

**EAST STROUDSBURG AREA SCHOOL DISTRICT
BOARD OF EDUCATION
FINANCE COMMITTEE MEETING
February 17, 2015**

**Carl T. Secor Administration Building – Board Room
6:30 P.M.**

Minutes

- I. The Chairman, Robert Gress, called the Finance Committee meeting to order at 6:35 p.m. and led those present in the Pledge of Allegiance. Secretary, Patricia Rosado called the roll.
- II. Board Committee members present were: Ronald Bradley (arrived at 7:00 p.m.), Robert Gress and Gary Summers. Tom Dirvonas, Solicitor.

School Personnel Present: Jeff Bader, Linda M. Balmoos, Brian Borosh, Ann Marie Kizer, Sharon Laverdure, Tom Lesniewski, Kathy Parrish, Patricia Rosado and Bob Sutjak.

Community Members Present: Larry Dymond and Judy Summers

Other: Edward J. Furman, Auditor – Maillie LLP

III. APPROVAL OF AGENDA AND MINUTES

Motion was made by Gary Summers to approve the agenda for February 17, 2015 and with members of the Committee reserving the right to add to the agenda and take further action in the best interest of the District. Motion was seconded by Robert Gress and carried unanimously, 2-0.

Motion was made by Gary Summers to approve the minutes of the January 12, 2015 meeting. Motion was seconded by Robert Gress and carried unanimously, 2-0.

IV. ITEMS FOR DISCUSSION:

- a. Audit Fee Request
Mr. Ed Furman, Maillie, LLP, explained the letter that he submitted to Mr. Bader requesting an additional fee of \$5,000 due to the work that was beyond the standard audit. Additional hours were required to revise the opening balance sheet. Mr. Summers asked if there would be any more problems or fees incurred in the upcoming audits. Mr. Gress asked if Mr. Furman can submit a breakdown of the number of hours worked to arrive at this total since there were other bids that were submitted that would have come under the additional \$5,000 that the district now has to pay. Mr. Furman said this is a one-time occurrence and that his firm will commit to the bid amount for the upcoming audits. Mr. Furman said he will bring the breakdown of the cost to Monday's Regular School Board meeting. This fee incurred was due to the opening balance sheet that needed to be changed dramatically. Mr. Summers suggested that the committee recommend this item be placed on Monday's Regular School Board meeting agenda.

b. LERTA Update

Mr. Thomas Dirvonas, Solicitor, said that the committee members received a revised LERTA resolution. There will be a public meeting of the Middle Smithfield Township Local Economic Revitalization Tax Abatement Program (LERTA) on Saturday, February 28, 2015 at 10:00 a.m. at the Whispering Pines Banquet Hall. It will be a public meeting for comments and questions. There is no requirement that anyone attend. He is not sure if the committee members have any questions. The most recent resolution is certainly much better than what we got last March or April. Some things need to be addressed. Tonight we need to decide what the Finance Committee Members would like to forward to the entire Board as far as if the Board would like to pursue this or if they are interested in doing this. The Board will incur fees if they would like to further look into this resolution or the Finance Committee may need additional answers.

Mr. Gress said that he saw the ordinance and some items are not in there. I think the entire Board may want to vote on this. In theory, it is a good idea but there are questions that need to be answered. There are questions with appealing taxes, percentages, years, tax breaks, etc. We don't have to determine everything at this meeting but can decide at a later time.

Mr. Summers said the Finance Committee should be interested as well as the entire Board as long as the terms are favorable to the ESASD. According to the resolution, there are areas that we don't agree to. Middle Smithfield Township needs this more than we do. We are currently in the driver's seat. Let's tell them what we don't agree and have them fix it. We can then sit down with them and discuss the changes.

Mr. Dirvonas said that M.S. Township seems anxious to move along. Mr. Summers said it is more likely that they are desperate. Mr. Dirvonas said that Mr. Summers and Mr. Gress attended the last meeting in October where several concerns were mentioned that needed to be addressed. M.S. Township is taking a hold on zoning districts for blighting which qualified for treatments. The property number and pin number is the same and they have gone back and taken common districts and identified properties.

Mr. Summers said that he does not have much experience, but he understands why M.S. Township wants to do it this way. They don't want to go to a business and say that they did not make the list. In order to do this, they take a specific zone and make it eligible. I am not sure what this means to us or how they can identify or pick and choose from the business people on the list in order for them not to get upset.

