

August 16, 2018

## **Hello NESC Board of Directors**

### **Meeting Location:**

Our August meeting will be held Monday, August 20, 2018 in Watertown, SD. **The meeting will be held at Lake Area Technical Institute.** The meeting will begin at **7:00 P.M.**

**Cory Akin**  
PRESIDENT  
BOARD OF DIRECTORS

**Jerry Aberle**  
DIRECTOR  
Jerry.Aberle@k12.sd.us

**Tim Frewing**  
ASSISTANT DIRECTOR  
Tim.Frewing@k12.sd.us

**Tiffany Stormo**  
BUSINESS MANAGER  
Tiffany.Stormo@k12.sd.us

**MEMBER DISTRICTS**

- Arlington #38-1
- Britton-Hecla #45-4
- Castlewood #28-1
- Clark #12-2
- De Smet #38-2
- Deubrook #5-6
- Deuel #19-4
- Elkton #5-3
- Enemy Swim Day School
- Estelline #28-2
- Florence #14-1
- Hamlin #28-3
- Henry #14-2
- Iroquois #2-3
- Lake Preston #38-3
- Rosholt #54-4
- Sioux Valley #5-5
- Summit #54-6
- Waubay #18-3
- Waverly #14-5
- Webster Area #18-5
- Willow Lake #12-3
- Wilmot #54-7

**Northeast Educational Services Cooperative**  
P.O. Box 327 • Hayti, South Dakota 57241  
605-783-3607 • Fax 605-783-3259

August 16, 2018

Dear NESC Board Members:

Our August board meeting will be held on Monday, August 20, 2018. It will begin at 7:00 pm and will be held in Watertown at LATI in the Manufacturing, Energy, and Transportation Building (Door #9)—Room 802. The meeting begins at 7:00 pm.

Enclosed/attached are several documents for your review prior to the meeting.

See you Monday evening at 7:00 pm.

Sincerely yours,

  
Jerry Aberle

## NESC BOARD OF DIRECTORS' MEETING

Proposed Agenda

Date: August 20, 2018

Time: 7:00 P.M.

**Location: Lake Area Technical Institute (LATI)  
Manufacturing, Energy, and Transportation Building—Room 802  
1201 Arrow Ave NE, Watertown, SD**

1. Call to order
2. Agenda review, changes, and approval
3. Introduction of guests
4. Conflicts of Interest
5. Public Comment
6. Approval of July 2018 financial report
7. Consent Agenda
  - a. Approval of July 16, 2018 meeting minutes
  - b. Approval of payment of August 2018 budget claims
  - c. Approval of work agreement for Katherine Anderson, Castlewood Center Base paraprofessional, \$13.50 per hour
  - d. Approval of work agreement for Shelby Guerdet, Hamlin Center Base paraprofessional, \$13.92 per hour
  - e.
  - f.
8. Discussion Items
  - a. Director Report
  - b. Assistant Director Report
  - c. Chairman appointment of Steering/Negotiations Committee
  - d. Declare vehicles and computer equipment surplus
9. Action Items
  - a. Declare vehicles and computer equipment surplus
  - b. Approve audit engagement letter from William Neale & Co. P.C.
  - c.
10. Executive Session
  - a.

**AGENDA ITEMS IN RED HAVE BEEN ADDED SINCE THE PROPOSED AGENDA WAS DRAFTED.  
AGENDA ITEMS INDICATED BY A STRIKETHROUGH WILL BE DELETED FROM THE PROPOSED AGENDA.**

FOR ONLY AUDIO ACCESSIBILITY FOR THIS MEETING PLEASE DIAL 605-874-6338. YOU WILL THEN BE PROMPTED TO ENTER YOUR CONFERENCE IDENTIFICATION NUMBER. THIS NUMBER IS #4363

## Agenda Explanation

1. Call to order
2. Agenda review, changes, and approval
3. Introduction of guests
4. Conflicts of Interest
5. Public Comment
6. Approval of July 2018 financial report
7. Consent Agenda
  - a. Approval of July 16, 2018 meeting minutes. Please review enclosed minutes.
  - b. Approval of payment of August 2018 budget claims. Please review the enclosed budget claims.
  - c. Approval of work agreement for Katherine Anderson, Castlewood Center Base paraprofessional, \$13.50 per hour.
  - d. Approval of work agreement for Shelby Guerdet, Hamlin Center Base paraprofessional, \$13.92 per hour.
  - f.
  - g.
8. Discussion Items
  - a. Director Report.
  - b. Assistant Director Report.
  - c. Chairman appointment of Steering/Negotiations Committee. Cory will make these appointments.
  - d. Declare vehicles and computer equipment surplus. I would like to have discussion on this item prior to taking action on it.
9. Action Items
  - a. Declare vehicles and computer equipment surplus. A list of vehicles and computer equipment will be presented to the board seeking their approval to surplus the items.
  - b. Approve audit engagement letter from William Neale & Co., P.C. This is for the 2017-18 audit.
  - c.
10. Executive session
  - a.

**NORTHEAST EDUCATIONAL SERVICES COOPERATIVE**  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CASH BALANCES

	General Fund (10)	Special Education Fund (22)	Agency Fund (71)	TOTAL ALL FUNDS
<b>CASH BALANCE</b>				
July 1, 2018	\$369,892.93	\$818,635.45	\$22,212.29	\$1,210,740.67

Receipts:

**Local Sources:**

1312 Center Base Tuition				\$0.00
1332 Extended School Year Tuition				\$0.00
1510 Interest	\$219.11	\$122.52	\$28.72	\$370.35
1941 ESA 1 OTHER SOURCES				\$0.00
1941 ESA 1 LEA Assessments				\$0.00
1941 SD COUNTS Other LEAs				\$0.00
1971 Insurance Premiums				\$0.00
1990 Charges For Service				\$0.00
1990 SPED Assessments				\$0.00
1990 Reading Recovery				\$0.00
1990 Reading Recovery-Other LEAs				\$0.00
1990 Miscellaneous			\$3,850.03	\$3,850.03
1990 Northern Plains				\$0.00
1990 Special Projects-Indirect Cost				\$0.00
1990 Drug & Alcohol Pool				\$0.00
1990 Expensed Mileage				\$0.00

**State Sources:**

3119 Grants-in-Aid: Ed. Specialist				\$0.00
3900 Part C Funds		\$3,581.57		\$3,581.57
3900 Part B Funds				\$0.00
3900 ESA 1				\$0.00

**Federal Sources:**

4152 Title IIB (SD COUNTS)				\$0.00
4175 IDEA Part B 611				\$0.00
4175 IDEA Part B 611-Private				\$0.00
4186 IDEA Part B 619				\$0.00

