

**MINUTES – FINANCE SUBCOMMITTEE of Wayland School Committee
October 24, 2014**

A meeting of the Finance Subcommittee of the Wayland School Committee was held on Friday, October 24, 2014 at 2:00pm in the School Committee Room of the Wayland Town Building.

Present:

Donna Bouchard
Barb Fletcher

Also:

Susan Botta – WPS School Business Administrator

The meeting was convened at 2:10pm and it was announced that the meeting was being recorded by WayCam.

1/ Comments & Written Statements from the Public:

Dee Maxted asked the subcommittee's charge. Barb looked for the exact wording but couldn't locate it. Barb said she would email it later.

2/ Current Fiscal Year Financial Information:

(a) Review of FY'15 Q1 Financial Report:

Susan walked the subcommittee through the Q1 financial report, noting that it included a little less than 4 weeks of information since school did not start until September. Susan said she was working on FY'14 purchase orders (PO's), in an effort to close out encumbrances. There were some variances between PO's and actual invoices, primarily due to shipping and handling and orders that didn't happen.

Susan noted that the schools are projected to spend all funds appropriated. Some favorable results were realized due to staff exchange and the new Special Education transportation contract. Unfavorable results included an increase in the cost of electricity and an increase in technology software licenses.

(b) Review of Outstanding Balances for School Capital Appropriations:

Susan updated the subcommittee with a report on the status of all school capital projects. The cost related to pavement replacement at the high school had not yet been quantified. Additionally, the landscaping at the high school was being redesigned to incorporate more no-maintenance proposals, since some of the original landscaping has been too expensive to maintain. The proposals are due soon and, once the cost is calculated, the high school building capital account can be closed out.

Susan estimated about \$20,000 in capital funds related to furniture and playground equipment will be returned.

(c) Review of Scope of Work and other Pertinent Documents related to Cost/Benefit Analysis of Outsourcing Custodial Services:

Susan updated the subcommittee on the status of the Request for Proposals (RFP) for custodial services. The subcommittee decided to wait until the new facilities director, Ben Keefe, could review the proposal for the scope of services and attend the next subcommittee meeting to provide feedback. Susan will send Ben a draft of the RFP.

3/ FY'16 Financial Information:

(a) Review of Enrollment Report and FY16 Enrollment Projections:

Susan noted that she worked from the actual birth report to help make accurate enrollment projections. For FY'15, enrollment is down by approximately 23 students overall. The enrollment report will be ready for presentation to the subcommittee at its November 13th meeting.

(b) Review of Draft FY'16 Budget Timeline:

Barb and Carol Martin, Member of the Finance Committee (and liaison to the School Committee) will continue to work on the budget timeline. The Finance Committee will attend the December 1st meeting of the School Committee.

(c) Continued Discussion of Possible Options for Conducting an Assessment of the Elementary School Buildings:

Jeanne Downs, School Committee liaison to the Permanent Municipal Building Committee (PMBC), provided technical advice from Doug Goddard, Chair of the PMBC, to Barb. Barb noted that in Doug's personal opinion, a building assessment was a good idea. Since such a review could be a significant expense, he recommended getting the new facilities director involved.

The Town of Lexington conducted a similar study and it was recommended that this information be shared with the new facilities director. All information will be provided before the next subcommittee meeting.

[] also spoke with Ellen Tohn of Wayland's Energy Advisory Committee about the ESCO projects, and whether they should be put on hold while a building assessment is considered. No decisions were made, as the subcommittee needs guidance from the new facilities director.

4/ Revolving Accounts and Grants:

(a) Continued Discussion of Policy for Revolving Account Balances, including Review of Draft Policy and Account Balances:

Barb reviewed a proposed policy for the revolving fund balances. A decision about funding ongoing operations with surpluses was still on hold. A discussion about how to segregate current year revenues from future year operating funds was reiterated. Recommendations for the use of surplus funds included: mitigating future operating costs, mitigating current operating costs, scholarships, capital improvements and startup costs related to enhancing current programming.

A decision was made to seek the feedback of Melanson & Heath, the Town's audit firm, on the proposed draft policy.

(b) Review of 5-Year History of Revolving Account Revenues and Expenses Results, including the Transportation Account:

An error was noted in the FY'13 Transportation Fund report. An updated 5-year budget history was requested, to include FY'14.

