

**CHARMS Collaborative**  
**Open Session Meeting Minutes, June 21, 2017, 9:16 am**

**Members Present:** Mr. Zinni (Avon), Mr. Farmer (Sharon), Dr. Fischer-Mueller (Canton), Dr. Rizzi (Stoughton)

**Also Present:** Rosalie O'Connell (Executive Director), Marc Richard (Business Manager), Gretchen Conlon (Charms Administrative Assistant), Karen Hurley (Charms Administrative Assistant), Paulajo Gaines (DESE Representative), Sarah Catignani (Attorney), (Charms Employee), David Lockwood (TMS)

**Open Session**

- **Welcome and Public Comment**
  - **Welcome**
    - Read email from Dr. Lally stating her retirement and that she will not be attending meeting today, wishes her all the best and thank you for all she has done
  - **Public Comment**
    - Cari Ann Dufresne (Charms Staff) – Submitted letter to be entered into the minutes
    - Mr. Farmer – congratulated Mrs. O'Connell for a job well done and stated it's nice when staff recognizes that
- **Motion to approve the May 11, 2017 and June 16, 2017 Board Executive Session minutes**
  - Mr. Farmer motioned, Dr. Fischer Mueller seconded, All in favor, so moved
- **Motion to authorize Sharon Public schools to release the redacted version of these minutes on June 30, 2018 when the purpose for executive session will no longer apply**
  - Mr. Farmer motioned, Dr. Fischer Mueller seconded, All in favor, so moved
- **Motion to approve June 16, 2017 meeting minutes**
  - Mr. Farmer motioned, Dr. Fischer Mueller seconded, All in favor, so moved
- **Outline of Closing Costs**
  - Mrs. O'Connell reviewed detailed list of donated items and items that will be disposed of on 6/22/2017
  - Mr. Zinni – Do we have knowledge of placement of all students?
    - Mrs. O'Connell – 4 students who have not been placed
      - Holbrook, Stoughton, and Boston
      - Districts are aware
      - Ms. Catignani – In final letter to DESE, include students who have not been placed
      - Mr. Zinni – Do they require summer placement?
        - Mrs. O'Connell – All require summer placements, have been working to try to place since the fall, provided board with all of the programs staff has visited

- Mr. Zinni – Thanks staff for all their hard work, should you place the students prior to June 30, 2017 please let the board know that students have been placed
  - Mrs. O’Connell – Not making any recommendations, but just assisting with the process
  - Ms. Catignani – Staff volunteering on their personal account and not as a Charms representative
- Current student records will be delivered to home districts and they are aware of this, Any transfers on ESPED and IEP’s are complete
- Mrs. O’Connell - In good shape for closing
- Mr. Richard – Copy machine vendor having a little difficulty getting a hold of but other than that everything is moving along smoothly
  - YMCA would be happy with furniture and supplies as a donation
- **FY17 Budget Update**
  - Mr. Richard – No major changes to the budget
    - Approximately \$73,000 in revenue outstanding
    - Not too worried about outstanding checks, can always put a stop payment and reissue after close
    - Expenses- Everything looks good, no big expenses foreseen,
      - Liability insurance has about \$26,000 based on what we have encumbered but doesn’t appear to be an issue
  - Mr. Zinni – Any lines that are underfunded that would require a vote on a line item transfer?
    - Mr. Richard – Asking for authority to make last minute small transfers to close out line items
    - Dr. Rizzi – Who’s responsibility is it to collect revenue after June 30, 2017
      - Mr. Richard will have all contact information and will track down payments
      - Mr. Richard would like to meet with the Business manager next week to go over
      - Mr. Zinni – requests leaving exact amount in account to cover leftover expenses so account will zero out and our treasurer can then call and close the account
      - Ms. Catignani – Treasurer (John Nunes) would remain on the account as signatory with authority to close account once it is zeroed out, Stoughton would open revolving account when Check from Charms is received
      - Dr. Rizzi – Meeting with new treasurer tomorrow, should Mr. Richard or Ms. Catignani be included
      - Ms. Catignani – It would be up to the new treasurer as to the process and steps they’d prefer to take

