principal and interest for Governmental bonds payable in future years are as follows:

Year	Principal	Interest	Total
2020.....	\$ 185,000	\$ 62,951	\$ 247,951
2021.....	190,000	58,251	248,251
2022.....	190,000	53,501	243,501
2023.....	195,000	48,676	243,676
2024.....	195,000	43,776	238,776
2025.....	210,000	38,701	248,701
2026.....	215,000	33,376	248,376
2027.....	220,000	27,376	247,376
2028.....	230,000	20,876	250,876
2029.....	230,000	14,476	244,476
2030.....	240,000	7,938	247,938
2031.....	115,000	3,450	118,450
2032.....	115,000	1,150	116,150
Total.....	\$ 2,530,000	\$ 414,498	\$ 2,944,498

The District has been approved to receive school construction assistance through the MSBA. The MSBA provides resources for eligible construction costs and debt interest and borrowing costs. During 2019, the project was closed out and the District received a final reimbursement of \$1,132,065.

The District is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2019, the District had \$850,000 of authorized and unissued debt related to the Winthrop School fire protection project.

Changes in long-term liabilities

During the year ended June 30, 2019, the following changes occurred in long-term liabilities:

	Beginning Balance (As Revised)	Bonds and Notes Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
Governmental Activities:						
Long-term bonds payable.....	\$ 4,465,000	\$ (1,935,000)	\$ -	\$ -	\$ 2,530,000	\$ 185,000
Add: Unamortized premium on bonds.....	21,932	(21,932)	-	-	-	-
Total bonds payable.....	4,486,932	(1,956,932)	-	-	2,530,000	185,000
Capital lease obligations.....	136,112	-	34,062	(91,393)	78,781	44,917
Compensated absences.....	415,574	-	147,971	(139,998)	423,547	132,328
Net pension liability.....	10,477,680	-	1,913,066	(908,291)	11,482,455	-
Total OPEB liability.....	34,952,280	-	2,738,827	(868,691)	36,822,416	-
Total governmental activity long-term liabilities, as revised.....	\$ 50,468,578	\$ (1,956,932)	\$ 4,833,926	\$ (2,008,373)	\$ 51,337,199	\$ 362,245

NOTE 9 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources. GASB 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- **Restricted:** fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed:** fund balances that can only be used for specific purposes pursuant to self-imposed constraints of the government from its highest level of decision making authority, the member communities.
- **Assigned:** fund balances that contain self-imposed constraints of the government to be used for a particular purpose.
- **Unassigned:** fund balance of the general fund that is not constrained for any particular purpose.

The District's spending policy is to spend restricted fund balance first, followed by committed, assigned and unassigned fund balance. Most governmental funds are designated for one purpose at the time of their creation. Therefore, any expenditure from the fund will be allocated to the applicable fund balance classifications in the order of the aforementioned spending policy. The general fund and certain other funds may have more than one purpose.

The District has classified its fund balances within the following hierarchy:

	General	Revolving Funds	Winthrop Fire Protection Project	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:					
Restricted for:					
Revolving Funds	\$ -	\$ 859,052	\$ -	\$ -	\$ 859,052
Receipts reserved for appropriation	-	-	-	4,075	4,075
Athletic/ Extracurricular Revolving Funds	-	-	-	137,530	137,530
Gifts and Grants	-	-	-	19,167	19,167
Cafeteria	-	-	-	2,347	2,347
Capital Projects	-	-	-	27,276	27,276
School Capital Projects Fund	-	-	-	2,203	2,203
Assigned to:					
Encumbrances:					
Administration	38,700	-	-	-	38,700
Instructional services	52,995	-	-	-	52,995
Other student services	40	-	-	-	40
Employee benefits and other fixed charges ..	28,237	-	-	-	28,237
Programs with other school districts	62,130	-	-	-	62,130
Subsequent years' expenditures	147,396	-	-	-	147,396
Unassigned	1,316,295	-	(378,341)	-	937,954
Total Fund Balances	\$ 1,645,793	\$ 859,052	\$ (378,341)	\$ 192,598	\$ 2,319,102

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NOTE 10 – RISK FINANCING

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. The District participates in premium-based health care plans for its active employees and its retirees.

NOTE 11 – PENSION PLAN*Plan Descriptions*

The District is a member of the Essex Regional Retirement System (ERRS), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 46 member units. The system is administered by five board members (Board) on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan.

The District is a member of the MTRS, a cost-sharing multi-employer defined benefit pension plan. MTRS is managed by the Commonwealth of Massachusetts (Commonwealth) on behalf of municipal teachers and municipal teacher retirees. The Commonwealth is a nonemployer contributor and is responsible for 100% of the contributions and future benefit requirements of the MTRS. The MTRS covers certified teachers in cities (except Boston), towns, regional school districts, charter schools, educational collaboratives and Quincy College. The MTRS is part of the Commonwealth's reporting entity and the audited financial report may be obtained by visiting <http://www.mass.gov/osc/publications-and-reports/financial-reports/>.

Special Funding Situation

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the District to the MTRS. Therefore, the District is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the District does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer's covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2018. The District's portion of the collective pension expense, contributed by the Commonwealth, of \$5,453,315 is reported in the general fund as intergovernmental revenue and employee benefits in the current fiscal year. The portion of the Commonwealth's collective net pension liability associated with the District is \$53,814,444 as of the measurement date.

Benefits Provided

Both Systems provide retirement, disability, survivor and death benefits to plan members and beneficiaries. Massachusetts Contributory Retirement System benefits are, with certain minor exceptions, uniform from system to system. The System provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For persons who became members on or after April 2, 2012, average salary is the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification. Members become vested after ten years of creditable service.

Employees who resign from service and who are not eligible to receive a retirement allowance or are under the age of 55 are entitled to request a refund of their accumulated total deductions. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

Cost-of-living adjustments granted between 1981 and 1997 and any increase in other benefits imposed by the Commonwealth's state law during those years are borne by the Commonwealth and are deposited into the pension fund. Cost-of-living adjustments granted after 1997 must be approved by the Board and are borne by the System.

Contributions

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute to the System at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the ERRS a legislatively mandated actuarially determined contribution that is apportioned among the employers based on active current payroll. The District's proportionate share of the required contribution equaled its actual contribution for the year ended December 31, 2018 and totaled \$908,291 which was 23.54% of covered payroll, actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

Pension Liabilities

At June 30, 2019, the District reported a liability of \$11,482,455 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At December 31, 2018, the District's proportion was 2.72%, which decreased .06% from its proportion measured at December 31, 2017.

Pension Expense

For the year ended June 30, 2019, the District recognized pension expense of \$1,272,943.

The balances of deferred outflows (inflows) at June 30, 2019 consist of the following:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ -	\$ (99,591)	\$ (99,591)
Difference between projected and actual earnings.....	590,586	-	590,586
Changes of assumptions.....	608,751	-	608,751
Changes in proportion and proportionate share of contributions...	55,468	(336,911)	(281,443)
Total deferred outflows/(inflows) of resources.....	\$ 1,254,805	\$ (436,502)	\$ 818,303

The District's net deferred outflows (inflows) of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2020.....	\$ 348,482
2021.....	173,205
2022.....	99,699
2023.....	<u>196,917</u>
Total.....	\$ <u>818,303</u>

Actuarial Assumptions

The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement that was updated to December 31, 2018:

Valuation date.....	January 1, 2018
Salary increases.....	Based on years of service, ranging from 7.50% at 0 years of service decreasing to 3.75% after 5 years of service.
Net investment return/discount rate.....	7.50%
Inflation rate.....	2.75%
Cost of living adjustments.....	3.0% of the first \$14,000
Mortality Rates:	
Pre-Retirement.....	RP-2000 Employee Mortality Table projected generationally with Scale BB.
Healthy Retiree.....	RP-2000 Healthy Annuitant Mortality Table projected generationally with Scale BB.
Disabled Retiree.....	RP-2000 Healthy Annuitant Mortality Table, set forward two years projected generationally with Scale BB.

Investment policy

The pension plan's policy in regard to the allocation of invested assets is established by the Pension Reserve Investment Trust (PRIT) and the Board. Plan assets are managed on a total return basis with a long-term objective of achieving a fully funded status for the benefits provided through the pension plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target

asset allocation percentage, adding expected inflation and subtracting expected investment expenses and risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expense, used in the derivation of the long-term investment rate of return assumption as of December 31, 2018, are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity.....	21.00%	6.16%
International developed markets equity.....	13.00%	6.69%
International emerging markets equity.....	5.00%	9.47%
Core fixed income.....	15.00%	1.89%
High-yield fixed income.....	8.00%	4.00%
Real estate.....	10.00%	4.58%
Commodities.....	4.00%	4.77%
Hedge fund, GTAA, Risk parity.....	11.00%	3.68%
Private equity.....	13.00%	10.00%
Total.....	100.00%	

Rate of return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments was -2.43%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested, measured monthly.

Discount rate

The discount rate used to measure the total pension liability was 7.50% as of December 31, 2018 and December 31, 2017. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for the current plan members and their beneficiaries are included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of both December 31, 2018 and December 31, 2017.

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability, calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount (7.50%)	1% Increase (8.50%)
The District's proportionate share of the net pension liability.....	\$ 14,195,902	\$ 11,482,455	\$ 9,199,576

Changes of Assumptions – None.

Changes in Plan Provisions – None.

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NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description – The Hamilton-Wenham Regional School District administers a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides lifetime healthcare insurance and life insurance benefits for eligible retirees and their spouses through the District’s group health insurance plan, which covers both active and retired members. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan. Benefit provisions are negotiated between the District and the unions representing District employees and are renegotiated each bargaining period. The Retiree Health Plan does not issue a publicly available financial report.

Funding Policy – Contribution requirements are also negotiated between the District and union representatives. The required contribution is based on a pay-as-you-go financing requirement. No assets have been accumulated in a trust. The District contributes 60 percent of the cost of current-year premiums for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 40 percent of their premium costs.

Total OPEB Liability – GASB Statement #75 requires the total OPEB liability to be measured as of a date no earlier than the end of the employer’s prior fiscal year and no later than the end of the employer’s current fiscal year, consistently applied from period to period. The District’s total OPEB liability of \$36,822,416 was measured as of June 30, 2018 and was determined by an actuarial valuation as of June 30, 2017.

Employees Covered by Benefit Terms – The following table represents the Plan’s membership as of June 30, 2017, the actuarial valuation date:

Active members	309
Inactive employees or beneficiaries currently receiving benefits	<u>194</u>
 Total	 <u><u>503</u></u>

Significant Actuarial Methods and Assumptions – The total OPEB liability in the June 30, 2017, actuarial valuation was determined by using the following actuarial assumptions, applied to all periods included in the measurement, that was updated to June 30, 2018, to be in accordance with GASB Statement #75:

Valuation date	June 30, 2017
Actuarial cost method	Individual Entry Age Normal Cost Method.
Amortization method	30 year level flat dollar amortization at 3.25%.
Nominal investment rate of return	6.75%
Single equivalent discount rate	3.25% as of June 30, 2018 and June 30, 2017.
Inflation rate	2.75% as of June 30, 2018 and for future periods.
Projected salary increases	Groups 1 & 2: 6% to 4.25% based on service. Group 4: 7% to 4.75% based on service.

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Salary increases.....	3.00% annually and for future periods.
Healthcare cost trend rate.....	5.0% annually.
Pre-Retirement mortality.....	RP-2000 Employee Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Post-Retirement mortality.....	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Disabled mortality.....	RP-2000 Healthy Annuitant Table projected generationally with scale BB and a base year 2012 for males and females.

Discount rate – The discount rate was based on the S&P Municipal Bond 20 – Year High Grade Index.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at June 30, 2017.....	\$ 34,952,280
Changes for the year:	
Service cost.....	1,565,986
Interest.....	1,172,841
Benefit payments.....	<u>(868,691)</u>
Net change.....	<u>1,870,136</u>
Balances at June 30, 2018.....	\$ <u>36,822,416</u>



Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following table presents the total other postemployment benefits liability, calculated using the discount rate of 3.25%, as well as what the total other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<u>1% Decrease (2.25%)</u>	<u>Current Discount Rate (3.25%)</u>	<u>1% Increase (4.25%)</u>
Total OPEB liability.....	\$ 43,844,183	\$ 36,822,416	\$ 31,369,620

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following table presents the total other postemployment benefits liability, calculated using the current healthcare trend rate of 5.00%, as well as what the total other postemployment benefits liability would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher:

	1% Decrease (4.00%)	Current Trend (5.00%)	1% Increase (6.00%)
Total OPEB liability.....	\$ 27,071,333	\$ 36,822,416	\$ 49,589,531

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2018, the GASB Statement #75 measurement date, the District recognized OPEB expense of \$3,852,553. At June 30, 2019, the District reported deferred outflows of resources from the net difference between expected and actual experience totaling \$3,341,177.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2020.....	\$ 1,113,726
2021.....	1,113,726
2022.....	<u>1,113,725</u>
Total.....	<u>\$ 3,341,177</u>

Changes of Assumptions – None.

Changes in Plan Provisions – None.

NOTE 13 – CONTINGENCIES

Various legal actions and claims are pending. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2019, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2019.

NOTE 14 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 30, 2019, which is the date the financial statements were available to be issued.

NOTE 15 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2019, the following GASB pronouncements were implemented:

- GASB Statement #83, *Certain Asset Retirement Obligations*. This pronouncement did not impact the basic financial statements.
- GASB Statement #88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This pronouncement did not impact the basic financial statements.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #84, *Fiduciary Activities*, which is required to be implemented in 2020.
- The GASB issued Statement #87, *Leases*, which is required to be implemented in 2021.
- The GASB issued Statement #89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which is required to be implemented in 2021.
- The GASB issued Statement #90, *Majority Equity Interests – an amendment of GASB Statements #14 and #61*, which is required to be implemented in 2020.
- The GASB issued Statement #91, *Conduit Debt Obligations*, which is required to be implemented in 2022.

