THESE MINUTES ARE SUBJECT TO BOARD APPROVAL AT THE October 03, 2019 MEETING

Joint Board of Education Committee

June 06, 2019

A regular meeting of the Joint Board of Education Committee was held on Thursday, June 06, 2019 in the John Winthrop Middle School Library, with the following Board Members present:

CHESTER BOARD OF EDUCATION: David Fitzgibbons, Robert Bibbiani, Charlene

Fearon, Becky Iselin, Tom Englert, Rebecca

Greenberg-Ellis

DEEP RIVER BOARD OF EDUCATION: Paula Weglarz, Miriam Morrissey, Robert

Ferretti, Mary Campbell, Matt Resnisky, Lenore

Grunko, David Berardis

ESSEX BOARD OF EDUCATION: Lon Seidman, Mark Watson, DG Fitton, Loretta

McCluskey, Judie McCann, Carolyn Rotella

REGION 4 BOARD OF EDUCATION: Jennifer Clark, Mario Gioco, DG Fitton, Jane

Cavanaugh, Kate Sandmann (arrived 8:10 p.m.)

(Quorum reached at 8:10 p.m.)

Also in attendance: Dr. Ruth Levy, Superintendent; Dr. Kristina Martineau, Assistant Superintendent; Kim Allen, Business Manager & Jennifer Bryan, Board Clerk.

Audience of Citizens: approx. 18

CALL TO ORDER

Supervision District Committee Chair Lon Seidman called the meeting to order at 7:00 p.m.

The Chairs of the Chester, Deep River, and Essex Boards of Education called their respective Boards to order at 7:00 p.m. *Please note:* The Region 4 Board did not have a quorum present, but upon reaching a quorum at 8:10 p.m. the Chair of the Region 4 Board of Education called her Board to order and called for any votes that had been missed up to that point.

Dr. Levy's portion of the Superintendent's report was moved up to this point in the agenda. Dr. Levy introduced 3 students in attendance that evening who, along with 3 more classmates, worked over the past year and a half to create a marketing video presentation for the Schools of Chester, Deep River, Essex & Region 4. This was done as part of their Capstone project, in conjunction with Valley teacher Mary Hambor. The students shared their video with the Boards.

Dr. Levy read two letters thanking Valley Regional High School for the hard work recently provided by the students during Warriors in the Community Day.

Dr. Levy also recognized all of her Administrators, many of whom were present in the audience, for their many hours of hard work, dedication and creativity in solving problems.

CONSENT AGENDA

On motion duly made and seconded, the Chester (unanimous), Deep River (unanimous), Essex (unanimous), and Region 4 (upon reaching a quorum 4 Y / 0 No / 1 Abstention – Gioco = motion passed), Boards of Education VOTED to approve the consent agenda consisting of the minutes of the April 04, 2019 regular meeting of the Joint Board.

PUBLIC COMMENT

Virginia Carmany, Chair of the Chester Board of Finance read a memo she had already sent out to Region 4 Board members regarding action they will be considering at the end of the Joint BOE meeting to address findings of the 2017-18 Region 4 financial audit report (see attached)

Board member and parent, Miriam Morrissey, shared that the recent CHRO Kids Speak Competition chose 5 finalists, Statewide, and 3 of those finalists are Valley students.

REPORTS

Financial Status Update

Ms. Allen gave a brief, high level financial update for each district. More detail will be given at upcoming individual board meetings.

Committee Reports

<u>Joint BOE Policy Committee</u> member L. Seidman discussed the policies being presented for a first reading this evening.

There was a first reading on the following policies:

```
    #5141.21 Students - Administering Medicine (encl #3)
    #3453 Business - Student Activity (encl #4)
    #3300 Business - Ordering Goods and Services (Purchase Orders) (encl #5)
```

Per procedure, these policies will be on the individual BOE meetings in September for questions or discussion and will return for a second reading and possible vote at the October Joint BOE meeting.

<u>Joint BOE Finance Committee</u> Chair, J. Clark reported that the Committee met on May 28th and discussed at length Business Policy #3440 regarding inventory. The Committee has requested that a building inventory be considered over the summer for all buildings, and that the Committee receive an update on the feasibility of such inventories and the details governing them in the future.