Mr. Bader said that it is entirely up to the municipality to choose blighted. Mr. Summers said they chose 209 as blighted or underdeveloped.

Mr. Gress said that he would like to be there but cannot be but certain parcels can get voted on and those are the ones that get in. The first step is to meet. Mr. Summers said that we need to review percentage and schedule and they need to agree to our terms. Since they need this, we are in the driver's seat.

Mr. Dirvonas asked if the sewage issue with M.S. Township has been resolved. Mr. Bader said it has not. Mr. Dirvonas said that he would like the committee members to understand that this will not reduce the taxes. It is a tax deferral program. It also talks about cost of improving properties. He and Chris Brown reviewed and don't like some terms. Mr.

Summers asked if there is an increase in value, does the assistance apply to the taxes on the lower cost or higher cost. Mr. Dirvonas said this is all part of the language issue. If the Board wants to do this, then some of these things need to be addressed but not at this point. Mr. Summers said we shouldn't spin our wheels but get this resolved. Mr. Gress said that at the end of this evening, they can vote to move this resolution forward to the whole Board. They can also accept public comments before doing so. Mr. Dirvonas said that he can be at the meeting on February 28th because he would like to see how it is presented. Mr. Summers and Mr. Gress said that this can be decided at Monday's Regular School Board meeting.

c. Purchase Vans for Contract Drivers

Mr. Sutjak, Transportation Director, said that he is always looking at ways to be fiscally responsible by bringing cost savings ideas to the Board. He presented a cost comparison for contract drivers. The district currently has 20 drivers which transport 69 students. The students range from special education, homelessness and other areas. They get paid by a PDE formula which he has on an excel spread sheet. He would like to possibly purchase 10 seven passenger vans and 10 twelve passenger vans for the school district.

Mr. Summers asked if these are the checks on the payment of bills that they see each month. Mr. Sutjak said they are and the amount is determined by a PDE formula.

Mr. Sutjak said that he thought it would be a bigger savings but it does not look that way, in part because the cost analysis uses the starting contract rate for a bus driver. He does not believe they would pay these drivers the same scale as they do not require a CDL. There would be, however, benefit cost. Transportation will need to work with special education for the transportation services that need to be provided. Instead of individuals using their own cars, the kids would drive safely in a van with up-to-date inspection, tires and clean vehicles. The vans can also be used by the Athletics Department for away games or competitions. Vans can be driven by staff members. Currently some athletic trips are scheduled with North Pocono which cost about \$200 to \$300 per trip. Another possibility is cutting back on the 20 drivers we currently have.

Mr. Summers said thank you for looking at the savings but if salary increases have not been included in this presentation, after five years, there will be about \$475,000 in expenses due to higher raises. We may need new vans again in five years. Athletic trips are attractive but in the end it does not seem less expensive. Mr. Gress said that he appreciates that Mr. Sutjak is reviewing expenses but initial cost seems excessive. On the other hand, because some people do not plow their driveways, we will be called in to pull out our vehicles that are stuck. This may also be a worker's comp. issue.

Mrs. Laverdure said that another issue may be that they would need to hire monitors on the vans to help with the students. Mr. Sutjak said that students can be separated on the vans. Mrs. Laverdure said this does not seem like it would be an effective use of the vans. Mr. Bader said that one way to reduce the initial cost is to phase in the purchase of the vans.

Mr. Bradley asked if we have number of vans that we currently utilize. Mr. Sutjak said we have 30 passenger buses not vans. Mr. Bradley asked if they are on a four-year rotation. He suggested buying the buses back instead of turning them in. Mr. Bader said this would require the drivers to have a CDL license and they are paid higher. We currently don't have enough drivers to drive those extra small buses. Mr. Gress thanked Mr. Sutjak for his

presentation and hopes he continues to look at ways to save money in the Transportation Department.