Management is currently assessing the impact the implementation of these pronouncements will have on the basic financial statements

Required Supplementary Information

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GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2019

	Amounts Carried Forward From Prior Year	Budgeted Amounts		
		Current Year Initial Budget	Original Budget	Final Budget
REVENUES:				
Member town assessments	\$ -	\$ 28,438,507	\$ 28,438,507	\$ 28,421,240
Intergovernmental	-	5,219,616	5,219,616	5,219,616
Investment income	-	4,000	4,000	4,000
Miscellaneous revenue	-	-	-	-
TOTAL REVENUES	-	33,662,123	33,662,123	33,644,856
EXPENDITURES:				
Current:				
District administration	76,395	1,180,028	1,256,423	1,174,529
Instructional	144,820	19,828,129	19,972,749	19,765,790
Other student services	46,509	2,129,532	2,176,041	2,080,305
Operation and maintenance	9,000	2,184,505	2,193,505	2,230,287
Employee benefits and other fixed charges	27,366	4,173,276	4,200,642	4,233,772
Programs with other school districts (tuitions)	-	2,090,140	2,090,140	2,404,818
Debt service:				
Debt service principal	-	1,935,000	1,935,000	1,935,000
Interest	-	180,275	180,275	163,008
TOTAL EXPENDITURES	303,890	33,700,885	34,004,775	33,987,509
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(303,890)	(38,762)	(342,652)	(342,653)
OTHER FINANCING SOURCES (USES):				
Use of prior year reserves	303,890	-	303,890	303,890
Use of excess and deficiency	-	347,218	347,218	347,219
Transfers out	-	(308,458)	(308,456)	(308,456)
TOTAL OTHER FINANCING SOURCES (USES)	303,890	38,762	342,652	342,653
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	1,799,294	1,799,294	1,799,294	1,799,294
FUND BALANCES AT END OF YEAR	\$ 1,799,294	\$ 1,799,294	\$ 1,799,294	\$ 1,799,294

See notes to required supplementary information.

	Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
\$	28,421,240	\$ -	\$ -
	5,410,831	-	191,215
	25,631	-	21,631
	2,092	-	2,092
	<u>33,859,794</u>	<u>-</u>	<u>214,938</u>
	1,114,659	38,700	21,170
	19,680,185	52,995	32,610
	2,034,731	40	45,534
	2,230,287	-	-
	4,204,281	28,237	1,254
	2,342,688	62,130	-
	1,935,000	-	-
	163,008	-	-
	<u>33,704,839</u>	<u>182,102</u>	<u>100,568</u>
	<u>154,955</u>	<u>(182,102)</u>	<u>315,506</u>
	-	-	(303,890)
	-	-	(347,219)
	<u>(308,456)</u>	<u>-</u>	<u>-</u>
	<u>(308,456)</u>	<u>-</u>	<u>(651,109)</u>
	(153,501)	(182,102)	(335,603)
	1,799,294	-	-
\$	<u>1,645,793</u>	<u>(182,102)</u>	<u>(335,603)</u>

Pension Plan Schedules

The Schedule of the District's Proportionate Share of the Net Pension Liability presents multi-year trend information on the District's net pension liability and related ratios.

The Schedule of District's Contributions presents multi-year trend information on the District's required and actual contributions to the pension plan and related ratios.

The Schedule of the Special Funding Amounts of the Net Pension Liability for the Massachusetts Teachers' Contributory Retirement System presents multi-year trend information on the liability and expense assumed by the Commonwealth of Massachusetts on behalf of the District along with related ratios.

These schedules are intended to present information for ten years. Until a ten-year trend is compiled, information is presented for those years for which information is available.

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
ESSEX REGIONAL RETIREMENT SYSTEM**

<u>Year</u>	<u>Proportion of the net pension liability (asset)</u>	<u>Proportionate share of the net pension liability (asset)</u>	<u>Covered payroll</u>	<u>Net pension liability as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
December 31, 2018.....	2.72%	\$ 11,482,455 \$	3,858,732	297.57%	51.89%
December 31, 2017.....	2.78%	10,477,680	3,709,896	282.43%	55.40%
December 31, 2016.....	2.84%	10,943,949	3,971,144	275.59%	51.12%
December 31, 2015.....	2.84%	10,306,211	3,656,348	281.87%	51.01%
December 31, 2014.....	2.75%	9,315,057	3,502,758	265.93%	52.27%

Note: this schedule is intended to present information for 10 years.

Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

**SCHEDULE OF DISTRICT'S CONTRIBUTIONS
ESSEX REGIONAL RETIREMENT SYSTEM**

<u>Year</u>	<u>Actuarially determined contribution</u>	<u>Contributions in relation to the actuarially determined contribution</u>	<u>Contribution deficiency (excess)</u>	<u>Covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
June 30, 2019.....	\$ 908,291	\$ (908,291)	-	\$ 3,858,732	23.54%
June 30, 2018.....	866,990	(866,990)	-	3,709,896	23.37%
June 30, 2017.....	823,009	(823,009)	-	3,971,144	20.72%
June 30, 2016.....	779,283	(779,283)	-	3,656,348	21.31%
June 30, 2015.....	704,356	(704,356)	-	3,502,758	20.11%

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

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**SCHEDULE OF THE SPECIAL FUNDING AMOUNTS
OF THE NET PENSION LIABILITY
MASSACHUSETTS TEACHERS' RETIREMENT SYSTEM**

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers which creates a special funding situation. Therefore, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the associated collective net pension liability; the portion of the collective pension expense as both a revenue and pension expense recognized; and the Plan's fiduciary net position as a percentage of the total liability.

<u>Fiscal Year</u>	<u>Commonwealth's 100% Share of the Associated Net Pension Liability</u>	<u>Expense and Revenue Recognized for the Commonwealth's Support</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Liability</u>
2019.....	\$ 53,814,444	\$ 5,453,315	54.84%
2018.....	52,560,042	5,485,845	54.25%
2017.....	51,438,198	5,247,033	52.73%
2016.....	47,483,472	3,851,332	55.38%
2015.....	37,616,788	2,613,419	61.64%

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

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Other Postemployment Benefit Plan Schedules

The Schedule of Changes in the District's Total Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability.

**SCHEDULE OF CHANGES IN THE
DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

	Measurement Date June 30, 2017	Measurement Date June 30, 2018
Total OPEB Liability		
Service Cost.....	\$ 1,375,144	\$ 1,565,986
Interest.....	936,777	1,172,841
Differences between expected and actual experience.....	5,568,629	-
Benefit payments.....	<u>(748,115)</u>	<u>(868,691)</u>
Net change in total OPEB liability.....	7,132,435	1,870,136
Total OPEB liability - beginning.....	<u>27,819,845</u>	<u>34,952,280</u>
Total OPEB liability - ending (a).....	<u>\$ 34,952,280</u>	<u>\$ 36,822,416</u>
Covered-employee payroll.....	\$ 18,795,232	\$ 19,359,089
Total OPEB liability as a percentage of covered-employee payroll.....	185.96%	190.21%

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for
which information is available.

See notes to required supplementary information.

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NOTE A – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**1. Budgetary Information**

The District adopts a balanced budget that is approved by the Committee. The Superintendent of Schools presents an annual budget to the Committee, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. The Committee, which has full authority to amend and/or reject the budget or any line item, adopts the expenditure budget by majority vote. Increases in the budget subsequent to the approval of the annual budget require majority Committee approval.

The majority of the District's appropriations are non-continuing which lapse at the end of the year.

The District adopts an annual budget for the general fund in conformity with the guidelines described above. The initial 2019 approved budget for the general fund authorized \$34,009,341 in appropriations. The District approved \$286,624 of supplemental appropriations during the year mainly related to increases in costs from programs with other school districts.

The District's accounting office has the responsibility to ensure that budgetary control is maintained in accordance with the legal level of spending approved by the member communities and as amended by the School Committee. Budgetary control is exercised through the District's accounting system.

2. Budgetary - GAAP Reconciliation

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the year ended June 30, 2019, is presented below:

Net change in fund balance - budgetary basis.....	\$	(153,501)
<u>Basis of accounting differences:</u>		
Recognition of revenue for on-behalf payments.....		5,453,315
Recognition of expenditures for on-behalf payments.....		<u>(5,453,315)</u>
Net change in fund balance - GAAP basis.....	\$	<u>(153,501)</u>

NOTE B – PENSION PLAN**A. Schedule of the District's Proportionate Share of the Net Pension Liability**

The Schedule of the District's Proportionate Share of the Net Pension Liability details the District's allocated percentage of the net pension liability (asset), the District's proportionate share of the net pension liability, and the District's covered payroll. It also demonstrates the District's net position as a percentage of the District's pension liability and the District's net pension liability as a percentage of the District's covered payroll.

B. Schedule of District's Contributions

Governmental employers are required to pay an annual appropriation as established by PERAC. The District's appropriation includes the amounts to pay the pension portion of each member's retirement allowance, an amount

to amortize the actuarially determined unfunded liability to zero in accordance with the system's funding schedule, and additional appropriations in accordance with adopted early retirement incentive programs. The District's appropriations are payable on July 1 and January 1. The District may choose to pay the entire appropriation in July at a discounted rate. Accordingly, actual District contributions may be less than the "total appropriation". The pension fund appropriation is allocated to the District based on covered payroll.

C. Schedule of the Special Funding Amounts of the Net Pension Liability

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers which creates a special funding situation. Since the District does not contribute directly to MTRS, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the collective net pension liability that is associated with the District; the portion of the collective pension expense as both revenue and pension expense recognized by the District; and the Plan's fiduciary net position as a percentage of the total liability.

D. Changes of Assumptions

None.

E. Changes in Plan Provisions

None.

NOTE C – OTHER POSTEMPLOYMENT BENEFITS

The District administers a single-employer defined benefit healthcare plan ("The Other Postemployment Benefit Plan"). The plan provides lifetime healthcare insurance and life insurance benefits for eligible retirees and their spouses through the District's group health insurance plan, which covers both active and retired members.

The Other Postemployment Benefit Plan

A. The Schedule of Changes in the District's Total Other Postemployment Benefit Liability and Related Ratios

The Schedule of Changes in the District's Total Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability.

B. Changes of Assumptions

None.

C. Changes in Provisions

None.





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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

To the Honorable School Committee
Hamilton-Wenham Regional School District
Wenham, Massachusetts 01984

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Hamilton-Wenham Regional School District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Hamilton-Wenham Regional School District's basic financial statements, and have issued our report thereon dated September 30, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Hamilton-Wenham Regional School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hamilton-Wenham Regional School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Hamilton-Wenham Regional School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Hamilton-Wenham Regional School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pons & Allie, LLC

September 30, 2019



Hamilton-Wenham Regional School District

2019-2020 School Committee DRAFT Goals

SC SMART Goal #1: Create a TEAM

By June 2020, the HWRSD School Committee will improve a minimum of one scaled score in five areas; 1) goals, 2) operating protocol, 3) meetings, 4) monitoring, and 5) community engagement over September 2019 baseline line results as measured by the Governance Rubric for Continuous Improvement¹.

Key Actions:

- Use governance rubric as pre, mid-year, and post assessment tool
- Schedule budget workshop to informally discuss and problem solve difficult issues
- Use School Committee Protocols to self-assess at the end of each School Committee meeting during September, October, and November

Benchmarks:

- By October 16, 2019, 85% of Governance team will complete a pre-assessment using the Governance Rubric for Continuous Improvement.
 - Compile data and use the results to assess opportunities for growth and present an improvement plan
- By February 1, 2020 85% of Governance team will complete a mid-year assessment using the Governance Rubric for Continuous Improvement.
 - Compile data and use the results to adjust key actions
- By June 1, 2020 85% of Governance team will complete a end-of-year assessment using the Governance Rubric for Continuous Improvement.
 - Compile data and use the results to assess goal progress
- By January 8, 2020 the HWRSD Leadership Team will facilitate a FY21 Budget workshop for the School Committee
 - Recommendation: LT FY21 Budget workshop
 - Option 1: Saturday, January 4, 2020 9:00-2:00 PM - lunch provided
 - Option 2: 2 part - Monday, January 6th & Tuesday, January 7th 5:00-8:00 PM

¹ "District Governance Program - Massachusetts Association of School"
<https://www.masc.org/field-services/district-governance-project>. Accessed 1 Sep. 2019.



Hamilton-Wenham Regional School District

2019-2020 School Committee DRAFT Goals

- By **December 1, 2019** the School Committee conduct a formative assessment of the Superintendent's Performance using the 2019-2020 Indicator Rubric For Superintendents
- By December 1, 2019 adopt a SC Protocol based on self-assessment results

SC SMART Goal #2: Clarify our VISION

By June 2020, the HWRSD School Committee will increase community engagement by 50% as measured by stakeholder attendance and/or participation in engagement events/activities (compared to Fall 2019 baseline participation) in order to develop a long-range, future ready, shared vision for the Hamilton-Wenham Regional School District.

Key Actions:

- Collaborate with District's Leadership Team to promote/embrace strategic blueprint *- LT WKSPS Oct, Nov., Dec.*
- Communicate with community members to effectively disseminate strategic blueprint
- Foster transparency, and full partnership between Hamilton, Wenham and the District

Benchmarks:

- Continued workshops and other engagements with Leadership Team
- Developed communication piece to further community engagement and education
- Establish forums with various community groups to further partnerships.

SC SMART Goal #3: Develop a BUDGET

By February 2020, the HWRSD develop a learner-centered budget that is fiscally responsible, addresses prioritized critical needs with input and recommendations from the HWRSD Leadership Team, and is conscientious - minding the impact on local taxpayers as measured by voter support.

?
Key Actions: The Finance working group (FWG) would be updated on the leadership teams requests. As the budget develops, the FWG group will be updated and give feedback.

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Hamilton-Wenham Regional School District

2019-2020 School Committee DRAFT Goals

- SC will hear from Superintendent and other district administrators about districts' needs.
- SC with Superintendent and district administration will develop a prioritization of capital needs to present to voters.
- SC and/or representatives will meet with other elected officials of Hamilton and Wenham to collaboratively discuss school district's needs.
- SC will deliberate and come to consensus on operating budget and capital budget requests.

Benchmarks:

Operating –

- By Jan. 1ish, the Leadership Team will compile a budget.
- In early Jan., the Leadership Team will host a budget workshop to inform the full committee about the budget.
- 75 days prior to Town Meeting, the SC will approve a tentative budget
- Somewhere in here the SC will deliberate.
- Somewhere in here the SC will have a public hearing or two
- Somewhere in her the SC will deliberate and I would add, develop a communication plan.
- 45 days prior to Town Meeting the SC will approve a final budget
- The full Committee will NOT see the budget until days before voting

Decision on OPEB

- November Asst. Supt. Of Finance and/or SC present OPEB options
- If yes, accept OPEB: Approve laws
- Management to work on and bring back to SC

Capital: Prioritization of capital items

- A. Turf/tennis (combine): Decision to go forward? If so,
 - a. Develop alternate plans and update GALE study.
 - b. Monitor progress for non-profit.
 - c. Review policies for fundraising.
 - d. MOU
 - e. Booster group meeting: To find out issues



Hamilton-Wenham Regional School District

2019-2020 School Committee DRAFT Goals

- B. Total bundled amount for funding
- C. Strategy for funding

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Executive Search Consultant Services for the position of Superintendent of Schools

November 2019

Timeline: Superintendent to be appointed by March 25, 2020

Release date: October 18, 2019

Questions must be received October 29, 2019

via email to l.coults@hwschools.net and copy to m.bailey@hwschools.net

Quote submittal Due Date November 1, 2019 at 4pm

Hamilton-Wenham Regional School District

I. RFQ Timeline and Decision to Use a Request for Quotes

Decision to Use a Request for Quotes

The Hamilton-Wenham Regional School District ("District") is requesting quotes from qualified consulting firms or individual consultants ("consultants") to provide Executive Search Consultant Services for the position of Superintendent of Schools in accordance with the following quote schedule and the specifications for the District. The Chief Procurement Officer has determined that in order to select the most advantageous quote to search and select a new School Superintendent, comparative judgments of technical factors in addition to price will be necessary.

