

VASBO Meeting  
September 12, 2014  
VSBIT Office Building  
Berlin, VT

**Present:** See Attached.

Rick Pembroke called the meeting to order at 9:45am.

**Announcements**

**Rick Pembroke** – He received an email from Secretary of Education Holcomb, he read it aloud (Attachment A)

**Steve Hier** - He read a letter that he received from the retired Business Manager, CCSU

**Bob Mason** – He announced that you can go to the VLCT website to get information regarding the seminar that he attended over the summer

**Secretary's Report**

A motion was made and seconded for the minutes from the June 13th meeting. No discussion, motion carried by voice vote.

**Treasurer's Report**

A motion was made and seconded. No discussion, motion carried by voice vote.

**Committee Reports**

**BM101** – They were going to be meeting during lunch after the 9/12 meeting

**Handbook II**

Report has been submitted (Attachment C). The AOE's recommendation is to keep the committee in existence. The changes have been approved by the Auditing Department and the Secretary of Education. The wait now is due to trying to figure out the reporting process.

**Certification Committee**

There are not many up for renewal this year so they are looking for the new Business Managers to get certified this year. Call Lori Bibo at 229-0553 if you need any information.

**Recognition Committee**

Make sure that you fill out the dues form correctly to be recognized properly

**Internal Audit**

They met on 9/4/14, see attached letter (Attachment B)

**Tri-State Conference**

They announced that the next conference will be in Portland, ME at the Holiday in by the Bay. It will be May 20-22. They are meeting again in October.

Mike Nadeau is in charge of the committee's; see him or Cheryl if you want to be on a committee

## UPDATES

### VSBIT

**Laura Soares** - Introduced the new Health & Safety Coordinator – Debbie Killpatrick Her contact info is Debbie@VSBIT.org

VSBIT is working on a Harassment and Bullying policy. She also stated that with the Dental program that those dependents at the age of 19 they are no longer eligible for the insurance UNLESS the employer extends it to the age of 26. VSBIT has a new LTD policy, Business Managers should think about moving from UNUM to VSBIT for LTD. She also mentioned that Gallagher will be available for the Oct/Nov Meeting

It is also looking like the health insurance increases for FY 16 will be around 4.5% Look for the official notice in late October.

**Don Morrill** – VSBIT U is in its second year, In July they had the HR101 that was very well attended. The next one was held on Sept 17<sup>th</sup> regarding Job Descriptions. The complete list of conferences is on the VSBIT website.

He also mentioned that the Luncheons were coming up: Oct 14<sup>th</sup> - VSBIT Office in Berlin

Oct 16<sup>th</sup> – Colchester

Oct 17<sup>th</sup> – Rutland Holiday Inn

### AOE

**Nicole Tousignant** - The reimbursement rate for FY 14 was 56.29%, the total spending was \$284 Million, that is a 4% increase of the prior year. Final payments are being ACH on 9/17.

Service Plans are due Oct 15<sup>th</sup>

Audits will be in January and February

**Brad James** – 1. Check with Cathy Scott regarding your State Placed student collections

2. Cash flows will be sent out today by Sean

3. Act 77 – Dual Enrollment

4. Pre-K Rules See ACT 166

a. Tuition is \$3000

b. Working on ADM issues

**Jeff Francis** - He strongly suggested that VASBO members should attend a regional VSBA meeting

**Aaron Brodeur** – Spoke about the Uniform Guidance Rules

- A133's

- Sub-Recipient Reports

If these are late all funding WILL be shut off

He also mentioned that if you give notification to your auditing firm PDF's of the final audits will be accepted

**Vaughn Altemus** – Mentioned that all incentives from the State regarding consolidation are done as of July 1<sup>st</sup> 2017

### VMBB

**Bob Giroux** – Stated that interest rates are low but trending up in the middle of the year.

Presentation regarding the Solar Consortium given by Frank Rucker and Norm Etkind

### The following motion was made at the end of the meeting:

To authorize the executive committee to finalize the letter to Secretary Holcomb and to represent VASBO in a meeting with Secretary Holcomb to discuss concerns VASBO has.