**Other Receipts:**

120 Accounts Receivable	\$45,783.51			\$45,783.51
140 Due from other Governments		\$170,541.00		\$170,541.00
Other Receipts				\$0.00

<b>Total Monthly Receipts</b>	<b>\$46,002.62</b>	<b>\$174,245.09</b>	<b>\$3,878.75</b>	<b>\$224,126.46</b>
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Balance Frwd plus Revenue to date	\$415,895.55	\$992,880.54	\$26,091.04	\$1,434,867.13
Manual Journal Entry	-\$1,046.67	\$1,088.07		\$41.40
Manual Journal Entry Revenue				\$0.00

**Less Salaries & Disbursements**

Salaries	\$9,483.89	\$275,803.00		\$285,286.89
Disbursements	\$168,187.03	\$101,574.78	\$1,247.96	\$271,009.77
<b>Less Total Salaries &amp; Disbursements</b>	<b>\$177,670.92</b>	<b>\$377,377.78</b>	<b>\$1,247.96</b>	<b>\$556,296.66</b>

**CASH BALANCE**

July 31, 2018	\$237,177.96	\$616,590.83	\$24,843.08	\$878,611.87
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**Balance Sheet**

Clearing Account XX-101-002	\$20.00	\$33.41	\$0.00	\$53.41
Checking Account XX-101	\$5,856.35	\$246,376.03	\$18,436.52	\$270,668.90
Money Market Savings XX-105	\$231,301.61	\$287,651.51	\$6,406.56	\$525,359.68
Certificates of Deposit XX-106	\$0.00	\$77,529.88	\$0.00	\$77,529.88
Imprest XX-108	\$0.00	\$5,000.00	\$0.00	\$5,000.00
<b>TOTALS</b>	<b>\$237,177.96</b>	<b>\$616,590.83</b>	<b>\$24,843.08</b>	<b>\$878,611.87</b>

Cash & Balance Sheet difference	\$0.00	\$0.00	\$0.00	\$0.00
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Regular; Processing Month 07/2018; Fund Number 10, 22

Fund: 10 GENERAL FUND

<u>Account Number</u>	<u>Description</u>	<u>Revised Budget</u>	<u>During Month</u>	<u>To Date</u>	<u>% of Budget</u>	<u>Budget Balance</u>
10 1510	INTEREST	325.00	219.11	219.11	67.42	105.89
10 1941 014	ESA 1 LEA ASSESSMENTS	0.00	0.00	0.00	0.00	0.00
10 1941 015	ESA-1 REVENUE OTHER SOURCES-LEAs	81,374.41	81,374.41	81,374.41	100.00	0.00
10 1941 017	SHARED SERVICES GRANT	42,203.66	0.00	0.00	0.00	42,203.66
10 1990 009	NON-SP.ED. ASSESSMENTS	16,147.92	0.00	0.00	0.00	16,147.92
10 1990 012	READING RECOVERY ASSESSMENTS	37,964.67	7,965.09	7,965.09	20.98	29,999.58
10 1990 013	READING RECOVERY-OTHER LEAs	8,487.20	0.00	0.00	0.00	8,487.20
10 1990 018	MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00
10 1990 020	NORTHERN PLAINS	0.00	0.00	0.00	0.00	0.00
10 1990 073	D&A POOL ASSESSMENTS	15,000.00	9,240.25	9,240.25	61.60	5,759.75
10 1990 200	EXPENSED MILEAGE FROM SPED	259,960.00	0.00	0.00	0.00	259,960.00
Subtotal: LOCAL SOURCES		461,462.86	98,798.86	98,798.86	21.41	362,664.00
10 3900 050	ESA 1-TEACHER OF THE YEAR	0.00	0.00	0.00	0.00	0.00
Subtotal: STATE SOURCES		0.00	0.00	0.00	0.00	0.00
10 4152 016	TITLE II PART B SD COUNTS	0.00	0.00	0.00	0.00	0.00
Subtotal: FEDERAL SOURCES		0.00	0.00	0.00	0.00	0.00
10 5110	OPERATING TRANSFER IN	0.00	0.00	0.00	0.00	0.00
10 5130	SALE OF SURPLUS PROPERTY	0.00	0.00	0.00	0.00	0.00
10 5140	COMPENSATION FOR LOSS OF ASSET	0.00	0.00	0.00	0.00	0.00
Subtotal: 5000		0.00	0.00	0.00	0.00	0.00
Fund Total:		461,462.86	98,798.86	98,798.86	21.41	362,664.00

Regular; Processing Month 07/2018; Fund Number 10, 22

Fund: 22 SPECIAL EDUCATION FUND

Account Number	Description	Revised Budget	During Month	To Date	% of Budget	Budget Balance
22 1312	TUITION-CENTER BASE	511,240.27	62,737.22	62,737.22	12.27	448,503.05
22 1312 100	TUITION-ESY	95,282.75	0.00	0.00	0.00	95,282.75
22 1510	INTEREST	1,700.00	122.52	122.52	7.21	1,577.48
22 1990 002	MISCELLANEOUS-CENTER BASE	0.00	0.00	0.00	0.00	0.00
22 1990 003	SPED ASSESSMENTS	1,209,791.82	0.00	0.00	0.00	1,209,791.82
22 1990 018	MISCELLANEOUS	5,000.00	0.00	0.00	0.00	5,000.00
22 1990 019	SPECIAL PROJECTS INDIRECT COSTS	5,000.00	0.00	0.00	0.00	5,000.00
Subtotal: LOCAL SOURCES		1,828,014.84	62,859.74	62,859.74	3.44	1,765,155.10
22 3119 071	STATE GRANTS-IN-AID: ED.SPEC.	128,448.70	4,242.20	4,242.20	3.30	124,206.50
22 3900 013	STATE REVENUE: PART C FUNDS	40,000.00	3,581.57	3,581.57	8.95	36,418.43
22 3900 014	STATE REVENUE: PART B FUNDS	4,500.00	0.00	0.00	0.00	4,500.00
Subtotal: STATE SOURCES		172,948.70	7,823.77	7,823.77	4.52	165,124.93
22 4175 475	REGULAR IDEA PART B 611	1,746,092.00	0.00	0.00	0.00	1,746,092.00
22 4175 476	REGULAR IDEA PART B 611-PRIVATE SCHOOL	3,089.00	0.00	0.00	0.00	3,089.00
22 4186 486	REGULAR IDEA PART B 619	49,730.00	0.00	0.00	0.00	49,730.00
Subtotal: FEDERAL SOURCES		1,798,911.00	0.00	0.00	0.00	1,798,911.00
22 5110	OPERATING TRANSFER IN	50,000.00	0.00	0.00	0.00	50,000.00
22 5130	SALE OF SURPLUS PROPERTY	0.00	0.00	0.00	0.00	0.00
22 5140	COMPENSATION FOR LOSS OF ASSET	0.00	0.00	0.00	0.00	0.00
Subtotal: 5000		50,000.00	0.00	0.00	0.00	50,000.00
Fund Total:		3,849,874.54	70,683.51	70,683.51	1.84	3,779,191.03