The District School Committee ("Committee") will evaluate each proposer's experience, proposed methodology for the search process, action plans and timelines, ability to communicate effectively, and past successes in meeting the needs of other district searches. After review of the Technical Quotes, the Committee may schedule interviews with Proposers who have been deemed "Advantageous" or higher. The successful proposer will be expected to develop and implement a search plan in accordance with the quote requirements as further described herein.

II. Introduction

Hamilton-Wenham Regional School District is a high-performing, public secondary school district with a student population of 1,724, located approximately twenty miles north of Boston and 20 miles south of the New Hampshire border. The District includes three Elementary Schools (grades Pre-K to 5th), one Middle School (grades 6-8) and one High School (grades 9-12) on the same campus. The District provides educational services for the communities of Hamilton and Wenham, Massachusetts. The District is governed by a Superintendent as well as a School Committee of seven members elected at large from the two communities for three-year terms.

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Overview

The Committee expects the consultant or consulting firm to assist in working with an ad hoc committee to facilitate the search process for the next school superintendent for the District. The Committee

Schedule

The Request for Quote (RFQ) will be released on October 18, 2019, to known consultants and will be available online at <https://www.hwschools.net>.

Quotes shall be received until 12:00 p.m. on November 1, 2019 at the Hamilton-Wenham Regional School District, Office of the Superintendent, 5 School Street, Wenham, MA 01984.

Interviews of qualified Proposers may be scheduled November 13, 2020. The award of this contract, if any, will be no later than 30 days after the deadline for the submission of quotes. In accordance with the provisions of the applicable statutes of Massachusetts General Laws, the District reserves the right to waive any informalities in any or all quotes, or to reject any or all quotes, if it is in the public interest to do so.

Appointment of Superintendent by March 25, 2020.

III. Scope of Work:

The District seeks quotes from experienced executive search consultants to assist in recruiting applicants for the position of Superintendent of Schools. The successful Consultant will work with the Committee to conduct a search for highly qualified candidates. The scope of work will include, but not be limited to, a process that identifies the following:

1. Develop a survey to solicit opinions from various stakeholders including Committee members, staff, parents, other elected or appointed community officials, and members of the community to help the Committee align its search with leadership needs and any other identified stakeholder needs.
2. The consult will assist the Committee in establishing a representative Screening Committee made up of local officials, parents and community members.
3. The Consultant will present its survey findings and recommendations in a written report to the School Committee and Screening Committee. The Consultant will use the findings to host one community meeting in January to verify the survey results and refine a descriptive document for prospective applicants..
4. The Consultant will work with the Committee and Central Office staff to develop descriptive documents for prospective applicants.

5. Conduct networking and other search activities to generate a diverse pool of highly qualified prospective candidates.
5. Assist the Committee in establishing selection criteria and in identifying and recruiting highly qualified applicants for a new Superintendent of Schools.
5. Assist the Screening Committees to screen applicants, verify credentials, and check references.
6. Assist the Screening Committee with initial screening and interviews including development of questions and scheduling applicants.
6. School Committee during the interview process including development of questions and scheduling applicants.
7. Assist the Committee in scheduling site visits, the final selection process, and consult during the contract negotiations with the candidate selected.
8. Continue to work on this assignment through the hiring of a Superintendent.

IV. Quote Submission Requirements

A. Failure to submit documents requested may result in the determination that a quote is non-responsive unless the Committee deems such a failure to be a minor informality. Quote must include the following information.

1. A Letter of Interest including company history.
2. The quote should include name, current resume, summary of credentials, and the number of years of experience providing executive search services for all consultants who will work with the Committee and Search Committees on this contract.
3. The Proposer should identify the name of the "Lead Consultant" who will be the person assigned to work directly with the Committee and Search Committees. Note that the contract will require the same "Lead Consultant" to be assigned to this contract for the duration of the search process, through and including the hiring of a Superintendent.
4. The quote must include a description of the Proposer's approach to performing services outlined in the Scope of Services, including a description of their proposed candidate recruitment strategies and a "search process plan," approach to assuring community involvement and input, and a timeline with milestones.

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5. Submit a list of communities and supporting documentation for which your company provided similar executive Superintendent search services in communities as described in this Request for Quote (RFQ) during the past five (5) years.

6. References: A minimum of five (5) references of comparable executive search projects, including a one paragraph synopsis per reference, dates of service, client's names, addresses, email addresses, and telephone numbers. The District or Committee reserves the right to use itself as a reference.

A quote may be rejected on the basis of one or more references reporting less than excellent past performance by the bidder and/or that experience does not meet the Minimum Criteria.

V. Minimum Criteria

All quotes must have a section in their quote labeled MINIMUM CRITERIA and must provide all necessary documentation as evidence that they meet each of the following minimum criteria in order to be considered for further evaluation:

1. The Proposer has included a minimum of three (3) examples of direct experience in conducting successful executive searches for School Superintendents and/or secondary and higher education administrators (public and private sector) and/or other public sector executive positions within the last five (5) years.
2. The Proposer has provided evidence that they have a record of having managed a successful community component of a School Superintendent search process in two (2) school districts.
4. The Proposer has demonstrated the capacity to generate the necessary advertisements, brochures, and other forms of candidate outreach as evidenced by documented past experience and samples of advertisements, brochures, and recruitment strategies with this quote.
5. The Proposer has provided documentation and a track record of assigning a Lead Consultant who continues throughout the entire project until a successful desired end result has been achieved as verified by providing a minimum of two (2) past executive search references confirming this.

VII. Award of Contract

The contract will be awarded to that Proposer deemed by the Committee to have submitted the most advantageous quote taking into consideration all of the listed criteria in addition to the pricing and proposed timing of payments.

VIII. Term of the Contract

It is anticipated that work under this contract shall begin in December 2019 and shall be completed by April 8, 2020.

Hamilton-Wenham Regional School District

Executive Search Consultant Services

for the position of Superintendent of Schools

Price Quote

The price must be submitted without "conditions or exceptions."

The pricing set forth in this quote shall constitute full and complete compensation for the services to be provided by the Consultant/Firm. There shall be no reimbursement for out-of-pocket expenses incurred by the Consultant in connection with the performance of services unless specifically specified below.

Price quote for School Superintendent Search:

\$ _____ Total Fixed Fee Total Contract Price in words: _____

Other Costs:

_____	\$ _____
_____	\$ _____
_____	\$ _____

Signature: _____ Title: _____

Company: _____ Tel: _____ Fax: _____

Address: _____

City: _____ State: _____ Zip: _____

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report of the resolutions committee

The members of the Resolutions Committee met on June 27, 2019 to consider resolutions proposed by member districts and the MASC Board of Directors for consideration at the 2019 Annual Meeting of the Association. Members present were: Margaret Hughes, Narragansett Regional; Denise Hurst, Springfield/MASC Secretary-Treasurer; Laura Fallon, Northampton; Irene Feliciano-Sims, Holyoke; Mildred Lefebvre, Holyoke/MASC Minority Caucus Chair; Barbara Davis, Holbrook; Kim Hunt, Plymouth; Wendy Rua, Agawam; Bill Fonseca, East Longmeadow/MASC Division V Chair; Denise Schultz, Franklin; Jake Oliveira, Ludlow/ MASC President-Emeritus; Beverly Hugo, Framingham/MASC Past President; Paul Schlichtman, Arlington/ MASC Past President; Devin Sheehan, Holyoke/MASC President; Deborah Davis, Northeast Metro Voc. Tech./ MASC President-Elect and Chair of the Resolutions Committee

The following resolutions were moved forward by the Resolutions Committee and approved by the Board of Directors.

RESOLUTION 1: Banning Polystyrene from Schools
(Submitted by the Silver Lake Regional School District, including the School Committees of Kingston, Plympton, and Halifax)

WHEREAS: The United States Department of Education Green Ribbon Schools was created in 2011 to recognize schools efforts to reduce environmental impact and cost, improve the health and wellness of schools students, and staff, and provide effective environmental and sustainability education; and

WHEREAS The Commonwealth of Massachusetts in conjunction with twenty other states joined together to form the United States Climate Alliance to support the Paris Agreement and through continued legislative and executive actions has demonstrated the Commonwealth's commitment to environmental protection; and

WHEREAS: Expanded polystyrene foam manufacturing process releases pollution into the atmosphere, expanded polystyrene foam has been shown to be non-biodegradable and has the ability to be persistent in the environment for thousands of years, expanded polystyrene foam breaks down into "pearls" which are often ingested by marine life and introduced into the food chain; and

WHEREAS: Expanded polystyrene foam is made with styrene, a chemical the Department of Health and Human Services has deemed as reasonably anticipated to be a human carcinogen, and the use of expanded polystyrene foam in food and beverage containers, especially containers holding hot or acidic food, have been shown to leach styrene into food and beverages;

THEREFORE BE IT RESOLVED THAT: MASC urge the Commonwealth of Massachusetts to ban the use of expanded polystyrene foam cups, bowls, plates and trays from Massachusetts Public Schools by the 2022-2023 school year.

RATIONALE Proponents cite the presence of toxins, including carcinogens in polystyrene and note that containers manufactured with this substance can be found in food and beverage containers that might pose a risk to students and others.

RESOLUTION 2: Pertaining to Educator Diversity and Professional Licensure
(Submitted by the Arlington School Committee)

WHEREAS: Current research clearly demonstrates that public school students benefit from a diverse teaching staff; and

WHEREAS: Massachusetts districts are challenged to attract a diverse teaching staff; and

WHEREAS: Attracting diverse candidates often involves recruiting candidates from outside Massachusetts; and

WHEREAS: Massachusetts licensure requirements, including the Massachusetts Tests for Educator Licensure (MTEL) requirements, serve as a disincentive for candidates looking to relocate to take a teaching position; and

WHEREAS: Test administration is conducted in centers that are often inaccessible without a car; and

WHEREAS: The cost of testing can be a barrier to potential applicants; and

WHEREAS: There is no evidence the MTEL is a reliable or valid measure of successful practice as an educator; and

WHEREAS: School districts are capable of selecting qualified candidates for teaching positions, as well as supervising, evaluating, and deciding on whether to retain the services of probationary candidates; and

WHEREAS: The Board of Elementary and Secondary Education governs educator licensure in Massachusetts; and

WHEREAS: Practicing educators and school committee members are prohibited from serving on the Board of Elementary and Secondary Education; and

WHEREAS: The teaching profession is the only profession or trade in Massachusetts where the holders of a license are prohibited from serving on its governing board;

THEREFORE BE IT RESOLVED: that the Massachusetts Association of School Committees calls for the elimination of the MTEL and the MA Performance Assessment for Leaders (MaPAL) as licensing requirements for educators; and

BE IT FURTHER RESOLVED: that the Massachusetts Association of School Committees calls for the governance and licensure of professional educators to be vested in a board comprised of licensed educators.

RATIONALE: The licensure of Massachusetts educators is governed by the Board of Elementary and Secondary Education. The oversight of licensure by non-educators has resulted in a complex, difficult licensure system that discourages qualified candidates from applying for licensure and employment in Massachusetts. Recruiting a diverse, qualified cohort of new educators will be enhanced if the barriers presented by MTEL are removed, and if licensure regulations and standards are placed in the hands of a committee of educators. An expanded explanation in support of this resolution can be found on the MASC web site.

RESOLUTION 3: School Transportation

(Submitted by the Hudson School Committee and revised by the Resolutions Committee)

WHEREAS: Among the transportation cost concerns for school districts is the lack of competition for bus contracts for regular day ("yellow bus") services, as well as costs for special education transportation; and

WHEREAS: Competition for transportation contracts has decreased over the years; and

WHEREAS: The transportation industry has been contracting and now has fewer competitors; and

WHEREAS: M.G.L. c. 71, § 7C prohibits certain uses of regional transportation authorities to provide school district transportation services, and

WHEREAS: M.G.L. c. 30B § 5 requires acceptance of the lowest cost bid; and

WHEREAS: Other factors beyond cost, such as past performance, cannot be considered when accepting a bid; and

WHEREAS: Many smaller districts only receive 1 bid when soliciting transportation contract proposals; and

WHEREAS: No action on this subject has been taken to increase competition; and

WHEREAS: Elimination of M.G.L. c. 71, § 7C would free the school districts and Regional Transportation Authorities to collaborate on plans to provide safe and efficient transportation alternatives that lessen the financial impact on both the districts and the Commonwealth, and

WHEREAS: The lack of bidders on school transportation contracts requires a deeper analysis by the appropriate state officials;

THEREFORE BE IT RESOLVED THAT: In order to promote greater competition for bus service contracts and improve performance, MASC calls for the creation of a working group to advise the Legislature on the best solutions to support greater competition and higher performance from transportation companies.

BE IT FURTHER RESOLVED THAT: In order to promote greater competition for bus service contracts, the Legislature should eliminate M.G.L. c. 71, § 7C, and authorize a deeper analysis into the lack of bidders on school transportation contracts.

RATIONALE: Additional information can be found on the MASC web site.

RESOLUTION 4: Climate Change (Proposed by the Resolutions Committee)

WHEREAS: We believe America is a great nation and has a proud heritage of addressing humanity's most pressing problems;

WHEREAS: We believe it is important to advocate for climate action leading to climate restoration to curtail one of the greatest threats facing communities throughout the world; and,

WHEREAS: We believe that climate change is not a partisan issue and that local, state, and national policies should be guided by the best available science; and,

WHEREAS: There is a broad scientific consensus among climate scientists that human activities, contributing to increases in greenhouse gas emissions, are the dominant cause of climate change;

WHEREAS: Children represent a particularly vulnerable group because greenhouse gases emitted into the atmosphere will continue to accumulate over the coming decades and will profoundly impact our current students throughout their lives, as well as the lives of future generations; and,

WHEREAS: MASC recognizes climate change as a generational justice and human rights issue; and,

WHEREAS: Climate change is a social justice and equity issue. While climate change impacts all people and disproportionately impacts all young people and future generations, it disproportionately affects people of color and people in poverty, thereby exacerbating existing inequities and limiting equality of opportunity which is a foundational aspiration for modern America;

WHEREAS: The global impact, urgency, and magnitude of the challenge of addressing climate change calls for leadership in all sectors of society, all institutions and all elected leaders; and,

WHEREAS: National and state elected leaders working in a bipartisan fashion to enact carbon pricing policies could quickly and substantially reduce human-made greenhouse gas emissions; and,

WHEREAS: MASC recognizes and understands the significant negative impact that rapid and ongoing climate change has on America's schools, students, and their communities.

