

**BETHLEHEM AREA SCHOOL DISTRICT  
BOARD HUMAN RESOURCES COMMITTEE MEETING  
MINUTES  
MONDAY, NOVEMBER 9, 2009**

Members of the Board Human Resources Committee met on Monday, November 9, 2009, in the Dining Room, at the Education Center. Present were the following school board members: Michele Cann, Loretta Leeson, Eugene McKeon, Benjamin Tenaglia. Also in attendance were Director of Student Services Dr. Dean M. Donaher, Director of Facilities and Operations Scott T. Gilliland, Assistant to the Superintendent for Finance and Administration Stanley J. Majewski, Jr., Assistant Superintendent for Human Resources Thomas K. Washington, and Interim Superintendent of Schools Dr. Thomas E. Persing.

The meeting of the Board Human Resources Committee was called to order by Mrs. Michele Cann at 8:15 p.m.

**COURTESY OF THE FLOOR** – None

**BOARD POLICY 707** – Mr. Washington announced that members of the committee were in attendance who were involved in revision of this policy, Mr. Scott Gilliland and Dr. Dean Donaher, and they would like to go over some of the highlights. As you know this policy has gained some attention lately. I am going to have them come up and explain a little bit of the changes. We start up at the top of page 3 of the policy. They added in the language for nonprofit status.

Mrs. Cann stated that nonprofit status must be verified by meeting one of three categories and there is two listed. Do we need to make political subdivision number three? Mr. Washington read the three categories and confirmed political subdivision is the third one. Mrs. Cann requested that a semicolon should be put after *verifiable religious organization*, take out *and* put *or*, and then add 3). Mr. Washington read the next item that was edited – *Any organization that charges admission to an event is automatically considered a Class IV*. Mr. McKeon asked what it meant by charges to an event. Dr. Donaher answered if you were having a dance group from a studio come in and perform, they may charge \$10 for admission. Mr. Tenaglia asked what about a regional puwting camp whom charges registration or admission. Would that type of group fall under Class IV? We consider registration a charge.

Mr. Washington asked to take this item off the table at this point until we get a proper copy.

**RESCINDING OF BOARD POLICY 808.1 – FOOD SERVICE MEAL CHARGES – FIRST**

**READING** – Mr. Washington asked the board to rescind this policy at this point because we are having some discussion on how are we going to best meet the needs of our students and collect the money at the same time.

Mr. Tenaglia asked what is the administration's plan to deal with the problem with the large accounts receivable. Mr. Washington pointed out that in the recommendation it stated that the superintendent and the assistant superintendent finance and administration are meeting with the director of dining services in order to come up with a plan. Dr. Persing has had a meeting with Dining Services, with the high school principals and with middle school principals, and we are trying actively to come up with a plan as to how we can retrieve those funds. At this point, we want to rescind the policy until we work on that and then come back to you with a policy that we feel... Dr. Persing commented it is not only retrieving the funds but also other problems we have. Mrs. Cann wanted to confirm that the district would not be without a policy for too long. Mr. Washington confirmed this to be correct.

**AGENDA ITEMS FOR NOVEMBER 16, 2009, REGULAR BOARD MEETING:**

**TUITION WAIVER STUDENTS** – Mr. Washington indicated the tuition waiver is pretty standard. The

district has students who move into the district prior to their parents building a home. They can start school with until the house is completed. Mr. McKeon asked about the child that leaves at the end of the year, within a window, they can continue until the completion of the academic year. Mr. Washington confirmed this is to be accurate.

**BOARD POLICY 006 – MEETINGS – SECOND READING** – Mr. Washington stated that this is the policy of which we have some changes recommended by Mrs. Leeson. He directed the board to page 11 and also stated that they should have also received a memo from Mr. Spry. Mrs. Leeson had given Mr. Washington some language to add pertaining to agenda items only. He pointed out the language the solicitor is recommending we add. Mrs. Cann asked Mrs. Leeson if she had any comments. Mrs. Leeson will discuss this with the attorney. I really do not have a problem with it any way. Mrs. Cann commented that it seems like it is being put back the way it always was any ways. Mrs. Leeson confirmed it was not. She added we could not have people coming to the board committee meetings just talking about any subject. It has to pertain to what is coming before the board or what might be an issue for that evening, which is what it should have been. Mrs. Leeson gave an example such as tonight we would not be talking about swaps because there is nothing for us tonight concerning swaps. That would go under the Finance Board Committee Meeting or a Regular Board Meeting.

**BOARD POLICY 601 – FISCAL OBJECTIVES – SECOND READING** – Mr. Washington pointed out with Board Policies 601 and 616, you received a letter from Mr. Majewski and some of his thoughts and opinions on the policies.