**Revenue Summary Report**

Processing Month: 07/2018

Regular; Processing Month 07/2018; Fund Number 10, 22

	<u>Revised Budget</u>	<u>During Month</u>	<u>To Date</u>	<u>% of Budget</u>	<u>Budget Balance</u>
Grand Total:	4,311,337.40	169,482.37	169,482.37	3.93	4,141,855.03



Account Number	Account Description	BUDGET	CURRENT MO.EXP.	EXP.TO DATE	% OF BUDGET	BALANCE AT EOM
<b>10</b>	<b>GENERAL FUND</b>					
1111	READING RECOVERY	\$46,451.87	\$3,706.65	\$3,706.65	7.98	\$42,745.22
2219	OTHER IMPROVEMENTS-INSTRUCTION	\$123,578.08	\$2,956.29	\$2,956.29	2.39	\$120,621.79
2227	TECHNOLOGY SUPPORT	\$7,745.48	\$366.42	\$366.42	4.73	\$7,379.06
2319	BOARD OF EDUCATION SERVICES	\$11,870.87	\$8,269.54	\$8,269.54	69.66	\$3,601.33
2329	ADMINISTRATION	\$42,938.30	\$3,162.01	\$3,162.01	7.36	\$39,776.29
2529	ADMINISTRATION-FISCAL SERVICES	\$11,208.26	\$958.52	\$958.52	8.55	\$10,249.74
2542	OPERATION & MAINTENANCE BLDGS.	\$6,953.00	\$148.43	\$148.43	2.13	\$6,804.57
2545	VEHICLE SERVICE	\$221,217.00	\$57,835.34	\$57,835.34	26.14	\$163,381.66
2551	DRUG & ALCOHOL TESTING POOL	\$15,000.00	\$0.00	\$0.00	0.00	\$15,000.00
8110	OPERATING TRANSFERS OUT	\$50,000.00	\$0.00	\$0.00	0.00	\$50,000.00
<b>10</b>	<b>GENERAL FUND</b>	<b>\$536,962.86</b>	<b>\$77,403.20</b>	<b>\$77,403.20</b>	<b>14.42</b>	<b>\$459,559.66</b>
<b>22</b>	<b>SPECIAL EDUCATION FUND</b>					
1221	EXTENDED SCHOOL YEAR	\$98,371.75	\$37,745.48	\$37,745.48	38.37	\$60,626.27
1223	CENTER BASE DAY PROGRAMS	\$511,240.26	\$5,971.53	\$5,971.53	1.17	\$505,268.73
1226	EARLY CHILDHOOD SERVICES	\$339,387.35	\$2,991.85	\$2,991.85	0.88	\$336,395.50
1227	PROLONGED ASSISTANCE PROGRAMS	\$0.00	\$0.00	\$0.00	0.00	\$0.00
2129	TRANSITION SUPPORT SERVICES	\$24,768.55	\$1,851.50	\$1,851.50	7.48	\$22,917.05
2142	PSYCHOLOGICAL SERVICES	\$672,102.28	\$3,451.16	\$3,451.16	0.51	\$668,651.12
2152	SPEECH PATHOLOGY SERVICES	\$1,079,309.51	\$8,993.15	\$8,993.15	0.83	\$1,070,316.36
2171	PHYSICAL THERAPY	\$313,487.72	\$20,629.74	\$20,629.74	6.58	\$292,857.98
2172	OCCUPATIONAL THERAPY	\$481,488.24	\$21,146.23	\$21,146.23	4.39	\$460,342.01
2213	PROFESSIONAL DEVELOPMENT/PRESERVICE&TCAP	\$5,443.78	\$0.00	\$0.00	0.00	\$5,443.78
2219	OTHER IMPROVEMENTS-INSTRUCTION	\$128,448.70	\$6,978.86	\$6,978.86	5.43	\$121,469.84
2227	TECHNOLOGY SUPPORT	\$47,579.34	\$2,076.54	\$2,076.54	4.36	\$45,502.80
2319	BOARD OF EDUCATION SERVICES	\$72,921.09	\$46,366.52	\$46,366.52	63.58	\$26,554.57
2329	ADMINISTRATION	\$263,764.02	\$23,439.29	\$23,439.29	8.89	\$240,324.73
2529	ADMINISTRATION-FISCAL SERVICES	\$68,850.69	\$5,888.07	\$5,888.07	8.55	\$62,962.62
2542	OPERATION & MAINTENANCE BLDGS.	\$42,711.26	\$911.75	\$911.75	2.13	\$41,799.51
<b>22</b>	<b>SPECIAL EDUCATION FUND</b>	<b>\$4,149,874.54</b>	<b>\$188,441.67</b>	<b>\$188,441.67</b>	<b>4.54</b>	<b>\$3,961,432.87</b>
<b>Grand Total:</b>		<b>\$4,686,837.40</b>	<b>\$265,844.87</b>	<b>\$265,844.87</b>	<b>5.67</b>	<b>\$4,420,992.53</b>

Activity Fund Balance Report - Summary - Exclude Encumbrances  
07/2018 - 07/2018

Regular; Beginning Month 07/2018; Processing Month 07/2018; Fund Number 71

Fund: 71 AGENCY FUND

<u>Chart of Account Number</u>	<u>Chart of Account Description</u>	<u>Beginning Balance</u>	<u>Expenses</u>	<u>Revenues</u>	<u>Balance Change</u>	<u>Balance</u>
71 415 801	GENERAL CLEARING-AMT. HELD FOR OTHERS	(1,295.00)	0.00	0.00	0.00	(1,295.00)
71 415 802	FLORENCE CENTER BASE-AMT HELD FOR OTHERS	283.17	0.00	0.00	0.00	283.17
71 415 803	HAMLIN CENTER BASE-AMT HELD FOR OTHERS	493.31	0.00	0.00	0.00	493.31
71 415 804	GRANT-DEUEL CB-AMT HELD FOR OTHERS	621.08	0.00	0.00	0.00	621.08
71 415 805	KNIGHTS OF COLUMBUS-AMT HELD FOR OTHERS	2,175.72	0.00	0.00	0.00	2,175.72
71 415 806	SPECIAL OLYMPICS SD-AMT HELD FOR OTHERS	10,795.95	0.00	0.00	0.00	10,795.95
71 415 850	ELABO-AMT HELD FOR OTHERS	0.00	0.00	0.00	0.00	0.00
71 430 800	IMPREST ACCOUNT	5,000.00	106.00	0.00	0.00	4,894.00
71 453	SANFORD FLEX	4,106.68	1,141.96	3,850.03	0.00	6,814.75
71 704 005	FUND BALANCE - UNDESIGNATED	0.00	0.00	0.00	0.00	0.00
71 760	UNASSIGNED FUND BALANCE	31.38	0.00	28.72	0.00	60.10
Fund Total: 71		22,212.29	1,247.96	3,878.75	0.00	24,843.08

Northeast Educational Services Cooperative  
Board of Directors Meeting  
Monday, July 16, 2018

The Board of Directors for the Northeast Educational Services Cooperative (NESC) met in regular session on Monday, July 16, 2018 at Lake Area Technical Institute in Watertown, SD. The meeting was called to order by Vice-President Homola at 7:00 P.M. and adjourned at 8:26 P.M.

