Call to Order:
Mrs. Levenson called the January 27, 2020 meeting to order at 6:30 pm. A quorum was present, and the manifests were reviewed at this time.

Approval of Minutes:
November 18, 2019:
Mrs. Hinrichsen made a motion to approve both public and nonpublic minutes from the Joint Board meeting on November 18, 2019. Mrs. Helm seconded the motion. The Board brought grammar changes to the secretary’s attention. 8 members were in favor of the motion, with 2 members abstaining, Mr. McGuigan & Mrs. Arroyo.

December 9, 2019:
Mrs. Gordon made a motion to approve both public and nonpublic minutes from the Joint Board meeting on December 9, 2019. Mrs. Arroyo seconded the motion. The Board brought grammar changes to the secretary’s attention. 9 members were in favor of the motion with 1 abstention, Mr. Winslow.

December 19, 2019:
Mrs. Gordon made a motion to approve the minutes from the Joint Board meeting on December 19, 2019. Mrs. Arroyo seconded it. Mrs. Lowe was concerned that the minutes
were not detailed and were missing extensive conversations on certain budget line items. Mr. McGuigan said that the minutes should not have to be a transcription of the actual meeting. Mrs. Lowe said if the minutes are not an issue with any of the other members, then it was fine with her. The Board brought other changes to the secretary’s attention. Mr. Byrne will send a digital copy to the secretary to make the changes. 8 members were in favor of the minutes with 2 abstentions, Mrs. Hinrichsen and Mrs. Helm.

**Business Administrator’s Report:**

Mr. Waring was introduced to the Board as the interim business administrator. The Board reviewed the budget and financials. The report in the packet was from the prior meeting; since that time, they have been working on issues with the reporting of the Tyler Technologies data. He is working to get everything simplified for easier use. There are lines with encumbrances that then create a budget that has projected over-expenditures. They are working to review each one to see if it isn’t a flaw in the software.

Mr. Waring said he was able to accept any question the Board had one numbers and will retrieve the information for the next meeting, but he is early in the stages of preparing information. Mrs. Levenson asked for the definition of encumbrances. She thought the budget had a best estimate of what they expected it to cover; as they create purchase orders and requisitions, that is when the items are encumbered.

Mr. Waring agreed, saying that they first needed to separate their payroll costs as they are truly encumbered on day 1 and are expected costs through the year. Infinite Visions sets those up already and encumbers them for the year. The encumbrance is also defined as being obligated to pay a certain amount for contracted services or a purchase order. He does not care for blanket purchase orders. He has seen them in previous school district positions, and it causes problems with complete understanding of the budget.

Mr. Waring said that if they already know what the fixed dollar amount is going to be, i.e. tuition, then they would encumber for that dollar amount. If it is a variable amount, like heating oil or an item that is priced per unit and not a contracted item, that does not need to be encumbered.

Mrs. Hinrichsen agreed with his explanation. She didn’t understand how the budget had certain items encumbered and others not; she asked him to review that as well. She pointed out that on page 1, it seemed they did not budget for dental insurance. Mr. Waring said that was incorrect and although he had glanced quickly at it in the chart of accounts, this particular one had a greater level of detail which is unnecessary. It was better to have a line item that held all the dental insurance for the SAU rather than to break it out by job category. Breaking it down to the 10th degree caused issues in regard to mis-posting to the wrong dental line. He is working on getting all the items corrected.

Mrs. Levenson said there were costs associated with district reports and $12,000 was brought over to the SAU budget. Mrs. Hinrichsen was concerned with its expenditure. She asked for the balance of the budget and the administration was unsure of the total at this time. Mrs. Hinrichsen asked where Mr. Waring’s hire cost was coming out of and Mr. Waring said it was under the budget line, ‘temporary help’.

Mrs. Hinrichsen asked if the funds for the auditors to complete the DOE report was included in this budget. Mrs. Levenson thought that this item was budgeted locally and was allocated accordingly. Mr. McGuigan asked about a line item on another page and Mr. Waring
said he would address it in his continued review. Mrs. Levenson said the budget amount is not correct at this time. Mrs. Levenson asked what the range to date column was for and Mr. Waring said it was to track by the month or current period. It is the same as the year to date column.

Mr. Reuning said they had noted the illogical encumbrances before Mr. Waring began working with them. Mrs. Hinrichsen said the logical encumbrances helped them know how the budget was doing in real time. Mrs. Gordon asked if the layout is the way the budget will be read. Mr. Reuning said the conversations he has had with Mr. Waring were about having the three districts’ budgets in a concise format. The format is not done on purpose. Mr. Waring is experimenting with different formats to help with accurate reporting.

