



WESLACO INDEPENDENT SCHOOL DISTRICT

319 W. Fourth Street
Weslaco, TX 78599-0266

Winners. Innovators. Scholars. Doers.

BOARD OF TRUSTEES

Meeting:	Special Board Meeting
Place:	WISD Board Room
Location:	319 W. Fourth Street
Date:	July 31, 2018
Time:	6:33 P.M.

MINUTES

- I. The meeting was called to order by Erasmo Lopez, Board President.
- II. A quorum was established. The following board members were present.

Erasmo Lopez, President
Oscar Caballero, Vice President
Isidoro Nieto, Trustee
Patrick Kennedy, Trustee
Dr. Richard Rivera, Trustee
Dr. Jaime Rodriguez, Trustee

Andrew Gonzalez was absent.

- III. Discussion and Possible Action to Approve the Memorandum of Understanding Between Weslaco Independent School District and the Texas State Technical College Challenger Learning Center for the 2018-2019 School Year

The purpose of this agreement is for Weslaco ISD to obtain a continuation of services from the Texas State Technical College (TSTC) Challenger Learning Center that will support the goal of having students participate in activities correlated to space-related TEKS, encouraging young people in science, technology, mathematics and teamwork. The Challenger Learning Center will provide an unlimited amount of “Missions” for the District’s elementary, middle school, and high school students, along with teacher professional development and teacher classroom materials. Each “Mission” is a two-hour educational program with hands-on activities and simulations held at the Center. The Center also has a “Micronauts” activity program for students in 1st – 4th grade and a planetarium sponsored by United Launch Alliance in addition to other activities. The TSTC Challenger Learning Center serves over 15, 000 WISD students during the year. In addition, third and fifth grade students take a field trip to the facility during the school year.

This program will cost \$45,000 a year and will be paid in quarterly payments to cover compensation, fees, and participation of WISD students and staff. The term contract is from September 19, 2018 through September 19, 2019.

Dr. Richard Rivera made the motion to approve the Memorandum of Understanding between WISD and Texas State Technical College Challenger Learning Center for the 2018-2019 school year as presented. Patrick Kennedy seconded the motion.

IV. Discussion and Possible Action to Approve the T-TESS Professional Appraisal Calendar, Timeline, and Certified Appraisers for the 2018-2019 School Year

Teachers are required to be appraised each year using the Teacher Evaluation and Support System (T-TESS). The appraisal calendar and the certified appraisers must be approved for teacher observations and evaluations. Prohibited days include the days before and after holidays and days scheduled for testing.

2018-2019 T-TESS Calendar	
Appraisal Period	September 10, 2018 thru March 29, 2019
Prohibited Observation Days	August 27 thru September 7, 2018 November 16 - 26, 2018 December 20, 2019 January 8, 2019 March 8, 18, 2019 April 18, 2019 & Any other days scheduled for end-of-semester tests, state-mandated assessments, and other standardized tests.
End of Year Conference	On or before April 26, 2019

The timeline and list of Appraisers are on file.

Isidoro Nieto made the motion to approve the T-TESS Professional Appraisal Calendar, Timeline, and Certified Appraisers for the 2018-2019 school year. Oscar Caballero seconded the motion and it passed unanimously.

V. Discussion and Possible Action to Approve the Student Code of Conduct for the 2018-2019 School Year

The Student Code of Conduct is visited every two (2) years by school district administrators since the Texas Legislature convenes on a two (2) year cycle and either amends or adds new laws. Chapter 37 of Texas Education Code mandates that school Districts develop and adopt a student code of conduct.

A district committee composed of secondary school administrators reviewed the TASB Model Student Code of Conduct and aligned it to WISD district policies. This document will assist district Administrators and staff in managing student behavior. The Code provides information to the parents and students regarding standards of Conduct, consequences of misconduct and procedures for administering discipline.

According to Dr. Canales, there were not many changes made to the document. A copy of the document will be posted on the district's website.