**Members present:**

Cory Akin, Castlewood; Greg Marx, Clark; Barb Asleson, De Smet; Carie Knutson, Deubrook; Michelle Prins, Deuel; Arend Schuurman, Elkton; Krecia Weinberg, Estelline; Joe Homola, Hamlin; Paula Blue, Henry; Jerod Olson, Lake Preston; Shane Braaten, Rosholt; Lisa Amdahl, Summit; Joel Shoemaker, Webster; Tia Felberg, Willow Lake; John Remund, Wilmot

**Absent:**

Justin Petersen, Arlington; Misty Fredrickson, Britton-Hecla; Tasina Halbert, Enemy Swim Day School; Kathy Roe, Florence; Greg Schortzmann, Iroquois; Gene Bjorklund, Sioux Valley; Sandy Hinze, Waubay; Penny Thyen, Waverly/South Shore;

**Others Attending:**

NESC Staff Representatives: None present.

Member District Superintendents: None present.

NESC Administration: Jerry Aberle, Director; Tiffany Stormo, Business Manager; Tim Frewing, Assistant Director

**Call to Order**

Vice-President Homola called the meeting to order at 7:00 P.M.

**Agenda review, changes, and approval**

*Action #18098* Motion by J. Shoemaker, second by C. Knutson, to approve the agenda as presented. All present voting in favor, motion carried.

**Introduction of Guests**

Justin Rikimoto was introduced as a guest.

**Conflicts of Interest**

No conflicts of interest were presented.

**Public Comment**

No public comments were presented.

**Financial Report**

*Action #18099* Motion by C. Akin, second by K. Weinberg, to approve the financial report for the period ending June 2018. All present voting in favor, motion carried.

	<u>General Fund</u>	<u>Special Education Fund</u>	<u>Agency Fund</u>
<b>June 1, 2018</b>	<b>\$332,850.08</b>	<b>\$760,589.37</b>	<b>\$21,536.46</b>
<u>Receipts:</u>			
Local Sources	\$70,031.53	\$220,909.63	\$5.38
State Sources		\$3,094.65	
Federal Sources		\$141,957.00	
Other		\$1,361.73	\$4,805.08
<b>Total Monthly Receipts</b>	<b>\$70,031.53</b>	<b>\$367,323.01</b>	<b>\$4,810.46</b>
<b>Total Gross Receipts</b>	<b>\$402,881.61</b>	<b>\$1,127,912.38</b>	<b>\$26,346.92</b>
Less June BMO	\$-281.69	\$-5,001.76	
Less Salaries	\$15,331.46	\$256,539.05	
Less Disbursements	\$17,375.53	\$47,736.12	\$4,134.63
<b>Total Salaries &amp; Disbursements</b>	<b>\$32,706.99</b>	<b>\$304,275.17</b>	<b>\$4,134.63</b>
<b>Ending Cash Balance June 30, 2018</b>	<b>\$369,892.93</b>	<b>\$818,635.45</b>	<b>\$22,212.29</b>

**Consent Agenda**

*Action #18100* Motion by J. Remund, second by G. Marx, to approve the following items on the Consent Agenda: 7a) Approval of June 18, 2018 Board of Directors minutes; 7b) Approval of payment of EOFY 2018 claims. All present voting in favor, motion carried.

**EOFY 2018 Accounts Payable**

**GENERAL FUND:** CENEX FLEETCARD MAINT & GASOLINE 1,361.44;CENTURY BUSINESS PRODUCTS, INC COPIER MAINT CONTRACT 18.23;CRAIG BASS SANITARY SERVICE APRIL-JUNE GARBAGE 19.35;DAKOTA DATA SHRED PROF/SHRED DOC 20.14;DELYLE'S SOUTH 81 SERVICE, INC. MAINT 710.82;DEUEL SCHOOL DISTRICT TECH SUPP 10.50;DON'S BODY SHOP MAINT 280.00;DUST TEX SERVICE, INC. JUNE RUG RENTAL 7.71;HAMLIN COUNTY FARMERS COOP GASOLINE 268.15;HAMLIN COUNTY PUBLISHING EMPLOYMENT AD 2.25;JOHNSON AUTOMOTIVE MAINT 186.36;MCLEOD'S PRINTING SUPPLY CHECKS 23.80;NESC SPECIAL REVENUE PROJECTS 4TH QTR EXPENSED MI/ESA IDC 16,263.09; PALMLUND AUTOMOTIVE MAINT 542.54;PEDERSEN, SHANE LAWN CARE 18.00;PUBLIC OPINION MINUTES 45.09;SANFORD HEALTH PLAN HSA/FSA FEES 13.50;SCOTTING HEATING & COOLING FURNACE/AC SERVICE 82.77;STORMO, TIFFANY MILEAGE 13.61;TOWN OF HAYTI WATER 5.32;TWIN VALLEY TIRE, INC. MAINT 93.00;W.W. TIRE SERVICE MAINT 32.05

**FUND TOTAL: \$20,017.72**

**SPECIAL EDUCATION FUND:**

CENTURY BUSINESS PRODUCTS, INC COPIER MAINT CONTRACT 39.33;CRAIG BASS SANITARY SERVICE APRIL-JUNE GARBAGE 109.65;DAKOTA DATA SHRED PROF/SHRED DOC 114.12;DEUEL SCHOOL DISTRICT TECH SUPP 59.50;DUST TEX SERVICE, INC. JUNE RUG RENTAL 43.70;HAMLIN COUNTY PUBLISHING EMPLOYMENT AD 12.75; MARSHALL CO. HEALTHCARE CENTER JUNE PT/OT SERVICES 1,460.39;MCLEOD'S PRINTING SUPPLY CHECKS 134.86;PARENT JUNE MILEAGE 30.24;NESC SPECIAL REVENUE PROJECTS 4TH QTR EXPENSED MI 42,821.42;PEDERSEN, SHANE LAWN CARE 102.00;PUBLIC OPINION MINUTES 255.49;SANFORD HEALTH PLAN HSA/FSA FEES 76.50; SCOTTING HEATING & COOLING FURNACE/AC SERVICE 469.05;STORMO, TIFFANY MILEAGE 77.11;TOWN OF HAYTI WATER 30.18

**FUND TOTAL: \$45,836.29**

**Appoint Business Manager as President Pro-Tem**

Vice-President Homola appointed Business Manager Stormo as President Pro-Tem.

