

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT
COUNTIES OF MONROE AND ORLEANS

There will be an Audit Committee Meeting at 5:30 p.m. on Wednesday, October 16, 2019 in the Board Room of the Richard E. Ten Haken Educational Services Center, 3599 Big Ridge Road, Spencerport, New York 14559.

Following there will be a Regular Meeting of the Board of Cooperative Educational Services at 6:30 p.m. in the Board Room of the Richard E. Ten Haken Educational Services Center, 3599 Big Ridge Road, Spencerport, New York 14559.

BOARD MEMBERS

Dennis Laba, President
R. Charles Phillips, Vice President
John Abbott
Kathleen Dillon
John Heise

George Howard
Gerald Maar
Michael May
Constance Rockow

AGENDA

1. Call the Meeting to Order
2. Pledge of Allegiance
3. Agenda Item(s) Modifications
4. Approval of Minutes: September 18, 2019 Regular Meeting Minutes
5. Public Interaction
6. Financial Reports (Mary Beth Luther, Treasurer)
 1. Resolution to Accept Treasurer's Report
 2. Resolution to Accept WinCap Report
 3. Internal Claims Exception Log
 4. Quarterly Contractor Report
 5. Quarterly Extra Class Report
7. Board Presentation: 2018-19 Audit (Ray Wager, CPA)
 1. Resolution to Accept the Audit Reports entitled Basic Financial Statement and Management Letter for the year ended June 30, 2019, as recommended by Jo Anne Antonacci, District Superintendent.
 2. Resolution to Accept Corrective Action Plan for the Year Ended June 30, 2019
8. Old Business
 1. Second Reading and Resolution to Approve Policy Series 3000 (Lynda VanCoske)
 2. Discussion on Lease Renewal for 3555 Buffalo Road (former Alternative High School Building) (Steve Roland)
 3. Strategic Goals Update
9. Recognition of School Board Members
10. New Business
 1. First Reading of Policies 5160, 6110, 6220, and 6471
 2. Regional Summer School Update (Tim Dobbertin)
 3. Resolution to Approve Donation of Computer Equipment

11. Personnel and Staffing
 1. Resolution to Approve Personnel and Staffing Agenda
12. Bids/Lease Purchases
 1. Resolution to Accept Cooperative Fine Paper Bid
 2. Resolution to Accept Print Shop Supplies Bid
 3. Resolution to Accept Erie 1 Instructional Technology State Wide Licensing Agreements – Add on #2
 4. Resolution to Accept Monroe 2-Orleans BOCES lease purchase of a Xerox copier
13. Executive Officer's Reports
 1. Albany D.S. Report
 2. Local Update
14. Committee Reports
 - Labor Relations Committee (J. Abbott/J. Heise)
 - Legislation Committee (D. Laba/K. Dillon)
 - Information Exchange Committee (R. Charles Phillips/J. Heise)
15. Upcoming Meetings/Calendar Events

October 16	5:30pm Audit Committee / 6:30pm Board Meeting (Board Room)
October 23	Noon MCSBA Labor Relations Committee (Double Tree)
October 24-26	NYSSBA Annual Convention (Rochester)
October 30	Noon MCSBA Steering Committee (Double Tree)
November 2	6pm Monroe 2-Orleans Educational Foundation Celebration (Ridgemont Country Club)
November 6	Noon MCSBA Legislative Committee (Double Tree)
November 6	5:45pm MCSBA Board Presidents Meeting (Double Tree)
November 11	BOCES 2 closed
November 13	Noon Board Officer Agenda Review
November 20	Noon MCSBA Labor Relations Committee (Double Tree)
November 20	4pm MCSBA Information Exchange Committee (Double Tree)
November 20	6:30pm Board Meeting (Board Room)
16. Other Items
17. Adjournment

1. Call the Meeting to Order

2. Pledge of Allegiance

3. Agenda Item(s) Modifications

4. Approval of Minutes: September 18, 2019 Regular Meeting Minutes

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT
COUNTIES OF MONROE AND ORLEANS

Minutes of the Regular Meeting of the Board of Cooperative Educational Services, Second Supervisory District of Monroe and Orleans Counties, held on September 18, 2019 at 6:30 p.m. at the Richard E. Ten Haken Educational Services Center, Spencerport, New York 14559.

Members Present:

Dennis Laba, President
R. Charles Phillips, Vice President
John Abbott
Kathleen Dillon
John Heise

George Howard
Gerald Maar
Michael May
Constance Rockow

Staff Present:

Jo Anne Antonacci
Karen Brown, Esq.
Ginger Critchley
Steve Dawe
Timothy Dobbartin

Dr. Marijo Pearson
Steve Roland
Dr. Michelle Ryan
Lynda VanCoske, Esq.

Guest: Kevin Overton, Esq., Harris Beach (arrived at 6:45 p.m.)
Scott Piper, Esq., Harris Beach (arrived at 6:50 p.m.)

1. Call the Meeting to Order

The meeting was called to order by President Laba at 6:30 p.m.

2. Pledge of Allegiance

3. Agenda/Items(s) Modifications

There were no agenda modifications.

4. Approval of Minutes

Resolved: To approve the August 21, 2019 Regular Meeting Minutes as presented.

Motion by J. Heise, seconded by G. Maar; passed unanimously.

5. Public Interaction

There was no public interaction.

6. Financial Reports

S. Roland reported on the Treasurer's Report, WINCAP Report, and Internal Claims Exception Log.

Resolved: To approve the Treasurer's and WINCAP Reports as presented.

Moved by J. Abbott, seconded by J. Heise; passed unanimously.

7. Presentation: Human Resources Report

Director of Human Resources Karen Brown gave an Employment Law Update. The board asked questions and thanked Karen for her presentation.

8. Old Business

1. Second Reading and Resolution to Approve Policy Series 1000 and 2000

The board did a second reading on policy series 1000 and 2000.

Resolved: To approve the Second Reading for Policy Series 1000 and 2000 as modified by adding the definition of family to Policy 1210.

Motion by K. Dillon, seconded by J. Heise; passed unanimously.

2. The former Alternative High School building was discussed. Harris Beach Attorney Kevin Overton elaborated on a potential lease for renewal. He left the meeting at 7:11 p.m.

9. New Business

1. The board reviewed policy series 3000. The second reading will be done at the October 16 board meeting.

2. Tim Dobbertin gave an annual update on School Safety and the Educational Climate (SSEC).

3. The board reviewed the NYSSBA Convention Proposed Resolutions that will be voted on at the October New York State School Boards Association Convention.

4. Resolved: To Approve 2019 Regional Summer School Lease Amendments for Greece and Spencerport Central School Districts as presented.

Moved by J. Abbott, seconded by J. Heise; passed unanimously.

5. Resolved: Approve 2019 Extended School Year Lease Amendment for Gates Chili Central School District as presented.

Motion by J. Abbott, seconded by M. May; passed unanimously.

6. Karen Brown reviewed the Annual Professional Performance Review Summary Report.

10. Personnel and Staffing

1. Resolved: To approve the Personnel and Staffing Agenda as presented.

Motion by K. Dillon, seconded by J. Abbott; passed unanimously.

11. Bids/Lease Purchases

Resolved: To accept the bid recommendations and awarding of the following bids and lease purchases as presented:

1. Disposal Service Bid
Waste Management of New York LLC \$42,052.32

2. Cooperative Audio-Visual Equipment Installation Service Bid
Park Place Installations, Inc. \$99,469.00
(Primary Vendor)

The Smart Guys Backup vendor as needed
(Secondary Vendor)

Motion by G. Maar, seconded by J. Heise; passed unanimously.

12. Executive Officer's Report

District Superintendent Jo Anne Antonacci attended her District Superintendent meeting in Albany this week. Discussion focused on many areas including the Red Flag Law, Immunizations, Graduation Requirements, and Cyber Attacks.

Acting Commissioner Beth Berlin is working directly with the District Superintendents.

The Mt. Read zombie house has been completed and is up for sale. The students did an amazing job and the transformation is incredible.

The CDL ceremony concluded, and a new class is starting in the beginning of October.

District Superintendent Antonacci informed the board of the Ransomware attacks occurring in New York State. All BOCES 2 email users have been sent the Data Security Practices for Educators.

13. Committee Reports

Labor Relations Committee (J. Abbott/J. Heise) – The topic was Strategies for Moving Staff to High Deductible Plans.

Legislation Committee (D. Laba/K. Dillon) – There were no updates.

Information Exchange Committee (R. Charles Phillips/J. Heise) – The topic was Youth Risk Behavior Survey (YRBS).

14. Upcoming Meetings/Events

The various meetings for the upcoming month were listed on the agenda.

15. Other Items

Monroe County School Boards Association appreciation bags were distributed to all board members.

District Superintendent Antonacci distributed copies of Monroe/Orleans Accountability, Assessment and Reporting Services (MAARS) brochures as well as New York State Center for School Health brochures that are being distributed to our component board members and superintendents when attending a component board meeting.

At 7:44 p.m., a motion was made by M. May, seconded by C. Rockow, passed unanimously to enter into Executive Session to discuss the employment history of a particular person(s) and pending litigation.

Respectfully submitted,

Virginia M. Critchley
Clerk of the Board

16. The Board entered into Executive Session at 7:46 p.m.

Members Present:

Dennis Laba, President
R. Charles Phillips, Vice President
John Abbott
Kathleen Dillon
John Heise

George Howard
Gerald Maar
Michael May
Constance Rockow

Staff Present:

Jo Anne Antonacci
Karen Brown, Esq. (left at 7:58 p.m.)
Tim Dobbertin (left at 7:58 p.m.)

Steve Roland (left at 7:58 p.m.)
Lynda VanCoske, Esq. (left at 7:58 p.m.)

Guest:

Scott Piper, Esq., Harris Beach (left at 7:58 p.m.)

At 8:33 p.m. a motion was made by J. Abbott, seconded by M. May to come out of executive session; passed unanimously.

17. Adjournment

At 8:33 p.m., a motion was made by M. May to adjourn the meeting, seconded by J. Abbott; passed unanimously.

Respectfully submitted,

Jo Anne L. Antonacci
Clerk Pro-Tem

5. Public Interaction

6. Financial Reports (Mary Beth Luther, Treasurer)
 1. Resolution to Accept Treasurer's Report
 2. Resolution to Accept WinCap Report
 3. Internal Claims Exception Log
 4. Quarterly Contractor Report
 5. Quarterly Extra Class Report

Monroe #2-Orleans BOCES**Treasurer's Report**

Period Ending August 31, 2019

<u>GENERAL FUND</u>		<u>MONTHLY</u>	
CASH	BEGINNING BALANCE:	8,108,972.36	<u>8,108,972.36</u>
RECEIPTS:	CHARGES FOR SERVICES	2,526,588.13	
	NON-CONTRACT CHARGES	67,688.56	
	INTEREST EARNED	713.49	
	TRANSFERS FROM SPECIAL AID	500,000.00	
	TRANSFERS FROM TRUST AND AGENCY	0.00	
	TRANSFERS FROM UNEMPLOYMENT	0.00	
	STATE AID DUE DISTRICTS	0.00	
	MISCELLANEOUS RECEIPTS	159,537.11	
	TOTAL RECEIPTS:	3,254,527.29	<u>3,254,527.29</u>
DISBURSEMENTS:	PAYROLL	2,858,383.96	
	WARRANTS	4,147,304.50	
	TRANSFERS TO:		
	- Special Aid	0.00	
	- Trust & Agency	0.00	
	- Unemployment Reserve	0.00	
	- Capital	0.00	
	RAN PAYMENT	0.00	
	MISCELLANEOUS DISBURSEMENTS	0.00	
	TOTAL DISBURSEMENT:	7,005,688.46	<u>(7,005,688.46)</u>
	GENERAL FUND CHECKING	243,029.08	
	GENERAL FUND SAVINGS	4,114,782.11	
CASH	ENDING BALANCE:	4,357,811.19	<u>4,357,811.19</u>

Monroe #2-Orleans BOCES**Treasurer's Report**

Period Ending August 31, 2019

<u>SPECIAL AID FUND</u>		<u>MONTHLY</u>	
CASH	BEGINNING BALANCE:	2,210,096.36	<u>2,210,096.36</u>
RECEIPTS:	INTEREST EARNED	184.04	
	TRANSFER FROM GENERAL	0.00	
	TRANSFER FROM TRUST AND AGENCY	0.00	
	STATE, FEDERAL & LOCAL SOURCES	0.00	
	MISCELLANEOUS RECEIPTS	62,688.60	
	TOTAL RECEIPTS:	62,872.64	<u>62,872.64</u>
DISBURSEMENTS:	WARRANTS	49,860.14	
	TRANSFER TO TRUST & AGENCY	0.00	
	TRANSFER TO GENERAL	500,000.00	
	MISCELLANEOUS DISBURSEMENTS	267.53	
	TOTAL DISBURSEMENTS:	550,127.67	<u>(550,127.67)</u>
CASH	ENDING BALANCE:	1,722,841.33	<u>1,722,841.33</u>

<u>RISK RETENTION FUND</u>		<u>MONTHLY</u>	
CASH	BEGINNING BALANCE:	1,567,168.51	<u>1,567,168.51</u>
RECEIPTS:	INTEREST EARNED	1,251.23	
	TRANSFER FROM GENERAL	0.00	
	MISCELLANEOUS RECEIPTS	0.00	
	TOTAL RECEIPTS:	1,251.23	<u>1,251.23</u>
DISBURSEMENTS:	WARRANTS	0.00	
	CD-INVESTMENTS	0.00	
	TRANSFER TO GENERAL	0.00	
	TRANSFER TO TRUST & AGENCY	0.00	
	TOTAL DISBURSEMENTS:	0.00	<u>0.00</u>
	CASH- LIABILITY RESERVE	19,255.06	
	CASH- UNEMPLOYMENT RESERVE	268,563.81	
	CD-LIABILITY RESERVE	1,154,559.86	
	CD-UNEMPLOYMENT RESERVE	126,041.01	
CASH	ENDING BALANCE:	1,568,419.74	<u>1,568,419.74</u>

Monroe #2-Orleans BOCES**Treasurer's Report**

Period Ending August 31, 2019

<u>TRUST AND AGENCY FUND</u>		<u>MONTHLY</u>	
CASH	BEGINNING BALANCE:	113,041,451.47	<u>113,041,451.47</u>
RECEIPTS:	INTEREST EARNED	871.20	
	PAYROLL	3,056,486.35	
	TRANSFER FROM GENERAL	0.00	
	TRANSFER FROM SPECIAL AID	0.00	
	RASHP I	2,232,548.29	
	RASHP II	36,701,877.05	
	MISCELLANEOUS RECEIPTS	4,551,266.45	
	TOTAL RECEIPTS:	46,543,049.34	<u>46,543,049.34</u>
DISBURSEMENTS:	WARRANTS	1,510,656.06	
	PAYROLL	3,046,896.27	
	RASHP I	814,489.03	
	RASHP II	21,553,263.48	
	TRANSFER TO GENERAL FUND	0.00	
	TRANSFER TO SPECIAL AID	0.00	
	MISCELLANEOUS DISBURSEMENTS	830,323.09	
	TOTAL DISBURSEMENTS:	27,755,627.93	<u>(27,755,627.93)</u>
	CASH-CHECKING	1,251,138.21	
	CASH-PAYROLL	17,012.67	
	CASH-RASWC	5,253,636.39	
	CASH-WC WFL	223,050.96	
	CASH-FSA	24,502.36	
	CASH-RASHP I	4,221,950.17	
	CASH-RASHP II	48,618,716.78	
	CASH-SELF FUNDED DENTAL	403,076.06	
	CASH-STUDENT ACCIDENT	3,887.47	
	CASH-GIFT FUNDS	91,946.20	
	CASH-EDUCATIONAL TRUST FUND	0.00	
	CASH-JOHN T. KLOCK SCHOLARSHIP	6,275.09	
	MONEY MARKET - RASHP II	38,038,456.80	
	MONEY MARKET - RASHP II - M&T	459,045.16	
	CERTIFICATE OF DEPOSIT-RASWC	18,327,877.26	
	CERTIFICATE OF DEPOSIT/SAVINGS - RASHP	14,888,301.30	
	CERTIFICATE OF DEPOSIT - RASHP II	0.00	
CASH	ENDING BALANCE:	131,828,872.88	<u>131,828,872.88</u>

Monroe #2-Orleans BOCES**Treasurer's Report**

Period Ending August 31, 2019

<u>CAPITAL FUND</u>		<u>MONTHLY</u>	
CASH	BEGINNING BALANCE	3,387,202.02	<u>3,387,202.02</u>
RECEIPTS:	INTEREST EARNED	752.78	
	TRANSFER FROM GENERAL	0.00	
	COMPONENT REVENUE	0.00	
	MISCELLANEOUS REVENUE	0.00	
	TOTAL RECEIPTS	752.78	<u>752.78</u>
DISBURSEMENTS:	WARRANTS	36,339.87	
	MISCELLANEOUS DISBURSEMENTS	0.00	
	TRANSFER TO:		
	- General Fund	0.00	
	- Equipment Reserve	0.00	
	TOTAL DISBURSEMENTS	36,339.87	<u>(36,339.87)</u>
	CAPITAL FUND CHECKING	2,453,438.38	
	CAPITAL FUND SAVINGS	108,699.76	
	CAPITAL FUND CTE EQUIPMENT RESERVE	789,476.79	
CASH	ENDING BALANCE:	3,351,614.93	<u>3,351,614.93</u>