Patrick Kennedy made the motion to approve the Student Code of Conduct for the 2018-2019 school year as presented. Dr. Jaime Rodriguez seconded the motion and it passed unanimously.

VI. Discussion and Possible Action to Approve the WISD Student Handbook for the 2018-2019 School Year

The WISD Student Handbook provides order and an atmosphere conducive to intellectual and personal development. The handbook describes the expectations for behavior and conduct in the WISD community and outlines the procedures to be followed at the campuses. This handbook is the Texas Association of School Boards Model Student Handbook and is aligned to Board policy.

Patrick Kennedy made the motion to approve the WISD Student Handbook for the 2018-2019 school year. Isidoro Nieto seconded the motion.

Mr. Nieto wanted to know if the students received a hard copy of the handbook and if it was accessible to retrieve online.

Dr. Canales confirmed that some of the campuses do provide a hard copy and the handbook is available online. Mrs. Peterson added that the pre-registration form has a statement for parents to sign that they take full responsibility to read the handbook provided online or they can also request a hard copy. Students at the secondary schools receive a hard copy of the handbook and get a read receipt.

The Board voted unanimously in favor of the motion made by Patrick Kennedy and seconded by Isidoro Nieto to approve the WISD Student Handbook for the 2018-2019 school year.

VII. Discussion and Possible Action for the Board to Consider Approval of Proposal Award for Pharmacy Benefit Management (PBM) Services for the District's Self-Funded Employee Program (RFP #18-07-37)

In June, the Board took action to solicit proposals for Pharmacy Benefit Management (PBM) services. The district received six (6) proposals, which were evaluated by Valley Risk Consulting (VRC), the District's employee benefit consultants. American Health Care, the incumbent failed to submit an offer and therefore were not considered or evaluated. According to Mr. De La Rosa, the incumbent missed the deadline. The Superintendent recommended that the Board approve the proposal from Araya Rx, subject to contract review by the District's attorney and Risk Management.

Mr. Roger Garza (VRC consultant) provided responses to questions/concerns addressed by the Board:

- This company has not done work for the district. They service one school district in south Texas.
- Dr. Rodriguez was concerned of the size of the PBM since he was not able to find any information on this company on the website and questioned if the services would actually improve. He wanted to know if larger PBM's offer better pricing/better rebates, who handles the specialty pharmacy, and who made the final call on prior authorizations.

›Mr. Garza stated that the district has to make sure there is no disruption of services to employees and therefore they want to ensure that the following pharmacies are included in the network of the company selected: H.E.B., Walgreens, CVS, Lee's Pharmacy, and other local pharmacies.

›As per Mr. Garza, the size of PBM does matter, but it is more important to obtain a MAC list from the company when the district advertises because the MAC (maximum allowable cost for generic drugs) is what drives up the cost.

- The district makes the final call based on certain levels. He recommended obtaining prior authorization for prescription drugs that cost \$500 to \$600 to determine if they are actually beneficial to the patient or to the district, which is what the district currently has in place. The district makes every effort to obtain the MAC list in advance prior to executing an agreement or agree to an agreement. The price list is valid for 90 days.
- Were the number of proposals received considered a normal average?
 - ›There are nine (9) PBM's and five (5) that are owned by the insurance carriers for a total of 14. However, with all the consolidation going on in the industry, pharmaceutical companies are buying out PBM's.
 - ›The district received six (6) proposals: one did not qualify; one had only one pharmacy; one did not have the guaranteed pricing and one had a higher fixed price. The other two proposals are from Araya Rx and Max Care, which came in within striking range of each other, but Araya had more points than Max Care.
- Mr. Kennedy pointed out that most employees want to be able to have a large number of different pharmacies on the network, a quick authorization process, and do not want outrageous co-pays. He asked if Araya would be able to meet these requirements.
 - ›Prior authorization is currently done electronically, which speeds up the process.
 - ›Copays are set district-wide, based on the budget and any increase to the cost will be presented to the Board for approval.
- Mr. Lopez wanted to know if this company had a local representative that would handle issues addressed by the employees and if the district had the option to opt out of the contract if employees are having difficulty in getting their medications.
 - ›A toll-free number is available for employee; nonetheless, the Risk Management Department tries to handle issues brought forth by employees. As per Mr. De La Rosa, 95% of issues deal with prior authorization.
 - ›The attorney responded that the contract usually includes generous terms for the district, but the district should be able to opt out, if needed.

