

**NORTHWESTERN ILLINOIS ASSOCIATION
EXECUTIVE BOARD MEETING #3, FY17
AGENDA**

**Ogle County Education Center
Byron, IL
February 22, 2017
5:00 p.m.**

Open Meeting Minutes

I. CALL TO ORDER

Date: Wednesday, February 22, 2017
Time: 5:00 p.m.
Location: Ogle County Education Center
Type of meeting: Regular
Name of person taking the minutes: Jean Tritle, Board Secretary
Name of person(s) presiding: Crystal Swan-Gravatt, Chairperson Pro Tem

The meeting was called to order at 5:00 p.m.

II. ROLL CALL

Members in attendance:

1. Dennis Daly
2. Melissa Geyman
3. Susie Kopacz
4. Kathleen Kreller (arrived at 5:06 p.m.)
5. Mike Noble
6. Pamela Ransom
7. Leatrice Satterwhite
8. Crystal Swan-Gravatt

Absent:

1. Kathy Countryman
2. Kimberly Moore
3. Cheryl Robinson
4. Corena Steinmeyer

Also present:

1. Jon Malone, Regional Director
2. Jean Tritle, Board Secretary

III. APPROVAL OF AGENDA

Motion made by: Noble
Motion: to approve the agenda
Motion seconded by: Geyman

The Chairman asked for a roll call

Roll Call:

“Ayes” – Daly, Geyman, Kopacz, Noble, Ransom, Satterwhite, Swan-Gravatt

“Nays” – None

Action: Approved

IV. PUBLIC PARTICIPATION

Reception of Guests & Visitors & Opportunity for Public Comment

There were none.

V. CLOSED SESSION TO CONSIDER THE APPOINTMENT, EMPLOYMENT, COMPENSATION, DISCIPLINE, PERFORMANCE, OR DISMISSAL OF SPECIFIC EMPLOYEES OF THE PUBLIC BODY OR LEGAL COUNSEL FOR THE PUBLIC BODY, INCLUDING HEARING TESTIMONY ON A COMPLAINT LODGED AGAINST AN EMPLOYEE OF THE PUBLIC BODY OR AGAINST LEGAL COUNSEL FOR THE PUBLIC BODY TO DETERMINE ITS VALIDITY; SECTION 2.06 [5 ILCS 120/2.06].

Motion made by: Daly
Motion: to move into Closed Session at 5:04 p.m.
Motion seconded by: Satterwhite

The Chairman asked for a roll call

Roll Call:

“Ayes” – Daly, Geyman, Kopacz, Noble, Ransom, Satterwhite, Swan-Gravatt,
“Nays” – None

Action: Approved

Motion made by: Kopacz
Motion: to return to Open Session at 5:25 p.m.
Motion seconded by: Daly

The Chairman asked for a roll call

Roll Call:

“Ayes” – Geyman, Kopacz, Kreller Noble, Ransom, Satterwhite, Swan-Gravatt, Daly
“Nays” – None

Action: Approved

VI. CONSENT AGENDA

- A. Approval of the Open Session Minutes of FY17 Meeting #3 on January 18, 2017**
- B. Approval of the Closed Session Minutes of FY17 Meeting #3 on January 18, 2017**
- B. Approval of Personnel Report**
- C. Approval of Accounts Payable for the month of February**
- D. Acknowledgement of Receipt of Treasurer’s Reports for the month of January**

Motion made by: Daly
Motion: to approve the Consent Agenda
Motion seconded by: Geyman

The Chairman asked for a roll call

Roll Call:

“Ayes” – Kopacz, Kreller, Noble, Ransom, Satterwhite, Swan-Gravatt, Daly, Geyman
“Nays” – None

Action: Approved

VII. REGIONAL DIRECTOR'S REPORT

A. Action Plan Update

Malone's Mid-point Survey results were reviewed by the Board members in Closed Session. Malone stated that this has been his most favorite evaluation that he has ever received because it made him understand the actions he needs to take in order to achieve higher scores.

