Wisconsin Association of School Business Officials

Taking Care of Business

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Jill Collins
WASBO Director

Leadership that Counts

By Jill Collins, Director of Business Services, School District of Black River Falls

If you missed the WASBO Fall Conference this year, you not only missed a great conference, but you also missed a great presentation by retired LaCrosse Superintendent Gerald Kember, during Thursday's general session. Jerry's presentation entitled "Leadership that Counts" was based on the book *The Speed of Trust* by Stephen M.R. Covey. In addition to teaching some of Covey's work, his presentation was filled with inspirational quotes and beautiful photographs that were taken by WASBO member Janet Rosseter.

Not only did Jerry inspire us, he taught us what separates great leaders from good leaders and what predicts the success of organizations. While there are many facets that contribute to being a great leader or a successful organization, it comes down to this: trust. Covey says that a "High Trust Leader" is an individual who has unquestionably strong personal credibility, has the ability to create and grow trust with others interpersonally, and who is then able to extend that trust organizationally. *The Speed of Trust* offers critical advice for leaders on how to actively manage trust in order to accelerate growth and reduce costs, while avoiding missteps. The more trust that there is within a company, the faster it can move forward with lower cost.

High Trust Leaders have learned how to interact with others in ways that increase trust levels while avoiding the pitfalls that deplete trust. While there are numerous actions and behaviors that affect trust accounts, Covey has identified the 13 key behaviors that High Trust Leaders have in common. Some of the behaviors are called character behaviors. The first of these is termed as "talk straight", which means that you should be honest and tell the truth. The next behavior that is key to building trust involves genuinely caring for others and "demonstrating concern". Not only should you tell the truth, but you should "create transparency" and tell the truth in a way people can verify. Another important trait to remember is to "right wrongs". Righting a wrong isn't as simple as apologizing and it may mean taking an extra step to right the wrong. It is also always important to "show loyalty" and to give credit to others. This is accomplished by speaking about people as if they were present and not badmouthing others behind their backs.

There are other behaviors that are referred to as competence behaviors and consist of delivering results,

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WASBO Vision - To be the most influential Wisconsin organization for state and national school business management and leadership.

WASBO Mission – To provide professional development, to foster a network of support and to advocate for funding that ensures outstanding educational opportunities for all children in Wisconsin.

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President's Message

A Word From Your President

Preparing Today for Tomorrow's Challenges

By Janice DeMeuse, Business Manager, Luxemburg-Casco School District


Janice DeMeuse
WASBO President

The school year is off to a fast start and every business manager I have spoken with recently echoes the same feeling of trying to catch up with work that "should" have been done this summer. The due date for the annual and special education reports for last year has passed, we are busy putting together third Friday counts and are eagerly anticipating our October numbers to finalize revenue caps for this year. Whew, where does the time go!

Amid all this start-of-the-school-year hustle and bustle, your 2012-13 WASBO Board met for the first time on September 18. Along with some of the more common-place items such as reviewing WASBO's draft audit report, the board viewed a demonstration about a new initiative and service that has many members quite excited. The WASBO Board has decided to collaborate with Forecast 5 Analytics, Inc. to develop a valuable school related financial analytics platform (information and data cubes) and service that is not readily available for schools today. The technology can be used in numerous ways to benefit education including comparative, competitive, predictive and trend analytics. In addition, WASBO and Forecast 5 would develop a system that provides this information in a way that can be accessed easily by all WASBO members. This work is delegated to the Member Resource and Technology Goal Action Team, which will keep the Board informed of their progress and make recommendations. Leading the Goal Action Team will be Scot Ecker, Dave Van Spankeren, Betty Zimdars, Mark VanDerZee, Bob Avery, Andy Weiland, Jeanne Stahl, Jill Collins and Tom Wohlleber, in addition to the leadership of Forecast 5. The initiative could provide a no-cost way to share a knowledge base and experience with colleagues.

At the September Board meeting Diane Pertzborn also gave an update on the Mentorship Program. Diane and/or Sandy Malliet will be contacting members from each of the regionals who responded to a survey last spring regarding the Mentorship Program who indicated they would be willing to serve as a regional contact for the mentor training activities. Expectations for the regional contacts are:

- Keep track of new hires in the Regional
- Notify the Mentorship Program Co-Coordinators of the need for mentors for new hires and help Diane and Sandy to reach out to them
- Schedule mentorship as a topic at Regional meetings at least once a year with the Mentorship Program Co-Coordinators to discuss Mentorship Program
- Be trained as mentor and PDP reviewer
- Assist Mentorship Co-coordinators with matching mentors and protégés
- Attend Professional Improvement Goal Action Team meetings when scheduled

Please consider serving as your Regional contact to be the link between the mentorship coordinators and those individuals new to any area of school business that need to establish a network. The program will assist those who need licensure but participation is not limited to those individuals. It is designed to help anyone under the business umbrella—bookkeepers, payroll personnel, custodial staff, etc.—make connections with their peers in other districts.

The Board also spent some time finalizing

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Woody Wiedenhoeft

Executive Director's Report

The New Political Realities for the School Administrators Alliance

By Woody Wiedenhoeft, Executive Director, WASBO

Over the last two years the School Administrators Alliance (SAA) had significant influence in the decision making of our Legislature, Governor and State Superintendent. Today we have more proactive management flexibility than we would have ever dreamed of just two years ago. Much of this has happened because Republican initiatives have controlled the political scene more so than Democratic initiatives. But because of this philosophical change in decision making, the SAA has also had to work hard to modify significant change proposals that were not considered to be in the best interests of children. Examples of SAA's efforts include slowing down of use of public tax dollars for school privatization and school vouchers, providing a positive solution for WiscNet changes, providing a responsible accountability and teacher effectiveness system and stopping the "double dipping" proposals. This was accomplished by SAA members providing strong grassroots lobbying at the local level, leverage provided by WASBO, WASDA, AWSA and WCASS and the great leadership of John Forester.

We know even more influence and work is needed in the next legislative session to protect our value system for public school children. Advocates for vouchers and privatizing public schools are at a pinnacle. They are an extremely powerful and controlling influence on our political system today.

John Forester will be providing SAA members updates and information pertaining to those initiatives. In addition to providing legislative focus on educational issues, the SAA will be implementing a new action plan.

This action plan is to simply ask SAA members to become involved at a more personal level than ever before. This means becoming more involved in reelecting SAA friends in the upcoming 2012 and 2013 elections. It also means providing more financial support to the SAA PAC/SAA Direct. You will be receiving detailed information from John Forester about fund raising events for influential state office holders that are friends of SAA. These events will be highlighted with two opportunities. One is to provide state office holders with positive, proactive information that is beneficial for public school children. The second is to show at least a token of our support through financial donations. We cannot compete financially with private and voucher school advocates. We cannot replace the coffers of the "old WEAC." But we can show our best intentions of supporting elected officials that support public education.

It needs to be remembered that personal political involvement at certain levels should not and cannot be conducted through school e-mails or other communications. Nor should certain activities be done on school district time. That means John Forester may need your personal contact information in the near future in order to implement some SAA strategies.

Please respond in a positive way when his information and requests arrive. Any contact information will be used judiciously and sparingly. WASBO members responses on this subject directly align with the WASBO Vision and Mission.

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WASBO Mission - To provide professional development, to foster a network of support and to advocate for funding that ensures outstanding educational opportunities for all children in Wisconsin.

Thank you in advance for your support.

SEEKING BOARD OF DIRECTOR CANDIDATES

The WASBO Nominating Committee is seeking candidates for two elected Director positions on the WASBO Board of Directors. The names of the candidates are required to be presented to the membership at the WASBO Business Meeting as part of the January State Education Convention. Any active WASBO member who desires to have their name placed on the ballot should contact a member of the Nominating Committee before December 31, 2012.

Sincerely,
WASBO Nominating Committee Co-Chairs
Mary Ellen Van Valin, vanvalinm@milton.k12.wi.us
Tom Wohlleber, twohlleber@mcpasd.k12.wi.us

Nominating Committee Members -
Bob Avery, Beaver Dam (Board Liaison)
Mike Garty (Retired)

WASBO Shines at ASBO International

Tom Wohlleber

Tom Wohlleber Elected to ASBO Board of Directors

The ASBO International 2012 Annual Election results are in and it is official; Tom Wohlleber, Assistant Superintendent for Business and Employee Services for the Middleton-Cross Plains Area School District, will serve a three year term on the ASBO International Board of Directors beginning January 1, 2013. Of the 1,153 voters casting votes for the Director positions, Tom received 1,002 votes (86.90%).

Joining Tom on the Board will be Jennifer Bolton (NY) who earned 867 votes (75.20%). Terrie Simmons (IL) was elected to the office of Vice President earning 825 (68.33%) of the 1,190 votes cast. Randy Evans (NM) received 365 (30.67%) of the votes.

We thank those that ran for office for their willingness to participate and be active. In addition, we thank those of you who voted. We are pleased that Terrie Simmons, our colleague from Illinois, was elected as Vice President. Congratulations to Tom, Jennifer and Terrie for being elected to the ASBO International Board. It is Tom's plan to run for Vice President in two years.

Erin Green

Erin Green to Receive ASBO's Pinnacle of Achievement Award at the ASBO Annual Meeting in Phoenix

Erin Green, Director of Business Services for the Greendale School District, will be honored with this award for her district's student wellness programs, onsite clinics and EAP programs for kids.

We look forward to honoring both Tom and Erin in Phoenix at the ASBO Annual Meeting and Expo. Way to go Wisconsin ASBO!

Leadership that Counts

Continued from page 1

getting better, confronting reality, clarifying expectations and practicing accountability. A couple of suggestions to remember regarding these behaviors are to not assume that expectations are clear or shared and that you should not only hold others accountable, but you should hold yourself accountable as well. The remaining behaviors are a combination of character and competence and include listen first before you speak, keep commitments, and extend trust. It is important to say what you're going to do and then do what you say you're going to do. You should also extend trust abundantly to those who have earned your trust and extend trust conditionally to those who are earning your trust.

After learning more about the above characteristics, it is easy to apply the behavior traits to situations in our school districts each and every day. I'm a firm believer in Covey's messages and have witnessed the speed of trust at work in my own school district. One recent example where trust was a major factor in the speed of accomplishing the task at hand was during the employee handbook creation process with our support staff. I truly believe that the main reason that this task was accomplished so quickly and without controversy was due to the "trust account" that I had earned through my positive relationships with each of the support staff members on the team, the transparency of information that I've shared in the past and the fact that I have extended trust and respect regularly to others. All of these behaviors and more helped me facilitate the employee handbook development process and earned even more deposits in my trust account. Trust is earned and should be carefully nurtured as Covey suggests, because if it is lost, it will be most difficult to get it back and even more difficult to move an organization forward.

I highly suggest reading *The Speed of Trust* by Stephen M.R. Covey to learn how you can make your leadership count.

Gerald Kember at the WASBO Fall Conference

President's Message
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and approving our belief statements.

WASBO Believes...

- We have a responsibility to develop school business professionals who are visionary educational leaders.
- In being committed to high quality performance, professionalism and ethical standards in all endeavors of the Association.
- We have a responsibility to provide the infrastructure for the delivery of quality educational programs for students.
- In advocating the concept that every child is entitled to a quality education supported by comprehensive school funding systems that are stable, adequate and equitable.
- School Business Officials play a key role in the responsible, equitable and effective use of resources available to educate children.
- We should foster communication by providing networking opportunities, continuing education and training for members and non-members to address the needs of lifelong learners.
- Continuous improvement should be fostered by information, critical evaluation and reflection.
- Enhanced leadership is promoted by mentorship among our members.
- There should be strong alliances among educational organizations.

The Board continues to work with the National Alliance for Insurance Education and Research (NAIER) to reach an agreement to be the Certified School Risk Manager (CSRM) training organization for Wisconsin. Trained and certified WASBO members would provide training not only for their peers but for insurance agents across the state under this agreement. We are meeting with NAIER representatives to iron out some of the details and hope to have an announcement soon.

If you have questions, concerns or comments about our current projects or an issue you would like us to examine for you, you can contact any board members. We appreciate your input.

The next Board meeting is scheduled for December 19 and Christmas will be upon us. Whew, where does the time go!!!

WASBO Thanks these Sponsors for Their Generous Support of the WASBO Fall Conference and Scholarship Golf Outing

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2012 WASBO Foundation Fall Conference

September 26-28, 2012
The Osthoff Hotel & Conference Center
Elkhart Lake, WI

Scholarship Golf Outing

Leadership That Counts

Investing in Wisconsin Public Schools

Teambuilding
Finding Innovative Solutions

So Much to Learn!

Innovative Solutions - Mapping the Way!

Kelly A. Brown

End of the 'TAG' Program Could be Troubling for Community Banks

By Kelly A. Brown, Managing Partner, ADM Consulting, LLC

The end of the Transaction Account Guarantee Program (TAG), launched during the economic downturn in 2008 and extended by the Dodd-Frank Act to support liquidity and bank stability, could put up to $1.6 trillion in newly uninsured deposits up for grabs. Without legislative intervention, the program is set to sunset on December 31, 2012.

Originally designed as an 'opt-in' program when it was introduced, participating banks paid premiums to help support the program which was intended to provide liquidity and help to protect the deposits of small businesses and municipal governments. As part of Dodd-Frank, the program was made mandatory for all banks and the estimated costs were folded into the risk-based deposit insurance premiums paid to the FDIC.

Deposits in TAG-Insured Accounts as a Share of Total Deposits

Groups by Asset Size	Percent as of Dec. 31, 2010	Percent as of June 30, 2011	Percent as of Dec. 31, 2011
All Eighth District Banks	5.20%	6.80%	7.10%
District < $1 billion	3.4	3.8	4.6
District $1 billion - $15 billion	5	7.6	7.6
District > $15 billion	18.1	21.4	19.7
All U.S. Banks	14.5%	16.5%	20.2%
U.S. < $1 billion	5	5.7	6.7
U.S. $1 billion - $15 billion	9.2	10.5	11.8
U.S. > $15 billion	14.5	19.7	24

SOURCE: Reports of Condition and Income, Kansas Fed Reserve

Banks like TAG

Banks of all shapes and sizes have benefitted from TAG. At year end 2011, the FDIC reports that TAG accounts for 16 percent of the liabilities on the books of U.S. Banks. Additionally, the nation's top 19 banks—those with assets of more than $100 billion—control more than half of TAG account balances. The American Bankers Association has endorsed allowing the program to run for an additional two years while other trade groups are looking for a five-year extension.

Most bankers favor a continuation of the TAG program through 2014 or even permanently. They fear that these deposits—absent FDIC insurance—will migrate to larger institutions that are perceived to be too big to fail. Large uninsured deposits tend to reside at the nation's largest banks, with the assumption that these institutions are stronger than a local bank. Many organizations argue that TAG levels the playing field by neutralizing, to a small degree, the perceived implicit government guarantee for large banks.

