

BOARD OF FINANCE

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TOWN HALL
238 Danbury Road
Wilton, Connecticut 06897

Warren Serenbetz, *Chairman*
Lynne Vanderslice, *Vice Chairman*
Richard Creeth, *Clerk*
Al Alper
Jeffrey Rutishauser
John Kalamarides

**BOARD OF FINANCE
SPECIAL MEETING
July 29, 2014
7:30 p.m.
Meeting Room B**

PRESENT: Warren Serenbetz, Lynne Vanderslice (on the phone), Al Alper, Richard Creeth, Jeffrey Rutishauser, John Kalamarides

OTHER: Bill Brennan, Sandy Dennies, Bruce Hampson,

Call to order

The Meeting was called to order at 7:30 PM

Miller Driscoll Project

First item on the Agenda was to vote to support the Miller Driscoll Project. Mr. Serenbetz said that one of the questions from the Board was regarding reimbursement from the State. The question is whether the number being used by the Miller Driscoll Building committee at 12.25% is reasonable when the Council on Public Facilities feels the amount would be 9%. Mr. Hampson adequately answered the question and gave the Board a detailed explanation as to how the Miller Driscoll Building Committee arrived at 12.25%. Ms. Vanderslice asked if Dr. Smith had looked at this and Mr. Hampson replied yes, and that the Miller Driscoll Building Committee had made a presentation to him.

Ms. Vanderslice added that if this Project is approved there will be an increase in the debt service between 2015-2016 which could result in a 3% increase in the mill rate.

Mr. Kalamarides made a motion to recommend that the Town approve the Miller Driscoll Project as it's been set out. The motion was seconded and carried unanimously.

Finalize Policy & Procedure Recommendations Letter to Board of Education

Mr. Kalamaride stated that before Ms. Vanderslice reviewed her recommendations with the Board he wanted to let the Board know that he had heard from many citizens who didn't approve of the inquiry and questions whether the Board of Finance has the authority by Town Charter and State Statute to get into these matters. He feels they shouldn't be involved in this issue at all. He respectfully recommended they modify the letter if not drop it completely.

Ms. Vanderslice responded by saying that they are looking at "Financial Controls". She gave a brief background on the history of the inquiry and then said that they haven't seen anything wrong. She said that when you look at the information, what's happening seems reasonable and there's no need to do a special audit or to hire a lawyer or look for outside professional assistance. She suggested talking about the recommendations and putting together a letter which would be sent to the Board of Ed and to Dr. Smith. They would then follow-up in three months or so.

Mr. Serenbetz suggested since there was a difference of opinion, they vote on whether or not to send out the letter. Ms. Vanderslice made a motion to send out the letter, with the content subject to further discussion, which was seconded by Mr. Creeth and carried with Mr. Kalamarides voting no.

Ms. Vanderslice then reviewed the recommendations letter with the Board (which is attached herewith). A discussion ensued as to whether it was under the purview of the Board of Finance to make these recommendations. Mr. Alper said that while these are just recommendations to the Board of Ed, he felt that the letter should be reviewed by Counsel prior to being sent.

A discussion ensued as to what should be included in the letter. Mr. Alper felt that the first two bullets should be dropped because they are related to policies and procedures and he doesn't feel they are under the Board of Finance purview.

Mr. Serenbetz agreed that the letter should be reviewed by counsel prior to being sent out to ensure no State Statutes are violated. A discussion then ensued regarding the content of the letter, specifically omitting the first two bullets. Mr. Alper moved that they don't include the first two bullets. Seconded by Mr. Serenbetz. The motion failed 3-2 with Mr. Kalamarides abstaining. A discussion ensued around the wording of the recommendations, specifically the controls on the spending authority of the Superintendent. Mr. Rustishauser and Mr. Serenbetz made suggestions which Ms. Vanderslice will incorporate prior to it being reviewed by Legal Counsel and sent to the Board of Ed.

The Meeting adjourned at 9:15 PM.

Respectfully Submitted,

Mariana Corrado

DRAFT

July 29, 2014

To: BOE Members and Dr. Kevin Smith

From: Wilton Board of Finance

Re: BOF Review of Policies and Procedures for Educational Legal Settlements

In response to varying requests from taxpayers, the BOF performed a review of the Wilton Public Schools' policies and procedures related to educational legal settlements. For the purposes of this review, educational legal settlements refer to agreements between the BOE and Wilton parents which resulted in a financial cost to the District and which arose because of a dispute related to the Individuals with Disabilities Education Act (I.D.E.A.) or Section 504 of the Rehabilitation Act of 1973, as amended (Section 504).

The BOF considers written policies and procedures a key component of a strong system of internal controls. They provide a roadmap as to how processes and transactions are to be handled, including the applicable financial controls and they provide a means of holding individuals accountable. In this situation they have the added benefit of being a useful tool to parents who may not be knowledgeable in the area.

Our review consisted of the following:

- Obtaining a further understanding of I.D.E.A
- Obtaining a further understanding of Section 504
- Reviewing available budgeted information from FY2010 to FY2015 to better understand the characteristics of educational legal settlements
- Reviewing FY2012-FY2014 closed public Due Process files to better understand the dispute resolution process, the characteristics of differences and the frequency of occurrence on a statewide basis
- Reviewing any documented WPS operational and financial policies and procedures dealing with the above laws with an emphasis on those dealing with dispute resolution
- Discussions with Dr. Kevin Smith, Ann Paul and Ken Post

(???should we include the status report which contains the details and the charts? Ie A more detailed discussion of our review is included as an Addendum to this document.)

As a result of our review, we have the following recommendations:

- **WPS Special Education Policies and Procedures**
We are aware that Ann Paul is currently in the process of preparing written policies and procedures for SPED. We support her efforts and once completed, we recommend they be placed on the District website along with easily identified links on each school's web page.

- **WPS Section 504 Policies and Procedures**

We recommend that the packet, which currently exists as documentation of the policies and procedures, be augmented with a table of contents and further explanation to allow for a parent-friendly document. Once this is completed, we recommend they be placed on the District website with easily identified links on each school's web page.

- **Financial Policies and Procedures for legal settlement authorizations and expenditures**

As of today, there are no written financial policies and procedures for settlement agreements. We recommend that these specific policies and procedures and any other financial procedures not currently documented be documented.

- **Financial controls over legal settlements**

Typically Ken Post, as Financial Director, has not been included in the financial discussions during the legal settlement negotiations. We support the recent decision to make him a permanent member of the team for financial matters.

We recommend the BOE consider the following as a further strengthening of controls. The Superintendent has unlimited authority for any expenditure he deems necessary, so long as all expenditures in total do not exceed the approved annual BOE budget. In a year such as FY 2010, the Superintendent would have significant financial leeway for any one settlement. We recommend the BOE consider requiring the Superintendent to either seek authority or inform the BOE of settlements in excess of BOE pre-set parameters. Although the Superintendent has expressed his intent to keep the BOE informed and the BOE should expect to be consulted in the event of such an unusually large settlement, only a policy will put in place the controls to ensure the consultation.