

BETHLEHEM AREA SCHOOL DISTRICT
BOARD OF SCHOOL DIRECTORS
SPECIAL BOARD MEETING

<p>Since several Board members were delayed in transit, President Faccinetto polled the Board members that were present if there was any objection to move the Special Board Meeting to the end of the evening after the Board Human Resources Committee Meeting. In consultation with Attorney Spry, he did not see any problem moving the Special Board Meeting to the end of the evening. Director Burkhardt, Director Cann, Director Follweiler, Director Patrick, and President Faccinetto agreed to moving the Special Board Meeting to the end of the Board Human Resources Committee Meeting while Director McKeon objected.</p>	<p>SPECIAL BOARD MEETING</p>
<p>A Special Board Meeting of the Board of Directors of the Bethlehem Area School District was held on Monday, May 14, 2012, at 7:50 p.m. in the Auditorium of East Hills Middle School, 2005 Chester Road, Bethlehem, PA 18017.</p>	
<p>President Faccinetto called for the roll:</p>	<p>ROLL CALL</p>
<p>Members present: Director Bonilla, Director Burkhardt, Director Cann, Director Follweiler, Director McKeon, Director Ortiz, Director Patrick, and President Faccinetto. Eight members were present.</p>	<p>MEMBERS PRESENT</p>
<p>Absent was Director Vidanage.</p>	
<p>Others present: Dr. Joseph Roy, Superintendent of Schools; Stacy Gober, Board Secretary; Attorney Donald Spry, District Solicitor; administrators; members of the press; and other interested citizens and staff members.</p>	<p>OTHERS PRESENT</p>
<p>At this point of the meeting, the Pledge of Allegiance was recited.</p>	<p>PLEDGE OF ALLEGIANCE</p>
<p>President Faccinetto requested a moment of Silent Meditation.</p>	<p>SILENT MEDITATION</p>
<p>President Faccinetto offered Courtesy of the Floor to visitors. Speakers are asked to come to the podium, stating their name and address. Public comment in the first session is limited to 30 minutes and is for agenda items only. The second Courtesy of the Floor will be for any district concerns or business. Speakers are limited to three minutes each. The board requests that, when possible, all individuals supporting a like position on a topic select a speaker to present their views to avoid repetition. If that is not possible, all are welcome to speak. As per school board policy, generally, speakers are limited to taxpayers, residents, or employees of this school district. At the conclusion of the Regular School Board Meeting, another block of time will be allocated</p>	<p>COURTESY OF THE FLOOR TO VISITORS</p>

for public comment. At that time, the same rules will apply. It is asked that speakers observe proper decorum, without personal attacks towards a specific individual or individuals. It is not the custom for the board to enter into a dialogue at these meetings about concerns. However, the board does listen with care to issues raised. Speakers will receive responses, in some form, by the administration.

No one wanted to speak at this time, and President Faccinnetto moved on to the next item on the agenda.

President Faccinnetto indicated that there were no Minutes for approval this evening.

APPROVAL OF
MINUTES/REGULAR
OR COMMITTEE

President Faccinnetto stated that the Board will have an Executive Session following this meeting to discuss legal issues, personnel, and student discipline. He also announced the Freddy nominations for both Freedom and Liberty High School. Last week Freedom High School had a record breaking 17 nominations, and at Liberty High School, our Student Board Representative, Darah Donaher, received an individual nomination for solo vocalist. Congratulations to both high schools.

PRESIDENT'S
COMMUNICATIONS

Dr. Roy indicated that he had nothing to report this evening.

SUPERINTENDENTS
REPORT

President Faccinnetto asked the Board if there was any Unfinished Business. Seeing none, he moved on to the Recommendations of the Administration.

UNFINISHED
BUSINESS

President Faccinnetto asked for a motion to approve agenda items 1 and 2 this evening which are Item 1 – Proposed Budget Adoption of the 2012-2013 Bethlehem Area School District Budget; and Item 2 – Authorization to Participate in the Pennsylvania Local Government Investment Trust (PLGIT) Credit Card Processing Services.

RECOMMENDATION
OF THE
ADMINISTRATION

Director Bonilla made a motion, seconded by Director Ortiz.

MOTION TO
APPROVE

President Faccinnetto asked if there was any discussion regarding the items.

Director McKeon indicated that he will be voting no for Item 1 as the budget is beginning to get out of control again.

