



Central Massachusetts Collaborative
Board of Directors, Finance Subcommittee Meeting
Thursday, January 31, 2019, at 11:00 a.m.
CMC, Conference Room 1006
14 New Bond Street, Worcester, MA 01606

Meeting Minutes

Board Members present: Maureen Binienda, Chair, Worcester Superintendent of Schools
Ruthann Goguen, Webster Superintendent of Schools

Also Present: Michael Tempesta, Executive Director, CMC Collaborative
Beverly Tefft, Director of Finance, CMC Collaborative
Brian Allen, Chief Financial and Operations Officer, Worcester Public Schools
Kay Seale, Manager of Special Education & Intervention Services, Worcester Public Schools
Monique Pierangeli, Business Manager, Webster Public Schools
Jessica Pitsillides, Hartwell Learning Center
Ann Ortiz, Central MA Academy
Ruth Hersh, DESE via conference call
Paulajo Gaines, DESE via conference call

Superintendent Binienda called the meeting to order at 11:22 a.m.

1. Approval of the January 25, 2019 Finance Subcommittee meeting minutes (voting item)
Superintendent Goguen made a MOTION to approve the January 25, 2019 meeting minutes.
Superintendent Binienda seconds the MOTION.

Jessica Pitsillides requested to address a comment written in the January 16, 2019 meeting minutes pertaining to Hartwell Learning Center. On the last page of the minutes, it is stated that “Worcester students are being refused entry into the collaborative at the HLC Program.” Mrs. Pitsillides stated that at no time has a Worcester Public School student been refused entry into the HLC Program.

2. Director of Finance & Operations Report
Mrs. Tefft presented the board with CMC’s per-pupil cost per program based on enrollment as of Jan 9, 2019, and the per-pupil cost per program based on each program capacity.

Mrs. Tefft explained the next set of numbers in purple are Worcester Public Schools assessment and per-pupil cost per program based on enrollments as of January 9, 2019. Mrs. Tefft pointed out that the last set of numbers on projected enrollments as of June 1, 2019, were provided by

Mrs. Seale. The last two red lines are enrollment projections for June 1, 2019, with the increase of Worcester students.

Mr. Tempesta expressed that CMC is unlike any other collaborative in Massachusetts with regard to the process of billing members and non-members, in that there is one large assessment for one member district, Worcester (14.1 million last year) and that the other member district, Webster, pays 15 % less than all other non-member districts. This long-standing budgeting process has created an imbalance between what member districts and non-member districts pay. The difference at CMC in member and non-member tuitions has always historically been at least 50% and this is due to the having only two members and that the largest member district (Worcester) sends over 500 students to CMC during the course of a year. All of these conditions make CMC unique amongst Massachusetts Collaboratives, in fact, DESE states that the largest percentage increase over member rates approved has never been more than 25%. Mr. Tempesta explained most collaboratives build their annual budget on member tuitions and the non-member tuitions are additional revenues.

Mr. Allen affirmed the parity for Worcester Public School and Webster Public School as the DESE requested in the Collaborative Agreement was presented as all member districts at CMC will pay the same rate. This yields a 1.6 million deficit, the next step is to change the capacity or change the per-pupil rate per program.

Mr. Tempesta explained using CMA as the example that Worcester Public Schools has 100 students projected for FY20, the 130 capacity is a fictional number that was based on the maximum capacity of the rooms available rather than the historical analysis from Kay Seale of how many students she anticipates she will send, which is 100 students.

Mr. Allen simplified that if you have ten classrooms with 10 students in each classroom the capacity would be 100.

Mr. Tempesta stated that some programs, even though the regulations say you can have 12 students per room, have different capacity per room depending on the variables of the program as well as per specific student needs. With CMA, there are 9 certified classroom teachers, so 10 in a class would be 90.

Superintendent Goguen asked to look at the existing number of students to capitalize on some cost savings per program, each program is below student capacity. Superintendent Goguen asked in reviewing these capacity numbers what happened from last week to this week. The subcommittee needs to understand the number of programs and how many students can be placed in each program.

Mr. Tempesta explained that he had capacity discussions with each of the program directors. Each director has classrooms that are currently empty because the budget and staffing is based on anticipated needs and in some programs more students come in during the year and in others less come in. The program directors affirmed that eight students per classroom would be the recommendation, but some programs are ok at 10 students per classroom.

Ann Ortiz stated that Central MA Academy could go to 90 students, with 10 in a room that would be lowered by pulling students out for gym and vocational classes. Mr. Tempesta confirmed that CMA has two administrators and the student issues are substantial within that program.

Superintendent Goguen maintains that CMC needs either a program reorganization, member rates increase or a combination of the two. She believes that over \$800,000 in administrator wages for 294 students at 14 New Bond Street, is not acceptable.

Superintendent Binienda advised that Worcester Public Schools has the highest enrollment and has always borne most of the costs, the non-member districts would have to pay more. It seems either that the member rates are really low, or the non-member rates are really high.

Mrs. Tefft informed the board that this version of the budget was created with the capacity of ten students in a classroom. Looking at the last spreadsheet, under assumptions, the green numbers double the non-member per pupil rates.

Ms. Seale affirmed that eight students per classroom in the THRIVE Program is current best practice.

Mr. Allen informed the subcommittee that once the capacity numbers for each program are known, the subcommittee can then come up with the member and non-member per-pupil rate.

Ms. Seale stated that you need the capacity per program, the per program cost, equals the per-pupil rate, then whose students are enrolled, and then what is the delta between member and non-member rates.

Mr. Tempesta advised that CMC has established non-member rates, the goal at the end of last year when Webster announced it was withdrawing, was to work to offer the same rate that Webster historically received (a 15% discount from non-members) to the six non-member districts who sent us the most students to entice them to send us more students that would solidify our revenue for long-term budget stability. Since the Board has voted to only allow Oxford to join the collaborative once Webster exits, the impact to the budget will be minimal.

Mr. Allen explained that the rates CMC had been using have not been based on program costs but on rates other collaboratives have been getting. Mr. Tempesta confirmed that Ms. Seale, Ms. Baris, Dan Martin, and he will be meeting and will conduct program reviews at each program to obtain the capacity per program, per classroom and come back to the board with those specific recommended capacity numbers.

Superintendent Binienda verified that the revised Collaborative Agreement needs to be submitted to the DESE for approval not later than April 30, 2019.

The next Finance Subcommittee meeting will be held on Friday, March 1, 2019, at 1:00 pm - 2:30 pm, at CMC, 14 New Bond Street, Worcester, MA.

The next CMC Board meeting will be held on Friday, March 1, 2019, 2:30 pm - 4:00 pm, at CMC, 14 New Bond Street, Worcester, MA.

Adjournment

Superintendent Goguen made a MOTION to adjourn.

Superintendent Binienda seconds the MOTION.

The meeting adjourned at 1:23 p.m.

Respectfully submitted,
Joanna Bilotta

14 New Bond Street, Worcester MA 01606
Phone: 508-538-9100 Fax: 508-854-1689
www.cmasscollaborative.org