Many banks that have undergone regulatory scrutiny in the last several years have been able to use TAG to migrate traditional corporate and public customers out of repurchase agreements. This has allowed customers to benefit from a level of protection without incurring the fees generally associated with a treasury product. It also allowed smaller banks to compete on a larger scale for treasury management clients in their quest for deposit insurance combined with great, local customer service.

Arguments against its continuation

Given that liquidity is so plentiful in many small community banks, it is very likely banks will experience runoff of deposits, even when interest rates begin to rise. Also, keep in mind that 2012 is an election year. Politically it would be very difficult to get legislation extending the program to pass given the current political climate. The FDIC is choosing not to take a side in the debate, maintaining that an extension is up to Congress.

The money market mutual fund industry would also like to see the program end. They believe if the program is discontinued, it could shift several hundred billion dollars out of the zero interest bank accounts and back into money fund accounts. Also troubling many people is that there is still a belief that the continuation of TAG sends a message that the banking industry

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is still struggling as it did during the financial crisis.

What will the future hold?

The FDIC states that it will have to raise premiums to cover program losses if TAG is still in place in 2020 when the required reserve ration jumps to 1.35 percent. The American Bankers Association estimates it would require an extra $15 billion in premiums to cover TAG-insured deposits to get to that ratio; premiums totaled just under $14 billion in 2011. There has been discussion of a continuation with an 'opt-in' feature along with options of a shorter term extension.

Many customers that are using TAG are reluctant to see it end. "I believe it's an extremely wise decision to keep the TAG program to allow community banks to retain liquidity and support business lending that is needed for the nation's economic recovery," said Bruce Arbit, Co-Managing Partner at AB Data Ltd. "If community banks cannot attract large, relatively low cost deposits, it is our communities and small businesses that will bear the burden."

Community banks should use this opportunity to connect with their clients. Proactive management of current deposit clients will help in the ALCO process. Most customers are not aware of the details of programs such as TAG and look to their bank to proactively assist in managing their FDIC risk. There are several companies that offer solutions to banks with concerns of how to manage their deposits such as The American Deposit Management Co., Promontory Financial Network and IDC Deposits, to name a few.

With so many options, we cannot predict what the future will hold. What we can do is prepare for any outcome and manage our client's expectations. If the FDIC pulls back, smaller banks must get ready to stand on their own.

For more information contact
Kelly A. Brown
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"Wisdom is the power that enables us to use knowledge for the benefit of ourselves and others."

~ Thomas J. Watson

Dane County Circuit Court Overturns Parts of Act 10 Already Upheld by Federal Court

Reprinted with permission from Buelow Vetter Buikema Olson & Vliet, LLC Legal Update, September 17, 2012

In another unexpected twist in the continuing litigation over Act 10, Dane County Circuit Court Judge Juan Colas issued a decision on Friday holding parts of Act 10 in violation of both the Wisconsin and U.S Constitutions. Many of the provisions of Act 10 overturned by Judge Colas were already reviewed and found to be constitutional under the U.S. Constitution by U.S. District Judge Conley in Wisconsin Education Association Council v. Walker. These conflicting decisions make compliance with the law extremely difficult for employers, and likely mean a Wisconsin Supreme Court decision (and perhaps a U.S. Supreme Court decision) will be necessary before employers have clarity and finality on Act 10.

Overview of Dane County Decision

The plaintiffs in the Dane County Circuit Court action were Madison Teachers, Inc., the labor union representing Madison teachers, one of its members, and Public Employees Local 61, a labor union representing City of Milwaukee employees, and one of its members. The defendants are Governor Walker and the three members of the Wisconsin Employment Relations Commission (WERC). The lawsuit raises three major allegations:

- The special session called by the Legislature to adopt Act 10 was unconstitutional;
- Various provisions in Act 10 violate the free speech, freedom of association and equal protection clauses of the Wisconsin and U.S. Constitutions; and
- A provision in Act 10 requiring City of Milwaukee employees to make pension contributions violates the home rule authority in the Wisconsin Constitution, is an impairment of contract, and deprives employees of due process of law.

The Court rejected the legal challenge raised on the special legislative session called to enact Act 10, but agreed with the unions' arguments that parts of Act 10 are unconstitutional and that the Legislature cannot require employee contributions to the City of Milwaukee pension system. The remainder of this Article will analyze the provisions of Act 10 held unconstitutional by Judge Colas and what impact this decision has outside of Dane County.

The Circuit Court's Ruling on Act 10

The plaintiffs argued that certain provisions in Act 10 violate various constitutional protections afforded to labor unions and their members in the areas of free speech, freedom of association and equal protection. The lawsuit challenged the following statutory changes in Act 10: limitations on collective bargaining only to base wages (§111.70(4)(mb)); annual re-certification elections (§111.70(4)(d)3); the prohibition on dues deduction by employers (§111.70(3g)); the prohibition on fair share agreements (§111.70(1)(f)); and the requirement that a referendum be passed to exceed the maximum wage increase permitted by law (§66.0506 and §118.245). Judge Colas agreed with plaintiffs' arguments and held all of the challenged statutory changes to be unconstitutional. While Judge Colas acknowledged that there is no constitutional right to collective bargaining, he concluded that the statutes cannot restrict an employee's right to associate with a labor union for the purpose of collective bargaining. Judge Colas found that the challenged statutes impose "significant and burdensome" restrictions on employees who choose to associate with a labor union. For example, Judge Colas held that a ban on fair share agreements places too heavy a burden on employees who join the union because they are required to "bear the full costs of collective bargaining for the entire bargaining unit." Judge Colas also concluded, as did U.S. District Judge Conley, that the annual re-certification and election process is too onerous a burden for unions to satisfy and infringes on the constitutional right of association.

Judge Colas also held that certain portions of Act 10 violate the Equal Protection Clause. Judge Colas identified two classes of employees created by Act 10: (1) general municipal employees represented by a union; and (2) general municipal employees who are not represented. Judge Colas then concluded that placing limits on the wage increase that represented employees can receive is a violation of the Equal Protection Clause. Similarly, Judge Colas found that unions representing general employee units receive unequal treatment compared to public safety and transit units on the issue of dues deduction, and that this distinction also violates the Equal Protection Clause.

Conclusion

The Attorney General has already announced his intent to appeal the decision and to seek a stay of its enforcement pending appeal. If the court grants a stay, then Act 10 would remain in effect until the Court of Appeals and/or Wisconsin Supreme Court decides the case. It is possible that the Court of Appeals will not hear the appeal, but will seek certification of the issues directly to the Wisconsin Supreme Court. In the

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Beyond Discounts:

Employer-Sponsored Health Care Solutions

By Dianne Kiehl, Executive Director, Business Health Care Group (BHCG)

Dianne Kiehl

When faced with escalating health care costs, many of our state's employers have had to consider some hard choices. Pass costs on to employees, relocate, downsize or discontinue health benefits? Alternatively, a number of employers have found value in standing together as a powerful purchasing and collective action group – an employer-sponsored health care coalition.

Instead of searching for a new answer every renewal, coalition member employers enjoy the benefits of a long-term health care strategy that goes way beyond discounts to control the cost of care. Employer-sponsored health care coalitions share a common goal to impact health care costs and quality and resolve health care issues in the communities in which they operate.

Purchasing Power

For example, formed in 2003, the Business Health Care Group (BHCG) grew out of the frustration felt by several CEOs of large Milwaukee-based employers concerning health care costs in southeast Wisconsin as compared to their other locations. They knew that no one employer was large enough to influence the health care market and that an engaged business community has the power to drive provider commitment to competitive pricing, optimum performance and quality initiatives.

The group has seen the benefits of the coalition's efforts to work in partnership with local providers and its administrative partner, Humana. BHCG member employers have experienced lower health care costs as compared with the rest of their market and the Midwest.[1]

The most visible members of coalitions are usually larger employers. However, smaller employers who continue to struggle to offer affordable, quality coverage to their employees find significant benefits through joining forces with hundreds of other organizations to find solutions.

Says DMT Workholding, Inc. chief executive officer and BHCG employer member, Ed Shanley, "As one small company, we are powerless to do anything about rising health care costs. But now we're part of a large group of employers with shared goals. By banding together, employers large and small can change how health care is delivered and paid for in our community."

Purchasing power is indeed a defining characteristic of an employer coalition. Most coalitions use that leverage to develop a market-driven solution such as a health plan or preferred provider network to reduce costs. However, that leverage can extend to preferred rates and performance guarantees for a multitude of programs such as claims administration, pharmacy benefit management, wellness and prevention, patient advocacy and care management, employee communications, education and coaching.

Beyond Pricing

Employers face a mounting list of issues in their quest to solve the health care dilemma. They are concerned about improving health care delivery and motivating employees to get healthier and make wiser decisions. Coalitions tackle these issues as a group, sharing best practices and resources.

A number of coalitions, including the BHCG, are involved in the effort to develop effective provider cost and quality transparency in our state and find ways to boost consumer accountability. In addition, most coalitions have strategic partnerships with multi-stakeholder health care organizations so employers have a voice at the table and a chance to be on the forefront of initiatives to find solutions.

Says Fond du Lac Area Businesses on Health (FABOH) board president and Mercury Marine vice president, Ray Atchinson, "Cost effectiveness goes far beyond just pricing; it involves a total process of prevention, wellness, user education, and provider quality. We believe that this ongoing process can be best realized through the sharing of information and ideas, development of strategies, and the implementation of programs designed to support this mission." (*Business Connect*, Fond du Lac Area Businesses on Health newsletter, 2011)

Coalition employer members have access to shared research and intelligence on industry issues and regulatory changes as well as the opportunity to network with other employers to share ideas and experiences.

"As a member-owned cooperative, we have the unique opportunity to work toward one common vision. And this year, when members were faced with understanding the implications of a newly passed health care reform law,

[1] Source: Study of 2010 Southeast Wisconsin Community Healthcare Premium Costs, Greater Milwaukee Business Foundation on Health (GMBFH), December 14, 2011 and propriety BHCG data, as provided by Humana.

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Beyond Discounts: Employer Sponsored Health Care Solutions
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there was a special comfort in knowing that there were more than 160 other employers facing the same challenges and looking toward similar solutions," says The Alliance (a Madison-based employer coalition) board chairman and Foremost Farms USA vice president for human resources, safety and communication, Michael McDonald. (The Alliance Annual Report, 2011)

Employer coalitions in Wisconsin and around the country have produced short and long-term benefits for businesses and consumers. As part of a long-term strategy to address the issues of health care costs and quality, coalition membership can boost employer purchasing power, enhance market and product intelligence and provide opportunities to share valuable information – all good reasons for employers to consider participation.

About the Author

Dianne Kiehl is the executive director of the Business Health Care Group (BHCG), a membership organization of nearly 1,200 employers and employer groups in the 11-county region of southeast Wisconsin who share the common goal of moving the health care market through innovative action. She works in partnership with the group and employers, providers and consumers to change the way health care is used, managed and delivered in the region.

"There are risks and costs to a program of action. But they are far less than the long-range risks and costs of comfortable inaction."

John F. Kennedy

Marty Malloy

NCCI Change to Workers Compensation Experience Modification Formula

By Marty Malloy, Area Vice President - Client Development, Arthur J. Gallagher Risk Management Services, Inc.
Submitted by the WASBO Safety & Risk Management Committee

Recently, the National Council on Compensation Insurance (NCCI) made a decision to change the split-point used in the workers compensation experience rating formula. The Wisconsin Compensation Rating Bureau (WCRB) submitted a proposal to the Wisconsin Office of the Commissioner of Insurance (OCI) to make the suggested changes in Wisconsin. The OCI approved these changes effective October 1, 2013.

In general terms, the NCCI determined that a change in experience modification formula was warranted since the average cost per claim has increased substantially over the past 20 years. The current modification is calculated by capping primary loses at $5,000 (the current split point). Due to a material increase in the average claim amount over the last 20 years, the NCCI demonstrated through mathematical modeling that the $5,000 split point is too low. The NCCI believes that the current experience modification calculation formula does not adequately account for high severity. Under the current formula losses in excess of $5,000 are limited. The new calculation formula increases the split points from $5,000 to $15,000 in stages with the first increase to $10,000.

Overall, NCCI believes the changes should be premium neutral. Generally employers with favorable loss experience will receive larger credits while employers with less than favorable experience will receive larger debits.

This change is actually an opportunity to reduce workers compensation costs through a lower experience modification for a school district that has a good workers compensation loss control program in place. The key element of the program that will help reduce costs under this new formula is a formal return to work and transitional duty program. Returning injured employees to work will help keep claims from reaching the new higher split points. More importantly, the state of Wisconsin still applies a 70% reduction to medical only claims. Therefore, your district could have a $16,000 medical only claim that would go into your experience modification calculation at $4,800. That amount is still below the old split point of $5,000.

While return to work is important, don't forget some of the other elements of your safety program that will help keep your experience modification low. These include, but are not limited to, safety inspections, accident investigation to find the root cause, safety committees and reviewing your losses for accuracy before they are sent to the WCRB for calculation.

Dane County Circuit Court Overturns Parts of Act 10
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meantime, it is important for employers to recognize that the scope of this decision is not clear. The court's decision does not identify whether the ruling is binding only on the parties, on all employers in Dane County or on employers statewide. One important question will be how the WERC responds to this case since they are named as a defendant. Employers will have to watch carefully to determine if the WERC will decide cases differently in light of this decision, and which employers and unions are subject to the decision.

To the extent you have contract negotiations scheduled before these legal issues are clarified, expanding the scope of bargaining beyond Act 10 poses substantial risk. Therefore, we recommend you contact your labor attorney for further discussion and guidance. The status of Act 10 will be much more clear if the Attorney General is able to obtain a stay of this circuit court decision. We will continue to keep you informed as this case works its way through the appeals process.

For more information on this latest court decision and its impact on employers, please contact Buelow Vetter.

Buelow Vetter Buikema Olson & Vliet, LLC
20855 Watertown Road, Suite 200 Waukesha, WI 53186

WASBO Holds Certified School Risk Manager Courses

Sixteen attended the Fundamentals of Risk Management and Handling School Risks sessions in Madison on October 9 & 10. Look for additional CSRM courses offered November 7 & 8 (Measuring School Risks and Funding School Risks) and November 27 (Administering School Risks). These five courses earn the national Certified School Risk Manager (CSRM) designation. WASBO offered its first CSRM update course, Bullying Prevention: Solutions for Your Schools, for those who have already earned their designation on September 19th.

The Real Cost of Indoor Air Quality

By Frederick J. Ringe, President, EMA Chicago, Inc.

