

**Northeast Educational Services Cooperative
Board of Directors Meeting
March 15, 2010**

The Board of Directors for the Northeast Educational Services Cooperative (NESC) met in regular session on Monday, March 15, 2010 at the LATI-Technical Education Center, Watertown, SD. The meeting was called to order by President T.Kleinjan at 7:00 P.M. and adjourned at 8:40 P.M.

Members present: C.Weber, Arlington; R.Gresh, Britton-Hecla; H.Boner, Castlewood; J.Guest, Clark; N.Koehlmoos, DeSmet; C.Knutson, Deubrook; P.Witte, Deuel; T.Bauer, Elkton; L.Mennenga, Estelline; S.Morrison, Florence; L.Larson, Grant-Deuel; P.Roe, Hamlin; G.Fish, Henry; B.Nelson, Lake Preston; T.Kleinjan, Sioux Valley; C.Quale, Summit; C.Berger, Waubay; M.Comes, Waverly; K.Meland, Webster; D.Lutkemeier, Wilmot.

Absent: J.Bearhill, Enemy Swim; M.Fast, Iroquois; M.Pearson, Rosholt; J.Michalski, Willow Lake.

Others Attending: Advisory Board Representatives: D.Jones, K.Keenaghan; NESC Staff Representatives: M.Borgman, D.Harmel, M.Hempel, K.Juhnke, L.Lux, R.Schwandt, C.Sommerlot. Administration: J.Aberle, Director; R.Zinter, Assistant Director; M.Flett, Business Manager; L.Olsen, Assistant Business Manager; C.DeWitt, Business Manager.

DISCUSSION / ACTION ITEMS

Agenda

Action #7865 Motion by C.Knutson, second by D.Lutkemeier, to approve the agenda with the following changes and/or additions. All present voting yes, motion carried.

Deletion:

Action Item #1 to approve Assistant Director Contract.

Additions:

Action Item #4 Designate Business Manager Matthew Flett as a purchasing agent, a federal program agent, and custodian of accounts as of March 29, 2010.

Action Item #5 Effective March 29, 2010 remove Cheryl DeWitt from all signature cards / accounts at Reliabank Dakota, Hayti, SD.

Action Item #6 Effective March 29, 2010 add Business Manager Matthew Flett to all signature cards / accounts at Reliabank Dakota, Hayti, SD.

Action Item #7 Effective March 29, 2010 appoint Business Manager Matthew Flett as authorized representative for South Dakota Retirement System (SDRS).

Action Item #8 Accept Assistant Director Rhonda Zinter's resignation (after executive session).

Action Item #9 Accept ESA 1 Project Coordinator Shawn M. Olsen's resignation (after executive session).

Action Item #10 Consider Mary Hempel's request to be moved from Step 8 to Step 16 on the Unit 2 Salary Schedule (after executive session).

Action Item #11 Reduction in Force (RIF) notices (after executive session).

Board Proceedings

Action #7866 Motion by L.Mennenga, second by L.Larson, to approve the proceedings of the February 15, 2010 Board of Directors meeting as published. All present voting yes, motion carried.

Accounts Payables

Action #7867 Motion by D.Lutkemeier, second K.Meland, to approve payment of the March 2010 accounts payables as presented. All present voting yes, motion carried.

Financial Report

Action #7868 Motion by R.Gresh, second by P.Roe, to approve the financial reports for the period ending 02/28/10. All present voting yes, motion carried.

General Fund: Cash Balance 01/31/10 \$230,329.93 Accounts Receivables \$1,782.64; Revenue: Reading Recovery Assessments \$5,704.80, D & A Testing Pool Assessment \$79.59, Education Service Agency \$3,930.00; Expenditures: (\$35,481.16); Cash Balance 02/28/10 \$206,345.80.

Special Education Fund: Cash Balance 01/31/10 \$1,313,944.31; Accounts Receivables \$1,433.11; Center Base Tuition \$76,701.13, Interest \$1,481.46, Sp.Ed. Assessments \$227,255.84, State/Federal Funds: Part C \$10,019.68, Part B \$13,809.95; Expenditures: (\$291,691.49); Cash Balance 02/28/10 \$1,352,953.99.

Imprest / Trust & Agency: Cash Balance 01/31/10 \$5,660.70; Receipts \$2,732.44; Expenses: (\$2,740.06) Cash Balance 02/28/10 \$5,653.08.