MONROE 2 - ORLEANS BOCES

Budget Status Report As Of: 09/30/2019

Fiscal Year: 2020

Fund: A GENERAL FUND

Budget Account	Description	Initial Appropriation	Adjustments	Current Appropriation	Year-to-Date Expenditures	Encumbrance Outstanding	Unencumbered Balance
0 Administration							
100 SALARIES		1,129,424.00	16,834.00	1,146,258.00	333,753.49	804,011.27	8,493.24
200 EQUIPMENT		15,500.00	43,441.00	58,941.00	43,681.14	1,300.00	13,959.86
300 SUPPLIES		19,550.00	0.00	19,550.00	1,912.48	9,101.98	8,535.54
400 CONTRACTUAL		2,575,945.00	18,297.38	2,594,242.38	611,013.87	1,203,783.19	779,445.32
700 INTEREST ON REVENUE NOTES		13,568.00	-12,000.00	1,568.00	0.00	0.00	1,568.00
800 EMPLOYEE BENEFITS		563,799.00	-7,000.00	556,799.00	76,826.84	125,290.92	354,681.24
899 Oth Post Retirement Benft		5,358,539.00	0.00	5,358,539.00	2,500.00	0.00	5,356,039.00
910 TRANSFER TO CAPITAL FUND		400,000.00	0.00	400,000.00	0.00	0.00	400,000.00
950 TRANSFER FROM O & M		65,575.00	0.00	65,575.00	0.00	0.00	65,575.00
960 TRANSFER CHARGE		251,491.00	0.00	251,491.00	0.00	0.00	251,491.00
Subtotal of 0 Administration		10,393,391.00	59,572.38	10,452,963.38	1,069,687.82	2,143,487.36	7,239,788.20
1 Career Education							
100 SALARIES		3,750,006.00	-60,000.00	3,690,006.00	456,952.73	3,029,385.80	203,667.47
200 EQUIPMENT		25,000.00	126,299.64	151,299.64	53,224.64	64,075.00	34,000.00
300 SUPPLIES		368,250.00	-4,296.51	363,953.49	91,570.54	108,287.79	164,095.16
400 CONTRACTUAL		232,000.00	669.36	232,669.36	59,422.37	62,512.18	110,734.81
490 SCH DIST AND OTHER BOCES		20,308.00	-20,308.00	0.00	0.00	0.00	0.00
800 EMPLOYEE BENEFITS		1,725,745.00	-28,945.00	1,696,800.00	80,804.43	541,855.42	1,074,140.15
950 TRANSFER FROM O & M		1,255,696.00	0.00	1,255,696.00	0.00	0.00	1,255,696.00
960 TRANSFER CHARGE		543,079.00	0.00	543,079.00	0.00	0.00	543,079.00
970 TR CREDs FR SERVICE PROGR		-88,945.00	88,945.00	0.00	0.00	0.00	0.00
990 TRANS CREDs FR OTHER FUND		-4,000.00	0.00	-4,000.00	0.00	0.00	-4,000.00
Subtotal of 1 Career Education		7,827,139.00	102,364.49	7,929,503.49	741,974.71	3,806,116.19	3,381,412.59
2 Special Education							
100 SALARIES		6,888,103.00	57,522.00	6,945,625.00	659,131.78	5,705,616.20	580,877.02
200 EQUIPMENT		33,314.00	100,980.23	134,294.23	76,685.96	13,369.61	44,238.66
300 SUPPLIES		62,231.00	1,500.00	63,731.00	8,816.57	15,807.47	39,106.96
400 CONTRACTUAL		1,281,383.00	-7,773.38	1,273,609.62	243,110.74	558,292.16	472,206.72
490 SCH DIST AND OTHER BOCES		6,142,374.79	423,131.00	6,565,505.79	656,550.60	0.00	5,908,955.19
800 EMPLOYEE BENEFITS		3,996,368.00	28,095.00	4,024,463.00	118,869.71	920,320.73	2,985,272.56
950 TRANSFER FROM O & M		325,417.00	0.00	325,417.00	0.00	0.00	325,417.00
960 TRANSFER CHARGE		15,414,614.25	-88,945.00	15,325,669.25	0.00	0.00	15,325,669.25
Subtotal of 2 Special Education		34,143,805.04	514,509.85	34,658,314.89	1,763,165.36	7,213,406.17	25,681,743.36
3 Itinerent Services							
100 SALARIES		13,204,963.00	-234.00	13,204,729.00	1,081,822.66	10,685,500.42	1,437,405.92
200 EQUIPMENT		222,825.00	-1,300.00	221,525.00	54,663.99	763.51	166,097.50
300 SUPPLIES		40,896.00	1,096.00	41,992.00	3,559.70	8,138.80	30,293.50
400 CONTRACTUAL		451,478.03	77,376.00	528,854.03	22,318.52	114,078.53	392,456.98
490 SCH DIST AND OTHER BOCES		152,834.77	-6,155.41	146,679.36	14,667.93	0.00	132,011.43

MONROE 2 - ORLEANS BOCES

Budget Status Report As Of: 09/30/2019

Fiscal Year: 2020

Fund: A GENERAL FUND

Budget Account	Description	Initial Appropriation	Adjustments	Current Appropriation	Year-to-Date Expenditures	Encumbrance Outstanding	Unencumbered Balance
800 EMPLOYEE BENEFITS		7,419,683.00	-75,000.00	7,344,683.00	193,043.77	1,825,922.15	5,325,717.08
950 TRANSFER FROM O & M		7,848.00	0.00	7,848.00	0.00	0.00	7,848.00
960 TRANSFER CHARGE		1,221,517.00	0.00	1,221,517.00	0.00	0.00	1,221,517.00
970 TR CREDITS FR SERVICE PROGR		-11,481,347.59	0.00	-11,481,347.59	0.00	0.00	-11,481,347.59
Subtotal of 3 Itinerent Services		11,240,697.21	-4,217.41	11,236,479.80	1,370,076.57	12,634,403.41	-2,768,000.18
4 General Instruction							
100 SALARIES		1,809,703.00	42,908.00	1,852,611.00	878,009.54	825,595.32	149,006.14
200 EQUIPMENT		7,145.00	35,678.85	42,823.85	35,505.02	360.00	6,958.83
300 SUPPLIES		14,236.00	4,444.00	18,680.00	4,824.84	5,907.64	7,947.52
400 CONTRACTUAL		654,824.00	-22,430.60	632,393.40	362,633.70	379,808.26	-110,048.56
490 SCH DIST AND OTHER BOCES		65,798.63	-16,750.11	49,048.52	9,568.55	0.00	39,479.97
800 EMPLOYEE BENEFITS		631,127.00	2,197.00	633,324.00	140,506.95	133,681.21	359,135.84
950 TRANSFER FROM O & M		103,027.00	4.00	103,031.00	0.00	0.00	103,031.00
960 TRANSFER CHARGE		178,079.90	0.00	178,079.90	0.00	0.00	178,079.90
970 TR CREDITS FR SERVICE PROGR		-15,740.00	0.00	-15,740.00	0.00	0.00	-15,740.00
990 TRANS CREDITS FR OTHER FUND		-1,980.00	0.00	-1,980.00	0.00	0.00	-1,980.00
Subtotal of 4 General Instruction		3,446,220.53	46,051.14	3,492,271.67	1,431,048.60	1,345,352.43	715,870.64
5 Instruction Support							
100 SALARIES		5,831,728.00	16,593.00	5,848,321.00	1,220,800.30	4,337,401.45	290,119.25
200 EQUIPMENT		2,994,845.00	2,474,338.25	5,469,183.25	2,303,223.88	581,123.78	2,584,835.59
300 SUPPLIES		568,874.00	130,653.80	699,527.80	272,537.04	136,395.00	290,595.76
400 CONTRACTUAL		4,183,803.00	598,996.80	4,782,799.80	2,139,036.36	931,389.48	1,712,373.96
490 SCH DIST AND OTHER BOCES		228,831.69	205,888.04	434,719.73	41,791.66	0.00	392,928.07
800 EMPLOYEE BENEFITS		2,793,638.00	0.00	2,793,638.00	196,757.13	743,324.40	1,853,556.47
950 TRANSFER FROM O & M		629,385.00	0.00	629,385.00	0.00	0.00	629,385.00
960 TRANSFER CHARGE		1,024,870.44	89,188.00	1,114,058.44	89,188.00	0.00	1,024,870.44
970 TR CREDITS FR SERVICE PROGR		-2,347,267.00	-89,188.00	-2,436,455.00	-89,188.00	0.00	-2,347,267.00
990 TRANS CREDITS FR OTHER FUND		-76,185.00	0.00	-76,185.00	0.00	0.00	-76,185.00
Subtotal of 5 Instruction Support		15,832,523.13	3,426,469.89	19,258,993.02	6,174,146.37	6,729,634.11	6,355,212.54
6 Other Services							
100 SALARIES		2,232,599.00	0.00	2,232,599.00	574,721.64	1,588,896.70	68,980.66
200 EQUIPMENT		455,195.00	438,378.42	893,573.42	409,044.04	131,092.70	353,436.68
300 SUPPLIES		36,000.00	-77.00	35,923.00	685.14	5,845.11	29,392.75
400 CONTRACTUAL		3,320,372.00	159,369.53	3,479,741.53	684,130.93	2,226,297.11	569,313.49
490 SCH DIST AND OTHER BOCES		5,575,370.47	-1,910,629.98	3,664,740.49	532,700.32	0.00	3,132,040.17
800 EMPLOYEE BENEFITS		1,017,436.00	0.00	1,017,436.00	91,361.62	256,068.25	670,006.13
950 TRANSFER FROM O & M		111,435.00	0.00	111,435.00	0.00	0.00	111,435.00
960 TRANSFER CHARGE		94,765.00	0.00	94,765.00	0.00	0.00	94,765.00
970 TR CREDITS FR SERVICE PROGR		-1,652,342.00	0.00	-1,652,342.00	0.00	0.00	-1,652,342.00
990 TRANS CREDITS FR OTHER FUND		-105,886.00	0.00	-105,886.00	0.00	0.00	-105,886.00

MONROE 2 - ORLEANS BOCES

Budget Status Report As Of: 09/30/2019

Fiscal Year: 2020

Fund: A GENERAL FUND

Budget Account	Description	Initial Appropriation	Adjustments	Current Appropriation	Year-to-Date Expenditures	Encumbrance Outstanding	Unencumbered Balance
Subtotal of 6 Other Services		11,084,944.47	-1,312,959.03	9,771,985.44	2,292,643.69	4,208,199.87	3,271,141.88
7 Undefined							
100 SALARIES		3,086,796.00	-24,000.00	3,062,796.00	835,524.78	2,000,535.94	226,735.28
200 EQUIPMENT		28,500.00	29,000.00	57,500.00	3,367.19	2,921.47	51,211.34
300 SUPPLIES		188,450.00	11,535.94	199,985.94	40,279.65	92,060.52	67,645.77
400 CONTRACTUAL		1,811,861.00	4,805.06	1,816,666.06	813,798.80	622,942.56	379,924.70
800 EMPLOYEE BENEFITS		1,540,215.00	0.00	1,540,215.00	131,366.03	339,739.47	1,069,109.50
950 TRANSFER FROM O & M		441,160.00	0.00	441,160.00	0.00	0.00	441,160.00
960 TRANSFER CHARGE		1,318,469.00	0.00	1,318,469.00	0.00	0.00	1,318,469.00
970 TR CREDITS FR SERVICE PROGR		-7,400,787.00	-4.00	-7,400,791.00	0.00	0.00	-7,400,791.00
990 TRANS CREDITS FR OTHER FUND		-1,014,664.00	4.00	-1,014,660.00	0.00	0.00	-1,014,660.00
Subtotal of 7 Undefined		0.00	21,341.00	21,341.00	1,824,336.45	3,058,199.96	-4,861,195.41
Total GENERAL FUND		93,968,720.38	2,853,132.31	96,821,852.69	16,667,079.57	41,138,799.50	39,015,973.62

7. Board Presentation: 2018-19 Audit (Ray Wager, CPA)

7.1. Resolution to Accept the Audit Reports entitled Basic Financial Statement and Management Letter for the year ended June 30, 2019, as recommended by Jo Anne Antonacci, District Superintendent.

**BOARD OF COOPERATIVE EDUCATIONAL
SERVICES SECOND SUPERVISORY DISTRICT
OF MONROE AND ORLEANS COUNTIES
BASIC FINANCIAL STATEMENTS
For Year Ended June 30, 2019**

MENGEL METZGER BARR & CO. LLP
RAYMOND F. WAGER, CPA, P.C. DIVISION

TABLE OF CONTENTS

	<u>Page Number</u>
Independent Auditors' Report	1 - 3
Management's Discussion and Analysis (Unaudited)	4 - 11
Basic Financial Statements:	
Statement of Net Position	12
Statement of Activities and Changes in Net Position	13
Balance Sheet - Governmental Funds	14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	15
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to Statement of Activities	16
Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position	17
Notes to Financial Statements:	18 - 45
Required Supplementary Information:	
Schedule of Changes in BOCES' total OPEB Liability and Related Ratio (Unaudited)	46
Schedule of the BOCES' Proportionate Share of the Net Pension Liability (Unaudited)	47
Schedule of BOCES Contributions (Unaudited)	48
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) And Actual - General Fund (Unaudited)	49 - 50
Supplementary Information:	
Analysis of Account A431 - School Districts	51
Schedule of Capital Projects Fund - Project Expenditures and Financing Resources	52
Schedule of Expenditures of Federal Awards	53
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	54 - 55

MENGEL METZGER BARR & CO. LLP

RAYMOND F. WAGER, CPA, P.C. DIVISION

INDEPENDENT AUDITORS' REPORT

To the Board Members
Board of Cooperative Educational Services
Second Supervisory District on Monroe and Orleans Counties

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the BOCES' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the BOCES' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the BOCES' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress postemployment benefit plan, schedule of the BOCES' proportionate share of the net pension liability, schedule of BOCES contributions, and budgetary comparison information on pages 4–11 and 46–50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York's basic financial statements. The accompanying supplemental information as listed in the table of contents and schedule of expenditures of federal awards, as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplemental information as listed in the table of contents and schedule of expenditures of federal awards, as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplemental information as listed in the table of contents and schedule of expenditures of federal awards, as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2019 on our consideration of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the BOCES' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York's internal control over financial reporting and compliance.

Rochester, New York
October 10, 2019

Raymond F. Wager, CPA, PC

Board of Cooperative Educational Services
Second Supervisory District of Monroe and Orleans Counties, New York

Management's Discussion and Analysis (MD&A)

June 30, 2019

Introduction

Our discussion and analysis of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York's (BOCES) financial performance provides an overview of the BOCES' financial activities for the year ended June 30, 2019. It should be read in conjunction with the basic financial statements to enhance understanding of the BOCES financial performance, which immediately follows this section.

Financial Highlights

Key financial highlights for fiscal year 2019 are as follows:

The BOCES governmental fund financial statements report a combined ending fund balance of \$15,016,254 a decrease of \$3,005,304 over the prior year. The decrease in fund balance is due primarily to the ongoing capital project and planned use of reserves to support the budget.

On the government-wide financial statements, the liabilities of the BOCES exceeded assets by \$116,466,353, an increase of \$1,557,292 over the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the BOCES' basic financial statements. The BOCES' basic financial statements are comprised of three components: government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains individual fund statements and schedules in addition to the basic financial statements.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the BOCES' finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the BOCES' assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the BOCES is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The *governmental activities* of the BOCES include administration, career & tech education, instruction for the handicapped, itinerant services, general instruction, instructional support, other services, and depreciation.

The government-wide financial statements can be found on the pages immediately following this section as the first two pages of the basic financial statements.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The BOCES, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the BOCES can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the BOCES' near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The BOCES maintains four individual governmental funds; General Fund, Special Aid Fund, Special Projects Fund, and Capital Project Funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for each fund. The BOCES reports the General Fund and Special Aid Fund as major funds and the Special Projects Fund and Capital Projects Fund non-major funds.

The BOCES adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget.

The *Fiduciary Funds* are used to account for assets held by the BOCES in an agency capacity which accounts for assets held by the BOCES on behalf of others. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are *not* available to support the BOCES' programs.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statement section of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statement section of the report.

Government-Wide Financial Analysis

A comparative analysis of government-wide financial analysis using the full accrual basis of accounting is provided with prior year history.

Net position may serve over time as a useful indicator of the BOCES' financial position. As of June 30, 2019 the BOCES liabilities exceeded the assets by \$116,466,353 at the close of the year.