- Mr. Richard – Any checks made out to Charms Collaborative need to go into a Charms account, When they do the Worker’s comp audit it would have to go to a Charms account
      - Dr. Rizzi – Revolving account would still be a Charms account
      - Ms. Catignani – Checks should be able to be signed over to revolving account without a problem as long as board gives that authority
      - Mr. Zinni – Depends on how you name the revolving account, as long as Charms name is on the account, shouldn’t be any issues
      - Ms. Catignani – keep Charms Treasurer on to sign the check over and name the account with Charms in the title, does not require a vote
    - **Motion to give authority to Mr. Richard to make last minute small transfers to close out line items from closing expense fund as well as motion to approve FY17 Budget**
      - Dr. Rizzi motioned, Dr. Fischer-Mueller seconded, All in favor, so moved
  - **Charms Dissolution**
    - **Motion for purpose of discussion extend retiree health insurance coverage from 6 months to 18 months**
      - Dr. Rizzi motioned, Mr. Farmer seconded, all in favor, so moved
      - Mr. Farmer – Paying out a lump sum payment of what Charms would have paid to cover insurance
        - 6 months – just under \$49,000
        - 18 months – approximately \$150,000
      - Ms. Catignani – Check will be issued from Charms directly to retirees, flat amount of money, no continuation of health insurance from Charms, No legal requirement for money to be used by retirees to health insurance
      - Dr. Fischer-Mueller – Appreciates this extension
      - **Dr. Rizzi Motioned, Dr. Fisher Mueller seconded, all in favor, So moved**
    - **Motion to open discussion on severance pay, Employment of Less than 8 years pay 1 time payment of 15% of salary, More than 8 years 20% of salary**
      - Dr. Rizzi motioned for discussion, Mr. Farmer seconded, All in Favor, So moved
      - Ms. Catignani – Suggests that we use money pursuant to a legal release of claims, not that she expects and legal repercussions, Also in regards to unemployment, employees will not be able to simultaneously collect unemployment
      - **Amended motion to include pursuant to a legal release of claims**
        - Ms. Catignani - 45 days to consider release and payment after 7 days of signed release, issue checks before June 30 and hold in Escrow, any employees who do not sign money will go back to revolving account
        - Mr. Zinni – If not signed, check will become void after 45 days and at that point the treasurer will then authorize transfer to revolving account

- **Amended motion to include 45 days to consider release and payment after 7 days of signed release, issue checks before June 30 and hold in Escrow, any employees who do not sign money will be void after 45 days**
  - Mr. Zinni – Health Insurance coverage also extends through August 31, 2017 as it has been prepaid
  - Ms. Catignani – COBRA would then be available September 1, 2017, Can apply for unemployment July 1, 2017, and will have to let unemployment know they received severance
  - Mr. Zinni – If there is an appeal from an employee, who contests it?
  - Ms. Catignani – Unemployment is aware we are closing so no one will be here to contest
  
- **Amended to include legal statement that unemployment will not be contested by the board**
  - Ms. Catignani – will prepare releases to be approved by board and then come in on Friday or give talking points to Mrs. O’Connell, 45 days will start as of June 30, 2017
  - Mr. Zinni – requested Ms. Catignani present information and to answer any questions
  - Dr. Fischer-Mueller – can we clarify definition of staff
  - Mr. Zinni – Everyone on payroll currently would be included in severance package
  - Mr. Farmer – Can we include new dollar amounts for retiree health insurance, severance, and outstanding closing costs and subtract from budget
  - Mr. Richard – Subtracting all payments encumbered (including closing costs) and new deductions of health insurance and severance = \$563,000 including funds in account today as well as outstanding revenue yet to be collected
  - Discussions on calculations, Mr. Richard’s calculations correct
  - Mr. Zinni – We don’t know what is in store for the next year, hopefully all claims will be avoided as we have complied, liabilities would then go to districts if there are any claims
    - Ms. Catignani – Liabilities may not go to districts, but it is possible for an attorney to bring the claim that the board did not act favorably toward the best interest of the collaborative
    - Dr. Rizzi does not feel comfortable with less than \$500,000 in the reserve to cover any unforeseen liabilities
    - Mr. Zinni – We have been thoughtful for current employees but possibility of former employees coming back with a claim who did not sign a release

