

**COUNCIL OF DARIEN SCHOOL PARENTS
MINUTES OF THE MARCH 2, 2017 REGULAR MEETING**

Shelly Skoglund opened the meeting at 9:30 am.

Lori Olson made a motion to approve the February 2, 2017 CDSP Meeting Minutes. Suzanne Domenici seconded the motion, and the minutes were approved.

IMPACT OF STATE BUDGET PROPOSALS ON DAIREN

CT State Representative Terrie Wood provided an overview of Governor Malloy's budget proposal for 2018 and 2019, which included the anticipated \$1.6 billion deficit in 2018 and \$1.7 billion in 2019 and its impact, specifically on education.

Terrie explained that under Governor Malloy's proposal, ECS (Education Cost Sharing - per pupil reimbursement from the state, which is separate from special education reimbursement) funding would be cut completely for many towns, including Darien, based on:

1. A town's wealth and income
2. A town's HUSKY enrollment

The ECR (Excess Cost Reimbursement for Special Education), would be eliminated and replaced with a new special education grant, in which Darien would receive about \$100,000, comprising Darien's total education aid. (Note: Darien received \$2.3 million from ECR last year).

The CCJEF (Connecticut Coalition for Justice in Education Funding) concluded that the state has mishandled education aid. Terrie added that she believes it is illegal to discriminate against any child in the special education program by allowing a town's wealth to be a factor in funding.

Terrie explained that teacher pension is another contentious topic in Governor Malloy's proposed budget, as municipalities will be expected to pay 33% of the state's required teacher pension contributions, but without any local control over union negotiations.

Terrie also expressed concerns regarding the regionalization of government, specifically:

1. Commercial and industrial tax revenue contributions - Darien may be required to pay 20% of these tax revenues to the West COG (Council of Government) Region in 2018.
2. Proportional voting - rather than one vote per town, those with a population of more than 50,000 would receive an additional vote for each additional 10,000 people in their municipality, giving larger cities a majority vote and the ability to



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potentially increase their tax base with funds from Darien and other small, well-managed towns.

3. The proposed regionalization of public health departments

Note: Terrie clarified that joining a regional COG was “optional,” but required in order to receive transportation funding from the state.

Lastly, Terrie expressed concerns regarding the State Employee Unions’ (which do not include teachers or police officers) impact on the state budget challenges, as the State of Connecticut is the largest employer in Connecticut, and State employee benefits include:

- No lay-offs
- 3% pay increase annually (automatically, not based on merit)
- No deductible in healthcare plans

In Terrie’s opinion, these benefits are not sustainable for our state.

Terrie concludes that we are subsidizing government waste in larger cities, and we need to change the trajectory of spending (spending wisely, not more), exemplified in the lack of a requirement for funding Hartford is to receive to be spent on education.

Following her presentation, Terrie answered questions regarding:

- Realities of pension liabilities falling on towns - Terrie and Dr. Brenner agree that Darien should be included in the management of the 33% we are expected to pay
- Regionalization in general and connections to less fiscally responsible municipalities
- How and whom to contact regarding proposed budget concerns:
 1. District representatives, local legislators
 2. Brief, clear, firm and respectful letters/email to State of Connecticut Education and Appropriations Committee Chairs
- Oversight of funding, checks and balances, and Governor Malloy’s proposed tiered system of accountability (level of review based on fiscal condition and amount of aid received)

Jack Davis and Taylor Carter (RTM Finance & Budget Committee) provided details regarding the State of Connecticut’s deficit, pensions, unions and contracts.

Millyn Gaaserud pointed out that tax burden challenges to a small town are not simply monetary, as quality of life is also affected with residents being pitted against each other.

Terrie reminded everyone that this is a *proposed* budget; if we understand it, we can be voices of reason.



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HINDLEY PTO INCORPORATION

Lillian Raben explained the next step in the Hindley PTO's incorporation process, completing an Affiliation Agreement with CDSP, which formalizes the evidence of the relationship to prove the connection between the Hindley PTO and the CDSP, as CDSP has tax-exempt status.

Note: the Affiliation Agreement gives CDSP control to maintain the tax-exempt status only; all other school operations will continue to remain independent of CDSP.

BUDGET UPDATE

Millyn, Shelly and Julia explained the next steps in the budget process, recommending very brief speeches by parents at the upcoming BoF Public Hearing, which proved to be a successful strategy last year.