Motion made by Grant Geisler, Seconded by Steve Hier, Motion carried by voice vote

Meeting was adjourned at 12:00pm

Respectfully submitted by Tonia Mears

Vasbo

9-12-14

over  
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<u>Name</u>	<u>SP</u>		
Bob MASON	CSSU		
Donna Benoit	OWSU		
Laura Nassau	CSSU		
NOT Blood	BMU		
Rick Pembroke	SVSU		
Heather Wright	OCSU		
Robin Kemlocke	OSSU		
Christina Kimball	WNESU		
Cheryl Scarzello	RCSU		
Lynne Carpenter	BSU		
Grant Geisler	CCSU		
Cynthia Rossi	MSU		
Tisha Hankinson	CNSU		
Grant Hankinson	NCSSU		
Karen Atwood	WSWSU		
Randy Morton	WCSU		
Victor "Bud" DeBonn	WCSU		
<u>SIDE HIER</u>	<u>SPRINGFIELD</u>		
Lodie Cole	WNESU		
John Steen	South Burlington		
DAVID LARCOMBE	DRUMMS SW		
Rebecca Gault	Winona		
Janet Mitchell	OESU		
Tonia Mears	WNWSU		

Brenda Fleming, RNSU

Jusa Dreauld  
WSSU

Ann Bibeau, WCSU

Wendy Robinson ECSU  
ANDY HANSEN - CSSU

John Paulson Rivendell  
Christoph Adams - TRSU  
Louis Mikazto CSU

(MORE ON BACK)

Edward Hechette BVSU

Cynthia Rini

MST

## Richard Pembroke

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**From:** Holcombe, Rebecca <Rebecca.Holcombe@state.vt.us>  
**Sent:** Tuesday, September 09, 2014 5:34 PM  
**To:** Richard Pembroke  
**Subject:** Reaching out

Hello Rick,

Thank you again for all the incredible work VASBO has done around the common chart of accounts.

I understand your group has some concerns, and want to reach out and offer to come hear from you in person. I don't need to say anything if that is your preference, but hearing your concerns will help me, as well as the Agency, do a better job of supporting you and business managers across the state. I understand that your work is incredibly challenging and respect the voice and vision VASBO has shown on a number of critical fronts.

If you felt it would be meaningful, I would be happy to hear concerns from you, in the hopes of better supporting your work moving forward.

Best,

Rebecca

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Rebecca Holcombe, Secretary of Education  
Vermont Agency of Education  
219 North Main Street, Suite 402  
Barre, VT 05641  
(802) 479-1060  
[Rebecca.Holcombe@state.vt.us](mailto:Rebecca.Holcombe@state.vt.us)

**Vermont Association of School Business Officials  
Audit Committee Report  
June 2014**

Report Submitted To:           Richard Pembroke, President  
  Michelle Baker, Treasurer & Executive Committee

Donna Benoit and I met on September 4, 2014 to conduct an internal audit of the Treasurer's records for the period July, 2013 through June, 2014.

We examined a number of checks and deposits which we chose randomly. We found in all cases that proper documentation was on file. There were invoices that we found that did not have executive committee authorization. The audit committee found that there were check sequences out of order, but confirmed that all the missing check numbers were accounted for.

The audit committee requests that invoices be approved by the President or his/her designee.

The Treasurer's reports accurately reflect the revenues and expenses of the Association.

We wish to thank Michelle Baker for making her records available.

Respectfully submitted,

Robin Pembroke  
Donna Benoit

Attachment B



## REPORT OF THE VASBO HANDBOOK COMMITTEE

Prior to July 2012 the Vermont Association of School Business Officers (VASBO) was approached by the Vermont Agency of Education (AOE) and asked to form a committee that could work with the AOE to establish an updated Vermont accounting handbook and lay the ground work for a future statewide electronic transfer of financial information (data transfer). A committee was formed in such a way as to represent the diversity of the school governance structure that exists in Vermont. This committee has met on a regular basis for two years. We have conferred with various people from the AOE. We have also presented various stages of our work to VASBO for input and feedback.

