

MARS Board of Directors Meeting Minutes

Date of Meeting: January 13, 2015	Location: Devens
Attendees: See sign-in sheet	

Call to Order	Board President Maureen Marshall called the meeting to order at 9:56 am.
Minutes	The November 5, 2014, minutes were approved as presented.
Report from Auditor	Melanson and Heath performed an audit of MARS for FY2014. A copy of the report is in the packet. The cost was \$1,000. On a motion from Ellen Holmes and a second from Lynn Ryan, the Executive Board voted unanimously to accept the audit report as read.
Future audits	Dan Haynes, CPA and Business Manager at Mahar Regional has agreed to perform future audits for MARS. On a motion from Mindy Kempner and a second from Lynn Ryan, the Board voted unanimously to use Dan Haynes as the annual auditor for MARS.
Legal opinion re 9C cuts	Cain, Hibbard and Myers provided a lengthy legal opinion regarding Governor Patrick's reducing regional transportation as part of his 9C cuts. The report is part of the packet. The opinion states the following: "While we believe that the directive of Section 15 is clear, we are mindful that courts are generally very reluctant to disturb decisions of the legislative or executive branches of government, especially when those decisions are made to address pressing revenue shortfalls. We cannot, therefore, opine with certainty how a court would decide this issue. But we think good arguments exist that the Governor exceeded his delegated Section 9C authority when he reduced FY2015 regional school transportation reimbursement payments absent any corresponding FY2015 reduction to Chapter 70 aid." The cost of the opinion was \$3,000.
Responding to the 9C Cuts	The Board discussed a number of possible actions that MARS could take in response to the cuts. One option is to request a ruling from the Attorney General. Joe Gianinno, MARS legislative consultant, is looking into who can ask for this. "Lucy" from the office of Cain, Hibbard and Meyers was available via phone. Lucy said there is no case law regarding this. If we were to file, we would be making new law. She suggested MARS start with seeking the opinion of the new Attorney General as we begin building a relationship with the new Governor through discussion. Lynn Ryan asked if we fight this, do we put ourselves in jeopardy. Evan Katz asked what it would cost if MARS filed a law suit. Lucy stated the cost for a lower court decision could be between \$8,000 and \$10,000. An appeal to the Supreme Judicial Court could cost \$10,000 to \$15,000 and the whole process could take a year. "Michelle", also from Cain Hibbard and Myers chimed in and supported Lucy's recommendation that MARS take a two prong approach: seek the AG opinion and approach the Baker administration. Michelle will find out how the legislature can ask for the AG opinion.
9:55 Lynn Ryan chairs the meeting.	Maureen Marshall needed to leave. Lynn Ryan took over chairing the meeting. Steve shared a letter written to Governor Patrick asking that he restore the over \$18 million in funding that was cut from the regional transportation budget. The letter was signed by Anne Gobi and Steve Brewer and 78 other legislators.
MARS Legal Fund	Approximately 12 school districts have contributed to the legal fund to date. The purpose of the fund is to pay for legal assistance should MARS choose to file and challenge the Governor's actions. The Board agreed that any funds not used for this purpose will be returned to the districts.