Mr. Washington said that Mr. Majewski had stressed that *continuously* be removed and *will keep the board informed monthly at the Finance Board Committee Meetings if held and at the regular board meeting of the current fiscal status*. This is a recommendation coming from our business manager to add a little more of a definition if you read what he wrote to the board regarding the policies. Mrs. Cann agreed that continuously is not appropriate. Normally monthly would be fine, but maybe just an exception for something of importance that we might need to know before the next monthly meeting. Take out *continuously* and add at the very end *on a not less than monthly basis*. She asked the board if they were in agreement with this. Mrs. Leeson replied I am not because we had the situation last October where the financial swaps began to go awry very quickly, and we really did not have three or four weeks to wait to respond to some of those issues. Mrs. Cann agreed and that is what we are trying to address this. Mrs. Leeson stated to say monthly is the requirement and maybe continuously is not the word but I think when a situation like that occurs the board needs to know about it as soon as possible in case there is a need for an emergency meeting. Mrs. Cann asked Mrs. Leeson if she could maybe submit some suggestions. Typically it would be at a monthly Finance Board Committee Meeting but for certain circumstances it will require that something has to be done very quickly. Mr. Washington asked if the language could be submitted to him.

**BOARD POLICY 616 – PAYMENT OF BILLS – SECOND READING** – Mr. Washington invited Mr. Majewski to discuss the policy. Mr. Majewski pointed out that if you remove *the prompt payment of bills* in that line that we subject ourselves to possibly penalties and/or loss of discounts. He stated that it does not make a lot of good business sense. There are certain payments that are just defined by the law, i.e., the charter schools. Mrs. Cann asked Mr. Majewski if it would make any sense to put some sort of cap on the dollar amount that could be paid without... Mr. Majewski stated that it could be looked at regarding the charter schools and work something around it. You can insert a language that may be other than required by law. You remove that portion of the cap now we are required to pay charter schools; that is where you would have a problem with a cap because some of these could be around \$270,000.00 a month to charter schools. With discounts, you might be able to have a cap because typically those are not big amounts. Mrs. Leeson stated I think number two covers the schools. For the charter schools, the payment scheduled is approved by the board, so payment to the charter schools then does not have to be

added because it is a regular scheduled payment. Mr. Majewski stated that it is a regular scheduled payment, but it is not scheduled as approved by the board because the board does not take action for payment of the charter school unlike what you are doing with awarding payment to a contractor so there is approval. The charter school payment is made to them because of the number of students that enroll and the way the law is written, so the board never takes action to approve that payment. Mrs. Leeson stated in addition to *orders to cover payrolls and agency account deposits* we can just add a line to cover charter schools. Mr. Majewski said we need more than charter schools. I think what we need to do is cover anything that could be lawfully required because what we do now with charter schools but who knows what the legislator might do so we need to take a look at maybe not having it so narrowly defined but yet try to provide you the type of restrictions you are looking for. Mrs. Cann said it does not hurt to excuse out payments required by law because they have to be done anyway.

Mrs. Leeson commented I will say that the incident that occurred could have been called under that. Mrs. Cann stated that was not required by law, and thinks the board is okay if it were put in, but then if you would give us an amount for a cap otherwise. Mrs. Majewski asked the board to allow him to take a look at some of the bills that come in. They usually are smaller; they are not going to be your larger bills. Mr. Amato asked are you talking about caps – a cap on penalties and discounts? Mr. Majewski replied I believe I am being asked for is to establish an authorization to pay up to a certain amount in order to take the discount. For example, if a cap is established at \$100,000.00 anything that is less than that on a type of bill that offers a discount, I can pay it. Mr. Amato asked what if the bill is \$110,000.00 and \$10,000.00 we could get a penalty or a discount. That does not make sense. Why would we want to put a cap on anything that comes in as a bill where we can take a discount on? Mr. Majewski stated that is why I brought this to everybody's attention. Mr. Amato asked the board why would we not want him to pay. I just do not understand why. Mr. Tenaglia commented that is where we had the problem – where you get billed for \$60,000.00, they give a discount of \$2,000 by paying within ten days, it is paid, and we have no knowledge of it. Mr. Majewski confirmed it was an isolated incident.

Mr. Tenaglia stated the wording needs to be clarified. Mrs. Cann suggested what we can do is have a proposed language that the board can vote on whether they feel the need for it or not.

Mr. Amato asked for Mr. Majewski to explain it back to him. Mr. Majewski replied I think what Mrs. Cann is saying is that she would like me to propose some language for you to consider. I do not know what that is as yet; however, I am concerned about giving up any discounts. Mr. Amato stated this will catch penalties, and the board should not be trying to put restrictions on bills that come in that have discounts and/or penalties. Mr. Majewski – we are taking a look at what would be in the best interest of the district, so if you are looking at discounts and penalties that type of bill would not have been eligible for payment prior to board taking action. Mr. Amato asked to be given some examples of bills that come in. Mr. Majewski stated most of the bills are for supplies; they are looking for quick payment, so you are going to get a 2% discount within 10 days. We try to take advantage of those so that we pay less on that bill. He said it does happen quite frequently with many of our vendors who are looking to get the cash payment.