**Adjourn meeting for Fiscal Year 2018**

*Action #18101* With there being no further business to come before the Board of Directors for FY18, Motion by C. Knutson, second by J. Homola to adjourn the final Board of Directors meeting for FY18 at 7:15 p.m. All present voting in favor, motion carried.

**NESC Board of Directors**

**Annual Reorganization Meeting**

The annual reorganization meeting for FY19 was called to order by President Pro-Tem Stormo at 7:16 p.m.

**Election of Officers for Fiscal Year 2019**

**Office of the President**

*Action #18102* Motion by J. Shoemaker, second by J. Homola to nominate C. Akin for the office of President. Motion by A. Schuurman, second by J. Remund, nominations cease, and unanimous ballot be cast for C. Akin. All present voting in favor, motion carried.

**Office of the Vice-President**

*Action #18103* Motion by J. Homola, second by A. Schuurman to nominate C. Knutson for the office of Vice-President. Motion by K. Weinberg, second by J. Shoemaker, nominations cease, and unanimous ballot be cast for C. Knutson. All present voting in favor, motion carried.

**NESC 2018-2019 Budget Hearing**

President Akin declared the budget hearing open at 7:18. Business Manager Stormo presented the budget, and President Akin declared the budget hearing closed at 7:47 p.m.

**Adopt FY 2019 budget**

*Action #18104* Motion by C. Knutson, second by P. Blue to adopt the FY19 budget as presented. All present voting in favor, motion carried.

The changes to the preliminary published budget are as follows:

**Appropriations:**

**General Fund:**

ESA1 – \$123,578.07; Board of Education - \$11,870.87; Transfer to SPED Fund from GF - \$50,000

**Special Education Fund:**

Center Base - \$511,240.27; Psychological Services - \$672,102.27 – Educational Specialist - \$128,448.70; Board of Education – \$72,921.09; Operation/Maintenance of Building - \$42,711.26

**Means of Finance:**

**General Fund:**

Assessments - \$62,599.79; ESA 1 Local - \$81,374.41

**Special Education Fund:**

Fund Balance assigned to subsequent year budget - \$300,000.00; Assessments - \$1,209,791.82; Center Base - \$511,240.27; Educational Specialist - \$128,448.70; Transfer from GF to SPED Fund - \$50,000

### Consent Agenda

Action #18105 Motion by J. Homola, second by G. Marx to approve the following items on the consent agenda: 6a) Approval of July 2018 claims; 6b) Designate Official Depository-Reliabank, Hayti, SD; 6c) Authorize Chairman to be added to signature card; 6d) Designate Official Newspaper-Watertown Public Opinion; 6e) Designate Legal Counsel-Rodney Freeman; 6f) Designate Business Manager as official custodian of accounts; 6g) Adopt travel rates: 6g.i.) In state-\$0.42 per mile, \$6 breakfast, \$11 noon lunch, \$15 dinner, actual cost for lodging; 6g.ii.) Out of state --\$.42 per mile, \$10 breakfast, \$14 noon lunch, \$21 dinner; actual cost for lodging; 6h) Appoint Title IX and 504 Coordinator-Tim Frewing; 6i) Adopt NESC By-Laws; 6j) Appoint Director and Business Manager as Federal Program Agents; 6k) Designate purchasing agents-Jerry Aberle & Tiffany Stormo; 6l) Set Board of Director's pay for Special Committees-\$60 per meeting & \$0.42 per mile; 6m) Approve Unit 1 contract amendments; 6n) Approve adding Oldham/Ramona to Cooperative Purchasing Contract, \$50; 21 districts; @ \$50: \$1,050; 6o) Approve Apex agreement; 56 seats @ \$150 per seat; \$8,400; 6p) Approve contract for Angie Nelson, School Psychologist; 94 days, \$27,254.40. All present voting in favor, motion carried.

### July 2018 Accounts Payable

**General Fund:** ABC AUTOMATIC BUILDING CONTROLS FIRE ALARM CONTRACT 62.86;ASBSD FY19 DUES 108.50; AUTOMATIVE SERVICE CENTER, THE FLEET MAINT 483.14;CEC G.A.; T. F. MEMBER 54.60;CPI FY19 MEMBER FEES 150.00;DACOTAH PAPER CO. FY19 COOP PAPER 80,399.80;DELYLE'S SOUTH 81 SERVICE, INC. FLEET MAIN 1,852.20;EMC INSURANCE FY19 INS. COVERAGE 5,830.02;NESC PAYROLL JULY 2018 9,483.89;OHIO STATE UNIVERSITY, THE FY19 FEES 1,180.00;OTTER TAIL POWER CO. ELEC 56.05;RELIABANK DEPOSIT BOX 2.10;SASD SASD MEMBER 165.48;SD FEDERAL PROPERTY AGENCY FY19 NEW VEHICLES 55,500.00;SFM FY19 WORK COMP 1,603.56;SOFTWARE UNLIMITED FY19 SOFTWARE FEES 721.00

**Fund Total: \$157,653.20**

**Special Education Fund:** ABC AUTOMATIC BUILDING CONTROLS FIRE ALARM CONTRACT 386.14;ASBSD FY19 DUES 666.50;BRITTON-HECLA SCHOOL DISTRICT MAY ESY MI 186.06;CEC G.A.; T. F. MEMBER 335.40;DACOTAH PAPER CO. FY19 COOP PAPER 920.20;DEUTSCH, JENNIFER JUNE ESY MI 46.20;DUBRO, ANGEL JUNE ESY MI 208.32;EMC INSURANCE FY19 INS. COVERAGE 35,812.98;GENT, MELISSA NASP DUES 210.00;MARTIAN, EMILY JUNE ESY MI 181.44;MEYER, MARIA NASP DUES 210.00;NESC PAYROLL JULY 2018 276,717.52;OTTER TAIL POWER CO. ELEC 344.31;RELIABANK DEPOSIT BOX 12.90;SASD SASD MEMBER 1,016.52;SFM FY19 WORK COMP 9,850.44;SOFTWARE UNLIMITED FY19 SOFTWARE FEES 4,429.00 SORSEN, JENNA JUNE ESY MI 7.56

**Fund Total: \$331,541.49**

### Discussion Items

#### Assistant Director's Report

Assistant Director Frewing gave his monthly report.

