

VASBO Meeting Minutes, September 16, 2016, VSBIT Office Building, Berlin Vermont

Present: See Attached sign up sheet.

Introductions

Treasurer's report: A motion was made to accept the report, was seconded, no discussion, motion carried by voice vote.

Announcements and Correspondence:

Scott Baker; State Treasures Office announced federally funded Teacher retirement, employer expense will be lower than 13.9% in FY18. Amount will be posted on State Treasures website when formalized.

State Treasures Office; retirement census data testing fall audit schedule has been announced [see posted schedule on Web site]

Teachers audit report for FY15 is still in development, the Treasurer's Office is addressing Actuary questions, expect final audit results in two weeks

General question from Membership; CPA Auditors have told Central Office that they must provide balance sheet regularly at board meetings. An informal survey on how common this practice is was conducted by a show of hands; only small fraction of the VASBO members present indicated it is a routine practice.

Other Announcements:

Data collection in physical plant operations presentation will be scheduled in PM for October VASBO meeting for those who are interested in attending.

Vermont Higher Education Investment Plan [VHEIP], have requested opportunity to speak to Vasbo about 529 plans, to be scheduled in the pm.

Dick Paulson complimented efforts of VASBO members and Merchants Bank for providing the Calendar

Committee reports;

Tri state: Annual Conference will be in Burlington, VT May 17 – 19, 2017, committee will meet in October, John Aubin will be joining the committee

Certification; Lori Bibeau; processed 16 applications last year, this year 18 applications are to be processed for recertification, forms are on Vasbo website. Call Laurie at 229 0553 x304 with questions.

Nancy Griffin ASBO international contacted Lori Bibeau to write an article about the value of ASBO, please contact Laurie to provide content.

BM 101; Committee is working on the agenda, dates will change; likely to start in October

Steve Hier Reported; per the request of Jeff Francis, Steve, Cheryl Scarzello, Frank Rucker met with a subgroup of the VSA organization to discuss business manager recruitment, development, and retainment.

There will be a follow up meeting to revisit the Castleton State College offer for professional development opportunities. Jeff Francis will also be following up with suggestions on how to support new business managers.

Audit committee: found that the VASBO Treasurer reports are satisfactory

Federal grants committee; meeting after lunch today, finalize policies to share with VASBO membership; best practices for policy and procedure regarding grant implementation. The committee will be meeting with Shaun Cusino to review revised document. Consulting firm Berry Dun will be providing a final version of their findings to the AOE by September 30. It was noted that the report can be amended.

Several VASBO members requested that the Committee encourage the AOE to provide support for system conversions to new account structure and that changes coincide with new merger implementations. Eight new mergers have formed and will be operational July 1, 2017.

A request for Future topics; was discussed suggestions included:

Standard AOE Chart of Accounts implementation

Development of software specifications for implementation of new statewide Chart of Accounts, noted state law requirement effective FY19

Negotiations

Professional Development opportunities; P cards

Act 46

Health care compliance

10am Updates;

Vehi; Laura Sores;

Health rates have been filed, fy18 first six months no change. Expect DFR to approve in January 2017. Expect no surprises in dental, trend is down, will be announced in November. Vehi annual meeting will be at lake Morey, reviewed Vehi authorization forms for voting; option A, attend – option B, proxy. Option should be approved at warned board meeting. Officer election for board are open positions.

Eligibility to enroll in Vehi health program is currently under review, noted that elected officials are not eligible to enroll. Must be an employee and must work at least 17 hours a week. Important that school districts enforce eligibility requirements.

District should not share a common policy for a shared employee. Contact LS for more information [federal rules].

Reviewed memo regarding cash in lieu of benefits – refer to document on vehi website for more information, also see webinar by Gallagher, Vehi Q & A, email inquiries are welcome.

See vehi open enrollment memo on vehi web site. Do not allow open enrollment to proceed without a negotiated agreement or advice of attorney. Note that nonunion employees can proceed per individual contract provisions.

By January 2017 inform vehi of interest in 834 transfer file, to enroll employees directly with bcbs.

Steve Hier has submitted helpful Q & A's to Laura have prompted useful research; e.g. compliant contributions to health care costs – see memo from Laura Sores

Noted HRA are a plan year cycle, generally part of a negotiated process. Employers should not pay claims outside of a bargaining cycle.

