

CHARMS Collaborative
Open Session Meeting Minutes, March 24, 2017

Members Present: Mr. Zinni (Avon), Dr. Lally (Holbrook), Mr. Farmer (Sharon Dr. Rizzi (Stoughton),

Also Present: Rosalie O'Connell (Executive Director), Marc Richard (Business Manager), Karen Hurley (Charms Administrative Assistant), Gretchen Conlon (Charms Administrative Assistant), Paulajo Gaines (DESE Representative, Sarah Catignani (Attorney), Peter Anastasopoulos (Charms Employee), Kaye Dorman (Charms Retiree)

Open Session

- **Welcome and Public Comment**

- Motion to accept Agenda**

- ~~Dr. Lally so moved, Dr. Rizzi seconded, All in-Favor, So moved~~

- Public Comment**

- Mr. Anastasopoulos – Asked to please submit a letter into the meeting minutes (See attached letter), Then read letter on behalf of the signed current employees
 - Mrs. Dorman – Stated that she hoped the needs of the retirees would be taken into consideration as well

- **FY17 Budget Update**

- Revenue – We lost 1 student

- Expense

- Audit – Costs are accurate, additional costs will need to be paid
 - Ms. Catignani will review contract but usually is language to allow for wiggle room
 - If we continue to work with them in the future, we need stronger and more clear contract language

- Deficit = (\$87,235.76)

- Added surplus as a factor, Surplus = \$1,091,447 Total Money Currently Available

- As board approves money movement Mr. Richard will make notations

- Mr. Zinni asked if we should vote on a line item transfer now to bring the deficit to \$0.00
 - Mr. Richard states we can do that and will look into the best option with TMS and make a recommendation
 - Mr. Zinni asked for Ms. Catignani's opinion for a clean audit
 - Ms. Catignani stated it makes sense to hold off for any more unforeseen circumstances

- Mr. Zinni stated we need a balanced budget at the close of the program
- Mr. Richard stated this is why the surplus is included in the budget now
- Mr. Farmer asked if there were any other cuts we could make out of the existing budget instead of moving money from the surplus
- Mr. Richard said at this time we've made the cuts we can and that it may be better to wait until Mid-April/May to make the line item transfers
- Mr. Richard will highlight the encumbrances, projections, etc. to see where money can be moved to/from
- Mr. Zinni stated we keep a clear total of the deficit, then at the end move money as needed
- Mrs. O'Connell suggested keeping a watch over line items, but not making line item transfers because of the uncertainty of students, expenses, etc.

Motion to accept the Budget as it is presented

- Dr. Lally so moved, Dr. Rizzi seconded, All in Favor, so moved

Unemployment:

Dr. Rizzi – Is unemployment pay the collaborative responsibility?

- Mr. Richard will look into this and include unemployment into next budget with an explanation
- Mr. Zinni – Who will be responsible when Charms closes
 - Ms. Catignani – The member district will hold the responsibility
 - Ms. Catignani – We should be covered for unemployment expenses, but will confirm complementary portion

Other:

Mr. Zinni – There was a free/reduced lunch debt accrued because student paperwork was not submitted in time, \$161.00

- **Motion to cover \$161.00 to Canton Food Services**
 - Dr. Lally so moved, Dr. Rizzi seconded, All in favor, so moved

- **Charms Dissolution Updates**

Health insurance for current and retired staff

- Ms. Catignani stated there is a program through GIC, generally COBRA is available, GIC offered to administer COBRA, Benefits can be elected after June 30th
 - Cost is 100% of the premium, no extra cost to Charms, no obligation on Charms to pay into insurance
 - Discussions about supplemental help to cover cost, “Mitigation funds”

- Ms. Catignani stated Active employees are paid 2 months in advance so should have health insurance coverage through the summer
- Mr. Richard stated that all retirees over 65 are receiving Medicare, access to coverage would not change

Severance

- Dr. Rizzi asked how severance could affect unemployment
- Ms. Catignani stated that the effect of severance on unemployment depends on the release of claims
- There is no legal obligation to pay severance
- Can add a condition to the severance offer that the employee must remain through the end of the school year

Surplus

- What is a likely surplus amount we can expect? Not a concrete or definite number?

