

**Woodlands School
Board of Trustees Meeting**

Minutes

July 18, 2013 - Approved

<p>Attending:</p>	<p>Officers: Chair – Loretta Cephus – Y Vice Chair – Sue Bay - N 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 - Y Suozzi, Paula – N Hartwig-Rahmani, Brenda – N Leazar, Naryan - N Maney, Jennifer – Y Newell, Dr. Markeda - Y</p> <p>Guests: Bruce Stahl & Chuck Schneider (Laurus)</p>
<p>1. Approval of Minutes</p>	<p>Minutes from 6/20/13 meeting were distributed prior to the meeting; Motion to approve minutes by Brad Hoeschen, second by Matt O’Neill, motion approved unanimously.</p>
<p>2. Approval of Financials</p>	<p>Prior to the meeting, the Board received copies of and reviewed completed financials through May 31, 2013.</p> <p>Motion by Brad Hoeschen, second by Rafael Acevedo, to approve the May 2013 financials, motion approved unanimously.</p>
<p>3. Laurus Group Discussion.</p>	<p>Bruce Stahl and Chuck Schneider from Laurus attended the meeting to discuss issues with the potential contract.</p> <p>Prior to the meeting Loretta circulated a presentation and breakdown of PEO insurance pricing in comparison to what our current premium is with United Health Care. In order to get the PEO pricing we will have to contract Laurus to handle many aspects of our outsourcing related to HR (draft contract also circulated). They will be able to provide pricing in the open market, however the benefits to going with the PEO pricing is that we would be included in a pool of about 5,000 employees, so our rates would no longer be based on age</p>

bands. Market pricing is not yet available.

Bruce Stahl briefly explained the health care advantages of entering into a much bigger pool of employees and how it should avoid sharp increases in costs.

Brad Hoeschen reviewed the proposed Laurus contract prior to the meeting, and had a list of items that need to be reviewed, some of which merit Board attention.

First, the contract has all of our employees become co-employees of Laurus. The draft contract would further require us to meet with Laurus to get approval to discipline our employees. This raises concerns about our ability to control our employees and to act expeditiously – consulting is one thing, but it must be clear that the final decision is ours alone. Loretta related that she and Maureen have had discussions with Laurus, and believes they will agree on this issue – the draft contract is a standard form. Chuck Schneider confirmed this, but added that if we remove such provisions it may void protections we would otherwise have through Laurus against certain potential liabilities. Schneider stressed that Laurus has ER professionals available every day, and they do not stand in the way of final decision-making. The final decision is ours; they are just there to provide proper advice and risk management.

Second, Brad noted that the school owns no automobiles, so we do not need any insurance.

Third, Brad had a question about “professional liability”; we only have E&O for the Board; Chuck Schneider confirmed that should be adequate.

Fourth, the contract would require us to keep a Reserve Account equal to one payroll. Brad asked what we could have in lieu of that, because we do not have the reserve capability. Chuck Schneider confirmed that a letter confirming our line of credit is sufficient; Laurus needs to cover itself because as co-employer they need to make payroll if we do not.

Fifth, Brad asked about penalty provision in section 2b; Chuck Schneider said they have never had to enforce it, but if forced to, they would; however, Laurus would not do so unless things deteriorated to an extreme point of non-compliance, and we would always have prior

	<p>notice before any such charge.</p> <p>Sixth, the proposed contract includes provisions giving Laurus authority to hire employees and can set pay; we object to these. Chuck Schneider said the first is required by law to be included, and the pay provision is there only to ensure that we are paying minimum wage; Board asked Laurus to so note in the Agreement.</p> <p>There was then a general discussion of the pros and cons of a contract with Laurus. The Board discussed the existing uncertainties in the ACA, with the employer penalty being pushed back but the individual mandate still in place. May have an impact on how we decide to go forward on these issues. Bruce Stahl suggested we should look carefully at the employees and how many may be subject to the mandate, and how many have other coverage available.</p> <p>The Board discussed generally the records that Laurus needs to keep (personnel files), and the records they do not (interview records, etc.).</p> <p>Brad confirmed fees - \$73/month per employee; no fee for existing employees; \$40 per new employee; \$40 per terminated employee; \$40 per employee when contract ends – Brad will object to that.</p> <p>Brad asked about additional investigation charges, and whether these would appear as a surprise; Chuck Schneider gave his “word” that this will not happen without prior notice to us.</p> <p>Rafael Acevedo asked about the length of the contract; it is month to month, with 60 day termination.</p> <p>The Board thanked Bruce and Chuck for their time, and they were excused from the meeting.</p> <p>Motion by Brad Hoeschen to authorize the Executive Director and Chair to enter into the working agreement for professional employer services with Waterstone HR LLC, d/b/a Empower HR, pending final negotiations by ED and Chair requiring that there be no price increase; motion seconded by Brenda Hartwig-Rahmani, motion passed unanimously.</p>
<p>4. Budget Approval</p>	<p>Prior to the meeting Chair Loretta Cephus circulated proposed budgets for Woodlands and Woodlands East. Loretta explained certain abilities to allocate and share costs between the 2 schools;</p> <p>a. Woodlands School – In the current budget, 10% of</p>