Net Position

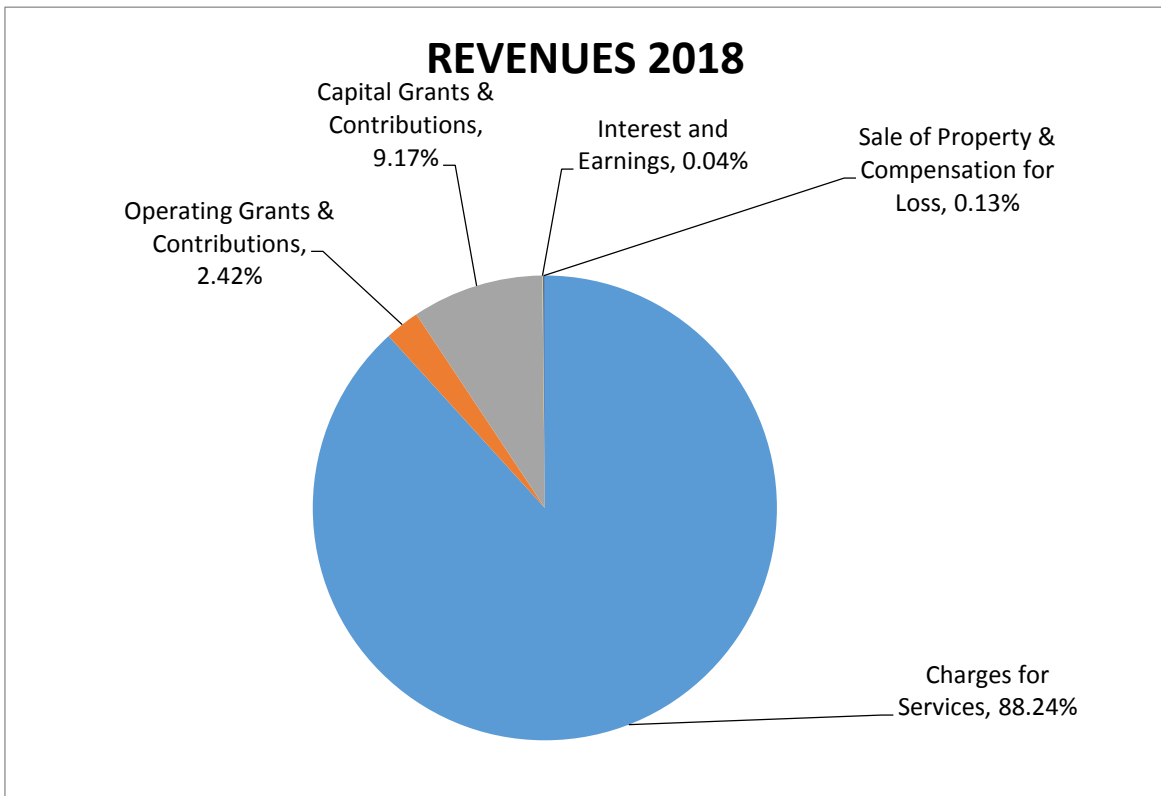
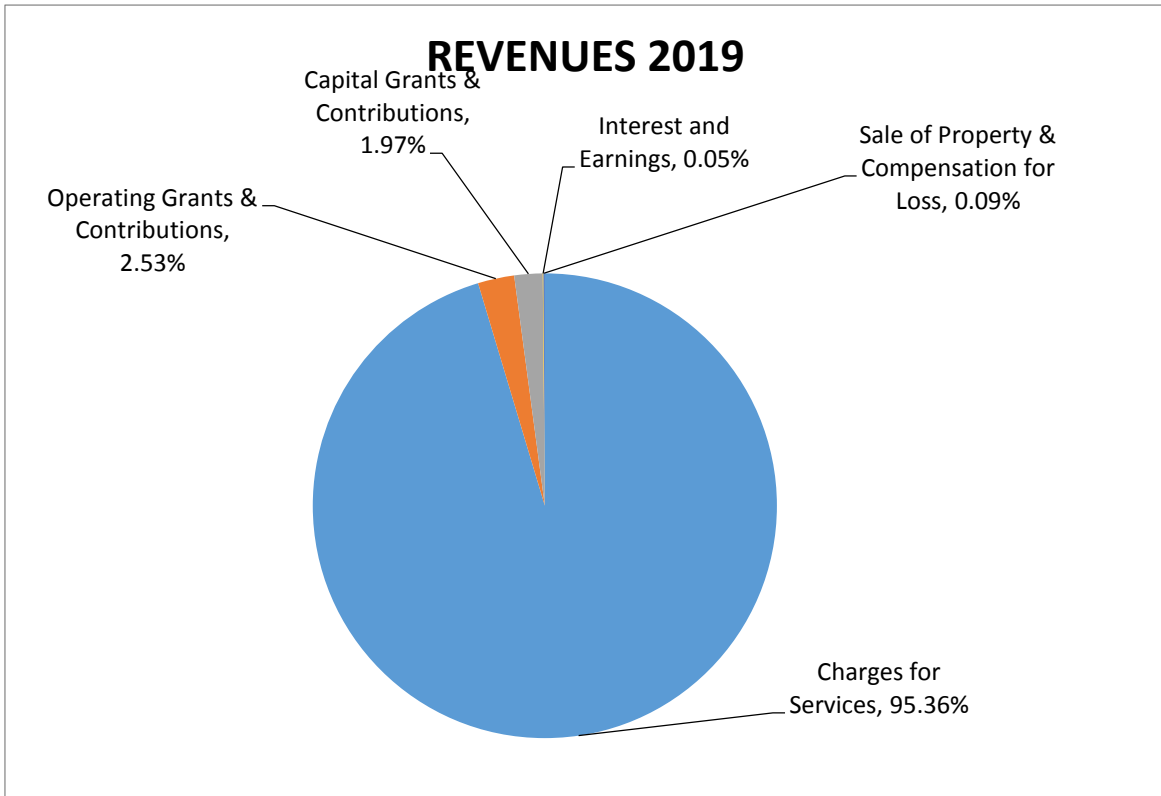
	Governmental Activities		Total Dollar Change	Total Percentage Change
	<u>2019</u>	<u>2018</u>		
<u>ASSETS:</u>				
Current Assets	\$ 36,896,183	\$ 39,521,510	\$ (2,625,327)	-6.64%
Capital Assets	39,719,492	35,875,990	3,843,502	10.71%
TOTAL ASSETS	\$ 76,615,675	\$ 75,397,500	\$ 1,218,175	1.62%
<u>DEFERRED OUTFLOW OF RESOURCES:</u>				
Deferred Outflow of Resources	\$ 35,036,038	\$ 42,385,785	\$ (7,349,747)	-17.34%
<u>LIABILITIES:</u>				
Current Liabilities	\$ 19,347,795	\$ 20,361,118	\$ (1,013,323)	-4.98%
Long-Term Obligations	177,024,684	194,073,824	(17,049,140)	-8.78%
TOTAL LIABILITIES	\$ 196,372,479	\$ 214,434,942	\$ (18,062,463)	-8.42%
<u>DEFERRED INFLOW OF RESOURCES:</u>				
Deferred Inflow of Resources	\$ 31,745,587	\$ 18,257,404	\$ 13,488,183	73.88%
<u>NET POSITION:</u>				
Net Investment in Capital Assets	\$ 39,719,492	\$ 35,875,990	\$ 3,843,502	10.71%
Restricted for,				
Capital Projects	2,602,522	3,766,314	(1,163,792)	100.00%
Retirement Contribution	10,835,811	11,671,312	(835,501)	-7.16%
Other Purposes	2,958,957	2,541,567	417,390	16.42%
Unrestricted	(172,583,135)	(168,764,244)	(3,818,891)	2.26%
TOTAL NET POSITION	\$ (116,466,353)	\$ (114,909,061)	\$ (1,557,292)	1.36%

By far, the largest component of the BOCES' net position is reflected in its net investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The BOCES uses these capital assets to provide services to the students and consequently, these assets are not available for future spending.

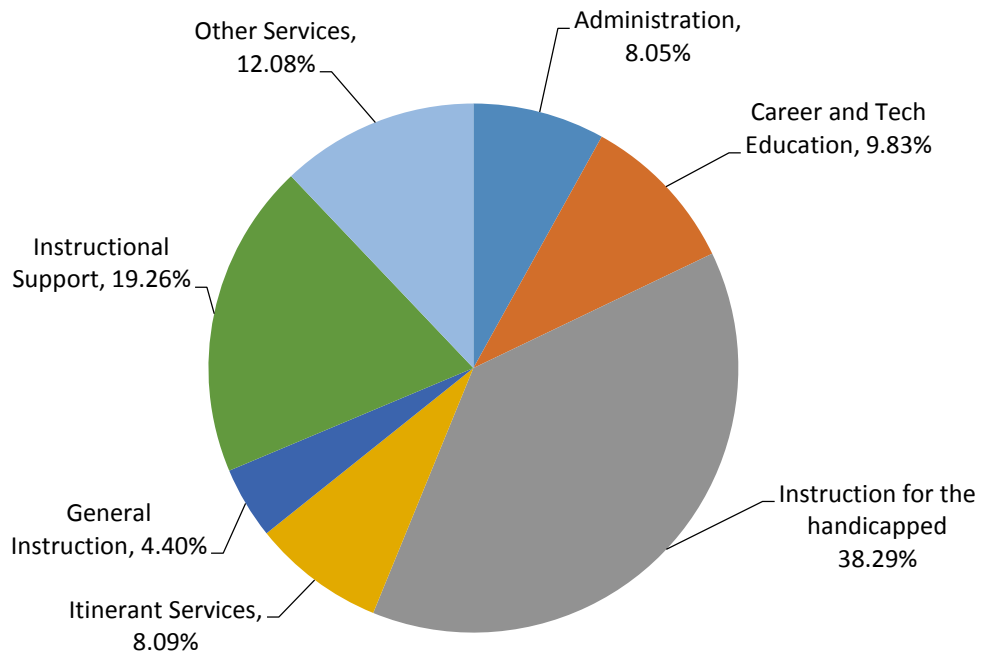
Changes in Net position:

			Total Dollar Change	Total Percentage Change
<u>REVENUES:</u>	<u>2019</u>	<u>2018</u>		
Program Revenues -				
Charges for Services	\$ 100,281,398	\$ 97,297,056	\$ 2,984,342	3.07%
Operating Grants and Contributions	2,662,564	2,664,227	(1,663)	-0.06%
Capital Grants and Contributions	2,071,096	10,107,988	(8,036,892)	100.00%
Total Program Revenues	<u>\$ 105,015,058</u>	<u>\$ 110,069,271</u>	<u>\$ (5,054,213)</u>	<u>-4.59%</u>
General Revenues -				
Interest and Earnings	\$ 52,638	\$ 45,751	\$ 6,887	15.05%
Sale of Property and Compensation for Loss	98,566	144,776	(46,210)	-31.92%
Total General Revenues	<u>\$ 151,204</u>	<u>\$ 190,527</u>	<u>\$ (39,323)</u>	<u>-20.64%</u>
TOTAL REVENUES	<u>\$ 105,166,262</u>	<u>\$ 110,259,798</u>	<u>\$ (5,093,536)</u>	<u>-4.62%</u>
<u>EXPENSES:</u>				
Program Expenses -				
Administration	\$ 8,593,120	\$ 8,543,407	\$ 49,713	0.58%
Career and Tech Education	10,490,434	11,544,141	(1,053,707)	-9.13%
Instruction for the Handicapped	40,866,173	41,658,145	(791,972)	-1.90%
Itinerant Services	8,632,379	10,752,003	(2,119,624)	-19.71%
General Information	4,694,963	4,601,030	93,933	2.04%
Instructional Support	20,552,801	21,057,479	(504,678)	-2.40%
Other Services	12,893,684	11,870,469	1,023,215	8.62%
TOTAL EXPENSES	<u>\$ 106,723,554</u>	<u>\$ 110,026,674</u>	<u>\$ (3,303,120)</u>	<u>-3.00%</u>
CHANGES IN NET POSITION	<u>\$ (1,557,292)</u>	<u>\$ 233,124</u>		

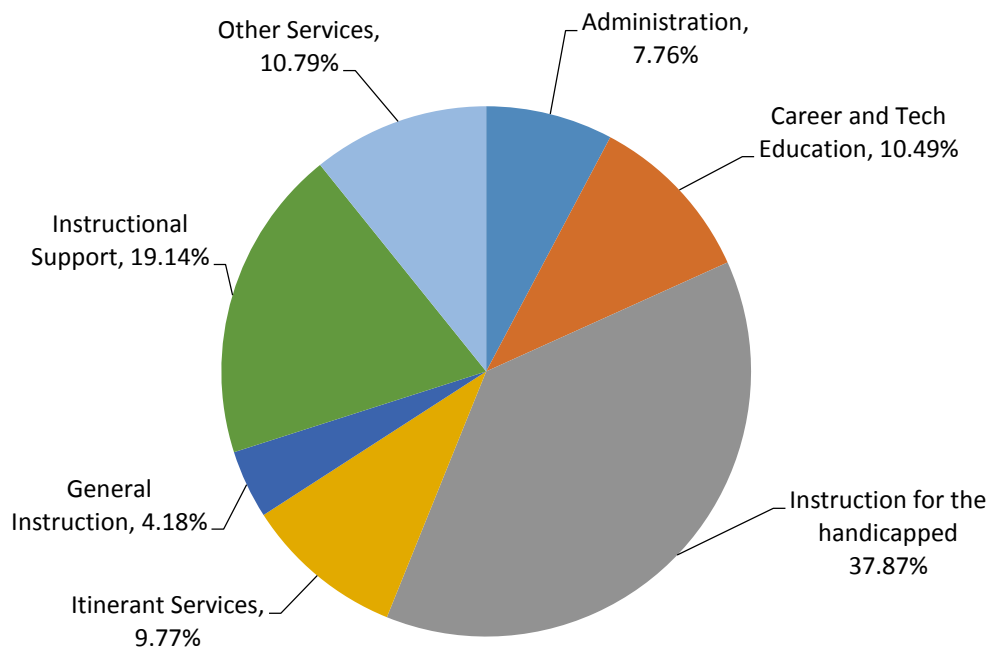
Governmental activities decreased the BOCES net position by \$1,557,292.



EXPENSES 2019



EXPENSES 2018



Financial Analysis of the BOCES' Funds

The financial performance of the BOCES as a whole is reflected in its governmental funds. As the BOCES completed the year, its governmental funds reported combined fund balances of \$15,016,254 which is less than last year's ending fund balance of \$18,021,558. A summary of the General Fund balance classifications is shown below:

<u>General Fund Balances:</u>	<u>2019</u>	<u>2018</u>	<u>Variance</u>
Restricted	\$ 13,794,768	\$ 14,212,879	\$ (418,111)
Assigned	1,792,894	2,448,550	(655,656)
Total General Fund Balances	<u>\$ 15,587,662</u>	<u>\$ 16,661,429</u>	<u>\$ (1,073,767)</u>

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was \$10,673,570. This change is attributable to additional requests for services by our component and non-component districts.

Capital Assets

At June 30, 2019 the BOCES has \$39,719,492, net of accumulated depreciation invested in a broad range of capital assets, including land, buildings and improvements, and machinery and equipment. The change in capital assets, net of accumulated depreciation, is reflected below

	<u>2019</u>	<u>2018</u>
Land	\$ 118,702	\$ 118,702
Work in Progress	28,954,628	25,366,077
Buildings and Improvements	6,346,803	6,606,186
Machinery and Equipment	4,299,359	3,785,025
Total Capital Assets	<u>\$ 39,719,492</u>	<u>\$ 35,875,990</u>

More detailed information about the BOCES' capital assets is presented in the notes to the financial statements.

Long-Term Debt

At June 30, 2019, the BOCES had \$177,024,684 in other long-term debt outstanding as follows:

	<u>2019</u>	<u>2018</u>
Net Pension Liability	\$ 3,660,889	\$ 1,696,776
OPEB	172,286,409	191,324,969
Compensated Absences	1,077,386	1,052,079
Total Long-Term Debt	<u>\$ 177,024,684</u>	<u>\$ 194,073,824</u>

More detailed information about the BOCES' long-term liabilities is presented in the notes to the financial statements.

Factors Bearing on the BOCES' Future

It is uncertain how the long term effect of the New York State tax cap will impact the services we provide to participating districts.

The BOCES continues taking steps to contain the rising cost of health insurance benefits by participating in the Rochester Area School Health Plan I and II. The primary objectives of the Plans are to obtain lower premiums for its participants than they could obtain on their own.

Requests for Information

This financial report is designed to provide a general overview of the BOCES' finances for all those with an interest in the BOCES' finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

**Board of Cooperative Educational Services
Second Supervisory District of Monroe and Orleans Counties
Attn: Mr. Steve Roland, Director of Finance
3599 Big Ridge Road
Spencerport, New York 14559**

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Statement of Net Position
June 30, 2019

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 16,398,847
Accounts receivable	15,393,756
Due from districts	2,711,053
Net pension asset	2,392,527
Capital Assets:	
Land	118,702
Work in progress	28,954,628
Other capital assets (net of depreciation)	10,646,162
TOTAL ASSETS	<u>\$ 76,615,675</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow of resources	<u>\$ 35,036,038</u>
LIABILITIES	
Accounts payable	\$ 2,469,408
Accrued liabilities	923,946
Unearned revenue	6,375
State aid due to districts	12,679,816
Due to teachers' retirement system	2,641,736
Due to employees' retirement system	625,128
Overpayments and collections in advance	1,386
Long-Term Obligations:	
Due in one year	139,607
Due in more than one year	176,885,077
TOTAL LIABILITIES	<u>\$ 196,372,479</u>
DEFERRED INFLOW OF RESOURCES	
Deferred inflow of resources	<u>\$ 31,745,587</u>
NET POSITION	
Net investment in capital assets	\$ 39,719,492
Restricted For:	
Capital projects	2,602,522
Reserve for employee retirement system	10,835,811
Other Purposes	2,958,957
Unrestricted	(172,583,135)
TOTAL NET POSITION	<u>\$ (116,466,353)</u>

(See accompanying notes to financial statements)

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Statement of Activities and Changes in Net Position
For Year Ended June 30, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	<u>Changes in</u>
			<u>Contributions</u>	<u>Contributions</u>	<u>Net Position</u>
					<u>Governmental</u>
					<u>Activities</u>
<u>Primary Government -</u>					
Administration	\$ 8,593,120	\$ 8,406,117	\$ -	\$ 2,071,096	\$ 1,884,093
Career & tech education	10,490,434	9,207,300	1,043,049	-	(240,085)
Instruction for the handicapped	40,866,173	40,267,803	33,312	-	(565,058)
Itinerant services	8,632,379	7,706,349	-	-	(926,030)
General instruction	4,694,963	3,635,794	978,544	-	(80,625)
Instructional support	20,552,801	18,257,035	607,659	-	(1,688,107)
Other services	12,893,684	12,801,000	-	-	(92,684)
Total Primary					
Government	<u>\$ 106,723,554</u>	<u>\$ 100,281,398</u>	<u>\$ 2,662,564</u>	<u>\$ 2,071,096</u>	<u>\$ (1,708,496)</u>
General Revenues:					
Interest and Earnings					\$ 52,638
Sale of property and compensation for loss					98,566
Total General Revenues					<u>\$ 151,204</u>
Changes in Net Position					\$ (1,557,292)
Net Position, Beginning of Year					<u>(114,909,061)</u>
Net Position, End of Year					<u>\$ (116,466,353)</u>

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES**

**Balance Sheet
Governmental Funds
June 30, 2019**

	Major		Nonmajor		Total
	General	Special	Capital	Special	Governmental
	Fund	Aid	Projects	Projects	Funds
		Fund	Fund	Fund	
ASSETS					
Cash and cash equivalents	\$ 11,797,914	\$ 1,995,746	\$ 2,605,187	\$ -	\$ 16,398,847
Receivables	14,116,581	1,277,175	-	-	15,393,756
Due from districts	2,711,053	-	-	-	2,711,053
Due from other funds	5,949,618	-	-	-	5,949,618
TOTAL ASSETS	\$ 34,575,166	\$ 3,272,921	\$ 2,605,187	\$ -	\$ 40,453,274
LIABILITIES AND FUND BALANCE					
Liabilities -					
Accounts payable	\$ 2,045,333	\$ 421,410	\$ 2,665	\$ -	\$ 2,469,408
Accrued liabilities	882,171	41,775	-	-	923,946
Due to other funds	-	5,202,618	-	747,000	5,949,618
State aid due to districts	12,679,816	-	-	-	12,679,816
Due to TRS	2,641,736	-	-	-	2,641,736
Due to ERS	625,128	-	-	-	625,128
Overpayments and collections in advance	1,386	-	-	-	1,386
Compensated Absences	105,559	34,048	-	-	139,607
Unearned revenues	6,375	-	-	-	6,375
TOTAL LIABILITIES	\$ 18,987,504	\$ 5,699,851	\$ 2,665	\$ 747,000	\$ 25,437,020
Fund Balances -					
Restricted	\$ 13,794,768	\$ -	\$ 2,602,522	\$ -	\$ 16,397,290
Assigned	1,792,894	-	-	-	1,792,894
Unassigned	-	(2,426,930)	-	(747,000)	(3,173,930)
TOTAL FUND BALANCE	\$ 15,587,662	\$ (2,426,930)	\$ 2,602,522	\$ (747,000)	\$ 15,016,254
TOTAL LIABILITIES AND FUND BALANCES	\$ 34,575,166	\$ 3,272,921	\$ 2,605,187	\$ -	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

39,719,492

The following long-term obligations are not due and payable in the current period and therefore are not reported in the governmental funds:

OPEB	(172,286,409)
Compensated absences	(937,779)
Net pension asset	2,392,527
Deferred outflow of resources - pensions	15,521,893
Deferred outflow of resources - OPEB	19,514,145
Net pension liability	(3,660,889)
Deferred inflow of resources - pensions	(4,615,799)
Deferred inflow of resources - OPEB	(27,129,788)

Net Position of Governmental Activities

\$ (116,466,353)

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For Year Ended June 30, 2019