Mrs. Lowe asked if the concern to freeze the budget still existed. Mrs. Levenson said if a freeze was put in place, it would pertain to extra costs and not already labeled costs. It has been done in the past. Mrs. Hinrichsen said they needed to be careful with any future expenditures because they were not aware of the balance. Mrs. Hinrichsen spoke on the audit update and that they owed the auditors $6,000 in costs. Mr. Reuning said the issue they had with this budget was that there weren’t many discretionary items in the budget. Mrs. Levenson said they could bill back costs to the districts for the MS reports.

The Superintendent’s Report:
Mr. Reuning said they received a pleasant letter from Northwood’s State Representative Corsin. He thanked them for information they had provided to testify against the Medicaid funding. He was surprised that they were the only source of information that demonstrated the effect the current ruling has made on the local school districts. He said it was startling for many of the committee members.

Mrs. Levenson said Strafford was in its own county while Nottingham and Northwood shared a county.

Superintendent Evaluation Policy:
At a prior meeting, the Board had discussed Policy #CBI and had agreed to use a different tool. They wanted this tool to be written up similar to a policy. The Board had received a request to add an item; the Management committee has not met due to other obligations. The current policy has dates that were reviewed. They want the formal evaluation to be completed February 8. Mr. Reuning would complete a self-evaluation and the committee would gather the information from the three districts per statutes.

Mrs. Hinrichsen asked for a heading to be added and keep the same scoring key. She spoke of the Code of Ethics for New Hampshire Educators that Mrs. Helm had spoken of in a previous conversation. Mrs. Levenson said that was a code that they all had to follow, and they could use it as a legal form.

The Board agreed to complete the language of the evaluation to complete the form for use. Mrs. Hinrichsen made a motion to add section 6 to the Superintendent’s Evaluation with the title ‘Communication & Community Relations’. Mrs. Helm seconded the motion and all members were in favor.

By consensus, the Board agreed to add -R & section 6 to the evaluation and make changes to the policy. Mr. McGuigan made a motion to adopt Policy #CBI & was seconded by Mr. Winslow. All members were in favor of the motion.
Committee Reports & Updates:

Audit Committee: Mrs. Levenson updated the Board on the action items of the audit committee. She had met with Plodzik and Sanderson PA Certified Public Accountants. The Nottingham and Strafford draft audits will be complete on February 7 at the earliest. The Northwood draft is already complete, the management representative letter has returned, and copies will be sent out. The SAU draft is not complete yet; they need a single audit of grants as funds exceeded $750,000.

Currently, the grant financial data has not been maintained in the general ledger and it needs to be corrected. They had difficulty obtaining information for OPEB, compensated absences, analytical reports of budget to actual, and support documentation for some areas. The grant data is their focus at this point. They needed to perform reconciliations on accounts before they could begin audit activities. There will be additional costs associated with additional services. In order to have an efficient audit the following should occur before the auditors arrive:

- Contact actuary to perform analysis
- Review capital assets in January (begin the process)
- Go through the balance sheet and have supporting docs ready for AR, AP, cash, and encumbrances.

Boards should consider receiving monthly GL reports of grant activity. General maintenance of grants needs improvement. Reconciling unassigned fund balance at SAU, will need another couple of days to have a complete analysis and understanding of the balance.

The Board discussed who would be their next audit committee representative as Mrs. Hanavan was no longer on the Northwood Board. The Board discussed student accounts and athletic referees for games. Mr. Waring said his experience was more of internal control and he understood the student accounts to be an item that had real risks associated with them. It is an item on his to-do list.

Mrs. Levenson spoke on manifests being signed before the Board approves them and that it can become a problem. Northwood had figured out a designated person or two signatures on manifests before writing checks. The auditors reviewed that policy and they required a phone call and email to alert board members that they needed to be done. Mrs. Hinrichsen said they had also sent a fund balance policy to the auditors and was waiting for feedback.

Other: A group of the Board attended the delegate assembly. The Board members spoke on the diverse skill sets on the Rochester Board. They had enjoyed the presentation done by the Rochester Board. Mr. Byrne explained how the Board petitions certain people to run for the Board. Rochester works hard to maintain their schools and keep their students attaining their goals. The Board spoke on their disappointment with the SBA representatives. Mr. McGuigan
made a motion to send a letter to the Student Board Association. Mrs. Glennan seconded the motion and all members were in favor.

**Future Meeting Date:**  
March 2, 2020      6:15 p.m.  Joint Board Meeting: SAU Office

**Meeting Adjourned:**  
Mrs. Hinrichsen made a motion to adjourn and was seconded by Mrs. Arroyo. All members were in favor. The Joint Board Meeting on January 27, 2020 was adjourned at 8:30 p.m.