d. Technology Network Infrastructure Proposal

Mr. Borosh distributed a handout to the committee members regarding a purchase projection for the district's technology network infrastructure. We are currently on a four year replacement cycle. Items that need to be replaced now are from the purchase that was made in 2007. Since they received approval from the Board, he advertised the proposal for bidding in order to get the pricing for the e-rate funding. They shared the bid list on the website and will receive bid responses tomorrow at noon. As of today, the district received one response. Mr. Summers asked which one was received. Mr. Borosh said Integra One submitted a response. Other interests and inquiries were made but only one bid was received. The proposal was advertised in the Pocono Record and Morning Call. It was also placed on the district website as well as the FCC Website. Mr. Summers questioned why would we need wireless access in every classroom. Mr. Bader said that due to the increase in the number of computers in use in the District, the number of access points is not sufficient to provide the internet access needed. Currently, we have access points in every other classroom. Mr. Summers asked how many concurrent users are allowed on the wireless access. Mr. Borosh said it depends but 45 concurrent users are recommended. As it stands, we are pushing it with 60 concurrent users with 2 carts with computers. Mr. Summers expressed concerns with where we are planning to go with technology and the cost for the next 2-3 years. Students received chrome books which require them to get on the internet but how does this improvement tie in with increased curriculum productivity in the classroom. We are not in the technology business but in the business of educating students. Mr. Borosh said whatever they do with technology they are training the teachers on how to implement in the classroom. Students use Chromebooks instead of notebooks by using Google Docs to submit assignments. Mr. Summers said then Xerox costs should be going down dramatically. Mr. Borosh said it is not. Mr. Summers said this does not make any sense to him. Mr. Borosh asked what would Mr. Summers like to see. Mr. Summers said before spending this money, he will need to see synergy with technology in the classroom with teachers teaching and getting point across to students. We have a serious financial situation and before we spend about \$459,000 to support all this technology, we need to do what is logically sound. Mr. Gress asked what does Mr. Borosh need from the committee tonight. Mr. Borosh said that he is just presenting these numbers moving forward. Mr. Gress said that last year they spent money on Chromebooks and now we are facing more cost. We need to have everything laid out to avoid hidden cost. On the curriculum side, we need to see why we are spending this money. Dr. Lesniewski said that he can meet with the secondary principals and Department Chairs to put something together on how they are going to integrate this use in the classroom. Mr. Summers said that when he thinks about the application of technology, it translates to productivity improvement. He is not speaking about cutting teachers but productivity in the work the students do. We got Chromebooks and now we need more access. This is very expensive.

Mr. Bradley asked for an update on the Cloud. Mr. Borosh explained that the Cloud is simply remote storage of software and data. The District has moved a number of its software applications to remotely hosted programs and has saved money in doing so. Last year we switched our email system to Gmail and our website is hosted by Schoolwires. We saved about \$3,000 by changing to Gmail about a year ago. Mr. Bradley asked if what we are using will streamline from our system. Mr. Borosh said he is sure we can change it

to host the information in our system. Mr. Bradley asked how, in the future, this system will impact curriculum. Mr. Borosh said items are used for remediation and we are not sure what the future will bring since technology changes each year.

Mr. Bader said that things are stored in cloud; therefore, we are not paying for it. Mr. Borosh said that core switches, wireless controllers, firewall, access points, etc. were bid out. We would like to get wireless in each classroom. Mr. Summers said it looks like we can get 30 users on it comfortably. Mr. Borosh said that is correct. Mr. Summers asked if all high school students have a Chromebook. Mr. Borosh said they want to give students and teachers for high schools and intermediate schools but access is slow. Mr. Summers suggested paying for the Chromebooks for each student but then have them pay if it needs repairing. Mr. Borosh said that bids come in tomorrow at noon. It will be e-rate funding eligible for 80% reimbursement. We will be responsible for 20% and the application is due in March; therefore, it needs to be approved at the February or March meeting. Mr. Summers said it would, therefore, cost about \$80,000 after e-rate discount. Mr. Borosh said he budgeted a \$40,000 savings. Mr. Summers said; therefore, Mr. Borosh would like us to approve whichever bid comes in. Mr. Bader said he can put together the bid information that comes in. Mr. Summers said Mr. Bader can gather everything and Mr. Borosh can let the Board know if it is needed in the classroom. If needed, then we should go ahead with it. Since we need to decide on Monday in order to get the e-rate funding, then it should be voted upon. Mr. Bader said we can wait until March if they would like to see all the information. Mr. Summers said we can decide on Monday, if it is needed. Mr. Gress said the committee can recommend for Monday.

e. Internet bandwidth Agreement w/ IU20

Mr. Borosh presented a breakdown of the cost for the ESASD internet, which includes the letter of commitment between the CIU20 and ESASD. This agreement includes 6.7 times internet increase with a total savings of about \$38,000 after e-rate funding is applied.

