

Northeast Educational Services Cooperative  
Board of Directors Meeting  
Monday, October 17, 2016

The Board of Directors for the Northeast Educational Services Cooperative (NESC) met in regular session on Monday, October 17 at Lake Area Technical Institute in Watertown, SD. The meeting was called to order by President Koenecke at 7:00 P.M. and adjourned at 7:55 P.M.

Members present:

Martin Murphy, Arlington; Trudi Gaikowski, Clark; Barb Asleson, De Smet; Carie Knutson, Deubrook; Debbe Koenecke, Deuel; Arend Schuurman, Elkton; Ron Gorder, Estelline; Tracy Hlavack, Florence; Joe Homola, Hamlin; Dave Fuller, Henry; Christy Woodcock, Lake Preston; Hailey Peterson, Rosholt; Gloria Koerlin, Sioux Valley; Sandy Hinze, Waubay; Jeff Buchholz, Waverly/South Shore; Joel Shoemaker, Webster; Paula Warkenthien, Willow Lake; Denise Lutkemeier, Wilmot

Absent:

Kurt Zuehlke, Britton-Hecla; Cory Akin, Castlewood; Lois Owens, Enemy Swim Day School; Jared Engebretson, Grant-Deuel; Greg Schortzmann, Iroquois; Corrie Quale, Summit;

Others Attending:

NESC Staff Representatives: None present.

Member District Superintendents: Jim Block, Webster

NESC Administration: Jerry Aberle, Director; Brice Christensen, Business Manager; Tim Frewing, Assistant Director

Call to Order

President Koenecke called the meeting to order at 7:00 P.M.

Agenda review, changes, and approval

*Action #17016* Motion by D. Lutkemeier, second by T. Hlavacek, to approve the agenda with the following additions: 6c) Approval of contract amendment—KorManagement Services LLC. \$35 per hour; \$15 per test for drug collection; Mileage at IRS rate; 7d) Title II Part B, Math and Science Partnership Grant; 8d) Budget supplement – Center Base. All present voting in favor, motion carried.

Introduction of Guests

Jim Block was introduced as a guest.

Conflicts of Interest

No conflicts of interests were reported.

Financial Report

*Action #17017* Motion by C. Knutson, second by T. Hlavacek, to approve the financial report for the period ending September 2016. All present voting in favor, motion carried.

	<u>General Fund</u>	<u>Special Education Fund</u>	<u>Agency Fund</u>	<u>Enterprise Fund (NPIP)</u>
<b>Cash Balance</b>				
<b>September 1, 2016</b>	<b>\$130,083.81</b>	<b>\$570,872.88</b>	<b>\$16,906.57</b>	<b>\$612,836.05</b>
<u>Receipts:</u>				
Local Sources	\$13,894.93	\$110,234.50	\$1.68	\$63,898.41
State Sources		\$4,982.25		
Federal Sources				
Other	\$91,586.75		\$4,142.63	
<u>Total Monthly Receipts</u>	<u>\$105,481.68</u>	<u>\$115,216.75</u>	<u>\$4,144.31</u>	<u>\$63,898.41</u>
Total Gross Receipts	\$235,565.49	\$686,089.63	\$21,050.88	\$676,734.46
Less Salaries	\$20,361.48	\$253,017.82		
Less Disbursements	\$45,429.12	\$18,307.37	\$2,899.75	\$46,728.34
<u>Total Salaries &amp; Disbursements</u>	<u>\$65,790.60</u>	<u>\$271,325.19</u>	<u>\$2,899.75</u>	<u>\$46,728.34</u>
<b>Ending Cash Balance</b>				
<b>September 30, 2016</b>	<b>\$169,774.89</b>	<b>\$414,765.44</b>	<b>\$18,151.13</b>	<b>\$630,006.12</b>

#### Consent Agenda

*Action #17018* Motion by J. Homola, second by T. Gaikowski, to approve the following items on the Consent Agenda: 6a) Approval of September 19, 2016 Board of Directors minutes; 6b) Approval of payment of October 2016 claims; 6c) Approval of contract amendment—KorManagement Services LLC. \$35 per hour; \$15 per test for drug collection; Mileage at IRS rate. All present voting in favor, motion carried.

