

Hamilton-Wenham Regional School District Committee

Meeting of Feb. 16, 2012

Minutes

CALL TO ORDER AND PLEDGE OF ALLEGIANCE: A. McCloughan called the meeting to order at 7:04 p.m. at the Buker Multipurpose Room. The Committee and audience rose for the Pledge of Allegiance.

PRESENT: Sean Condon, Kym Donnellan, Roger Kuebel, Alexa McCloughan, Ann Minois, Jack O'Keefe, Dacia Rubel, and Larry Swartz

ALSO PRESENT: Peter Gray, Superintendent (until 9:48); Dr. Celeste Bowler, Assistant Superintendent for Learning (until 9:48)

ABSENT: Bill Dery.

ADJUSTMENTS TO AGENDA: **ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO AMEND THE AGENDA TO ACCOMMODATE TOPICS THAT THE CHAIR DID NOT REASONABLY ANTICIPATE 48 HOURS BEFORE THE MEETING, SPECIFICALLY TO SLIDE THE UPDATE ON THE SUPERINTENDENT SEARCH TO AFTER OLD BUSINESS, AND PETER GRAY WILL GIVE AN UPDATE ON THE SEARCH FOR A PRINCIPAL AT THE MIDDLE SCHOOL, AND ONE ADDITIONAL SET OF MINUTES TO APPROVE. JACK O'KEEFE SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY (8-0-0).**

P. Gray announced that John Driscoll signed a multi-year contract as principal of Miles River Middle School.

APPROVAL OF MINUTES: **ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO APPROVE THE MINUTES FOR THE FEBRUARY 2, 2012 REGULAR MEETING. JACK O'KEEFE SECONDED THE MOTION.**

R. Kuebel requested two corrections to the minutes; the Committee approved these changes by general consent. They were to correct a date on p. 5 from Feb. 14 to Feb. 16, and to change phrasing at the bottom of page 4 from "now" to "during FY12."

THE MOTION PASSED UNANIMOUSLY (8-0-0).

ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO APPROVE THE MINUTES FOR THE FEBRUARY 9, 2012 REGULAR MEETING. JACK O'KEEFE SECONDED THE MOTION.

D. Rubel requested that on page 3, "grant writer" be changed to "development coordinator"; the Committee agreed by general consent.

At R. Kuebel's request, P. Gray and C. Bowler provided brief updates the Committee asked for at the last meeting. C. Bowler said the hourly rate for tutors listed in the budget, \$30 an hour, is correct. P. Gray said school food service departments are permitted to have a budget surplus at the end of the year.

THE MOTION PASSED UNANIMOUSLY (8-0-0).

ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO APPROVE THE MINUTES FOR THE JUNE 29, 2011 REGULAR MEETING. JACK O'KEEFE SECONDED THE MOTION.

R. Kuebel noted that a PowerPoint presentation referenced at the June 29, 2011 meeting should be appended to the minutes of that meeting.

THE MOTION PASSED 7-0-1. (Larry Swartz abstained because he was not a member of the Committee at the time of that meeting.)

PRESENTATIONS:

Auditors presenting

Jim Powers of Powers & Sullivan gave a PowerPoint presentation on the firm's audit of the district's FY11 finances. He reviewed financial statements, a federal compliance audit regarding federal funds awarded to the district, and the firm's management letter making suggestions for improvements to financial operations. Power & Sullivan reported that at the close of FY11 on June 30, 2011 the district had a surplus of approximately \$3.7 million, and \$874,000 in encumbrances (expenses incurred during FY11 but not paid for during that fiscal year). Some of the surplus was in revolving accounts, and the Committee voted to use \$500,000 of the surplus to offset the FY2012 budget, so the unreserved fund balance as of 6/30/2011 was roughly \$2.3 million. The auditors found no problems with the district's handling of the \$951,000 in federal funds spent during FY11. The management letter's recommendations include improving the district's cash reconciliation procedures, segregating staff members' duties, expanded budgeting for the food services department so it would be unnecessary to shift unbudgeted funds into that account midyear as has been done in recent years, and creating an accounting policies and procedures manual. Details are in the PowerPoint slides appended to these minutes. Mr. Powers said district staff already are executing a number of the recommendations.

District business manager Pola Andrews responded with a prepared statement and PowerPoint presentation; the PowerPoint slides are appended. She detailed steps take to improve cash reconciliation, said a capital and debt budget will be adopted along with the general fund operating budget for FY13, and described segregation of duties and other management system adjustments in process at the central office.

R. Kuebel gave a PowerPoint presentation (appended to these minutes) explaining the Excess & Deficiency account. He noted that P. Gray and P. Andrews recognized prior to the audit that the issues identified by the auditors existed, and had for some years, and it was on their recommendation that the Committee hire a new auditing firm to be hired for FY11. He detailed the steps by which the E&D end of year balance is determined.

D. Rubel said the Finance Working Group recommends changing auditing firms every 5 years; implementing new policies on fiscal accounting and cash reconciliation reporting, budget transfer authority, managing revolving accounts, and budget planning. The working group also recommends inviting the chairs of Hamilton and Wenham's finance committees to be non-voting members of the Finance Working Group; she noted that these officials sit in on many of the group's meetings this year. The PowerPoint slides for this presentation are appended.

J. Powers responded to questions from the Committee about the management response to the audit report and procedures for accessing funds in the E&D account, and a question from Deb Evans of Wenham about whether he favors a stabilization fund. Bea Britton of Hamilton asked what controls would be implemented so funds budgeted for maintenance would not be transferred to other line items; P. Gray said this year the Committee would vote a separate warrant item for a separate capital budget. Richard Boroff of Hamilton asked about reserve funds. Lynnette Fallon of Hamilton asked about moving funds from revolving accounts to the general fund. Michelle Bailey of Wenham asked about typical E & D balances elsewhere. D. Rubel said the Finance Working Group will formulate a recommendation for a policy about what level of reserves is appropriate.

ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO ACCEPT THE FY11 FINANCIAL AUDIT AS PRESENTED. JACK O'KEEFE SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY (8-0-0).

Cutler HVAC Update

S. Condon reviewed the project and funding calendar for the HVAC work in 2009-2010 at Cutler Elementary School, and detailed the project costs and the state funding secured for the project. If the district wishes to bond its \$788,000 share of the project costs it must do so in the current fiscal year. He said he would find out whether that means the Committee must vote to bond by June 30, or the financing must be secured by that date.

Presentation by the Ed Fund

Sarah Gaylord of the Hamilton Wenham Education Fund (EdFund) introduced Bill Guenther and Mort Orlov of Mass Insight, who spoke about increasing Advanced Placement course offerings, professional development to equip educators to teach them, and increasing and

broadening student participation in such courses. They gave a PowerPoint presentation (appended) that touched on the impact of AP courses and the Mass Math + Science Initiative (MMSI) on college GPAs and overall high school achievement levels; schools already participating in MMSI; potential outcomes and advantages of AP courses; and why AP English courses are a component of MMSI. Discussion that followed touched on whether AP courses "teach to the test" and whether some AP courses and tests need updating. S. Gaylord said the Ed Fund would discuss MMSI with district faculty before the Ed Fund board decides whether to move to engage this district with the program.

NEW BUSINESS:

Regional High School
Program of Studies

High school associate principal Bryan Menegoni highlighted some changes in the high school course catalog proposed for 2012-13, including the addition to the catalog of AP Physics and computer science courses, and the elimination of Grade 12 skills level English classes. He reported briefly on AP class enrollments.

ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO APPROVE THE HW REGIONAL HIGH SCHOOL PROGRAM OF STUDIES FOR THE 2012-13 SCHOOL YEAR AS PRESENTED. JACK O'KEEFE SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY (8-0-0).

OLD BUSINESS:

Budget Calendar Update

The updated calendar was circulated and is to be posted online. D. Rubel asked that the document and any subsequent revisions be dated to avoid confusion.

VDPW Update

The Committee met in a separate posted meeting prior to this meeting to discuss the proposed Virtual Department of Public Works in conjunction with the Towns. J. O'Keefe said there is a consensus that the district should reach some agreement with the Towns, and representatives of the agencies and committees involved will continue to meet to iron out details.

P. Gray and C. Bowler departed.

Superintendent's Search Update

A. McCloughan announced that the superintendent search committee did not move P. Gray forward to recommend that the School Committee offer him the position of superintendent of schools.

ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO COMMENCE A FULL SEARCH FOR A SUPERINTENDENT POSITION. KYM DONNELLAN SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY (8-0-0).

Discussion topics included advertising timing and costs and timing, who would chair the search committee, and whether to employ a consultant to assist with the search process, and the search process timeline. D. Rubel distributed a proposed search timeline and information about advertising (appended).

ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO APPROVE AN EXPENDITURE OF UP TO \$3500 FOR THE PURPOSE OF ADVERTISING FOR THE SUPERINTENDENT POSITION. JACK O'KEEFE SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY (8-0-0).

A. McCloughan nominated R. Kuebel to chair the search committee and asked D. Rubel to replace her on that committee. Further nominations were invited but none were made.

ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO APPROVE THE CHANGES TO THE COMMITTEE'S PARTICIPATION ON THE SUPERINTENDENT SEARCH COMMITTEE NAMING DACIA RUBEL TO REPLACE ALEXA MCCLOUGHAN, AND NAMING ROGER KUEBEL AS CHAIR. LARRY SWARTZ SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY (8-0-0).

COMMITTEE REPORTS:

Finance Working Group Minutes

The minutes of the meetings of 12/9/11, 1/11/12, 1/25/12, and 2/1/12 are available for review.

**POLICY DEVELOPMENT
& ADOPTION:**

None.

ADJOURNMENT:

ROGER KUEBEL MADE A MOTION THAT THE HW REGIONAL SCHOOL COMMITTEE VOTE TO ADJOURN. THE MOTION PASSED UNANIMOUSLY (8-0-0).

The meeting adjourned at 10:15 p.m.

**DOCUMENTS AND EXHIBITS
USED AT THIS MEETING:**

Hamilton-Wenham Regional School District FY13 Operating Budget Calendar (Revised) for the Fiscal Year Ending on June 30, 2013 (1 page)
HWRHS 2012-2013 Course Catalog (58 pages)
Powers & Sullivan presentation on FY11 Financial Audit (PowerPoint presentation)
PowerPoint presentation, District Management's Response to Powers & Sullivan audit report (3 pages)
PowerPoint presentation, Finance Working Group Discussion of FY11 Excess and Deficiency Account (PowerPoint presentation, 5 pages)
Finance Working Group Policy and Structural Recommendations (PowerPoint presentation, 4 pages)

Finance Working Group Update on Cutler HVAC Project (PowerPoint presentation, 3 pages)
Hamilton Wenham February 16, 2012 School Committee Briefing, Mass Insight Education (PowerPoint presentation, 18 pages)
Timeline for Hamilton-Wenham Superintendent Search 2012, with proposed advertising text and information about advertising options (4 pages)

Respectfully submitted,

Ann Sierks Smith, School Committee recording secretary