Mr. Gress if all IU 20 districts are participating. Mr. Borosh said all but Easton chose to participate. Mr. Gress asked if someone will be verifying the e-rate savings. Mr. Borosh said that the district and the IU 20 will collaborate.

Mr. Borosh distributed a handout with 3 year contract for ESASD WAN and a five year contract for ESASD WAN from Pen Tele Data. ATT said they cannot service the North campus. If we chose to do the three-year contract, it would cost about \$607 per month. The five year contract would be about \$182 per month.

Mr. Gress asked if we commit to five years, would the district be able to terminate sooner since he believes Pen Tele data is not the best choice. Mr. Borosh said he was hoping that Verizon Fios would provide the service but they cannot. In the past, we had a five to ten-year agreement and five years with the IU 20. Currently we have a five-year agreement for transportation. Mr. Summers asked when did the transportation contract start. Mr. Borosh said their contract will expire June 30, 2015. Mr. Gress asked if Mr. Borosh is recommending the five year contract. Mr. Borosh said with the five-year contract the district will receive a bigger savings. Mr. Summers asked if we expand Chromebook use to the middle schools, will we need to increase wan use. Mr. Borosh said the only concern is with having to increase the pipe at J. T. Lambert Intermediate School. We can change it at the same price and lock it in the contract. The IU has been cooperative with changes. We cannot find a better price elsewhere.

f. 2014-15 Budget Projection

Mr. Bader said that we are six months into this fiscal year of budget projections. On the Revenue side, at the end of January, we came in 81% of budgeted revenues. The largest portion is from Real Estate taxes. He does not anticipate any significant deviation. On the expense side with non-salary and benefits expenses, we are pretty much running at the end of December about 64% of the budget. Non Salaries are about what we expected it to be. Overall operations are between 4% to 6% of where we anticipated we would be. On the salary and benefits side, the district always waits to fill vacancies unless it is really needed. Student aides are added as IEP dictates. There is a 1.5 to 2 million dollars positive salary variance. Overtime and subs are used as need arises. We are close to the anticipated budget. We had a deficit in the budget and there has not been an erosion of that deficit. Mr. Summer said that in the past a deficit was projected, but not realized. This year it appears that we will need to dip into the fund balance as budgeted. Mr. Bader said that at this point it appears to be the case. Mr. Summers said that in August of 2010/2011 he received a sheet with job titles including salaries and benefits which included 616 professionals. This year 589 professionals were on the list. Therefore, to date, the professional list is down. He also saw something similar with the support staff. If you go over the last couple of years, we have come under in salaries. Year to date we had 18 Long Term Subs that we do not plan to replace. Mr. Bader said that if you look over time, the growth has been in Paraprofessionals and Student Aides. Mr. Summers asked why has there been a need for new Paraprofessionals and Student Aides. Mr. Laverdure said the reason can be due to the new students that have enrolled in the district, students that have been reclassified or some classrooms that needed to be split. Mr. Bader said that the district tries not hiring Paraprofessionals immediately but when the class needs it, they are hired. Mrs. Laverdure said it is the same with kindergarten classes. She waits to see what the numbers are before adding a new class.

Mr. Bradley asked the district will be hiring a new Human Resource person.

Mrs. Laverdure said that the District has interviewed for the current Administrative Assistant vacancy and that a second Administrative Assistant in the HR Office will be retiring in June, resulting in a second opening. She is looking at the possibility of restructuring the position because there are many PIMS reports that need to be done; therefore, she will look to fill a technology data base position. Mr. Bradley asked what type of person will this be and what type of background will they need. Mrs. Laverdure said it would be to complete different reports. The person will need to know technology, secretarial duties, be knowledgeable of the district and be personable.

