

**Woodlands School
Board of Trustees Meeting**

Minutes

March 20, 2014 - APPROVED

<p>Attending:</p>	<p>Officers: Chair – Loretta Cephus – Y Vice Chair – Sue Bay - Y Treasurer – Brad Hoeschen - Y Secretary – Matt O’Neill - Y Ex-Officio – Maureen Sullivan, Principal – Woodlands East Patty Rogers, Principal, Woodlands</p> <p>Trustees: Acevedo, Rafael - Y Coby-Beaver, Jacqueline - N Caruso, Carolyn - Y Hartwig-Rahmani, Brenda – Y Leazar, Naryan - N Maney, Jennifer – Y Newell, Dr. Markeda - N Sheka, Lynn - N Wittig, Catherine - Y</p> <p>Guests: Shari Wiemer, Business Manager; Brian Mitchell (PTO Liaison); Bruce Stahl and Paul ___ from Laurus</p>
<p>1. Laurus – Unemployment Tax Issues</p>	<p>Bruce Stahl gave presentation to the Board concerning troubling issues with unemployment tax.</p> <ul style="list-style-type: none"> • Handed out document regarding Payroll Data options with respect to unemployment and health care. • Under our contract with Laurus, Laurus (acting as EmPower) is deemed a Professional Employment Organization (PEO), and our employees are technically viewed as employees of EmPower. There has been a determination that this leaves Woodlands subject to State and Federal Unemployment Tax (est. total \$40,000/year) that we do not otherwise owe as a nonprofit educational organization. According to Bruce: <ul style="list-style-type: none"> ○ Recent Administrative Law Judge (ALJ) held PEO is viewed as employer. Laurus appealed and asked Board

of Insurance to keep Woodlands under its own account number to avoid this result. Board refused, said PEO is employer of record and SUTA had to be paid. Bruce added that Chuck Scheider who handled the Woodlands account was terminated earlier today, in relation to this matter.

- Woodlands now has potential unemployment tax liability of \$40,000, that we did not previously have as a non-profit organization
- Laurus proposing a 20% discount on their rate because of the issue
- Chair Loretta Cephus appreciates how Laurus has worked with us now to try to find a fair resolution of the issues and problems, but is frustrated in the manner that this came up without any notice or warning.
- Brad Hoeschen asked what our options are to maintain our non-profit status where we don't have a potential liability for the unemployment tax.
- Options include converting to "ASO" deal, where we would again become an employer.
- Bruce understands our frustration; is trying to make things right. Referring to materials handed out at meeting:
 - If we go to ASO, we will have no SUTA or FTA obligations
 - If we stay PEO, SUTA and FUTA obligations start April 1, 2014.
 - Under ASO, our health will not change, at least for current year. But we would not be part of Laurus bargaining group for health coverage in the future.
 - Under ASO, our dental could come back to us; Loretta asked if Laurus would eat the cost, and Bruce agreed Laurus would
 - General discussion, and expression of Board's extreme frustration that we were given no notice in advance and

	<p>not allowed to participate in the administrative law process.</p> <ul style="list-style-type: none"> • Bruce will follow up with Brad to explore more fully our options (if any) to seek further review of decision
<p>2. Business Office Update/Timeline</p>	<ul style="list-style-type: none"> • Handout reflecting the challenges for new business administrator • Shari explained some of the difficulties she has faced since assuming the position. Goal is to resume full monthly presentations; get March YTD by April board meeting. Looking into using Quickbooks online as opposed to laptop version; some pluses and minuses, walked through them. Working on stabilizing cash flow, and are looking to extend our credit line to give us greater flexibility. Looking for ways to make invoicing cheaper and allow direct payments online by parents. • Budget – Brad has scheduled meeting to begin putting together budget; Shari interested in getting refined five-year budget. • Shari is contemplating additional ways to streamline our internal controls and accounting • Board expressed its appreciation for Shari’s incredible efforts in her first month on the job.
<p>3. Bylaws Review</p>	<p>Loretta gave explanation of additional set of adjustments to new bylaws, e.g., use of term Executive Director rather than CEO. Ron Retzke will also take a pass through the revised draft. Revised draft will be circulated in near future for Board action.</p>
<p>4. Fundraising/Marketing</p>	<p>Rafael Acevedo gave update. Has had second meeting of marketing/fundraising committees. Lynn Sheka’s draft marketing plan was circulated prior to the meeting. Looking into prioritizing marketing plan to help work up fundraising. Will be putting together written fundraising plan, building off of and working with the marketing efforts. Next committee meeting is April 1st. Interested in identifying potential outside funders – may re-approach Burke Foundation.</p>

	<p>The Board discussed other ways to raise funds, such as a major Annual Event - black tie event, Art Museum. Could also change pricing for our work expanding the model and training other schools and districts.</p> <p>Website update is critical; Jacquie Coby-Beaver is working hard on it. Need the website to be the portal for potential donors. Should have funds in hand August 1 to go forward with website overhaul</p> <p>Maureen discussed potential awards that Woodlands is in the running to get; will plan to maximize the impact of any awards we do get.</p>
5. Annual Meeting	<p>Current date of May 20 will not work – conflict with awards event. New date will be May 22, 2014. Place TBD, but Burke’s Irish Castle is a possibility, as they would like to work with us.</p>
6. Governance Committee	<p>Dr. Newel will join the Governance Committee. Brad will be moving off the Board. Jennifer Maney will also be leaving the Board.</p>
7. Closed Session – Laurus Issues	<p>MOTION by Brad to go into Executive Session to discuss Laurus issues, second by Matt, motion approved unanimously.</p> <p>RETURN TO OPEN SESSION</p> <p>MOTION by Brad Hoeschen to transition agreement with Laurus from PEO model to ASO model, with letter expressing the Board’s disappointment, with new contract to be month to month; motion seconded by Brenda, motion affirmed unanimously.</p>
• Adjourn	<p>Motion to adjourn by Brad Hoeschen, second by Brenda, motion passed unanimously.</p>

Prepared by: Matt O’Neill