THEREFORE BE IT RESOLVED THAT: MASC calls on Congress to take swift and effective action on climate change to protect current and future students.

BE IT FURTHER RESOLVED THAT: MASC advocates for funding for school infrastructure need and emergency funding for disaster relief caused by natural catastrophes and extreme weather events.

RATIONALE: This resolution represents a call by advocates for action on climate change at the federal level and for state funding to anticipate the climatological implications and the emergencies they might cause.

RESOLUTION 5: Full Funding of Transportation Costs for Students in Foster Care And State Care
(Submitted by the MASC Board of Directors)

WHEREAS: FY18 was the first year Massachusetts added the category of transportation for foster children educated in the school or district of origin and subject to transportation to its reporting of education expenses by district, and the reported total was over \$3.2 million; and

WHEREAS: Federal and state law require the ability for students in foster or state care to stay not just in their districts of origin but also in their schools of origin; and

WHEREAS: The nature of foster care and state care placements has changed significantly within the past several decades; and

WHEREAS: School districts do not have control over whether a foster care student is placed into or removed from the district; and

WHEREAS: Section 7 of Chapter 76 of the Massachusetts General Laws, established over a century ago, obligates the Commonwealth to reimburse districts for the cost of educating students in foster care and state care;

THEREFORE BE IT RESOLVED THAT: the Commonwealth should fully reimburse transportation funding for children in foster care and state care. DCF and DESE must complete the process to provide proper documentation for the Commonwealth to receive reimbursement for transportation expenses under Title IV-E of the Social Security Act.

BE IT FURTHER RESOLVED THAT: MASC advocate the Massachusetts General Court to properly calculate and assume the full expense of providing educational services to

students in foster care and state care including the costs of assessments, regular day and special education services as well as out-of-district placements, transportation and mental health services.

RATIONALE: Because the foster care population is fluid, it is difficult for a school district to budget properly for unexpected transportation costs of students in foster care or state custody. Direct and full funding of transportation will remedy these problems while equitably and accurately allocating costs. The State Auditor notes the Commonwealth's failure to provide funding for the transportation of foster care students may be an unfunded mandate under the Local Mandate Law, G.L. c. 29, § 27c. This is a similar situation to that of the McKinney Vento finding by Auditor Bump in 2011-2012. As the requirement is tied to federal funding under Title I, the need to provide transit to these students means this could potentially be a requirement passed by the state to local districts without offsetting funding. Massachusetts received over \$220 million in Title I, Part A grants in each of the fiscal years 2016, 2017, and 2018.

While the reimbursement only offers a portion of the funds expended, it could help offset some of the expenses incurred by school districts to comply with state and federal laws. We applaud DCF and DESE for the effort underway to modify the federal plan to allow for reimbursement to Massachusetts for expenses incurred by school districts.

This resolution explicitly recognizes that "education expenses" include all education-related costs associated with the imposition of federal requirements and the decision-making of the Department of Children and Families (DCF) regarding each foster child's residential situation. Direct state funding of these services will allow for a more accurate allocation of funds to affected communities. Funding from the state will also lessen the administrative time lost by central office staff trying to determine the district financially responsible for each student and seeking reimbursements after the fact. Estimated total costs less the estimated existing payments would net to approximately \$56 million annually. More accurate data on student placements would sharpen this estimate.

RESOLUTION 6: Universal Quality Pre-Kindergarten Access in Massachusetts

(NOTE: This Resolution is a reaffirmation of a 2014 Resolution, submitted by the Framingham School Committee)

WHEREAS: In Massachusetts as many as four out of ten students lack access to a formal, early education and care program; and

WHEREAS: Advocates have cited as many as 25,000 low income children are in need of financial assistance for early education and care; and

WHEREAS: Low income students who participate in quality early education and care programs are 40% less likely to be held back a grade or need Special Education, and 30%

more likely to graduate high school twice as likely to attend college; and

WHEREAS: Better language, social and behavioral skills are obtained by attending a quality pre-school; and

WHEREAS: Children that attend pre-schools are shown to demonstrate tangible lifelong results for future success;

THEREFORE BE IT RESOLVED THAT: MASC file or support legislation that will provide a sufficient appropriation for universal pre-K in Massachusetts and will achieve the actions necessary to provide access to good, quality universal pre-K for all children in Massachusetts.

RATIONALE: This resolution would help ensure that our underserved population of 3 and 4-year-olds will be provided with the supports and services necessary for school readiness and lasting success in the classroom and for future success. Knowing that these strategies are documented in increasing student success, our resolution will level the playing field by helping to ensure equity and beginning the process of closing the achievement gap for this vulnerable cohort of children.

RESOLUTION 7: Poverty and Children

(Note: This Resolution is a reaffirmation of a 2016 Resolution. Submitted by the Framingham School Committee.)

WHEREAS: One third of the children in Massachusetts are living in or near poverty; and

WHEREAS: The perils of poverty include putting students and families at risk for health, social and emotional and educational disadvantage; and

WHEREAS: Students in poverty and at social and emotional risk face obstacles and impediments to their success that other students do not confront; and

WHEREAS: There is a direct link between poverty and student and district academic performance, demanding our attention and our diligent efforts to address them; and

WHEREAS: The eradication of poverty among children is essential to generating a strong economy and vibrant society;

THEREFORE BE IT RESOLVED THAT: The Massachusetts Association of School Committee will prioritize, as a matter of its public policy agenda, and file for and support legislation to support the eradication of poverty among children in Massachusetts and advocate for social and economic justice for students and their families that will include:

- Support for a revenue stream that supports social and economic priorities for children and families.
- Support for state program and services that serve children at greatest social and emotional risk which are easily accessible to students and families.

- Advocacy for nutrition programs that eradicate hunger among children.

- Advocacy for healthcare including vision, hearing, dental and mental health through accessible service providers.

- Support for pre-kindergarten programs for all children.

- Advocacy for increasing educational opportunities for children to grow both inside and outside of school.

RATIONALE: This resolution would help ensure that our underserved population of school children will be provided with the supports and services necessary for lasting success in the classroom and in their future. Knowing that by eliminating the ravages of poverty, these strategies have been proven to increase positive student outcomes, this resolution will level the playing field by helping to ensure equity and to close the achievement gap for this vulnerable cohort of children.

RESOLUTION 8: Resolution for Access to Menstrual Supplies

(Submitted by the MASC Resolutions Committee)

WHEREAS: Schools have an obligation to serve all students equitably. Every student deserves the reassurance that their school restrooms are outfitted with necessities to accommodate their biological needs. Yet, for roughly half the US student population, there is a glaring exception to this commitment: menstrual hygiene products; and

WHEREAS: Menstrual hygiene products are basic necessities, and the inability to access them affects a student's freedom to study, be healthy, and participate in society with dignity. Studies have shown that when students lack access to menstrual hygiene products they skip or miss class, face embarrassment or objectification because of period stains, and are limited both academically and socially; and

WHEREAS: Access to menstrual products could be cost prohibitive to many students and menstruating is not a luxury but a biological process that necessitates the use of costly products; and

WHEREAS: No student should miss a day of school because they feel ashamed or they do not have access to menstrual products; and

THEREFORE BE IT RESOLVED THAT: MASC work with state and federal legislatures to provide additional funding to provide free access to menstrual products from the school nurse and in restrooms and locker rooms.

RATIONAL: Proponents assert that menstrual supplies are basic necessities which some students may not have on hand in school at any particular moment or may not be able to afford in general. They view these items, similar to other products found in nurses' offices or in restrooms, as basic, essential commodities for everyday use that should be available to all students without charge.

RESOLUTION 9: Charter School Reform
(Submitted by the MASC Board of Directors)

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WHEREAS: In many cities and towns, Commonwealth charter schools are imposed upon communities or subject to expansion over their objections, without local representative oversight, and without regard to the impact such a charter school would have on the education of children in the public schools; and

WHEREAS: Charter schools are always fully funded by the sending districts enrolling students there while the charter school mitigation fund is subject to appropriation and has not been fully funded in years; and

WHEREAS: Charter schools may retain up to 20 percent of their operating budget and capital costs in reserve funds, regional schools may retain only 5 percent of any surplus funds in reserve, while district schools must return 100 percent of any unspent funds to their municipality; and

WHEREAS: Without substantial reform of Commonwealth charter school financing, recruitment of students, equitable charter school enrollment of representative segments of the population of economically disadvantaged, special education, and disabled students remediation of the adverse impact of charter schools cannot be addressed;

THEREFORE BE IT RESOLVED THAT: the Massachusetts Association of School Committees seek legislative action to both address the deleterious effects of charter school funding on certain municipalities and school districts across the state and approve a comprehensive set of reforms that includes:

1. Establishment of strict guidelines or regulations to require that charter schools enroll representative cross sections of students residing within the school service areas.

2. Reporting of accurate numbers of students who leave charter schools to return to the sending districts or district of residence.

3. Requiring the MA Department of Elementary and Secondary Education to retain and report accurate data on enrollment of students with learning disabilities, physical disabilities, economic disadvantage, emotional disability and status as racial and linguistic minorities.

4. State requirements that all charter schools be funded in full by the Commonwealth rather than by expropriation of Chapter 70 education aid from the sending cities, towns and regions.

5. State funding in full of any mitigation funds created to offset the loss of state funding for students who become students in charter schools.

RATIONAL: This resolution addresses several areas where charter school critics note that school districts are disadvantaged by current policy. Among these issues are failure to recruit and retain a fair proportion of students at risk, English Language Learners, or clients of special education services. The resolution also recommends that charter schools should be funded as a discrete budget line item rather than by having sending district Chapter 70 funding diverted to charter schools and that the current mitigation program to offset temporary losses of district funds be fully funded.

Critics of this resolution may argue that "the money follows the child" and that charter schools represent choices for parents and students. They might also cite efforts by some charter schools to recruit students at risk.

proposal to amend the masc by-laws

Y

The Board of Directors of the Association has recommended to members that the by-laws of the Association be amended as follows:

It is proposed that Article VII (Election of Officers), subsection 2 (Nominating Committee) be updated to reflect the addition of the Minority Caucus representative on the Board of Directors and as a representative on the Nominating Committee.

Current language reads as follows:

A Nominating Committee of ten persons shall be appointed by the President with the advice and consent of the Board of Directors, on or before May 1 of each year. One of such persons shall be a past President, who shall serve as Chairman of the Nominating Committee, four shall be Division Officers and five shall be members of school committees which are

active members of the Association. The four Division officers and the five others shall be so appointed that each Division of the Association is represented.

Proposed language reads as follows (new language in bold face)

A Nominating Committee of ten persons shall be appointed by the President with the advice and consent of the Board of Directors, on or before May 1 of each year. **A Past President shall serve as a non-voting chair of the committee. Five** members shall be Division Officers and five shall be members of school committees which are active members of the Association. **The five** Division officers and the five others shall be so appointed that each Division of the Association is represented.

Carleo, Janell

To: Gallant, Don
Subject: RE: Donation

From: Gallant, Don <D.Gallant@hwschools.net>
Sent: Monday, October 7, 2019 1:15 PM
To: Kukenberger, Julie <j.kukenberger@hwschools.net>
Cc: Carleo, Janell <j.carleo@hwschools.net>
Subject: Donation

Julie:

Today I received \$2,350.00 in donations for the Robotics Club. These donations were made by the following:

\$100.00-Deborah Everett
200 Linden Street
Hamilton, MA 01982

\$250.00-Fresh Food LLC
4 Monument Street
Wenham, MA 01984

\$1,000.00-PG TRIONIC, INC.
294 Western Avenue
Essex, MA 01929

\$1,000.00-Johnson O'Connor Ferron & Carucci LLP
101 Edgewater Drive, Suite 210
Wakefield, MA 01880

If you want, I will get the contact names and addresses for the three companies.

Don Gallant

SCHOOL COMMITTEE OPERATIONAL GOALS

The School Committee is responsible to the people for whose benefit the school district has been established. The Committee's current decisions will influence the course of education in our schools for years to come. The Committee and each of its members must look to the future and to the needs of all people more than the average citizen finds necessary. This requires a comprehensive perspective and long-range planning in addition to attention to immediate problems.

The School Committee's primary responsibility is to establish those purposes, programs, and procedures that will best produce the educational achievement needed by our students. The Committee is charged with accomplishing this while also being responsible for wise management of resources available to the school district. The Committee must fulfill these responsibilities by functioning primarily as a legislative body to formulate and adopt policy, by selecting an executive officer to implement policy, and by evaluating the results. It must carry out its functions openly, while seeking the comments of public, students, and staff in its decision-making processes.

In accordance with these principles, the technique will involve:

1. Periodically setting performance objectives for the School Committee itself and evaluating their accomplishment.
2. Setting objectives for performance for each position and function in the system.
3. Allowing the people responsible for carrying out objectives to have a role in setting them.
4. Establishing practical and simple goals.
5. Conducting a concrete and periodic review of performance against these goals.

EVALUATION OF SCHOOL COMMITTEE OPERATIONAL PROCEDURES

The School Committee will periodically establish realistic objectives related to Committee procedures and relationships. At the end of a specified length of time, the Committee will measure its performance against the stated objectives.

The following areas of School Committee operations and relationships are representative of those in which objectives may be set and progress appraised:

1. Communication with the public
2. School Committee - Superintendent relationships
3. School Committee member development and performance
4. Policy development
5. Educational leadership
6. Fiscal management
7. School Committee meetings
8. Performance of subcommittees of the School Committee
9. Interagency and governmental relationships

When the Committee has completed its self-evaluation, the members will discuss the results in detail and formulate a new series of objectives. At the same time, the Committee will set an approximate date on which the next evaluation will be conducted.

Implied in the concept of evaluation is an assumption that individuals and Committees are capable of improvement. The School Committee believes that its performance will be improved if evaluation is carried out systematically in accordance with good planning, conscientious follow-through, and careful assessment of results.

SCHOOL COMMITTEE LEGAL STATUS
HOLD 06/2019
Edited 08272019

The School Committee is the governing board of the Hamilton-Wenham Regional School District. The Committee shall consist of seven (7) members elected from the towns of Hamilton and Wenham, as provided in the Regional Agreement. .

The Hamilton-Wenham Regional School Committee has autonomous and absolute authority within limitations established by the Commonwealth of Massachusetts to carry out the educational policies of the state and guide the educational process.

Established by law

LEGAL REFS.: M.G.L. 41:1 and 71:37 specifically, but powers and duties of School Committees are established throughout the General Laws of Massachusetts Relating to School Committees

CROSS REFS.: AA, School District Legal Status
BBA, School Committee Powers and Duties

SCHOOL COMMITTEE POWERS AND DUTIES

The School Committee has all the powers conferred upon it by state law and must perform those duties mandated by the state. These include the responsibility and right to determine policies and practices and to employ a staff to implement its directions for the proper education of the children of the community.