Mr. Bradley asked if Mrs. Laverdure will still need three individuals in Human Resources. Mrs. Laverdure said she will.

g. 2015-16 Budget Balancing Ideas

Mr. Bader said that over five years the deficit will grow from 11 million dollars to 34 million dollars. Revenue options are not there to balance out the expense side. He asked for guidance from the Finance Committee for areas the Administration should look at for reductions. The Administration can present options, but if they are not areas the Board is willing to consider, it would be a meaningless exercise. Mr. Summers said that there can be several scenarios over next couple of years. He said Mr. Bader can use the charts as presented and spend down the fund balance. All expenses can be reflected to see how it looks like in a year or two. Anyway we present it there will be a deficit. We can also consider raising taxes and see what effect that will have on the outcome. Mrs. Laverdure

said she used to have a list of items and staff numbers to review. Mr. Summers said we should not look at nickeling and diming items. Mr. Gress said that we are scheduling a Legislative meeting to discuss our budget issues. Since we are not having a tax increase, the government will need to provide aide. We can't just nickel and dime things because if we don't buy the technology needed our education will go down. Mr. Summers said that we have the Fund Balance and Capital Reserve Fund. We haven't cut anything. We have to start spending the money like we never had to before. We are going to spend to maintain but we will still have deficit and will probably need to raise taxes. Stroudsburg Area School District is cutting staff and that's the reality that this is a serious situation. Mrs. Laverdure said that she does not want to be yelled at when she tries to cut staff. Mr. Summers said he does not want a repeat of the past. Mrs. Laverdure said we have to be specific. Mr. Summers said that we have to look at a couple of years and we might get money from Harrisburg or raise taxes. We are looking at a 12 million dollar deficit in our expenses. How do we solve? Furloughing?

Mrs. Laverdure said that we may need to cut back graduation credit requirements.

Mr. Summers said we may need to cut staff in a big amount. Mrs. Laverdure said we may have to do some nickeling and diming, too. Mr. Summers said that is why he questioned the new courses in the Program of Studies and questions spending more on technology because we cannot afford to spend the extra nickel. Mr. Bader said he understands because he has lived this before. Mr. Bradley asked why are we looking at the Employee Assistant Program since we are hiring a new Human Resource (HR) person. Are we hiring a person with an HR background? Mr. Gress said we need a Director but Mrs. Laverdure is in charge. They need three or more in the office due to the volume of full-time and part-time employees that are assisted in Human Resources. Having the three individuals in the office saves the district money by not hiring a Director at a salary of about \$78,000 a year. Once Mrs. Duggins retires, they will need to hire another Assistant Superintendent of Curriculum and Instruction. They also have Directors of Special Education.

Mrs. Laverdure said we are constantly asking when someone retires, if we need to hire for the position. Mr. Summers said that he is not suggesting that we do not do that.

Mrs. Laverdure said she would like to explain the process to Mr. Bradley. Mr. Bradley said that we should be hiring a person in HR instead of looking for an Employee Assistance Program.

h. Employee Assistance Programs

Mr. Bader spoke about a Proposal for Employee Assistance Program which includes crisis intervention, problem assessment and triage, short-term counseling, referred services, etc. Mr. Gress said he recommended this program because it helps to save people's lives, careers and families. The program may even save the district from a lawsuit. Mr. Bader said the idea behind the program is for employee wellness because negative behavior affects everyone's lives. This program will reach out to support the employees without the employer's interaction. This company has a large presence in counseling services, substance abuse and financial issues. Every employee would receive three sessions without cost to the employee or district, which would save the district money. If an employee would seek assistance in this form with their health insurance it would cost the district more money. The cost for this program is \$18.00 per employee, per year, which is about \$21,000-\$22,000 per year.

Mr. Summers said he was pleasantly surprised with the information. This program is elective and we have a little while to decide since there is a time frame on the price for 180 days.

Mr. Gress said that you cannot mandate evaluation. The employee has to go to counseling and training.

Mr. Bradley said that he does not see interaction between the school, principal or Human Resources and the employees. Mr. Bader said there can't be. Mr. Bradley said this is the issue at the district. Employers do not know what is going on. He would like to see comingling with school personnel. Mr. Bader said that it is important that the employer is not part of the process because an employee may not feel comfortable with the process. Mr. Summers said it is important to have training for those who manage people. If we provide this service then they may need the training. Employees may be concerned with going to their employer if they feel it will have a negative reflection. This is very reasonable but we should share this with the bargaining organizations. Mr. Bradley asked how many employees are there. Mr. Bader said there are about 1,100 employees. Mr. Gress said that the way to get the word out may be with the employee's paycheck or posting information around. This program will help with employee productivity because we cannot give professional advice. Mr. Bradley believes there needs to be employee/employer interaction. The unions need to be brought in and work as a cohesive unit. Mr. Bader said he may be right but we need to inform employees of the availability of the program. Mr. Summers said that we need to make sure that they are trained and be cognizant of who they managed. For the cost, it's certainly worth it since right now we don't have any other program. The first step is for the collective bargaining organizations to review. Mr. Bradley said he would agree with this program if they give our school personnel some training. Mr. Gress said we have training. Mrs. Laverdure said we have training from the IU 20. We don't train on certain issues like human wellness. We are not in the business of supporting, disciplining, etc. This is the next step. Mr. Bradley said most people can identify some issues. Professionals should be trained to see what's going on. Mr. Gress said this program is available 24 hours a day, 7 days a week. He suggested waiting until March in order to discuss with the unions first.