<u>Joint BOE Curriculum Committee</u> member Jane Cavanaugh reported that the Committee met on May 14th and gave their support to a piano (keyboard) course to be offered at Valley, to help round out the curriculum offerings. This offering will be budget neutral.

<u>District Security Advisory Committee</u> Facilitator DG Fitton shared details on the Committee's progress throughout the past year and stated that planning for future-years is on-going.

At 7:40 p.m. the Boards welcomed State Senator Norm Needleman to the meeting. Senator Needleman was there to present Dr. Levy with a proclamation and official citation from the State Legislature upon her upcoming retirement.

<u>The RFP Transportation Bid Review Committee</u> - Chair Seidman presented the Committee's recommendation after reviewing all submitted bids. First Student was the only transportation company to submit a bid. There was a brief discussion.

On motion duly made and seconded, the Chester, Deep River, Essex and Region 4 (upon reaching a quorum), Boards of Education unanimously VOTED to award the transportation contract to First Student as presented. (see attached)

The RFP Legal Bid Review Committee - Chair Seidman presented the Committee's recommendation. He reiterated what he had shared earlier at the Supervision District Committee meeting. Seven firms submitted bids. The Committee reviewed all of the bids in depth and ultimately decided that due to the upcoming change in leadership, with the hiring of a new Superintendent for the 2019-20 school year, they recommended that no new action be taken with regards to the bids. The Committee determined that it would not be good to switch legal representation during a time of leadership transition. The Committee also felt that the new Superintendent should have some input into what will be a multi-year contract resulting from the RFP. However, as a matter of housekeeping, past practice has been that each year the Supervision District Committee and the Boards have voted to authorize a legal firm for the next school year, with no contract having been signed. For many years, the firm of Shipman & Goodwin has been that legal firm.

Based on the Bid Review Committee's desire to postpone a decision, provide continuity of representation for the incoming Superintendent, the need to authorize a firm for the 2019-20 school year, and the earlier discussion and vote by the Supervision District Committee, it was recommended that there be a vote to authorize Shipman & Goodwin as the legal counsel for the boards for the 2019-20 school year.

On motion duly made and seconded, the Chester (5 Yes / 1 No - Englert = motion passed), Deep River (unanimous), Essex (unanimous) and Region 4 (upon reaching a quorum - 4 Yes / 0 No / 1 abstention - Gioco = motion passed) Boards VOTED to authorize Shipman and Goodwin as legal counsel for the 2019-20 school year.

Assistant Superintendent's Report

Assistant Superintendent Martineau gave an update on Professional Development and Curriculum work including plans for ongoing work over the summer with a focus on assessments and the Next Generation Science Standards.

PUBLIC COMMENTS: James Carey stated his desire that the Region 4 Board do what the Chester Board of Finance memo asked, (shared earlier in the evening at public comment), regarding action they will be considering at the end of the Joint BOE meeting to address findings of the 2017-18 Region 4 financial audit report.

Michael Hammond handed members of the Region 4 Board a letter regarding the 2017-18 audit report (see attached) and asked that they provide greater accountability in the future.

On behalf of the Boards, Chair Seidman thanked Dr. Levy for her leadership and caring attitude over her tenure with the Districts.

FUTURE AGENDA ITEMS

- Next Regular Joint BOE Meeting, October 03, 2019 @ 7:00 p.m.
- > First Reading of BOE Meeting Calendar for Upcoming Calendar Year (Oct.)

ADJOURNMENT:

On Motion duly made and seconded, the Chester, Deep River, and Essex Boards of Education unanimously VOTED to adjourn at 8:02 p.m.*

*The **Region 4 Board** remained in session, and after a short recess they reconvened at 8:10 p.m., now with a quorum (upon the arrival of Kate Sandmann), for a discussion and possible vote to approve action(s) regarding the 2017-18 financial audit report. They also took all of the prior votes from earlier in the evening, when they did not have a quorum present (these votes have also been noted earlier in the minutes).