The Committee takes a broad view of its functions. It sees them as:

1. **Legislative or policymaking.** The Committee is responsible for the development of policy as guides for administrative action and for employing a Superintendent who will implement its policies.
2. **Appraisal.** The Committee is responsible for evaluating the effectiveness of its policies and their implementation.
3. **Provision of financial resources.** The Committee is responsible for adoption of a budget that will enable the school district to carry out the Committee's policies.
4. **Public relations.** The Committee is responsible for providing adequate and direct means for keeping the local citizenry informed about the schools and for keeping itself and the school staff informed about the needs and wishes of the public.
5. **Educational planning and evaluation.** The Committee is responsible for establishing educational goals and policies that will guide the Committee and staff for the administration and continuing improvement of the educational programs provided by the School District.

Personnel Matters

The Superintendent shall be appointed by vote of the Committee and shall directly report to the Committee as provided by law and perform all the duties that are prescribed by law and such other duties, not inconsistent thereto, as a majority of the Committee may direct.

The School Committee shall appoint, upon the recommendation of the Superintendent, Assistant/Associate/Deputy Superintendent(s), School Business Administrator, Special Education Administrator, School Physician, School Nurses, and Supervisor of Attendance. Such positions shall not report directly to the School Committee.

LEGAL REF.: M.G.L. 71:37 specifically, but powers and duties of School Committees are established throughout the Massachusetts General Laws.
M.G.L 71:16
M.G.L 71:16I

CROSS REF.: BB, School Committee Legal Status
BDG, School Attorney

SCHOOL COMMITTEE MEMBER AUTHORITY

Authority

Because all powers of the School Committee derived from state laws are granted in terms of action as a group, members of the School Committee have authority only when acting as a Committee legally in session.

The School Committee will not be bound in any way by any statement or action on the part of an individual member except when such statement or action is a result of specific instructions of the Committee.

No member of the Committee, by virtue of their office, will exercise any administrative responsibility with respect to the schools or command the services of any school employee.

The School Committee will function as a body and all policy decisions and other matters, as required by law, will be settled by an official vote of the Committee sitting in formal session.

Duties

The duties and obligations of the individual Committee member may be enumerated as follows:

1. To become familiar with the General Laws of the Commonwealth relating to education and School Committee operations, regulations of the Massachusetts Board of Education, policies and procedures of this School Committee and School Department.
2. To keep abreast of new laws and the latest trends in education.
3. To have a general knowledge of the goals, objectives, and programs of the town's public schools.
4. To work effectively with other Committee members without trying either to dominate the Committee or neglect their share of the work.
5. To respect the privileged communication that exists in executive sessions by maintaining strict confidentiality on matters discussed in these sessions, except that which becomes part of the public record, once it has been approved for release.
6. To vote and act in Committee impartially for the good of the students.
7. To accept the will of the majority vote in all cases, and to remember that they are one of a team and must abide by, and carry out, all Committee decisions once they are made.
8. To represent the Committee and the schools to the public in a way that promotes interest and support.

9. To refer questions and complaints to the proper school authorities.
10. To comply with the accepted code of ethics for School Committee members.



SCHOOL COMMITTEE MEMBER QUALIFICATIONS/OATH OF OFFICE

In order to serve on the School Committee, an individual must be a registered voter in the town from which they are elected or appointed and must take an oath of office as required by law.

Each new member will present to the Committee secretary official certification of having sworn the oath before an officer duly qualified to administer oaths prior to entering on their official duties as a member of the Committee.

From the Municipal or District Clerk, newly qualified Committee members, by law, receive, and sign a receipt for, a copy of the Massachusetts open meeting law governing the conduct of Committee meetings in general and executive sessions in particular.

Newly qualified Committee members shall, by law, receive and sign a receipt for, within 30 days of taking office, a copy of the Massachusetts Ethics Commission's Summary of the Conflict of Interest laws. As municipal employees, all School Committee members shall receive a copy of said summary annually. All School Committee members shall, within 30 days of taking office, and every 2 years thereafter, complete the Massachusetts Ethics Commission's online training program. Upon completion of the online training program, members shall provide notice of such completion to be retained for 6 years by the Municipal or District Clerk.

Membership on a School Committee is not limited to race, color, sex, religion, national origin, gender identity or sexual orientation.

Established by law

LEGAL REFS.: M.G.L. 30A:20; 41:1; 41:107; 76:5; 268A:27-28;

SCHOOL COMMITTEE MEMBER ETHICS

The acceptance of a code of ethics implies the understanding of the basic organization of School Committees under the Laws of the Commonwealth of Massachusetts. The oath of office of a School Committee member binds the individual member to adherence to those state laws which apply to School Committees, since School Committees are agencies of the state.

This code of ethics delineates three areas of responsibility of School Committee members in addition to that implied above:

1. Community responsibility
2. Responsibility to school administration
3. Relationships to fellow Committee members

A School Committee member in his/her relations with his/her community should:

1. Realize that his/her primary responsibility is to the children.
2. Recognize that his/her basic function is to be policy making and not administrative.
3. Remember that he/she is one of a team and must abide by, and carry out, all Committees decisions once they are made.
4. Be well informed concerning the duties of a Committee member on both a local and state level.
5. Remember that he/she represents the entire community at all times.
6. Accept the office as a Committee member as means of unselfish service with no intent to "politics," in any sense of the word, or to benefit personally from his/her Committee activities.

A School Committee member in his/her relations with his/her school administration should:

1. Endeavor to establish sound, clearly defined policies which will direct and support the administration.
2. Recognize and support the administrative chain of command and refuse to act on complaints as an individual outside the administration.
3. Give the chief administrator full responsibility for discharging his/her professional duties and hold him/her responsible for acceptable results.
4. Refer all complaints to the administrative staff for solution and only discuss them at Committee meetings if such solutions fail.

A School Committee in his/her relations with his/her fellow Committee members should:

1. Recognize that action at official meetings is binding and that he/she alone cannot bind the Committee outside of such meetings.
2. Realize that he/she should not make statements or promises of how he/she will vote on matters that will come before the Committee.
3. Uphold the intent of executive sessions and respect the privileged communications that exists in executive sessions.
4. Not withhold pertinent information on school matters or personnel problems, either from members of his/her own Committee or from members of other Committees who may be seeking help or information on school problems
5. Make decisions only after all facts on a question have been presented and discussed.

File: BDD

SCHOOL COMMITTEE-SUPERINTENDENT RELATIONSHIP

The Committee will leave to the Superintendent all matters of decision and administration that come within their scope as executive officer or as professional leader of the school district. While the Committee reserves to itself the ultimate decision of all matters concerning general policy or expenditures of funds, it will normally proceed in these areas after receiving recommendations from its executive officer. Further:

1. The Superintendent may seek guidance from the Committee with respect to matters of operation whenever appropriate. If it is necessary to make exceptions to an established policy, they will submit the matter to the Committee for advice and direction.
2. The Superintendent will assist the Committee in reaching sound judgments and establishing policies, and will place before the Committee all relevant facts, information, and reports necessary to keep the Committee adequately informed of situations or business at hand.

ADVISORY COMMITTEES TO THE SCHOOL COMMITTEE

The following general policies will govern the appointment and functioning of advisory committees to the School Committee other than the student advisory committee, which is governed by the terms of the Massachusetts General Laws.

1. Advisory committees may be created by the School Committee to serve as task forces for special purposes or to provide continuing consultation in a particular area of activity. However, there will be no standing overall advisory committee to the School Committee.
2. If an advisory committee is required by state or federal law, its composition and appointment will meet all the guidelines established for that particular type of committee.
3. The composition of task forces and any other advisory committees will be broadly representative and take into consideration the specific tasks assigned to the committee. Members of the professional staff may be appointed to the committee as members or consultants, as found desirable.
4. Appointments to such committees will be made by the Committee; appointment of staff members to such committees will be made by the School Committee upon recommendation of the Superintendent.
5. Tenure of committee members will be one year only unless the member is reappointed.
6. Each committee will be clearly instructed as to:
 - a. The length of time each member is being asked to serve.
 - b. The assignment the School Committee wishes the committee to fulfill and the extent and limitations of its responsibilities.
 - c. The resources the School Committee will provide.
 - d. The approximate dates on which the School Committee wishes to receive major reports.
 - e. School Committee policies governing citizens, committees and the relationship of these committees to the School Committee as a whole, individual School Committee members, the Superintendent, and other members of the professional staff.
 - f. Responsibilities for the release of information to the press.
7. Recommendations of committees will be based upon research and fact.
8. The School Committee possesses certain legal powers and prerogatives that cannot be delegated or surrendered to others. Therefore, all recommendations of an advisory committee must be submitted to the School Committee.

9. Advisory committees created under this policy are subject to the provisions of the Open Meeting Law.

The Committee will have the sole power to dissolve any of its advisory committees and will reserve the right to exercise this power at any time during the life of any committee.

LEGAL REF.: M.G.L. 30A:18-25

CROSS REF.: JIB, Student Involvement in Decision-making

SCHOOL COUNCILS

The School Committee believes that the school is the key unit for educational improvement and change and that successful school improvement is best accomplished through a school-based decision-making process. By involving those directly affected by any action or decision of the school council in the process of determining that action or decision, it helps to strengthen the commitment to those decisions by those most affected by its implementation.

Under this policy, the Principal shall have primary responsibility for the management of the school. Decisions which are made at the school level must be aligned with the budget, policies, curriculum, and long-range and short-range goals adopted by the School Committee. In addition, decisions must comply with any state and federal laws and regulations and with any negotiated agreements of the school district.

As enacted by the state legislature in the Education Reform Act of 1993, a school council shall be established in each school to advise the Principal in specific areas of school operation. The Principal, except as specifically defined in the law, shall have the responsibility for defining the composition of and forming the group pursuant to a representative process approved by the Superintendent and School Committee.

The following guidelines define the role of the school council: The School Council shall meet regularly with the Principal of the school and shall assist in:

1. Adoption of educational goals for the school that are consistent with state and local policies and standards.
2. Identification of the educational needs of the students attending the school.
3. Review of the school building budget.
4. Formulation of a school improvement plan that may be implemented only after review and approval by the Superintendent.
5. At the secondary level, the School Committee shall approve the student handbook.

LEGAL REFS.: M.G.L. 71:38Q, 71:59C

SCHOOL IMPROVEMENT PLAN

The Principal, in conjunction with the school council, shall be responsible for preparing a written school improvement plan annually. This plan shall be written with the advice of the school council and submitted for approval to the Superintendent and review of the School Committee. The plan should be drafted with the following in mind:

1. The educational goals for the school consistent with the goals and standards, including student performance standards, as adopted by the Massachusetts Board of Education and by the School Committee.
2. An assessment of the needs of the school in light of the proposed educational goals.
3. The means to address student performance.
4. Professional development for the school's professional staff.
5. The enhancement of parent/guardian involvement in the life of the school, safety, and discipline.
6. The development of means for meeting the diverse learning needs of every child.
7. Any further subjects as the Principal, in consultation with the school council, shall consider appropriate, except that:
 - a. The council shall have no authority over matters that are subject to Chapter 150E, the collective bargaining law, and
 - b. The council may not expand the scope of its authority beyond that established in law or expressly granted by School Committee policy.

SOURCE: MASC

SUBMISSION AND APPROVAL OF THE SCHOOL IMPROVEMENT PLAN

The written school improvement plan shall be submitted by the Principal to the Superintendent for approval and the School Committee for review no later than July 1 of the year in which the plan is to be implemented.

Because the implementation of the plan is dependent on Superintendent approval, it is important that the school council be aware of certain expectations regarding the school improvement plan. The school improvement plan should:

1. Focus on improvement of student learning.
2. Specify expected student outcomes and measurable/observable results.
3. Align with the mission of the School District and any goals and policies of the School District.
4. Be consistent with state and federal law, School District policy, established curriculum and negotiated agreements.
5. Clearly identify actions to be taken on how changes will be implemented.
6. Include a plan on how to solicit community support for the changes being developed.
7. Indicate anticipated costs and available funding sources.
8. Delineate the method of evaluating and reporting progress and results.

If the school improvement plan is not approved by the Superintendent, it shall be returned to the Principal with specific comments as to the reason(s). The Principal shall revise the plan in cooperation with the school council, and resubmit it for approval.

SOURCE: MASC

CONDUCT OF SCHOOL COUNCIL BUSINESS

The Principal shall, by law, serve as co-chair of the council. The second co-chair will be elected annually by the council members at its first meeting of the school year subsequent to the elections of new council members. The co-chairs will be responsible for the preparation of the agenda for the council meetings.

The school council shall meet at least once monthly during the school year. Meetings will be held outside of school hours. At its first meeting of the school year, the council will set its calendar of regular meetings for the year. Where circumstances warrant, the council may choose to call additional meetings.

School councils shall use consensus as the primary method to resolve issues and to formulate recommendations. Votes by majority may be taken at the discretion of the Principal and Robert's Rules of Order shall prevail if there are questions of procedure.

All meetings of the school council shall conform to the Open Meeting Law, Chapter 30A, Sections 18-25, which stipulate that all meetings be open to the public, that meetings be posted at least 48 hours in advance, and that minutes of the meeting shall be maintained as required. The scope of the school council does not require, and therefore does not qualify for, executive session.

The Superintendent shall receive agendas and minutes of all school council meetings. The Superintendent shall provide copies of these materials to members of the School Committee upon request.

SOURCE: MASC

SCHOOL ATTORNEY

It will be the duty of the counsel for the Committee to advise the School Committee and the Superintendent on the specific legal problems submitted to them. They will attend meetings upon request and will be sufficiently familiar with Committee policies, practices, and actions under these policies, and with requirements of the school law to enable them to offer the necessary legal advice.

Many types of legal assistance are routine and do not require specific Committee approval or prior notice. However, when the Superintendent concludes that unusual types or amounts of professional legal service may be required, they will advise the Committee and seek either initial or continuing authorization for such service.

LEGAL REFS.: M.G.L. 71:37E; 71:37F

EXECUTIVE SESSIONS

All meetings of the School Committee are open to attendance by the public and media representatives. However, the Committee has the right to convene in a closed executive session when it meets the following procedural conditions imposed by state law:

1. The Committee will first convene in an open session for which due notice has been given.
2. The Chairperson (or, in his/her absence, the presiding member) will state the purpose for the executive session, the section of the law dealing with the exemption and all subjects that may be revealed without compromising the purpose for which the executive session was called.
3. A majority of the members must vote to enter the executive session, with the vote taken by roll call and recorded in the official minutes.

The Chairperson or presiding member will state before entering the executive session whether the Committee will reconvene in open session after the executive session.

The law states ten specific purposes for which an executive session may be held, and emphasizes that these are the only reasons for which a public body may enter executive session.

