

APPROVED



MCCPS

MCCPS Board of Trustees

Minutes

Monthly FinCom meeting

Date and Time

Thursday June 20, 2019 at 7:45 AM

Location

17 Lime Street, Marblehead, MA

Committee Members Present

Artie Sullivan, David Hausler, Jeff Barry, Jen Jewell, Julie Santosus, Karl Smith, Rodolphe Herve, William Sullivan

Committee Members Absent

Jeremy Bumagin

Committee Members who arrived after the meeting opened

David Hausler

Committee Members who left before the meeting adjourned

Rodolphe Herve

Guests Present

Richard Doron

I. Opening Items

A. Record Attendance and Guests

B.

Call the Meeting to Order

Karl Smith called a meeting of the Finance Committee of MCCPS Board of Trustees to order on Thursday Jun 20, 2019 at 7:59 AM.

C. Approve Minutes - previous meetings

Julie Santosus made a motion to approve minutes from the Monthly FinCom meeting on 05-21-19 Monthly FinCom meeting on 05-21-19.

Rodolphe Herve seconded the motion.

The committee **VOTED** unanimously to approve the motion.

II. Finance - Financial Statement Review

A. Committee review of Previous Month's Financial Statements

In reviewing the May financials, Karl Smith discussed the Education Fund and how every year (before the fiscal year-end of June 30th) the funds raised during the school year need to be cleared out and sent to the proper class within the school books. Jeff Barry noted that he will be working with former Treasurer and current trustee for the Education Fund - John Sullivan to transition delegation of authority and check signing authorizations. Hopefully this transition will be resolved before the start of the school year.

He also noted that with Dr. Cohen's arrival, they will work together to reconstitute the Fund's board and work with Peter Jalbert to plan out recurring meetings. The current year saw lower fundraising than in prior years, however the final amount met expectations considering the HOS transition and deferral of a gala or party until next year's milestone 25th anniversary.

Jeff Barry indicated that the annual financial statement audit is scheduled to start during the week of July 15th and that field work typically lasts about 2 weeks. He also noted that the final audited statements are due to the state on Nov 1st.

The group reviewed the year to date results and focused on the major items over budget - legal expenses and benefits for accrued vacation pay out. Karl Smith noted that based on the accrual accounting approach, all legal costs have been recorded and there has been an ongoing payment plan with the lawyers. Only a minimal amount might remain as payable on the balance sheet at the end of the year, however all the costs were properly captured in the Fiscal year 2018 to 2019 income statement.

The group reviewed the ratios presented and it was noted that MCCPS' loan officer, Dave Lawson will be scheduling a time to meet Peter and Rudi sometime over the summer months. There was a brief re-cap of the re-papering of the agreement and potential use of EBSB and Mass Development should debt re-financing or additional financing be needed with the updated strategic plan.

Next the Committee discussed Dr. Peter Cohen's contract and its various provisions. One suggestion was to research and prepare some updates to the wording to clarify the process for arbitration should disagreements arise. It was agreed that would be listed on the considerations to be covered when the three year contract has conclude or should it be amended before that.

David Hausler arrived.

III. Other Business

A. Policy Discussion - review proposed updates and if needed, approve for board review

Ms. Julie Santosus reviewed the policy changes with the committee and noted that since last meeting she was able to meet with Jeff and review the pending items in the areas considered "open".

For whistle blower hotline or internal reporting of fraud it was determined that while some improvement are possible, the current process is working as intended and those procedures should be followed. The group considered potential 3rd party service providers, but would need to perform more extensive research to determine contract commitment and costs involved. If considered reasonable, the committee would work to create a presentation for the board. Some minor updates to the current wording in the handbook were suggested and will be considered for potential updates.

Some of the details to the electronic file administration and back-up were discussed with Jeff indicating currently all QuickBooks - info and other media are backed-up on Carbonite - a web based program.

The draft document was reviewed at a detailed level with a focus on the sections with questions or open items.

Please refer to the draft documents available for the listing of areas discussed.

Insurance coverage was reviewed by the group and it was suggested that the committee plan for an annual review with the board for available coverage limitations and restrictions. The agent - Fred C. Church - has been asked by Jeff to present coverage amounts to either the committee or potentially the board.

Julie and Jeff are looking to have an updated policy draft available for the sub-committee at the next meeting scheduled in July.

Rodolphe Herve left.

Richard Doron left.

B. Other discussion points

Enrollment was the primary topic for Other Discussion Points.

As voted on during the Board retreat, the application lottery will be opened on Monday to Lynn students that have applied to the school. Mr. Bill Sullivan will work with Katherine to obtain update figures.

Mr. Sullivan noted that there are some low numbers in 4th and 7th grades compared to previous years

The group considered the alternate budget amounts for the revenue / State Allocation amounts should full enrollment not be reached.

Other known staffing changes were noted along with the potential impact to the salaries line item based on base rates of pay and anticipated replacement costs.

With regards to enrollment and the lottery system, one suggestion was to re-word the by laws to allow for a certain level of "rolling admissions" to expedite / facilitate the process.

IV. Closing Items

A. Adjourn Meeting

Jeff Barry made a motion to adjourn the meeting.

Julie Santosus seconded the motion.

The committee **VOTED** unanimously to approve the motion.

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 8:45 AM.

Respectfully Submitted,
Karl Smith