

Board of Directors Board Minutes October 18, 2011

Board Members: Chair Terry Rahmsdorff, Vice Chair Bob Moore, Directors Jerry Crafton, Ron Gallinat, Carol Moorehead, Scott Pillar, Scott Reynolds and John Sundell

HDESD Staff: Dr. Dennis Dempsey, Superintendent, Greg Munn, Director of Fiscal Services and Shelley Knutz, Executive Assistant

REGULAR SESSION

Regular Session was called to order at 7:10 pm. A revised agenda was distributed which included a first reading of Policy KBA-Public Records.

PRESENTATION AND REPORTS

Fiscal Report

Greg Munn presented the Finance Report as of October 18, 2011.

He confirmed the audit will be presented at the November board meeting.

- General Fund – Operations, Fund Balance/ Reserves, Revenue and Expenditures
- Special Revenue Fund - State grants is at only 2%. We already know our LTCT will be 100,000 less than budgeted. It is likely we will come in below the actual budgeted amount.
- PERS UAL Debt Service Fund
- Facilities Maintenance Fund
- Detail Fund Report – No specific questions

Superintendent Report

Long Term Care and Treatment Contract – Dr. Dempsey is still waiting to hear back from Deputy State Superintendent Ed Dennis. The revised contract we received for \$382,000 had not been approved by him. Terry said this is affecting every aspect of this program. Dr. Dempsey agreed that if the contract does not go from \$262,000 to \$400,000 then we may have to discontinue the contract. The districts would then be responsible for the education of children. We are very dependent upon ODE for the accuracy of their numbers and rely on the information they provide to us. Instances like this make it very difficult to have confidence in the information we are being given.

Over 300 people attended the Google Summit on October 14th. The Summit was organized by the ORVSD Training Team. Rachel Wenthe-Chaney had a key role in the event and did an amazing job. Steve Prull was also directly involved in the Summit. Dr. Dempsey is proud of them and the good work they are doing on this project.

We have received \$50 from The Bulletin and have started collecting data for the public records request. Alea will be tracking the actual amount of time it takes her to comply with the request for the HDESD and each district. It will be well over \$50. This request prompted the review of our policy and administrative regulation for KBA - Public Records.



DISCUSSION ITEMS

First Reading Policy KBA – Public Records

The policy is being presented for a first reading to reflect accurate language. Dr. Dempsey referred to the paragraph which states the Board may establish a fee schedule. The current administrative regulation states that labor will be calculated at the hourly rate of the employee providing the service. The Attorney General has a standard fee schedule for public records costs and fees. The Board requested that Dr. Dempsey work on updating KBA-AR with a fee schedule to review at the November board meeting. John Sundell suggested charging the lesser of the employee rate or the actual hourly rate posted on the fee schedule.

ACTION ITEMS

Consent Agenda

- Ron Gallinat moved and Bob Moore seconded a motion to approve the consent agenda as presented. Motion carried 8-0.

DISCUSSION ITEMS

Proposed Business Services Solution

Cathy Miller joined the meeting by conference call because she was out of town.

Board Chair Terry Rahmsdorff asked that this issue be broken down by sections in order to easily understand where each board member stands on each aspect of assisting Crook County School District with their business services needs.

Superintendent Dempsey gave an overview of the situation and the options for resolution that were considered by the board of directors in Crook County. Terry confirmed that Dr. Dempsey had agreed on behalf of the HDESD to help Crook County until they are able to fill the position. However, they are requesting that as part of our shared services model the ESD allow Greg Munn the business manager for both the HDESD and Crook County for the rest of the school year.

Terry Rahmsdorff asked each board member to give their opinion of supporting Crook County

Jerry Crafton is a Crook County resident and knows the district has been in need of sound business management. They have been in real disarray for a long time. He knows Superintendent Yecha would like to have Greg there to help get things straightened out. It would be a great help to the school district.

Ron Gallinat said it is important to help them out in the interim until they get someone hired but need to put clear boundaries on what we can provide. Greg will need to begin preparing budgets soon and there is work at the HDESD that needs to be attended to. Greg Munn did note that this is one of the best times to be doing this because it is right between the completion of the audit and the start up of the budgeting process.

John Sundell said the Board has been talking about helping our districts and our vision and now we are saying we have to look out for ourselves. Conceptually, the option of letting Greg help Crook County get their financial office in order makes great sense.



Scott Pillar said he agrees with John Sundell. He does not see shared services saving a lot of money but measuring success can be accomplished through the support we provide to our districts. He believes the HDES D needs to decide to get behind this or not.

Cathy Miller asked if this request for our support is being made by the entire Crook County School Board because she does not want anyone to say this help, if we were to provide it, was being forced upon them. Dr. Dempsey said that he was told this has the support of the entire Board. She would only feel comfortable moving forward if she saw something in writing confirming that the stakeholders want us to take action. Cathy is also concerned about how we can we do this without impacting the integrity of our own team. She asked who was next in charge behind Superintendent Dempsey and he confirmed it is Paul, Jayel and then Greg. Her last concern was that if we need to backfill at all, it will be an open and transparent process.

Terry Rahmsdorff asked Greg Munn how he felt about working in Crook County and at HDES D. We are interested in helping our districts but not at the cost of Greg's health. What does the workload look like? Greg said one of the benefits is taking the best practices that work well and duplicate those with the other districts. He has just scratched the surface in Crook County and is finding that change is intimidating for them. He also finds that skills training for the business staff would be beneficial to streamline many of their processes.