#### October 2016 Accounts Payable

**GENERAL FUND:** APEX LEARNING ADDITIONAL SEATS 625.00;BMO MASTERCARD PURCH SVCS, TRAVEL, PHONE, SPLYS 600.36;BND TOWING MAINT 126.00 CENEX FLEETCARD MAINT & GASOLINE 4,699.73;CENTURY BUSINESS PRODUCTS, INC COPIER MAINT CONTRACT 105.95;CHRISTENSEN, BRICE FISCAL MILEAGE TO STAFF 2.67;CHURCHILL,MANOLIS,FREEMAN,KLUDT,SHELTON BOARD - LEGAL 19.98;CRAIG BASS SANITARY SERVICE O&M - GARBAGE SERVICE 20.77;DELYLE'S SOUTH 81 SERVICE, INC. MAINT 1,387.70;DON'S BODY SHOP MAINT 40.00;DUST TEX SERVICE, INC. O&M - RUG RENTAL 6.42;ESTELLINE COMMUNITY OIL CO. MAINT 119.61 HAMLIN COUNTY FARMERS COOP MAINT & GASOLINE 1,662.71; JURGENS OIL MAINT 37.91;KORMANAGEMENT SERVICES, LLC DRUG & ALCOHOL POOL 2,583.03 NESC IMPREST REIMBURSE IMPREST 91.25;NESC PAYROLL CLEARING OCTOBER 2016 PAYROLL 19,944.19;NORTHLAND AUTO CENTER MAINT 107.15; OTTER TAIL POWER CO. O&M - ELECTRICITY 86.85;QUICK PRO LUBE MAINT 36.02;S & S AUTO MAINT 25.00;SD DEPT. OF REVENUE CARS- TITLE/PLATES/REGISTRATION 42.40 TOWN OF HAYTI O&M - WATER AND SEWER 29.78;W.W. TIRE SERVICE MAINT 114.36;WEBSTER AUTO CARE MAINT 104.22

**FUND TOTAL: \$32,619.06**

**SPECIAL EDUCATION FUND:** BMO MASTERCARD PURCH SVCS, TRAVEL, PHONE, SPLYS 11,495.23;BRITTON-HECLA SCHOOL DISTRICT SPEECH MILEAGE 37.38;CASTLEWOOD SCHOOL DISTRICT CB FACILITY USE FEE/SUPPLIES 978.82;CENTURY BUSINESS PRODUCTS, INC COPIER MAINT CONTRACT 38.85;CHILSON, GINA SPEECH MILEAGE TO STAFF 173.46;CHRISTENSEN, BRICE FISCAL MILEAGE TO STAFF 15.39;CHURCHILL,MANOLIS,FREEMAN,KLUDT,SHELTON BOARD - LEGAL 115.02;CRAIG BASS SANITARY SERVICE O&M - GARBAGE SERVICE 108.23;DUST TEX SERVICE, INC. O&M - RUG RENTAL 33.44;HAMLIN COUNTY FARMERS COOP MAINT & GASOLINE 1,585.71 HAMLIN SCHOOL DISTRICT CB FACILITY USE FEE 1,117.59;HAYUNGA, STEPHANIE OT DUES AND FEES 225.00;MEYER, MARIA PSYCH-CONF REG&TRAVEL 1,106.20;NESC IMPREST REIMBURSE IMPREST 174.93;NESC PAYROLL CLEARING OCTOBER 2016 PAYROLL 255,130.02;OTTER TAIL POWER CO. O&M - ELECTRICITY 452.56;TIEFENTHALER, DEBRA SPEECH MILEAGE TO STAFF 38.22 TOWN OF HAYTI O&M - WATER AND SEWER 5.72;WEBSTER SCHOOL DISTRICT CB FACILITY USE FEE 406.40;WENZ, MELODY SPEECH MILEAGE TO STAFF 8.40;WIESE, RITA SPEECH MILEAGE TO STAFF 31.92

**FUND TOTAL: \$273,278.49**

Discussion Items

October 5, 2016 Board of Advisor Minutes

Assistant Director Frewing reviewed the minutes from the October 5 Board of Advisor meeting.