#### Director's Report

Director Aberle gave his monthly report.

#### NESC Board Policy

Director Aberle reviewed board policy updates.

#### NESC Board of Directors – District representatives for Fiscal Year 2019

Every Board of Director is to fill out an information sheet that will be used by administration for FY19.

#### Website

The website for NESC is nesc.k12.sd.us.

**Action Items**

**Approve of NESC Board Policies for 2018-2019**

*Action #18106* Motion by J. Homola, second by K. Weinberg to approve the Board policies for 2018-19. All present voting in favor, motion carried.

**Executive Session**

No executive session was held.

**Adjournment**

*Action #18107* With there being no further business, motion by C. Knutson, second by A. Schuurman, 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, August 20, 2018 at 7:00 P.M.

\_\_\_\_\_  
Cory Akin, President

\_\_\_\_\_  
Tiffany Stormo, Business Manager

**As per SDCL 6-1-10 the following salaries for NESC employees for 2018-19:**

ADMINISTRATION: Gerald Aberle 93,673.94; Tiffany Stormo 46,002.29; Tim Frewing 64,118.20 Tammy Anderson 14.99/hr; Carol Reuer 15.38/hr; CUSTODIAN: Geraldine Binde 16.32/hr; EDUCATIONAL SERVICES AGENCY 1: Lisa Reinhiller 58,137.38; READING RECOVERY: Kari Nolte 27,566.81; TRANSITION/TECHNOLOGY COORDINATOR/EDUCATIONAL SPECIALIST: Brenda Boyd 55,019.45; SPEECH THERAPY: Christy Busskohl 60,390.53; Linda Conrad 51,088.81; Autumn Culhane 44,896.69; Angel Dubro 19,631.25; Heather Hansen 51,605.39; Alysha Johnson 50,541.00; Cheryl Keller-Knudson 62,989.10; Deb Lauseng 51,053.11; Lois Lux 50,033.11; Carrie Niles 51,219.81; Marci Saathoff 46,049.80; Rochelle Schmidt 48,977.41; Debra Tiefenthaler 62,989.10; Melody Wenz 62,989.10; Rita Wiese 51,053.11; CENTER BASE: Brian Jacobsen 52,108.81; Chris Lather 42,079.66; Sara Lorensberg 48,617.86; EARLY CHILDHOOD: Debra Jensen 47,358.16; Karlette Juhnke 51,053.11; Teresa Landmark 45,774.61; Wendi Lindner 38,460.34; Julie Nelson 51,017.51; SCHOOL PSYCHOLOGISTS: Melissa Gent 54,508.80; Traci Ann Graham 59,670.00; Maria Meyer 63,355.81; Angela Nelson 27,254.40; Shelly Skogstad 57,691.20; PSYCHOLOGICAL EXAMINERS: Nikki Johnson 43,840.00; Kris Street 39,805.79; ACADEMIC EVALUATOR: Jessica Fischer 42,840.00; PHYSICAL THERAPISTS: Nancy Crump 69,943.38; Kari Holden 67,747.52; Kristina Suttan 60,062.03; OCCUPATIONAL THERAPISTS: Stephanie Hayunga 47,613.60; Nicol Huyvaert 55,874.53; Jamie Wiesner 35,892.65; OCCUPATIONAL THERAPISTS ASSISTANTS: Kelsey Kringen 33,883.03; Sarah Whipkey 27,984.77; CENTER BASE PARA EDUCATORS: Abbie Carlson 13.67/hr; Sherri DeBaere 14.88/ hr; Lindsey Groon 13.92/ hr; Dawn Hink 15.21/hr; Shari Peckenpough 13.94/hr; Joan Sween 14.05/hr; EXTENDED SCHOOL YEAR 2018: Christy Busskohl 42.005/hr; Linda Conrad 35.57/hr; Sherri DeBaere 14.59/ hr; Jen Deutsch 42.14/hr; Angel Dubro 32.51/hr; Robin Gigov 32.25/hr; Anita Gisselbeck 14.59/hr; Lindsey Groon 13.65/ hr; Heather Hansen 35.93/hr; Deb Jensen 32.98/hr; Alysha Johnson 35.19/hr; Karlette Juhnke 35.55/hr; Cheryl Keller-Knudson 43.86/hr; Emily Koenig 28.11/hr; Teresa Landmark 31.87/hr; Kirby Lamb 29.00/hr; Chris Lather 29.30/hr; Wendi Lindner 35.01/hr; Sara Lorensberg 33.85/hr; Lois Lux 34.84/hr; Emily Martian 29.58/hr; Margo Mortland 36.08/hr; Julie Nelson 35.52/hr; Carrie Niles 35.66/hr; Marci Saathoff 35.63/hr; Kelly Short 28.11/hr; Jenna Sorsen 28.57/hr; Joan Sween 13.77/hr; Debra Tiefenthaler 43.86/hr; Christy VanHeerde 29.69/hr; Cynthia Warkenthien 13.40/hr; Melody Wenz 43.86/hr; Rita Wiese 35.55/hr; Emma Wik 28.11/hr

Northeast Educational Services Cooperative

AUGUST 2018 INVOICES

GENERAL FUND - 10

AMSTERDAM PRINTING	PLANNERS	39.47
APEX LEARNING	APEX SEATS	8,400.00
CENEX FLEETCARD	GASOLINE	1,197.90
CENTURY BUSINESS PRODUCTS, INC	COPIER MAINT CONTRACT	74.75
DELYLE'S SOUTH 81 SERVICE, INC.	MAINT	1,902.07
DUST TEX SERVICE, INC.	JULY RUG RENTAL	7.20
EMC INSURANCE	ADD VEHICLE COVERAGE	374.36
FRITZ CHEVROLET, INC	MAINT	92.46
GOLDEN WEST TECHNOLOGIES	TECH EQ STAFF	383.88
HAMLIN COUNTY FARMERS COOP	MAINT & GASOLINE	405.53
HAMLIN COUNTY PUBLISHING	EMPLOYMENT AD	2.10
NESC IMPREST	IMPREST	106.00
NESC PAYROLL	AUG 18	9,575.81
NORTHLAND AUTO CENTER	MAINT	262.31
OTTER TAIL POWER CO.	ELEC	87.48
PEDERSEN, SHANE	LAWN CARE	16.80
PS PUBLISHING	PARENT RIGHT HANDBOOKS	119.00
PUBLIC OPINION	MINUTES	49.27
SANFORD HEALTH PLAN	HSA/FSA FEES	12.60
SD TEACHER PLACEMENT CENTER	TEACHER PLACEMENT SITE	58.80
SDASBO	T.S. ASBO REGIS/DUES	17.50
SW/WC SERVICE COOPERATIVE	COOP PURCHASING PROGRAM	1,050.00
TOWN OF HAYTI	WATER	4.97
WIK, EMMANUEL	BACKGROUND CHECK & FINGERPRINTING	7.46
<u>GENERAL FUND TOTAL:</u>		<u>24,247.72</u>

