

Board of Directors Board Meeting Minutes



Feb. 13, 2024

BOARD MEETING

Ms. Margaret Borgen, president, called the meeting of the Heartland AEA Board of Directors to order at 4:00 p.m.

Board members present: Ms. Margaret Borgen, Ms. Liz Brennan, Mr. John Kinley and Ms. Margie Schwenk. Dr. Steve Rose arrived immediately after roll call. *Absent:* Mr. Pete Evans, Mr. Alex Piedras and Ms. Kelly Simmons.

Ms. Tiara Mays-Sims joined at 4:09 p.m.

Administrative Staff Present: Mr. Kevin Fangman, Dr. Susie Meade, Mr. Kurt Subra, Dr. Kristi Upah, Ms. Jenny Ugolini and Dr. Cindy Yelick.

Public Forum and Correspondence

There was no one present from the public to speak at the public forum.

Work Session Topic

Desk Audits and Comprehensive School Visits

Dr. Susie Meade, Heartland AEA Chief Academic Officer, discussed Heartland AEA's accreditation process that the Iowa Department of Education (DE) completed in Oct. 2022. The Department reviewed numerous areas to ensure the Agency was meeting all standards outlined in federal and state law. The DE reported that all standards were being met. Dr. Meade shared that in the Fall of 2023, the DE conducted a desk audit that reviewed 10 focus areas. The desk audit was submitted to the Department on Dec. 15, 2023.

Approval of Agenda

A MOTION was made by Mr. Kinley and seconded by Ms. Schwenk to approve the agenda. The motion passed unanimously.

Approval of Minutes from Jan. 9 & 30, 2024

A MOTION was made by Mr. Kinley and seconded by Ms. Brennan to approve the minutes from Jan. 9 and 30, 2024. The motion passed unanimously.

Work Session Topics Continued

Legislative Update

Dr. Cindy Yelick, Heartland AEA Chief Administrator, provided a legislative update.

- Iowa's AEAs collaborated with the Iowa Association of School Boards and School Administrators of Iowa to hold legislative events on Feb. 12-13, 2024. On Feb. 12 a legislative panel was held in Urbandale. On Feb. 13 participants were able to visit with legislators at the capitol. There were 20 district/student presentations at the capitol that were powerful and showcased public schools.
- Dr. Yelick shared that the Senate Education Committee submitted new language late this afternoon on SSB 3073. It's unsure if the House Education Committee will have new language this week. The first funnel date is Feb. 16.
- Districts are desperate for a decision on supplemental student aid (SSA) as they look to set their budgets for next year and finalize negotiations this spring.
- The Iowa Department of Education continues to message that there aren't workforce issues in education, which is contrary to what school districts are reporting. Nothing has really moved in the legislature in four weeks due to the AEA bill.

The Board recessed for dinner from 4:54 to 5:31 p.m.

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Public Hearing on Budget

A MOTION was made by Ms. Brennan and seconded by Mr. Kinley to open the public hearing on the FY2023-24 amended budget and the FY2024-25 proposed budget. The motion passed unanimously. The hearing opened at 5:33 p.m. There was no one from the public present to speak during the hearing. A MOTION was made by Ms. Brennan and seconded by Ms. Schwenk to close the public hearing at 5:34 p.m.

Discussion Items

Amended 2023-24 Budget and Proposed 2024-25 Budget

Mr. Kurt Subra, Heartland AEA Chief Financial Officer, presented the amended FY2023-24 budget and proposed FY2024-25 budget. The budget is based on normal situations. He reviewed revenue trends and controlled funding variables. The Agency did not budget for any new staff for next year.

Audit Request for Proposals (RFP)

Mr. Subra discussed the RFP process. Four leading auditors were contacted and only one response was received from Bohnsack & Frommelt, L.L.P. Districts are struggling to find auditors due to staff shortages within the state.

Chief Administrator Professional Development Goals

Dr. Yelick discussed her professional development goals. She discussed the advocacy efforts that she's undertaken on behalf of Iowa's AEAs. It's a double-edged sword for staff as it's stressful; however, legislators need to be thoughtful before approving any bill. When the goal was set, it was one area of focus and this level of engagement with legislators wasn't anticipated. Dr. Yelick has weekly chats with staff and has appeared in numerous newspaper articles and several local television interviews. Board members thanked her for her advocacy and for keeping legislative conversations moving forward.

Medical Insurance Plan Design & HRA Contribution Amounts

Mr. Subra shared that the Agency hadn't experienced a significant increase in health insurance rates in almost eight years. This year the Agency's insurance consultants indicated a 19% increase was needed. The Agency's Insurance Committee met and made a recommendation to make design changes to the two Wellmark BC/BS plans, to use a portion of the medical fund balance to subsidize or offset a portion of the required premium increase and to increase premiums by a much more modest percentage.