Mr. De La Rosa commented that necessary adjustments could be made to the authorization process without having to opt out. He feels that the district needs to have some type of control and regulation of the high dollar drugs prescribed to employees because the district pays a lot of money for these drugs. Thus, district staff and the Board have to do their due diligence in making sound financial decisions on behalf of the taxpayers, as well as making sure employees are receiving good benefits.

Mr. Garza recommended the proposal from Araya Rx. Mr. De la Rosa was comfortable with any of the two companies who received the highest points and therefore supported Mr. Garza's recommendation. He informed the Board that Sharyland ISD has a contract with this company and they have not had any issues with them.

As per Mr. Garza, the Board needs to have the company present at least two or three times during their first three months of service so that the Board can fully understand their reporting system. The company should also provide a quarterly or semi-annual report for transparency and monitoring purposes. He stressed that district employees and employers should not pay more than what is being reported to the employer, and he would recommend termination if this were to occur.

Dr. Rivera made the motion to approve the proposal from Araya Rx to provide PBM Services for the Districts self-funded employee benefit program subject to contract review by attorney and Risk Management. Oscar Caballero seconded the motion and it passed unanimously.

VIII. Discussion and Possible Action for the Board to Consider Approval of A Contract with Independent Consultant Heriberto Reynoso of Reybotics for Migrant Problem Based Learning Experience

This will be the fourth year the district contracts with consultant Heriberto Reynoso of Reybotics to provide a problem-based learning experience to migrant students. Migrant students have the opportunity to intern with, and be mentored by Mr. Reynoso who is a former NASA engineer.

This year, students will develop a robotic unit that will assist the district’s youngest learners to develop basic “school-ready” skills, along with developing an interest in Science, Technology, Engineering and Mathematics, while also cultivating their critical thinking capabilities. During their internship experience, the students will have the opportunity to seek assistance from other professionals in the STEM field via Skype conferencing. Engineers from NASA, SpaceX, and other leading companies will be accessible to our migrant students to assist them with completion of this very challenging and exciting project.

According to Miss Laurie Cardenas (Secondary Migrant Instruction & Technology Strategist), migrant students had the opportunity to develop a robot to clean the layers of the largest satellite dish in the world during the first year the program was implemented. In the second year, the students developed a pipe inspection robot for the city to help alleviate the flooding issues, and for the third year, the students worked on the colonia lighting project to help develop a low cost lighting source for colonias.

Mr. Nieto wanted to know if this program was available to all students or just secondary students. Miss Cardenas replied that students in grades 6-12 participate in this program; however, 5th grade students that have shown an interest in past years have been allowed to participate.

Patrick Kennedy made the motion to approve the contract with consultant Heriberto Reynoso of Reybotics to provide a problem-based learning experience to migrant students. Isidoro Nieto seconded the motion and it passed unanimously.

IX. Acknowledgement of Hidalgo County Tax Office Collection Report for June 2018: Current Taxes and Delinquent Taxes

The Board acknowledged the Collection Report for June 2018 as presented. Section 31.10 Property Tax Code requires the Tax Assessor/Collector to submit to the governing body of the taxing unit a written report made under oath accounting for all taxes collected for the unit during the preceding month.