- 1. A motion was made by DG Fitton and seconded by Jane Cavanaugh to accept the consent agenda of the Joint Board from earlier in the evening. The motion passed with 4 approved and 1 abstention, Mario Gioco.
- 2. A motion was made by DG Fitton and seconded by Jane Cavanaugh to approve the RFP for transportation that had been previously approved by the Supervision District. Approved by 5-0
- 3. A motion was made by DG Fitton and seconded by Jane Cavanaugh to approve the RFP for Legal services to be authorized to continue with Shipman and Goodwin for another year. Approved 4-1 with Mario Gioco abstaining
- 4. A motion was made by DG Fitton and seconded by Jane Cavanaugh to return the surplus of 2017-2018 to the towns of Chester, Deep River and Essex of \$36,394. Approved 5-0

The next two items involved lengthy discussion and the board allowed public comment from a number of individuals including Virginia Carmany, Susan Wright, Mike Hammond, Richard Strauss

- 5. A motion was made by DG Fitton and seconded by Kate Sandman to transfer funds from the general fund to cover the cafeteria deficit of 94,165, noted in the year of 2017 -2018. This deficit was incurred in 2016 2017 and 2017- 2018. Approved, 3 2. (DG Fitton, Jane Cavanaugh and Kate Sandmann in favor, Mario Gioco and Jennifer Clark opposed)
- 6. A motion was made by DG Fitton and seconded by Jane Cavanaugh that the Capital plan deficit, be addressed thus: "The Region 4 board approves the expenditure of up to \$10,000 for an outside consultant to work with Kim Allen, Business Manager, to assist in performing a forensic assessment of the financial history of the Capital Fund (AKA Sinking Fund, Building Projects, etc.) and decisions regarding budgeting and expenditures for capital items." The board furthermore specifies that it would like to review the CV of the individual prior to their hire. The board expects the assessment to be done by the next board meeting in August. Passed 5 0
- 7. A motion was made by Kate Sandmann and seconded by Jane Cavanaugh to accept the minutes of the R4 board meeting, Meeting date of May 2^{nd} and as amended and posted on May 24th. Approved 5-0

A motion was made by DG Fitton and seconded by Kate Sandmann to adjourn and the meeting was adjourned at 8:58 PM

Respectfully Submitted,						
Jennifer Bryan, Clerk						

CONTRACT

This AGREEMENT, made and concluded this day of June 6, 2019, by and between, REGION #4 SUPERVISION DISTRICT, a Supervision District constituted of the Boards of Education of the Towns of Chester, Deep River, Essex and Regional School District #4, all of which are located within Middlesex County and the State of Connecticut, hereinafter called "District"; and FIRST STUDENT TRANSPORTATION, INC., hereinafter known as "Bus Company",

WITNESSETH:

WHEREAS, Bus Company has successfully offered a plan for furnishing transportation for pupils in the District for a period of five years beginning July 1, 2019 to June 30, 2024.

NOW, THEREFORE, "District" and "Bus Company", in consideration of the promises herein contained, do hereby agree and covenant as follows:

1. BUS COMPANY AGREES:

- (a.) To provide transportation for pupils and other authorized persons designated by the . Superintendent of Schools, during such hours and stopping at such places as may be designated by the "District" and at all other places where pupils may be awaiting transportation,
- (b.) I. To furnish the number of buses and mini buses needed to provide such transportation as determined by the "District" subject to notification by the "District" provided below,
 - II. Buses shall be at least 71 total capacity and the mini bus of at least 28 total capacity. The number of buses provided by the "Bus Company" shall be determined by the "District" prior to the beginning of each school year. Buses and mini buses shall meet all requirements of, and be subject to, the approval of the Region #4 Supervision District, the Connecticut State Board of Education, the Connecticut State Motor Vehicle Department, and, where involved, the Public Utilities Commission. No bus provided by the "Bus Company" to the District shall be older than 5 years and the average age of the total fleet shall be no more than six (6) years.

For the safety and welfare of the students transported, vehicles shall be operated at no more than posted speed limits and always in a reasonable and prudent manner.