Suggested speech themes were emailed to all CDSP members. Please review and send comments and/or additions to Millyn, Shelly and Julia.

Additionally, please provide Millyn with the names of recruited speakers (2-3 per school, probably more for DHS).

Separate from the BoF Public Hearing, strategies to help parents understand the purpose and importance of the education budget proposals were discussed.

Sue Hayes announced that there will be a DHSPA meeting on March 28, in which the issues behind the budget proposals will be explained. She requested CDSP members representing elementary schools to encourage parents to attend. Topics are relevant to all school parents, as some projects are not completed for a few years.

SPED UPDATE

Catherine Piorkowski reminded all PTO Co-Chairs that SPED positions are slated through the school PTOs, not through her. She is happy to provide suggestions or help in any way if needed.

Please give SPED representative names to Catherine before the end of the school year.

COMMUNITY OUTREACH UPDATE

Kristen Barnard provided an update regarding donations. All are requesting the same amount, except for The Darien Environmental Group, which has requested an increased amount.

Kristen will coordinate DEG and MFY to speak to CDSP to substantiate requests and answer questions. MFY did not cash checks from some school PTOs and individuals in previous years.



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HINDLEY CAPITAL PROJECT DISCUSSION

Antoinette Cowles and Leila Buckjune expressed concern regarding the uncertainty of the previously approved location change of classrooms and the nurse's office.

Michael Harman (BoE Chair) explained that the renovation has not been canceled, as Mike Lynch is working on a revised solution based on new architectural findings.

STATE LEVEL BUDGET CAMPAIGN

Shelly and Julia will email talking points regarding the state level budget proposals. Please forward the information to school parents.

Note: The League of Women Voters and the Darien library will be hosting a Nonpartisan Letter Writing Campaign on Thursday, March 23rd from 6:30 to 8:30 p.m. (Supplies, postage, and contact information for elected representatives will be provided).

Meeting adjourned at 11:25.

Respectfully submitted by Tiffany O'Connor, CDSP Secretary.

CONFLICT OF INTEREST OVERVIEW

Rationale:

- Requirement of the IRS.



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How does this relate to your PTO?

- While we don't set salaries or compensation, we do make contracts for purchasing items such as directories and spiritwear. This policy provides a mechanism to identify conflicts of interest (for example, a school parent owns a spiritwear company and wants to be the vendor for your school) and assures that your decision is best for the PTO, not best for the vendor.

How will you implement this policy?

- Each year, all members of your Executive Board should be educated on this policy and asked to sign when they begin their term. The signed documents should be maintained according to our Records Retention policy. Ideally, the signed documents will be scanned electronically for ease of storage
- PTOs should consider centralizing all authority for contracting decisions at the Executive Board. Committee chairpersons not on the Executive Board should not have the ability to sign contracts on behalf of the PTO. This would include bookfair vendors, Spirit wear vendors, Directory printers, etc.

What is the purpose of the conflict of interest policy? (Source: IRS)

Charitable organizations are frequently subject to public scrutiny, especially where they appear to have inappropriately benefited their officers, directors or trustees. The IRS has an oversight role with respect to charitable organizations. An important part of this oversight is providing organizations with strategies that will help avoid the appearance or actuality of private benefit to individuals who are in a position of substantial authority. The recommended conflict of interest policy is a strategy that the IRS encourages organizations to adopt as a means to establish procedures that will offer protection against charges of impropriety involving officers, directors or trustees.

A conflict of interest occurs where individuals' obligation to further the organization's charitable purposes is at odds with their own financial interests. For example, a conflict of interest would occur where an officer, director or trustee votes on a contract between the organization and a business that is owned by the officer, director or trustee. A conflict of interest policy is intended to help ensure that when actual or potential conflicts of interest arise, the organization has a process in place under which the affected individual will advise the governing body about all the relevant facts concerning the situation. A conflict of interest policy is also intended to establish procedures under which individuals who have a conflict of interest will be excused from voting on such matters.

Apart from any appearance of impropriety, organizations will lose their tax-exempt status unless they operate in a manner consistent with their charitable purposes. Serving



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private interests more than insubstantially is inconsistent with accomplishing charitable purposes. Providing facilities, goods or services to an individual who is in a position of substantial authority also serves a private interest unless the benefits are part of a reasonable compensation arrangement or they are available to the public on equal terms and conditions.