



**Assabet Valley Collaborative Board of Directors Meeting**  
**Virtually**  
**December 17, 2021**  
**Minutes**

**Present:** Michael Bergeron, Amber Bock, Kirk Downing, Brian Haas, Ernie Houle (9:39), Gregory Martineau Gregory Myers, Marco Rodrigues, and Joseph Sawyer (9:46)

**Also Present:** Cathy Cummins, Nicki Goncalves, Suzanne Pomerleau, Daniel Schaffner, Aldo Tortorelli, Ina Williams and Ruth Hersch

**Absent:** Jay Cummings, Casey Handfield and Jeffrey Zanghi

**CALL TO ORDER**

After a Roll Call (Michael Bergeron, Amber Bock, Kirk Downing, Brian Haas, Gregory Martineau Gregory Myers, and Marco Rodrigues) the meeting was called to order at 9:33 am.

**APPROVAL OF MINUTES**

Mike Bergeron motioned to approve the minutes of November 19, 2021. Marco Rodrigues seconded the motion. A roll call vote was collected: Michael Bergeron, Amber Bock, Kirk Downing, Brian Haas, Gregory Martineau, Gregory Myers, and Marco Rodrigues voted (6-0-1) to approve the minutes November 19, 2021, Gregory Martineau abstained.

**FY21 FINANCIAL AUDIT**

Daniel E. Schaffner, CPA of Fritz DeGuglielmo LLC, presented the FY21 Financial Audit which included the Audit Letter. These materials had been shared in advance with Board Members for their review prior to the meeting.

The FY21 Audit was conducted with a combination of in-person and virtual activities. He stated that the AVC central office staff had been able to provide necessary documentation to complete the audit smoothly. He also noted that AVC had experienced many challenges during FY21 related to the ongoing COVID-19 pandemic and an ongoing vacancy in the financial leadership position at AVC. He has been auditing AVC's financials for many years and this year was the first that resulted in findings within the Management Letter.

The FY21 Audit findings were noted in pages 44-45 of the Audit Report. The first finding was related to the ongoing vacancy in AVC's business manager position during FY21. Mr. Schaffner noted that AVC's Interim Business Manager resigned in November 2020 and a new part-time Interim Business Manager (consultant) was not hired until March 2021. He noted that the business manager position is an integral part of internal controls and that an ongoing vacancy in the position limits the internal controls the Collaborative can utilize to maintain proper financial reporting. He acknowledged that AVC Management's response to this finding indicated that the leadership team has conducted hiring activities to select a full-time Accounting/Finance Manager for the Board's appointment and is in the process of developing an orientation process for this new Manager.

The second finding was related to a lack of budget-to-actual comparison reports throughout the FY21 fiscal year. Mr. Schaffner noted that throughout FY21, AVC was not preparing proper budgetary comparison information in the same format as its accounting system. As a result, Mr. Schaffner noted that senior management and the Board of Directors were not receiving proper budgetary comparison information to make proper decisions related to AVC's realized deficit in the fiscal year. In addition, he noted that the Board of Directors was thus unable to take

action to approve an amended budget that properly addressed the projected deficit prior to the end of the fiscal year. Mr. Schaffner recommended that AVC should utilize budgeted to actual comparisons within its accounting software for ongoing monitoring of the budget. He noted that AVC management's response to this finding indicated that since September 2021, the interim business manager had been preparing reports for AVC's Board that included a summary of revenues and expenses by fund code, a listing of accounts payable warrants, aging receivables, and detailed system report for revenues and expenses year-to-date.

Mr. Schaffner noted that AVC's business manager vacancy and lack of budget to actual comparisons contributed to a larger deficit than management or the Board expected for FY21. He noted that a significant shift in Transportation revenue in FY21 was the major driver of the unexpected FY21 deficit. Other major contributors to the deficit were expected - including a down payment on the purchase or property for Evolution and the credits to districts from excess surplus in FY20.

Mr. Schaffner noted that there appear to be some continued delays in AVC collecting signatures for the warrant process. While this is not a significant deficiency, it warrants the Board's attention. Due the pandemic, AVC needed to pivot to virtual signatures and the process has not yet been fully executed with fidelity.

Mr. Schaffner then presented the FY21 Audit Report section by section. He noted that at the conclusion of the report, the Board is required to take three actions: 1) to approve the cumulative surplus fund balance of \$2,854,273; 2) to approve the use of cumulative surplus to fund the FY21 deficit of \$1,096,158 (\$193,827 of which resulted from FY20 credits to districts) and 3) to accept the FY21 Audit Report.