B. Quick Fact

Malone's Quick Fact was an explanation of "days sold" versus "selling days", which arose out of his rounding with a Board member. Malone explained that the NIA's primary source of revenue comes from selling days of service, which is defined as team member on the NIA staff going to a district to provide a service for one day. A District may say that they need two full-time therapists, which equates to 360 days sold. This includes direct services provided to students, assessments, planning time, and travel time. Swan-Gravatt noted that there are "best practices" for some positions. Malone explained that the NIA and member districts meet face to face to negotiate and clarify the number of days the district will need to purchase each year. This is the Needs Assessment process. The number of days purchased may change over the year as students enter and leave a district. The districts must keep the number of days they purchase, but the NIA will work with them to see if another district can use the days that a different district may no longer need. If this happens, each district's bill will be adjusted.

C. Challenge

There was no challenge presented.

VIII. ACTION ITEMS

A. Approval of the Recommendation to Combine the Autism and Assistive Technology Cost Centers (Handout)

A discussion was held prior to the motion being made.

Malone explained that Assistive Technology uses high or low technology to assist students in compensating for their disabilities. Both of these cost centers are made up of the same employees who provide comparable services in each one. For this reason, some of the districts are purchasing services at the cheaper rate. He recommends combining the cost centers to produce one daily rate for FY18:

Assistive Technology:	\$1,148/day
Autism:	\$1232/day
Blended Rate:	\$1,211/day

The team will then modify the services they provide based upon the needs of the district.

Swan-Gravatt noted that the districts usually purchase both services so it is better to have one rate from the district's perspective as well. Kreller thought that the Autism tile may be confusing; Malone answered that the Directors can usually differentiate between the two.

Motion made by:
Motion:

Daly
to approve the Recommendation to Combine the Autism and Assistive Technology Cost Centers

Motion seconded by:

Geyman

The Chairman asked for a roll call

Roll Call:

“Ayes” – Noble, Ransom, Satterwhite, Swan-Gravatt, Daly, Geyman, Kopacz, Kreller

“Nays” – None

Action: **Approved**

B. Approval of the Recommendation to Lower the FY18 Daily Rate for Therapy Services

A discussion was held prior to the motion being made.

Malone explained that the Small Leadership Team found a problem with the FY18 Daily Rate for Therapy services that was approved by the Board at their January meeting. Market Competition for Therapy services differs from that for Educational services. There are many staffing agencies trying to place Occupational and Physical Therapists. The currently daily rate for agency therapists in our region ranges from \$540 - \$588. \$588 is the daily rate for Therapy services currently being used by the NIA. The Board approved an increase in the rate to \$613 for FY18. The large increase in the rate from DY17 to FY18 is due in part to the decision to spread Secretarial costs evenly across all cost centers; while it help to reduce daily rates on the Educations side, it did not have the same effect on the Therapy side. If the NIA proceeds with charging \$613/day, we may experience negative consequences as we will no longer be in touch with market tolerance. Also, if we increase our daily rate, agencies may also increase their rate or they may choose to stay at a lower rate in order to contract with districts who cannot afford NIA's \$613 daily rate.

Malone noted that 16 out of the 30 NIA member districts purchase therapy services. The \$588 daily rate may be the reason why the other 14 districts do not. If we stay with the \$613 daily rate and more districts choose not to purchase out therapy services, it would take time to scale down organizational costs in a responsible manner; this would cause the cost of the Educational services we provide to rise as other departments would have to absorb the costs once shouldered by the Therapy department.