Listed below is the June 2018 report from the Hidalgo County Tax Office:

	Original Tax Levy	Taxes Collected to Date	Tax Modifications (Adjustments) to Date	Taxes Outstanding To-Date	% Tax Collections 2017-2018	% Tax Collections 2016-2017	2017-2018 vs. 2016-2017
Current Taxes	\$ 26,145,817	\$ 24,708,953	\$ 54,309	\$ 1,491,173	94.31%	93.59%	0.72% Higher
Delinquent Taxes- Prior Years Levy	4,297,949.65	1,056,140	(232,912)	3,008,898	25.98%	23.73%	2.25% Higher
Rollback Taxes	335.67	50,046	62,133	12,423	80.11%	98.53%	18.42% Lower
Totals	\$30,444,102.80	\$ 25,815,139	\$ (116,471)	\$ 4,512,493			

- The collection of **current taxes** for fiscal year 2017-2018 through June 30, 2018 is **0.72% higher** than the current taxes for fiscal year 2016-2017.

- The collection of **delinquent taxes** for fiscal year 2017-2018 through June 30 is **2.25% higher** than the delinquent taxes for fiscal year 2016-2017.
- The column for tax modifications represents the cumulative tax adjustments (September through June 2018) reported by the Hidalgo County Tax Office for the 2017-2018 fiscal year in their June 2018 report.

No action.

- X. Discussion and Possible Action for the Board to Consider: 1) Approval of Obsolete/Damaged Personal Property to be Declared Surplus Property, and 2) Approval to Sell

The following list of obsolete and/or damaged personal property is of no further value to the District. Dr. Canales requested that the Board allow administration to dispose of these items via auction.

Description	Total
1994 GMC Top Kick Truck	1
Audio Visual Equipment	100
Cafeteria tables	29
Cameras (digital, document)	40
Chairs	78
Commercial exhaust fans	15
Computers (Declared as surplus, but will not be sold)	275
Desks	38
File cabinets	25
Golf cart	2
Gooseneck trailer	1
Ice maker	1
Laminators	3
Monitors	93
Panels/Dividers	100
Printers/copiers	86
Refrigerators	2
Scoreboards	2
Shoulder pads	25
Tables	32
Televisions	60
Toners	93
Weight room equipment	32
Welders	7

Coach Riojas explained that old scoreboards from the WHS Baseball and Softball fields as well as old weight equipment had been stored at the warehouse for at least 10 to 15 years. Due to the flooding that occurred on June 20, 2018, some of these items were damaged and are of no value to the district. The items will be sold at auction.

Dr. Rivera requested an update on the amount of proceeds from the last auction held two months ago.

Mr. Lopez wanted to know how much the computers sold for at auction. According to Orlando Pena, Warehouse Director, the computers are sold in lots and sell for \$8.00 to \$10.00 per pallet. The district makes about \$2,000 per auction, but it includes all the items that are up for auction.

Mr. Lopez addressed his concern on the information stored in the computers and wanted to know if the computers were cleaned out prior to selling them at auction. Technology Director Carlos Martinez informed the Board that technology staff normally pulls out the hard drive that stores the information prior to sending them off. Based on what the computers sale for at auction, Mr. Lopez felt that it was not worth selling them and putting employees at risk of identity theft; therefore, he suggested that the district destroy the computers to prevent hackers from getting a hold of personal information. He asked the school attorney if the Board could make the decision to destroy the computers. Mr. Ivan Perez replied that the Board had the discretion to approve all the other items as surplus, except for the computers.

Isidoro Nieto made the motion to approve all items listed excluding the computers. Patrick Kennedy seconded the motion.

Dr. Rivera stated that staff needs to get rid of the computers because there is no room to store them.

Mr. Sanchez asked the Board to modify the motion to declare the computers as surplus property, but not sell them. Mr. Kennedy modified his second as recommended.

The Warehouse Director pointed out that there is a company who can provide the service of destroying the computers. The computers will be stored at warehouse until further direction is given. Mr. Mike De La Rosa informed the Board that the district has to hire a special company to destroy the computers due to the mercury content and chemicals in the monitors.

The Board President asked staff to follow up on the cost for destroying the computers and provide information to the Board. If they do not utilize these services, the district can put the computers up for sale in the near future if technology staff guarantees that no information will remain on the computers once they remove the hard drives from each computer. He stressed his concern on the possibility of hackers retrieving information from the computers.