- III. Buses provided by the "Bus Company" shall maintain schedules established by the "District", and, in event said routes for any reason cannot be traveled as per schedule, whether due to temporary or long-term problems, the 'District" is to be notified immediately,
- (c.) I. To furnish the "District", prior to the opening day of school in August or September of each year and thereafter prior to the employment of other operators or substitute operators, the following information concerning each operator:

NAME OF DRIVER ADDRESS TELEPHONE NUMBER

- Il. To discontinue the utilization under this contract of operators considered unsatisfactory by the Superintendent of Schools upon written notice thereof.
- II. All bus drivers must meet the statutory age and licensing requirements.
- IV. That bus drivers employed by the "Bus Company" shall be required by the "Bus Company" to report immediately all accidents of any nature, The "Bus Company" will furnish the "District" with a copy of all accident reports containing complete details.
- V. That bus drivers employed by the "Bus Company" shall be required by the "Bus Company" to report to it immediately any and all problems involving the health of said driver, which might, or could possibly, affect the operation of a school bus. Said "Bus Company" shall immediately report such problems to the Superintendent of Schools or his/her designate and said "Bus Company" shall also report to the Superintendent his/her designate any such action which it has taken with respect to driver or which it recommends be taken.
- VI. All bus drivers will be careful, courteous and display good character and moral behavior at all times,
 - a) The "Bus Company" shall provide, naming as additional the 'District', the Towns of Chester, Deep River and Essex, and Regional School District #4, the following insurance coverages:

Automobile:

\$1,000,000 Combined Single Limit \$1,000,000 Uninsured and Underinsured Motorist \$5,000 Medical Payments

Commercial General Liability:

\$1,000,000 Combined Single Limit \$5,000 Medical Payments

Commercial Umbrella:

\$10,000,000 Per Occurrence

b) To assure direct communication between the "Bus Company" and its drivers, two-way radios will be in all vehicles provided by the "Bus Company" at the "Bus Company's" expense.

- c) Drivers employed by the "Bus Company" shall be prohibited from using cellular telephones while transporting students of the "District" unless such use is the only way to communicate during an emergency.
- d) "The "District" shall have the right to utilize outside or alternative Special Needs Transportation at any time at its sole option without liability to the "Bus Company."

2. "DISTRICT" AGREES:

- (a.) To pay the Bus Company for the above services performed by it at the rates detailed on Appendix "A" which is included as part of this contract.
- (b.) To pay the "Bus Company" monthly for its services, upon submission to the District at the end of each monthly period, bills in duplicate detailing the number of school buses and mini buses used each school day and the total amount due.
- (c.) To inform the "Bus Company" by May 1st of each year, the estimated number of buses and mini buses needed for the next school year, and such other information concerning the layout of routes and number of pupils to be transported as may be needed.
 - The "District" reserves the right to fix the routes and to reduce or increase existing routes or to change the number of routes. The "District" also reserves the right to increase or decrease the number of vehicles needed during the school year upon thirty (30) days notice.
- (d.) Unless otherwise stipulated, all buses added will be at the rates detailed in Appendix "A".
- (e.) The "District" accepts responsibility for vandalism to buses directly attributable to students being transported while buses are on scheduled or special school runs.
- 3. All fuel to be consumed by the "Bus Company" shall be purchased by the District Board and shall be stored in tanks owned or leased by the "Bus Company".

The "Bus Company" shall maintain a separate pump system, maintain records of fuel consumed by each vehicle, provide sufficient help to operate the system and assume any and all costs to provide this storage and service.

The "Bus Company" shall make available for inspection by the school system's administration the daily fuel records kept for each school vehicle used pursuant to this contract,

In order to qualify for any fuel tax exemptions or refunds set forth in the Connecticut General Statutes, all fuel used by the "Bus Company" pursuant to this section shall be used exclusively for the purpose of transporting children to and from school or their extracurricular activities.