SPECIAL EDUCATION FUND - 22

AMSTERDAM PRINTING	PLANNERS	242.49
CENTURY BUSINESS PRODUCTS, INC	COPIER MAINT CONTRACT	65.24
DEUTSCH, JENNIFER	JULY ESY MI	83.16
DUST TEX SERVICE, INC.	JULY RUG RENTAL	44.21
EMC INSURANCE	ADD VEHICLE COVERAGE	2,299.64
ENEMY SWIM DAY SCHOOL	PYSCH SUPP	713.40
GOEHRING-STREET, KRIS	NASP DUES	210.00
GOLDEN WEST TECHNOLOGIES	TECH EQ STAFF	2,358.12



HAMLIN COUNTY PUBLISHING	EMPLOYMENT AD	12.90
LUX, LOIS	JULY ESY MI	80.64
PARENT	JULY MI	30.24
NESC PAYROLL	AUG 18	274,302.92
OTTER TAIL POWER CO.	ELEC	537.36
PEDERSEN, SHANE	LAWN CARE	103.20
PS PUBLISHING	PARENT RIGHT HANDBOOKS	731.00
PUBLIC OPINION	MINUTES	302.64
SANFORD HEALTH PLAN	HSA/FSA FEES	77.40
SD TEACHER PLACEMENT CENTER	TEACH PLACEMENT SITE	361.20
SDASBO	T.S. ASBO REGIS/DUES	107.50
SORSEN, JENNA	JULY ESY MI	36.96
SW/WC SERVICE COOPERATIVE	BEHAVIOR ANALYST CONTRACT	5,561.11
TOWN OF HAYTI	WATER	30.53
WIK, EMMANUEL	BACKGROUND CHECK & FINGERPRINTING	45.79
<u>SPECIAL EDUCATION FUND TOTAL:</u>		<u>288,337.65</u>
<u>AUGUST 2018 INVOICES TOTAL:</u>		<u>312,585.37</u>

Northeast Educational Services Cooperative

AUGUST 2018 BMO INVOICES

GENERAL FUND - 10

AMAZON	PRIME MEMBERSHIP	16.66
BAYMONT INN	G.A. TRAVEL	11.90
FASTENAL COMPANY - WATERTOWN	VEHICLE SUPP	18.12
INNOVATIVE OFFICE SOLUTIONS	SUPP	25.73
ITC TELECOM	JULY PHONE SERVICE	168.75
NATIONAL SAFETY COMPLIANCE	TRAINING	11.21
TIME MANAGEMENT SYSTEMS, INC	TIME CLOCK	2.23
US POSTAL SERVICE	POSTAGE	0.94
VERIZON WIRELESS	JULY CELL SERVICE	108.50
<u>GENERAL FUND TOTAL:</u>		<u>364.04</u>

SPECIAL EDUCATION FUND - 22

AMAZON	SUPP	811.15
BAYMONT INN	G.A. TRAVEL	73.09
DOWN SYNDROME EDUCATION USA	EC REGIS	200.00
ESPECIAL NEEDS, LLC	EC SUPP	43.70
HOUGHTON MIFFLIN CO.	PYSCH SUPP	381.68
INNOVATIVE OFFICE SOLUTIONS	ADMIN SUPP	517.36
ITC TELECOM	JULY PHONE SERVICE	288.84
KAPLAN EARLY LEARNING COMPANY	EC SUPP	151.53
NATIONAL SAFETY COMPLIANCE	TRAINING	68.89
TIME MANAGEMENT SYSTEMS, INC	TIME CLOCK	71.99
US POSTAL SERVICE	POSTAGE	5.76
VERIZON WIRELESS	JULY CELL SERVICE	201.40
<u>SPECIAL EDUCATION FUND TOTAL:</u>		<u>2,815.39</u>

AUGUST 2018 BMO INVOICES TOTAL: 3,179.43

# Transaction Search - Company

All amounts are tax inclusive and displayed in their billing currency

As an administrator you may make adjustments to these transactions

BMO, , Statement Period 07/06/2018 to 08/05/2018

## Mapped Cards

### Aberle Jerry

Posting Date	Tran Date	Account	Supplier	Amount		
07/25/2018	07/24/2018	XXXX-XXXX-XXXX-7027	Nationalsafetycompl	80.10	?	!
07/26/2018	07/26/2018	XXXX-XXXX-XXXX-7027	Payment - Auto Payment Received-Thank You	-95.00		
07/27/2018	07/26/2018	XXXX-XXXX-XXXX-7027	Wyndham	84.99	?	!
07/31/2018	07/30/2018	XXXX-XXXX-XXXX-7027	Fastenal Company01	18.12	?	!
			Debit Total USD	183.21		
			Credit Total USD	-95.00		
			Total USD	88.21		

### Admin Nesc

Posting Date	Tran Date	Account	Supplier	Amount		
07/13/2018	07/12/2018	XXXX-XXXX-XXXX-5997	Usps Po 4637080684	6.70	?	!
07/26/2018	07/26/2018	XXXX-XXXX-XXXX-5997	Payment - Auto Payment Received-Thank You	-557.50		
			Debit Total USD	6.70		
			Credit Total USD	-557.50		
			Total USD	-550.80		

### Stormo Tiffany

Posting Date	Tran Date	Account	Supplier	Amount		
07/13/2018	07/12/2018	XXXX-XXXX-XXXX-0837	Int*in *time Managemen	74.22	?	
07/13/2018	07/13/2018	XXXX-XXXX-XXXX-0837	Interstate Telecomm Co	457.59	?	
07/20/2018	07/19/2018	XXXX-XXXX-XXXX-0837	Innovative Office Solu	165.72	?	
07/26/2018	07/26/2018	XXXX-XXXX-XXXX-0837	Payment - Auto Payment Received-Thank You	-4,630.95		
07/27/2018	07/27/2018	XXXX-XXXX-XXXX-0837	Amazon Mktplace Pmts	19.90	?	
07/31/2018	07/30/2018	XXXX-XXXX-XXXX-0837	Amazon Mktplace Pmts W	11.17	?	
07/31/2018	07/30/2018	XXXX-XXXX-XXXX-0837	Amazon Mktplace Pmts	22.94	?	
07/31/2018	07/30/2018	XXXX-XXXX-XXXX-0837	Amazon Mktplace Pmts	36.00	?	
07/31/2018	07/30/2018	XXXX-XXXX-XXXX-0837	Especialnee	43.70	?	
07/31/2018	07/30/2018	XXXX-XXXX-XXXX-0837	Amazon Mktplace Pmts W	604.41	?	
08/01/2018	07/31/2018	XXXX-XXXX-XXXX-0837	Amzn Mktp US Amzn.Com/	14.39	?	
08/01/2018	07/31/2018	XXXX-XXXX-XXXX-0837	Amazon Prime	119.00	?	
08/01/2018	07/31/2018	XXXX-XXXX-XXXX-0837	Paypal *dse Usa	200.00	?	