Frederick J. Ringe

The cost of Indoor air quality has been a hard thing to define. Everybody wants it but nobody can put a finger on exactly how much it costs and what you get for the investments you make to keep your schools a "healthy" place in which to learn and grow. There is a new breed of filter that takes a positive step toward improving IAQ. In doing so, these filters address many building operating and maintenance issues. The following identifies specific costs of air filtration, defines terminology used to compare filter effectiveness, the characteristics that make these new filters out perform all other filters in its class, and the financial benefits of using this new breed of multi-layered filter.

First Cost

The first question asked is," How much does the filter cost?" If the proposed filter costs five cents more than what is being used today, the incentive to buy it falls right into the wastebasket. Filter costs are complicated by the numerous types of filters on the market. For a 500,000 square foot school, the annual costs for filter media can run into the thousands of dollars.

First Cost Also Includes Labor

First cost also includes the cost of labor to install the filter. All filters are not equal. If you have rigid cardboard-framed filters, they may not be easy to get in…. or out. If you buy filters by the roll and cut filters to size there is considerable labor associated with pulling the metal support cartridge (not to mention the cartridge cost), cutting and installing the media in the cartridge, and putting the cartridge back into place. If you apply a spray anti-microbial to the media to kill mold and bacteria imbedded in the filter, there are additional labor and material costs.

If you use your maintenance staff to pull cartridges, cut and replace media, apply the anti-microbial, and reinstall the filters, your annual costs can run $6,000 for labor alone. (@ $25,000/ year plus 40% for benefits =$35,000. 3 weeks/ change X 3 changes = $6,000.)

Additional Costs - Heating and Cooling Loss and Cleaning

First costs of materials plus the labor associated with filter change outs are not the only costs associated with filter selection. The cost of dust, mold & bacteria build up on coils, ducts & rooms are additional real costs. The performance of the filter media has a great impact on exactly how much we pay. Poor filtration deteriorates heating and cooling capacity. Taken to the extreme, dirt, mold, and bacteria build up to form a "cake" on the coils that block off airflow into classrooms. (This opens a whole new set of problems with fresh air intake, O_2 and CO_2 levels that are topics outside the scope of this article.) Coils and ducts cost thousands of dollars to clean.

Filter Performance – the One-Two Punch

Filter performance and construction have a great deal to do with the cost of operating and maintaining facilities. The one-two punch is to trap and then to destroy trapped microorganisms. To compare filters, let us look at the terminology that is used to describe filters.

Capture Dust, Mold, Bacteria, and Mildew

- ***Arrestance*** is the percent of test dust by weight the filter is able to capture without regard to pressure drop. Only useful for comparing similar filters. Still used widely to describe filter performance.
- ***Dust Spot Efficiency*** is the filter's ability to capture naturally occurring atmospheric dust. This test produces variable results as "naturally occurring" implies random particle sizes.
- ***Particle Size Efficiency (PSE)*** pinpoints capture efficiency on specific particle sizes. This new type of test is consistent and reliable. Better than naturally occurring dust spot efficiency testing. ASHRAE Standard 52.2 recommends filtration to be capable of capturing a minimum PSE of 60% for 3-micron particles. ASHRAE chose this particle size as a measure since 3 microns is the size of a sneeze droplet.
- ***Pressure Drop*** measures the filter's energy usage. The lower the resistance, the lower energy usage at the same air flows.
- ***Dust Holding Capacity (DHC)*** is useful in comparing the relative service life of similar design filters. Used as a measure in conjunction with a Pressure Drop of 1" WG representing a filled media, a true filter life can be compared.

ASHRAE to the rescue

- ***MERV Ratings*** – With all the complexity of filter sizes, types, and performance criteria, ASHRAE Standard 52.2 was developed in 1999 to provide a simple basis in which any type of filter can be qualified. This standard has qualified particulate filters (as opposed to gas filters) into 20 MERV (Material Equivalent Rated Value) categories that correspond to the size and amount of particulate captured. For schools,

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we are typically interested in filters with MERV ratings between 6 and 8 for Unit Ventilators and a rating of 10 for Air Handlers. Of course, with LEED Certified buildings, MERV 13 filters are required for both types of equipment serving occupied spaces, but that's another subject.

Destroy Trapped Microorganisms

Without a proper anti-microbial agent, filters become breeding grounds for trapped mold, bacteria, and mildew, which occur in the 1.0 to 10.0 micron size range. These microorganisms when airborne can spread infectious illnesses. Antimicrobial treatment is recommended.

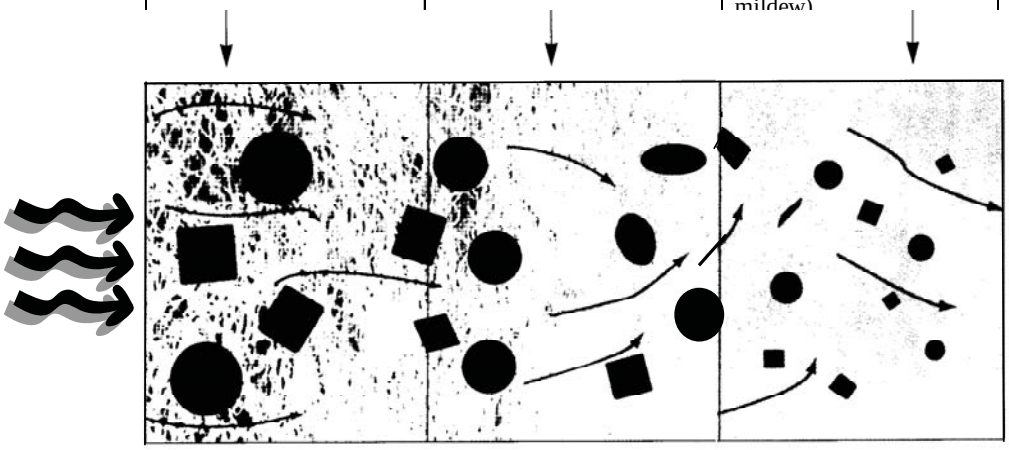
Physical Characteristics of the New Multi-layered Filters that Make Them the Filter of Choice

Comparison of Filter Performance Test (run by an independent lab - ETL)		
Fiberglass Throw Away Filters	Pleated Filter w. Microbial	Multi-Layered Filter w/ Microbial
Have no ETL Rating	Arrestance - 91.3%	Arrestance - 90.6%
Have no ability to capture particles below 10 microns until the filter "Loads"	PSE - 81% of 3 micron	PSE - 79% of 3 micron
No rating below 10 micron	DHC - 183 Grams @ 1.0" WG final	DHC - 154 Grams @ 1.0" WG final
The multi-layered filter performance is comparable to a pleated filter. Fiberglass filters are ineffective in capturing particles below 10 microns and consequently, provide a limited ability to stop the spread of infectious illnesses.		

New Breed of Multi-layered Filter - Physical Characteristics

Three Ply Multi-layered Filter

First ply is an open weave. Coarse fibers capture large particles, 10 micron and larger.	The second ply is a close weave. Spiral crimped, medium density fibers capture the medium size particles, 3 to 10 micron.	Final layer has a anti-microbial and tackifier agent in a dense weave of fine fibers to capture and destroy small particles, 1 to 5 micron (typical of bacteria, mold, and mildew)

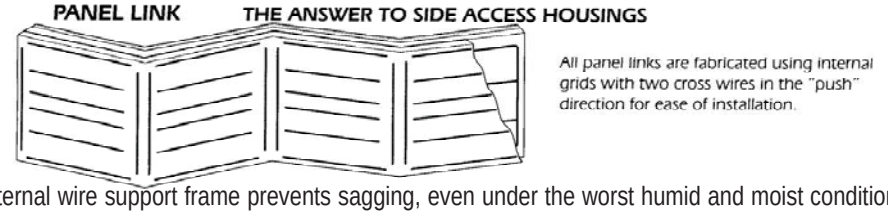


Compared to Pads and Frames

- Dirt by-pass is eliminated with self sealing, "gasketing" edge. No gap around ends or sides.
- Total effective face area available as panels are formed into a continuous link .
- Clean, quick filter change out. No cutting of media. No frame required.
- Multiple layers give superior dust holding capacity without "shedding" particulate cake as media fills. Prevents dirt from falling into air handling unit when old filter is removed.
- Humidity and moisture do not cause the media to sag and permit air to go unfiltered into coils and classroom.

Compared to Pleats

- Dirt by-pass is eliminated with self sealing, "gasketing" edge. Spacer blocks are eliminated.
- Total effective face area available as panels are formed into a continuous link .
- Multiple layers give superior dust holding capacity without :shedding" particulate cake as media fills. Prevents dirt from falling into air handling unit when old filter is removed.
- Humidity and moisture do not cause the media to sag and permit air to go unfiltered into coils and classroom.
- Cardboard frame that becomes a source for mold and bacteria growth is eliminated.



Internal wire support frame prevents sagging, even under the worst humid and moist conditions. No gaps between filter segments means no bypass. No spacer blocks are needed either to fill a row..

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Financial Benefits of Using Multi-layered Filters

The financial example given below is for a 500,000 square foot school.

Figure 1 lists comparative prices for three types of filters with the lowest cost being fiberglass throwaway filters. Pleated filters cost approximate two and one half times as much. The new breed of multi-layered filters cost approximately 5% more than pleated filters.

Figure 1 - The Filter	
Fiberglass Throw Away	$1.75*
Pleated w/ Microbial	$4.50*
Multi-layered w/ Microbial	$4.75
*Based on a 24" x 24" x 2"	

Figure 2 shows an annual budget projection for three change outs per year.

Figure 2 - Annual Filter Budget	
Fiberglass Throw Away	$4,500*
Pleated w/ Microbial	$9,200*
Multi-layered w/ Microbial	$9,700*
* Cost of three change out	

Real Costs <u>After</u> the Filters are Installed

After filters are installed, performance of the filter in terms of its ability to trap and destroy microorganisms has a significant impact on how a building operates and the cost to maintain building comfort and health. Additional costs include; Loss of Building Performance, Increased Coil, Duct, and Room cleaning, and reduced State Aid.

Building Performance

In Figure 3, loss of building performance caused by as little as 0.006" of dirt (approximately the thickness of 3 pieces of paper) can reduce heat transfer by as much as 16%.

Figure 3 - Excessive Gas & Electric Bills - 500,000'² School			
Thickness of Scale (inches)	.000	.006	.012
% Loss of Heat Transfer	0	16%	20%
Boiler NG cost *	0	$8,600	$10,800
Chiller Electric Cost *	0	$19,200	$24,000
Total Utility Cost	0	$27,800	$34,800
• Total gas cost is $60,000 per year. 90% of this total consumption is for heating hte boilers which heat the school = $54,000.			
* Total electric usage is $400,000 per year. 30% of this total consumption is for running the chillers.			

Maintenance

Coil and duct cleaning, dusting of computer labs and equipment, and reduced financial aid from the State caused by absenteeism are also real costs affected by filter selection. Continuing with our example of a 500,000'² school:

- Coil Cleaning @ $60,000. Done Every 5 years = $12,000/year average. Increasing the interval between cleaning cycles by 50% to 7.5 years, reduces annual amortized costs by $4,000
- Duct Cleaning @ $100,000. Done Every 10 years= $10,000/year average. Increasing the interval between cleaning cycles by 50% to 15 years, reduces annual amortized costs by $3,000

Summary

A new breed of filter technology is available that outshines fiberglass filters and performs like a pleated filter in independent lab tests at an equivalent price. The gasketing features and linked panels made these multi-layered polyester filters superior performers. The real cost of indoor air quality includes more than the initial investment in filter media. Labor to change-out filters, excess energy use caused by clogged coils, the cost for frequent coil and duct cleaning, and the impact airborne illnesses have on absenteeism are also real costs associated with filtration. The impact this new breed of filtration can have on a 500,000 square foot school is listed below.

Summary of Incremental Costs	
Filters (multi-layered anti-microbial)	$5,200 increase
Energy - maintained performance by preventing build-up on coils and ducts	($27,800) savings
Cleaning - extend time between cleaning ducts and coils by 50%	($7,500) savings
Eliminate cutting media & applying antimicrobial reduces time by 1/3	($2,000) savings

By upgrading filters to the new breed of multi-layered polyester filters, the increase in filter cost of $5,200 over fiberglass throw-away filters produces a net savings of approximately $32,000.

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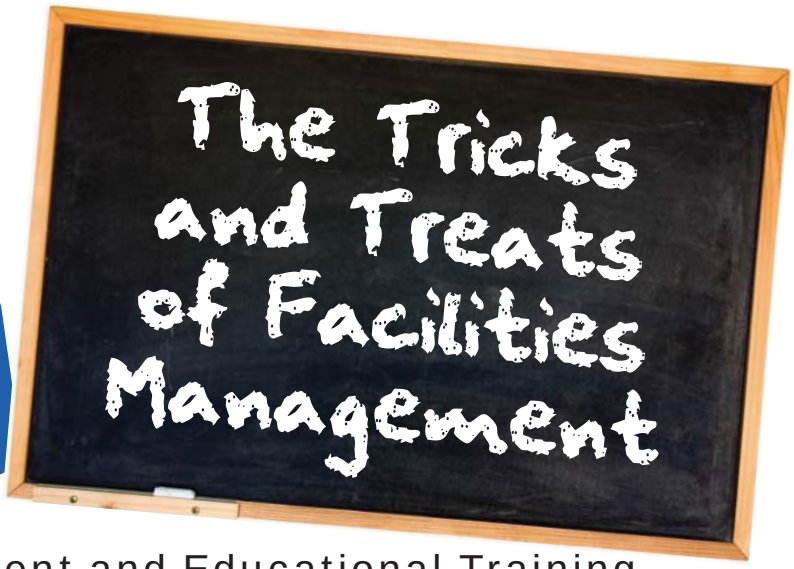

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WASBO Director

Director's Corner

Preparing Your District for the Cold Weather

By Dale Zabel, Director of Facility Services, School District of Kettle Moraine

It's that time of year again to prepare your buildings, equipment, vehicles and staff for the cold weather that will be upon us sooner than we think.

We all enjoyed the extra warm summer we had and now it is time to think about the temperatures at the lower end of the thermometer! There are many preparations that need to be done in the next month to ensure the smooth cold weather operation of your facilities.

Let's start with maintaining and operating your vehicles. Fall is the time to have your vehicle checked by your mechanic. Items to keep in mind are, age of the battery, condition of the tires and brakes as well as belts, hoses and the often overlooked wiper blades. These items are designed to be replaced and need to be checked periodically. Too many times, staff get into the maintenance vans and go to the next important repair job. We know to look at the sticker from the oil change to determine when the next one is due and think that all is good. This may be the case, but taking a little time now to check all the systems will save a lot of grief, not to mention a ride in a tow truck on a cold day.