The ten purposes for which a public body may vote to hold an executive session are:

1. To discuss the reputation, character, physical condition or mental health, rather than the professional competence, of an individual, or to discuss the discipline or dismissal or complaints or charges brought against, a member of the committee, a school department employee or student, or other individual. The individual to be discussed in such executive session shall be notified in writing by the public body at least 48 hours prior to the proposed executive session; provided, however, that notification may be waived upon written agreement of the parties;
2. To conduct strategy with respect to conduct collective bargaining or litigation, if an open meeting may have a detrimental effect on the bargaining or litigating position of the public body and the chair so declares;
3. Strategy with respect to collective bargaining or litigation, if an open meeting might have a detrimental effect. Collective bargaining may also be conducted.
4. To discuss the deployment of security personnel or devices, or strategies with respect thereto;
5. To investigate charges of criminal misconduct or to consider the filing of criminal complaints;
6. To consider the purchase, exchange, lease or value of real property if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body;

7. To comply with or act under the authority of, any general or specific law of federal grant-in-aid requirements;
8. To consider and interview applicants for employment by a preliminary screening committee if the chair declares that an open meeting will have a detrimental effect in obtaining qualified applicants; provided, however, that this clause shall not apply to any meeting, including meetings of a preliminary screening committee, to consider and interview applicants who have passed a prior preliminary screening. (The only position that the school committee would be involved in that might qualify would be for the position of Superintendent.);
9. To meet or confer with a mediator with respect to any litigation or decision on any public business within its jurisdiction involving another party, group or entity, provided that:
 - i. any decision to participate in mediation shall be made in an open session and the parties, issues involved and purpose of the mediation shall be disclosed; and
 - ii. no action shall be taken by any public body with respect to those issues which are the subject of the mediation without deliberation and approval for such action at an open session.
10. To discuss trade secrets or confidential competitively-sensitive or other proprietary information conducted by the governmental body as an energy supplier.

The School Committee is not required to disclose the minutes, notes or other materials used in an executive session where the disclosure of these records may defeat the lawful purposes of the executive session. Once disclosure would no longer defeat the purposes of the executive session, however, minutes and other records from that executive session must be disclosed unless they are within an exemption to the Public Records law, or the attorney-client privilege applies. The School Committee will review its executive session minutes at least once each year to determine whether continued non-disclosure is warranted, and such determination will be included in the minutes of the next meeting. The School Committee has not performed a review to determine whether the records are subject to disclosure, it must do so prior to its next meeting or within 30 days, whichever is sooner.

LEGAL REF: M.G.L. 30A:21;30A:22

PUBLIC PARTICIPATION AT SCHOOL COMMITTEE MEETINGS

All regular and special meetings of the School Committee shall be open to the public. Executive sessions will be held only as prescribed by the Statutes of the Commonwealth of Massachusetts.

The School Committee encourages the full participation of citizens in the governmental processes associated with the education of the students in the Hamilton-Wenham Regional School District. One means of such participation occurs at the School Committee meeting. While Massachusetts Open Meeting Laws do not require that School Committee meetings in the Commonwealth be opened to public participation, this adopted policy specifies that community members in Hamilton and Wenham shall have an opportunity to present their questions, observations, and concerns to the Committee at its regular and special meetings.

In order that all citizens who wish to be heard before the Committee have a chance and to ensure the ability of the Committee to conduct the district's business in an orderly manner, the following rules and procedures are adopted.

I. Policy

1. At or near the opening of each regularly scheduled School Committee meeting, individuals or group representatives will be invited to address the Committee. The length of the entire public participation segment of the meeting shall be determined by the Committee Chair. The Committee reserves the right to rearrange its agenda to accommodate scheduled presenters.
2. Any citizen wishing to speak before the Committee shall identify himself or herself by name and address. Speakers will be allowed three (3) minutes to present their material. No citizen may speak more than once without the permission of the Chair. The presiding Chair may permit extension of this time limit.
3. Topics for discussion are limited to those items on the School Committee meeting agenda for that evening. Citizens wishing to introduce a new topic are advised to contact either the Superintendent of Schools or the Committee Chair in writing at least one week prior to the date of the meeting. However, the School Committee may choose to add to the agenda a topic proposed by a guest who wishes to address the Committee, if a majority of School Committee members at that meeting approve the agenda change.
4. At the discretion of the Chair, guests may be asked to reserve their comments until the meeting has proceeded to the point in the agenda when the relevant topic is scheduled for discussion.
5. Improper conduct and remarks will not be allowed. Defamatory or abusive remarks are always out of order. If a speaker persists in improper conduct or remarks, the Chair may terminate that individual's privilege of address.

6. No person shall disrupt the proceedings of the School Committee. If, after clear warning from the Chair, a person continues to disrupt the proceedings, the Chair may order the person to withdraw from the meeting and if the person does not withdraw, the Chair may authorize a constable or other officer to remove the person from the meeting.
7. All remarks will be addressed through the Chair of the meeting.
8. Speakers may offer such objective criticisms of the school operation and programs as concern them, but in public session the Committee will not hear personal complaints of school personnel nor against any member of the school community. Under most circumstances, administrative channels are the proper means for disposition of legitimate complaints involving staff members.
9. Written comments longer than three (3) minutes may be presented to the Committee before or after the meeting for the Committee members' review and consideration at an appropriate time.

LEGAL REF.: 30A:20(f).

REMOTE PARTICIPATION

I. Policy

1) Policy

It is the policy of the Hamilton-Wenham Regional School District to allow remote participation of members of the School Committee and any of its subcommittees or working groups (public body) at any of its meetings subject to the requirements of this policy.

The regulations of the Office of the Attorney General of Massachusetts on Remote Participation, 940 CMR 29.10 et seq., are adopted as modified to serve as the policy of the Hamilton-Wenham Regional School District.

2) Minimum Requirements for Remote Participation.

- a) Members of a public body who participate remotely and all persons present at the meeting location shall be clearly audible to each other;
- b) A quorum of the body, including the chair or, in the chair's absence, the person authorized to chair the meeting, shall be physically present at the meeting location, as required by M.G.L. c. 30A, sec 20(d);
- c) Members of public bodies who participate remotely may vote and shall not be deemed absent for the purposes of M.G.L. c. 39, sec. 23D

3) Permissible Reasons for Remote Participation.

A member of a public body shall be permitted to participate remotely in a meeting, in accordance with the procedures described in section (5), if the chair or, in the chair's absence, the person chairing the meeting, determines that one or more of the following factors makes the member's physical attendance unreasonably difficult:

- a) Personal illness;
- b) Personal disability;
- c) Emergency;
- d) Military service; or
- e) Geographic distance.

4) Technology.

- a) The following media are acceptable methods for remote participation. Remote participation by any other means is not permitted. Accommodations shall be made for any public body

member who requires TTY service, video relay service, or other form of adaptive telecommunications.

- i. telephone, internet, or satellite enabled audio or video conferencing;
 - ii. any other technology that enables the remote participant and all persons present at the meeting location to be clearly audible to one another.
- b) When video technology is in use, the remote participant shall be clearly visible to all persons present in the meeting location.
- c) The public body shall determine which of the acceptable methods may be used by its members.
- d) The chair or, in the chair's absence, the person chairing the meeting, may decide how to address technical difficulties that arise as a result of utilizing remote participation, but is encouraged, wherever possible, to suspend discussion while reasonable efforts are made to correct any problem that interferes with a remote participant's ability to hear or be heard clearly by all persons present at the meeting location. If technical difficulties result in a remote participant being disconnected from the meeting, that fact and the time at which the disconnection occurred shall be noted in the meeting minutes.
- e) The amount and source of payment for any costs associated with remote participation shall be determined by the School Committee.

5) Procedures for Remote Participation.

Any member of a public body who wishes to participate remotely shall, as soon as reasonably possible prior to a meeting, notify the chair or, in the chair's absence, the person chairing the meeting, of his or her desire to do so and the reason for and facts supporting his or her request. If the person chairing the meeting determines that the member has previously remotely participated in two meetings within the current fiscal year, then the request shall be brought to the full public body for a participation determination as the first agenda item at the meeting. If the person chairing the meeting determines that technology necessary to enable remote participation at the meeting will not be available, then all requests for remote participation at that meeting shall be denied.

At the start of the meeting, the chair shall announce the name of any member who will be participating remotely and the reason under section (3) for his or her remote participation. This information shall also be recorded in the meeting minutes.

All votes taken during any meeting in which a member participates remotely shall be by roll call vote.

LEGAL REFS.: M.G.L. 30A:20D, 22; 39:23D
940 CMR 29.10 et seq.

SPECIAL PROCEDURES FOR CONDUCTING HEARINGS

In conducting all public hearings required by law, and others, as it deems advisable, the School Committee will:

1. Give due and public notice in line with statutory requirements and seek to publicize the meeting in all local media.
2. Make available information on the topic of the hearing.
3. Give all persons an equal opportunity to be heard in accordance with the Committee's policy.

The Chair or acting Chair of the Committee will preside at the hearing.

The public will be informed at the beginning of the hearing the particular procedure that will be followed in regard to questions, remarks, rebuttals, and any time limitations or other rules that must be followed to give everyone an opportunity to be heard.

In accordance with customary hearing procedures, statements and supporting information will be presented first by the Committee, or by others for the Committee; to comment, citizens must be recognized by the Chair, and all remarks must be addressed to the Chair and be germane to the topic.

To assure that all who wish get a chance to speak, the Chair will recognize persons who have not commented previously during the hearing before recognizing persons who wish to remark a second time.

SCHOOL COMMITTEE POLICY DEVELOPMENT

The School Committee will develop policies and put them in writing so that they may serve as guides for the discretionary action of those to whom it delegates authority.

The formulation and adoption of these written policies will constitute the basic method by which the School Committee will exercise its leadership in providing for the successful and efficient functioning of the school district. Through the study and evaluation of reports concerning the execution of its policies, the School Committee will exercise its control over school operation.

The School Committee accepts the definition of policy set forth by the National School Boards Association:

Policies are principles adopted by a School Committee to chart a course of action. They tell what is wanted; they may include why and how much. Policies should be broad enough to indicate a line of action to be followed by the administration in meeting day-to-day problems, yet be specific enough to give clear guidance.

The policies of the School Committee are framed, and are meant to be interpreted in terms of state law, regulations of the Massachusetts Board of Elementary and Secondary Education, and other regulatory agencies of the various levels of government.

POLICY ADOPTION

Adoption of new policies or changing existing policies is solely the responsibility of the School Committee. Policies will be adopted and/or amended only by the affirmative vote of a majority of the members of the School Committee when such action has been scheduled on the agenda or at a regular or special meeting.

To permit time for study of all policies or amendments to policies and to provide an opportunity for interested parties to react, proposed policies or amendments will be presented as an agenda item to the School Committee according to the following procedures.

Readings

1. The Policy Working Group provides copies of the first draft of the proposed policy to the School Committee members for their review prior to the First Reading.
2. The First Reading is held at a School Committee meeting. Time is allowed for consideration of the proposed policy or policies as recommended by the Policy Working Group, including a response from the Superintendent, discussion by the School Committee and directions for any redrafting or approval at a First Reading.
3. If the proposed policy impacts teacher performance standards, a meeting with the collective bargaining representative is arranged in accordance with G.L. Chapter 71 § 38.
4. If the proposed policy is revised, it is presented at a School Committee meeting for a Second Reading and is discussed and adopted or rejected. Amendments to the policy at the Second Reading

- will not require repetition of the sequence, unless the School Committee so directs.
5. By majority vote, the School Committee may dispense with the above sequence to meet emergency conditions.
 6. After discussion, and any amendments, the School Committee takes a vote on the finalized policy.

Adoption

1. The formal adoption of a policy is recorded in the School Committee minutes. Each policy adopted supersedes any existing policies that may be in conflict with the new policy.
2. Policies will be effective on the date set by the School Committee. This date will ensure that affected persons have an opportunity to become familiar with the requirements of the new policy prior to its implementation.
3. Adopted policies are entered into the existing policy manual (both paper based and online).
4. Copies of the policy are distributed to School Committee members, Administrators, Principals, Teacher Association Presidents, and put on the District website.

**CONFLICTS BETWEEN DISTRICT POLICY & COLLECTIVE BARGAINING
AGREEMENTS OR STATE & FEDERAL LAWS**

In the event of a conflict between a policy herein and any collective bargaining agreement, the collective bargaining agreement shall have precedence. In the event of a conflict with state or federal law, state or federal law shall have precedence.

POLICY REVISION AND REVIEW

In an effort to keep its written policies up to date so that they can be used consistently as a basis for School Committee action and administrative decision, the Committee will review its policies on a three-year cycle. The Committee will evaluate how the policies have been executed by the school staff and will weigh the results. It will rely on the school staff, students, and the community for providing evidence of the effect of the policies it has adopted.

The Superintendent is given the continuing commission of calling to the Committee's attention all policies that are out of date or for other reason appear to need revision.

SCHOOL COMMITTEE REVIEW OF PROCEDURES

It is expected that the Superintendent and administrative staff will need to issue procedures implementing policies of the School Committee. Many of these will be routine from year to year; others will arise in special circumstances; some will be drawn up under specific directions from the Committee.

The Committee may review the procedures developed by the Superintendent for the school district whenever they appear inconsistent with policy, goals, or objectives of the District, but it will revise or veto such procedures only when, in the Committee's judgment, they are inconsistent with policies adopted by the Committee.

The Committee will not officially approve procedures except as required by state law or in cases when strong community attitudes, or possible student or staff reaction, make it necessary or advisable for a procedure to have the Committee's advance approval.

Rules Pertaining to Staff and Student Conduct

Under Massachusetts law, the Superintendent is required to publish "rules and regulations pertaining to the conduct of teachers and students which have been adopted." Codes of discipline, as well as procedures used to develop such codes, shall be filed with the Dept. of Elementary and Secondary Education for information purposes only. Standards of conduct will be included in staff and student handbooks. These handbooks will be reviewed and approved annually by the School Committee.

LEGAL REF.: M.G.L. 71:37H

File: BGE

POLICY DISSEMINATION

The Superintendent will establish and maintain an orderly plan for preserving and making accessible the policies adopted by the School Committee and the regulations needed to put them into effect.

Accessibility is to extend at least to all employees of the school system, to members of the Committee, and insofar as conveniently possible, to all persons in the community. A policy concerning a particular group or groups in the schools will be distributed to those groups prior to the policy's effective date.

The School Committee Policy Manual is a public record and will be available for inspection at the Superintendent's Office, principal's office at each school and on the Hamilton-Wenham Regional School District's Website.

SCHOOL COMMITTEE-STAFF COMMUNICATIONS

Unless otherwise agreed to by the School Committee, all communications or reports to the Committee or any of its subcommittees from Principals, supervisors, teachers, or other staff members will be submitted through the Superintendent. This procedure does not deny the right of any employee to appeal to the Committee for administrative decisions on important matters, except those matters that are outside of the Committee's legal authority, provided the Superintendent has been notified of the forthcoming appeal and that it is processed in accordance with the Committee's policy on complaints and grievances. Staff members are also reminded that Committee meetings are public meetings. As such, they provide an excellent opportunity to observe first-hand the Committee's deliberations on problems of staff concern.