Executive Director Maureen Sullivan's salary is being absorbed by Woodlands. In addition, the new Business Manager position has been split between Woodlands and Woodlands East and reduced based on tentatively moving forward with Laurus which would greatly reduce the job responsibilities. Capital Reserve funds are included \$25k, Computer Lab - \$12k. Maureen, Patty Rogers and Loretta met with the Sisters, to review some of the items that need to be addressed at the current school. Maureen and Patty will be putting together a list of the top four items, with approximate costs at which point we will begin addressing (tunnel, playground repaving, boiler and roof on secondary building)

Maureen, Patty and Loretta discussed the interview and hiring process for new positions so far, including Business Manager; projected health and dental costs have been adjusted to account for Laurus costs, which yields a savings of \$11,000 or more; salary savings will be in the \$48,000 range; will impact our capital reserve account;

Patty explained administration's work with Jason Bacon regarding improvements in school technology; confirmed that PTO has offered \$3,500 to pay towards updating technology; is working into the budget funds for increasing technology by adding a series of new desktop computers; Jason is working very hard on our behalf;

Loretta led the Board in a general discussion regarding the impending building improvement costs with the tunnel, boiler, playground surface, and other issues, and the Board agreed these are issues that need continued consideration, in light of the current 5 years remaining on the lease; Brad and Rafael discussed the relative costs for our building compared to other school buildings currently being rented, and even with the improvement costs to date, our rate is good;

Motion by Brad Hoeschen to approve proposed 2013-2014 Woodlands Budget, second by Jennifer Maney, motion passed unanimously.

b. **Woodlands East School** - There are still some variables with Title 1 funds, which can only be finalized once total enrollment has been finalized. We are currently at 15% free and reduced. We were awarded the Walton grant in the amount of \$241,200, which will reflect a wash in the budget for equipment. [There was an audible "yay"]. This will help to furnish the new building. Maureen is

	<p>pursuing additional grants, for the library and other issues. Administration salaries have been adjusted to reflect the adjustment of Maureen, and the addition of the Business Manager’s salary. Specialist’s salaries were raised to reflect actual hours being worked, which was offset somewhat by the level of salaries for the new teachers. Maureen updated that we did not receive the KaBoom grant, and she will make arrangements for a play structure to be in place.</p> <p>Total enrollment to date is 77 out of goal of 144; Maureen remains confident that we will hit the goal. Phones are still ringing and the contract process is continuous.</p> <p>Motion by Brad Hoeschen to approve proposed 2013-2014 Woodlands East Budget, second by Rafael Acevedo, motion passed unanimously.</p>
<p>5. Committee Updates</p>	<p>Governance Committee – No New Updates</p> <p>By-Laws Committee – Naryan will be providing an update, we are looking at voting on the new by-laws during our August meeting.</p> <p>Workforce Development – No New Updates</p> <p>Finance Committee – No New Updates.</p>
<p>6. 2013-2014 Board Schedule</p>	<p>Sept. 19, 2013 Oct. 17, 2013 Nov. 21, 2013 Jan. 16, 2014 Feb. 20, 2014 Mar. 20, 2014 April 17, 2014 May 15, 2014 (Annual Meeting) June 19, 2014</p>
<p>7. Adjourn</p>	<p>Motion to adjourn by Brad, second by Jacqueline Coby-Beaver, passed unanimously. Next meeting: September 19, 2013.</p>

Prepared by:
Matt O’Neill