	<u>Major</u>		<u>Nonmajor</u>		
	<u>General</u>	<u>Special</u>	<u>Capital</u>	<u>Special</u>	<u>Total</u>
	<u>Fund</u>	<u>Aid</u>	<u>Projects</u>	<u>Projects</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
REVENUES					
Charges for services	\$ 51,155	\$ 468,992	\$ 2,071,096	\$ -	\$ 2,591,243
Charges to components	80,485,942	2,172,647	-	-	82,658,589
Chargest to non-components and other BOCES	17,524,538	579,591	-	-	18,104,129
Interest and earnings	25,986	-	1,663	-	27,649
Sale of property and compensation for loss	77,492	25	-	-	77,517
Miscellaneous	1,695,098	3,940,839	-	-	5,635,937
Interfund revenues	-	-	352,000	-	352,000
State sources	-	1,792,234	-	-	1,792,234
Federal sources	-	870,330	-	-	870,330
TOTAL REVENUES	\$ 99,860,211	\$ 9,824,658	\$ 2,424,759	\$ -	\$ 112,109,628
EXPENDITURES					
Administration	\$ 8,444,746	\$ -	\$ -	\$ -	\$ 8,444,746
Career and tech education	7,931,380	2,949,281	-	-	10,880,661
Instruction for the handicapped	34,783,022	5,511,381	-	-	40,294,403
Itinerant services	7,720,982	30,760	-	-	7,751,742
General instruction	3,508,676	1,072,122	-	-	4,580,798
Instructional support	18,867,592	643,859	-	385,000	19,896,451
Other services	12,622,065	-	-	-	12,622,065
Capital outlay	-	-	3,588,551	-	3,588,551
TOTAL EXPENDITURES	\$ 93,878,463	\$ 10,207,403	\$ 3,588,551	\$ 385,000	\$ 108,059,417
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES	\$ 5,981,748	\$ (382,745)	\$ (1,163,792)	\$ (385,000)	\$ 4,050,211
OTHER CHANGES IN FUND BALANCE					
Surplus to be distributed	(6,637,404)	-	-	-	(6,637,404)
Net insurance reserve transactions	7,889	-	-	-	7,889
Net unemployment reserve transactions	3,527	-	-	-	3,527
Net capital reserve transactions	(38,520)	-	-	-	(38,520)
Net retirement contribution reserve transactions	(835,501)	-	-	-	(835,501)
Net TRS contribution reserve transactions	431,038	-	-	-	431,038
Net EBALR reserve transactions	13,456	-	-	-	13,456
FUND BALANCE, BEGINNING OF YEAR	16,661,429	(2,044,185)	3,766,314	(362,000)	18,021,558
FUND BALANCE, END OF YEAR	\$ 15,587,662	\$ (2,426,930)	\$ 2,602,522	\$ (747,000)	\$ 15,016,254

(See accompanying notes to financial statements)

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Reconciliation of Governmental Funds Statement of Revenues,
Expenditures, and Changes in Fund Balances to Statement of Activities
For Year Ended June 30, 2019

NET CHANGE IN FUND BALANCES -

TOTAL GOVERNMENTAL FUNDS	\$ (3,005,304)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following are the amounts by which capital outlays and additions of assets exceeded depreciation in the current period:

Capital Outlay	\$ 3,588,551	
Addition of Assets, Net	1,809,615	
Depreciation	<u>(1,554,664)</u>	
		3,843,502

The net OPEB liability does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	(2,530,830)
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(Increase) decrease in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds

Teachers' Retirement System	518,052
Employees' Retirement System	(372,323)

In the Statement of Activities, vacation pay, teachers' retirement incentives and judgments and claims are measured by the amount accrued during the year. In the governmental funds, expenditures for these items are measured by the amount actually paid. The following provides the differences of these items as presented in the governmental activities:

Compensated Absences	<u>(10,389)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (1,557,292)</u></u>
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BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Statement of Fiduciary Net Position
June 30, 2019

	Private Purpose Trust	Agency Funds
Assets		
Current Assets		
Cash and cash equivalents	\$ 98,039	\$ 137,087,175
Accounts receivable	-	2,813
Total Assets	<u>\$ 98,039</u>	<u>\$ 137,089,988</u>
Liabilities		
Current Liabilities		
Accounts payable (general fund)	\$ -	\$ 834,726
Student activity balance	-	3,575
Other liabilities - RASHP I	-	18,525,233
Other liabilities - RASHP II	-	94,218,196
Other liabilities - RASWCP	-	22,126,646
Other liabilities	-	1,381,612
Total liabilities	<u>\$ -</u>	<u>\$ 137,089,988</u>
Net Assets		
Restricted for scholarships	\$ 98,039	
Total Net Assets	<u>\$ 98,039</u>	

Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2019

	Private Purpose Trust
Additions	
Interest and earnings	\$ 1,110
Donations	10,000
Deductions	
Scholarships and other trust expenses	<u>(21,485)</u>
Change in Net Assets	\$ (10,375)
Net Assets, Beginning of Year	<u>108,414</u>
Net Assets, End of Year	<u>\$ 98,039</u>

(See accompanying notes to financial statements)

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF
MONROE AND ORLEANS COUNTIES**

Notes To The Basic Financial Statements

June 30, 2019

I. Summary of Significant Accounting Policies:

The financial statements of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York (the BOCES) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the BOCES accounting policies are described below.

A. Reporting Entity

The Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties is governed by the laws of New York State. The BOCES is an independent entity governed by an elected Board of Education consisting of nine members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the BOCES. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the BOCES is based upon criteria set forth by GASB Statement 14, *The Financial Reporting Entity*, as amended by GASB Statement 39, *Component Units* and GASB Statement No. 61, *The Financial Reporting Entity*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Boards of Cooperative Educational Services were established by New York State legislation in 1948 to enable smaller school districts to offer more breadth in their educational programs by sharing teachers. In 1955, Legislation was passed allowing BOCES to provide vocational and special education. A BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services and programs to provide educational and support activities more economically, efficiently and equitably than could be provided locally. BOCES provides instructional and support programs and services to the following nine school districts:

Brockport	Churchville-Chili	Gates Chili
Greece	Hilton	Holley
Kendall	Spencerport	Wheatland-Chili

BOCES programs and services include special education, vocational education, academic and alternative programs, summer schools, staff development, computer services (management and instructional), educational communication and cooperative purchasing.

(I.) (Continued)

The BOCES is not a component unit of another reporting entity. The decision to include a potential component unit in the BOCES' reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the BOCES' reporting entity.

1. Extraclassroom Activity Funds

The extraclassroom activity funds of the BOCES represent funds of the students of the BOCES. The Board of Education exercises general oversight of these funds. The extraclassroom activity funds are independent of the BOCES with respect to its financial transactions, and the designation of student management. The cash and investment balances are reported in the Statement of Fiduciary Net Position – Agency Funds of the BOCES. Separate audited financial statements (cash basis) of the extraclassroom activity funds can be found at the BOCES' business office.

B. Basic Financial Statements

1. BOCES-wide Statements

The Statement of Net Position and the Statement of Activities present financial information about the BOCES' governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through state aid, sale of property and equipment, investment revenues and other miscellaneous revenues which consist primarily of refunds from other Districts. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the BOCES' governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas.

2. Fund Financial Statements

The fund statements provide information about the BOCES' funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The BOCES reports the following funds:

(I.) (Continued)

a. **Major Governmental Funds**

General Fund - This is the BOCES' primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.

Special Aid Fund - This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

b. **Nonmajor Governmental** - The other funds which are not considered major are aggregated and reported as nonmajor governmental funds as follows:

Capital Projects Fund - Used to account for the financial resources to be used for acquisition, construction, or renovation of capital facilities.

Special Projects Fund - This fund accounts for the specific revenue sources and startup costs of the BOCES 4 Science project.

c. **Fiduciary** - Fiduciary activities are those in which the BOCES acts as trustee or agent for resources that belong to others. These activities are not included in the BOCES-wide financial statements, because their resources do not belong to the BOCES, and are not available to be used. There are two classes of fiduciary funds:

Private Purpose Trust Funds - These funds are used to account for trust arrangements in which principal and income benefits annual third party awards and scholarships for students. Established criteria govern the use of the funds and members of the BOCES or representatives of the donors may serve on committees to determine who benefits.

Agency Funds - These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the BOCES as agent for various student groups or extraclassroom activity funds and for payroll or employee withholding.

C. **Measurement Focus, Basis of Accounting**

Accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The BOCES-Wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the BOCES gives or receives value without directly receiving or giving equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

(I.) (Continued)

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The BOCES considers all revenues reported in the governmental funds to be available if the revenues are collected within one year after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

D. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the BOCES' policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these notes.

E. Interfund Transactions

The operations of the BOCES include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowing. The BOCES typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

In the BOCES-wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds.

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the BOCES' practice to settle these amounts at a net balance based upon the right of legal offset.

Refer to Note V for a detailed disclosure by individual fund for interfund receivables and payables.

F. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

(I.) (Continued)

G. Cash and Cash Equivalents

The BOCES' cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

New York State Law governs the BOCES' investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts.

H. Receivables

Receivables are shown net of an allowance for uncollectible accounts, when applicable.

No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

I Inventory and Prepaid Items

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Prepaid items represent payments made by the BOCES for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as assets on the statement of net position or balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

J. Capital Assets

In the BOCES-wide financial statements, capital assets are accounted for at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their acquisition value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$5,000 is used to report capital assets. The range of estimated useful lives by type of assets is as follows:

<u>Class</u>	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$ 50,000	SL	15-50 Years
Machinery and Equipment	\$ 5,000	SL	5-25 Years

(I.) (Continued)

The investment in infrastructure type assets have not been segregated for reporting purposes since all costs associated with capital projects are consolidated and reported as additions to buildings and improvements.

K. Unearned Revenue

The BOCES reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises when resources are received by the BOCES before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. In subsequent periods, when the BOCES has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

L. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The government has four items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the BOCES-wide Statement of Net Position. This represents the effect of the net change in the BOCES' proportion of the collective net pension asset or liability and difference during the measurement period between the BOCES' contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third item is the BOCES contributions to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The fourth item relates to OPEB reporting in the BOCES-wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The BOCES has four items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue-property taxes. The second item is related to pensions reported in the BOCES-wide Statement of Net Position. This represents the effect of the net change in the BOCES' proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the BOCES' contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third item is revenues from grants received that have met all other eligibility requirements except those related to time restrictions. The fourth item is related to OPEB reported in the BOCES-wide Statement of Net Position. This represents the effect on the net changes of assumptions or other inputs.

(I.) (Continued)

M. Vested Employee Benefits

1. Compensated Absences

Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical time.

Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave.

The BOCES employees are granted vacation in varying amounts, based primarily on length of service and service position. Some earned benefits may be forfeited if not taken within varying time periods.

Consistent with GASB Statement 16, Accounting for Compensated Absences, the liability has been calculated using the vesting/termination method and an accrual for that liability is included in the BOCES-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year end.

In the funds statements only the amount of matured liabilities is accrued within the General Fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you-go basis.

N. Other Benefits

BOCES employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System.

In addition to providing pension benefits, the BOCES provides post-employment health coverage to retired employees in accordance with the provision of various employment contracts in effect at the time of retirement. Substantially all of the BOCES' employees may become eligible for these benefits if they reach normal retirement age while working for the BOCES. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits may be shared between the BOCES and the retired employee. The BOCES recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

O. Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities, and long-term obligations are reported in the BOCES-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments, other postemployment benefits payable and compensated absences that will be paid from governmental funds are reported as a liability in the funds financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

(I.) (Continued)

Long-term obligations represent the BOCES' future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

P. Equity Classifications

1. BOCES-Wide Statements

In the BOCES-wide statements there are three classes of net position:

- a. **Net Investment in Capital Assets** - consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.
- b. **Restricted Net Position** - reports net position when constraints placed on the assets or deferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

On the Statement of Net Position the following balances represent the restricted for other purposes:

	<u>Total</u>
Unemployment	\$ 416,753
Insurance	1,171,909
Employee Benefits Accrued Liability	316,678
Teachers' Retirement	431,038
CTE Capital Reserve	<u>622,579</u>
Total Net Position - Restricted for Other Purposes	<u>\$ 2,958,957</u>

- c. **Unrestricted Net Position** - reports the balance of net position that does not meet the definition of the above two classifications and is deemed to be available for general use by the BOCES.

2. Fund Statements

In the fund basis statements there are five classifications of fund balance:

- a. **Nonspendable Fund Balance** – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.
- b. **Restricted Fund Balances** – Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the general fund are classified as restricted fund balance. The BOCES has established the following restricted fund balances:

(I.) (Continued)

Capital Reserve - CTE - shall be used to purchase only technologically advanced equipment to be used for instruction in State-Approved CTE sequences, courses or curricula. Funding amounts not to exceed the greater of 20% of the BOCES current year CTE services budget, or \$500,000 may be retained in this fund at the end of each school year for future expenditures, provided that the total amount retained does not exceed \$2,000,000. The reserve was depleted \$38,520 during the year, and the balance at June 30, 2019, is \$622,579. This reserve is accounted for in the General Fund.

Unemployment Insurance Reserve - as allowed by General Municipal Law Section 6-m, is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. If the BOCES elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund.

Retirement Contribution Reserve - as allowed by General Municipal Law Section 6-r, is used for the purpose of financing retirement contributions. The reserve must be accounted for separate and apart from all other funds, and a detailed report of the operation and condition of the fund must be provided to the Board.

Teachers' Retirement Reserve – General Municipal Law §6r was amended to include a Teachers' Retirement Reserve (TRS) sub-fund. The reserve has an annual funding limit of 2% of the prior year TRS salaries and a maximum cumulative total balance of 10% of the previous years TRS salary.

Insurance Reserve - as allowed by General Municipal Law Section 6-n, is used to pay liability, casualty and other types of losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve maybe established pursuant to law (for example, for unemployment compensation insurance). The reserve may be established by Board action, and funded by budgetary appropriation, or such other funds as may be legally appropriated. There is no limit on the amount that may be accumulated in the Insurance Reserve, however, the annual contribution to this reserve may not exceed the greater of \$33,000 or 5% of the budget. Settled or compromised claims up to \$25,000 may be paid from the reserve without judicial approval. The reserve is accounted for in the General Fund.

(I.) (Continued)

Employee Benefit Accrued Liability Reserve - as allowed by General Municipal Law Section 6-p, is used to reserve funds for the payment of accrued employee benefits due to an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the General Fund.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments of expenditures are recorded for budgetary control purposes in order to reserve applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances are reported as restricted fund balance in all funds other than the General Fund and the School Lunch Fund, since they do not constitute expenditures or liabilities and will be honored through budget appropriations in the subsequent year.

Restricted fund balances include the following:

<u>General Fund -</u>	
CTE - Capital Reserve	\$ 622,579
Employee Benefit Accrued Liability	316,678
Insurance	1,171,909
Retirement Contribution	10,835,811
Teachers' Retirement	431,038
Unemployment Insurance	416,753
<u>Capital Fund -</u>	
Capital Projects	2,602,522
Total Restricted Funds	<u>\$ 16,397,290</u>

c. **Committed** - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authority, i.e., the Board. The BOCES has no committed fund balances as of June 30, 2019.

d. **Assigned Fund Balance** – Includes amounts that are constrained by the BOCES' intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General Fund are classified as assigned fund balance. Encumbrances represent purchase commitments made by the BOCES' purchasing agent through their authorization of a purchase order prior to year end. The BOCES assignment is based on the functional level of expenditures.

(I.) (Continued)

Management has determined significant encumbrances for the General Fund to be \$515,000 and \$32,000 for the Capital Fund. The BOCES reports the following significant encumbrances:

General Fund -

Instructional Support	\$ 925,853
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Capital Projects Fund -

Capital Outlay	\$ 85,255
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Assigned fund balances include the following:

	<u>Total</u>
General Fund - Encumbrances	\$ 1,692,894
General Fund - Retiree Health	100,000
Total Assigned Fund Balance	<u>\$ 1,792,894</u>

e. **Unassigned Fund Balance** –Includes all other general fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the BOCES.

3. Order of Use of Fund Balance

The BOCES' policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the general fund are classified as restricted fund balance. In the general fund, the remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

T. New Accounting Standards

The BOCES has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2019, the BOCES implemented the following new standards issued by GASB:

GASB has issued Statement 83, *Certain Asset Retirement Obligations*, which will be effective for reporting periods beginning after June 15, 2019.

GASB has issued Statement 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*, which will be effective for reporting periods beginning after June 15, 2018.

(I.) (Continued)

U. Future Changes in Accounting Standards

GASB has issued Statement 84, *Fiduciary Activities*, which will be effective for the periods beginning after December 15, 2019.

GASB has issued Statement 87, *Leases*, which will be effective for the periods beginning after December 15, 2019.

GASB has issued Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which will be effective for reporting periods beginning after December 15, 2019.

GASB has issued Statement No. 90, *Majority equity Interests* – an amendment of GASB statements No. 14 and No. 61, which will be effective for reporting periods beginning after December 15, 2018.

GASB has issued statement No. 91, *Conduit Debt Obligations*, which will be effective for reporting periods beginning after December 15, 2020.

The BOCES will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

II. Stewardship, Compliance and Accountability:

By its nature as a local government unit, the BOCES is subject to various federal, state and local laws and contractual regulations. An analysis of the BOCES' compliance with significant laws and regulations and demonstration of its stewardship over BOCES resources follows.

A. Budgetary Information

Section 1950 §4(b) of the Education Law required adoption of a final budget by no later than May 15, of the ensuing year.

BOCES administration prepares a proposed administrative, capital and program budget, as applicable, for approval by members of the BOCES board for the general fund.

Appropriations for educational services are adopted at the program level and lapse at the end of each fiscal year.

A tentative administrative budget is provided to the component BOCES for adoption by resolution. Approval of the tentative administrative budget requires the approval of a majority of the component school boards actually voting. During the current year, the administrative budget was approved by a majority of its voting component school boards.

Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year. The Special Revenue Funds have not been included in the budget and actual comparison because they do not have legally authorized (appropriated) budgets.

(II.) (Continued)

The BOCES Board can approve budget revisions based upon requests for additional services and surplus revenues.

B. Deficit Fund Balance

1. Special Aid Fund

The Special Aid Fund had a deficit fund balance of \$2,426,930 as a result of the Continuing Education Programs operating expenditures exceeding revenues.

2. Special Projects Fund

The Special Projects Fund had a deficit fund balance of \$747,000 at June 30, 2019, which is a result of startup expenses incurred by the BOCES 4 Science project prior to the completion of the science kits.

C. Deficit Net Position

The BOCES-wide net position had a deficit at June 30, 2019 of \$116,466,353. The deficit is the result of the implementation of GASB Statement 75, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions", which required the recognition of an unfunded liability of \$172,286,409 at June 30, 2019. Since New York State Laws provide no mechanism for funding the liability, the subsequent accruals are expected to increase the deficit.

III. Cash and Cash Equivalents

Credit risk: In compliance with the State Law, District investments are limited to obligations of the United States of America, obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America, obligations of the State, time deposit accounts and certificates of deposit issued by a bank or trust company located in, and authorized to do business in, the State, and obligations issued by other municipalities and authorities within the State.

Concentration of Credit risk: To promote competition in rates and service cost, and to limit the risk of institutional failure, District deposits and investments are placed with multiple institutions. The District's investment policy limits the amounts that may be deposited with any one financial institution.