School Committee Communications to Staff

Unless otherwise agreed to by the School Committee or the Superintendent, all official communications, policies, and directives of staff interest and concern will be communicated to staff members through the Superintendent. The Superintendent will develop appropriate methods to keep staff fully informed of the Committee's problems, concerns and actions.

Visits to Schools

Individual School Committee members interested in visiting schools or classrooms will inform the Superintendent of such visits and make arrangements for visitations through the Principals of the various schools. Such visits will be regarded as informal expressions of interest in school affairs and not as "inspections" or visits for supervisory or administrative purposes. Official visits by Committee members will be carried on only under Committee authorization.

Reference: HWRSC Policy G7014: "Staff Complaints and Grievances" This reference will need to be edited (6/2019)

USE OF ELECTRONIC MESSAGING BY SCHOOL COMMITTEE MEMBERS

As elected public officials, School Committee members shall exercise caution when communicating between and among themselves via electronic messaging services including, but not limited to, electronic mail (e-mail), text messages, social media postings, internet web forums, and internet chat rooms.

Under the Open Meeting Law, deliberation by a quorum of members constitutes a meeting. Deliberation is defined as movement toward a decision including, but not limited to, the sharing of an opinion regarding business over which the Committee has supervision, control, or jurisdiction. A quorum may be arrived at sequentially using electronic messaging without knowledge and intent by the author.

School Committee members should use electronic messaging between and among members only for housekeeping purposes such as requesting or communicating agenda items, meeting times, or meeting dates. Electronic messaging should not be used to discuss Committee matters that require public discussion under the Open Meeting Law.

Under the Public Records Law, electronic messages between public officials may be considered public records. Therefore, in order to ensure compliance, the School Committee Chair, in consultation with the Superintendent of Schools, shall annually designate a member of the central office staff who shall be copied on all electronic mail correspondence between and among members of the School Committee, or the district shall provide district e-mail addresses, which are archived. These copies shall be printed and retained in the central office in the same fashion as any other School Committee records. School Committee members who do not have a computer or access to these messages shall be provided copies on a timely basis.

LEGAL REFS.: M.G.L.4:7; 30A:18-25; 66:10

NEW SCHOOL COMMITTEE MEMBER ORIENTATION

In accordance with the requirements of law, each new School Committee member elected to the School Committee is required to complete, within one year of their election or appointment, at least eight hours of orientation training. This orientation shall include, but is not limited to, a review of School Finance, the Open Meeting Law, Public Records Law, Conflict of Interest Law, Special Education Law, Collective Bargaining, School Leadership Standards and Evaluations, and the Roles and Responsibilities of School Committee Members.

The School Committee and Superintendent shall assist each new member to understand the Committee's functions, policies and procedures of the Committee as soon after election as possible. Each new member shall be given or provided direct online access to the following materials:

- A. A copy of the School Committee policy manual
- B. A copy of the Open Meeting Law
- C. A copy of the Ethics/Conflict of Interest Regulations
- D. A copy of the district's budget
- E. Collective bargaining agreements and employment contracts of School Committee appointed positions
- F. Student and staff handbooks

Each new member shall also receive any other materials the Chair and/or the Superintendent determine. The Chair and/or Superintendent shall also clarify policy:

- A. arranging visits to schools or administrative offices
- B. requesting information regarding school district operations
- C. responding to community requests/complaints concerning staff or programs
- D. handling confidential information

Whether appointed or elected, new members should be advised that they are also members of the Massachusetts Association of School Committees, Inc. and should be encouraged to utilize the services and resources MASC provides by attending meetings or workshops specifically designed for new Committee members. Their expenses at these meetings or workshops will be reimbursed in accordance with established School Committee policy.

CROSS REF: [BBBA/BBBB](#) School Committee Member Qualifications/Oath of Office
LEGAL REF.: M.G.L. [71:36A](#)

SCHOOL COMMITTEE CONFERENCES, CONVENTIONS, AND WORKSHOPS

To provide continuing in-service training and development for its members, the School Committee encourages the participation of all members at appropriate School Committee conferences, workshops and conventions. However, in order to control both the investment of time and funds necessary to implement this policy, the Committee establishes these principles and procedures for its guidance:

1. The School Committee shall be made aware of School Committee conferences, conventions and workshops. The Committee will periodically decide which meetings appear to be most promising in terms of producing direct and indirect benefits to the school district.
2. Funds for participation at such meetings will be budgeted for on an annual basis. When funds are limited, the Committee will designate which of its members would be the most appropriate to participate at a given meeting.
3. Reimbursement to Committee members for their travel expenses will be in accordance with the travel reimbursement policy.
4. When a conference, convention, or workshop is not attended by the full Committee, those who do participate will be requested to share information, recommendations and materials acquired at the meeting.

LEGAL REF.: M.G.L. 40:5

CROSS REFS.: BID, School Committee Member Compensation and Expenses
DKC, Expense Reimbursements

**SCHOOL COMMITTEE MEMBER COMPENSATION AND EXPENSES
HOLD 6/2019 Resolved 082119**

The School Committee shall serve without compensation, except that a member of a School Committee of a city, town, regional school district or superintendency union may be compensated for their services by a majority vote of the voting member towns authorized at their respective town meetings, the amount of such compensation, in each case, to be set by the respective cities, towns or groups of towns. No member of a School Committee in any town shall be eligible to the position of teacher, or Superintendent of public schools therein, or in any union school or superintendency union or district in which their town participates.

Upon submitting vouchers and supporting bills for expenses incurred in carrying out specific services previously authorized by the Committee, members may be reimbursed from school funds.

Reimbursable expenses may include the cost of attendance at conferences of School Committee associations and other professional meetings or visitations when such attendance and expense payment has had prior School Committee approval.

SOURCE: MASC

LEGAL REFS.: M.G.L. 40:5; 71:52

CROSS REF.: BIBA, School Committee Conferences, Conventions, and Workshops

**SCHOOL COMMITTEE LEGISLATIVE PROGRAM
HOLD 6/2019
OK 08212019**

The School Committee, as an agent of the state, must operate within the bounds of state and federal laws affecting public education. If the Committee is to meet its responsibilities to the residents and students of this community, it must work vigorously for the passage of new laws designed to advance the cause of good schools and for the repeal or modification of existing laws that impede this cause.

To this end:

1. The Committee will keep itself informed of pending legislation and actively communicate its concerns and make its position known to elected representatives at both the state and national level.
2. The Committee will work with its legislative representatives (both state and federal), with the Massachusetts Association of School Committees, and other concerned groups in developing an annual, as well as a long-range, legislative program. One of the major objectives of the Committee's legislative program will be to seek full funding for all state and federally mandated programs.
3. The Committee will annually designate a Committee member to serve as its legislative representative. This person will be authorized to speak on the Committee's behalf with respect to legislation being considered by the Massachusetts Legislature or the United States Congress or their respective committees. In all dealings with individual elected representatives, the Legislature or Congress, the Committee's representative will be bound by the official positions taken by the School Committee.

SOURCE: MASC

SCHOOL COMMITTEE MEMBERSHIPS

The Committee may maintain memberships in the national, state and regional School Committees (boards) associations and take an active part in the activities of these groups.

It may also maintain institutional memberships in other educational organizations, which the executive officer and Committee find to be of benefit to members and personnel.

The materials and benefits of institutional memberships will be distributed and used to the best advantage of the Committee and the staff.



HAMILTON WENHAM REGIONAL SCHOOL DISTRICT VOUCHER

Voucher No: 8

Voucher Date: 10/11/2019

Prepared By: 

Printed: 10/09/2019 02:30:13 PM

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT is hereby authorized to draw warrants against HAMILTON WENHAM REGIONAL SCHOOL DISTRICT funds for the sum of \$7,770.81 on account of obligations incurred for value received in services and for materials as shown below for period July 1, 2019 to June 30, 2020 (period cannot overlap fiscal year end.)

I certify that this claim is just and correct, and the services and/or materials herein represented have been received during the period listed above. All items are properly coded and not in excess of the budget.

Donald Gallant

District Treasurer

Kevin Mahoney

Assistant District Treasurer

Designee

School Committee Member

Vincent Leone

Assistant Super. of Fin. & Admin.

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT

Fund		Amount
001	GENERAL FUND	\$7,043.98
202	REVOLVING FUNDS	\$0.00
205	ATHLETIC/EXTRA CURR REVOLVING	\$163.75
301	TITLE I	\$563.08
302	94-142 IDEA 240	\$0.00
304	EARLY CHILDHOOD	\$0.00
402	STATE GRANTS FY EVEN YEARS	\$0.00
701	CAFETERIA FUNDS	\$0.00
		\$7,770.81

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT VOUCHER

Voucher No: 1016

Voucher Date: 09/27/2019

Prepared By: *Donald Gallant*

Printed: 10/08/2019 08:53:21 AM

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT is hereby authorized to draw warrants against HAMILTON WENHAM REGIONAL SCHOOL DISTRICT funds for the sum of \$420,795.30 on account of obligations incurred for value received in services and for materials as shown below for period July 1, 2019 to June 30, 2020 (period cannot overlap fiscal year end.)

I certify that this claim is just and correct, and the services and/or materials herein represented have been received during the period listed above. All items are properly coded and not in excess of the budget.

Donald Gallant
Donald Gallant District Treasurer

Kevin Mahoney Assistant District Treasurer
Michelle G. Hogan
Designee School Committee Member

Vincent Leone
Vincent Leone Assistant Super. of Fin. & Admin.

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT

Fund	Amount
001 GENERAL FUND	\$420,795.30
	\$420,795.30

124

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT VOUCHER

Voucher No: 1018

Voucher Date: 10/11/2019

Prepared By: 

Printed: 10/09/2019 02:11:51 PM

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT is hereby authorized to draw warrants against HAMILTON WENHAM REGIONAL SCHOOL DISTRICT funds for the sum of \$772,063.85 on account of obligations incurred for value received in services and for materials as shown below for period July 1, 2019 to June 30, 2020 (period cannot overlap fiscal year end.)

I certify that this claim is just and correct, and the services and/or materials herein represented have been received during the period listed above. All items are properly coded and not in excess of the budget.

Donald Gallant

District Treasurer


Kevin Mahoney

Assistant District Treasurer


Michelle D'Arcangelo

School Committee Member


Vincent Leone

Assistant Super. of Fin. & Admin.

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT

Fund	Amount
001 GENERAL FUND	\$772,063.85
	\$772,063.85

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT VOUCHER

Voucher No: 2818

Voucher Date: 09/19/2019

Prepared By:

H. Capozzi

Printed: 09/24/2019 08:44:05 AM

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT is hereby authorized to draw warrants against HAMILTON WENHAM REGIONAL SCHOOL DISTRICT funds for the sum of \$1,243.88 on account of obligations incurred for value received in services and for materials as shown below for period July 1, 2019 to June 30, 2020 (period cannot overlap fiscal year end.)

I certify that this claim is just and correct, and the services and/or materials herein represented have been received during the period listed above. All items are properly coded and not in excess of the budget.

Donald Gallant

Donald Gallant

District Treasurer

Kevin Mahoney

Kevin Mahoney

Assistant District Treasurer

Mitchell V. Higgins

Designee

School Committee Member

Vincent Leone

Vincent Leone

Assistant Super. of Fin. & Admin.

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT

Fund	Amount
202 REVOLVING FUNDS	\$1,243.88
	\$1,243.88

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT VOUCHER

Voucher No: 2821

Voucher Date: 09/30/2019

Prepared By:

W. Capozzi

Printed: 09/30/2019 10:21:09 AM

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT is hereby authorized to draw warrants against HAMILTON WENHAM REGIONAL SCHOOL DISTRICT funds for the sum of \$3,368.02 on account of obligations incurred for value received in services and for materials as shown below for period July 1, 2019 to June 30, 2020 (period cannot overlap fiscal year end.)

I certify that this claim is just and correct, and the services and/or materials herein represented have been received during the period listed above. All items are properly coded and not in excess of the budget.

Donald Gallant

Donald Gallant

District Treasurer

Kevin Mahoney

Kevin Mahoney

Assistant District Treasurer

Michelle Hogan

Michelle Hogan

School Committee Member

Vincent Leone

Vincent Leone

Assistant Super. of Fin. & Admin.

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT

Fund	Amount
202 REVOLVING FUNDS	\$3,368.02
	\$3,368.02

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT VOUCHER

Voucher No: 2822

Voucher Date: 10/04/2019

Prepared By:

L. Capozzi

Printed: 10/04/2019 12:25:35 PM

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT is hereby authorized to draw warrants against HAMILTON WENHAM REGIONAL SCHOOL DISTRICT funds for the sum of \$263.00 on account of obligations incurred for value received in services and for materials as shown below for period July 1, 2019 to June 30, 2020 (period cannot overlap fiscal year end.)

I certify that this claim is just and correct, and the services and/or materials herein represented have been received during the period listed above. All items are properly coded and not in excess of the budget.

Donald P. Gallant

Donald Gallant

District Treasurer

Kevin Mahoney

Kevin Mahoney

Assistant District Treasurer

Mitchell V. Horgan

Designee

School Committee Member

Vincent Leone

Vincent Leone

Assistant Super. of Fin. & Admin.

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT

Fund	Amount
202 REVOLVING FUNDS	\$263.00
	\$263.00

128

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT VOUCHER

Voucher No: 2823

Voucher Date: 10/11/2019

Prepared By: *Donald Gallant*
Printed: 10/07/2019 09:47:30 AM

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT is hereby authorized to draw warrants against HAMILTON WENHAM REGIONAL SCHOOL DISTRICT funds for the sum of \$525,294.71 on account of obligations incurred for value received in services and for materials as shown below for period July 1, 2019 to June 30, 2020 (period cannot overlap fiscal year end.)

I certify that this claim is just and correct, and the services and/or materials herein represented have been received during the period listed above. All items are properly coded and not in excess of the budget.

Donald Gallant
Donald Gallant

District Treasurer

Kevin Mahoney

Assistant District Treasurer

Michelle A. Horgan
Michelle A. Horgan

Designee

School Committee Member

Vincent Leone
Vincent Leone

Assistant Super. of Fin. & Admin.

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT

Fund		Amount
001	GENERAL FUND	\$509,493.53
100	PRIOR YEAR ENCUMBRANCES	\$112.68
205	ATHLETIC/EXTRA CURR REVOLVING	\$10,705.25
303	TITLE IIA	\$3,443.00
502	PRIVATE GRANTS & GIFTS	\$1,540.25
		\$525,294.71

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT VOUCHER

Voucher No: 2824

Voucher Date: 10/11/2019

Prepared By:

Donald Gallant

Printed: 10/07/2019 09:52:12 AM

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT is hereby authorized to draw warrants against HAMILTON WENHAM REGIONAL SCHOOL DISTRICT funds for the sum of \$93,917.78 on account of obligations incurred for value received in services and for materials as shown below for period July 1, 2019 to June 30, 2020 (period cannot overlap fiscal year end.)