President Faccinnetto asked for a roll call for Items 1 and 2.

ROLL CALL VOTE
ITEM 1 AND 2

The question was called with roll call as follows:

Item 1 – Yea – Directors Burkhardt, Patrick, Ortiz, Bonilla,
and President Faccinetto.

Nay – Directors Cann, Follweiler, and McKeon

Item 2 – Yea – Directors, Burkhardt, Cann, Follweiler, McKeon, Patrick,
Ortiz, Bonilla, and President Faccinetto

Item 1 passes 5-3.

Item 2 passes 8-0.

President Faccinetto asked if there was any New or Miscellaneous Business.

NEW/
MISCELLANEOUS
BUSINESS

Director Follweiler wanted to add a slight note. When we vote or when we say we are going to take motion to approve the items on the recommendations, I believe the word should be motion to accept because we are not actually approving it at that moment in time. As with this evening, knowing full well that I am very much not approving Item 1, the budget, I would not feel comfortable being the one to say that I accept the motion to bring the items to the Board, even though I do accept. So, if we could just try to change our practice to change to ask for a motion to accept the items versus a motion to approve because we indeed do not approve it until there is a majority of the Board that votes.

President Faccinetto asked Director Follweiler if she wanted it read a motion to accept the recommendations. Director Follweiler said yes. Isn't that what we are doing? We are not approving them. Dr. Roy responded that that we are approving them with the vote. The motion is generally to move the recommendation. Director Follweiler clarified that we are making a motion then to move the items; but we always say we motion to approve the items.

Attorney Spry responded saying that you are motioning to approve with a second to approve, and if you are not going to approve it, you vote against.

Dr. Roy indicated that the way the recommendation is written is always recommending an action.

Director Follweiler said that as long as we are not legally approving it by adopting that motion. Her fear is that somewhere along the line we get into a legal issue that we move to approve. Attorney Spry indicated that you only approve or reject by your vote. Director Follweiler responded okay that she was fine with this.

President Faccinetto asked if anyone would like to speak at Courtesy of the Floor. No one wanted to speak at this time, and President Faccinetto moved on to the next item on the agenda.

COURTESY OF THE
FLOOR

MAY 14, 2012

President Faccinetto asked if anyone had anything to discuss in Open Forum. OPEN FORUM

None

President Faccinetto asked for a motion for Adjournment. ADJOURNMENT

Director Bonilla made a motion to adjourn the meeting and seconded by Director Ortiz. The meeting was adjourned at 7:55 p.m.

Attest,

Stacy M. Gober
Secretary

SMG:pag/dlm

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RECOMMENDATIONS OF THE ADMINISTRATION – May 14, 2012**Pg. 1****1. *Proposed Budget Adoption of the 2012-2013 Bethlehem Area School District Budget*****INFORMATION:**

The 2012-2013 budget development discussions with the Board began on December 5, 2011, at the Board Finance Committee Meeting. A Budget Workshop was held on January 11, 2012.

At the Regular Board Meeting on January 23, 2012, the Board of School Directors approved a Preliminary 2012-2013 Budget in the amount of \$210,837,542. In addition, the Board authorized the advertising and regulatory filing of Act 1 Referendum exceptions included in the Preliminary Budget, authorized the posting and advertising of the General Fund Budget with final adoption scheduled for June 18, 2012, and authorized the administration and solicitor to take any and all actions necessary to ensure legal compliance with preliminary budget approval and filing of referendum exceptions.

Following the approval of the Preliminary Budget, subsequent Budget Workshops were held on February 23, 2012, March 29, 2012, and April 30, 2012, to develop a Proposed Budget for adoption 30 days prior to the Final Budget adoption in accordance with Act 1 of 2006.

RECOMMENDATION:

That the Board of School Directors adopts the 2012-2013 Proposed General Fund Budget with revenues of \$206,355,310 and expenditures of \$212,508,640. This budget is supported by a real estate tax increase of 4.84 percent or 1.23 mills.

President Faccinnetto asked for a roll call for Items 1 and 2.

The question was called with roll call as follows:

Item 1 – Yea – Directors Burkhardt, Patrick, Ortiz, Bonilla,
and President Faccinnetto.

Nay – Directors Cann, Follweiler, and McKeon

Item 2 – Yea – Directors, Burkhardt, Cann, Follweiler, McKeon, Patrick,
Ortiz, Bonilla, and President Faccinnetto

Item 1 passes 5-3.

