Chairman Russo called this meeting of the School Committee to order at 7:00 p.m. in the School Committee Room, Administration Offices, 123 Cambridge Street, Burlington, Massachusetts. Present: Mrs. Christine Monaco, Mr. Thomas F. Murphy, Jr. and Ms. Martha Simon. Superintendent Eric Conti, Asst. Superintendent Patrick Larkin, Business Manager Nichole Coscia and Director of Operations Bob Cunha also present. Mr. Stephen Nelson absent.

APPROVAL OF MINUTES

Moved by Mrs. Monaco and seconded by Mr. Murphy to approve minutes of 7/24/18; motion carried 4-0-0.

APPROVAL OF WARRANT

Moved by Mrs. Monaco and seconded by Ms. Simon to approve the warrant¹; motion carried 3-0-1; Mr. Murphy abstained.

PUBLIC PARTICIPATION

None.

DISTRICT FINANCE

Update Report on Revolving Accounts – Powers & Sullivan

CPA Jim Powers reviewed his Revolving & Gift Funds Preliminary Risk Assessment² report reviewing each of the 35 school revolving and gift funds to provide a risk assessment for each account and to recommend a schedule of when to review each account.

- Low risk funds: Math Wizard, Cooperative Games Group Fund, Italian Afterschool, China Pathways – recommended to close funds and School Committee repurpose any remaining balances. Seventeen additional accounts were identified for a limited FY18 review for actual expenditures and a next review in FY21 if no findings exist.

- Medium risk funds: School Choice Tuition Reimbursement Fund and International Students Program recommended for review of FY18 due to fund activity over $100,000 and if no findings, a next review should occur in FY20. Accounts with fees collected from students should be reviewed for process, collection, and deposit fees; if no findings identified, a next review should occur in FY20. Accounts are: Athletics Fund, Camp Bourneale, IT Tech Conference, Elementary Robotics, and Guidance Testing Program.

- High risk funds: Theater and Music Revolving Fund to be reviewed for actual implemented changes in FY18 on collecting and expending funds; if changes were implemented, next review would occur in FY20. School Lunch Program, Building Rentals, Elementary Before & After School Program, and Sprouts Daycare accounts are being recommended for an in-depth review of FY18 and a limited review in FY19 due to risks related to revenue collection and size of the programs.

Mr. Powers explained they had not started reviewing the four high risk funds yet but when they are completed draft recommendations will be made. Dr. Conti announced that Eastern Bank had awarded a $10,000 grant to the Before & After School Program which will be directed towards single mothers; Mr. Powers recommended depositing the funds in the After School Program gifts account and to create a qualification process to use the funds.

The Superintendent stated that the school department is committed to a general annual audit; however the revolving accounts were not closely reviewed in the past and going forward in-depth reviews of revolving accounts will be part of the annual review process. Mr. Powers stated that he will create an engagement letter for a proposal of what work they will complete. He further commented that the final report will include an individual narrative on each of the 35 revolving accounts.

FY18 Closeout

On behalf of the School Committee, Chairman Russo apologized explaining school department overspending had never happened before, it won’t happen again, the schools are focused on the FY19 budget, and better fiscal procedures are in place. Dr. Conti also apologized to everyone, noted that there is a lot of misinformation; he did not have full details of the funding deficit at the July school committee meeting and commented that Ms. Coscia has been invaluable to the administrative team as he’d received feedback that he was not supportive of Ms. Coscia.

¹ Monthly Warrant
² Revolving & Gift Funds Preliminary Risk Assessment
The Superintendent reviewed:
- cause of the FY18 deficit – overspending of payroll, FY18 salary budget inaccurate
- amount of the deficit - $1.7 million initially – final deficit $780,000
- if town meeting approves a remedy though stabilization, options – unused funds from capital projects and a reduction in warrant requests for FY19 & FY20

Dr. Conti further explained that salaries for FY18 were: under budgeted collectively, it was a contract year for 6 unions, legal settlements, administrative retirements with vacation payouts, and an unusual number of substitutes needed to cover employee leaves of absence. There were not enough remaining funds in the FY18 non-salary funds to cover the deficit in salaries. Ms. Coscia noted for the FY19 budget she’d created a list of all employees, their salaries, longevity, and stipends. Dr. Conti further explained that the school department didn’t know of the shortfall earlier as it was part of the culture of the Business Office to not account for dollar changes but to account for it at the end of the year and stated the school budget was frozen in March. It’s no fault of the Business Office, it’s a past cultural and procedures issue. This will be avoided going forward as Ms. Coscia will have in real time the salary if an employee is replaced with a lower salaried employee. Dr. Conti explained that for May, June & July $600,000 in invoices were received, a worst case scenario of a $1.7 million shortfall was identified; however the final shortfall is $780,000. Ms. Coscia explained that duplicate purchase orders were found in Special Education ($650,000). An offset from the After School Program was utilized ($120,000). CPA Jim Powers explained the mechanism and process for remedying the over expenditures with town funds, he’s in agreement that it’s a salary over expenditure issue but by law, the school department has to pay employee salaries rather than vendor invoices.

