

## **MINUTES – FINANCE SUBCOMMITTEE of Wayland School Committee**

**May 29, 2015**

A meeting of the Finance Subcommittee of the Wayland School Committee was held on Friday, May 29, 2015 in the School Committee conference room at the Wayland Town Building.

### **Present:**

Donna Bouchard  
Barb Fletcher

### **Also present:**

Susan Bottan – WPS School Business Administrator  
Bethann Monahan, Instructional Technology Specialist Wayland Middle School

The meeting was convened at 11:15am and it was announced that the meeting was being recorded by WayCam.

### **1. Comments & Written Statements from the Public:**

Anette Lewis reiterated her request to Barb Fletcher for the 1 year and 3 year Memo of Agreement for the Wayland Teachers Association (WTA). Barb will send the requested document to Anette.

Anette also asked that the finance subcommittee please take up the matter of equitable spending between girls and boys athletic teams to ensure Wayland's athletic spending is in compliance with Title IX.

### **3. Financial Matters**

#### **(d) Review Wayland Middle and High School Laptop Maintenance Fee**

This matter was taken out of order to accommodate Bethann Monahan, Instructional Technology Specialist Wayland Middle School, who attended the meeting to discuss the current laptop fee and a proposed change from a maintenance fee to an insurance fee, with an insurance plan offered by Worth Avenue Group. The insurance quote will cover theft, flood, fire and damage, 24/7, 365 days. This insurance will cover leased student laptops (Apple and Chromebooks) now that the warranties have expired. The prior maintenance fee did not cover summer usage. The insurance plan will cover the school year plus the summer.

The plan will need School Committee approval and Barb recommended that Bethann ensure that the fees would cover any incremental costs before the Committee approves the change and the new fees at its June 8<sup>th</sup> meeting.

### **2. Revolving Accounts and Grants**

#### **(a) Discuss Revised Basis for Allocation of Direct and Indirect Expenses Document for Wayland School Community Programs, including Full Day Kindergarten**

Susan summarized the proposed changes to the cost allocations for fee-based programs of the Wayland Public Schools. She will continue to revise the summary document to outline standard protocols for fees as well as a description of what is covered by each fee.

A philosophical discussion about fees ensued, and the question was if a program goes away, does the associated cost go away? If so, then it is appropriate to charge the fee-payer for such a cost. If not, then it may be appropriate to instead charge the taxpayer.

The subcommittee discussed adding separate sections to the document, describing each fee-based

program, and to also include Global Language, Tutoring and Enrichment. Susan will continue to refine the document and bring it back to the subcommittee at a later date.

**(b) Review FY15 Financial Information (Receipts and Expenditures) for Certain Revolving Accounts, including BASE, Pegasus, The Children's Way, Global Language, Tutoring, Enrichment, Full Day Kindergarten, Building Use, Professional Development and Curriculum**

A discussion ensued about how to segregate prepayments for FY'16 from payments made for FY'15. Susan said the treasurer will book the receipt to the proper fiscal year. In the past, receipts may have been posted incorrectly.

**(c) Discuss Source of Funds for Payment of Prior Year's OPEB Obligations for BASE and The Children's Way**

Susan confirmed that the parity OPEB payment for BASE came from prior year surplus funds. The Children's Way is paying the parity OPEB in annual installments.

**(d) Review Prior Year Offsets for Revolving Accounts**

A discussion ensued about how prior year "offsets" from the revolving funds were applied to the budget. There was little to no detail as to which line items were offset. Also, there was no definitive way to know how much the offsets included, over and above the fringe reimbursement costs, and no verification that the transfers were made in each fiscal year to offset the operating budget. It was noted that in FY14 \$147,000 was directly charged to the revolving accounts.

### **3. Financial Matters**

**(a) Review Revised Student Activity Account Guidelines and Procedures Manual**

Susan reviewed revisions to the Student Activity Account Guidelines and Procedures Manual. The revisions include new forms and Susan will review everything with the bookkeepers. Barb asked Susan to come back to the subcommittee with a plan on how to disburse surplus funds and remediate any deficits for the Student Activity Accounts and Revolving Funds. Susan will also continue to review online payment options through UniPay.

**(b) Review Revised Draft of Town of Wayland Indirect Cost Allocation Agreement for Certain Municipal Expenses**

Susan informed the subcommittee about how reporting for retired employees is covered in the End of the Year Report toward net school spending. She also noted that the actual cost for retirees was only 28.3% of the total amount of the Middlesex Retirement Assessment, versus 60% as was previously reported. An amendment was submitted and the Indirect Cost Allocation Agreement will be updated accordingly with actual numbers for health insurance versus estimates.

**(c) Review FY15 Q3 Financial Report Broken Down by Personnel and Non-Personnel Expenditures by Location**

Susan reviewed the 3rd quarter report and a discussion ensued about staff exchange figures. The subcommittee discussed the transfer of leftover funds budgeted for personnel and how to create a revised budget to demonstrate where those funds were expended. Susan will come up with a proposal for how to show staff exchange more transparently.