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- Mr. Richard stated that as of right now the surplus is \$971,896 without any changes with estimated closing costs of \$104,203.92
We are in very good shape to cover costs plus extras (i.e. severance, insurance, etc.)
 - Ms. Catignani assured the Board that there are no other obligations we have not been made aware of
Right now we need to give employees and retirees options, but do not have to give a dollar amount at this time.
 - Dr. Lally asked if there were any other collaboratives that have closed recently that we could compare costs with
 - Ms. Gaines stated there was one that closed a long time ago but under different regulations
 - Ms. Catignani stated she is continuously looking for new issues and does not expect massive costs to exceed the surplus
 - Mrs. O'Connell stated that based on our information the highest costs Charms could potentially occur would still leave us with a surplus of \$750,000 (*excluding unemployment & without any more student loss). This will make it possible for board to vote on extended health insurance for current and retired employees, and the consideration of severance for current employees who remain through the end of the school year.

Attorney

- Dr. Lally asked if Ms. Catignani would stay on as attorney

- Ms. Catignani stated she would be available to answer questions, write and audit letter (1/2 hour time, prepaid), \$5000 deductible, claims basis
 - Potential claims could be discrimination, contract claims for vendors (3 years), wage claims (3 years)
 - 300 days to file a claim
- **Motion to allocate 6 months of Health Insurance in the amount that Charms would normally pay for retirees only to be included in the letter, but may be revisited**
Dr. Lally so moved, Dr. Rizzi seconded, All in favor, So moved
- Ms. Catignani stated that current employees have health insurance coverage through August 31, 2017
 - Send notice of COBRA, unemployment
 - We can list considerations
 - ~~There are only 9 employees using Charms Health Insurance~~
 - End of Charms is the end of insurance coverage
- Mr. Zinni asked if a decision needed to be made today on current employees' health insurance.
- Ms. Catignani replied that letters will need to go out with information by April 1, 2017.
- **Motion to send letter approved by Ms. Catignani to current employees**
Mr. Farmer so moved, Dr. Lally seconded, All in favor, So moved
Mr. Zinni requested that the board receive copies of final letters so they know they are sent.
- **Inventory Appraisal**
- Mrs. O'Connell received a quote of \$7000 for the appraisal, Staff took inventory of supplies. Does the board still want Duff and Phelps to come and appraise the inventory given the high quote?
 - Mr. Zinni stated to offer items valued under \$300 to current employees.
 - Charms will take inventory.
 - Ms. Catignani stated we still need a full inventory list, rough amount/value and where it is going (donate/sell), will double check procurement
 - Mrs. O'Connell stated South Shore Collaborative may be interested in Vans
 - Staff will come back with definitive numbers for the April meeting
- **Charms File Storage**
 - Mr. Farmer stated Sharon has a current Administrator who can take over the responsibility of record retention

- There is also a need for a revolving account for money received after 6/30/2017, retainer, audit payment, processing bills etc.
- **Motion for Sharon to take over as retainer of paper records only**
 - Dr. Rizzi so moved, Dr. Lally seconded, All in favor, so moved
 - Discussion of TMS to stay on and continue with fiscal processes, requesting a formal business proposal for the April meeting
 - Mr. Zinni requested the formal proposal be sent to the board in advance of the meeting
- **DESE Updates**
 - Collaborative agreement has been approved
 - Share this information with the school committees
- Ms. Catignani stated all notices to current/prior students have been sent or are in the process of being sent, all employees both current and retired have been notified, contract agreements will be notified by April 1, 2017
- Mr. Zinni stated that a list of current Charms employees has been sent to the board and asks the board to forward any job postings that may come up. This is not a guaranteed position but would give them attention/interview.
- **Motion to approve the minutes for February 14, 2017**
 - Mr. Farmer so moved, Dr. Lally seconded, All in favor, So moved
- Need to reschedule the April 26, 2017 meeting. Mrs. O'Connell will send out a doodle poll in order to set another date.