At the request of the School Committee, Dr. Conti was asked to identify pathways to refund the deficit to the Town and reviewed funding from Warrant Articles in 2015-18 and in Warrant Articles from 2019. Mr. Cunha identified excess leftover funds from completed warrant articles in the amount of $79,901.55 and further reviewed the status of open capital warrant articles from 2015-18 that are not fully completed. To start the process of returning the deficit, Dr. Conti recommended that the School Committee return the amount of $79,901.55 to the town. Moved by Mrs. Monaco and seconded by Mr. Murphy to return $79,901.55 to the Town’s general fund to close out warrant articles; motion carried 4-0-0.

The Superintendent reviewed 2019 capital warrant articles of three projects that haven’t started yet as possible funds to return towards the deficit: BHS parking for $60,000, Francis Wyman A/C phase 2 $167,315 and Pine Glen rubber playground surface $42,000 for a total of $269,315 and requested the Committee’s thoughts on returning additional approved capital warrant article funding to the town. The School Committee expressed concern about not completing the Pine Glen playground project due to safety concerns.

In response to Mrs. Creedon, Ms. Coscia replied that there are no additional remaining funds from warrant articles prior to 2014. Phil Gallagher suggested not returning previously approved 2019 warrant article funding that have been approved by Ways & Means, Capital Budget and Town Meeting. In response to Town meeting member Gary Mercier, Dr. Conti replied that 6 or 7 staff members have been hired and 9 positions have not been filled (4 teachers, 3 administrators, 1 nurse) and further explained that some staff positions provide mandated services. In response to Ways & Means member Steve Morin, Dr. Conti explained that the 9 positions were reduced through attrition and retirements. In response to Mrs. Monaco’s inquiry why the budget freeze in March did not work to make up the deficit, Jim Powers speculated that the district thought they were spending available non-salary funds rather than salary line items. Ms. Coscia explained that a large part of the problem was past practice for many years where a purchase order was sent directly to the vendor without Business Office approval. Mrs. Creedon expressed concern that purchases were still being made after the March budget freeze. Town meeting member Shari Ellis requested clarification on staffing and financial changes in the Business office.

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3 FY18 Close Out, Staffing, FY19 Policies & Procedures
4 Reassurance Not Recurring Problem & Not Going to Happen in FY19
5 Warrant Articles 2015-2018 and 2019
6 2018-19 District Leadership
reporting directly to Dr. Conti and the School Committee. A request for a financial analyst position and job description was reviewed by Ms. Coscia; this additional position is not in the FY19 budget. The School Committee thanked Ms. Coscia for her work and expressed support of the new financial analyst position if Ms. Coscia is confident that the school department can pay for it. Moved by Mr. Murphy and seconded by Mrs. Monaco to approve the hiring of a Financial Analyst as described; motion carried 4-0-0. Jim Powers stated that a financial analyst position is a sound business practice; they will make sure the budget stays in balance and provide accurate projections.

Dr. Conti reported a new electronic purchase order system will be implemented September 1, a Purchasing policy has been drafted, proposed a non-budgeted appeals committee, a monthly financial report, new personnel actions forms, and budget document updates. Jim Powers recommended that he come back in January to review the December financial report produced by Nichole and review results with Dr. Conti, Mr. Cunha, and Ms. Coscia.

Town meeting member Shari Ellis thanked Ms. Coscia & Mr. Powers and inquired about school committee financial policies not being on the website. She also referred to FY 16 and FY 17 left over funds in the operating budget that were used on other over expenditures in the accommodated account and inquired if the School Committee takes a vote on over expenditures. Chairman Russo explained that the school department’s financial policies are outdated, Ms. Coscia has started to rewrite some policies, which the School Committee will review to adopt updated policies. Ms. Simon further explained that policies currently on the school website are oriented towards students/families. Town resident Juan (last name garbled) expressed encouragement to see changes but expressed disappointment in accountability for the over expenditure of the budget. Chairman Russo stated that the responsibility for the budget lies with the School Committee, moving forward the Committee will see monthly financial updates, the Committee can ask more in-depth questions, and auditor Mr. Powers will also lend his expertise and assistance. Mr. Powers departed the meeting at 9:25 p.m.