If you operate your own buses, preventive maintenance is an absolute must. For those districts that plow their own snow, preventative maintenance is equally important for that equipment. These vehicles are critical to the operation of school, and need to run on schedule no matter what the temperature or weather.

When preparing your staff for winter driving, it is a good idea to hold a drivers' meeting to review operation checklists as well as getting staff into the "winter driving mode". We include our insurance carrier to address the staff as they have experts on hand to provide winter driving information. A few examples of items to review are: appropriate clothing including hat and gloves, a blanket in case you are stranded, shovel, flashlight and, of course, an ice scraper.

Winter driving habits are just that, habits that must be reviewed and relearned every year. Defensive driving, leaving early, increasing following distance on slippery roads, maintaining proper fuel level, smooth braking and never assuming the other driver will stop for you, are just a few things that we all need to relearn for the winter season. I have to add my own perspective here as I ride a motorcycle. Riders constantly have to be alert to other drivers as well as road hazards. There is no tolerance for making a mistake when you ride. My point is that defensive driving is a "learned behavior" that requires a conscious effort to be aware of your surroundings at all times.

Preparing your facilities for the cold weather season offers challenges that have to be addressed to prevent damage to equipment and buildings. Outdoor irrigation systems, bathrooms, press boxes, concession stands and any other service building that is not well insulated and has water pipes, need to be drained and serviced for the winter season. Facility Directors find themselves in a tough spot when there are fall activities that are still utilizing the buildings and it is beginning to freeze at night. Temporary heat and nightly draining of the fixtures are solutions to keep the plumbers away!

Meeting with the custodial maintenance staff to review plowing, salting and sidewalk clearing procedures are a must. It is imperative that your staff understand the exposure to large liability claims. Icy walkways can drive up the cost of insurance for the district. Keep in mind if a staff member is injured from a fall on a slippery walk or parking lot, the workers' compensation modification factor will be affected as well.

Heating systems in buildings need to be tuned and checked. Having your entire heating system operation checked, not just the boilers, will turn up hidden problems that are causing the system to operate inefficiently. Many times "set points" are changed and not reset to seasonal settings, especially on outside air dampers and time schedules for operation. Having the air handlers and univents operating properly saves money but also improves indoor air quality which is always a goal we need to achieve.

It is always a good practice to review your expectations and procedures with your outside contractors who provide services for your cold weather operations. You need to have a current up-to-date list of contractors that provide emergency service. Staff members need to know who to call if they encounter a situation that warrants fast action to prevent damage to facilities from cold weather. A simple call could prevent a major building freeze and/or the possibility of closing school for several days to repair broken pipes.

I wish all of you the best of luck fighting off old man winter and his bag of tricks, like snow, sleet and of course my favorite one of all, below zero temps!!

Effective Employee Communication:

The Benefits of Best Practices

By Denise Foster, Sharon Stocker and Heidi tenBroek

Reprinted with permission, Milliman Insight, September 10, 2012

Denise Foster

Sharon Stocker

Heidi tenBroek

Employers spend millions of dollars to offer a benefit and sometimes a surprisingly small amount to ensure that employees understand and appreciate it. Communications—what you say, how you say it, when you say it, who you say it to—can make a world of difference in how employees or members feel and think about their benefits, workplace, and employer.

When effective employee communication matters

Communicating difficult or sensitive changes

Clients often seek out the experience and expertise of Milliman's growing communication consulting team when they are making difficult decisions that result in a negative impact (for example, benefits reduction) or that present additional challenges for employees (such as a new tool or system). We help employers explain why they are making changes—without obscuring the truth.

Sharing good news

Effective communication matters even when an employer is improving its benefits package. One client—without our help—introduced an improvement to their benefits plan. Years later, many employees still think negatively about the change because the communication wasn't clear. Good communication is especially important when there's a lack of trust—in such an environment, employees are more likely to create their own version of what happened.

When "nothing changes"

Sometimes a client will change medical carriers and the employer wants to say they are not changing the benefits. But different carriers administer plans differently with real-world consequences for employees. We know the questions to ask and can help employers figure out all the smaller but important changes that may affect their employees, or, if those details are unknown, advise them on how to best communicate with employees that there may be some differences between the two plans.

In addition, what may seem like a minor change to an employer can be perceived as a major change by the employee. For instance, when you're converting a vacation/sick leave program to a PTO program, it's important to communicate all transition details. Is it clear what's happening with the sick bank an employee has saved up? In such a situation, it's best to create a personalized piece: Here's what you have and where it goes.

Influencing behavior

Motivating employees to act (or not act) can be one of the most challenging tasks for an employer. For instance, how do you motivate someone to do something they already know they should do—like eat right and exercise?

In focus groups conducted for a client, we learned that the biggest motivating factor to getting and staying healthy for this particular group was that employees wanted to be around for their family, to see their grandkids grow up. This insight guided the team in positioning and communicating the employer's wellness program. Once you understand what motivates employees, it's easier to change their actions.

Announcing significant changes beyond benefits

Whenever an organization is undergoing change of any kind, the effectiveness of communication can greatly influence how the change is perceived by employees and how quickly they adapt to the new normal. While a good portion of Milliman's communication work is in the benefits arena, we also help organizations develop an appropriate strategy and implement communication campaigns during a major change, such as mergers and acquisitions, or when trying to get key stakeholders to use a new system.

Conducting employee research means really listening to employees

We enjoy conducting employee research, which can help inform business strategy, policies, practices, and operations. Last year, we worked with a local company that's a supplier to the aerospace industry. This company had doubled its workforce in just a few years, creating a culture clash between older and newer employees. We designed an employee survey, and because the company was seriously committed to hearing what employees had to say, the survey was conducted onsite during working hours. This led to an 88.5% response rate, far above what's typical. The survey was conducted by us to maintain strict objectivity and confidentiality. The results showed leadership exactly what the core issues were. Armed with this knowledge, they were able to define a targeted action plan that addressed

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both the company's and employees' needs.

Measuring success

Goals and metrics should sync with the client's business objectives. When we do a new project, we sit down with the employer to find out what they're trying to achieve. For instance, they may want to ensure that five percent of employees enroll in a new high deductible plan. Or they may want to reduce call volume to the HR department. Once the objectives are clear, we can assign specific measures that need to be tracked to evaluate the success at the end of the campaign.

Different types of communication call for different success measures. "With benefit changes, you should track participant calls to the call center. If people are confused, you'll hear about it. With wellness programs, you'll need to track benefit claims, absenteeism, and participation in wellness challenges. Questionnaires, surveys, focus groups, face-to-face interviews all can be used to assess if and how well messages were received and understood.

Multiple channels, different messages

An employee communication strategy may include a wide variety of media, including print publications, email and online newsletters, websites, how-to videos, total compensation reports, plan descriptions, posters displayed in the workplace, and in-person meetings. The content and delivery channels used will depend on the stakeholders' needs. How much do they know about what's going on? Do they have influence over the target audience? What is their role and what are their responsibilities in the process? Are they supportive or resistant to what's happening? These aspects are teased out by a discussion and drive the ultimate strategy.

Keeping up with technology and electronic media adds an additional challenge. Websites, blogs, intranets, SharePoint, Facebook, Twitter, LinkedIn…it's overwhelming and hard for employers to stay up to date. Clients know they can't just ignore these new channels, because people of all ages are using them extensively in their personal lives, but deciding how and what to integrate into the workplace can be a challenge. At the same time, traditional media typically continue to play some kind of role. People absorb information differently and key messages are more effective when reiterated in multiple ways across a variety of media.

Five Best Practices

1. *Plan before you launch.* Before you get started, define objectives, identify key stakeholders, and create a strategy and plan of action.

2. *Don't sugarcoat bad news.* Employees see through and resent attempts at hiding benefit changes that can be perceived negatively.

3. *Stick to your message*. Determine key messages at the beginning and communicate them consistently.

4. *Make sure the managers and supervisors are on board.* This is an underestimated group—they have influence over employees and can be advocates or barriers depending on how you treat them.

5. *Rinse and repeat.* Reinforce key messages multiple times and across a variety of media in a coordinated way to avoid overwhelming the intended audience. People are affected differently by different formats and messages need time to sink in.

Would You Like to Be a "Mock" School Board Member?

School Business Managers are invited to join our "mock school boards" and listen to budget presentations from the School Business Management and Educational Leadership students who are taking School Finance & Accounting this semester at UW-Whitewater. These are students who are seeking school business management or administrative licensure.

Each student prepares a school budget and then gives an abridged presentation to a "mock school board" as their final project for this class. We have always been blessed with volunteers who come and serve as board members so that every student can participate in this valuable experience and receive immediate feedback. I hope that we will be able to offer the same opportunity to each student this December.

The presentations are scheduled for Saturday morning, December 1, 2012 at 9:00 am and will likely take most of the morning. We will be meeting on campus in Whitewater. We always have an enjoyable session and it is really great to see talented professionals present their budgets. If you can volunteer that morning, we would love to have you join us.

Please call Debi Towns at 262-472-6947 or email her at townsd@uww.edu.

DPI's Changes to the PDP

Don't worry, the Q has you covered

Recently you've probably heard rumors about changes being made to the PDP process. Well, those rumors are true. Beginning in fall 2012, all PDP Verification Forms must be submitted to the Wisconsin DPI online – no more mailing paper documents.

Lucky for you, you're already a member of the QEI. Since you are a member of WASBO, you enjoy 100% free access to the Q – your online PDP connection to DPI.

Since 2005, the QEI has helped thousands of Wisconsin educators create their PDPs and have them reviewed online. Then with a few clicks, the necessary licensing information is sent to DPI. No papers, stamps or waiting for signatures to be mailed back to you.

Wondering how this works because your district does face-to-face PDP review instead of online? Call us. The QEI can help with that, too.

It's simple. It's the Q. And, it's yours at no cost as a member of WASBO.

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Rob Nelson
WASBO Director

Director's Corner

Service Affiliate Committee Report

By Rob Nelson, President, Dousman Transport Co., Inc.

I would like to take this opportunity to re-introduce WASBO members to the Service Affiliate Committee, explain a little about who we are, what initiatives we are working on and how you can assist us to help WASBO "To be the most influential Wisconsin organization for state and national school business management and leadership." *(Hopefully most of you recognized that was WASBO's Vision Statement.)* When I took over as the Chairperson for the Service Affiliate Committee I was not sure what to expect or even know what needed to be done. Jeff Carew had done a great job representing the group and was always working to get more Service Affiliates involved within WASBO. It seemed obvious that being the voice for this group within WASBO was important, but as I have come to find there is much more we can do to create better relationships with our Service Affiliate members.

The WASBO website says it best: "Service Affiliate members are individuals from businesses and other organizations who provide products or services to Wisconsin school districts…. Service Affiliates can provide important solutions, innovative approaches, and critical advice to Wisconsin school districts, all of which can improve the learning environment for students and staff alike. By bringing together Service Affiliates and District Professionals, WASBO hopes to encourage a greater understanding of district challenges, enable trusted relationships to develop, and create an environment that generates cost-effective solutions for school districts throughout Wisconsin."

In order to better understand the needs of our Service Affiliates, WASBO surveyed the Service Affiliate membership this past spring. The results are summarized below:

A. An overwhelming majority (80%) see "networking" as the best benefit they receive from their membership
B. 63% want more "quality" exhibit time at our conferences.
C. Close to 50% of the respondents have been WASBO members for 5 years or less

The Service Affiliate Committee met several times over the past few months to discuss the survey results and to find ways to improve the benefits of membership for our Service Affiliate members. The group started by affirming its mission: *"To determine how best the Service Affiliates may address their resources to enhance the seminar and training opportunities and exchanges of information."*

The next step was a brainstorming session to identify ways to better promote the expertise of our Service Affiliates. The group identified the following items and projects:

A. How do we get Conference Speaking Opportunities?
   i. Assure more Service Affiliates are able to present at conferences with their School District partners
   ii. Provide Service Affiliates a description of how and when topics and speakers are selected for each conference
   iii. **Project** - Create a document that clearly outlines the timeline and procedures for Services Affiliates to submit proposals to present at future conferences. It is recommended that they submit proposals with school district partners.
B. How do we get more schools and district personnel to seek out Service Affiliates for advice / solutions?
C. How do we improve vendor hall attendance and participation to create the "quality time" that Service Affiliate members desire?
   i. **Project** - Explore with the Spring and Fall Conference Committees the possibility of:
      1. Roundtable sessions that utilize the expertise of both Service Affiliates and School District Professionals.
      2. Creating additional Networking Opportunities
      3. Creating additional ways to recognize Service Affiliates
D. **Project** - Continue to utilize various technologies to communicate with Service Affiliate partners about:
   i. Benefits and Privileges of WASBO membership
   ii. Opportunities to volunteer and sponsor WASBO events
   iii. Encourage participation on WASBO committees

Now that you know a little more about our Service Affiliate Committee and what we are working on for WASBO – we hope you are asking **how you can help.** Every WASBO member can help by taking the time to walk through the exhibit hall at our conferences and introduce yourself to all of our Service Affiliate members, not just the ones that you work with or know. Our survey showed us that almost half of our Service Affiliate members have been a

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Don Mrdjenovich

The Sweat Lodge

By Don Mrdjenovich, Retired WASBO Executive Director

There I was for the second year in a row, sitting in a ground blind in Wyoming feeling the temperature rise to 96 degrees by mid morning. If you don't know what a ground blind is, think of a small tent with just a small window. Through the window, I could see an oil well pumping and further on, I could see trucks coming and going from a uranium mining operation. Did you know they pump water underground to create a slurry and from it they extract uranium? But, I was not there to observe the extraction of valuable natural resources. I was there to watch a water hole, in waiting for a thirsty antelope. This day, I watched for thirteen and one half hours. I saw many, but not the trophy I was seeking.

Can you imagine how long and hot it was? No breeze to cool me and no one to talk to. I could only think of a book I read long ago, *Black Elk Speaks*. Black Elk was a Sioux medicine man. As was the practice during his time, a sweat lodge was created by building a fire and adding water to create moist heat that was captured to envelope the body. By doing so and submitting yourself to the extreme heat and humidity, trances could be induced. It was believed that one could communicate with ancestors in the hope of seeking wisdom and guidance which could be applied to coping with the problems and challenges of the present. It worked well for Black Elk.

As I sat and sweated I had a lot of time to look back in search of wisdom and guidance from the past. Believe me, there was not much else to do. I think it was about hour 10 when I too began to receive a message from the past. I recalled that the state of Wisconsin was carved out of the Northwest Territories. The Continental Congress, in its wisdom, required that the sixteenth section of every township created should be set aside to support a public school. A township measures thirty six square miles, so for every thirty six square miles, one square mile was set aside to educate children. That was the case in Wisconsin. Some may still exist, but most were sold. Nevertheless, there are still references to the "school section" throughout the northwest. Ever see a sign reading "School Section Road"? I have alluded to this before, so forgive me for being repetitive, but remember, I am confined, hot and not quite in a trance, but my mind is in a reflective mode.