(c) Discussion of Cost Allocation Agreement for Revolving Accounts:

Susan noted that MA D.O.R. confirmed the balances in the funds can be used as the School Committee

decides, provided a direct line can be drawn back to the program. Susan also noted a \$107 cost per student for indirects from DESE, however a recommendation was made to compare this number with the MA D.O.R. document related to costing municipal services (worksheet).

Susan plans to update the Current Cost Allocation Agreement for Full Day Kindergarten and OPEB expenditures. She will review the proposed changes with Paul and bring back an updated draft to the Finance Subcommittee at a future meeting.

(d) Continued Discussion of Process for Identifying OPEB Eligible Staff Paid through School Revolving Accounts and Grants:

Susan presented Reid Lyons report of all OPEB-eligible staff paid through school revolving accounts and grants.

(e) Discussion of Gifts Made by School Support Organizations, such as PTO, CAPA, Boosters and Wayland Public School Foundation, per Policy KCD:

The Superintendent's required Annual Report concerning gifts from PTO, CAPA, Boosters and Wayland Public School Foundation was discussed. The subcommittee decided to request a format that included the amount donated (total annual amount) with an accounting of how the money was expended.

5/ Review of Follow-up Information from Prior Finance Subcommittee Meetings:

(a) Information from Peer Communities regarding Reporting/Approval of Staff Exchange by School Committees:

new information was available as to how other communities handle staff exchange savings. It was mentioned that quantifying how many new hires were above and below budget would be helpful information to review.

(b) Information regarding Establishing a School Revolving Account for High School Transcripts:

MA D.O.R. noted that transcript fees are not governed under revolving fund statutes. The guidance secretary noted that it's much easier to create transcripts electronically. The question of where transcript fees could be deposited was raised again. The subcommittee will await additional information.

(c) Update regarding Pension Audit Conducted by KPMG:

Susan updated the subcommittee about the audit. She noted that Wayland was chosen for a pilot of the Mass. Teachers Retirement System audit program. She provided payroll documents to the auditor for FY'13. The audit firm will then pull records of staff members to test when they conduct their field audit.

(d) Information regarding the Timing and Need for an Upgrade of the Phone System at the Elementary and Middle Schools:

Susan noted that Paul Stein will work with the administrative council on obtaining information concerning the timing and need for a phone upgrade in the classrooms.

Consent Agenda:

(a) Approval of October 2, 2014 and October 10, 2014 Finance Subcommittee Minutes:

The meeting minutes for October 2nd were not ready yet and were removed from the vote of the Consent Agenda.

Approval of Accounts Payables & Payroll Warrants:

Barb made a motion and Donna seconded. The Consent Agenda was unanimously approved (2-0).

7/ Future Agenda Topics:

(a) Continued Discussion of Memorandum of Understanding related to Funding of OPEB Investment Account by Certain School Programs (Full Day Kindergarten, The Children's Way, Food Service, BASE):

(b) Review of Revised Student Activity Account Guidelines:

(c) Review of FY15 Budget Book and Discuss Possible Improvements, including a List of Cost Savings/Efficiencies and Benchmarking:

In addition to the above listed agenda topics, the subcommittee also included a policy for the inventory of equipment, any follow up topics from today's meeting and an update on phones in the classrooms.

8/ Comments from the Public:

There were no public comments or written statements from the public.

9/ Adjournment:

Upon a motion duly made by Barb Fletcher, seconded by Donna Bouchard, the subcommittee voted unanimously (2-0) to adjourn at 4:30pm.

Respectfully submitted,


Donna Bouchard

Wayland School Committee

Corresponding Documentation:

- Draft October 10, 2014 Finance Subcommittee Minutes
- Accounts Payable Warrant dated October 24, 2014
- Memo and Backup Information from Susan Bottan dated October 22, 2014 re: Information for October 24, 2014 Finance Subcommittee Meeting
- Memo and Quarter 1 Report from Susan Bottan dated October 24, 2014
- Wayland School Community Programs Recommendations for Cost Allocations dated June 17, 2012
- Draft Policy for Fee-Based Funds
- MA DOR Worksheet Related to Costing Municipal Services
- CIPs for Loker School Network Upgrade and Network Switch Replacement
- FY14 OPEB Cost Calculation for Certain School Revolving Accounts and Grants
- 5 Year History of Actual Revenue and Expenditures for School Revolving Accounts and Grants