Business Manager DeWitt reviewed a cash balances report for the period of July 1, 2009 through February 28, 2010.

Advisory Board Meeting

Director Aberle reviewed the proceedings of the NESC Advisory Board meeting held on March 3, 2010. Informational and discussion items included the following:

- ❖ Positive Behavioral Interventions & Supports: Rebecca Cain, SD DOE-Special Education
- ❖ ELL Students and Testing for Special Education
- ❖ NESC By-Law Changes: Article IV, Section 4.9 and Article V, Section 5.3
- ❖ K-12 Enrollment and Child Count Verification
- ❖ Financial Report
- ❖ State Performance Plan
- ❖ Medicaid Report
- ❖ Apex, NovaNet, OdysseyWare
- ❖ 504 Training
- ❖ Business Manager Hiring Update
- ❖ 1% Exemption
- ❖ Federal Flow-Through Application
- ❖ Board of Directors' 3/15/10 Meeting Agenda

NESC By-Law Amendments

Article IV Governance, Section 4.9 Steering Committee

A second reading of the proposed changes to Article IV Governance, Section 4.9 Steering Committee, as presented for a first reading at the February 15, 2010 Board of Directors' meeting and reflecting the Advisory Board and Steering Committee recommendations was held.

Action #7869 Board Member T.Bauer introduced Resolution #150, second by J.Guest, to approve and adopt the proposed changes to Article IV Governance, Section 4.9 Steering Committee as presented.

Roll call vote: Arlington yes, Britton-Hecla yes, Castlewood yes, Clark yes, DeSmet yes, Deubrook yes, Deuel yes, Elkton yes, Enemy Swim absent, Estelline yes, Florence yes, Grant-Deuel yes, Hamlin yes, Henry yes, Iroquois absent, Lake Preston yes, Rosholt absent, Sioux Valley yes, Summit yes, Waubay yes, Waverly yes, Webster yes, Willow Lake absent, Wilmot yes. Vote total: 20 yes, 4 absent. Resolution #150 was approved and adopted as follows:

Resolution #150

Article IV Governance, Section 4.9 Steering Committee

No later than the August meeting of the Board of Directors, the Board President shall appoint a six member Steering Committee from its membership with one alternate member. Membership on the committee will include the Board of Directors' Chairperson, Vice Chairperson, and a minimum of two members from member districts with enrollments of 400 upward, two with enrollments of 251-399, and two with enrollments of 0-250. The December 1 K-12 enrollments of the previous school year will be used. The committee shall meet at their discretion with dates, time and location of meeting selected by the committee. The committee will review the NESC By-Laws on an annual basis and discuss pertinent NESC issues. The committee will make recommendations and suggest updates to the Board of Directors and Advisory Board. Compensation and mileage reimbursement will be paid by NESC at a rate authorized by the Board of Directors.

Article V Means of Finance, Section 5.3 Center Base Tuition

A second reading of the proposed changes to Article V Means of Finance, Section 5.3 Center Base Tuition, as presented for a first reading at the January 18, 2010 Board of Directors' meeting and reflecting the Advisory board and Steering Committee recommendations was held.

Action #7870 Board Member D.Lutkemeier introduced Resolution #151, second by L.Larson, to approve and adopt the proposed changes to Article V Means of Finance, Section 5.3 Center Base Tuition as presented.

Roll call vote: Arlington yes, Britton-Hecla yes, Castlewood yes, Clark yes, DeSmet yes, Deubrook yes, Deuel yes, Elkton yes, Enemy Swim absent, Estelline yes, Florence yes, Grant-Deuel yes, Hamlin yes, Henry yes, Iroquois absent, Lake Preston yes, Rosholt absent, Sioux Valley yes, Summit yes,

Waubay yes, Waverly yes, Webster yes, Willow Lake absent, Wilmot yes. Vote total: 20 yes, 4 absent. Resolution #151 was approved and adopted as follows:

Resolution #151

Article V Means of Finance, Section 5.3 Center Base Tuition

The Center Base Programs will be funded by tuition. Only those school districts with placements in the program will be charged tuition.

A preliminary tuition rate for the ensuing school year will be calculated prior to April 1. The projected number of Center Base students for the ensuing school year will be divided into the proposed budget total to create a per student base rate. Percentages set by the Board of Directors will then be applied to the per student base rate. Example: The first placement will be 130% of the per student base rate; the second placement will be 75% of the per student base rate per placement; and the third placement plus any additional placements will be 50% of the per student base rate per placement. The Board of Directors will determine the percentage rates on an annual basis prior to May 1.