So, what is the significance of my recollections? At the time when the Continental Congress passed this legislation, property represented two thirds of the available wealth of our nation. Giving education one thirty sixth of the property wealth of the Northwest Territory, and the ability to tax the remainder to support public education was intended to be an everlasting expression of the importance of public education to the welfare of our emerging nation. Our ancestors were indeed reminding me of the need to educate our citizens if we want to maintain the legacy of freedom and independence they bestowed upon us. The funding for public education is as important to our democracy as it ever was. Our ancestors would not be happy to see their legacy depreciated by short sighted politicians or those who are the past beneficiaries of a public school education, now inclined to diminish its relevance.

If you are wondering, the sweat lodge experience only lasted through day one. By day two, father, son and grandson had their trophy antelope, taken as Black Elk's people may have done, by bow and arrow. They would have gladly shared the bounty of their hunt and contributed to the general welfare of their people. We can do the same by providing what is needed to support our schools.

Director's Corner - Service Affiliate Committee Report

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member of WASBO for five (5) years or less. You never know who you might meet or how they might be able to help you and your school district unless you take the time to meet them.

Our Service Affiliate members are a vital part of WASBO. They have a wealth of knowledge that can provide important solutions, innovative approaches, and critical advice to Wisconsin school districts. Please take the time to get to know more of them.

Service Affiliate Checklist

- Accounting Conference Call for Presentations due October 15
- Sponsorship Opportunities available for upcoming conferences at www.WASBO.com
- Spring Conference Exhibits - registration coming in December
- Taking Care of Business Articles due November 15 for December issue.
- Update your profile and Buyer's Guide categories at www.WASBO.com.
- Join a WASBO Committee

WASBO Apparel Web Store Open Oct. 1 - Nov. 15, 2012

Great to wear at state and national conferences!

Show your WASBO affiliation by purchasing shirts, sweaters, jackets, computer bags and more. Choose your own style, size and color.

Orders shipped approximately November 30th so that you'll have items for the State Education Convention.

Debt Issuance: You Have Choices

By Jerry Dudzik, Vice President, Springsted Incorporated

Jerry Dudzik

As a former school business manager like yourself, I can't help but think how things were when I entered the field at the young age of 25. While I would trade a lot to go back to those years (less wrinkles, fewer pounds and no gray hair), I wouldn't trade the knowledge I've gained since then on options available to school districts during the debt issuance process. Today's public scrutiny of your financial decisions is higher than ever before, especially after the recent collateralized debt obligations matter involving an underwriting firm, five Wisconsin school districts, and a financial market collapse. Nobody looks out for you, so you need to look out for yourself and your district as best you can. My advice to you is to continue to do your due diligence, utilize best practices, and make the best decisions possible through ongoing research.

The title of this article, *"Debt Issuance: You Have Choices,"* refers to two specific decision areas you have for bond issuance: **types of financial advisors available to school districts**; and **methods of sale.** Both of these decisions offer multiple options which you, or your board, must make when issuing debt.

Independent Financial Advisor vs. Underwriters

What is the difference between an *independent financial advisor* and an *underwriter*? Well, an independent financial advisor has no relationship or affiliation with any underwriting firm. In the bond sale process, an independent financial advisor works for only one side of the transaction – for you, the issuer as the seller of your bonds. Conversely, the primary role of an underwriter is "to purchase, or arrange for the placement of securities in an arm's length transaction between the issuer and the underwriter. The underwriter has financial and other interests that differ from those of the issuer." The preceding quoted text, which defines an underwriter's principle role, comes from a disclosure underwriters are required to provide to issuers under the Municipal Securities Rulemaking Board (MSRB) Rules **G-17** and **G-23**. To review Rules G-17 and G-23 in their entirety, go to: http://www.msrb.org/rules-and-interpretations/msrb-rules.aspx . I'm certain you've already received this disclosure if you worked with an underwriter over the last year. If you didn't, you should request it.

Another distinction to keep in mind between the two types of financial advisors is that an independent financial advisor can also execute continuing disclosure services on a school district's behalf, while an underwriter cannot. As more duties are assigned to business managers, you may find it advantageous to have this time-sensitive step done by an independent advisor. The cost for this service is very minimal and provides piece of mind on a very important annual task you must complete to uphold your district's financial health.

Method of Sale: Competitive vs. Negotiated Bond Sales

The primary methods of sale available to you as a bond issuer are a *competitive* or *negotiated* bond sale. While *direct placement* is a third option, it is rarely used by schools in Wisconsin so I won't spend time on that during this newsletter.

The *competitive* bond sale process is simply what it states, a request for bids to get as many underwriters as possible to bid the *lowest* interest cost for your bonds. In today's technology-driven world, competitive bids are usually submitted electronically, though faxed bids are still done in rare instances. The preferred electronic, web-based choice of municipal issuers and financial advisors is called ***Parity***. Approximately 93% of all municipal competitive new issues conducted electronically are run on Parity. The Parity electronic bid submission system is a completely automated method; by eliminating the logistical and geographical challenges of physically submitting bids, more bidders participating, possibly reducing interest costs for you, the issuing school district.

The other method of sale available to issuers is the *negotiated* sales method. In this case, bids are not accepted by multiple underwriters, but negotiated between a single underwriter and the issuing school district. This approach is commonly used when a school district has a "story bond," meaning factors that are unusually complex in the purpose of the issuance, security or repayments. With the exception of these types of unusual issuances, the Government Financial Officers Association (GFOA) recommends competitive bidding in most instances, for the same reason you competitively bid when buying busses, steel or milk for the lunch program. Competitive bidding on "vanilla" general obligation bonds provides the best opportunity to obtain the lowest cost and best terms for your bonds, confirmed by numerous industry and academic studies. When it is best to negotiate a sale, an independent financial advisor will help you competitively select the underwriter and then apply its knowledge to negotiate the best interest rate and terms.

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2013 Annual Meeting & Expo
October 25-28, 2013
Hynes Convention Center - Boston, MA

2014 Annual Meeting & Expo
September 19-22, 2014
Gaylord Palms Resort & Convention Center - Kissimmee, FL

2015 Annual Meeting & Expo
October 23-26, 2015
Grapevine, TX

2016 Annual Meeting & Expo
September 23-26, 2016
Phoenix, AZ

2017 Annual Meeting & Expo
September 22-25, 2017
Denver, CO

2018 Annual Meeting & Expo
September 21-24, 2018
Orlando, FL

Debt Issuance: You Have Choices
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Competitive Bid Premise

Discussion of the sales methods in this article warrants the point that independent financial advisors work on the premise that the *competitive* bid process will yield the optimal result for your jurisdiction's bonds unless specific conditions suggest a negotiated sale.

Knowing that a "competitive bid" culture is imbedded in your day to day duties for much less costly district purchases; don't bypass the competitive bid process for your multi-million dollar bond issuance. At the end of the day, your financial advisor should set you up to get the best price. The two options for the method of sale also beg the question for which you should be able to provide a confident response to your board and electorate. Why didn't you competitively bid your bonds after you bid several other less costly items or services? Do you have a good answer to provide the board and public if asked this question? Something to think about…

I hope this article shared some insight into the options available to you as the district financial officer. If you have any questions, please don't hesitate to contact me at: jdudzik@springsted.com

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Northland Pines School District's Administrator Named Superintendent of the Year by NASS

Dr. Mike Richie

Dr. Mike Richie, Northland Pines District Administrator, was officially named Superintendent of the Year by the National Association of School Superintendents' (NASS) selection panel on August 22, 2012. Richie was selected as one of three semi-finalists for the award in 2011.

The process the selection committee performed was an extensive review and assessment of each candidate's achievement level based on criteria which included:

- Outstanding achievement as a school district superintendent
- Demonstrated belief in continuous improvement, and
- Commitment to collaboration and mutual support in the profession.

NASS Executive Director Dr. Theresa Daem said Richie continues to represent what educational leaders need to be today. "It is clear that our country's educational system faces tremendous challenges and is in need of dynamic and continuously improving leadership." According to Daem, there simply is not one simple "fix" for education. "The real answer is leveraging the collective know-how of stellar district superintendents like Mike Richie. We are very proud to have him as an active member, and we are anticipating many valuable contributions to the profession," she added.

Richie credits his entire district staff and community for the successes bestowed upon him and the district. Some of Richie's more recent achievements include:

- Continued progress toward improving the district's quality of instruction and student achievement
- Developing the Northland Pines School District into a school district of choice
- Aligning his district's curriculum and assessment systems with common core standards
- Implementing School of Options and Applied Research (S.O.A.R.) Charter School
- Developing a certified staff pay scale based on performance
- Saving hundreds of thousands of dollars by implementing an innovative health insurance plan that consists of both a health reimbursement and health savings account
- Designed and implemented certified and support staff handbooks that replaced the collective bargaining agreements

Dr. Richie stated, "On behalf of the Northland Pines School District, I am honored to be recognized by the NASS for our initiatives in education. This recognition is a reflection of the entire district. Our accomplishments could not have been achieved without all of the hard work and commitment to the NPSD from our excellent staff and continued support from our communities.

Richie has served as the Superintendent of the Northland Pines School District since 2004. Richie received his bachelor's degree from UW-La Crosse, master and specialist degrees from UW-Superior and his doctorate degree from Edgewood College in Madison.

A special district celebration ceremony is being planned for Monday, October 22, 2012 at the Northland Pines High School beginning at 6 p.m. to highlight the district accomplishments that aided Dr. Richie in being recognized as the Superintendent of the Year. The award will be presented to Dr. Richie during a presentation in the Auditorium. More details of the event will be forthcoming and will be posted on the district website: www.npsd.k12.wi.us.

Other semi-finalists included first runner up Brett Stanton of Tallapoosa, Georgia; Reza Namin of Spencer, Massachusetts; Michelle Curry of Orting, Washington; Kathryn Fedina of Saddle Brook, New Jersey; and John Roach of Carlsbad, California. Dr. Richie will be recognized and speak before his peers at the NASS Symposium being held in March 2013 in Newport Beach, California.

The National Association of School Superintendents serves the unique needs of the more than 17,000 school district leaders across the United States by providing them with ongoing opportunities for collaborating and sharing as well as building a collection of resources and benefits. Its website address is www.NASS.us.

Municipal Employee Representation During Employer Meetings After Act 10

By Shana R. Lewis & Kirk D. Strang, Davis & Kuelthau, s.c.

Shana R. Lewis

Kirk D. Strang

2011 Wisconsin Act 10 (Act 10) dramatically changed public sector collective bargaining in Wisconsin, but it did not eliminate a municipal employee's right to representation during a meeting with the employer that might result in disciplinary action. Act 10 limited mandatory subjects of bargaining to base wages and eliminated fair share agreements. However, it did not change an employee's right to be represented during a meeting with his/her employer, when the employer compels the employee's attendance and intends to question the employee, when the employee has a reasonable belief that the meeting may lead to disciplinary action, and when the employee has stated that he/she wants to be accompanied by a representative.

The right to representation is grounded in the individual rights provided by the Municipal Employment Relations Act (MERA). Wis. Stat. § 111.70(2) guarantees that municipal employees have the right to engage in concerted activities for mutual aid and protection. The right to representation is not based on an employer's duty to bargain with the union. Winnebago County, Dec. No. 32468-C (WERC, 2009). Consequently, the limits on collective bargaining imposed by Act 10 do not affect this employee right.

Wis. Stat. § 111.70(3)(a)1., states that it is a prohibited practice for a municipal employer "to interfere with, restrain or coerce municipal employees in the exercise of their rights guaranteed in sub. (2)." The Wisconsin Employment Relations Commission (WERC) has held that a municipal employer interferes with a municipal employee's rights under Wis. Stat. § 111.70(2) when it compels the employee to appear at a pre-discipline investigative meeting without representation, if the employee reasonably believes that the meeting could result in disciplinary action and the employee has requested union representation at the meeting. Madison Metropolitan School District, Dec. No. 32065-A (Jones, 2007).

As a general matter, because the right to representation is an individual right, the municipal employer is not technically required to offer union representation to the employee. Rather, it is the employee's responsibility to request representation if he/she wants to be represented. However, it may be wise to offer the opportunity for representation as a practical matter and/or to carefully document an employee's decision to forego representation; doing so can help to avoid disputes and conflicting testimony about whether the employer prevented an employee from exercising representational rights. Consequently, an employer should not unilaterally arrange for union representation before the meeting occurs since doing so might inhibit (or be perceived as inhibiting) employee choice, but should take steps to protect itself from claims that it has interfered with that choice.

If a municipal employee requests representation during a meeting with his/her municipal employer and it is reasonable for the employee to believe that the meeting could lead to disciplinary action, the municipal employer must allow the employee to have representation at the meeting and may not proceed with the meeting until the representative is present.

In some cases, however, the employee may not want the union to represent him/her during such a meeting, may want to be represented by a co-worker, or may decide that he/she does not want any representation. Generally, the employee is entitled to make this choice.

The municipal employee being interviewed may not be a dues-paying member of the union certified to represent his/her bargaining unit. Indeed, the municipal employee may not even be in a certified bargaining unit. While these factors may affect whether the employee wishes to have representation during the meeting and who the employee wishes to have represent him/her, ultimately, the right to representation -- being an individual employee right -- is not abridged by these factors. As a result, employers should not presume that employees have no right to representation in these situations.

There is principled debate about whether this right extends to employees that are not represented by a union. Indeed, the National Labor Relations Board has vacillated on this issue in its own interpretation of the federal counterpart to MERA. Further, the Wisconsin Employment Relations Commission (WERC) has not specifically addressed this issue in a case decided by the agency. Nevertheless, agency officials have indicated that they believe this right does exist and, in any event, municipal employers can protect themselves from allegations that they have committed prohibited

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practices and prevent reversal of their decisions by accounting for a right to representation under MERA.

One situation that generally is not presented in purely investigative meetings with employees is a meeting concerning the application of a collective bargaining agreement. In these situations, the employer may have to include a union representative in the meeting so that the union can represent its own interests under the contract, because collective bargaining issues as well as individual rights are in play. Although Act 10 limits the issues that will actually be covered by a collective bargaining agreement, there may still be situations where an employer should invite a union representative to the meeting if it plans to meet with an employee and discuss application of or make adjustments under the terms of such an agreement.

There are limits to a municipal employee's right to representation, which has to be balanced against certain, legitimate interests of the municipal employer. The WERC has held that, in certain situations, an employer's legitimate business or operational interests mean that the right to representation is subject to reasonable restrictions, so long as those restrictions do not impair the right itself. The WERC has historically balanced these competing rights and interests to serve the underlying purposes of MERA. City of Milwaukee, Dec. No. 14873-B, 14875-B, 14899-B (WERC, 1980).