Mrs. Cann asked if it would probably say something like putting back *the prompt payment of items that will accrue to the district's advantage* and add at the end *up to* and then an amount. Mr. Majewski stated it seems to be agreed that language is too broad and could be interpreted in many different ways. This is the concern we are trying to remedy by changing the language. We need to take a look at it as if we do not spend more money than we need to. Then we need to have language that confines it to discounts and/or penalties so we do not pay too much. Mrs. Cann said so something like the prompt payment of items that provides discounts and/or penalties up to an amount. She suggested the board vote on whether they want a cap or not. Mrs. Leeson asked how many items do we actually have ten days net as oppose to thirty days? Mr. Majewski replied what you are looking at is discount the first ten days but is due in thirty days

that is your typical term so that when it comes in we need to process it rapidly in order to be able to take the discount and/or penalty does not accrue until after the thirty days which typically allows us to be able to go in front of the board to get approval before there is a penalty period. It is the discount that is more of the issue, which really should not need approval. Mr. Amato absolutely agrees. Mrs. Leeson asked that it did not include professional services. Mr. McKeon stated the cap could have existed in the purchase order with the authorization. Mrs. Cann will be talking to Mr. Washington and Mr. Majewski about the language.

**BOARD POLICY 706 – PROPERTY RECORDS – SECOND READING** – Mr. Washington directed to the board to page two to review the added language. The policy will be presented for approval at the Regular Board Meeting on November 16, 2009.

**RESCINDING OF BOARD POLICY 808.1 – FOOD SERVICE MEAL CHARGES – SECOND READING** – The rescinding of the policy will be presented for approval at the Regular Board Meeting on November 16, 2009.

**FEDERAL/STATE PROGRAM BUDGETS** – Mr. Washington stated these are the grants from Mrs. Cintrón's office, and the recommendation is that we authorize the federal and state budget as indicated on the attached schedule.

Mrs. Cann asked if these changes are made because the funding from the federal organizations changed or because the district changed where we want to use the. Mr. Washington stated it says it is modified and it necessary to properly reflect the current status from various federal and state organizations. I do not know the exact changes, but the amount the district is receiving changed. Mrs. Cann would like to know the reason for the changes. She asked if it was something the district decided to change from this instead of this or was it the state. Mr. Washington will go back to Mrs. Cintrón and ask the reasons for the changes and will have an answer for board for Monday. Mrs. Cann asked if she has it sooner she could send us an email. Mr. Tenaglia asked what is the impact of losing \$175,000.00 for disruptive youth. Mr. Majewski explained that at the beginning of the year we have our budget and we establish a certain amount as we go through before we get approval for the grants or the dollar amount. So what Mrs. Cintrón will do as the contracts come in and those that do not, she zeros out grants that to reflect the reduction of those monies in the budget. If we had \$18,000.00 originally approved and the grant came in at \$20,000.00, now she has increased it by \$2,000.00. We try to have the original budget that we approved and adjust it as the grants come in. Several times a year you will see this come through because of the new grant awards. Mr. McKeon asked about the alternative education grant and if the approved budget means it is in our millage. Mr. Majewski confirmed no. All grants you have unrestricted. It is in our approved budget, but it will not impact the millage because the ongoing and unrestricted portion impacts the millage. The restricted is an in dollar out dollar. It never impacts your bottom line. Mr. McKeon asked if are we providing that service. Mr. Tenaglia commented that is my question what is the impact of losing the \$174,600 for Alternative Education for Disruptive Youth. Mr. Washington said I will have to get an answer for you. The board would like to know if services were eliminated due to funds loss of certain funds and what are the alternatives. Mr. Washington will get back to the board.

The grant will be presented for approval at the Regular Board Meeting on November 16, 2009.

**KEYSTONE STARS QUALITYIMPROVEMENT GRANTS** – Mr. Washington stated this grant is through the Quality Education Department of Public Welfare where daycares get a certain status and they get funding for that status. Mr. Tenaglia asked if not all the daycares are eligible. Mr. Washington replied that it depends on how they work through the ranking. That is my understanding.

The grant will be presented for approval at the Regular Board Meeting on November 16, 2009.

**PA CARES BULLYING PREVENTION GRANT** – Mr. Washington stated this is a grant on bullying through the Highmark Foundation.

The grant will be presented for approval at the Regular Board Meeting on November 16, 2009.

**SAFE ROUTES TO SCHOOL ACADEMY GRANT** – Mr. Washington stated this is another grant that we are applying for Calypso Elementary School. Mr. Amato asked are you planning to apply for it now. Mr. Washington answered yes for this year.

The grant will be presented for approval at the Regular Board Meeting on November 16, 2009.

**COURTESY OF THE FLOOR** – None

**OPEN FORUM** – Mr. McKeon was asked by Mrs. Follweiler to bring up an email we received from a concerned citizen PACT Committee. This has to do with how we invest our CMS profits.

Michele Cann adjourned the meeting at 8:46 p.m.

Minutes prepared by: \_\_\_\_\_  
Nitza S. Yerger, Confidential Secretary to the Assistant Superintendent for Human Resources