- 4. The parties hereto do mutually agree as follows:
 - (a.) Bus Company" shall not assign or sublet this or any part thereof without the prior written consent of the "District".
 - (b.) The "District" shall have the right to terminate this contract for any reason upon sixty 60 days written notice to "Bus Company". Upon such termination, the "Bus Company" shall be entitled to compensation no greater than the amount outstanding for the remainder of the contract year in which the termination is effective.
 - (c.) The "District" shall have the right to terminate this contract immediately, and with no further obligation for acts or omissions by the "Bus Company", its representatives, agents and employees, which can reasonably be determined to violate the terms of this or endanger the safety of "District" students and/or employees or that of the general public or to cause a failure to comply with regulatory requirements.
 - (d.) Acquisition of the "Bus Company" by new ownership will automatically reopen this contract. The "District" shall have the right to renegotiate its terms, conditions and costs or seek bids for transportation services from other vendors.
- 5. The "Bus Company" shall not discriminate against any employee or applicant who satisfies Connecticut statutory regulations regarding school bus drivers, and is otherwise qualified for employment because of race, color, religious creed, age, physical disability (in accordance with Section 504 of the Rehabilitation Act of 1973, and the Americans with Disability Act of 1992), national origin, ancestry, marital status, mental disorder, criminal record, sex (in accordance with Title IX of the 1972 Education Amendments or Title VI of the Civil Rights Act of 1964 and the Civil Right Act of 1987), or sexual orientation (in accordance with Connecticut Public Act 91-58).

The "Bus Company" shall take affirmative action to insure that applicants are employed, and that employees are treated during employment without regard to their race, color, religious creed, age, physical disability, national origin, ancestry, marital status, mental disorder, criminal record, sex, or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

The "Bus Company" agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the policies- of non-discrimination.

The "Bus Company" in all solicitations or advertisements for employees placed by them or on their behalf, shall state that all qualified applicants will receive consideration for employment without regard to race, color, religious creed, age, physical disability, national origin, ancestry, marital status, mental disorder, sex, or sexual orientation.

6. Any accident involving student transportation shall be reported to the appropriate school Principal or Superintendent as soon as possible but not later than two (2) hours from the time of such accident, A detailed written report must be submitted by the "Bus Company" to the Board as soon thereafter as possible but not later than two (2) days after the date of such accident.

Signed in the presence of:	SUPERVISION DISTRICT BY:
	Kimberly Allen (Business Manager)
	Date
	FIRST STUDENT TRANSPORTATION BY:
	Michael Trujillo
	Date

APPENDIX A PRICING SCHEDULE

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	
_Daily Buses (Type I, 71 max) % increase	\$273.69	\$285.84	\$298.53	\$306.74	\$315.18	
Daily Buses (Type II) % increase	\$262.50	\$273.9	\$286.06	\$293.93	\$302.01	
Kindergarten % increase	\$51.82	\$60.85	\$71.46	\$73.43	\$75.45	
Late Bus (per bus) % increase	\$55.00	\$56.38	\$57.79	\$59.38	\$61.01	
Vinal Tech (1 bus) % increase	\$229.39	\$239.57	\$250.21	\$257.09	\$264.16	
Athletic Field Trip Hourly	\$22.19	\$22.75	\$23.31	\$23.96	\$24.61	
Trip Mileage % increase	\$2.55	\$2.62	\$2.68	\$2.76	\$2.83	
Trip Minimum % increase	\$103.43	\$106.02	\$108.67	\$111.66	\$114.73	
Signed in the presence of:			SU	SUPERVISION DISTRICT BY:		
			Ki	Kimberly Allen (Business Manager)		
			Da	Date		
				FIRST STUDENT TRANSPORTATION BY:		
		·· ·	M	Michael Trujillo		
		Da	Date			

----- Forwarded message -----

From: Virginia Carmany <vcarmanyruiz@comcast.net>

Date: Wed, Jun 5, 2019 at 9:34 AM

Subject: Chester Board of Finance Request to Table

To: <jenclark@reg4.k12.ct.us>, <lclymas@reg4.k12.ct.us>, <mgioco@reg4.k12.ct.us>,

Michelle Grow <MGrow@reg4.k12.ct.us>, <jcavanaugh@reg4.k12.ct.us>,

<rdaniels@reg4.k12.ct.us>, <tbrookhart@reg4.k12.ct.us>, <dgfitton@reg4.k12.ct.us>,