2024-25 Agency Calendar

Board members reviewed the calendar for next year including agency-designated holidays.

Action Items

Amended FY2023-24 Budget and Proposed FY2024-25 Budget

A MOTION was made by Mr. Kinley and seconded by Ms. Mays-Sims to approve the amended 2023-24 budget and proposed 2024-25 budget. The motion passed unanimously.

Audit Firm Contract

A MOTION was made by Ms. Brennan and seconded by Dr. Rose to approve the audit firm contract with Bohnsack & Frommlet, L.L.P. The motion passed unanimously.

Medical Insurance Plan Design & HRA Contribution Amounts

A MOTION was made by Mr. Kinley and seconded by Ms. Schwenk to approve the new medical insurance plan design and HRA contribution amounts as recommended. The motion passed unanimously. *(Recommendation: Make design changes within the two Wellmark BC/BS plans, use a portion of the medical plan fund balance to "subsidize" or offset a portion of the required premium increase and increase premiums by a much more modest percentage. Single deductibles of \$2,000 and \$3,500. As part of the plan design changes, the Agency would implement the PrudentRx prescription drug program for specialty drugs. No changes in the Agency's HRA contributions for those participating in the higher deductible plan.)*

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2024-25 Agency Calendar

A MOTION was made by Ms. Brennan and seconded by Ms. Schwenk to approve the 2024-25 agency calendar. The motion passed unanimously.

March 12 Board Meeting and Spring Break Conflicts

The next regular board meeting falls on March 12, which is spring break for many districts and colleges. Ms. Ugolini will contact absent board members to determine if there are any conflicts with attendance.

Consent Agenda

Mr. Kinley reviewed the Agency's financial reports. The Agency is tracking very close to a year ago. The self-insurance fund has a slight decrease but is still a healthy fund. Other expenses are tracking well. A MOTION was made by Mr. Kinley and seconded by Ms. Brennan to approve the consent agenda including payment of warrant numbers 420366 through 420543 and electronic warrant numbers 46995 through 47432. The motion passed unanimously.

- Personnel Report & Amendment. - Mr. Fangman noted that internal postings and transfers are taking place this month and will close tomorrow.
- Purchase Orders:
 - *Agile Classroom, L.L.C.* - \$20,000.00
- Agreement between Heartland AEA and the Association of Educational Service Agencies (AESAs)

Chief Administrator Comments

- Dr. Yelick shared that conversations about this coming fall's all-staff meeting are taking place. It feels awkward for staff given the current legislative session. Until something changes, the work will keep moving forward.

Board Member Comments

- The district service and data sheets prepared by the Agency were awesome. Board members forwarded them to their school districts and thanked the staff who put the information together. The data was wonderful and well put together.
- Board members commented briefly on their role given the Governor's AEA bill, which transitions them from governance to advisory, which removes local control.

Adjournment

There being no further business, the regular meeting ended at 6:16 p.m., and the Board transitioned to an exempt session.

EXEMPT SESSION

Exempt Session – Negotiations - Section 20.17(3) of the Iowa Code

A MOTION was made by Ms. Brennan and seconded by Ms. Mays-Sims to enter an exempt session as provided in Section 20.17(3) of the Iowa Code to discuss the 2024-25 negotiation session.

A roll call vote was taken. The Board of Directors entered into an exempt session at 6:16 p.m.

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|-----------------------|--------|----------------------|--------|
| ● Ms. Margaret Borgen | Aye | ● Mr. Alex Piedras | Absent |
| ● Ms. Liz Brennan | Aye | ● Dr. Steve Rose | Aye |
| ● Mr. Pete Evans | Absent | ● Ms. Margie Schwenk | Aye |
| ● Mr. John Kinley | Aye | ● Ms. Kelly Simmons | Absent |
| ● Ms. Tiara Mays-Sims | Aye | | |

The Board of Directors exited the exempt session at 6:26 p.m.

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A MOTION was made by Mr. Kinley and seconded by Ms. Brennan to adjourn the meeting. The meeting adjourned at 6:26 p.m.

Reports and documents and the full text of motions, resolutions or policies considered by the Board at this meeting are on file in the Board Secretary's office, (515) 473-6644, Monday through Friday, 7:30 a.m. – 4:30 p.m.

Handwritten signature of Margaret P. Borgen in black ink.

Ms. Margaret Borgen
Board President

Handwritten signature of Jenny Ugolini in blue ink.

Ms. Jenny Ugolini
Board Secretary