For example, the WERC has held that an employee may not delay an investigative interview by requesting that a specific union representative attend when another union representative is immediately available. That said, the WERC has also suggested that an employer must grant the employee's request for a particular union representative, if the representative is available and waiting for him/her would not unreasonably delay the meeting. In one situation, the WERC indicated that there can be circumstances when an employee's demand for a particular union representative would be reasonable, even if the demand required some delay of the meeting provided that the employer's legitimate investigative needs would not be compromised by the delay. City of Beloit (Fire Department), Dec. No. 27990-C (WERC, 1996).

In some circumstances, the employer can limit the employee's choice of a "representative" based on the employer's right to maintain confidentiality and privacy concerning the employee's work responsibilities and related information, such as student records. Thus, for example, the employer may refuse an employee's request to bring his/her attorney, spouse, or clergy with him to a meeting that could lead to disciplinary action. If an employer does decide to allow the employee to bring an attorney or family member to a meeting with the employer that could lead to the employee's discipline, it is advisable for the employer to make sure the employee and the representative understand that permission to be represented by the outside party has been granted as a courtesy and not as a matter of right under the MERA.

If you have questions or would like additional information on this matter, please contact Shana R. Lewis at slewis@dkattorneys.com or Kirk D. Strang at kstrang@dkattorneys.com, or contact your Davis & Kuelthau, s.c., attorney.

Upcoming Events

Midwest Facility Masters Conference
Oct. 29-30, 2012 - Kalahari Conference Center, WI Dells (Viterbo Credit)

CSRM - Measuring School Risks
Nov. 7, 2012 - WSLC, Madison (Viterbo Credit)

CSRM - Funding School Risks
Nov. 8, 2012 - WSLC, Madison (Viterbo Credit)

CSRM - Administering School Risks
Nov. 27, 2012 - Radisson Hotel, Madison (Viterbo Credit)

School Business Management - Winter at a Glance
Nov. 27, 2012 - Radisson Hotel, Madison

WASBO/WASPA School Personnel Academy
Nov. 28-29, 2012 - Radisson Hotel, Madison (Viterbo Credit)

WASB/WASDA/WASBO State Education Convention
Jan. 23-25, 2013 - Frontier Airlines Center, Milwaukee (Viterbo Credit)

WASBO Facilities Management Conference
Feb. 26-27, 2013 - Kalahari Conference Center, WI Dells (Viterbo Credit)

WASBO Transportation & Bus Safety Conference
Feb. 27, 2013 - Kalahari Conference Center, WI Dells

WASBO/WCASS/DPI Wisconsin Federal Funding Conference
Feb. 28-March 1, 2013 - Kalahari Conference Center, WI Dells (Viterbo Credit)

WASBO Accounting Conference
March 20-21, 2013 - Chula Vista Conference Center, WI Dells (Viterbo Credit)

WASBO Spring Conference & Exhibits
May 9-10, 2013 - KI Convention Center, Green Bay (Viterbo Credit)

For Conference Program Information and Registration
www.WASBO.com

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What's Happening With the Proposed U.S. Local Government Criteria? An Update on Feedback and Implementation

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Standard & Poor's Ratings Services would like to thank those who have provided feedback on our request for comment (RFC) on our proposed U.S. local government rating criteria.

Because of the importance and depth of the material, we actively reached out to a broad base of constituents to solicit reactions and feedback during the request-for-comment period. With our stated goal of transparency in developing criteria, we have synthesized the oral and written comments we received. Here, we will share some of those comments in an effort to apprise the market of many of the responses we have received. We are not in a position to comment on the final criteria. However, as we finalize the criteria, we currently expect to respond to these comments in one of three ways: by changing the criteria as we consider appropriate; by clarifying the original proposal where questions arose; or by leaving the proposals unchanged.

RFC-Related Outreach

We regularly interact with market participants to obtain feedback on our published criteria, ratings, and reports, and in certain cases request feedback on proposed criteria changes. Given the potential impact of the proposed criteria, we undertook a substantial effort to reach all types of constituents with an interest in U.S. local government ratings (investors, intermediaries, issuers, and so on) in a number of ways. We did this to raise awareness of the proposed criteria, to explain our goals, and to solicit feedback. In line with this effort, we populated a page on our public website (www.standardandpoors.com/pfcriteria) with the RFC and related articles. Our website contains supplemental resources, including videos, presentations, and a video of a case study--all intended to make it easier for our constituents to digest the many elements of the proposed criteria. We hosted roundtable discussions, one-on-one meetings, and hosted presentations so that our constituents had the opportunity to learn about the proposed criteria directly from our analysts and criteria officers and to address participants' questions and comments. Through these activities, we reached out to roughly 3,000 constituents.

We collected a large amount of informal feedback through these sessions in addition to the formal comments that were submitted directly to our CriteriaComments@StandardandPoor's.com email box.

Feedback Summary: Respondents liked transparency, had some concerns regarding the details

On March 6, 2012, Standard & Poor's published "Request for Comment: U.S. Local Governments: Methodology And Assumptions." At that time, we asked the public to respond to five specific questions and provide additional feedback as desired. The five questions were:

- Do you agree with our approach of using the same major factors to assign ratings to local and regional governments both inside and outside the U.S.?
- Do you agree with the underlying measures used to evaluate each factor? If not, how would you change the measures, and how would this change produce criteria more consistent with our ratings definitions (see "Understanding Standard & Poor's Rating Definitions," published June 3, 2009)?
- Do you agree with the overriding factors that may cause a rating to differ from that resulting from the indicative rating?
- Are there other data sources that you believe should be considered before the criteria are implemented?
- Do you believe that the rating on the U.S. or the rating on a local government's state should cap the local government's rating?

Overall, investors appreciated the transparency afforded by the framework. The following highlights the major issues raised by respondents, organized by question.

Q1. Global Comparability: Do you agree with our approach of using the same major factors to assign ratings to local governments both inside and outside the U.S.?

Generally, respondents believed it was appropriate to use the same major factors to assign ratings to local governments both inside and outside the U.S. Additionally, there was general agreement about the seven factors Standard & Poor's proposed; however, respondents did not all agree on the appropriate weight for each factor. Some respondents were unsure of the proposed criteria's ability to address U.S.-specific issues.

Q2. The Seven Factors: Do you agree with the underlying measures?

The proposed criteria identify and assign weights to seven underlying factors.

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Respondents provided comments regarding each of these factors as well. Included is a summary of these comments grouped by factor.

Institutional framework (IF): Despite the fact that the formalization of this portion of our analysis is fairly new to readers of our criteria, there was relative agreement with inclusion of this factor. Mostly, respondents wanted to know if these scores would be available to the public and if the rationale behind the score would be clear. Regarding the predictability score and the revenue and expenditures score, respondents wondered if a municipality's IF score should be penalized if the state's changes were not detrimental to the municipality. Other comments included whether this score would recognize state enhancement programs or if states with lower ratings would have a more heavily weighted IF score.

Economy: A somewhat sizable number of comments addressed our use of the per capita income indicator and suggested the use of household income instead. Other respondents commented on the per capita income indicator regarding the transparency of the projections that Standard & Poor's will use to formulate the underlying metric. Respondents also noted that regions have different costs of living and some wondered whether the underlying metric should include some housing cost or cost of living comparisons. A smaller number of respondents suggested using local unemployment rather than county level unemployment.

Management: There were not many concerns expressed regarding the management factor, though some believed it was a subjective score and perhaps for that reason should not be weighted so heavily. Other comments questioned what impact this would have on our already existing Financial Management Assessment.

Budgetary flexibility: Overall there was agreement with the available fund balance metric to measure budgetary flexibility. Some respondents were a little unclear as to what would be considered available. We received comments that brought up the issue of the nominal size of the fund balance and whether that would have a rating impact. Additionally, some commenters believed our ranges required municipalities to carry too large a fund balance to receive credit and that municipalities with lower balances would be penalized.

Budgetary performance: For the factor that measured performance, the concern most commonly expressed was how Standard & Poor's would handle years where expenditures spiked for reasons other than operations, such as one-time major capital expenditures, or one-time transfers. Additionally, some questioned the movement toward using total governmental funds, which our current criteria do not emphasize as greatly.

Liquidity: The large questions surrounding liquidity focused on how exactly we would calculate cash. For example, some wondered whether the liquidity score would take into account very liquid investments that may not show up as cash in an audit. Others were concerned about the possible inclusion of bond proceeds.

Debt: Many comments regarding the debt factor centered on the weighting of this factor and on contingent liabilities. Overall, commenters wanted to make sure the proposed criteria were appropriately considering contingent liabilities. Additionally, respondents brought up the complexity regarding pension and OPEB and highlighted their desire to have the liabilities considered in conjunction with management's ability to address the costs. Certain respondents were interested in how municipalities that issue debt for school districts would be treated and whether their debt ratios would be considered high in comparison to other municipalities. A couple of respondents wondered why we did not use per capita debt ratios and brought up the possibility of a low debt burden override.

Q3. Rating Changes and Volatility: Do you agree with the overriding factors that may cause a rating to differ from that resulting from the indicative rating?

Most respondents agreed with the use of overrides, recognizing that in certain situations specific factors can have a larger impact than would otherwise be indicated. The biggest concern regarding overrides was the increase in the volatility of our ratings when a cap was put in place and then subsequently removed. This was also related to how the caps and rating transitions would allow for the incorporation of trends in the underlying credit. A couple of respondents suggested additional overrides including one for a low debt burden or high market value per capita. While most agreed with the idea of the overrides, some respondents believed it could be too harsh and it would be more appropriate to take into account the municipality's willingness and ability to recover.

Q4. Sufficient Data: Are there other data sources that you believe should be considered before the criteria are implemented?

For the most part commenters agreed with the data we suggested using. Some noted a movement toward total government and total governmental funds. Many of the data comments concerned the underlying data for the economy factor and its adjustments.

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What's Happening with the Proposed U.S. Local Government Criteria
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Some commented on cost of living data, though respondents did not provide uniformly available data sources alternatives. Another larger issue many respondents commented on was the per capita income projections used for the economy factor initial score. Concern was also expressed about the reliance on issuer provided financial projections. While respondents overall approved of forward looking ratings, there was some concern regarding how those projections would be made, used, and interpreted.

Q5. Sovereign or State Rating Cap: Do you believe that the rating on the U.S. or the rating on a local government's state should cap the local government's rating?

There was universal agreement that there should not be a sovereign or state rating cap for U.S. municipalities. However, some respondents questioned what an appropriate gap between these ratings would be.

The View From Here: How And When?

We understand that how we implement the new criteria is equally as important and interesting to investors, issuers, and other market constituents as is the finalized methodology. As we finalize the criteria, we currently expect to respond to these comments in one of three ways: by changing the criteria as we consider appropriate; by clarifying the original proposal where questions arose; or by leaving the proposals unchanged.

We are considering various options for the final implementation. In the interim, we continue to rate U.S. local governments according to our current methodology.

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JANUARY 23-25, 2013

Delta Center (Formerly the Frontier Airlines Center)

MILWAUKEE, WISCONSIN

How Long Will the Current Environment Last?

By Craig Elder, Fixed Income Senior Analyst, Robert W. Baird & Co.

Craig Elder

This year has been a mixed one for many municipalities. While it has been much cheaper to refinance debt, most local governments continue to see lower levels of revenue and many continue to struggle to fill holes in their budgets. That's the problem debt issuers everywhere are facing: low interest rates have spurred activity, but it's not much economic growth and improvement in revenue inflow.

With an election just around the corner, unemployment remaining over 8% and the economy still not gaining steam, the Federal Reserve just announced another round of quantitative easing in hopes of stimulating new growth. This may provide a boost in the near term, but it still has many municipal money managers wondering what to expect in 2013 and beyond.

How might QE3 change things?

I don't expect this latest round of quantitative easing to have much effect, although it will probably keep mortgage rates low and thus may support the modest rise most communities are seeing in home sales and prices. This may lead to increased revenues for municipalities in the short term, but will probably not demonstrate great effect over time.

Interestingly, we have seen a spike in equities since QE3 was announced. This is what the Fed has hoped for during each round of quantitative easing – that by buying up assets, it injects capital into the economy and stronger economic activity occurs. If this growth continues, it would appear QE3 is working, although it also raises the possibility of inflation going forward; those fears already have caused a spike in treasury yields and gold prices. Overall, however, I predict QE3 will be somewhat similar to QE2 in that it may provide a short-term boost, but its long-term value will be debated by economists for some time to come.

Will the November elections have an effect?

Currently, the federal government takes in a little over $2 trillion in revenue, but spends about $3.5 trillion. With a deficit of that size, there's limited flexibility to reduce taxes without a significant severe limitations in deductions, no matter who is in office – additional taxes could stall economic growth while additional spending would only make matters worse. So I expect little significant change no matter who wins in November. However, I would be encouraged by implementation of the Simpson Bowles plan for deficit reduction.

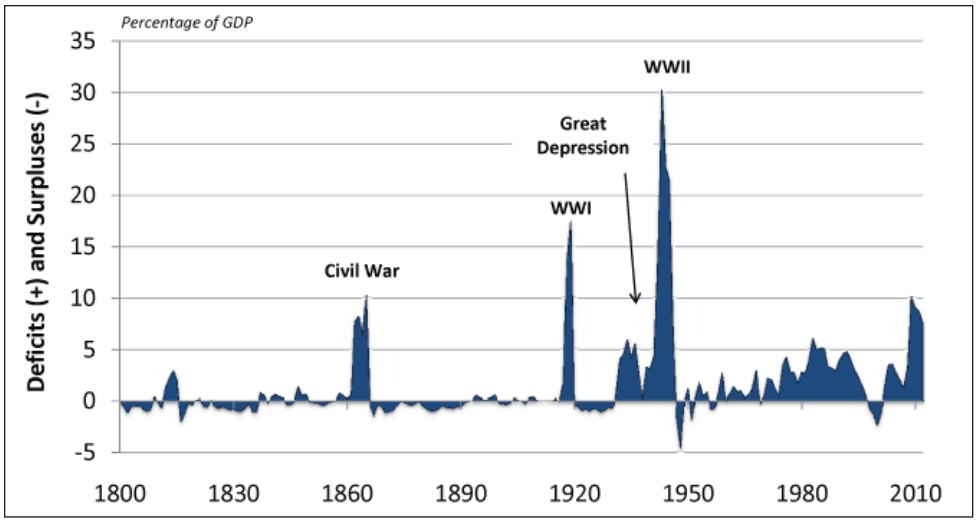
If President Obama remains in office and the Democrats win control of the House, it is most likely the tax rates for those earning more than $250,000 a year will increase, but that is probably the only change we will see. This could be a boon for some debt issuers as well, however, as it should make taxable bonds more attractive to investors.