<ksandmann@reg4.k12.ct.us>

CC: <gsopneski@deepriverct.us>, <kcrehan@essexct.gov>,

<dfitzgibbons@reg4.k12.ct.us>, <pweglarz@reg4.k12.ct.us>, Lon Seidman

<LSeidman@reg4.k12.ct.us>, <selectman@deepriverct.us>,

To: The Region 4 Board of Education

From: Chester Board of Finance

Date: June 4, 2019

CC: Chairs of Boards of Education for Essex, Deep River and Chester, Chairs of Boards of Finance of Essex and Deep River, First Selectwoman of Chester, the Superintendent,

PFK O'Connor Davies and John Bennet

Re: Request to table any transfer of funds to cover the \$199K Capital Non-Recurring Fund Deficit

The Board of Finance is concerned regarding the Region 4 District's recent audit for full year 2017/18 indicating significant deficits in three accounts. Specifically, there are material discrepancies regarding the Capital fund between the Audit with a \$199K deficit and Administration reporting of the Capital fund showing an ending balance of \$322k for the same period. This difference implies that transfers have already taken place, but without any authorizing votes or clarity in the fund's reporting.

The Chester Board of Finance unanimously voted to recommend that any motion to transfer funds from the Region 4's General Fund to cover the capital deficit be tabled due to the risk of non-compliance and possible violation of State Statute with respect to management of a Capital non-recurring fund. There is concern regarding the Board's authority to transfer monies to explicitly cover a capital deficit.

Additionally, disclosure of policy and procedures need to be put in place to address the deficits in the other funds before any action on those be taken. Lastly, the Board of Finance has had several issues regarding appropriate transparency before, during and after this past budget cycle as it pertains to financial accountability and headcount reporting that need to be addressed in the coming months.

June 6, 2019 VIA HAND DELIVERY

To the Members of the Region 4 Board of Education:

The R4BOE needs to quickly reassure parents, taxpayers, students and other public officials that the board and its executive staff are being responsible stewards of the public's resources allocated to school purposes. You need to be able to knowledgably assert that the educational program for the district is not imperiled by lax fiscal oversight, material audit weaknesses in internal controls and what seems to be a lack of accountability by the board or its supervisory staff to fully understand let alone take responsibility for the content of the district's financial statements.

Before you vote to transfer funds to wipe out a deficit originating in 2017-18 with money appropriated in 2018-19 and 2019-20, please make sure that you fully understand the extent of your statutory authority and what activities that you have already taken that might be re-characterized on audit or investigation as "transfers". You also need to make sure that the capital fund checking account fully ties out to your general ledger so that you have a clear picture of how your past actions will be characterized in light of statutory requirements.

In this regard, the statutory scheme is clear. You can set aside money to be spent for future capital needs if: (a) the board lawfully establishes a reserve fund (i.e., <u>ask to see the resolution!</u>); (b) the total of all appropriations transferred to the capital fund in a year do not exceed more than 1% of your budget; and (c) funds earmarked for specific capital purchases are authorized by the board before the money is spent. Also make sure that you won't need a supplemental appropriation (i.e. a referendum) to raise more funds or cut significant programs.

Without confirmation that you have the accounting in order, you might later find that:

- In 2017-18, there were transfers into the capital account equal to \$243,930.
 One percent transfer to capital reserve for the 2017-18 budget would be \$200,630 so the transfers for that year would have exceeded the statutory limit by \$43,300.
- In 2018-19, there were current year capital expenditures of \$122,986.86 and transfers of \$20,000, possibly leaving an additional transfer capacity of \$57,539.95 for FY 18-19 and a starting capital deficit of \$141,721 for FY19-20.

Please get the financial house in order. People in our area will happily support public education in town if they know that you are executing your duties to the best of your ability and accountable for outcomes. If you aren't, the kids will suffer twice – first because they will not have the resources they need and later the townspeople will refuse to support school budgets in response to (perceived or actual) fiscal mismanagement.

Sincerely,

Michael Hammond, Essex