Interest rate risk: The District has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates

(II.) (Continued)

The BOCES aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year end, collateralized as follows:

Uncollateralized	\$ -
Collateralized with securities held by the pledging financial institution	74,995,315
Collateralized within Trust department or agent	87,025,098
Total	\$ 162,020,413

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year end included \$16,397,290 within the governmental funds and \$98,039 in the fiduciary funds.

IV. Receivables

Receivables at June 30, 2019 for individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

<u>Description</u>	<u>Governmental Activities</u>		
	<u>General Fund</u>	<u>Special Aid Fund</u>	<u>Total</u>
Accounts Receivable	\$ 1,436,765	\$ 948,777	\$ 2,385,542
Due From State and Federal	12,679,816	328,398	13,008,214
Total	\$ 14,116,581	\$ 1,277,175	\$ 15,393,756

BOCES management has deemed the amounts to be fully collectible.

V. Interfund Receivables and Payables

Interfund Receivables and Payables at June 30, 2019, were as follows:

	<u>Interfund</u>	
	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 5,949,618	\$ -
Special Aid Fund	-	5,202,618
Special Project Fund	-	747,000
Total government activities	\$ 5,949,618	\$ 5,949,618

Interfund receivables and payables between governmental activities are eliminated on the Statement of Net Position. The BOCES typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are not necessarily expected to be repaid within one year.

Transfers are used to finance certain special aid programs and support capital project expenditures.

VI. Changes In Capital Assets

A summary of changes in capital assets follows:

<u>Type</u>	<u>Balance 7/1/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2019</u>
<u>Governmental Activities:</u>				
<u>Capital assets that are not depreciated -</u>				
Land	\$ 118,702	\$ -	\$ -	\$ 118,702
Work in progress	25,366,077	3,588,551	-	28,954,628
<i>Total Nondepreciable</i>	<u>\$ 25,484,779</u>	<u>\$ 3,588,551</u>	<u>\$ -</u>	<u>\$ 29,073,330</u>
<u>Capital assets that are depreciated -</u>				
Buildings and improvements	\$ 13,392,636	\$ -	\$ -	\$ 13,392,636
Machinery and equipment	12,629,837	2,031,327	(1,915,699)	12,745,465
<i>Total Depreciable</i>	<u>\$ 26,022,473</u>	<u>\$ 2,031,327</u>	<u>\$ (1,915,699)</u>	<u>\$ 26,138,101</u>
<u>Less accumulated depreciation -</u>				
Buildings and improvements	\$ 6,786,450	\$ 259,383	\$ -	\$ 7,045,833
Machinery and equipment	8,844,812	1,295,281	(1,693,987)	8,446,106
<i>Total accumulated depreciation</i>	<u>\$ 15,631,262</u>	<u>\$ 1,554,664</u>	<u>\$ (1,693,987)</u>	<u>\$ 15,491,939</u>
<i>Total capital assets depreciated, net of accumulated depreciation</i>	<u>\$ 10,391,211</u>	<u>\$ 476,663</u>	<u>\$ (221,712)</u>	<u>\$ 10,646,162</u>
Total Capital Assets	<u>\$ 35,875,990</u>	<u>\$ 4,065,214</u>	<u>\$ (221,712)</u>	<u>\$ 39,719,492</u>

Depreciation expense for the period was charged to functions/programs as follows:

<u>Governmental Activities:</u>	
Administration	\$ 25,958
Career and Tech Education	1,448,892
Instruction for the Handicapped	68,780
Instructional Support	11,034
Total Depreciation Expense	<u>\$ 1,554,664</u>

VII. Long-Term Obligations

Long-term liability balances and activity for the year are summarized below:

	<u>Balance 7/1/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2019</u>	<u>Due Within One Year</u>
<u>Governmental Activities:</u>					
<u>Other Liabilities -</u>					
Net Pension Liability	\$ 1,696,776	\$ 1,964,113	\$ -	\$ 3,660,889	\$ -
OPEB	191,324,969	-	19,038,560	172,286,409	-
Compensated Absences	1,052,079	25,307	-	1,077,386	139,607
Total Long-Term Obligations	<u>\$ 194,073,824</u>	<u>\$ 1,989,420</u>	<u>\$ 19,038,560</u>	<u>\$ 177,024,684</u>	<u>\$ 139,607</u>

The General Fund has typically been used to liquidate long-term liabilities such as compensated absences.

VIII. Deferred Inflows/Outflows of Resources

The following is a summary of the deferred inflows/outflows of resources:

	<u>Deferred Inflows</u>	<u>Deferred Outflows</u>
Pension	\$ 4,615,799	\$ 15,521,893
OPEB	27,129,788	19,514,145
Total	<u>\$ 31,745,587</u>	<u>\$ 35,036,038</u>

IX. Pension Plans

A. General Information

The BOCES participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multiple employer public employee retirement systems. The Systems offer a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death, and disability.

B. Provisions and Administration

A 10 member Board of Trustees of the New York State Teachers' Retirement Board administers TRS. TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the system, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. TRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained by writing to NYRS, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the TRS Comprehensive Annual Financial report, which can be found on the System's website at www.nysttrs.org.

ERS provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. NYSRSSL govern obligations of employers and employees to contribute, and benefits to employees. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The BOCES also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to NYSERS, Office of the State Comptroller, 110 State Street, Albany, New York 12244 or by referring to the ERS Comprehensive Annual Report, which can be found at www.osc.state.ny.us/retire/publications/index.php.

(IX.) (Continued)

C. Funding Policies

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education Law. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31. The BOCES paid 100% of the required contributions as billed by the TRS and ERS for the current year.

The BOCES' share of the required contributions, based on covered payroll paid for the BOCES' year ended June 30, 2019:

<u>Contributions</u>	<u>ERS</u>	<u>TRS</u>
2019	\$ 2,181,133	\$ 2,641,736

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At June 30, 2019, the BOCES reported the following asset/(liability) for its proportionate share of the net pension asset /(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2019 for ERS and June 30, 2018 for TRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The BOCES' proportion of the net pension asset/(liability) was based on a projection of the BOCES' long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the TRS and ERS Systems in reports provided to the BOCES.

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2019	June 30, 2018
Net pension assets/(liability)	\$ 3,660,889	\$ (2,392,527)
District's portion of the Plan's total net pension asset/(liability)	0.05%	0.13%

For the year ended June 30, 2019, the BOCES recognized pension expenses of \$2,582,986 for ERS and \$1,828,342 for TRS. At June 30, 2019 the BOCES' reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

(IX.) (Continued)

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expended and actual experience	\$ 720,906	\$ 1,787,916	\$ 245,749	\$ 323,861
Changes of assumptions	920,198	8,363,451	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	939,587	2,655,887
Changes in proportion and differences between the District's contributions and proportionate share of contributions	499,384	260,527	99,274	351,440
Subtotal	\$ 2,140,488	\$ 10,411,894	\$ 1,284,610	\$ 3,331,188
District's contributions subsequent to the measurement date	625,128	2,344,383	-	-
Grand Total	\$ 2,765,616	\$ 12,756,277	\$ 1,284,610	\$ 3,331,188

BOCES contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year</u>	<u>ERS</u>	<u>TRS</u>
2019	-	2,369,620
2020	914,596	1,599,688
2021	(608,483)	143,219
2022	34,760	1,594,051
2023	515,006	1,110,986
Thereafter	-	263,142
Total	\$ 855,879	\$ 7,080,706

E. Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2019	June 30, 2018
Actuarial valuation date	April 1, 2018	June 30, 2017
Interest rate	7.00%	7.25%
Salary scale	4.20%	4.72%-1.90%
Decrement tables	April 1, 2010- March 31, 2015 System's Experience	July 1, 2009- June 30, 2014 System's Experience
Inflation rate	2.50%	2.25%
COLA's	1.30%	1.50%

(IX.) (Continued)

For ERS, annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014. For TRS, annuitant mortality rates are based on plan member experience adjustments for mortality improvements based on Society of Actuaries Scale AA.

The long term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

Long Term Expected Rate of Return		
	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2019	June 30, 2018
<u>Asset Type -</u>		
Domestic equity	4.55%	5.80%
International equity	6.35%	7.30%
Global equity	0.00%	6.70%
Private equity	7.50%	8.90%
Real estate	5.55%	4.90%
Absolute return strategies *	3.75%	0.00%
Opportunistic portfolios	5.68%	0.00%
Real assets	5.29%	0.00%
Bonds and mortgages	1.31%	0.00%
Cash	-0.25%	0.00%
Inflation-indexed bonds	1.25%	0.00%
Private debt	0.00%	6.80%
Real estate debt	0.00%	2.80%
High-yield fixed income securities	0.00%	3.50%
Domestic fixed income securities	0.00%	1.30%
Global fixed income securities	0.00%	0.90%
Short-term	0.00%	0.30%

The real rate of return is net of the long-term inflation assumption of 2.5% for ERS and 2.3% for TRS.

* Excludes equity-oriented long-only funds. For investment management purposes, these funds are included in domestic equity and internal equity.

(IX.) (Continued)

F. Discount Rate

The discount rate used to calculate the total pension liability was 7% for ERS and 7.25% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the BOCES' proportionate share of the net pension liability calculated using the discount rate of 7% for ERS and 7.25% for TRS, as well as what the BOCES' proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentagepoint lower (6% for ERS and 6.25% for TRS) or 1-percentagepoint higher (8% for ERS and 8.25% for TRS) than the current rate :

	1% Decrease (6%)	Current Assumption (7%)	1% Increase (8%)
<u>ERS</u>			
Employer's proportionate share of the net pension asset (liability)	\$ 16,005,992	\$ 3,660,889	\$ (6,709,873)
	1% Decrease (6.25%)	Current Assumption (7.25%)	1% Increase (8.25%)
<u>TRS</u>			
Employer's proportionate share of the net pension asset (liability)	\$ 16,437,050	\$ (2,392,527)	\$ (18,166,480)

H. Pension Plan Fiduciary Net Position

The components of the current year net pension asset/(liability) of the employers as of the respective valuation dates, were as follows:

	(In Thousands)	
	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2019	June 30, 2018
Employers' total pension liability	\$ 189,803,429	\$ 118,107,253
Plan net position	182,718,124	119,915,517
Employers' net pension asset/(liability)	<u>\$ (7,085,305)</u>	<u>\$ 1,808,264</u>
Ratio of plan net position to the employers' total pension asset/(liability)	96.27%	101.53%

(IX.) (Continued)

I. Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2019 represent the projected employer contribution for the period of April 1, 2019 through June 30, 2019 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2019 amounted to \$625,128.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2019 are paid to the System in September, October and November 2019 through a state aid intercept. Accrued retirement contributions as of June 30, 2019 represent employee and employer contributions for the fiscal year ended June 30, 2019 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2019 amounted to \$ 2,641,736.

X. Postemployment Benefits

A. General Information About the OPEB Plan

Plan Description – The BOCES' defined benefit OPEB plan, provides OPEB for all permanent full-time general and public safety employees of the BOCES. The plan is a single-employer defined benefit OPEB plan administered by the BOCES. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the BOCES Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided – The BOCES provides healthcare and life insurance benefits for retirees and their dependents. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the BOCES offices and are available upon request.

Employees Covered by Benefit Terms – At April 1, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	666
Active Employees	<u>705</u>
Total	<u><u>1,371</u></u>

B. Total OPEB Liability

The BOCES' total OPEB liability of \$172,286,409 was measured as of March 31, 2019, and was determined by an actuarial valuation as of that date.

(X.) (Continued)

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	N/A
Salary Increases	3.36%, average, including inflation
Discount Rate	3.44%
Healthcare Cost Trend Rates	5.20% for 2019, decreasing to an ultimate rate of 4.32% after 2070
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for most retirees

The discount rate was based on Fidelity Municipal Go AA 20 year bond rate as of the measurement date (or the nearest business day thereto).

Mortality rates were based on the Mortality Improvement Scale MP-2018, as appropriate, with adjustments for mortality improvements based on Scale AA.

C. Changes in the Total OPEB Liability

Balance at June 30, 2018	<u>\$ 191,324,969</u>
<u>Changes for the Year -</u>	
Service cost	\$ 4,436,006
Interest	6,881,674
Changes of benefit terms	(138,678)
Differences between expected and actual experience	(23,581,974)
Changes in assumptions or other inputs	(1,502,693)
Benefit payments	<u>(5,132,895)</u>
Net Changes	<u>\$ (19,038,560)</u>
Balance at June 30, 2018	<u><u>\$ 172,286,409</u></u>

Changes of benefit terms reflect updated premium information and other retirement and healthcare cost trend rate changes.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.61 percent in 2018 to 3.44 percent in 2019.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the BOCES, as well as what the BOCES' total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.44 percent) or 1-percentage-point higher (4.44 percent) than the current discount rate:

(X.) (Continued)

	1% Decrease	Discount Rate	1% Increase
	<u>(2.44%)</u>	<u>3.44%</u>	<u>(4.44%)</u>
Total OPEB Liability	\$ 205,144,522	\$ 172,286,409	\$ 146,689,439

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the BOCES, as well as what the BOCES' total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.20 percent) or 1-percentage-point higher (6.20 percent) than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	<u>4.20%</u>	<u>5.20%</u>	<u>6.20%</u>
	<u>Decreasing to 3.32%</u>	<u>Decreasing to 4.32%</u>	<u>Decreasing to 5.32%</u>
Total OPEB Liability	\$ 142,292,385	\$ 172,286,409	\$ 215,056,287

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the BOCES recognized OPEB expense of \$6,438,396. At June 30, 2019, the BOCES reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expensed and actual experience	\$ 16,239,239	\$ 17,535,314
Changes of assumptions	1,991,682	9,594,474
Subtotal	18,230,921	27,129,788
District's contributions subsequent to the measurement date	1,283,224	-
Grand Total	<u>\$ 19,514,145</u>	<u>\$ 27,129,788</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year</u>	
2020	\$ (3,457,382)
2021	(4,510,907)
2022	(4,921,235)
2023	867,534
2024	867,534
Thereafter	2,255,589
Total	<u>\$ (8,898,867)</u>

XI. Risk Management

A. General Information

The BOCES is exposed to various risks of loss related to injuries to employees, theft, damages, natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

B. Health Plan

The BOCES incurs costs related to the Rochester Area School Health Plan (Plan I and Plan II) sponsored by the Board of Cooperative Educational Services, Second Supervisory District of Monroe and Orleans Counties and its component districts.

1. Plan I

The Plans objectives are to formulate, develop and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Membership in the Plan may be offered to any component district of the Monroe #1 and Monroe #2 BOCES with the unanimous approval of the Board of Directors. Voluntary withdrawal from the Plan may be effective only once annually on the last day of the Plans year as may be established by the Board of Directors. Notice of Intention to Withdraw must be given in writing to the Chairman of the Board of Directors and the Treasurer not less than thirty days prior to the end of the Plan year. Plan members bear an equal proportionate share of the Plan's assets and claim liabilities. Pursuant to the Municipal Cooperative Agreement the Plan is a risk sharing pool and all monies paid to the Treasurer shall be pooled and administered as a common fund. No refunds shall be made to a participant and no assessments are charged to a participant other than the annual premium equivalent. If surplus funds exist at the end of any fiscal year, the distribution of such funds shall be determined by the Board of Directors. This Plan's members include seventeen districts and two BOCES with the BOCES bearing an equal proportionate share of the Plan's assets and claim liabilities.

This Plan purchases, on an annual basis, stop-loss insurance policies to limit its exposure for claims paid within any one fiscal year.

This Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in a exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenses in the periods in which they are made. During the year ended June 30, 2019, the BOCES incurred premiums or contribution expenditures totaling \$1,071,493.

This Plan is audited on an annual basis and is available at the BOCES administrative offices. The most recent audit available for the year ended December 31, 2018, revealed that the Plan was fully funded.

(XI.) (Continued)

2. Plan II

The BOCES incurs costs related to the Rochester Area School Health Plan II sponsored by the Board of Cooperative Educational services, Second Supervisory District of Monroe and Orleans Counties (Monroe 2-Orleans BOCES). The Plan was established as a Municipal Cooperative Agreement under the authorization of Article 5-G of the General Municipal Law in 2004. The plan received a Certificate of Authority to operate as a self-funded plan under Article 47 of the New York State Insurance Law, effective January 1, 2018.

Membership in the Plan may be offered to any component school district of the Monroe 1 BOCES and Monroe 2-Orleans BOCES within the geographical boundaries of Monroe County, New York provided that the applicant provides proof of its financial responsibility that is satisfactory to the Board of Directors in its sole discretion, and the applicant is the same type of municipal corporation as the initial Participants. The Plan has full participation from all eligible participants including the two BOCES and seventeen component school districts.

A participant has the right to withdraw from the Plan, but such withdrawal shall be effective only on January 1 of the next Plan Year following the Plan Year in which the participant provides notice. Any withdrawing participant shall be responsible for its pro rata share of any Plan deficit, and shall satisfy any other obligation relating to the Participant's membership in the Plan. The withdrawing participant shall not be entitled to share in any Plan surplus.

The Plan is a risk sharing pool and all monies paid to the Treasurer shall be pooled and administered as a common fund. The annual premium equivalent for each coverage option under the Plan is established and approved by a majority of the entire Board of Directors. Each participant is required to contribute to the Plan an amount equal to the Premium Equivalent applicable to the coverage options, under which the participants Enrollees are covered. If surplus funds exist at the end of any fiscal year, the distribution of such funds shall be determined by the Board of Directors.

The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. Such claims estimates are based on the ultimate cost of claims that have been reported but not settled, and claims that have been incurred but not reported.

The Plan is audited on an annual basis and is available at the Monroe 2-Orleans BOCES administrative offices. The most recent audit available for the year ended December 31, 2018, revealed that the Plan was fully funded.

During the year ended June 30, 2019, the BOCES incurred premiums or contribution expenditures totaling \$13,285,736.

(XI.) (Continued)

C. Workers' Compensation

The BOCES incurs costs related to the Rochester Area School Workers' Compensation Plan (Plan) sponsored by the Board of Cooperative Educational Services, Second Supervisory District of Monroe and Orleans Counties and its component districts. The Plan's objectives are to furnish workers' compensation

benefits to participating districts at a significant cost savings. Membership in the Plan may be offered to any component district of the Monroe #1 and Monroe #2 BOCES with the approval of the Board of Directors. Voluntary withdrawal from the Plan may be effective only once annually on the last day of the Plan year as may be established by the Board of Director. Notice of Intention to Withdraw must be given in writing to the Chairman of the Board of Directors and the Treasurer not less than one year prior to the end of the Plan year.

Plan membership is currently comprised of seventeen districts and two BOCES. If a surplus of participants' assessments exists after the close of a Plan year, the Board may retain from such surplus an amount sufficient to establish and maintain a claim contingency fund. Surplus funds in excess of the amount transferred to or included in such contingency fund shall be applied in reduction of the next annual assessment or to the billing of Plan participants. All monies paid to the Treasurer by participants shall be commingled and administered as a common fund. No refunds shall be made to a participant and no assessments are charged to a participant other than the annual premium equivalent. However, if it appears to the Board of Directors that the liabilities of the Plan will exceed its cash assets, after taking into account any "excess insurance", the Board shall determine the amount needed to meet such deficiency and shall assess such amount against all participants pro-rata per enrollee.