#### Board Actions:

- 1) Michael Bergeron motioned to approve the FY21 Cumulative Surplus fund balance as of June 30, 2021 of \$2,854,273. Marco Rodrigues seconded the motion. A roll call vote was collected: Michael Bergeron, Amber Bock, Kirk Downing, Ernie Houle, Gregory Martineau, Gregory Myers, Marco Rodrigues, and Joseph Sawyer voted (8-0) to approve the FY21 Cumulative Surplus fund balance as of June 30, 2021 of \$2,854,273.
- 2) Michael Bergeron motions to approve the use of \$1,096,158 in surplus funds to fund the FY21 deficit. Greg Martineau seconded the motion. A roll call vote was collected: Michael Bergeron, Amber Bock, Kirk Downing, Ernie Houle, Gregory Martineau, Gregory Myers, Marco Rodrigues, and Joseph Sawyer voted (8-0) to approve the use of \$1,096,158 in surplus funds to fund the FY21 deficit.
- 3) Ernie Houle motioned to accept the FY21 Audit Report as presented. Joseph Sawyer seconded the motion. A roll call vote was collected: Amber Bock, Kirk Downing, Ernie Houle, Gregory Martineau, Gregory Myers, Marco Rodrigues, and Joseph Sawyer voted (7-0) to accept the FY21 Audit Report as presented.

#### **FINANCE UPDATE**

Nicki Goncalves provided a financial update including updates on transfers and adjustments to the general ledger. She noted that the financial reports currently show a net margin of 1.7 million but acknowledged that this was currently inflated because AVC has not yet paid any transportation invoices due to enacting the penalty clauses in the new contract with Van Pool to withhold payment when discrepancies are unresolved. She noted that AVC is working with Van Pool to rectify ongoing concerns.

Ms. Goncalves reported that AVC had received \$200K in FY22 relief through DESE Grant Fund Code 437 - summer learning grant. She also noted that AVC had received a FY21 ESSER grant for over \$96K which had been applied to FY21. She provided expense, warrant and aging receivable reports. She noted that one nonmember district continues to owe AVC over \$100K - past due over 60 days. AVC will pursue legal action if not rectified soon.

## **EXECUTIVE DIRECTOR'S REPORT**

Cathy Cummins presented the FY21 Annual Report, which requires Board Approval and distribution to member district school committee chairs (along with the FY21 Audit).

Joseph Sawyer motioned to accept the FY21 Annual Report as presented. Marco Rodriguez seconded the motion. A roll call vote was collected: Michael Bergeron, Amber Bock, Kirk Downing, Ernie Houle, Gregory Martineau, Gregory Myers, Marco Rodrigues, and Joseph Sawyer voted (8-0) to accept the FY21 Annual Report as presented.

Cathy informed Board Members that AVC continues to experience staffing shortages - exacerbated by additional vacancies (included in personnel actions for Board vote.) She noted that referrals for OSA are at an all-time high yet OSA is unable to enroll more students until AVC is able to hire more staff. Referrals are currently being processed for a waitlist or for FY23. She noted that in other years, AVC has been able to add staff incrementally to increase enrollment mid- and late-year - however this year, OSA is unable to do so responsibly.

Cathy introduced Hien Burnham, the hiring team's recommendation to the Board as AVC's new Finance Director. Cathy had shared materials with the Board in advance that included Ms. Burnham's application materials and the hiring team's reasons for selecting her for appointment. She recommended that the Board voted to appoint Ms. Burnham as AVC's new Finance/Accounting Manager.

Joseph Sawyer motioned to approve the appointment of Hien Burnham as the new Finance/Accounting Manager. Mike Bergeron seconded the motion. A roll call vote was collected: Michael Bergeron, Amber Bock, Kirk Downing, Ernie Houle, Gregory Martineau, Gregory Myers, Marco Rodrigues, and Joseph Sawyer voted (8-0) to approve the appointment of Hien Burnham as the new Finance/Accounting Manager.

Cathy expressed the need for a vote on the Personnel Changes, the sheet has been shared with members.

Gregory Martineau motioned to approve the personnel changes as presented Kirk Downing seconded the motion. A roll call vote was collected: Michael Bergeron, Amber Bock, Kirk Downing, Ernie Houle, Gregory Martineau, Gregory Myers, Marco Rodrigues, and Joseph Sawyer voted (8-0) to approve the personnel changes as presented.

## **ADJOURNMENT**

Gregory Myers motioned to adjourn the meeting. Kirk Downing seconded the motion. A roll call vote was collected: Michael Bergeron, Amber Bock, Kirk Downing, Brian Haas, Ernie Houle, Gregory Martineau, Gregory Myers, Marco Rodrigues, and Joseph Sawyer voted (9-0) to adjourn the meeting at 10:44 am.

Respectfully submitted,

Suzanne Pomerleau  
Administrative Assistant