- Mr. Farmer – requesting statement showing dollar amount in bank subtracting out voted on retiree expense, closing costs, and proposed severance, and \$75,000 not yet collected
  - Mr. Zinni – Funds have significantly changed and does not want anything coming back to districts
  - Dr. Fischer-Mueller concerned with past employees who have left voluntarily or involuntarily
  - Ms. Catignani – Have liability coverage for 1 year and \$10,000 retainer to cover 1 claim. With this balance now have enough to cover multiple claims, number of unknowns, but have done our best to cover everything
  - Tabled for further discussion
- Ms. Catignani – Gave proposed draft of final dissolution letter to DESE, major change is that letter come from attorney on behalf of the board, Final letter will be issued to board after approval
  - Issued to commissioner
  - Met all obligations, obligations reviewed from draft letter (See letter)
    - Will update Health insurance and Severance section if voted on
    - Will update students who have not been placed
  - Ms. Gaines – Add any outstanding revenue to letter with districts who have not paid as of the close
- **Motion to approve final dissolution letter draft with changes to be added to DESE as presented**
  - Dr. Rizzi motioned, Mr. Farmer seconded, All in favor, so moved
  - Mr. Zinni – Would like to thank everyone at the table for all their hard work this year, especially the Board even those who no longer had students in the program who continued to stay on and help through the close
  - Dr. Fischer-Mueller – Thank the board for support through superintendent transition this year
- Ms. Catignani provided final assignment of tasks to TMS Management Solutions, Sharon Public Schools, and Stoughton Public Schools (See Attachment)
- **Motion to approve provided final assignment of tasks to TMS Management Solutions Motion to approve provided final assignment of tasks Sharon Public Schools, and Stoughton Public Schools**
  - Dr. Fischer-Mueller – curious about role of treasurer
  - Ms. Catignani – Will amend to include new roles of the treasurer, include that other member districts remain informed
  - Dr. Fischer-Mueller – no more obligations for other 3 member districts
    - Ms. Catignani – no
  - Mr. Farmer – When will webmaster be updating
    - Mrs. O’Connell will provide all information today

- Mr. Richard – Will send monthly updates to the board with brief outline of transactions
  - **Dr. Rizzi motioned, Dr. Fischer –Mueller seconded, All in favor, so moved**
- Mr. Richard –Provided financial changes and updates with proposed health insurance and severance packages
  - Dr. Rizzi would like to keep surplus separate from FY17 budget
  - Mr. Zinni – Prior figures were so discrepant in the past which is why it is important to have everything clear
  - Dr. Rizzi – Why doesn't the surplus have its own account?
    - Mr. Richard – it never did
    - Dr. Rizzi – Money budgeted for FY17 very different from money set aside several years ago
    - Mr. Richard – money had been set aside for OPED but never put in a separate account
    - Mr. Zinni – There was fear 5 years ago that if the collaborative were to close there would not be enough money available to cover costs, wasn't until after the vote to close Charms that the money was not needed
      - Mr. Richard – FY17 \$81,838, \$1,091,447 surplus
      - Mr. Richard – confirmed that \$81,838 is what we have to cover remaining expenses
      - Dr. Rizzi – Not a balanced budget without outstanding revenue collected , are we as a board comfortable with the \$564,000 as leftover money with potential swings in the finances
      - Mr. Zinni – saddened that the surplus money was not factored in over prior years that may have been used
      - Dr. Rizzi – Does the bottom line remaining funds include outstanding \$75,000
        - Mr. Richard – It does not, but does include all of the surplus to balance out the budget
- **Motion to approve amended severance pay, Employment of Less than 8 years pay 1 time payment of 15% of salary, More than 9 years 25% of salary according to new financial information provided by Mr. Richard to reflect dollar changes**
  - Dr. Rizzi requesting dollar amounts
    - Mr. Farmer – What amount are we comfortable leaving in the reserve
    - Dr. Rizzi and Mr. Zinni – Not comfortable with less than \$500,000
    - Mr. Farmer – Most retirees were with Charms for more than 20 years, would like to open that up for more discussion if
    - Mr. Richard - \$14,000 extra for severance, \$548,000 remaining
  - Dr. Rizzi motioned, Dr. Fischer-Mueller, All in favor, so moved
- **Motion to open discussion for add 6 more months of coverage for retirees**
  - Mr. Famer motioned, Dr. Fischer-Mueller seconded, All in favor, so moved

