

**MID-STATE SPECIAL EDUCATION
EXECUTIVE COMMITTEE MEETING
Special Board Meeting
Official Minutes
August 6, 2019**

PROCEDURAL BUSINESS

The regular meeting of the Mid-State Special Education Executive Committee was called to order by Vice-Chairman Mr. David Powell at 11:14 a.m.

MEMBERS PRESENT

Mr. Ben Theilen, Edinburg; Mr. David Powell, Hillsboro; Dr. Becky Schuchman (by proxy), Carlinville; Mr. Mike Shackelford, Brownstown; Mr. Aaron Hopper, Panhandle; Dave Meister, Morrisonville; Ms. Melissa Ritter, Ramsey; Mr. Chris Clark South Fork

OTHERS PRESENT

Mrs. Angela Armour, Director; Mrs. Lyn Becker, Administrator of Special Education Services; Mrs. Vickie Throne, Executive Secretary

Recognition of Visitors: Dr. Chris Dougherty, Taylorville Superintendent

MEMBERS ABSENT

Mr. Steve Phillips, Mulberry Grove; Ms. Julie Healy, St. Elmo; Dr. Wes Olson, Bond County; Dr. Gregg Fuerstenau, Litchfield; Dr. Jennifer Garrison, Vandalia;

CONSENT AGENDA

None

REPORTS AND COMMUNICATION

None

EXECUTIVE SESSION

A motion made by Mr. Shackelford and seconded by Mr. Hopper to enter into executive session carried by a roll call vote of 8 yeas, 0 nays at 11:15 a.m.

A motion made by Mr. Meister and seconded by Mr. Hopper to return to open session carried by a roll call vote of 8 yeas, 0 nays at 11:21a.m.

ACTION ON BUSINESS ITEMS

Personnel:

A motion made by Mr. Hopper and seconded by Mr. Clark to approve the re-employment of Lisa Cacciatori, SSW, as presented carried by a roll call vote of 8 yeas, 0 nays.

UNFINISHED BUSINESS

Mrs. Armour reported that discussion regarding the Articles of Joint Agreement will occur at the August 21, 2019 board meeting.

NEW BUSINESS

Mrs. Armour reported that she is recommending approval of an Independent Contract Agreement for speech-language pathology services for four days per week to meet needs in Litchfield. Mrs. Armour has worked closely with Travis Bushue to ensure that this individual meets the independent contractor requirements. Ms. Ritter asked how that expense will be paid. Mrs. Armour explained that the expense goes into the speech language pool to be paid proportionately by any district who uses speech-language services through Mid-State.

A motion made by Mr. Theilen and seconded by Mr. Clark to approve the contract agreement for speech-language services with Lynette Sproull, as presented carried by a roll call vote of 8 yeas, 0 nays.

Mrs. Armour reported that the attorney is available by phone if there is a need for their involvement in the following discussion. Discussion occurred regarding a *Resolution to Issue Teachers Orders* to fund the final Christian Region payroll, issuing a Line of Credit to Fund the final Christian Region Payroll or approving a loan from Mid-State to the Christian Region to fund the final Christian Region payroll. One or a combination of these options may be needed in order to meet the payroll. Mrs. Armour reported that following the last MSSE board meeting, bills were sent to districts for the deficit payment, and she followed up with an email explanation. She reported that South Fork's payment was received this morning. Mr. Theilen, Edinburg and Mr. Meister, Morrisonville, signed the *Acknowledgement of Promise to Remint Payment* during the meeting for their districts and will be submitting their payments as soon as possible so that employees who served their districts can be paid. Mrs. Armour reported that she had email contact with the Taylorville bookkeeper who indicated that the payment would be included for the August 12 Board meeting, and she received a letter from Dr. Doerr with several questions and requesting information. A copy of the letter was provided in the advance packet.