The committee was guided by the central principle of compliance with the Federal Handbook in a way that was tempered to the uniqueness and requirements of Vermont. The Federal Handbook cannot just be applied in cookie cutter fashion. It needs to be tailored based on the size of Vermont school districts and based on state requirements that are not necessarily reflected in the Federal Handbook. It does not make sense to require Vermont schools to use all of the detailed classifications of expenditures but rather to leave that level of detail as an option. Particular aspects of the Vermont education funding system require financial reporting that is not specifically addressed in the Federal Handbook. Modifications were made in order to accommodate those requirements.

Adapting the Federal Handbook to Vermont was by far the simpler of the two tasks facing the committee. The additional task of laying the groundwork for a future statewide electronic data transfer complicated our work and extended our timeframe. Within our existing reporting structure, local deviations from the handbook structure can be accommodated by cross walking the data into the correct codes in the reporting process. An electronic data transfer would not allow for this. Data would have to be coded according to the handbook from the start. The structure of the account codes would have to be standardized. New fields would have to be added in order to provide the data in a common format and also identify the entity to which the data belongs. Developing and testing this account code structure took much of the committee's time.

One of the key elements in this electronic data transfer is defining the appropriate level at which the data is to be collected. Are we collecting by school, by district, by town, by SU or some other basis? Establishing this reporting level must be consistent with our governance structure and how it may change in the future. It must also be based on the most appropriate level at which we need to examine and use the data. Once the reporting level has been established, a clear and consistent identification system needs to be developed so that the individual units within that structure can be codified correctly. The AOE indicated that this committee should assume the school as the base reporting unit and so we did. That choice needs to continue to be thought through as the electronic data transfer system is developed. Our current school identification system (PS, SU, etc. numbers) has not been structured consistently enough to lead to easy codification within an account code structure.

As part of the development of this data transfer system, thought must be given as to how to ensure that all Vermont schools have software appropriate to comply with that system. We have arrived at an



account code structure of some 33 digits (including dashes). Not all software systems currently in use may be able to handle a structure of that length. Perhaps in the course of developing a data transfer system ways to shorten the coding structure may be found. For example, there may be a way to embed the reporting entity within the system thus shortening the account code structure. There will need to be adequate provisions for software, training, and funding. There will always be someone who just invested in a computer conversion at their local level who will not want to make a change right away. Solving any software issues was beyond the scope of this committee.

The timing of the implementation of both the handbook and a data transfer system must also be considered carefully. Schools require a good deal of lead time in order to convert to the new account code structure (perhaps requiring new software to do so). They must then build a budget based on that new structure and proceed through that entire budget year prior to being able to report using that new structure. We believe that, once the handbook is issued and the software and data conversion issues are solved, an implementation period of three years is necessary.

The data provided by a common handbook will prove to only be as good as the consistency in reporting. There must be a continuing educational process to help build and maintain a common understanding of what items are included in each element of the account code – a common “data dictionary.” VASBO is prepared to be a partner in that ongoing effort. Also, schools must confer with the AOE prior to inventing codes that have not already been detailed in the handbook.

In conclusion, the committee would like to thank the AOE for including VASBO in this process. We appreciate having a voice in matters of such significant importance. In particular we thank Aaron Brodeur for all of his work representing the AOE on this committee.

Report issued August 26, 2014

COMMITTEE MEMBERS: Steven Hier, Marilyn Frederick, Edie Lou Cole, Laura Jakubowski, Kathleen Barron, Heather Wright

ACCOUNT CODE STRUCTURE:

Location	Fund	Level	Type	Program	Project	Function	Object	Revenue
xxxx	xxx	xx	x	xxx	xxx	xxxx	xxx	xxxx