Executive Session

No items have been presented

Motion to Adjourn

Dr. Lally so moved, Mr. Farmer seconded, All in favor, So moved

Dear Charms Board of Directors:

Please admit this letter into the minutes of the Charms Collaborative Board meeting for March 24, 2017. Staff in attendance are here of our own free will and are using our personal time.

We are representatives of the dedicated staff of Charms Collaborative who educate students with the most complex disabilities. Our students are educated, supported, and advocated for from the moment they enter our programs until beyond their time with Charms. On May 26, 2016, the Charms staff was informed that the Collaborative would be closing on June 30, 2017. We were told that the decision to close had nothing to do with the high quality of our programs and staff, but was a financial decision based on the lack of referrals from most of our member districts. We are disappointed that, in the many years we have worked at Charms, very few board members or administrators from our member districts have even visited our programs or supported ideas for the growth of Charms. While we are disappointed with that decision, we understand that was the direction the board decided to take. Despite this knowledge, and rather than seeking alternative employment immediately, staff returned to school in September and have provided the same exemplary programming that our students, parents, and districts that have referred to us, have come to expect.

At this meeting on May 26th, we were promised transparency and open communication. A promise we feel has not been fulfilled. As the school year is nearing the end we are in need of answers to many questions about our transition away from Charms and our livelihoods going forward.

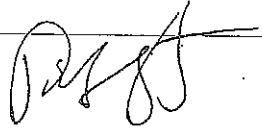
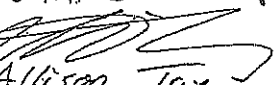
- Health insurance
 - How long are staff covered?
 - What are our options for COBRA going forward?
- Severance pay
 - Will compensation be based on longevity as well as current salary?
- Accrued sick time
 - How will we be compensated?
- Employment consideration in member districts promised at Board and parent meetings
 - What is the process?
 - How will we be included in internal postings?
- Unemployment benefits
 - What is the process?
 - When do we file?
- Human resource records/personnel files
 - Where can we access future information and records including?:
 - Tax information such as who will send our W2's and address any errors
 - Employee records for future MTRS claims or purchase of years
 - Licensure audits
 - Future liability concerns
 - Will our fingerprinting records be made available to prospective employers?

• Retired staff benefits

We expect to be afforded the consideration we were promised and that funds be made available to help the Board meet staff needs. Based on the Board approved minutes from the October 26, 2016 Board Meeting, "Mr. Zinni has stated it is not important that the districts make any money back, but more important to take care of current employees as well as retirees." Also indicated in the notes is Mr. Zinni's statement that he is "impressed with the employees' loyalty to the program and thinks the surplus can be used for fair treatment." We are asking that the Charms Board be thoughtful, transparent, and forthcoming about how they plan on handling the above concerns. The Charms staff have loved their time here and expect to continue to assist in a smooth transition as the programs close. Charms staff is willing to be part of the discussion going forward.

Respectfully submitted by,

Charms Collaborative Staff


Peter Anastasopoulos
Christina Pyne
Christina Pyne
George Falay
GEORGE FAHEY
Jennifer Murphy

Allison Trice
K Scott Hunt
Caitlin Sevigny
Caitlin Sevigny
Colleen Dillon
Casandra R. Sullivan
Cynthia Gallagher
William Piasecki
William Piasecki

Cari-Ann Dufresne
Cari-Ann Dufresne
Yanna Crowley
Donna Sabbag
Patricia G. Denham
Patricia G. Denham
Linda Pumphrey
Linda Pumphrey
Daniel Liff
Daniel Liff
Taylor Lynch
Taylor Lynch
Sheila Norman
Sheila Norman
Brian Farrell
Brian Farrell