08/02/2018	08/02/2018	XXXX-XXXX-XXXX-0837	Vzwrlls*my Vz Vb P	309.90	?
08/02/2018	08/02/2018	XXXX-XXXX-XXXX-0837	Hmco *books	381.68	?
08/03/2018	08/01/2018	XXXX-XXXX-XXXX-0837	Innovative Office Solu	6.60	?
08/03/2018	08/01/2018	XXXX-XXXX-XXXX-0837	Innovative Office Solu	71.58	?
08/03/2018	08/01/2018	XXXX-XXXX-XXXX-0837	Innovative Office Solu	299.19	?
08/03/2018	08/03/2018	XXXX-XXXX-XXXX-0837	Kaplan Early Learning	151.53	?
Debit Total USD				2,989.52	
Credit Total USD				-4,630.95	
Total USD				-1,641.43	

**INVOICE**

August 05, 2018

Northeast Educational  
310 5th Street  
Hayti, SD 57241  
ATTN: Tiffany Stormo

**Invoice Number: 703531-1808**  
**Invoice Amount: \$ 3,179.43**

This invoice amount represents the total balances of all Corporate Card accounts for the billing period ending August 05, 2018.

Your payment is due **August 26, 2018**.

Payment will be automatically withdrawn from your bank account if your organization has pre-arranged payment. If not, please remit payment by electronic means or by mailing a cheque for the Invoice amount to the appropriate address below. Payments must be sent with a detailed breakdown of how the payment needs to be applied, including the 16 digit card numbers and the total amount to be paid to each individual card.

BMO Harris Accounts	Diners Club Accounts
Payment By Mail	Payment By Mail
BMO Harris Corporate Card - Payment P.O Box 71878 Chicago, IL 60694-1878	Diners Club Corporate Card - Payment 39966 Treasury Center Chicago, IL 60694-9900
Payment By Overnight Delivery	Payment By Overnight Delivery
Conduent, Inc. c/o BMO Harris Corporate Card - Payment - BMO Harris LBX 71878 141 W Jackson Blvd/Suite 1000 Chicago, IL 60604	Conduent, Inc. c/o BMO Harris Corporate Card - Payment Diner's Club LBX 39966 141 W Jackson Blvd/Suite 1000 Chicago, IL 60604

If you have any questions regarding this invoice or supporting documents, please contact Corporate Client Services:

BMO Harris Accounts	Diners Club Accounts
By phone: 1-800-844-6445	By phone: 1-866-865-7271
By e-mail: ebsclientservices@bmo.com	By e-mail: dinersclub.services@bmo.com

Thank you for your continued business.



Please attach a copy of this invoice or the information below this line with your cheque payment.

Northeast Educational  
310 5th Street  
Hayti, SD 57241

Invoice Number: 703531-1808  
Amount Paid: \$ 3,179.43  
Payment Due Date: August 26, 2018

**2018 - SURPLUS NESC VEHICLES**

Odometer

1999 Chevy Suburban	1GNFK16R8XJ504856	S5619	165323
2004 Dodge Stratus-Silver	1B3EL36T14N137555	S7284	147029
2006 Chevy Malibu-Green	1G1ZS53846F247102	S7690	157572
2006 Dodge Stratus - Blue	1B3AL46TX6N221137	S7985	138897



*William Neale & Co., P.C.*  
Certified Public Accountants

304 Ninth Avenue Southeast  
P.O. Box 490  
Watertown, SD 57201-0490  
(605) 886-6028 • Fax (605) 886-6338

107 North Commercial  
P.O. Box 238  
Clark, SD 57225-0238  
(605) 532-3655 • Fax (605) 532-5186

July 18, 2018

To the Board of Directors  
Northeast Educational Services Cooperative

We are engaged to audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Northeast Educational Services Cooperative for the year ended June 30, 2018. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under U.S. Generally Accepted Auditing Standards, Government Auditing Standards, and the Uniform Guidance

As stated in our engagement letter dated July 18, 2018, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider Northeast Educational Services Cooperative's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether Northeast Educational Services Cooperative's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we will examine, on a test basis, evidence about Northeast Educational Services Cooperative's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on Northeast Educational Services Cooperative's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on Northeast Educational Services Cooperative's compliance with those requirements.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the Budgetary Comparison Schedules, Schedule of the Cooperative's Proportionate Share of the Net Pension Liability (Asset), and Schedule of the Cooperative Contributions, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit on approximately September 1, 2018 and issue our report no later than September 30, 2018. Troy A. Hieb is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the governing board and management of Northeast Educational Services Cooperative and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



WILLIAM NEALE & CO., P.C.



**NORTHEAST EDUCATIONAL SERVICES COOPERATIVE  
BOARD OF DIRECTORS MEETING  
Monday, August 20, 2018 - 7:00 P.M.**

**NESC DISCUSSION AND/OR ACTION ITEMS:**

1. Call to Order
2. Agenda review, changes, and approval
3. Introduction of guests: \_\_\_\_\_
4. Conflicts of Interest
5. Public Comment
6. Approval of July 2018 financial report
7. Consent Agenda

- a. Approval of July 16, 2018 meeting minutes

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- b. Approval of payment of August, 2018 budget claims

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- c. Approval of work agreement for Katherine Anderson, Castlewood Center Base paraprofessional, \$13.50 per hour

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- d. Approval of work agreement for Shelby Guerdet, Hamlin Center Base paraprofessional, \$13.92 per hour

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- e. \_\_\_\_\_

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- f. \_\_\_\_\_

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Discussion Items

a. Director Report

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. Assistant Director Report

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. Chairman appointment of Steering/Negotiations Committee

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

d. Declare vehicles and computer equipment surplus

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. Action Items

a. Declare vehicles and computer equipment surplus

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. Approve audit engagement letter from William Neale & Co. P.C.

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c.

BOARD ACTION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10. Executive Session

a