Health Equity Inc., is not section 125 provider, are HSA and HRA provider. Plan on working with existing FSA vender to update section 125 plan docs, employers will need to include HSA and HRA plans. In next six months should have integrated plan amendments.

Vermont Health Connect system is sending notices of employees who have subsidies, does not require action by business managers.

Data is available for employee out of pocket costs from bcbs through vehi. Useful for analysis and negotiations. Provide Laura with health plan group numbers for data.

For the eight new merged districts, consider conflict between Vermont law and federal law regarding negotiations and provision of health insurance. Gallagher will provide analysis of compliance and issue to address. Provides assessment of issues to be addressed in negotiations process.

Members are encouraged to email Laura with questions.

Don Morrill:

VSBIT Spring conference April 12 – 14, 2017 at the Taconic in Manchester, \$129/night rate.

Contact Don with suggestions for topics to be addressed.

Vsbit U HR tune up, was successful 9/15/16, October 19 second review, October 26, hazing and harassment training

Workers comp training in October

Risk management series, starts September 29, continues in December and June. Provides school leadership team with opportunity to respond to various risks that cause serious disruption in school districts, e.g. dealing with press during a crisis, hazing incidents, special Ed issues, etc...

Brad James:

Nichole has noted on October 17, Special Education Service plans are due to the AOE

Act 148 of 2016; Brad will provide update on how Special Ed payments will processed by AOE.

Transportation aid e.g. fy15 actual = fy17. AOE is working on payments to districts and will integrate into cash flow sheets.

Education spending estimates and equalized students are being formulated now for fy18.

Act 46: AOE will be asking for feedback from merged districts to assist with future implementations. New merged unified number assignments will be sent by AOE soon.

56.57% is the final reimbursement rates for FY16, final payments will be distributed next week.

Bob Giroux: Vermont Bond Bank:

For bond vote planning, call bob to consider strategy to combining new debt with old

Markets have been receptive to bond sales, most recent sale, 2.7%, 20 year, 2.993% 30year, very attractive rates

Good time to go long. 20 to 30 year bond curve is impacted by inflation, has been low and likely to continue.

Note merger effect on unified unions, should meet notification requirements, see form provided by VMBB.

Fair Labor Standards Act – Overtime Rule Changes effective December 1, 2016

Pietro Lynn; reviewed power point document, Posted on VASBO Website

Over view; fsla claims present significant exposure. Requires retroactive review of hours worked and quantified damages to be paid by employer.

Exempt = salary basis not requirement to quantify hours worked

Teachers, executives, administrators, professionals are exempt categories

Nonexempt = hourly rate of pay and subject to overtime - time and half

December 2016 rule changes;

Executive, managing department, directly supervisor at least 2 employees. Have to have authority to hire and fire or have persuasive influence, at least 934 per week or 47k per year

Administrative: input into “matters of significance” relative to operations of office or facility,

Professional exemption: [part of a learned profession – dr. requires advanced degree]

Computer employee exemption; [not likely that a school district has one – creates the software,not administering systems already designed]

Note that CBA do not override federal law.

Teachers are exempt; teaching tutoring or instruction

Excludes librarians, sports coaches, school nurses. If make over threshold then can make argument that position may be exempt.

Academic administrators: principals, assistant principals, academic counselor, and advisors qualify. Must relate administrative functions directly to academic instruction or training in and education establishment

Must earn as much as an entry level teacher.

DOL suggested solutions:

1 pay more 2 pay overtime 3 change duties 4 assign comp time [must be tied to a policy] cannot be on adhoc basis

Limiting overtime:

Review policies regarding authorization to work overtime, make it clear that there is a protocol for time line for submitting payroll processing OT requests and the consequences for working unauthorized overtime.

Bias from DOL will be to find cases of non-exempt work that has been compensated as exempt. Will trigger penalties to employer.

As of Dec 1 many negotiated contracts will become invalid

General Q&A; primary duty determines exempt vs nonexempt status. When teacher is also a coach, still an exempt positions and no OT applies to coaching duties.

Per Cindy [cvu] VT law was passed that allow hourly employee to be paid under a deferred comp basis as long as it is mutually agreed to. E.g. para educator hourly worker paid over 26 pay periods annually.