**(e) Discuss Possible Addition of Control Measure to Require the Superintendent Approve Purchase Orders Greater than \$5,000**

Nan Balmer recently announced that she would personally approve all town purchase orders greater than \$5,000. Susan noted that since she is in charge of procuring goods and services for the schools, she would serve in this role, versus the superintendent.

A discussion ensued about best practice and how familiar employees are with reimbursement policies (are expenses ever incurred before Susan signs off on them) and also, are employees required to sign off after receiving the employee handbook in acknowledgement of our policies and procedures? Susan will check with MASBO for a best practices method of communicating the information to employees and get back to the subcommittee with recommendations. Donna expressed that we need to be proactive versus reactive.

#### (f) Continue to Discuss Edvocate's Assessment of the Food Services Program

Susan met with Cheryl Judd to review Edvocate's report. In thinking about next steps, she noted that Food Services was more cost driven than value driven and they would shift the focus to value meals (raising the price of meals, offering more a la carte menu items and fresh fruits and vegetables). Susan also noted the need to propose a financial and marketing plan for each school as well as a three-year capital plan for each building.

The finance subcommittee expressed the desire to hire Edvocate to consult with Food Services and the schools to implement their recommendations. Susan agreed to get a proposal from Edvocate for the cost of these services.

#### (g) Discuss Possible Proposal from Edvocate for Conducting an Assessment of the Custodial Services

The finance subcommittee agreed to get a proposal from Edvocate by August.

### **4. Consent Agenda**

#### (a) Approval of January 16, 2015, February 27, 2015, March 13, 2015, April 15, 2015, May 1, 2015 and May 8, 2015 Finance Subcommittee Minutes

Barb gave Donna her revised suggestions for the minutes listed. The subcommittee passed over the approval of all minutes until Donna could review Barb's proposals, except for the minutes of May 8<sup>th</sup>. Barb made a motion to approve the minutes of May 8<sup>th</sup>, Donna seconded the motion and they were approved unanimously.

### **5. Future Agenda Topics**

#### (a) Define Summer Work related to Budget Planning and Reporting

Barb noted that she would like to spend the summer subcommittee meetings recapping and refining what had been done over the past year, dealing with plans for the financial summit, reviewing the budget cycle and creating a "Dashboard" report. Barb will compile a list of other things to get done.

### **6. Comments from the Public**

Anette noted that the Edvocate report did not include how many employees worked in Food Services and at what level each served. She asked if the information could be pulled together in an appendix.

Anette also noted that the schools needed better controls for purchases. She noted that METCO had spent considerable money on items that were not budgeted and she did not understand the approval process because the items were approved by the purchaser and more layers were needed for oversight. Anette expressed concern that we please be sure the money is expended on what it was

intended to be expended on.

Anette also asked that the subcommittee understand that when we add staff, we sometimes add a person to pick up work done by another person and we need to monitor how the costs are assessed when new staff is added.

Anette asked about the next meeting and Barb noted that it would be on the 10<sup>th</sup> or 17<sup>th</sup> of June.

Carol Martin asked if we voted to transfer the funds for the FY'14 fringe payment associated with Food Services yet, and Susan noted that Food Services was on track to make the payment by fiscal year end.

Carol recommended a tiered approach to sign offs on expenditures. She noted that perhaps the superintendent should sign off on purchases over a certain threshold.

Kathie Steinberg noted that there seemed to be a significant difference in the benefits cost noted by The Abrahams Group versus Edvocate and asked that we review the figures. Kathie also noted the reimbursement for free and reduced lunch and wondered if, based on the cost per meal, fee-payers were subsidizing this cost. Kathie also noted that the Food Services team does an amazing job and she hopes we can find the resources for their professional development.

## **7. Adjournment**

Barb moved to adjourn. Donna seconded her motion and the vote was unanimous. The subcommittee adjourned at 1:45pm.

Sincerely,

Donna Bouchard

### **Corresponding Documentation:**

- Agenda
- Finance Subcommittee Draft 1-16-15, 2-27-15, and 5-8-15 Minutes
- Worth Ave Insurance Quotes (Full Coverage and Accidental Damage & Std Perils Coverage with Warranty)
- WHS Liability Waiver Letter 2015-16 Draft
- Cost Allocation Recommendations by Gail Zeeman, Revised by Susan Bottan
- Form A Samples
- FY15 Receipts and Expenditures for 71E Revolving Accounts
- FY14 Student Activity Account Balances
- Q3 by Site as of May 27
- Revolving Accounts 5 Year History 2010-14 with Yearly Totals Highlighted
- Student Activity Account Guidelines Overview
- Town of Wayland Cost Allocation Agreement Between Town and Schools, Revised 5-15-15
- Wayland Student Activity Account Revised Procedures 5-27
- WPS Direct and Indirect Cost Allocations for Fee-Based Fund Programs