INFORMATION/REPORT
Subcommittee Reports

Ms. Simon thanked the ways & means subcommittee for their extra work over the summer.

Ways & Means

Members Sue Harrigan, Phil Gallagher, Steve Morin and Diane Creedon in attendance.
A joint subcommittee meeting with schools & ways/means will be scheduled prior to the September 12 Ways & Means meeting.

COMMUNICATION
Fusion Academy – Update

Dr. Conti stated that a private school, Fusion Academy will be opening in Burlington. After consultation with Attorney Darren Klein, it was confirmed that the school committee has to approve an application if they determine the instruction offered by the private school is equivalent to Burlington Public Schools. He further explained the Committee will need to acknowledge and approve their presence but they will have no impact on school funding. A vote will be scheduled for the September 11 meeting.

Mass. School Building Authority
Senior Study Visit to BHS

The Superintendent commented that representatives from the Mass. School Building Authority spent 90 minutes touring the high school which included limitations of science classrooms and hvac systems. He further informed the Committee that in December the MSBA will inform the school district if the BHS statement of interest has been approved. If this 7th SOI is not approved for the high school, the School Committee should consider switching priorities to renovating an elementary school.

Governor Baker Visit

Governor Baker visited BHS yesterday to announce a proposed $72 million for school safety, mental health, and school resource officers.

Dr. Conti announced that Science Center Coordinator Sean Musselman will be the chairman for the national NSTA Science conferred in 2020. Middle school teacher Cheryl Mantia has been nominated for a National Life Changer Award.

November School Committee
Meeting Date

The Superintendent proposed that the Committee consider changing the November school committee meeting date to Tuesday, November 20. The School Committee was in agreement with changing the date to November 20.
INSTRUCTION/TECHNOLOGY
BPS Professional Development
Conference

Student Enrollment

Mr. Larkin stated that the three day BPScon for teachers will be held next week and he will share the link for conference offerings with the Committee. Dr. Conti commented that the two-day new teacher orientation was held this week as well as a two-day training held for administrators on walk-through classroom training.

Dr. Conti presented to the Committee We Are Burlington, which included data on student enrollments for the past two years, as well as student: ethnicity, languages spoken, race, ELL, economic status, military children, IEP's for special education, and district 504 accommodations. He will email the Committee a list of retirees and newly hired staff. At the September 11 meeting he will report on final kindergarten enrollment counts. Dr. Conti also noted that over the past three years approximately 40 students decided to attend Shawsheen Tech.

In response to Mrs. Monaco, Mr. Cunha replied that the projected cost to fix the a/c at the high school is approximately $25K - $45K, he is still in the process of obtaining bids, the repair is not projected in the maintenance budget and possible funding mechanisms will need to be reviewed.

OLD BUSINESS
Revision of Allergy Policy –
Second Reading

A first reading for the proposed revisions to the Allergy policy was held at the July 24 meeting. Moved by Mrs. Monaco and seconded by Mr. Murphy to adopt the allergy policy; motion carried 4-0-0.

NEW BUSINESS
School Physician

Dr. Conti recommended that Dr. Cindy Walendziewicz continue as the school physician. Moved by Mrs. Monaco and seconded by Ms. Simon to appoint Dr. Walendziewicz as the 2018-19 school district physician; motion carried 4-0-0.

Part-Time BHS Spanish Teacher
Approval

Dr. Conti explained that due to increased student enrollment of over 26 students per class in Spanish, Principal Sullivan has requested hiring a part-time Spanish teacher at the high school to reduce class sizes in two sections. Moved by Mr. Murphy and seconded by Mrs. Monaco to approve the addition of a part-time BHS Spanish teacher; motion carried 4-0-0.

2018-19 BHS Student Handbook
Approval

Moved by Mr. Murphy and seconded by Mrs. Monaco to approve the 2018-19 BHS student handbook subject to the list of corrections/revisions Ms. Simon sends to the Superintendent; motion carried 4-0-0.

PUBLIC PARTICIPATION

None.

ADJOURNMENT

Dr. Conti informed the Committee that there was no need for Executive Session this evening. Moved by Mrs. Monaco and seconded by Mr. Murphy at 10:00 p.m. to adjourn the meeting. Motion carried 4-0-0.

Respectfully submitted,


Sharon Gilbert
Recording Secretary

Date submitted: 9/25/18
Date approved: 9/25/18

8 We Are Burlington 8/16/18