- Mr. Richard – Brings surplus to just over \$500,000
  - **Motion to add 6 more months of coverage for retirees**
    - Mr. Farmer motioned, Dr. Fischer-Mueller seconded, All in favor, so moved
  - Mr. Zinni – Hopes retirees and employees understand the reasoning for waiting so that the finances were clarified prior to voting
- **Attorney Updates**
  - Ms. Catignani – Should vote for all leftover money to be turned over to Stoughton
  - **Motion to authorize Mr. Richard to close out accounts but keep enough to cover outstanding expenses**
    - Mr. Farmer motioned, Dr. Rizzi seconded, All in favor, So moved
- **DESE Updates**
  - Ms. Gaines – Included in dissolution updates
- **Vote on FY17 Annual Report**
  - Mrs. O’Connell – Presented changes and evidence of actions taken towards the goals presented
    - 6 employee Packets were sent to member districts as well as packets to other districts as well
    - Reviewed all of the actions taken as presented in the Annual report and provided evidence of the all of the actions taken towards goals
    - Dr. Rizzi – is there evidence of implementation of recommendations
      - Mrs. O’Connell – Yes, attached and provided to board
    - Students were able to get High School credits towards graduation for many of the programs
    - Able to decrease expenses as needed
    - Personal development presentation with Dr. Brown and Ben Stitch
    - Understanding that there is more to students than what we see in the classroom, Staff read “The Boy who was Raised as a Dog” to help bring that awareness to light
    - GCN professional development programs discussed – approximately 15 hours
    - Teacher evaluation training was provided for new staff
    - All information will move along with students in their personal binders
    - Volunteer opportunities at the YMCA
    - All activities posted on Social media accounts
    - Commended staff for their hard work and dedication through this difficult year to meet these goals
    - Mr. Zinni – Noticed page 16 of tracked changes appears one title partially deleted but should be completely deleted
      - Mrs. O’Connell – Presented what the final copy will appear to be
      - Mr. Zinni – Verified change is made on final copy
    - Ms. Gaines – FY16 – FY17 change

- **Motion to approve FY17 Annual Report as presented with evidence**
  - Dr. Rizzi motioned, Mr. Farmer seconded, All in favor, so moved
- Ms. Catignani – Presented updated closing costs, would need to include 20 hours of prepayment for legal fees, will remit any retainer funds not used
  - Remaining costs have not changed other than retiree health and severance packages
- **Motion to approve FY17 Closing Costs**
  - Dr. Rizzi motioned, Mr. Farmer seconded, All in Favor, So moved
- **Motion to approve meeting minutes from June 21, 2017 (With proposed changed after review )**
  - Dr. Rizzi motioned, Mr. Farmer seconded, All in favor, so moved

#### **Executive Session**

- No items have been proposed

#### **Motion to Adjourn**

- Mr. Farmer motioned, Dr. Rizzi seconded, All in favor, so moved



Dear Charms Board of Directors,

Please enter this letter into the minutes for June 21, 2017 as staff is using earned time to be here at this meeting. As the year is coming to a close, we the Charms staff, would like to take this opportunity to praise and commend Rosalie O'Connell. Rosalie created quality programs, hired dedicated staff, and supported students, their parents, and staff through- out her employment at Charms. This year she had the added responsibility of closing Charms while continuing to attend team meetings, being present in the classrooms, ensuring our students had appropriate curriculum, and even helped staff look for future employment. We all know that Rosalie worked longer than her contracted hours because of her dedication to Charms. As a staff we followed her lead and continued to come to work ready to provide the same exemplary services in which our students have become accustomed to. As this year was probably the hardest year that most of us have had, Rosalie continued to support and encourage us on a daily basis. Rosalie O'Connell needs to be commended for a job well done. Your staff thanks you for your dedication and service to our Charms family.

Respectfully submitted,

Charms Collaborative Staff