It is likely a nurse position could be considered a professional exempt – due to extended training. It is unlikely the library would qualify if on professional exemption, however if they offer direct instruction as the primary duty then they could be considered exempt.

After school program tutors would be exempt regardless of certification; basis is what is the work performed, if instruction then it is exempt work.

Follow-up;

Q's to Don via HR help interface on web site.

Pietro to contact NEA regarding implications of law and implications for CBA's

Steve will consolidate questions from meeting and forward to Pietro

Work group to form to review implementation of Dec 1 law.

Coordinate with other agencies e.g. Federal and State DOL representatives

STEVEN HIER	SPRINGFIELD	shier@ssdvt.org
Keith Merrick	OESU	Kmerrick@oesu.org
Lynne Carpele	BISU	lynncarp@bisu.org
GIBSON SMITH	PAHCC	gsmith@pahcc.org
Donna Benoit	WRVSU	dbenoit@wrvsu.org
Deb Clark	LNSU	delark@linfox.org
LAURIE GARLAND	Windham Central	lgarland@windhamcentral.org
Dick Paulson	Rivendell	d paulson@rivendell.schol ⁹
Debra Simmons	St. Johnsbury	dsimmons@stjisd.org
Lisa Hankinson	CNSU	lhankinson@cnsu
April Tuschette	NESU	april.tuschette@nesu ^{schools.org}
Grace Hankinson	NESU	Grace.Hankinson@nesuvt.org
Christopher Adams	TRSU	Chris.Adams@TRSU.org
Josh Quinn	ACSU	jquinn@acsu.org
Teresa Taylor	HARTFORD	taylor t@hartford.scholsvt
Cheryl Scarcello	ARSU	Cscarcello@arsu.com
Brittany Gilman	RCJU	brittany.gilman@rcsu.org
Renee Gordon	SVSU	renee.gordon@svsu.org
Mary Buak	SVSU	mbuak@svsu.org
MORRIS DAYZU	FNESU	mdayzell@fnesu.net
Martha Gagner	FCSU	mgagner@fcsuvt.org
Bud DeBonis	OSSU	vdebonis@ossu.org
Robin Kembroke	OSSU	
Katie Roth	Colchester	Katie.roth@colchestersd.org
Kathy Barron	CCSU	kbarron@ccsuvt.org
Ari Vabe	WCSU	avabeau@u32.org
PETER PATTONS	ROULAND CITY	PATTONS@RUTLANDSCHOLS.ORG

Edie Cole	WINDHAM	edie.cole@northeastvt.org
Grant Geisler	Montpelier SD	grantg@mpsvt.org
Heather Wright	OCSU	hwright@ocsu.org
Laura Soars	VSBIT	laura@vsbit.org
Angela Denton	So Burlington	adenton@sbschools.net
Lisa Renault	Bane	lperrbsu@uci.net
Andy Lundgren	LSSU	andy.lundgren@lssuvt.org
Lori Blood	Blue Mtn	lori.blood@bmu.school.or
Elizabeth Atkins	Burlington	eatkin@brdvt.org
Karen Atwood	Windham SW	Katwood@wsasut9.org
KR "Duc" Decarreau	CCSU	Kdecarreau@ccsuvt.org
Cindy Koeremant-Warren	CCSU/CUSD	ckwarren@ccsu.org
Elie Frechette	BVSU	frechettee@bvsu.org
Michelle Frechette	SOS	School sosvt@gmail.com
Paula Frutkin	WSESU 48	frutkin@wscsu.org
Roger Frost	ETSD	RBFrost@ETSD.org
Randy Morton	Windham Central	rmorton@windhamcentral.org
Pat Amodeo	CCSU	pat.amodeo@ccsuvt.org
Janet Mitchell	OESU	jmitchell@oesu.org
Don Johnson	Milton	DJohnson@MFSU-VT.org
John Aubin	South Burlington	jaubin@sbschools.net
Louis Milazzo	RWSU	Louis.Milazzo@rwsuvt.org
Susan Anderson-Brown	ANWSU	Zabrown@anwsu.org
Chris Sumner	FWSU	csumner@fwsu.org
Bruce Twissie	RNES	btwissie@rnesvt.org
Richard Seaman	Windsor Central	rseaman@wesu.net
Michelle Baker	WWSU/HOUSA	mbaker@wusu.org