Mrs. Armour reported that she had an in depth conversation with legal regarding the deficit if the districts chose not pay the debt assessment. If their payment is not received, this could fall on other districts to pay for those districts' staff for the services from the 2018-19 school year that are remaining unpaid. Mrs. Armour clarified that the Resolution is written so that staff in the districts that pay their assessment will receive their pay as normal, not a teacher order, on August 15th. Mrs. Armour reported that since the payroll is paid on August 15th, there would still be a need for an inter-fund loan from the Mid-State account to cover the FY19 payroll since districts who sign the Acknowledgement of Promise to Remint Payment by August 30th may not send their payment until August 30th. Mrs. Armour reported that after much discussion with the attorney, it has been determined that if the board does not pursue this money the 13 districts will be left to pay the bill for staff in the districts that do not pay. Mr. Shackelford asked for the total that is owed and Mrs. Armour stated that the total needed for the August 15th payroll is \$150,000. Part of this is due to the fact that we are still waiting for IDEA reimbursement from ISBE. Once that money is received the total will then be \$68,688 which is less than was estimated in April. When the IDEA reimbursement is received, a refund will then be provided to all six Christian Region districts. Mrs. Armour reported that there are two situations occurring, one being a cash flow issue due to IDEA reimbursement coming after the payroll and the other being a debt assessments from Christian Region since their fund balance does not cover the costs of all of the July and August payrolls due for FY19. Mr. Powell asked for confirmation that if MSSE along with the three regions still existed, would we would use the Christian Region FY20 Assessment to make the August 15th payroll? Mrs. Armour confirmed this understanding as correct and noted this has been done for years. There have been many years that Christian Region has not had a good ending fund balance due to the former board making the decision to not pay a debt assessment dating back to FY08 when recommendations were made to establish at least two months' fund balance to fund unpaid contracts. The situation was made worse in FY16 when the

board decided to flow Personnel due to the Region to districts. Mrs. Armour explained that this could have been much worse had we not started receiving Medicaid administrative outreach reimbursement that was not budgeted which slowly built the fund balance. Mr. Powell stated that at the last MSSE meeting Dr. Fuerstenau stated that he felt that Taylorville will be paying their assessment since they owe it.

Considerable discussion occurred issuing teacher orders is not an easy decision to make knowing what the impact will be on staff and their families. It was also discussed that all former Christian Region districts need to pay their portion as it should not be the responsibility of the remaining 13 districts to pay for this debt. Therefore, the recommendation was made to issue Teacher Orders to district staff whose districts do not commit to paying their district deficit assessment by August 9, 2019. Mr. Meister asked for more information as to what a Teacher Order will look like. Mrs. Armour explained it is her understanding that the next step would be to work with our bank to establish payment of the Teacher Orders. Mid-State will issue a slip of paper to staff that states they are owed the said amount, and the staff member takes the piece of paper to the bank with the bank will then deciding what percent of that order they will pay. Sometimes the bank will pay all of it and sometimes they will pay only a percent. Eventually when money is recouped, the bank is paid for the order along with interest or there is a mechanism to sue for that money. The board expressed their heartfelt concern for the staff as they did their job and did nothing wrong, but the districts who the staff members work for ultimately owes Christian Region the money so that the payroll commitment can be made. If the payroll is made without the commitment of each of the liable districts, we could borrow from the bank or Mid-State's FY20 assessments, but we would have to ultimately assess the 13 districts for the money that is actually owed by Nokomis, Taylorville and Pana. Mrs. Armour noted that we are obligated to return any remaining funds and IDEA reimbursement to the former Christian Region districts. Discussion continued and the board decided to hold another special board meeting early next week to receive an update on this serious situation and have the opportunity to take additional action, if necessary.

A motion made by Mr. Hopper and seconded by Mr. Clark to proceed with the Resolution on an Inter-Fund Loan in order to pay the obligation that are outstanding from FY19, as needed, carried by a roll call vote of 8 yeas, 0 nays.

A motion made by Mr. Powell and seconded by Mr. Shackelford to approve the Resolution to Issue Teacher Orders to Christian Region Joint Agreement employees for payment in August 2019 noting in this Resolution it states that the Teacher Order will only go out to former Region member district employees whose District has not provided a written promise to pay their outstanding assessment by August 30, 2019, carried by a roll call vote of 8 yeas, 0 nays.


DISCUSSION

The next Executive Committee Board meeting is scheduled for Wednesday, August 21, 2019 at 9:00 a.m. with a special meeting to be scheduled for early next week.


ADJOURNMENT

A motion made by Mr. Shackelford and seconded by Mr. Meister to adjourn the meeting at 11:32 a.m. carried unanimously by voice vote.

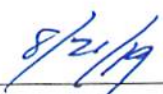
Respectfully submitted,
Mrs. Vickie Throne, Executive Secretary



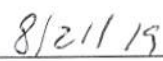
Chairperson



Executive Secretary



Date



Date