Carol Moorehead said that conceptually she agrees that we should help the district. As an ESD we cannot serve our districts well if are not whole ourselves. She likes the idea of having the agreement and the expectations in writing. Cathy Miller suggested a Memorandum of Agreement that provides for a 90-day evaluation because it is quite possible their idea of shares services does not match ours. Especially with the expectation of time we are willing to commit Greg to working in Crook County.

Scott Reynolds said that he does agree we should support shared services in the districts. But at this point we are do not have a shared services model in business services and one small mistake in this department can have huge ramifications on the agency. If we are going to help Crook County with business services, let's help them with payroll and accounts payable and some of the more manageable resources we can afford to share but not our business manager. A new superintendent is not going to be attracted to an ESD who has a part time business manager when that is such a vital role especially with the current financial climate.

Bob Moore generally agrees that we should provide support through the school year. Bob Moore said he isn't sure Crook County has the confidence in shared services to support the addition of business services. He would be comfortable supporting them until they have a chance to hire someone.

Dr. Dempsey said Superintendent Yecha has been very pleased with the shared services support they are receiving from Jayel Hayden and Martha Hinman. We do have to put districts first but not at the detriment of the stability of our ESD.

John Sundell mentioned that Dr. Dempsey referred to shared services as an experiment. Cathy Miller agrees with that concept but she wants to make sure there is clarity with the communication between the district and the HDES D. John said it would be a labor management issue that would be handled by Greg Munn and his staff.

Terry Rahmsdorff thanked everyone for their honest discussion saying it has been helpful to hear everyone's views and concerns. He agrees that Cathy's recommendation to have something in writing to create clarity is extremely important. A 90-day review to determine if we are making adequate progress or whether we need to make



adjustments also makes sense. We do say we support shared services and he would like us to have them well planned but understands there will be times that adjustments need to be made. We will set the criteria so it will meet the needs of the HDES and see if Crook County is interested in what we are able to provide. We also want to be sure we are protecting Greg's time and well-being in the process.

John Sundell suggested that we tell Crook County we are able to commit Greg to 3 days a week. If they want more time than we are able to commit then they will need to hire someone. However, we will still need to hire someone to backfill Greg's time. Greg said they would prefer to have someone in their office full-time. Dr. Dempsey mentioned a recent communication to the Board stating that if the Board decides to have Greg work with Crook County and HDES and we have to backfill his position, we will be publicly advertising to fill that role.

Scott Reynolds believes we are making this our problem and treating it as a knee jerk reaction. He would support some interim help until they find a business manager. John said he would not support full time in Crook County. Bob Moore said it is hard to make a decision when he isn't clear what is being asked. He isn't comfortable being in support of it unless he knows what it would entail. Carol Moorehead said that this points out the need for clarity. Ron said their timing is important with a new superintendent and a couple of new board members and budgets. Greg said now is the best time after finishing the audit. Cathy said those are the key questions – what is it, how much and how is it

Dr. Dempsey noted that the High Desert ESD has already given Crook County these three options:

1. Advertise and hire immediately
2. Collaborative Approach with ESD
3. Hire interim business manager

Terry suggested that Greg Munn work with the legal team on a proposal to determine the number of hours he would work on site in Crook County and the services he could provide through the end of the year with specifications of what we are expecting to accomplish. Greg will be giving an update during each board meeting and the whole agreement would be reviewed by the end of January 2012 to evaluate how it is working for all involved.

Cathy Miller understands that shared services in business services are more about efficiencies and not so much about cost savings. Carol asked for confirmation that this is an opportunity we should be pursuing. She is still not sure there is enough clarity of what shared services is between HDES and Crook County. Dr Dempsey said that yes it is but there has to be limits to what we can provide. We are willing to help Crook County but there are strings attached. Greg said that if we are looking at shared services it is possibly an opportunity. If it isn't shared services, then it is simply shifting the problem from Crook County to the ESD.

- **Bob Moore moved and Jerry Crafton seconded a motion to direct staff to talk with Superintendent Yecha and offer the services of Greg Munn 2-3 days a week with other HDES staff as needed for the purpose of shared services in Business Services. This is to be a cost neutral arrangement for eight months and must have the support of the Crook County Superintendent and a majority of the Crook County Board of Directors.**
- **Cathy Miller added a friendly amendment that was accepted by Bob Moore and Jerry Crafton stating that after this agreement has been accepted by Crook County, the MOA will be endorsed at a special meeting of the High Desert ESD Board of Directors.**



Motion Passed by Roll Call Vote – 6 Yes, 2 No, 1 Abstention (Due to any potential conflict of interest)

Bob Moore - Yes

Scott Reynolds - No

Carol Moorehead - Yes

Cathy Miller - Yes

Scott Pillar - Abstain

John Sundell - Yes

Ron Gallinat - No

Jerry Crafton - Yes

Terry Rahmsdorff - Yes

Dr. Dempsey and Greg Munn will have a conversation with Superintendent Yecha and ask him to talk with his board members tomorrow. If they are interested in pursuing the MOA we will schedule a special board meeting.

Adjourn

The October 18, 2011, High Desert Education Service District Board of Directors Meeting adjourned at 9:30 pm.

Terry Rahmsdorff, Board Chair

Shelley Knutz, Executive Assistant