The Board voted unanimously in favor of the motion made by Isidoro Nieto and seconded by Patrick Kennedy to approve all the items listed as surplus, but not to sell the computers.

XI. Discussion and Possible Action for the Board to Consider Approval of the Annual Review of the District's Investment Policy

The Superintendent recommended that the Board approve the Annual Review of the District's Investment Policy as presented.

Board Policy section CDA (legal) requires the Board to review the investment policy and strategies not less than annually.

Mr. Andres Sanchez, Assistant Superintendent for Business and Finance provided the following information.

Board Policy Section CDA (Local) emphasizes the following concerning district investments:

▪ **Safety and Investment Management**

The main goal of the investment program is to ensure its safety and maximize financial returns within current market conditions in accordance with this policy. Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

▪ Liquidity and Maturity

Any internally created pool fund group of the district shall have a maximum dollar weighted maturity of 180 days. The maximum allowable stated maturity of any other individual investment owned by the District shall not exceed one year from the time of purchase. The Board may specifically authorize a longer maturity for a given investment, within legal limits. The District's investment portfolio shall have sufficient liquidity to meet anticipated cash flow requirements.

▪ Diversity

The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from overconcentration of assets in a specific class of investments, specific maturity, or specific issuer.

Current Investments of Weslaco ISD

- Currently all investments of the district are held in investment pools.
- The interest rate on the First Public Investment pool on Monday, June 29, 2018 was 2.19%, up 1.08% from 1.11% last year on June 26, 2017.
- The interest rate on the Texas Term Investment Pool on Monday, June 29, 2018 was 1.91%, up 1.01% from 0.90% last year on June 26, 2017.
- The interest rate on the TexPool Investment Pool on Monday, June 29, 2018 was 1.92%, up 0.99% from 0.93% last year on June 26, 2017.
- **The funds in the pools can be withdrawn in any amount within a day's notice by wire transfer.**
- The current US Treasury bill discount rate as of Friday, June 29, 2018 was 2.25% for one year, up 1.06% from 1.19% for one-year term last year on June 26, 2017.
 - › Mr. Sanchez would like to have a workshop in September/October to discuss the different options of investing in treasury bills and certificates of deposit.
- The interest rate on the Chase Bank CD's of \$250,000 or more, for 6 months and 12 months as of July 3, 2018 is 0.02% and 0.05% respectively, which are the same rates for last year on June 26, 2017
- Staff is currently looking at the possibility of investing in CD's with the Texas Term Investment Pool, one of our current investment pools. They have a CD placement program where funds are invested in groups of 4 CD's of up to \$248,000 each (total of \$992,000) for 6 months or 12 months. CD's are then invested at separate (individual) banks so as not to exceed the \$250,000 FDIC insurance limit. Their rates were 2.29% and 2.55% for 6 months and 12 months respectively as of June 26, 2017, up from 0.45% and 0.75% for 6 months and 12 months respectively as of July 3, 2018 up from 1.30% and 1.45% for 6 months and 12 months respectively for last year on June 26, 2017.

Investment Training

The treasurer or chief financial officer and the investment officer must also attend an investment training session not less than once in a two-year period that begins on the first day of the District's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than five (5) hours of instruction relating to investment responsibilities under the Public Funds Investment Act from an independent source approved by the Board or a designated investment committee advising the investment officer. Government Code 2256.008(a)-(b).

The current investment officers for Weslaco ISD include:

- Andres Sanchez, Asst. Supt. of Business & Finance (attended training October 27, 2017)
- Jesse Fonseca, Director of Payroll Business Operations (attended training May 2, 2017)
- Sylvia Esquivel, Compliance Auditor (attended training October 12, 2016)

Questions from the Board:

- Dr. Rivera wanted to know how much money the district makes in a year from these investments.
 - › \$800,000 for 9 months

Mr. Sanchez pointed out that the district can make money by investing the monies in the fund balance for 6 months, which is something that he would like to discuss with the Board in the near future. According to Mr. Sanchez, the investment pools are doing very good. He called some of the local banks to see what they offered and based on their responses, the interest rate from the investment pools is better.

