Minutes

Call to Order

1. This meeting was called to order at 4:30. Directors Harris, Burke and Blanford were present. This meeting was staffed by Assistant Superintendent for Business & Finance, JoLynn Berge.

2. Approval of agenda: Director Blanford moved to approve the agenda. Director Burke seconded. This motion passed unanimously.

3. Approval of meeting minutes: Director Burke moved to approve the March 9, 2017 meeting minutes. Director Harris seconded. This motion passed.

Board Action Reports (Discussion and/or Action)

1. BAR: Point of Sale System (Berge)

Assistant Superintendent of Business & Finance JoLynn Berge spoke about the Point of Sale System (PoS) vendor that has been chosen, My Payment Network. Ms. Berge explained this would be for a three year agreement and she explained the fees that would be included in the agreement.

Director Harris asked what the percentage would be for the transaction fees. Ms. Berge explained it would vary, depending on the amount of dollars going through the system. Ms. Berge explained the options the stakeholders have been discussing. Ms. Berge spoke about how the recommendation was determined to be the most equitable choice would be to raise the costs of the item for sale with fees included.

Director Blanford asked about the service fee amount and if we are looking at the credit card to determine the amount we charge. Accounting Director Amy Fleming explained the service fee is .30 as a minimum and after a certain dollar amount it is a percentage, and it is dependent on the merchant. We are not looking at the card type to make the fee determination.

Director Blanford asked about standardizing fee structure at each school. Ms. Berge explained the standardization will be in place where it makes sense, but not every school will have the same fees. Director Harris asked if a student qualifies for free and reduced lunch would that reduce the cost of the PoS fees. Ms. Berge explained if you qualify for free and reduced lunch then fees are waived, and a transaction fee would not be required.

Ms. Berge explained currently four high schools have signed on to be test schools for the PoS. Director Burke ask is the 3% fee high considering we are at $9M a year, and what is the cost to go to the bank for this same service. Ms. Berge explained this software will create an account for every student
and has a robust tracking/reporting system. Ms. Fleming also explained the additional services the company offers such as fraud protection.

Director Blanford asked what is the estimated amount of money that will be saved by the District. Ms. Berge explained it is opportunity cost. No cost estimates yet, but we will eventually have that data. The vendor offered information that approximately 3,000 staff hours have been saved at similar districts, most of which will likely be by the fiscal specialists.

Ms. Fleming explained the implementation will begin with the four test high schools in October.

Director Blanford made a motion to move this item forward to the full Board with a recommendation for approval. Director Burke seconded. This motion passed unanimously.

2. **BAR: Budget Development and Financial Management System (BDMS) (Berge)**

Assistant Superintendent for Business & Finance JoLynn Berge spoke about the internal committee that reviewed vendor demonstrations for the new Budget Development and Financial Management System. One vendor really excelled and was already on a master contract with the State of Washington and we are now moving forward with the contract by purchasing off of the state contract, which meets our procurement requirements.

Director Harris asked will the final cost amount be included when the Board Action Report (BAR) comes to the full board for introduction. Ms. Berge confirmed that the final amount would be known by then. Director Burke asked what does the budget look like for this. Ms. Berge explained it would be a two-phase timeline. She explained the benefits of this timelines.

Director Burke asked if this will help us manage our priorities. Budget Director Linda Sebring explained this system will allow us to create our own reports and be more efficient.

Director Burke made a motion to move this item forward to the full Board with a recommendation for consideration. Director Blanford seconded. This motion passed unanimously.

3. **BAR: Policy D140.00-D140.01 (New 6102) District Fundraising (Stone)**

Grants Director Michael Stone thanked Nate Van Duzer for his assistance with the update of the new Fundraising Policy 6102, which is to address crowd sourcing fundraising currently being used by some schools, with such companies as Donor Chose and Go Fund Me.

Director Harris asked for an edit on page 3 of the procedure section H. Director Burke asked are any existing organizations that would see this policy adversely. Mr. Stone explained possibly from coaches or teachers that use Go Fund Me to fundraise. The plan will be to speak with them about using Donor Choose because it will allow project materials to be donated to the school versus cash. Mr. Stone explained an individual still can go out and raise money as an individual, but not as a representative of the school/District.

Director Burke made a motion to move this item forward to the full Board with a recommendation for approval as amended. Director Blanford seconded. This motion passed unanimously.