Conflict of Interest Policy

Director Aberle reviewed a draft of a NESC conflict of interest policy. The policy will be on the action items at the November 21<sup>st</sup> board meeting.

New Overtime Rules

Business Manager Christensen informed the board of new overtime rules starting December 1 that may have an effect on a small number of NESC employees.

Title II Part B, Math and Science Partnership Grant

Director Aberle gave information regarding the grant award notice for the Title II Part B grant. The grant will continue through FY17, but has not been reauthorized for the third and final year.

Action Items

Surplus Vehicles

*Action #17019* Motion by C. Knutson, second by G. Koerlin to declare 8 vehicles surplus. All present voting in favor, motion carried.

Fixed Asset No. 0243	1998 Plymouth Breeze	Serial#: 1P3EJ46C8WN306399
Fixed Asset No. 0277	1999 Plymouth Breeze	Serial#: 1P3EJ46XXN658405
Fixed Asset No. 0280	1999 Plymouth Breeze	Serial#: 1P3EJ46CXXN629564
Fixed Asset No. 0287	2001 Dodge Stratus	Serial#: 1B3EJ46X71N649315
Fixed Asset No. 0294	2000 Ford Taurus	Serial#: 1FAFP5320YG278017
Fixed Asset No. 0299	2002 Dodge Stratus	Serial#: 1B3EL36X82N259586
Fixed Asset No. 0305	2001 Dodge Stratus	Serial#: 1B3EJ46X71N611888
Fixed Asset No. 0315	2004 Dodge Stratus	Serial#: 1B3EL36T64N139639

Property owners C. Knutson, T. Hlavacek, and D. Lutkemeier appraised the vehicles.

Set Center Base Tuition Rates

*Action #17020* Motion by D. Fuller, second by D. Lutkemeier to approve the FY17 center base tuition rates as presented. All present voting in favor, motion carried.

Base Rate	\$32,731.00
1 <sup>st</sup> Placement	\$45,332.44
2 <sup>nd</sup> Placement	\$26,102.97
3 <sup>rd</sup> Placement	\$24,220.94

Approve Indirect Cost Rate

Action #17021 Motion by T. Hlavacek, second by A. Schuurman to approve the SD DOE indirect cost rate for fiscal years 2017-2021 of 2.56% restricted and 7.77% unrestricted. All present voting in favor, motion carried.

Budget Supplement – Center Base

Action #17022 Motion by T. Gaikowski, second by G. Koerlin to introduce Resolution #164:

Let it be resolved, that the Board of Directors for the Northeast Educational Services Cooperative, in accordance with SDCL 13-11-3.2 and after duly considering the proposed supplemental budget, hereby approves and adopts the following supplemental budget in total:

Appropriations:

<b>22-1223-000-112</b>	Regular Salary-Para Professional	\$ 57,596.00
<b>22-1223-000-210-301</b>	Social Security & Medicare - Para	\$ 4,406.09
<b>22-1223-000-220-301</b>	Retirement - Para	\$ 3,455.76
<b>22-1223-000-230-301</b>	Insurance - Para	\$ 26,139.49
	<b>Total Appropriations:</b>	<b>\$ 91,597.34</b>

Means of Finance:

<b>22-1312</b>	Tuition-Center Base	\$ 91,597.34
	<b>Total Means of Finance:</b>	<b>\$ 91,597.34</b>

Assistant Director's Report

Assistant Director Frewing gave his monthly report.

Director's Report

Director Aberle gave his monthly report.

Adjournment

Action #17023 With there being no further business, motion by R. Gorder, second by J. Homola, to adjourn. All present voting in favor, motion carried.

The next NESC Board of Directors meeting will be held at Lake Area Technical Institute in Watertown, SD on Monday, November 21, 2016 at 7:00 P.M.

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**Debbe Koenecke, President**

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**Brice Christensen, Business Manager**