i. Appointment of Deputy Tax Collectors

Mr. Bader said that he received Deputy Tax Collector Forms for the following areas:

- i. Smithfield Township
- ii. Borough of East Stroudsburg
- iii. Middle Smithfield Township
- iv. Price Township

He will need Board approval at Monday's meeting.

j. Procurement Cards

Mr. Bader said he spoke about getting procurement cards to help streamline the purchasing process. It has been taking longer to go to the next step. He presented a copy of a Draft for Board Policy #625 – Procurement Cards. He requested that the policy to be given to the Policy Review Committee for their review and consideration. There is also a Draft for the User Policies & Procedures and a draft of the Employee User Agreement. He would like to get ten cards to use in the few areas where there is high usage such as at the local hardware stores that the Maintenance Department uses and markets and stores that the Family & Consumer classes use. Mr. Summers asked how do we monitor what is bought.

Mr. Bader said we would get receipt and employees will sign out the card. They will be reviewed for fraudulent purchases. We can also limit amount of use. Mr. Bradley asked how would the cards make it easier. Mr. Bader said it would cut down on purchase orders and paperwork. There would be no need to prepare open purchase orders. Mr. Bradley asked if there is a \$2,500 limitation on purchase orders; otherwise, Board has to approve. Mr. Bader said to his knowledge there is no limitation on open purchase orders. They are incumbent funds but they must follow the same procedures. Mr. Gress said that open purchase orders state a total amount of money but you didn't know what was actually spent. Mrs. Laverdure said it was not an actual amount. Mr. Gress suggested getting quote and bids for items since it may be too convenient to buy with the cards. Spot checks should be made. Mr. Gress and Mr. Summers recommended forwarding the policy and documents to the Policy Review Committee. Mr. Bradley suggested utilizing Barnes and Nobles to purchase items since they offer a 30-40% discount. Mr. Bader said they purchase from Barnes and Nobles, Amazon and other areas that offer a discount. We also purchase books online for libraries and look for the best possible price.

k. Referee Payments

Mr. Bader said the district would like to explore the possibility of using a system, Arbiter, to avoid writing checks for sports officials. Currently the checks are cut from the Athletic account. If the game is postponed, then the check is voided and another check would need to be written. With Arbiter, the officials would be paid electronically. Arbiter also does the 1099 form for them. The cost would be 91 cents for less than \$75 and would cost \$1.06 for \$75-\$150. This cost is less expensive than writing a check. It also speeds up payment process and makes it more efficient. Currently, we have separate accounts but this would eliminate these accounts. He recommends looking into using Arbiter beginning the fall sports season. Mr. Gress recommended that we look to see if there are any other companies that may provide this service.

l. Recommendations from Property & Facilities

Mr. Bader said although the Property & Facilities Committee did not meet, he would like to forward the following items for Board recommendation:

i. Bushkill Concrete – Kobalt Pay App #3 FINAL - \$38,661.75

Mr. Summers said that Mr. Eppley assured him that all work is done.

Mr. Bradley said that the cost went from \$316,000 to \$319 with no explanation.

Mr. Bader said it was due to a change order for new concrete.

ii. JTL Concrete – Northeast Site Contractors – Pay App #2 - \$109,002.71

iii. JTL Concrete – Northeast Site Contractors – Pay App #3 - \$27,022.33

iv. JTL Concrete – Northeast Site Contractors – Pay App #4 - \$2,836.60

Mr. Bader said JTL concrete is due to be finished in the spring. The Architectural Studio will certify.