The Plan purchases, on an annual basis, stop-loss insurance policies to limit its exposure for claims paid.

The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported.

Adjustments to claims liabilities are charged or credited to expenses in the periods in which they are made. During the year ended June 30, 2019, the BOCES incurred premiums or contribution expenditures totaling \$502,713.

The Plan is audited on an annual basis and is available at the BOCES administrative offices. The most recent audit available for the year ended June 30, 2018, revealed that the Plan was underfunded.

D. Dental Coverage

The BOCES self insures for dental coverage for its employees. The BOCES uses a third party administrator who is responsible for processing claims and estimating liabilities. The BOCES does not carry excess insurance coverage relative to this Plan. The BOCES records expenditures as claims are presented for payment in accordance with the BC/BS schedule of allowances. Liabilities are reported when it is probable that a loss has occurred and the amount of loss can be reasonably estimated.

(XI.) (Continued)

A reconciliation of the claims recorded for 2019 and 2018 is as follows:

	<u>2019</u>	<u>2018</u>
Beginning liabilities	\$ 455,444	\$ 424,104
Incurred claims	796,048	822,890
Claims payments	(744,780)	(753,383)
Administrative fee payments	(29,652)	(38,167)
Ending liabilities	<u>\$ 477,060</u>	<u>\$ 455,444</u>

The following statistical information is presented:

<u>Year</u>	<u>Contribution</u> <u>Revenue</u>	<u>Actual Claim</u> <u>Expense</u>
2019	\$ 766,396	\$ 744,780
2018	784,723	753,383
2017	733,051	712,141
2016	777,695	675,902
2015	728,800	657,673
2014	665,797	625,531
2013	596,346	601,237
2012	630,103	718,199
2011	620,660	648,720
2010	595,266	658,887

E. Unemployment

BOCES employees are entitled to coverage under the New York State Unemployment Insurance Law. The BOCES has elected to discharge its liability to the New York State Unemployment Insurance Fund (the Fund) by the benefit reimbursement method, a dollar-for-dollar reimbursement to the fund for benefits paid from the fund to former employees. The BOCES has established a self insurance fund to pay these claims. The claim and judgment expenditures of this program for the 2018-19 fiscal year totaled \$23,056. The balance of the fund at June 30, 2019 was \$416,753 and is recorded in the General Fund as an Unemployment Insurance Reserve. In addition, as of June 30, 2019, no loss contingencies existed or were considered probable or estimable for incurred but not reported claims payable.

XII. Commitments and Contingencies

A. Litigation

BOCES is a party to several cases involving former employees, students, and a consultant. The outcomes of these cases cannot reasonably be determined as of the date of this report.

B. Grants

The BOCES has received grants, which are subject to audit by agencies of the State and Federal Governments. Such audits may result in disallowances and a request for a return of funds. Based on prior years' experience, the BOCES' administration believes disallowances, if any, will be immaterial.

XIII. Lease Commitments and Leased Assets

- A. The BOCES leases various property and equipment under the terms of various non-cancelable leases. Rental expense for the various property and equipment was \$121,032

Minimum annual rentals for each of the remaining years of the lease are as follows:

Year Ending		
<u>June 30,</u>		<u>Amount</u>
2020	\$	69,979
2021	\$	67,835
2022	\$	66,207
2023	\$	12,261
2024	\$	1,589

- B. The BOCES leases space under the terms of various non-cancelable leases. Rental expense for this space was \$2,262,191.

Minimum annual rentals for each of the remaining years of the lease are as follows:

Year Ending		
<u>June 30,</u>		<u>Amount</u>
2020	\$	1,640,099
2021		1,124,022
2022		1,134,405
2023		913,989
2024		691,494
2025		695,162
Total	\$	<u><u>6,199,171</u></u>

XIV. Related Parties-Foundation

The Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties has a relationship with the Monroe 2- Orleans Educational Foundation, Inc. whose purpose is to provide financial support for the educational programs of the Monroe 2- Orleans Board of Cooperative Educational Services including, but not limited to (1) non-budgetary funding acceptable to the BOCES and (2) educational and enrichment activities of the BOCES. The Board shall consist of not less than three or more than twenty one director's representative from the following: (1) Board of Education member from a component district, (2) Alumni of Monroe 2 – Orleans BOCES, (3) Individuals interested in supporting the objectives of the Foundation, (4) Individuals representative of the communities served by Monroe 2 – Orleans BOCES and (5) parents.

The Foundation does have an annual audit. The last audit completed was for the year ended June 30, 2018, and is on file at the administrative offices of the BOCES.

Required Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Schedule of Changes in the BOCES's Total OPEB Liability and Related Ratio
(Unaudited)
For Year Ended June 30, 2019

TOTAL OPEB LIABILITY			
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Service cost	\$ 4,436,006	\$ 4,281,598	\$ 4,020,103
Interest	6,881,674	6,743,035	5,473,843
Changes in benefit terms	(138,678)	(241,040)	-
Differences between expected and actual experiences	(23,581,974)	2,727,419	21,019,166
Changes of assumptions or other inputs	(1,502,693)	4,647,256	(11,823,305)
Benefit payments	<u>(5,132,895)</u>	<u>(4,901,316)</u>	<u>(4,408,606)</u>
Net Change in Total OPEB Liability	\$ (19,038,560)	\$ 13,256,952	\$ 14,281,201
Total OPEB Liability - Beginning	<u>\$ 191,324,969</u>	<u>\$ 178,068,017</u>	<u>\$ 163,786,816</u>
Total OPEB Liability - Ending	<u>\$ 172,286,409</u>	<u>\$ 191,324,969</u>	<u>\$ 178,068,017</u>
Covered Employee Payroll	\$ 40,856,553	\$ 31,415,006	\$ 31,415,006
Total OPEB Liability as a Percentage of Covered			
Employee Payroll	421.69%	609.02%	566.82%

10 years of historical information is not available and will be reported each year going forward

Required Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Schedule of the BOCES's Proportionate Share of the Net Pension Liability
(Unaudited)
For Year Ended June 30, 2019

NYSERS Pension Plan					
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability (assets)	0.0517%	0.0526%	0.0483%	0.0519%	0.0519%
Proportionate share of the net pension liability (assets)	\$ 3,660,889	\$ 1,696,776	\$ 4,534,710	\$ 8,335,144	\$ 1,754,768
Covered-employee payroll	\$ 15,543,200	\$ 15,476,552	\$ 13,996,062	\$ 13,907,066	\$ 13,850,711
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	23.553%	10.964%	32.400%	59.935%	12.669%
Plan fiduciary net position as a percentage of the total pension liability	96.27%	98.24%	94.70%	90.70%	97.90%
NYSTRS Pension Plan					
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability (assets)	0.1323%	0.1334%	0.1372%	0.1327%	0.1248%
Proportionate share of the net pension liability (assets)	\$ (2,392,527)	\$ (1,014,145)	\$ 1,469,668	\$(13,779,918)	\$(13,903,062)
Covered-employee payroll	\$ 22,075,169	\$ 21,900,858	\$ 21,503,618	\$ 21,174,208	\$ 19,928,448
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	-10.838%	-4.631%	6.835%	-65.079%	-69.765%
Plan fiduciary net position as a percentage of the total pension liability	101.53%	100.66%	99.01%	110.46%	111.48%

10 years of historical information is not available and will be reported each year going forward

Required Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Schedule of the BOCES's Proportionate Share of the Net Pension Liability
Schedule of BOCES Contributions
(Unaudited)
For Year Ended June 30, 2019

NYSERS Pension Plan Last 10 Fiscal Years					
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 2,181,133	\$ 2,243,659	\$ 2,098,702	\$ 2,472,280	\$ 2,684,230
Contributions in relation to the contractually required contribution	<u>(2,181,133)</u>	<u>(2,243,659)</u>	<u>(2,098,702)</u>	<u>(2,472,280)</u>	<u>(2,684,230)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 15,543,200	\$ 15,476,552	\$ 13,996,062	\$ 13,907,066	\$ 13,850,711
Contributions as a percentage of covered-employee payroll	14.03%	14.50%	14.99%	17.78%	19.38%
NYSTRS Pension Plan Last 10 Fiscal Years					
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 2,641,736	\$ 2,184,058	\$ 2,807,700	\$ 3,493,457	\$ 2,995,913
Contributions in relation to the contractually required contribution	<u>(2,641,736)</u>	<u>(2,184,058)</u>	<u>(2,807,700)</u>	<u>(3,493,457)</u>	<u>(2,995,913)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 22,075,169	\$ 21,900,858	\$ 21,503,618	\$ 21,174,208	\$ 19,928,448
Contributions as a percentage of covered-employee payroll	11.97%	9.97%	13.06%	16.50%	15.03%

10 years of historical information is not available and will be reported each year going forward

Required Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - General Fund
(Unaudited)
For Year Ended June 30, 2019

<u>REVENUES</u>	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Current Year's Revenues</u>	<u>Variance Favorable (Unfavorable)</u>
Administration 001-002	\$ 10,127,155	\$ 9,343,255	\$ 9,523,471	\$ 180,216
Career and Tech Education 100-199	7,911,811	8,066,714	7,860,418	(206,296)
Instruction for Handicapped 200-299	36,371,681	37,860,442	36,183,049	(1,677,393)
Itinerant 300-399	9,452,253	11,247,085	9,417,532	(1,829,553)
General Instruction 400-499	3,366,803	3,632,253	3,457,302	(174,951)
Instructional Support 500-599	17,082,672	21,621,852	19,665,600	(1,956,252)
Other Services 600-699	<u>10,774,594</u>	<u>13,988,938</u>	<u>13,752,839</u>	<u>(236,099)</u>
TOTAL REVENUES	<u>\$ 95,086,969</u>	<u>\$ 105,760,539</u>	<u>\$ 99,860,211</u>	<u>\$ (5,900,328)</u>

(See Independent Auditors' Report)

Required Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - General Fund
(Unaudited)
For Year Ended June 30, 2019

<u>EXPENDITURES</u>	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Current Year's Expenditures</u>	<u>Encumbrances</u>	<u>Variance Favorable (Unfavorable)</u>
Administration 001-002	\$ 10,127,155	\$ 9,343,255	\$ 8,444,746	\$ 59,572	\$ 838,937
Career and Tech Education 100-199	7,911,811	8,066,714	7,931,380	83,569	51,765
Instruction for Handicapped 200-299	36,371,681	37,860,442	34,783,022	112,720	2,964,700
Itinerant 300-399	9,452,253	11,247,085	7,720,982	1,938	3,524,165
General Instruction 400-499	3,366,803	3,632,253	3,508,676	44,101	79,476
Instructional Support 500-599	17,082,672	21,621,852	18,867,592	925,853	1,828,407
Other Services 600-699	<u>10,774,594</u>	<u>13,988,938</u>	<u>12,622,065</u>	<u>465,141</u>	<u>901,732</u>
TOTAL EXPENDITURES	<u>\$ 95,086,969</u>	<u>\$ 105,760,539</u>	<u>\$ 93,878,463</u>	<u>\$ 1,692,894</u>	<u>\$ 10,189,182</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,981,748</u>		

Note to Required Supplementary Information:

A reconciliation is not necessary since encumbrances are presented in a separate column on this schedule.

(See Independent Auditors' Report)

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Analysis of Account A431 - School Districts
For Year Ended June 30, 2019

	<u>2019</u>
July 1, 2018 - DEBIT (CREDIT) BALANCE	<u>\$ (321,986)</u>
DEBITS:	
Billings to school districts	\$ 98,010,480
Refund of balances made to school districts	8,822,386
Other Adjustments - Refunds	4,255
Encumbrances - June 30, 2019	<u>1,692,893</u>
Total Debits	<u>\$ 108,530,014</u>
TOTAL	<u><u>\$ 108,208,028</u></u>
CREDITS:	
Collections from school districts	\$ 97,166,677
Adjustment - credits to school districts - revenues in excess of expenditures	5,981,748
Encumbrances - June 30, 2018	<u>2,348,550</u>
Total Credits	<u>\$ 105,496,975</u>
JUNE 30, 2019 - DEBIT (CREDIT) BALANCE	<u><u>\$ 2,711,053</u></u>

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES**

SCHEDULE OF CAPITAL PROJECTS

PROJECT EXPENDITURES AND FINANCING RESOURCES

For Year Ended June 30, 2019

Project Title	Original Appropriation	Revised Appropriation	Expenditures			Unexpended Authorization	Methods of Financing				Fund Balance
			Prior Year's	Current Year	Total		Local Sources	District Billings	Transfers	Total	
CTE - North Renovation 2015-16	\$ 12,984,000	\$ 16,959,121	\$ 15,220,898	\$ 1,461,752	\$ 16,682,650	\$ 276,471	\$ -	\$ 16,959,122	\$ -	\$ 16,959,122	\$ 276,472
CTE - South Renovation 2015-16	6,163,600	3,209,936	2,402,154	807,782	3,209,936	-	-	3,209,936	-	3,209,936	-
Administration rennovation addition	10,083,500	9,062,042	7,743,025	1,319,017	9,062,042	-		9,062,042	-	9,062,042	-
Unassigned	-	-	-	-	-	-	1,857,583	-	468,467	2,326,050	2,326,050
Total	\$ 29,231,100	\$ 29,231,099	\$ 25,366,077	\$ 3,588,551	\$ 28,954,628	\$ 276,471	\$ 1,857,583	\$ 29,231,100	\$ 468,467	\$ 31,557,150	\$ 2,602,522

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

<u>Grantor / Pass - Through Agency</u>	<u>CFDA</u>	<u>Grantor</u>	<u>Pass-Through</u> <u>Agency</u>	<u>Total</u>
<u>Federal Award Cluster / Program</u>	<u>Number</u>	<u>Number</u>	<u>Number</u>	<u>Expenditures</u>
<u>U.S. Department of Education:</u>				
<u>Direct Programs:</u>				
<u>Student Financial Assistance Program Cluster -</u>				
Federal Pell Grant Program	84.063	N/A	N/A	\$ 235,677
Federal Direct Student Loans	84.268	N/A	N/A	378,016
<i>Total Student Financial Assistance Program Cluster</i>				<u>\$ 613,693</u>
Total Direct Programs				<u>\$ 613,693</u>
<u>Indirect Programs:</u>				
<u>Passed Through NYS Education Department -</u>				
VATEA II - Perkins Grant	84.048	N/A	8000-19-0044	138,479
Education For Homeless Children and Youth	84.196	N/A	0212-19-3012	33,312
WIOA, Title II, ESOL Civics	84.002	N/A	0040-19-3018	84,846
Total Indirect Programs				<u>\$ 256,637</u>
Total U.S. Department of Education				<u>\$ 870,330</u>
 TOTAL EXPENDITURES OF FEDERAL AWARDS				 <u><u>\$ 870,330</u></u>

MENGEL METZGER BARR & CO. LLP

RAYMOND F. WAGER, CPA, P.C. DIVISION

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditors' Report

To the Board Members
Board of Cooperative Educational Services
Second Supervisory District of Monroe and Orleans Counties, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans, Counties, New York, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans, Counties, New York's basic financial statements, and have issued our report thereon dated October 10, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans, Counties, New York's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans, Counties, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans, Counties, New York's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the BOCES financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the BOCES' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the BOCES' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Rochester, New York
October 10, 2019

***BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF
MONROE AND ORLEANS COUNTIES***

NEW YORK

***COMMUNICATING INTERNAL CONTROL
RELATED MATTERS IDENTIFIED IN AN AUDIT***

For Year Ended June 30, 2019

MENGEL METZGER BARR & CO. LLP

RAYMOND F. WAGER, CPA, P.C. DIVISION

MENGEL METZGER BARR & CO. LLP

RAYMOND F. WAGER, CPA, P.C. DIVISION

October 10, 2019

To the Board Members
Board of Cooperative Educational Services
Second Supervisory District of
Monroe and Orleans Counties, New York

In planning and performing our audit of the financial statements of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the BOCES internal control. Accordingly, we do not express an opinion on the effectiveness of the BOCES internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the BOCES' financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However material weaknesses may exist that have not been identified.

Prior Year Deficiency Pending Corrective Action:

Special Aid Fund –

The year end fund balance is a deficit of (\$2,426,930). This is primarily due to deficits incurred by the EPE program. Additionally, the cash balance in the Special Aid Fund at June 30, 2019 totaled \$1,995,746 and the net amount due to the General Fund totaled \$5,202,618. The amount due to the General Fund continues to exceed available cash by a substantial amount.

We recommend the fiscal stability of these programs continue to be reviewed.

Other Items:

The following items are not considered to be deficiencies in internal control; however, we consider them other items which we would like to communicate to you as follows:

Cyber Risk Management –

The BOCES' IT personnel routinely assesses cyber risk as part of their normal operating procedures. We recommend the BOCES continue to document their cyber risk assessment process in writing which should include the risk assessment process, the frequency of the risk assessment, how findings are to be communicated to the appropriate level of management, and how the process will be monitored.

Federal Programs –

As a result of recent federal program changes, the BOCES documents various Federal program procedures through written questionnaires prepared by the Program Coordinators and the Business Office. Recent guidance from the New York State Education Department suggests Federal recipients should enhance their written documentation into a written procedural manual that is more detailed and specific to each federal program compliance requirement.

Prior Year Recommendation:

The prior year recommendation has been noted above.

This communication is intended solely for the information and use of management, the Board, audit committee, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

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We wish to express our appreciation to the business office staff for all the courtesies extended to us during the course of our examination.

Rochester, New York
October 10, 2019

Raymond F. Wager, CPA, PC

7.2. Resolution to Accept Corrective Action Plan for the Year Ended June 30, 2019



*Monroe 2-Orleans
Board of Cooperative Educational Services*

Jo Anne L. Antonacci, District Superintendent

**Finance
Office**

October 16, 2019

Steve Roland
Director of Finance
Tel: (585) 352-2412
Fax: (585) 352-2756
Email:
sroland@monroe2boces.org

Mr. Ray Wager
Raymond F. Wager, CPA, P.C., a division of
Mengel Metzger Barr & Co., LLP
100 Chestnut Street, Suite 1200
Rochester, NY 14604

Ray,

This letter is in response to your Management Letter for the audit of the Monroe 2-Orleans BOCES' financial records for the year-ending June 30, 2019.

Special Aid Fund

We continue to monitor this situation closely and revise our previously enacted action plan as necessary. The Special Aid Fund will pay down the amount due to the General Fund as funds become available.

Please let me know if you have questions or concerns.