4. **BAR: Policy 5201 Drug Free Schools, Community and Workplace (Codd)**

Assistant Superintendent of Human Resources Clover Codd spoke about the changes being made to Policy 5201 to be more in alignment with the Washington State School Directors Association (WSSDA) Model policy and Washington State law. The change is moving from staff members being mandated to
notify an employer if they are taking medication to consulting with their own physician to determine if the medication would interfere with their job duties. It does then put the responsibility on the employee to notify the supervisor, and to use appropriate personnel policies and guidelines as next steps. Ms. Codd explained that the labor partners were included in this discussion and are fine with this update.

Director Harris asked to have a better understanding of the District’s risk and liability regarding this policy. Director Burke asked about how this policy calls out some substances but not all and why. Ms. Codd explained if a report is received it is looked into regardless of if they smell or see the specific substance. Director Burke would like to have follow up on if the smell of marijuana should be added to this policy. Director Harris would like additional legal measurements of marijuana and alcohol be included. Ms. Codd said she will work with Legal to do another round of analysis in light of Directors’ questions

Follow up: BAR for Policy 5201 will come back to committee in May after legal and Human Resources have determined it they will add any language in the policy.

5. BAR: Policy 6022 Economic Stabilization Account- Policy 6022 (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge spoke about how policy 6022 will be revise to align with other local districts, and allows flexibility for School Board use of the funds. The current policy restricts the Board’s ability to use the funds, which is not what this policy originally intended. The first change is to have the 3-5% measurement be based on the percentage of the actual general fund expenditures of the last year completed. The second change would include a repayment plan.

Ms. Berge spoke about the research and comparison that had been completed to create this policy. Director Blanford asked why did the prior board choose to have the policy written in the way it was. Budget Director Linda Sebring explained it was to align with WASDA rules at that time. Director Burke asked to include an annual repayment plan to be develop by the time it is adopted.

Director Blanford made a motion to move this item forward to the full Board with a recommendation for consideration as amended. Director Burke seconded. This motion passed unanimously.

Board Policies and Procedures

1. Policy 6220 Procurement Update (Fleming)

Director of Accounting Amy Fleming spoke about the changes for Policy 6220 based on the State Auditor’s Office recommendation. The current policy does follow the Washington State law however it does not reflect the current Federal policy amounts. Ms. Fleming explained by adding 2 CFR 200.67 – Uniform Administrative Requirements, Cost Principles & Audit Requirements for Federal Awards Micro-purchase; 2 CFR 200.88 – Simplified Acquisition Threshold the District will be in compliance with what the Federal law requires.

Special Attention Items

1. Potential RIF Update (Codd)

Assistant Superintendent of Human Resources Clover Codd spoke how currently a certificated Reduction in Force (RIF) is not likely to occur. However, the classified analysis is not completed yet, due to needing time to review because the timeline was pushed back after receiving the budget restoration plan.
Once the report is complete Ms. Codd will bring it to the May 4th Executive Committee or May 11th Audit & Finance (A&F) Committee, which will show what needs to be done for the 2017-18 year. Director Burke asked if RIF means we are not hiring back in certain places. Ms. Codd explained the analysis will explain the reasons why.

2. Washington State Risk Management Pool (WSRMP) Update (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge spoke about how the District has Washington State Risk Management Pool (WSRMP) as our Insurance coverage. Ms. Berge explained we are recommending we stay with the WSRMP. Ms. Berge asked if Directors would like to consider approving this in the A&F Committee, with no official BAR being approved. Director Harris asked what the downside is if we evaluate this every two years and keep looking at it. Ms. Berge explained we can, and it could go on the consent agenda for the payment. Director Burke agrees. Director Blanford disagrees and does not think this step is needed. Since two committee members would like it brought back as a BAR, it will be brought to A&F.

**Regular Agenda Items**

1. Monthly Budget Update (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge said there were no additional updates since the last budget work session.

2. SMART Goal #4 Budget (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge said there were no additional updates since the last budget work session. The house and Senate will not be doing anything until after the June 20th revenue forecast.

3. Monthly Financial Status Update (Berge)

Assistant Superintendent for Business & Finance JoLynn Berge spoke about the update for variances due to “local non tax” which are related to additional grants that are coming to an end and referenced this on page 4.

4. Committee Annual Work Plan (Berge)

No update for the annual work plan.

**Adjourn**

Meeting adjourned at 5:54pm.