When will the economy get better?

Most municipalities would no doubt trade the current interest rate environment for a stronger, more robust economy. Unfortunately, little change is to be expected for the next few years – and that's assuming the federal government begins to address its current budget deficits.

I expect interest rates to remain low for at least another 12-18 months in order to keep the bond market going. If the deficit isn't reined in soon, however, it will force interest rates higher over the next several years and that would be extremely damaging if our economy hasn't already rebounded.

Fortunately, politicians on both sides of the aisle have run out of options – they must address the deficit. So, no matter who is in charge come February 2013, we should see a plan in place soon to tackle spending. I'm optimistic that such a plan would also help to spur growth by showing investors, banks, taxpayers and everyone else that our larger "economic house" is returning to order and thus those waiting on the sidelines can re-enter the economy.



Did You Know? Helpful Hints for p-Card Users in the WASBO Program

1. **District Credit Limit -** If your district is approaching its overall credit limit *(which includes current charges PLUS any charges not yet paid),* you can request in writing (email is best) to david.wintczak@bmo.com for an increase. Since a full credit review is performed, we ask that your district try to anticipate your highest spend for the next 12 months. This approval process can take up to three weeks, so please plan in advance. If the request is urgent, BMO Harris Bank will do its best to rush the request. Please also include a brief description of what the increase will be used for e. g. purchasing textbooks, computers, food service supplies, bus fuel or repairs, etc.

2. **Individual Credit Limit** - Individual credit limits can be increased by the Program Administrator 24x7 by putting through a request in BMO *details* Online. (The request will be **automatically** updated with 15 minutes to 1 hour—however it is important to NOT put any comments in the comment field or this will assume that manual intervention is required and this time frame cannot be met.) Individual credit limit increases can also be done by calling Client Services at 888-267-7834 during normal business hours. (Client Services may require written backup to complete the request.) If the increase is not immediately needed, you can also email Client Services anytime at ebsclientservices@bmo.com and your request will be completed within 2 to 3 business days.

3. **Corporate ID** - You can navigate much more quickly through Client Services (or by email) by offering/including your unique six digit corporation ID on all calls/correspondence. Your account can be immediately identified without the need to email entire account numbers in most cases. Client Services can provide you this "Corporation ID" at any time, or you can request this ID from WASBO.

4. **Lost or Stolen Cards** - If a p-Card is ever lost/stolen/replaced, BMO *details* Online will show multiple instances of that card user within the system. This is necessary in order to maintain all of the transaction data dating back at least 3 years within BMO *details* Online. The most current card (if there is more than one) is always the one listed on the bottom of the list.

5. **Receipt Detail -** If requesting copies of charge detail for receipts, the transaction should be within the last 120 days. We are unable to retrieve tickets older than 18 months and under $50.00. You may contact Client Services directly 888-267-7834 to initiate this request.

6. **New Cardholders** - Due to U.S. Government regulations, you will need to provide both an address and a birth date for new cardholders (department cards do not require a birth date). We suggest that you always use the district office as the address for all cardholders (for consistency) and if necessary (until further notice), the birth date of September 9, 1989 can be used for cardholders until the U.S. Government makes a final determination if government/school employees are exempt from providing birth date information.

7. **Program Administrators** - Please keep at least one (two are recommended) program administrators current with client services on your p-Card program. To change out program administrators, a letter (on your district letterhead) must be sent with the following information: 1) Name of the "current" administrator, 2) your district name, 3) your six digit corporation ID#, 4) the name of the person(s) being removed, 5) the name(s), phone(s) and email(s) of the person/people being added and **6) signatures of all individuals (the person who is a current administrator and the signature(s) of the new administrator(s)).** Convert this letter to a PDF and email (recommended method for better tracking) to ebsclientservices@bmo.com or alternately, fax to 888-224-5392.

8. **Skyward Interface** - In order to use the Skyward interface:
   a. Email BMO Harris Bank at david.wintczak@bmo.com and let David know that you want access to Skyward's interface. The request may take 3-5 business days. You will receive an email that the request has been completed with next steps.
   b. After you receive confirmation from BMO Harris Bank that you have access to the Skyward interface, contact your Skyward project manager or sales rep to schedule three hours of webex training. This training will include setting up the credit cards, setting up approvals, check in/out procedures, reviewing/

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Helpful Hints for p-Card Users in the WASBO Program

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submitting transactions, approving transactions, and building invoices.

9. **Audited Financial Statements** - As soon as your district's financials are available, please make sure that they are emailed to BMO Harris Bank at pcard.reviews@harrisbank.com or faxed to (312)293-5811 or sent (overnight or tracked mail is suggested) at the following address:

BMO Harris Bank
Institutional Markets 5 C
Attn: Michael Murawski
111 West Monroe Street
Chicago, IL 60603

If your audited financials are available each year online, please email that link to the above email address. Going forward BMO Harris Bank would proactively download them from there each year for your convenience.

Failure to provide updated financial statements can result in suspended p-Cards and termination of the program.

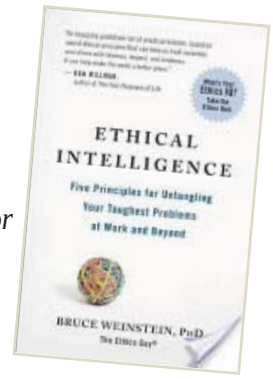
Orvin R. Clark, EdD, RSBA

Book Review

"Ethical Intelligence"

Bruce Weinstein, Author

Review by Orvin R. Clark, EdD, RSBA, Chair, Graduate Council, Educational Leadership Department, University of Wisconsin - Superior



Ethical Intelligence written by Bruce Weinstein presents five principles of ethical intelligence. Bruce Weinstein, PhD, is the host of "Ask the Ethics Guy!" on Bloomberg Businessweek Online's management channel, where he also writes an ethics column. He regularly gives keynote addresses to businesses, schools, and nonprofit organizations across the country.

Ethical Intelligence is ten chapters, a series of short stories, and 206 pages in length. How ethically intelligent are you? Take the following quiz and discover your ethics IQ.

1. You notice that your friend Heather has posted a new picture of herself on Facebook in which she is smoking a bong with one hand and holding a bottle of vodka in the other. What would you do?
   A. Tell her you don't think this photo is a good idea.
   B. Don't say anything about it to her.
   C. "Like" the photo.
   D. Copy the photo to your hard drive and use it against her if she ever double-crosses you.

2. You're having lunch at a restaurant and overheard two colleagues, Bob and Ray, taking about a client with whom your business is having difficulty. They mention the client by name as well as specific information about the problem. What would you do?
   A. Approach them and mention your concerns about confidentiality.
   B. Ignore it.
   C. Tell your supervisor what you witnessed.
   D. Record your colleagues with your cell phone's video camera and post the clip on YouTube.

3. You take your twelve year old son to the movies. At the box office, you see a sign that says, "Children up to eleven: $6.00. Adults $12.00." The movie theater's management thus considers your son to be an adult. What would you do?
   A. Ask for one child and one adult ticket.
   B. Ask for two adult tickets.
   C. Give your son money and have him ask for a ticket.
   D. Ask your son what he thinks you should do, and then do whatever he suggests.

4. An employee you supervise comes to work late, spends lots of time shopping online, takes long lunches and coffee breaks, and leaves early. A few months ago, you fired someone for doing the same thing. This person, however, is the daughter of a close personal friend. You've talked with her several times about her conduct, but the problems continue. What would you do?
   A. Fire her.
   B. Ignore it.
   C. Talk with her again and tell her this is her last chance to straighten up.
   D. Ask your friend (her parent) to talk to her.

5. You wake up on a workday day with the flu. What would you do?
   A. Stay at home and rest.
   B. Stay at home and work.
   C. Go to work but avoid socializing with people.
   D. Go to work but socialize only with the people you don't like.

Now that you have made your selections, the ethically intelligence choices are:

1. A
2. A
3. B
4. A
5. A

If you selected the ethically intelligence choice:

- 0-1 time, your grade is F
- 2 times, your grade is D
- 3 times your grade is C
- 4 times your grade is B
- 5 times your grade is A

If you received less than an A on the IQ Quiz you will benefit from reading this book and following the five principals of ethical intelligence which are:

- Do No Harm
- Make Things Better
- Respect Others
- Be Fair
- Be Loving

As the quiz suggests, it's not always easy to do the right thing, or even know what the right thing is. The principles of ethical intelligence provide the foundation for making the right choices in every area of your life. The first four principles of ethical intelligence may be properly seen as principles of duty, whereas the fifth principle, Be Loving, is

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an ideal. Now that the five principles of ethical intelligence have been identified, it's time to examine how each of them enriches all of our relationships.

Principle 1: Do No Harm – principle of nonintervention-apply it by restraining the impulse to do or say harmful things.

Principle 2: Make Things Better – to improve the lot of others and ourselves. Explains how ethics concerns our responsibilities to ourselves and not just to our employer, colleagues, family and friends.

Principle 3: Respect others – has three components:

- Protecting confidentiality
- Telling the truth
- Honoring your promise

Principle 4: Be Fair – has three critical areas:

- Allocating scarce resources
- Disciplining or punishing others
- Rectifying injustices

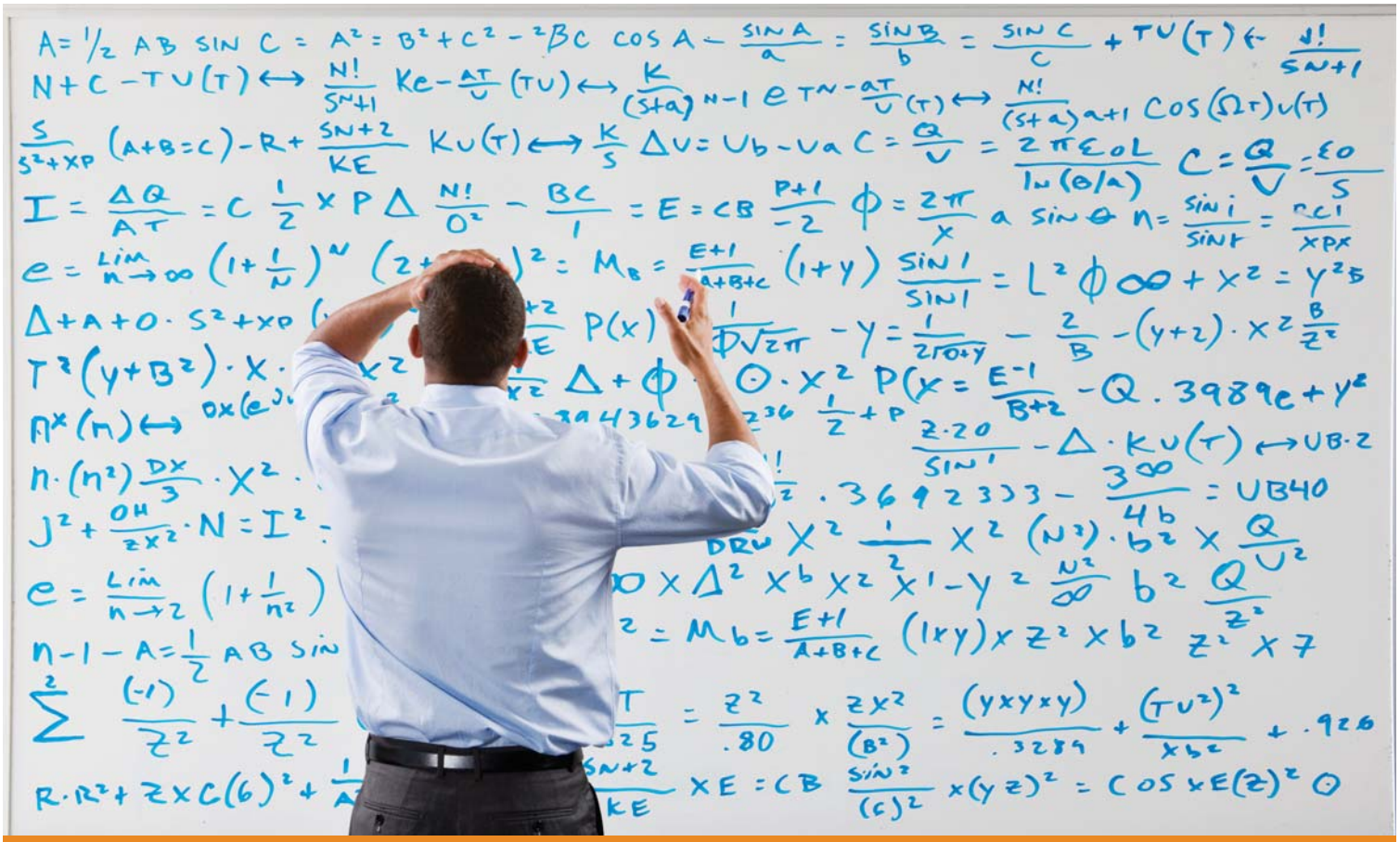
Principle 5: Be Loving – has three aspects:

- Kindness
- Care
- Compassion

Some insights that put ethics in a daily perspective:

- There is no meaningful distinction between ethics and morality, ethics and morality can and should be used interchangeably.
- Fear, focus on short-term benefits, and foul moods can make it difficult to do the right thing.
- Differences in social practices exist across religions, but Eastern and Western religions alike are founded on the ethical concepts represented by the five principles of ethical intelligence.
- An action can be ethical but illegal, or unethical but legally permissible (or even legally required). For any law, we can and should ask, "Is the law right?"
- Experts in ethics can't legitimately claim to be better people, but their training and experience may make them well suited to evaluate the rightness or wrongness of what people do.
- Ethical intelligence is a populist idea, not an elitist one, and it can be developed and strengthened through both reflection and practice.

Ethical Intelligence is not only worth reading but the value lies in daily practice. To assist you in this endeavor sign up for Dr. Weinstein's free ethics newsletter at TheEthicsGuy.com.



As a trusted school insurance advisor, we help solve the toughest problems.

With the WASB Insurance Plan, you get more than cost-effective property and casualty insurance. Liberty Mutual Group and Wisconsin-based Indiana Insurance® make sure you are supported by sound, reliable recommendations and services from your agent. With a bottom-line focus and innovative risk management solutions, the complex issues school districts face today become easier to handle.

We back up our advice with safety training, fast and efficient claims handling, industry-leading loss control programs, and seminars to address topics such as bullying and harassment, for a plan that delivers results. It's a responsibility we take seriously.

For more information, visit the WASB Insurance Plan's website at:
www.wasbmemberservices.org/websites/wasb-insurance-plan

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WASB INSURANCE PLAN

Programs endorsed by the Wisconsin Association of School Boards Insurance Plan.