- Mr. Kennedy questioned the amount of money the district has invested in the pools.
 - › Mr. Sanchez explained that the district keeps only \$4 million in the bank and the rest is invested in the pools.
- Dr. Rodriguez asked if there were any risk in having all the monies in the investment pools.
 - › As per Mr. Sanchez, the investments in the pools are protected. All school districts and cities have their money in the pools.

Dr. Rivera commended Mr. Sanchez for the amount of money received from the investments and asked that he keep the Board informed of the best deals available for the district.

Dr. Rivera made the motion to approve the Annual Review of the District's Investment Policy as presented. Patrick Kennedy seconded the motion and it passed unanimously.

XII. Discussion and Possible Action for the Board to Consider Approval of District Employee Compensation to be Included in the Budget for the Fiscal Year 2018-2019

This item was pulled from the agenda by the Superintendent to allow staff to work on the amounts based on the budget workshop held prior to this meeting.

Patrick Kennedy made the motion to table this item. Isidoro Nieto seconded the motion and it passed unanimously.

XIII. Closed Meeting to Discuss:

The Board convened in closed meeting at 7:22 p.m. to discuss the following items:

A. Personnel Matters (Tex. Gov't Code 551.074)

1. Employment of Personnel
2. Resignations
3. Deliberation Regarding the Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of a Public Officer or Employee (Tex. Gov't Code 551.074 and 551.071)

The Board President announced that Trustee Oscar Caballero left the meeting at 7:25 p.m.

XIV. Reconvene in Open Meeting for Possible Action, If Necessary, on Items Discussed in Closed Meeting:

The Board returned to open meeting at 7:41 p.m. to take action on the following items:

A. Personnel Matters (Tex. Gov't. Code 551.074)

1. Discussion and Possible Action on New Employment

The Superintendent recommended that the Board approve the contracts of certified professional personnel as presented.

Name	Position	Location
1. Castaneda, Iliana	Math Teacher	Weslaco High School
2. Castillo, Adalaila Y.	Dance Teacher	Weslaco East High School

Patrick Kennedy made the motion to approve the contracts of certified professional personnel as recommended by the superintendent. Isidoro Nieto seconded the motion and it passed unanimously.

2. Discussion and Possible Action on Resignations

The Superintendent recommended that the Board approve the resignations/retirements of professional personnel as presented.

Name	Position/Location	Reason/Effective Date
1. Kim, Hee-Sook	Choir Teacher Cuellar Middle School	Hee-Sook Kim is relocating to Dallas, effective July 30, 2018.
2. Lopez, Guillermo	ACE Site Coordinator Gonzalez Elementary School	Mr. Lopez is resigning to accept a position with Progreso ISD, effective July 23, 2018.
3. Zavala, Sylvia	3 rd Grade Teacher Gonzalez Elementary School	Ms. Zavala is retiring after (18) years in education, with all (18) years of service to Weslaco ISD, effective July 31, 2018.

Patrick Kennedy made the motion to approve the resignations/retirements of certified professional personnel as recommended by the superintendent. Dr. Jaime Rodriguez seconded the motion and it passed unanimously.

3. Deliberation Regarding the Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of a Public Officer of Employee (Tex. Gov't Code 551.074 and 551.071)

Non-action item.

CLOSED MEETING TO HEAR LEVEL THREE GRIEVANCE AS REQUESTED.

B. Conduct Level Three Grievance Requested by Parent J.S Pursuant to Weslaco ISD Policy FNG (Local)

The Board convened in closed meeting at 7:44 p.m. to hear the Level III Grievance.

OPEN MEETING:

C. Discussion and Possible Action on Level Three Grievance Requested by Parent J.S.

The Board returned to open meeting at 8:51 p.m.

The Board took no action. The Board President instructed the Superintendent to set up a meeting and discuss the issues with the parents.

XV. Adjournment

The meeting adjourned at 8:52 p.m.