Malone worked with the Therapy Leadership Team to analyze this problem and come up with a solution. They concluded that the Therapy daily rate for FY18 should not be increased by more than 1% or we would risk losing the business of some of our member districts. A 1% increase would bring the FY18 Therapy daily rate to \$594. This will cause a decrease in our projected revenue, which we will to compensate for using the following options:

1. Sell more days than planned for. In FY16 we ended up with an extra \$500,000 surplus by selling more days.
2. Find cost-savings between now and June 30, 2018. We would not spend down budgets and instead would allow unused funds to flow into the reserve fund.
3. Fall back on the unrestricted fund balance that rose by \$500,000 in FY16. We would need a mechanism to give surplus monies back to the districts. **We would only utilize this option if the first two do not work.**

Kopacz noted that the surplus monies may be needed due to the reduced funding from the State. Swan-Gravatt stated that she relies on the NIA for Therapy services because they also manage the service for the district. Kreller agreed, noting that one agency is easier to deal with than several staffing agencies that may be retained to provide services to the districts. Noble stated that it would cost his district \$106,000 to purchase the services of

an Occupational Therapist from the NIA since some indirect costs such as the Director's salary, rents, and utilities are factored into the NIA daily rate. He agreed that we would not want to decrease the fund balance too much as these funds may be needed in the near future. Malone stated that the NIA does not have State Aid, etc., as a revenue stream. He did acknowledge that the way the NIA packages Therapy services may benefit larger member districts who rely on the supervision NIA provides alongside therapy services. He reminded the Board that the NIA also provides supervision services, which is appreciated by the larger districts; the smaller districts usually do the supervising themselves.

Swan-Gravatt shared with the Board members that the Budget and Finance Committee recommended that a small increase be approved. The Committee also discussed analyzing cost center components to better understand them and manage costs; this could help to make them favorable to both large and small districts. Kopacz stated that the general public does not understand how expensive Special Education is.

Malone recommended that the Board approve a 1% increase to the Therapy Daily Rate for FY18. Kopacz asked if 1% was still too high. Malone said that the Small Leadership Team and the Budget and Finance Committee will continue to look at cost center efficiencies; this forces us into a saving mode. If we are attractive to more districts, he will know we are moving in the right direction.

Geyman asked if the NIA could take on hard-to-find services such as Bilingual Psychologists or Bilingual Speech and Language Pathologists. Malone answered that the NIA is committed to helping our member districts the best that we can. He said we could look at recruiting these positions from Spain or Portugal. He would need to figure out how to collect this information from out in the field. Noble suggested that this be a long-range goal.

Swan-Gravatt shared that the Budget and Finance Committee felt a 1% increase will be easily absorbed without impacting the NIA financially. Noble suggested surveying districts that purchase less days for FY18 to see why they made this decision.

Motion made by: Daly
Motion: to approve the Recommendation to Lower the FY18 Daily Rate for Therapy Services
Motion seconded by: Satterwhite

The Chairman asked for a roll call

Roll Call:

“Ayes” – Kreller, Noble, Ransom, Satterwhite, Swan-Gravatt, Daly, Geyman, Kopacz

“Nays” – None

Action: Approved

IX. CHAIRPERSON'S COMMENTS AND OTHER BUSINESS

Swan-Gravatt informed Malone that members of the Board will work with him on a multi-year contract and salary. Regarding his evaluation, she explained that the Studer data was excellent but the consensus of the Board members was that they want to evaluate the Regional Director. The Evaluation Committee will contact Studer to see if they have a tool the Committee can use or they will use the questions from last year's survey. The results of the Board evaluation will be shared with him in March. Ransom told Malone that everyone was thrilled with his mid-point numbers. Malone reiterated that it was his most favorite evaluation process because it was connected to what he does in his job. He said that customer data should be added as well. Kopacz stated she was proud of Malone for pulling Studer into the organization.

X. ADJOURNMENT – The Chairperson asked for a motion to adjourn the meeting.

Motion made by: Daly

Motion: to Adjourn

Motion seconded by: Geyman

The Chairman asked for a Voice Vote:

Voice Vote:

“Ayes” – all “Nays” – none

Action: Approved

The meeting was adjourned at 6:15 p.m.