Sincerely,

Steve Roland
Director of Finance

Xc: Board
Office of Audit Services (SED)
Jo Anne Antonacci
Mary Beth Luther

8. Old Business

1. Second Reading and Resolution to Approve Policy Series 3000 (Lynda VanCoske)

VARIOUS POLICY UPDATES CHART

3000 SERIES

Italics means added in, strikethrough means to delete. Review means no substantive changes.

POLICY NUMBER	RATIONALE
3111 District Superintendent	Review
3112 Administrative and Supervisory Personnel	Review
3120 Evaluation of the District Superintendent and Other Administrative Staff	POLICY NOT INCLUDED. DO NOT REVIEW. Policy is part of the Annual Policies which were previously reviewed at the February 15, 2019 Cabinet meeting.
3130 Administrative Interns	Review
3140 Consultants	Review
3140R Consultant Information	REGULATION NOT INCLUDED. DO NOT REVIEW. Currently being reviewed by Lynda and Steve Roland.
3140F Consultant Approval & Payment Request for 2019-2020 School Year; Independent Contractor/Consultant Agreement	FORM NOT INCLUDED. DO NOT REVIEW. Currently being reviewed by Lynda and Steve Roland.
3211 Organizational Chart	POLICY AND CHART NOT INCLUDED. DO NOT REVIEW. Previously reviewed by the Board at the August 21, 2019 BOE meeting.
3220 Administrative Councils, Cabinets and Committees	Review
3221 Chief School Administrator's Council	Review

Monroe 2-Orleans BOCES Policy
Series 3000 – Administration
Policy #3111 – DISTRICT SUPERINTENDENT

The District Superintendent shall be recommended for appointment by the Board to the Commissioner as required by law and Regulations of the Commissioner. The request for appointment by the Commissioner shall be by Resolution of the Board. The District Superintendent shall be the Chief Executive Officer but under the direction and control of the Board, shall have general supervision over all matters affecting directly or indirectly the operations of the BOCES.

Qualifications

The District Superintendent must be duly certified as required by law and by the Regulations of the Commissioner of Education.

Powers and Duties

The District Superintendent shall possess the powers and discharge the duties herein set forth below and execute those prescribed by law as contained in various sections.

Attendance at Board Meetings

The District Superintendent shall attend all meetings of the Board unless previously excused.

Execute Board Policy

The District Superintendent shall be responsible for carrying into effect the policies and formulating regulations to insure implementation of policies adopted by the Board.

General Management

The District Superintendent shall be responsible for the general management of the BOCES.

School Calendar

The District Superintendent shall submit annually a school calendar to the Board for approval.

Instruction

The District Superintendent shall be responsible for the fulfillment of the educational goals and purposes of the BOCES and shall serve as an authority in educational matters making recommendations to, and advising with the Board in all matters pertaining to courses of study, continuing education, extracurricular activities, admissions of students, their instruction, discipline, grading and promotion, and the selection of textbooks and educational equipment and supplies.

Curriculum

The District Superintendent shall recommend to the Board revisions, eliminations and additions to the curricular and extracurricular programs.

Program Supervision

The District Superintendent shall be responsible for, and shall have general supervision over, all activities of BOCES and the operation of the BOCES administrative and business offices.

Employee Supervision

The District Superintendent shall have general supervision and direction over all employees of the BOCES. The District Superintendent shall have the power to assign and transfer all teachers and other

Monroe 2-Orleans BOCES Policy
Series 3000 – Administration
Policy #3111 – DISTRICT SUPERINTENDENT

employees, as deemed best, provided that if any such assignment or transfer shall involve a change of status or salary, it shall be subject to approval by the Board.

Establish Rules and Regulations

The District Superintendent shall make and enforce such supplementary rules and regulations that are deemed to be conducive to and in the best interest of the BOCES, subject to approval of the Board.

Budget Preparation

The District Superintendent shall prepare or cause to be prepared the proposed annual administrative, capital, and program budgets of BOCES and submit them to the Board for consideration. The District Superintendent shall provide tuition and program expense projections for the following year to the component school districts.

Purchases

The District Superintendent shall make recommendations to the Board concerning, and shall have general supervision over: purchase of books, furniture, equipment, materials and supplies, and all improvements, alterations, repairs, maintenance and operation of the school plant, property and facilities.

Expenditures

The District Superintendent shall have general supervision over all duly authorized expenditures. The District Superintendent shall have supervision over all purchase orders and other requisitions issued in the name of the BOCES.

Personnel Appointments

The District Superintendent shall appoint, in accordance with the established policies of the Board, personnel to aid in carrying out the duties prescribed by law or stated herein, and shall have complete jurisdiction over such personnel. The District Superintendent shall have jurisdiction in all matters of record keeping, providing for substitute teachers, supervision and maintenance of buildings and grounds, and on all other matters related to the operation of the BOCES.

Job Descriptions

The District Superintendent shall be responsible for ensuring the development and maintenance of a Job Description Manual for all employees of the BOCES.

Records

The District Superintendent shall keep, or cause to be kept, adequate educational records and information on all students and employees; and prepare, or cause to be prepared, annual and special statutory reports required by state, federal and local agencies.

Communications

The District Superintendent shall prepare and distribute materials by whatever means are appropriate to describe the operations of the BOCES to the various publics that are served, the staffs and school board members of component school districts, and parents and residents within the districts.

Monroe 2-Orleans BOCES Policy
Series 3000 – Administration
Policy #3111 – DISTRICT SUPERINTENDENT

Human Relations

The District Superintendent shall represent the BOCES in matters involving human relations. The District Superintendent shall receive complaints and transmit to any parties affected thereby all votes and directions of the Board affecting students, parents or personnel.

Other Duties as Assigned

The District Superintendent shall have such further powers and duties as the Board or Legislature may from time to time prescribe.

Policy References:

(Refer also to Policy #4120 -- Budget Development and Adoption.)

Adopted: 7/13/99

Revised: 5/14/08

Revised: 11/17/2010

Revised: 9/18/2013

Revised: 9/21/2016

Reviewed: _____ 2019

Monroe 2-Orleans BOCES Policy

Series 3000 – Administration

Policy #3112 – ADMINISTRATIVE AND SUPERVISORY PERSONNEL

General

The Board has the responsibility for the employment of administrative and supervisory personnel in the BOCES. No such person shall be employed unless nominated by the District Superintendent.

Administrative and supervisory personnel shall be considered to be those employees, officially designated by the Board action, as responsible for administrative and supervisory tasks required to carry out BOCES policy, programs, decisions and actions.

These employees shall meet all certification and/or Civil Service requirements as outlined in New York Education Law, New York State Civil Service Law, and the Rules and Regulations of the Commissioner of Education. The administrative and supervisory staff shall meet these requirements at the time of employment.

The obligations, duties and responsibilities of all administrative and supervisory personnel shall be set forth in the job descriptions issued by the District Superintendent.

Probation and Tenure

All administrative and supervisory personnel, except the District Superintendent, shall be appointed to their positions for a probationary period of not more than four years (unless extended by mutual consent of all necessary parties). Administrative and supervisory personnel shall be placed on tenure at the completion of their probationary appointment if their performance is deemed exemplary by their immediate supervisor, the District Superintendent, and the Board and in accordance with applicable law as related to Annual Professional Performance Review.

The Board, the District Superintendent, and all administrative and supervisory personnel are obligated to adhere to the New York State Education Law and all applicable Rules and Regulations of the Commissioner in matters relating to probationary and tenure appointments.

Selection Procedures For Administrative/Supervisory Positions

All administrative and supervisory positions in the BOCES are established by the Board, or by State Law, or both.

The Board may establish new administrative and/or supervisory positions when recommended by the District Superintendent to attain the educational goals set by the BOCES.

In each case for a new position, the Board shall approve the position based upon need in the following order:

- a) Establishment of the need for the position;
- b) Job description presented by the District Superintendent.
- c) Appointment of a person to fill the position upon majority vote of the Board.

Monroe 2-Orleans BOCES Policy
Series 3000 – Administration
Policy #3112 – ADMINISTRATIVE AND SUPERVISORY PERSONNEL

Education Law Sections 2204, 2212, 3006, 3007, 3008, 3009, 3010, 3014, 3031, 3019-a and 3020-a

Civil Service Law Sections 35(g), 50-59 and 60-65

Adopted: 7/13/99
Revised: 11/17/2010
Revised: 9/18/2013
Revised: 10/21/2015
Reviewed: 9/21/2016
Reviewed: _____ 2019

Monroe 2-Orleans BOCES Policy
Series 3000 – Administration
Policy #3130 – ADMINISTRATIVE INTERNS

The BOCES recognizes the value of and need for administrative internships to further develop skills of persons desiring to become full time administrators. To that end, this BOCES encourages the use of interns from duly accredited colleges and universities. It is agreed that intern(s) will be employed for the length of time and for such salary or as unpaid that can be mutually determined, and as recommended by the District Superintendent and subject to the approval of the Board.

Adopted: 7/13/99
Revised: 11/17/2010
Reviewed: 9/18/2013
Reviewed: 9/21/2016
Reviewed: _____ 2019

Monroe 2-Orleans BOCES Policy
Series 3000 – Administration
Policy #3140 - CONSULTANTS

The administrative and supervisory staff of the BOCES shall encourage the use of professional consultants from the State Education Department, colleges, universities, and other resource persons, when such consultative services will benefit BOCES and districts it serves. All consultants shall be approved by the District Superintendent or his or her designee.

Consultants shall be compensated according to agreed-upon hourly and/or daily rates commensurate with their standard fees and those paid for such services. Additional expenses for travel, meals and lodging shall be allowed, if applicable and with prior approval. A consultant who is a public school District retiree is subject to earning and other limitations when working in the public sector. As a result he/she is responsible for checking with TRS or ERS and adhering to those limitations.

Directors shall submit in writing to the District Superintendent each proposal to use such consultant.

Adopted: 7/13/99
Revised: 10/22/08
Revised: 11/17/2010
Reviewed: 9/18/2013
Reviewed: 9/21/2016
Reviewed: _____ 2019

Monroe 2-Orleans BOCES Policy

Series 3000 – Administration

Policy #3220 – ADMINISTRATIVE COUNCILS, CABINETS AND COMMITTEES

The Board authorizes the District Superintendent to establish such permanent or temporary councils, cabinets, and committees as are necessary for proper administration of Board policies and for the improvement of the total BOCES program.

All councils, cabinets, and committees created by the District Superintendent shall be for the purpose of obtaining to a maximum degree the advice and counsel of administrative, supervisory and other personnel and to aid in communication. Functioning in an advisory capacity, such groups may make recommendations for submission to the Board through the District Superintendent. Such groups shall exercise no inherent authority. Authority for establishing policy remains with the Board and authority for implementing policy remains with the District Superintendent.

The membership, composition, and responsibilities of administrative councils, cabinets, and committees shall be defined by the District Superintendent and may be changed at his/her discretion.

Policy References:

Refer also to Policies #3221 - - Chief School Administrators' Council and #3222 - - Cabinet.

Adopted: 7/13/99

Revised: 11/17/2010

Reviewed: 9/18/2013

Reviewed: 9/21/2016

Reviewed: _____ 2019

Monroe 2-Orleans BOCES Policy
Series 3000 – Administration
Policy #3221 – CHIEF SCHOOL ADMINISTRATOR’S COUNCIL

The District Superintendent may establish a Chief School Administrators' Council to provide a means for appropriate and necessary communication to occur between and among the BOCES and the component school districts.

This council may be used to ascertain needs of school districts, discuss proposals for meeting such needs, provide information concerning legal requirements of school districts and other topics deemed appropriate by the District Superintendent.

It is the intent of this council to maintain and develop close cooperation among and between component school districts and to facilitate the communication process within the BOCES area.

Membership in the Chief School Administrators' Council is limited to the officially appointed Chief School Administrators of the component school districts who shall meet at such times and places as designated by the District Superintendent of Schools.

Other personnel of the component school districts and BOCES may be requested to attend regularly or at specific meetings by the District Superintendent of Schools to facilitate the matters under consideration.

Adopted: 7/13/99

Reviewed: 11/17/2010

Reviewed: 9/18/2013

Reviewed: 9/21/2016

Reviewed: _____ 2019

8. Old Business
 2. Discussion on Lease Renewal for 3555 Buffalo Road (former Alternative High School Building) (Steve Roland)

8. Old Business
 3. Strategic Goals Update

9. Recognition of School Board Members

10. New Business

1. First Reading of Policies 5160, 6110, 6220, and 6471

VARIOUS POLICY UPDATES CHART

Policy 5160, 6220, 6471, and 6110

Italics means added in, strikethrough means to delete. Review means no substantive changes.

<i>POLICY NUMBER</i>	<i>RATIONALE</i>
5160 Alcohol, Drugs and Other Substances (School Personnel)	Updated the list of prohibited items on Page 1 to align with the Code of Conduct and recommended practice.
6110 Comprehensive Student Attendance Policy	Added language on Page 2 regarding Chronic Absenteeism and added language regarding violations of the Code of Conduct and the consequences thereof on Page 4, all pursuant to SED guidance
6220 Alcohol, Drugs and Other Substances (Students)	Updated to the list of prohibited substances on Page 1 to include vitamins pursuant to SED guidance.
6471 Safe Public School Choice Option to Students Who Are Victims Of A Violent Criminal Offense	Removed the reference to specific Penal Law sections on Page 1 and removed on Page 2 the timeframe for a transfer student to remain in safe public school as prescribed by U.S. Department of Education pursuant to SED guidance.

Monroe 2-Orleans BOCES Policy
Series 5000 – Personnel
Policy #5160 – ALCOHOL, DRUGS AND OTHER SUBSTANCES (SCHOOL PERSONNEL)

The Board encourages cooperation with other community agencies and groups in preventing drug and alcohol abuse. Provision shall be made for instructing employees in alcohol, and drug abuse and prevention. All laws pertaining to drug and alcohol use and possession shall be honored by students, adults, and adult students while on BOCES premises or at BOCES-sponsored activities, regardless of the location of the activity.

The Board prohibits the manufacture, distribution, dispersing, consumption, sharing and/or selling, under the influence, use and/or possession of illegal drugs, counterfeit and designer drugs, legal substances that mimic the effect of illegal substances, inappropriate use of over the counter and prescription drugs, drug paraphernalia, *vaporizers, THC, dabs and dab pens*, and/or alcoholic beverages *or alcohol powder* in the workplace, or when the effects of such drugs may impair an employee's job performance.

Information about any drug and alcohol counseling and/or rehabilitation programs shall be made available to employees. Data will also include the range of penalties, (consistent with local, state and federal law), up to and including termination of employment and referral for prosecution that will be imposed on employees who have transgressed the terms of this policy.

Alcoholic beverages, misuse of over the counter and prescription drugs, illegal drugs, legal substances that mimic the effect of illegal substances, counterfeit and designer drugs are prohibited on BOCES premises and at all BOCES-sponsored activities where students are present, regardless of the location of the activity.

Additionally, confidentiality shall be insured as required by state and federal law.

The District Superintendent shall annually review the drug and alcohol abuse prevention program to determine its effectiveness and support appropriate modifications, as needed.

Drug and Alcohol-Free Education and Prevention Program

In support of BOCES' interest in the health and well-being of BOCES' students and employees, and its commitment to a drug and alcohol-free learning and work environment, provision shall be made for a "Drug and Alcohol-Free Education and Prevention Program" for students and employees. (Refer also to Policy #7113 -- Prevention Instruction.)

Education Law Sections 913, 1711(5) (e), and 3020-a

Civil Service Law Section 75

Drug-Free Schools and Communities Act

Amendment of 1989

Monroe 2-Orleans BOCES Policy
Series 5000 – Personnel
Policy #5160 – ALCOHOL, DRUGS AND OTHER SUBSTANCES (SCHOOL PERSONNEL)

(Public Law 101-226)

20 United States Code (U.S.C.) Section 3171 et seq.

Policy References:

Refer also to Policy #7113 – (Prevention Instruction.)

Refer also to Policy #6220 -- Alcohol, Drugs and Other Substances (Students)

Adopted: 7/13/1999

Revised: 5/13/2009

Revised: 10/19/2011

Revised: 9/17/2014

Revised: 9/20/2017

Revised: _____ 2019

Monroe 2-Orleans BOCES Policy
Series 6000 – Students
Policy #6110 – COMPREHENSIVE STUDENT ATTENDANCE POLICY

The Board has developed and will review annually, and, if necessary, revise this Student Attendance Policy to meet the following objectives:

- a) To increase school completion for all students;
- b) To raise student achievement and close gaps in student performance;
- c) To identify attendance patterns in order to design attendance improvement efforts;
- d) To know the whereabouts of every student for safety and other reasons;
- e) To verify that individual students are complying with education laws relating to compulsory attendance;
- f) To determine the average daily attendance for State aid purposes.

The Board directs the District Superintendent to develop written, detailed regulations to meet these objectives and to use the following strategies.

The BOCES will:

- a) Create and maintain a positive school culture by fostering a positive physical and psychological environment where the presence of strong adult role models encourages respectful and nurturing interactions between adults and students. This positive school culture is aimed at encouraging a high level of student bonding to the school, which in turn should lead to increased attendance.
- b) Develop a Comprehensive Student Attendance Policy based upon the recommendations of a multifaceted Policy Development Team that includes representation from the BOCES, administrators, teachers, students, parents and the community. The BOCES held a public hearing prior to the adoption of this collaboratively developed Comprehensive Student Attendance Policy.
- c) Maintain accurate recordkeeping via a Register of Attendance to record attendance, absence, tardiness or early departure of each student.
- d) Utilize data analysis systems for tracking individual student attendance and individual and group trends in student attendance problems, determination of Excused and Unexcused Absences, Tardiness and Early Departures.

Absences, tardiness and early departures will be considered excused or unexcused according to the following standards:

- a) Excused: An absence, tardiness or early departure may be excused if due to personal illness, illness or death in the family, impassable roads due to inclement weather as determined by the home district, religious observance, quarantine, required court appearances, attendance at health clinics, approved

Monroe 2-Orleans BOCES Policy**Series 6000 – Students****Policy #6110 – COMPREHENSIVE STUDENT ATTENDANCE POLICY**

college visits, military obligations, educational trips, doctor appointments, home instruction due to extended illness, or other such reasons, as may be approved by the District Superintendent, or his/her designee.

b) Unexcused: An absence, tardiness or early departure is considered unexcused if the reason does not fall into any of the above categories, or is for any of the following, but not limited to, reasons: family vacation, hunting, babysitting, haircut, oversleeping, or missing the bus. Organized student skip days are not condoned by BOCES and will be considered an unexcused absence.

c) Tardiness: All students must be in class on time. Arriving after a scheduled class has begun requires a reason, which will determine whether the absence is excused or unexcused in a or b above.

d) Extended Illness: Students with an extended illness will be placed on home instruction by their home district when applicable, and the absence will be excused. A doctor's note explaining need for, dates of, and length of home tutoring must be submitted. The student must complete assigned work and missed work understanding some courses such as labs and/or electives cannot be achieved in a home instruction setting. Once the home instruction assignments are completed and approved by the teacher, the work will be reviewed and, as appropriate, the student may receive course credit by the home district.