v. JTL HVAC/Lighting – Wind Gap Electric Pay App #4 - \$54,000.00

vi. JTL HVAC/Lighting – Myco Mechanical Pay App #8 - \$82,769.85

m. JTL HVAC/Lighting Change Orders

i. Myco Mechanical CO #3 – (\$7,286.56)

ii. Myco Mechanical CO #4 - \$4,232.65

Mr. Bradley asked why is there a credit. Mr. Bader said the amount of units they had estimated were not needed. The increase in CO #4 was due to ventilators being too small. They had to make a small box if not cold air will free coil and cause water to leak. Mr. Bradley said when they did initial assessment this should have been noted. Mr. Bader said that the contractors were not part of the assessment but the engineers were. We now need to make sure that the units are properly insulated and protected. Mr. Gress suggested going to Strunk Albert Engineering after the job is done to discuss why this was not noticed initially. Mr. Summers said we have only had one change order. We can recommend payment and then go back to Strunk Albert to discuss this issue.

n. Meeting with Legislators

Mr. Gress said that a meeting with the Legislators has been scheduled for Saturday, March 7 at 10 a.m. in the Administration Center – Board room.

V. PUBLIC PARTICIPATION – LIMITED TO ITEMS OF DISCUSSION

A. Mr. Larry Dymond:

1. Recommended hiring a purchasing agent who can probably save the district 8 to 9 million dollars a year. Mr. Gress said that he believes we need to look into this recommendation. We need to sometime spend money in order to save.
2. Recommended investing the money that is received from the taxes. Mr. Gress said that the problem is that the district is limited to where they can invest. Mr. Bader said they have to be government entities. With PSDLAF and PLIGIT we maximize the amount of interest we can receive while staying in compliance with the school code. The district is always looking at short or long term investments.
3. Recommended looking at CDW for technology purchases since they are booming and being used throughout the United States. Mr. Borosh said that the district does do business with them but he cannot write a proposal specifically for them. Mr. Summers said that last year we spent 144 million dollars. About 96 million dollars were for salaries/benefits and about 20 million was for debt and leases. He agrees that we need to look for a purchasing person but we don't have much money to work with. Mr. Gress said this can be discussed at a later time with the Finance Committee. He would also recommend a centralized bus compound. Mr. Bader said there are several places to look for to save money. Mrs. Laverdure said when past Board members made decisions they thought they made the best decision then. Now current Board members will need to make decisions that will last a long time.
4. Mr. Dymond asked how many computers does the district have. Mr. Borosh said there is about a 2.5 to student ratio or 3 students to one computer. Teachers have laptops, libraries have computers and there are computer labs.

VI. ADVISORY RECOMMENDATIONS FOR CONSIDERATION BY THE BOARD OF EDUCATION

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Gary Summers to recommend that the Board consider for approval the following items: Motion was seconded by Ronald Bradley and carried unanimously, 3-0.

1. The additional fee of \$5,000 for Maillie, LLP for the preparation of the fiscal year 2014 audit report for additional services related to the restatement of the opening balance sheet.

2. The bid from IntegraOne for district technology network infrastructure equipment.
3. The commitment letter as presented with the Colonial Intermediate Unit #20, for Internet Bandwidth and RWAN and the PenTeleData for Wide Area Network (WAN) services between school district facilities. The term of commitment to this contract is for the period beginning July 1, 2015 and ending June 30, 2020
4. To approve the Deputy Tax Collectors appointment for Smithfield Township, Borough of East Stroudsburg, Middle Smithfield Township and Price Township.
5. The following Pay applications and Change orders:
 - Bushkill Concrete – Kobalt Pay App #3 FINAL - \$38,661.75
 - JTL Concrete – Northeast Site Contractors – Pay App #2 - \$109,002.71
 - JTL Concrete – Northeast Site Contractors – Pay App #3 - \$27,022.33
 - JTL Concrete – Northeast Site Contractors – Pay App #4 - \$2,836.60
 - JTL HVAC/Lighting – Wind Gap Electric Pay App #4 - \$54,000.00
 - JTL HVAC/Lighting – Myco Mechanical Pay App #8 - \$82,769.85
 - Myco Mechanical CO #3 – (\$7,286.56)
 - Myco Mechanical CO #4 - \$4,232.65

And

6. To review and discuss the LERTA documentation with the entire Board.
7. To forward Policy # 625 Procurement Cards to the Policy Review Committee.

VII. NEXT MEETING – March 9, 2015 at 5:30 p.m. in the Administration Center Board room.

VIII. ADJOURNMENT - 9:31 p.m.

Respectfully submitted,

Patricia L. Rosado,
Board Secretary