MARS Operating Procedures	<p>Steve Hemman shared a document that explained the changes in the operating procedures and reviewed them with the Board. The new procedures address payroll, accounts payable, income to MARS, MARS bank accounts, monitoring the bank accounts, and personnel folders. The Board discussed the establishment of two additional bank accounts, which will bring the total to three. The new accounts would be for the legal fund and another account for the Consultants group. On a motion from Lynn Ryan and a second from Evan Katz, with an amendment from Mike Fitzpatrick, the Board voted unanimously to establish a new bank account for district funds contributed to pay for legal action to address the injustice of the 9C cuts, with any funds left over being returned to the donors proportionally, and a second new account for the funds received through the MARS Consultants projects.</p> <p>The information is in the agenda packet and includes copies of new forms for payroll authorization for consultants and other employees, and documentation forms for employees to use to file for reimbursement. Warrants will be posted and brought to the Executive Board meetings.</p>
Appointment of Treasurer	On a motion from Lynn and a second from Ellen, the Board voted unanimously to appoint Gail Stanton Treasurer for MARS through June 30, 2015. A copy of Gail's resume was shared with the Board. A revised Treasurer Job Description was shared. On a motion from Ellen and a second from Mindy, the Board voted unanimously to authorize Gail Stanton and Maureen Marshall as signatories on the checks.
MARS Payroll	The payroll will be switching to direct deposit and will be handled by ADP, which will calculate federal and state taxes, social security and workman's comp. The cost for this service will be under \$1,000 per year.
MARS legal filings	Through the Melanson and Heath audit of MARS, it was discovered that MARS had not completed a 5014c application nor done the required filings. Additionally, MARS has not filed with the Secretary of State nor with the Attorney General, both of which are required for organizations. Cheryl Burke from Melanson and Heath was available by phone and explained the filing process. We need to file for 5014c status. This is a one-time filing. We need to file with the Attorney General's Office annually and provide the names and addresses of the Executive Board members. We also need to file with the Secretary of State annually and provide the same information. The documents to complete these applications and filings are being completed by Melanson and Heath at a cost of approximately \$2,000. Future filings will be the responsibility of the Executive Director and completed by the Treasurer. Maureen Marshall asked how long the filings will take. The corporate filing can take about a month, but the IRS filing can take six months to a year. Cheryl explained that we can tell people that our application is pending once we have filed. Cheryl will send MARS the guidelines and procedural information.
MARS Consulting Group	Steve shared a copy of the new Policy for MARS Consulting Group and reviewed it with the Board. The policy addresses the purpose of the Consulting Group, who can serve as a Consultant, annual presentation of Consultants to the Board, advertising for new Consultants, Board notification regarding new projects and the pay structure for the Consultants. The policy is still being worked on. The current list of Consultants and their resumes were distributed to the Board. MARS will charge \$90 per hour for consulting services. The Consultants, who are now classified as employees of MARS, will receive \$75 per hour. The \$15 difference covers social security and insurance costs as well as MARS overhead. On a motion from Ellen Holmes and a second from Debra Boyd, the Board voted unanimously to approve the Consultant rate at \$90/hour, with the Consultants receiving \$75/hour, effective through June 30, 2015. Mike Fitzpatrick asked Steve to survey other consultants regarding their compensation and to bring back a recommendation for future hourly wages for the MARS Consultants.

Lynn Ryan asked if MARS uses the RFP process. Steve said yes and he responds. Lynn would like to see follow up with the customers regarding their satisfaction. Mac Reid, one of the Consultants, stated that the MARS Consultants meet with the Superintendent regularly throughout the process and asks for letters of recommendation at the conclusion of the project. Mike Fitzpatrick stated that NESDEC has an evaluation form that is used to measure customer satisfaction. Steve will get the form from Mike and review it to determine if it could be used by the Consultants. Lynn stated that MARS needs to define the process for taking on new projects. She suggested that the Board be notified of the upcoming projects and who will be the Consultants for the project. Steve will email information about upcoming projects and the Consultants assigned to the project and ask if there are any questions or concerns. On a motion from Mindy Kempner and a second from Mike Fitzpatrick, the Board voted unanimously to approve Stephen Donovan, George Frost, Paul Gagliarducci, Brian McDermott, Stephen Hemman and Barbara Ripa as the approved MARS Consultants through June 30, 2015.

Filing Legislation

MARS has re-filed the three bills that were not passed last session. The three bills address Bonus Aid, establishing a Stabilization account and using one district as the fiscal agent for the other member districts.

MARS Dues for FY2016

On a motion from Mike Fitzpatrick and a second from Mindy Kempner, the Board voted unanimously to increase the annual district membership dues from \$850 to \$900 for FY2016. On a motion from Mike Woods and a second from Mindy Kempner, the Board voted unanimously to approve an individual membership at \$50 per individual.

Foundation Budget Commission

The Commission prepared a PowerPoint regarding history of the foundation budget and where we are today. Steve included the document in the meeting handouts. The Commission has set up a series of public hearing on the foundation budget. Those dates were also shared. A question was raised about how MARS feels about the foundation budget. Steve stated that the Commission should look at the whole budget as we don't want the districts to be hurt.

MARS Strategic Planning

Mac Reid, one of the MARS Consultants, guided the Board through a strategic planning discussion. The purpose of the session was to discuss the future direction of MARS and to discuss the process for selecting successors to Steve and Barbara when they retire from MARS. Mac Reid will provide a summary of the strategic planning discussions.

Adjournment

Steve adjourned the meeting at 12:10 pm.