Upon the student's return, all absences must be documented by a signed written note from the parent indicating the date, time and reason for the absence. For a student enrolled in a CTE program, the student absence can be documented either by a signed written note from the parent, or an email from the parent to CTE attendance at www.monroe2boces.org indicating the date, time, and reason for the student's absence.

e) Chronic Absenteeism: Chronic absenteeism is defined as missing at least 10% of enrolled school days in a year for any reason, excused or unexcused. Chronic absenteeism differs from truancy because it emphasizes missed instructional time rather than unexcused absences. Missed instructional time can increase a student's risk for disengagement, low achievement, and dropping out, among other things.

Students who miss at least 5% of enrolled school days in a year are at risk of becoming chronically absent. In light of this, the BOCES will implement intervention strategies for students who miss 5% or more of the enrolled school days in a year.

Student Attendance Recordkeeping/Data Collection

The cumulative record of each student's presence, absence, tardiness and early departure shall be kept in a register of attendance. An absence, tardiness or early departure will be entered as "excused" or "unexcused" along with the code for the reason, on the record of attendance, as outlined in the administrative regulations. The record shall include the date a student withdraws or is dropped from enrollment, in accordance with Education Law §3202 (1-a). Attendance information at the conclusion of the class period or school day shall be compiled and provided to the designated attendance officer, who will enter the data in the register of attendance and verify by oath. Records of attendance shall be kept of each scheduled day of instruction during which school is closed for all or part of a day for extraordinary circumstances such as for adverse weather, impairment of heat, water problems, shortage of fuel, other school building damage, or other reasons, as approved by the Commissioner of Education.

Monroe 2-Orleans BOCES Policy

Series 6000 – Students

Policy #6110 – COMPREHENSIVE STUDENT ATTENDANCE POLICY

Attendance shall be taken and recorded in accordance with the following:

a) For students in non-departmentalized programs (i.e., self-contained classrooms and supervised group movement to other scheduled school activities such as physical education in the gym, assembly, etc.), such student's presence or absence shall be recorded after the taking of attendance at least once per school day, provided that students are not dismissed from school grounds during a lunch period. Where students are dismissed for lunch, their presence or absence shall also be recorded after the taking of attendance a second time upon the student's return from lunch. For purposes of Annual Professional Performance Review Plan and Teacher Student Data Linkages (TSDL) classroom attendance for all students in grades K-12 will be recorded on a subject by subject basis for Teacher of Record determinations.

b) For students in grades nine through twelve or in departmentalized schools at any grade level (i.e., students pass individually to different classes throughout the day), each student's presence or absence shall be recorded after the taking of attendance in each period of scheduled instruction, or approved cooperative program.

Student Attendance/Course Credit

The BOCES believes that classroom participation is related to and affects a student's performance and grasp of the subject matter and, as such, is properly reflected in a student's final grade. For purposes of this policy, classroom participation means that a student is in class and prepared to work.

Consequently, for each marking period and each program's needs and focus, a student's final grade may be based on classroom participation as well as the student's performance on homework, tests, papers, projects, and/or competencies etc., in accordance with the administrative regulations.

Notice of Students who are Absent, Tardy or Depart Early Without Proper Excuse

The annually designated staff member, or his/her designee, will notify the parent of a student's unexcused absence, departure or tardiness. This notification could include a copy and/or review of the attendance policy, description of credit and attendance and, if requested by the designated staff member, or parent, a conference with the child to address and review incentives and intervention.

Attendance Incentives

In order to encourage student attendance, the BOCES honors and recognizes excellent school attendance through a variety of school activities. The program or building attendance committee, as part of their plan for interventions, will consider appropriate incentives and recognition to encourage attendance.

Disciplinary Consequences

Unexcused absences, tardiness and early departures will result in disciplinary sanctions as described in the BOCES or District's Code of Conduct. Parents will be notified of the current district policy, building

Monroe 2-Orleans BOCES Policy

Series 6000 – Students

Policy #6110 – COMPREHENSIVE STUDENT ATTENDANCE POLICY

procedures and interventions, and the specific attendance issue their child exhibited when sanctions are enforced.

Students may be prohibited from participating in the graduation ceremony or related graduation activities as a consequence of violating the BOCES' Code of Conduct.

Intervention Strategy Process

Each building or program will have an attendance committee, appointed by the building or program administrator. The committee will meet at least once per marking period to review student attendance and design intervention procedures.

Appeal Process

A parent may request a building level review of their child's attendance record.

Building Review of Attendance Records

The program administrator will work in conjunction with the attendance clerk and other designated staff in reviewing attendance records at the end of each term. This review is conducted to identify individual and group attendance patterns and to initiate appropriate action to address the problem of unexcused absences, tardiness and early departures.

Community Awareness

The Board directs the District Superintendent to ensure students, staff, parents and the community are aware of this policy and the administrative regulations.

Education Law Sections 3024, 3025, 3202, 3205, 3206, 3210, 3211, and 3213

8 New York Code of Rules and Regulations (NYCRR) Sections 104.1, 109.2 and 175.6

Policy Cross References:

- » 6110R - Comprehensive Student Attendance
- » 6110R.1 - Student Absences and Excuses

Adopted: 6/18/2002

Revised: 10/21/2009

Revised: 5/12/2010

Revised: 6/15/2011

Revised: 5/9/2012

Revised: 8/15/2012

Revised: 5/15/2013

Revised: 9/18/2013

Reviewed: 5/14/14

Reviewed: 5/13/2015

Monroe 2-Orleans BOCES Policy

Series 6000 – Students

Policy #6110 – COMPREHENSIVE STUDENT ATTENDANCE POLICY

Reviewed: 8/19/2015

Revised: 6/15/2016

Reviewed: 5/10/2017

Revised: 5/09/2018

Revised: 5/15/2019

Revised: _____ 2019

Monroe 2-Orleans BOCES Policy

Series 6000 – Students

Policy #6220 – ALCOHOL, DRUGS AND OTHER SUBSTANCES (STUDENTS)

The Board encourages cooperation with other community agencies and groups in preventing drug and alcohol abuse. Provision shall be made for instructing employees and students in alcohol, drug and tobacco abuse and prevention. All laws pertaining to drug and alcohol use and possession shall be honored by students, adults, and adult students while on BOCES owned or leased premises or at BOCES-sponsored activities, regardless of the location of the activity.

The Board recognizes that the issue of drugs and/or alcohol is a serious problem with legal, physical, emotional and social implications for the entire community.

Possessing, consuming, selling, distributing, using, sharing, exchanging, manufacturing, or under the influence or appear under the influence of: a) alcoholic beverages in any form such as a powdered alcohol; b) e-cigarettes, or vaporizers or a similar instrument; c) illegal substances, or a substance thought by the student to be illegal; ~~or~~ d) being under the influence of either; *or e) vitamins and/or herbs*. “Illegal substances” includes, but is not limited to, inhalants, marijuana, opioids, cocaine, LSD, PCP, amphetamines, heroin, steroids, look-alike drugs, and any substances commonly referred to as “designer drugs.” The police will be called in these instances.

Using, selling, distributing, sharing, possessing, consuming, exchanging, manufacturing, being under the influence of, prescription and/or over-the-counter drugs or substances thought by the student to be over-the-counter or prescription drugs.

Using, selling, distributing, sharing, possessing, consuming, exchanging, manufacturing, or being under the influence of legal substances that mimic the effects of an illegal substance, or any prescription marijuana.

Possessing, using, selling, sharing, distributing, manufacturing, or exchanging drug paraphernalia or items that could be used as drug paraphernalia. Drug paraphernalia includes but is not limited to any kind of equipment, product, or material intended to be used for or used for the manufacturing, compounding, converting, concealing, producing, processing, preparing, injecting, ingesting, or inhaling such as lighters, matches, drops in e-cigarettes and vaporizers, “dab,” “dabs,” or dab pens.

Through the collaborative efforts of staff, students, parents/guardians and the community as a whole, a certifiable comprehensive program shall be developed addressing alcohol and other substances to include the following elements:

Primary Prevention

Preventing or delaying alcohol and other substance use/abuse by students shall be the major focus of a comprehensive program in which proactive measures of prevention and early intervention are emphasized. This program shall include:

a) A sequential curriculum that will be developed and incorporated into the total educational process. This curriculum shall be concerned with education and prevention in all areas of alcohol and other substances uses/abuses.

Monroe 2-Orleans BOCES Policy

Series 6000 – Students

Policy #6220 – ALCOHOL, DRUGS AND OTHER SUBSTANCES (STUDENTS)

- b) Training school personnel and parents/guardians to reinforce the components of the policy through in-service and community education programs with up-to-date factual information and materials.
- c) An effort to provide positive alternatives to alcohol and other substances use/abuse through the promotion of drug/alcohol-free special events, service projects and extracurricular activities that will develop a positive peer influence.

Drug and Alcohol-Free Education and Prevention Program

In support of the BOCES interest in the health and well-being of BOCES students and employees, and its commitment to a drug and alcohol-free learning and work environment, provision shall be made for a Drug and Alcohol-Free Education and Prevention Program for students enrolled in a BOCES program full-time and employees. (Refer also to Policy #7113 -- Prevention Instruction.)

Intervention

School-based intervention services shall be made available to all students and provided by prevention professionals who are appropriately trained in this area. The purpose of intervention is to eliminate any existing use/abuse of alcohol and other substances and to identify students considered to be at risk for use/abuse. Intervention programming shall include:

- a) Counseling of students in groups and as individuals on alcohol and other substance use/abuse. Counselors shall be appropriately trained and skilled school staff assigned for this purpose.
- b) Referring student to community or other outside agencies when their use/abuse of alcohol and other substances requires additional counseling or treatment. Referral is a key link in school and community efforts and the process is basic to the dissemination of information regarding available counseling and health services.
- c) Providing a supportive school environment designed to continue the recovery process for students returning from treatment. A re-entry program may include continuing student and/or family counseling and emphasizing positive alternatives to alcohol and other substance use/abuse.
- d) Providing a network of outside community agencies to serve as a support group.
- e) Ensuring confidentiality as required by state and federal law.

Disciplinary Measures

Possessing, consuming, selling, distributing, using, sharing, exchanging, manufacturing, or under the influence or appear under the influence of: a) alcoholic beverages in any form such as a powdered alcohol; b) e-cigarettes, or vaporizers or a similar instrument; c) illegal substances, or a substance thought by the student to be illegal; or d) being under the influence of either. "Illegal substances" includes, but is not limited to, inhalants, marijuana, opioids, cocaine, LSD, PCP, amphetamines, heroin, steroids, look-alike drugs, and any substances commonly referred to as "designer drugs." The police will be called in these instances.

Monroe 2-Orleans BOCES Policy

Series 6000 – Students

Policy #6220 – ALCOHOL, DRUGS AND OTHER SUBSTANCES (STUDENTS)

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Using, selling, distributing, sharing, possessing, consuming, exchanging, manufacturing, or being under the influence of legal substances that mimic the effects of an illegal substance, or any prescription marijuana.

Possessing, using, selling, sharing, distributing, manufacturing, or exchanging drug paraphernalia or items that could be used as drug paraphernalia. Drug paraphernalia includes but is not limited to any kind of equipment, product, or material intended to be used for or used for the manufacturing, compounding, converting, concealing, producing, processing, preparing, injecting, ingesting, or inhaling such as lighters, matches, drops in e-cigarettes and vaporizers, “dab,” “dabs,” or dab pens.

Staff Development

There shall be ongoing training of BOCES staff about the components of an effective alcohol and other substances program. Training shall include, but not be limited to, BOCES policies and regulations and the staff's role in implementing such policies, and regulations. Teachers shall be trained to implement the alcohol and other substance prevention curricula; intervention staff shall be suitably trained to carry out appropriate services.

Implementation, Dissemination and Monitoring

It shall be the responsibility of the District Superintendent to implement the alcohol and other substances BOCES policy by collaboration with appropriate individuals including school personnel, students and parents/guardians.

Additionally, copies of the Board policy will be made available to BOCES staff and parents/guardians. The District Superintendent/designee shall triennially review the drug and alcohol abuse prevention program to determine its effectiveness and support appropriate modifications, as needed.

Drug-Free Schools and Communities Act Amendment of 1989 (Public Law 101-226)

20 United States Code (U.S.C.) Section 3171 et seq.

Policy References:

Refer also to Policy #5160 -- Alcohol, Drugs and Other Substances (School Personnel).

Adopted: 7/13/1999

Revised: 10/21/2009

Revised: 05/12/2010

Reviewed: 6/15/11

Revised: 5/9/2012

Revised: 8/15/2012

Revised: 5/15/2013

Monroe 2-Orleans BOCES Policy

Series 6000 – Students

Policy #6220 – ALCOHOL, DRUGS AND OTHER SUBSTANCES (STUDENTS)

Reviewed: 5/14/2014

Revised: 5/13/2015

Reviewed: 8/19/2015

Revised: 6/15/2016

Revised: 5/10/2017

Revised: 5/09/2018

Revised: 5/15/2019

Revised: _____ 2019

Monroe 2-Orleans BOCES Policy

Series 6000 – Students

Policy #6471 – SAFE PUBLIC SCHOOL CHOICE OPTION TO STUDENTS WHO ARE VICTIMS OF A VIOLENT CRIMINAL OFFENSE

Any student who is a victim of a violent criminal offense, that occurred on the grounds, leased facility or building of the BOCES that the student attends, shall be allowed to attend a safe public school within the home School District to the extent required by the federal No Child Left Behind Act (NCLB) and state law and regulations.

“A safe public school” shall mean a public school that has not been designated by the Commissioner of Education, as a persistently dangerous public elementary or secondary school.

Violent Criminal Offense

“Violent criminal offense” means a crime that:

- a) Involves infliction of a serious physical injury upon another as defined in New York State Penal Law ~~Section 10.00(10)~~; or
- b) A sex offense that involves forcible compulsion; or
- c) Any other offense designed in State Penal Law ~~Section 10.00(12)~~ that involves the use or threatened use of a deadly weapon.

Determination Whether Student is a Victim

Procedures shall be established for determination by the District Superintendent of whether a student is a victim of a violent criminal offense. The District Superintendent shall, prior to making any such determination, consult with any law enforcement agency investigating the alleged violent criminal incident and consider any reports or records provided by such agency. However, a criminal conviction is not required prior to the District Superintendent's determination that a student has been a victim of a violent criminal offense. The District Superintendent may also consult with the BOCES' attorney prior to making such determination. The District Superintendent will refer his/her determination to the student's home school superintendent. However, this determination will not preclude any student disciplinary proceeding brought against the alleged victim or perpetrator of such violent criminal offense by the home district.

Notice to Parents/Persons in Parental Relationship

The District Superintendent will establish procedures for notification of parents of, or persons in parental relation to, students who are victims of violent criminal offenses of their right to transfer to a safe public school within the home district and procedures for such transfer.

However, such notification shall not be required where there are no other public schools within the home district at the same grade level or a transfer to a safe public school within the home school district is otherwise impossible. Similarly, procedures for such notification of parents/persons in parental relation to students who are victims of violent criminal offenses shall not be required where the home school district has only one public school within the District or only one public school at each grade level.

Monroe 2-Orleans BOCES Policy**Series 6000 – Students****Policy #6471 – SAFE PUBLIC SCHOOL CHOICE OPTION TO STUDENTS WHO ARE VICTIMS OF A VIOLENT CRIMINAL OFFENSE****Designation of Safe Public School**

It shall be the responsibility of the students home school district, based on objective criteria, to designate a safe public school or schools within the home district to which students may transfer. However, the home district is not required to designate a safe public school where there are no other public schools within the home district at the same grade level or transfer to a safe public school within the home district is otherwise impossible. Similarly, if the home district has only one public school within the School System or only one public school at each grade level, the home school district shall not be required to designate a safe public school.

Any student who transfers to a safe public school, in accordance with the provisions of this policy and applicable law and regulation, shall be enrolled in the classes and other activities of the public school to which such student transfers in the same manner as all other students at the public school. The receiving school shall be identified by the District and must be at the same grade level as the school from which the student is transferring. To the extent possible the School District shall allow transferring students to transfer to a school that is making adequate yearly progress and has not been identified as requiring school improvement, corrective action, or restructuring. The home district shall provide transportation for any student permitted to transfer to the safe public school within the District designated by the School System within the transportation limits established pursuant to Education Law Sections 3635 and 4401(4). Any student who transfers to a safe public school shall be permitted to remain in such safe public school until the student has completed the highest grade level in the school transferred to, ~~or for such other period prescribed by the U.S. Department of Education, whichever is less.~~

While the parents/persons in parental relation to the student must be offered the opportunity to transfer their child, they may elect to have the child remain at the school he/she currently attends.

Elementary and Secondary Education Act of 1965,
Section 9532, as amended by the No Child Left Behind
Act of 2001
Education Law Section 2802(7)
8 New York Code of Rules and Regulations
(NYCRR) Section 120.5

Adopted: 7/13/1999

Revised: 10/21/2009

Revised: 8/15/2012

Reviewed: 8/19/2015

Revised: 9/19/2018

Revised: _____ 2019

10. New Business

2. Regional Summer School Update (Tim Dobbertin)

10. New Business

3. Resolution to Approve Donation of Computer Equipment

11. Personnel and Staffing

1. Resolution to Approve Personnel and Staffing Agenda

12. Bids/Lease Purchases

1. Resolution to Accept Cooperative Fine Paper Bid
2. Resolution to Accept Print Shop Supplies Bid
3. Resolution to Accept Erie 1 Instructional Technology State Wide Licensing Agreements – Add on #2
4. Resolution to Accept Monroe 2-Orleans BOCES lease purchase of a Xerox copier

13. Executive Officer's Reports
 1. Albany D.S. Report
 2. Local Update

14. Committee Reports

- Labor Relations Committee (J. Abbott/J. Heise)
- Legislation Committee (D. Laba/K. Dillon)
- Information Exchange Committee (R. Charles Phillips/J. Heise)

15. Upcoming Meetings/Calendar Events

October 16	5:30pm Audit Committee / 6:30pm Board Meeting (Board Room)
October 23	Noon MCSBA Labor Relations Committee (Double Tree)
October 24-26	NYSSBA Annual Convention (Rochester)
October 30	Noon MCSBA Steering Committee (Double Tree)
November 2	6pm Monroe 2-Orleans Educational Foundation Celebration (Ridgemont Country Club)
November 6	Noon MCSBA Legislative Committee (Double Tree)
November 6	5:45pm MCSBA Board Presidents Meeting (Double Tree)
November 11	BOCES 2 closed
November 13	Noon Board Officer Agenda Review
November 20	Noon MCSBA Labor Relations Committee (Double Tree)
November 20	4pm MCSBA Information Exchange Committee (Double Tree)
November 20	6:30pm Board Meeting (Board Room)

16. Other Items

17. Adjournment