Tuition will be billed to the participating school districts on a monthly basis. The rate of tuition, per placement, will be prorated in eight monthly payments beginning in October. The October billing will include September and October tuition.

On October 1 the tuition rate will be recalculated using the current number of placements in the program and any changes to the program budget. A final tuition rate for the school year will be recalculated again on April 1 and will be based on total program expenses to date and estimated year end expenses. Tuition exceeding program expenditures will be deferred to the following fiscal year and applied to the Center Base tuition for that year.

School districts hosting NESC Center Base Programs will be paid a facility use fee beginning with the 2006/07 school year. The facility use fee will be twenty-five percent (25%) of the current school years per student general state aid allocation, excluding any one-time money. The facility use fee will be included in the calculation of the per student base rate. NESC will pay the host school districts the facility use fee on a monthly basis.

Board Meeting Time Change April - October 2010

Action #7871 Motion by C.Quale, second by L.Mennenga, to change the Board of Directors' meetings to begin at 7:30 P.M. for the months of April through October, 2010. All present voting yes, motion carried.

ACTION ITEMS

Business Manager Contract

Action #7872 Motion by L.Larson, second by P.Roe, to approve a Business Manager contract with Matthew Flett. In addition to the terms and conditions regarding annual leave, sick leave, South Dakota Retirement, health and dental insurance, and paid holidays, the contract provides for 81 days of employment for the period of March 9, 2010 through June 30, 2010, compensation will be \$12,773.08; and 260 days of employment for the period of July 1, 2010 through June 30, 2011, compensation will be \$42,000.00. All present voting yes, motion carried.

Center Base Work Agreement

Action #7873 Motion by R.Gresh, second by G.Fish, to approve a work agreement with Barbara Hoyles to provide services as a Center Base student transporter and Project Skills job coach. Compensation will be \$11.25 per hour. All present voting yes, motion carried.

Business Manager Designations

Action #7874 Motion by C.Knutson, second by D.Lutkemeier, to transfer the following designations and job responsibilities to the new Business Manager. All present voting yes, motion carried.

- Designate Business Manager Matthew Flett as a purchasing agent, a federal program agent, and custodian of accounts as of March 29, 2010.
- Effective March 29, 2010 remove Cheryl DeWitt from all signature cards and accounts at Reliabank Dakota, Hayti, SD.
- Effective March 29, 2010 add Business Manager Matthew Flett to all signature cards and accounts at Reliabank, Dakota, Hayti, SD.
- Effective March 29, 2010 appoint Business Manager Matthew Flett as the authorized representative for the South Dakota Retirement System.

Executive Session

Action #7875 Motion by K.Meland, second by C.Quale, to enter executive session at 7:50 P.M. to discuss negotiations and personnel matters. All present voting yes, motion carried.

President Kleinjan declared the Board out of executive session at 8:30 P.M. and resumed regular session.

Assistant Director Resignation

Action #7876 Motion by K.Meland, second by T.Bauer, to accept the resignation of Rhonda Zinter for the 2010/2011 contract year. All present voting yes, motion carried.

Transition Training Agreement

Action #7877 Motion by C.Knutson, second by R.Gresh, to contract with Rhonda Zinter to provide six days of services to provide transition training for the new assistant director. Compensation will be \$229.96 per day and a NESC vehicle will be provided. All present voting yes, motion carried.

ESA 1 Project Coordinator Resignation

Action #7878 Motion by L.Larson, second by M.Comes, to accept the resignation of Shawn M. Olsen, ESA 1 Project Coordinator, effective at the end of the current contract year, June 30, 2010. All present voting yes, motion carried.

Request for Salary Schedule Change

No action was taken by the Board of Directors in response to a salary schedule change request submitted by Mary Hempel.

Reduction In Force Notices

Action #7879 Motion by L.Larson, second by D.Lutkemeier, authorizing the Reduction in Force notices to be issued to ESA 1 personnel Kim Hill and Diane DeGroot. All present voting yes, motion carried.

Action #7880 There being no further business to come before the Board at this time, motion by D.Lutkemeier, second by P.Roe, to adjourn. All present voting yes, motion carried.

The next meeting of the NESC Board of Directors will be Monday, April 19, 2010 at LATI, Watertown, SD. The meeting will begin at 7:30 P.M.

Thomas Kleinjan, President

Cheryl DeWitt, Business Manager