Welcome New Members

August - September 2012

District Professional Members

- **Edwin Allison**, Director of Buildings & Grounds, Wisconsin Rapids Public Schools
- **Joe Haselman**, Lead Maintenance Mechanic, New Richmond School District
- **John LaFleur**, Associate Principal, Muskego-Norway Schools
- **Joanne Long**, Bookkeeper, Mellen School District
- **Chad Marx**, Principal, Stockbridge School District
- **Gene McCurdy**, Director of Physical Plant, Viterbo University
- **David Moscinski**, District Administrator, School District of Stockbridge
- **Chad Rick**, Director of Maintenance, Wonewoc-Union Center School District
- **Peter Scheppmann**, Director of Building & Grounds, Oostburg School District
- **Richard Schutte**, Chief Financial Officer, Seeds of Health, Inc.
- **Timothy Sperstad**, Building Operator, Mukwonago
- **Joseph Sykora**, Controller, Waukesha

Student Members

- **Michael Connor**, Student Member
- **Drew Niehans**, Business Manager Practicum Student, Fond du Lac
- **Christopher Tukiendorf**, Human Resources, School District of Milton
- **Michael Williamson**, Teacher, Arrowhead High School

"To be successful, one must be willing to learn and apply new concepts and not be afraid of change."
— Craig R. Barrett

Service Affiliate Members

- **Boyd Bender**, Worksite Benefit Consultant, WEA Trust Member Benefits
- **Eric Ellison**, Project Manager, Miron Construction
- **Ben Glynn**, Account Executive, Honeywell
- **Tony Goodenough**, Owner, TASC Services
- **Rodney Heller**, Lead Lighting Designer, Energy Performance Lighting
- **Chris Herek**, Government State Specialist, Fastenal
- **Brenda Jessen**, Director of Marketing and Business Development, H&H Group Holdings
- **Michelle Keffer**, Community Relations/Marketing Specialist, Security Health Plan
- **Greg Kuelz**, Benefits Consultant, Associated Financial Group
- **Katie Mueller**, Associate Marketing Manager, Focus on Energy
- **Pat Overom**, ICS Consulting, Inc.
- **Mike Piper**, General Energy Brokerage & Consulting, Inc.
- **Jenny Rouse**, General Communications
- **Monica Schermier**, American Fidility Assurance
- **Jason Shanda**, Sales Executive, Humana, Inc.
- **Dawn Urban**, Benefits Consultant, Associated Financial Group, LLC
- **Laurie Yutka**, Yutka Fence

Keep us Posted!

Retiring?

Contact us before you leave so we can update your member type to retired and get your contact information. We want to keep in touch! If you are interested in being added to our interim list, send an email to Woody Wiedenhoeft at wwiedenhoeft@wasbo.com.

Changing Districts?

Be sure to update your profile at www.wasbo.com so you don't miss any communications. Give us a call if you need help.

On the Move

- **Leonard Burzynski** from Sheboygan Falls Facilities Manager to Sauk Prairie Facilities Manager
- **Kevin Dulmes** from Oostburg Facilities Director to Sheboygan Falls Facilties Manager
- **Dan LaPaz** from Pewaukee Facilities Director to Sauk Prairie Memorial Hospital Asst Director of Facilities Services

ASBO International New Members July and August 2012

- **Lori Ames,** Middleton-Cross Plains Area School District
- **Jessy Casselius**, Eau Claire Area School District
- **Robert Chady,** Merton Community School District
- **Kate Kaeding,** Skyward
- **Robert Schafer,** Kaukauna Area School District
- **Tina Schmitz,** Kenosha Unified School District

ASBO International Membership Milestones

- **Nick Curran,** Omro SD (5 years)
- **Brian D. Koffarnus**, Greendale SD (10 years)
- **Andrew Sarnow,** Hartford Union HSD (5 years)
- **Paul Staffrude,** Maple SD (10 years)

Stay Connected

Surveys - Two short surveys will be coming your way by email that would indicate how best to serve WASBO members. The surveys are short and to the point and will not take long to complete. The information gathered will be very valuable. The first survey is to determine the interest in receiving State Aid estimates from the DPI sooner than July 1. You will be receiving the survey October 11th and will be asked to submit your response between October 16 and October 18. The reason for this timing is that one of the survey questions deals with comparing the July 1st state aid estimate with the actual amount of state aid received on October 15th. A WASBO ad hoc committee will be meeting with the DPI on October 25th to share this data and to discuss the possibilities of receiving earlier projections and even the possibility of even more accurate projections.

The second survey would be related to starting a Payroll/HR certification program for school district employees. Look for this survey later this year.

Forecast 5 Analytics - At the WASBO September 18 Board meeting, after viewing a demonstration, the WASBO Board decided to collaborate and work with Forecast 5 Analytics, Inc. in developing a valuable school related financial analytics platform (information and data cubes) and service that is not readily available for schools today. The technology can be used in numerous ways to benefit education including comparative, competitive, predictive and trend analytics. In addition, WASBO and Forecast 5 would develop a system that provides this information in a way that can be accessed easily by all WASBO members. This work is delegated to the Member Resource and Technology Goal Action Team, who will keep the Board informed of their progress and make recommendations. Leading the Goal Action Team will be Scot Ecker, Dave Van Spankeren, Betty Zimdars, Mark VanDerZee, Bob Avery, Andy Weiland, Jeanne Stahl, Jill Collins and Tom Wohlleber, in addition to the leadership of Forecast 5.

SAA Fundraising Events - John Forester will be tapping members of the SAA organizations to help with fundraising events for key legislators across the state. As John has indicated on many occasions, he considers these events crucial to the future of education in Wisconsin. K-12 education faces structure challenges and there are only two entities—SAA and DPI—who are standing up in support of public school children. Please help organize, or at a minimum attend, these events in your area. Kids across Wisconsin are counting on us to make the difference.

CSRM - The Board continues to work with the National Alliance for Insurance Education and Research (NAIER) to reach an agreement for WASBO to be the sole CSRM training organization for Wisconsin. Trained and certified WASBO members would provide instruction not only for their peers but for insurance agents across the state under this agreement. We are meeting with NAIER representatives to iron out some of the details and hope to have an announcement soon.

WASBO Governance Documents - Wendy Brockert, past president, and Bob Borch, Chair of the Constitution Committee are working with the Constitution Committee and Governance Action Team to review WASBO's constitution, policies and procedures. Over the years there have been amendments which may not be in alignment throughout the various documents or with current practice by the Board or WASBO office. After completion of their review, there may be some minor changes and updates to the constitution that will be brought to the membership for a vote in January and May at the Semi-annual Business Meetings.

Mentorship Program - The Professional Development Goal Action Team has begun implementing the newly-approved Mentorship Program with the first training on September 13 and 14. WASBO has hired Diane Pertzborn and Sandy Malliet to share a part-time mentorship coordinator position to work closely with new business managers and other business-related personnel (protégés) and their mentors. A key component in the new program is the involvement of WASBO regionals to take responsibility to involve new administrators and support staff. Each Regional will have a contact person to serve as the coordinator of the mentorship program within the Regional. This person will arrange assigning mentors and protégés with Sandy and/or Diane. Additional training sessions for mentors and protégés are being finalized. If you are interested in becoming a mentor or are in need of one, visit the WASBO website at www.wasbo.com/mentorship for information or to complete a short application form.

Be Sure to Attend - Upcoming professional development opportunities include the ASBO conference in Phoenix, October 12-15. CSRM training continues on November 7-8 and November 27. In addition, the Midwest Facility Master Conference will be held on October 29 and 30. The Winter at a Glance—Year of Success Conference is in Madison on November 27. The School Personnel Academy will also be held in Madison on November 28-29. All of these conferences are open for registration at www.wasbo.com under "Spotlight".

SFO Certification Preparation - A study guide to use in preparation for ASBO's SFO certification test has been developed by Pam Weber, ASBO; Debbie Fry, SFO from California and Janice DeMeuse, SFO from Wisconsin. This document describes how to study for the exam and provides sample questions. It is available on the ASBO website along with other SFO preparation information. Many states have their own business manager certification programs and some states require little or no preparation. SFO certification is ASBO's program to give business managers a nationally recognized credential.

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Investing in Wisconsin Public Schools is receiving a great deal of recognition around the state. Twenty six school districts have now purchased kits and are finding them very helpful in creating a dialogue pertaining to school fiscal literacy. Many districts are using this tool to help them start their strategic planning conversations with their communities. Information on Investing can be found on the WASBO website at www.wasbo.com/investinginschools. If there is enough interest in a Regional, the WASBO office could schedule training in that area.

WASBO Staff - If you haven't heard already, Erin Lynett has accepted a position with a Madison company that aligns with her degree. We wish Erin all the best and thank her for her contributions to WASBO while she was with us. If you know of someone interested in association type work, WASBO is taking applications on the Career Center.

Award Nominations - WASBO Professional Recognition Award applications will be due this coming March 1, 2013. Be thinking about who you may want to nominate in order to recognize your colleagues with whom you work. Watch for application materials this December.

Seeking Board Candidates - The WASBO Nominating Committee will be looking for nominees to run for the Board of Directors. If you know of someone or would like to be a nominee for a position on the board, contact the Nomintating Committee Co-Chairs Tom Wohlleber or Mary Ellen Van Valin.

Join a Committee - WASBO Planning Committees are well under way. If you would like to join a committee participation is always appreciated. You may join a committee at www.wasbo.com/committees.

Call for Presentations are being accepted for the 2013 WASBO Accounting Conference through October 15th at www.wasbo.com/present.

Order WASBO Apparel online at www.wasbo.com under "Spotlight" until November 15th.

Looking for products and services? Check our WASBO's Service Affiliate Members on the Buyer's Guide at www.WASBO.com Member Cental

"A bad habit never dissapears miraculously; it's an undo-it-yourself project."

— Abigail Van Buren

Wisconsin Association of School Business Officials
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Madison, WI 53704

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Please share with a prospective member!

Upcoming Events - www.wasbo.com

Professional Development

ASBO Annual Meeting & Expo
Oct. 12-15, 2012 - Phoenix, AZ (Viterbo Credit)

Midwest Facility Masters Conference
Oct. 29-30, 2012 - Kalahari Conference Center, WI Dells (Viterbo Credit)

CSRM - Measuring School Risks
Nov. 7, 2012 - WSLC, Madison (Viterbo Credit)

CSRM - Funding School Risks
Nov. 8, 2012 - WSLC, Madison (Viterbo Credit)

CSRM - Administering School Risks
Nov. 27, 2012 - Radisson Hotel, Madison (Viterbo Credit)

School Business Management - Winter at a Glance (Part of the Year of Success Program)
Nov. 27, 2012 - Radisson Hotel, Madison

WASBO/WASPA School Personnel Academy
Nov. 28-29, 2012 - Radisson Hotel, Madison (Viterbo Credit)

WASB/WASDA/WASBO State Education Convention
Jan. 23-25, 2013 - Frontier Airlines Center, Milwaukee (Viterbo Credit)

WASBO Facilities Management Conference
Feb. 26-27, 2013 - Kalahari Conference Center, WI Dells (Viterbo Credit)

WASBO Transportation & Bus Safety Conference
Feb. 27, 2013 - Kalahari Conference Center, WI Dells

WASBO/WCASS/DPI Wisconsin Federal Funding Conference
Feb. 28-March 1, 2013 - Kalahari Conference Center, WI Dells (Viterbo Credit)

WASBO Accounting Conference
March 20-21, 2013 - Chula Vista Conference Center, WI Dells (Viterbo Credit)

WASBO Spring Conference & Exhibits
May 9-10, 2013 - KI Convention Center, Green Bay (Viterbo Credit)

Committee Meetings

Safety & Risk Management Committee
All meetings at 12:00 pm, WASBO Offices, Madison
Oct. 16, 2012, Jan. 8, 2013, April 9, 2013, Aug. 13, 2013

School Facilities Committee
All meetings at 9:30 am, WASBO Offices, Madison
Oct. 16, 2012, Jan. 8, 2013, April 9, 2013, Aug. 13, 2013

Spring Conference Planning Committee
All meetings at 2:00 pm, WASBO/Conf. Call unless otherwise noted. Oct. 25, 2012, Nov. 14, 2012, Jan. 24, 2013, Milwaukee, Feb. 13, 2013, April. 18, 2013

Transportation Committee
Oct. 17, 2012, 1:00 pm, Conference Call
Nov. 13, 2012, 10:00 am, WASBO/Conf. Call (if needed)

WASBO Business Meetings

January 23, 2013 - Milwaukee, State Education Convention
May 10, 2013 - Green Bay, Spring Conference

Board of Directors Meetings

December 19, 2012	Madison
February 6, 2013	Black River Falls
April 24, 2013	Manitowoc
June 11, 2013	Madison

Connect on WASBO's Peer to Peer Communication Forum at www.WASBO.com Member Cental

Regionals

Check www.WASBO.com for more information.

Bay Area - Meetings start at 9:00 a.m.
Feb. 15, 2013 DePere Jt. Mtg with NE Regional

Madison Area - Meetings start at 9:00 a.m.
Dec. 7, 2012 - Nelson Bus Service (McFarland), Feb. 1, 2013 - Cambridge, April 5, 2013 - Beaver Dam, May 3, 2013 - Lodi

Northeast - Meetings start at 11:00 a.m.
Dec. 14, 2012 - Kimberly, Feb. 15, 2013 - DePere, Jt. Mtg w/ Bay Regional, April 19, 2013 - Fond du Lac, May 31, 2013 - Manitowoc

Northwest - Meetings start at 10:00 a.m. at Lehman's Supper Club in Rice Lake.
Nov. 7, 2012, Dec. 5, 2012, Feb. 6, 2013, March 6, 2013, April 3, 2013, June 5, 2013

Southeast - Meetings are from 12:00-2:30 pm.
November 9, 2012 - South Milwaukee, December 7, 2012 - Greendale, January 11, 2013 - Oak Creek, February 8, 2013 - Muskego-Norway, April 12, 2013 - Hamilton

Southwest - Meetings start at 12:30 pm. at CESA 3
October 17, 2012, November 14, 2012, February 20, 2013, April 17, 2013

West Central - Meetings are from 10 am - 1 pm at the Sparta Area SD Administration & Education Center
November 1, 2012, December 6, 2012
February 7, 2013, March 7, 2013
April 4, 2013, May 2, 2013
June 6, 2013

WI Valley - Coffee at 9:00, Meeting at 9:30.
October 19, 2012 -Lakeland, November 16 - Mosinee, December 14, 2012 - Wausau, February 15, 2013 -Stevens Point, March 15, 2013 - Auburndale, April 19, 2013 - Rhinelander, June 14, 2013 - D.C. Everest

Save with Professional Development Coupons www.wasbo.com/coupons