I certify that this claim is just and correct, and the services and/or materials herein represented have been received during the period listed above. All items are properly coded and not in excess of the budget.

Donald Gallant

Donald Gallant

District Treasurer

Kevin Mahoney

Assistant District Treasurer

Michelle G. Hayes

Designee

School Committee Member

Vincent Leone

Vincent Leone

Assistant Super. of Fin. & Admin.

HAMILTON WENHAM REGIONAL SCHOOL DISTRICT

Fund		Amount
001	GENERAL FUND	\$92,645.28
100	PRIOR YEAR ENCUMBRANCES	\$650.00
205	ATHLETIC/EXTRA CURR REVOLVING	\$556.00
402	STATE GRANTS FY EVEN YEARS	\$66.50
		\$93,917.78

**The Hamilton Wenham Regional School District
School Committee Meeting
Buker Elementary School Multi-Purpose Room
Wednesday, September 18, 2019 7:00 PM**

Present:

Michelle Horgan, Assistant Secretary
Michelle Bailey (Fill-in Chairperson)
Stacey Metternick, Secretary
Peter Wolczik

Also Present:

Dr. Julie Kukenberger, Interim Superintendent
Vincent Leone, Assistant Superintendent to Finance & Administration
Mahala Lettvin, Recording Secretary

1. Call to Order

Dr. Julie Kukenberger calls the meeting to order at 7:11 pm.

2. Pledge of Allegiance

All in attendance rise for the Pledge of Allegiance.

3. Citizens' Comments

None.

4. New Business

IN THE ABSENCE OF BOTH DAVID POLITO, CHAIRPERSON, AND KERRY GERTZ, VICE CHAIRPERSON, I NOMINATE MICHELLE BAILEY TO ACT AS CHAIRPERSON FOR TONIGHT'S SCHOOL COMMITTEE MEETING.

**MOTION by Stacey Metternick; SECONDED by Michelle Horgan.
Unanimously approved by 4 members present.**

Dr. Kukenberger requests an amendment to the agenda in order to accommodate the presentation from Dorothy Presser, MASC: 7B, *Policy Committee/MASC Guidance on the Operating of Board Subcommittees*. There are no objections to moving this item to the next order of business.

7. Policy Committee

B. MASC Guidance on the Operating of Board Subcommittees (moved)

Dorothy Presser provides an overview of the roles and responsibilities of School Committee subcommittees (as detailed in handout):

- Entire School Committee should approve clearly defined roles, ensuring members understand charges, tasks, and overall relation to the School Committee as a whole;
- Subcommittees shall not engage in decisions/actions without first consulting with the entire School Committee;
- Typical subcommittees generally include policy, budget, facilities, and (less often) negotiations. Creation of these subcommittees tend to take place during the annual Organizational Meeting;
- Policies most often specify that the Chairperson appoint subcommittees, with the Committee as a whole then voting to approve the appointments;
- All open meeting laws must be observed during Subcommittee meetings: the meeting must be posted as required and the minutes of such meetings are transcribed and posted in a timely manner. Since Subcommittee meetings are Open Meetings, all Committee members may attend, however, they are considered "members of the public" and must therefore refrain from sitting with the Subcommittee, and must address the Chairperson for permission to speak.

Policies included in the handout are model policies, and do not reflect governance of the Hamilton Wenham Regional School Committee. Discussion regarding best practices, consensus, appropriate actions of members, quorum, representatives, appointment of liaisons, etc. Ms. Presser clarifies that appointment of representatives and liaisons require approval of the Committee as a whole. Ms. Presser offers further assistance should the School Committee need additional information, and ends her presentation.

A. Cross Country Trip Request, Coach Steve Sawyer

I MOVE THAT THE HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE APPROVE THE CROSS COUNTRY TRIP AS DETAILED IN THE EXHIBIT FROM COACH STEVE SAWYER.

MOTION by Stacey Metternick; SECONDED by Michelle Horgan.

Discussion: Coach Steve Sawyer speaks about the request for the Ocean State Cross Country Festival in Warwick, RI on 09/28/2019. Coach Sawyer details the trip, noting that this is the 11th year in a row participating. Benefits include social aspects, competition with a more diverse group of athletes, and opportunity for athletes to get on the radar should they wish to compete at the collegiate level. As a coach, Sawyer highlights his chance to assess athletes and reorganize teams if necessary. This trip is a lot of fun, and there has been a great deal of success with past trips.

Unanimously approved by 4 members present.

B. Booster Funded Asst. Soccer Coach, Athletic Director Craig Genualdo

I MOVE THAT THE HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE APPROVE A BOOSTER FUNDED ASSISTANT SOCCER COACH.

MOTION by Stacey Metternick; SECONDED by Michelle Horgan.

Discussion: Craig Genualdo notes that the Assistant Soccer Coach also serves as a Hamilton Wenham High School guidance counselor. Brief discussion regarding handling of funds.

Unanimously approved by 4 members present.

C. 8th Grade Field Trip to Washington, D.C., Principal Craig Hovey

I MOVE THAT THE HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE APPROVE THE 8TH GRADE FIELD TRIP TO WASHINGTON D.C.

MOTION by Stacey Metternick; SECONDED by Peter Wolczik.

Discussion: Peter Wolczik notes the incredible benefits to students, which he was able to witness while chaperoning. Discussion regarding stipends, chaperones, student costs, scholarships. Ms. Bailey reiterates her ongoing concern in asking middle school students to pay \$1,000 for an educational trip, given that the burden falls entirely on the parents. Scholarships are available to students.

Unanimously approved by 4 members present.

D. Annual Appointment of the Superintendent to the Northshore Education Consortium (NEC) Board of Directors

I MOVE THAT HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE APPOINT THE ANNUAL APPOINTMENT DR. KUKENBERGER, SUPERINTENDENT, FOR THE NORTHSORE EDUCATION CONSORTIUM (NEC) BOARD OF DIRECTORS.

MOTION by Stacey Metternick; SECONDED by Michelle Horgan.

Discussion: Dr. Kukenerberger notes differences in consortiums, noting that NEC is unique in that all Board members must be superintendents. This is a great opportunity for the district to expand services, connect with other Superintendents, and potential for sharing professional development resources. Meetings take place once a month.

Unanimously approved by 4 members present.

E. Interim Superintendent Goals

Dr. Kukenberger details the Interim Superintendent Goals, noting that this is a living document, with changes expected. She provides an overview of key actions and benchmarks for each of the following goals:

1. District Improvement: Effective Entry and Direction Setting
2. District Improvement: Maintain Momentum During Transition
3. Professional Practice: Participate in the New Superintendent Induction Program
4. Student Learning: Analyze and Assess the Effectiveness of the District's Multi-tiered Support System

Stacey Metternick and Peter Wolczik commend Dr. Kukenberger on the amount already accomplished this school year. Michelle Bailey requests inclusion of budget development in Goal #2. Dr. Kukenberger agrees, and adds that she also plans on School Committee team building as part of that goal.

I MOVE THAT HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE ACCEPT DR. KUKENBERGER'S GOALS AS STATED, WITH THE ADDITION OF "BUDGET" AND "SCHOOL COMMITTEE TEAM DEVELOPMENT" SPECIFIED IN GOAL #2: DISTRICT IMPROVEMENT.

**MOTION by Stacey Metternick; SECONDED by Michelle Horgan.
Unanimously approved by 4 members present.**

5. Consent Agenda

a. Warrants

- Voucher No: 2813
- Voucher No: 2814
- Voucher No: 2815
- Voucher No: 2816
- Voucher No: 2817
- Voucher No: 1011
- Voucher No: 6
- Voucher No: 1012

I MOVE THAT THE HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE APPROVE THE CONSENT AGENDA AS IS; THERE CAN BE NO CHANGES.

**MOTION by Stacey Metternick; SECONDED by Michelle Horgan.
Unanimously approved by 4 members present.**

6. Capital/Finance Planning Committee

Stacey Metternick reports on the 09/17/2019 Subcommittee meeting: subcommittee members were able to reach consensus, and make the following recommendations:

I MOVE THAT THE HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE APPOINT LIAISONS AS FOLLOWS: GENE LEE TO THE CAPITAL PLANNING GROUP; MICHELLE HORGAN TO THE HAMILTON BOARD OF SELECTMAN/ FINCOM; AND STACEY METTERNICK TO THE WENHAM BOARD OF SELECTMAN/ FINCOM.

MOTION by Stacey Metternick; SECONDED by Michelle Horgan.

Discussion: Michelle Horgan highlights the important benefits of working collaboratively with the Towns.
Unanimously approved by 4 members approved.

I MOVE THAT THE HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE GRANT THE CAPITAL/FINANCE PLANNING SUBCOMMITTEE THE AUTHORITY TO NEGOTIATE A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE TURF FIELD COMMITTEE.

MOTION by Stacey Metternick; SECONDED by Peter Wolczik.

Discussion: Memorandum of Understanding (MOU) is a set of guidelines to move forward. District Legal Counsel will assist with the crafting of the MOU. The TURF Field Committee will file for 501c3, form a Board, and conduct outreach, advertising, and fundraising more effectively/ efficiently. Further discussion

regarding increasing safety concerns, dedicated group of TURF Field Committee members, fundraising potential, and project's reception by the community.

Unanimously approved by 4 members present.

I MOVE THAT THE HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE GRANT AUTHORITY TO THE CAPITAL/FINANCE PLANNING SUBCOMMITTEE TO WORK COLLABORATIVELY WITH THE TURF FIELD COMMITTEE TO UPDATE THE PROJECT SCOPE, SEQUENCE, AND COST OF THE CONCEPTUAL DESIGN.

MOTION by Stacey Metternick; SECONDED by Michelle Horgan.

Discussion: The Gale Study was conducted years ago and therefore the needs, scope, and potential alternatives to this project have very likely changed - in addition, the update may necessitate involvement from Thomas Geary, the District's new *Director of Maintenance, Facilities, and Operations*.

Unanimously approved by 4 members present.

Amendment to the agenda in order to accommodate the presentation from Peggy McElhiney, *Director of Curriculum, Assessment, and Instruction*, originally 8D, *Superintendent's Report/Assessment Literacy: Preparing for Public Release of MCAS*. There are no objections to moving this item to the next order of business.

8. Superintendent's Report

d. Assessment Literacy: Preparing for Public Release of MCAS, *Director of Curriculum, Assessment, and Instruction, Peggy McElhiney (moved)*.

Dr. Kukenberger thanks Ms. McElhiney for her leadership strategy, and for her ability to handle Dr. Kukenberger's last minute request. Discussion regarding public data, 2019 data, analysis of data, anticipated availability of 2019 data, etc. Ms. McElhiney presents the 2018 data in order to better understand analyzing the publicized reports:

Objectives:

- To review changes to state's testing and accountability approaches;
- To prepare for the release of 2019 data by understanding how to interpret the various sources of data;
- To experience the *Using Data Process*, which the district currently uses to analyze data;
 - Review changes to the Massachusetts state tests (MCAS) 2015-2020. 2019 is the first time Next Generation testing has been used in High School;
 - Technology enhanced: all testing is done on the computer, and thus, there are technological changes;

ELA Next Generation MCAS Performance

Student Growth Percentiles (SGP)

- Individual student growth percentiles represents the growth of a student compared to other students with similar past performance on MCAS across the state;
- School or District SGP is a composite of all individual student SGPs in a school/district;
- Interpreting the scores:
 - 40-60= typical growth
 - >60=high growth
 - <40=low growth
- State Comparisons:
 - It is useful to look at overall state percentages;
- Data Use Guidelines:
 - Review patterns and ethical considerations when evaluating data;
- Data Driven Dialogue: Detail
 - Observations, inferences;
 - Packet includes achievement data from 2017/2018.

Discussion regarding attendance data, chronic absenteeism consequences, District's approach taken to address chronic absenteeism.

Observation & Inference: Ms. McElhiney leads School Committee members through structured activities demonstrating observation and inference concepts.

- Review DART data
10 districts -similar in terms of grade spans, total enrollment, and special populations - considered in data comparison;
- District uses of MCAS data
Review school and district achievement and accountability data to analyze performance trends;
Review strand and item analysis data to determine any needed changes to curriculum and/or instruction;
Use individual student data as one factor

7. Policy Committee

a. First Reading of Section B

I MOVE THAT THE HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE ACCEPT THE FIRST READING OF POLICIES, SECTION B.

MOTION by Stacey Metternick; SECONDED by Michelle Horgan.

Discussion: Michelle Bailey reviews changes made to Policies, Section B. Ms. Bailey explains red-lined policies: either replacing/updating with model MASC policy, or deletion of policy completely. Ms. Bailey identifies each policy as removed, unchanged, edited, or replaced. Detailed discussion of changes made to policies, including School Committee membership, volunteering, etc.

Unanimously approved by 4 members present.

- b. MASC Guidance on the Operating of Board Subcommittees (*moved earlier in the meeting, per request*)

8. Superintendent's Report

a. Appointment of New District Leaders

Larry Flemming, Accounting & Payroll, begins 10/03/2019; from Manchester/Essex.

Lisa Kultz, HR Benefits Coordinator, begins 10/01/2019; from Andover Public Schools and Beverly Public Schools. Her position merges what used to exist as two part time positions.

The leadership team will attend the next School Committee meeting, 10/02/2019.

b. ALICE Parent Information Night

ALICE Parent Information Night will take place next Wednesday, September 25, 2019. District will send out reminders, FAQs, and other resources beforehand.

Additional announcement: **Wellness Fair:** Saturday, October 5, 2019: 1st annual Wellness Fair, hosting about 25 vendors addressing a broad range of therapies, treatments, services, and other aspects of student and family wellness.

c. 2019-2020 Student Handbook Changes

Changes have been published in the Student Handbook. In the future, School Committee will be informed of such changes in late May/early June to allow members to time to discuss proposed changes in more depth.

- d. Assessment Literacy: Preparing for Public Release of MCAS (*moved earlier in the meeting, per request*)

9. List Items and Point of Contact (POC) for Future Meetings

- Policy Group: D4002 regarding fundraising/advertising;
- Scheduling school tours/visits, clarifying intention: relationship building or in depth capital project prioritization;
- Page #s and exhibit #s to return to agenda;
- Courses offered, course catalogue listings, comparative analysis/discussion.

10. Vote to Adjourn

9:00 PM

I MOVE THAT THE HAMILTON WENHAM REGIONAL SCHOOL COMMITTEE ADJOURN AT 10:00PM.

**MOTION by Stacey Metternick; SECONDED by Michelle Horgan.
Unanimously approved by 4 members present.**

Respectfully submitted October 2, 2019 by Mahala Lettvin, Recording Secretary.