Item 2 passes 8-0.

2. *Authorization to Participate in the Pennsylvania Local Government Investment Trust (PLGIT) Credit Card Processing Services*

INFORMATION:

The District would like to recommend utilizing the Pennsylvania Local Government Investment Trust (PLGIT) to offer taxpayers and customers the option of credit card payments for taxes, cafeteria programs, and other district fees through an online electronic credit card service. As a provider of banking services for governmental entities, PLGIT provides this service to their members at no cost except for a \$29.95 set up fee per deposit account. The District would provide a data file of the tax bills and amounts due that would allow the taxpayer to verify the payment amount and a 2.75 percent transaction fee would be payable by the taxpayer/customer. Payments made using this optional service can be uploaded via data file to the BASD tax collection system similar to the lock box files for real estate taxes.

The District could also expand this service to the cafeteria program and will review this over the summer to determine if this option would be feasible to reduce the cost paid by parents for using the current MealPayPlus program for online payments.

The administration believes participation in this PLGIT program will provide an additional optional payment vehicle for the benefit of the taxpayer, parent, and customer.

RECOMMENDATION:

That the Board of School Directors adopts the Resolution for Participation in the Merchant Services Program with PLGIT and authorizes the administration to process all necessary related documents for participation in the PLGIT credit card processing service with transaction fees to be paid by the user.

The question was called with roll call as follows:

Item 1 – Yea – Directors Burkhardt, Patrick, Ortiz, Bonilla,
and President Faccinetto.

Nay – Directors Cann, Follweiler, and McKeon

Item 2 – Yea – Directors, Burkhardt, Cann, Follweiler, McKeon, Patrick,
Ortiz, Bonilla, and President Faccinetto

Item 1 passes 5-3.

Item 2 passes 8-0.

**RESOLUTION OF MERCHANT AUTHORIZING
PARTICIPATION IN MERCHANT SERVICE PROGRAM**

WHEREAS, the Bethlehem Area School District [Name of Merchant] (the "Merchant") is a participant in the Pennsylvania Local Government Investment Trust (the "Trust"); and

WHEREAS, the Trust intends to enter into or has entered into a Terms and Conditions of Merchant Service Agreement dated as of March 1, 2004 (as the same may be amended and supplemented from time to time, the "Merchant Service Agreement") with Global Payments Direct, Inc. ("Global") and the member bank and the debit sponsor identified therein, under which Global will make available to the Trust's participants a Merchant Service Program (the "Merchant Service Program"); and

WHEREAS, under the Merchant Service Program, Global will offer to the Merchant the ability to honor at its operational locations certain credit cards and debit cards in connection with the payment of various governmental fees, fines, services and facility charges and other payments by the Merchant's customers and citizens using various electronic payment processes; and

WHEREAS, the funds collected under this Merchant Service Program will be credited to an account of the Merchant in the Trust's PLGIT Portfolio; and

WHEREAS, the Merchant may from time to time enter into additional agreements to provide for the use of additional cards or other enhancements as part of the Merchant Service Program (the "Additional Agreements"); and

WHEREAS, the Merchant desires to participate in the Merchant Service Program.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Merchant is authorized to participate in the Merchant Service Program.
2. The Merchant approves the Merchant Service Agreement, the Participant Agreement, the PLGIT Participant Boarding Application and the PLGIT Agreement Regarding Merchant Service Program substantially in the form presented to this meeting.
3. The officers of the Merchant are authorized to take any actions and to execute and deliver any documents (including, without limitation, the Participant Agreement, the PLGIT Participant Boarding Application, the PLGIT Agreement Regarding Merchant Service Program, and, from time to time, Additional Agreements) as may be necessary or proper to effectuate the Merchant's participation in the Merchant Service Program and to carry out the purposes of this resolution.

CERTIFICATION

The undersigned hereby certifies that the foregoing resolution was adopted by the Board of School Directors [Name of Governing Body] of the Bethlehem Area School District [Name of Merchant] (the "Merchant") at a duly called and convened meeting held on May 14, 2012 [Date of Meeting]; that public notice of said meeting was given as required by law; that the meeting was conducted in accordance with the Pennsylvania Sunshine Act; that the resolution and the vote thereon have been duly recorded in the minutes; and that the resolution has not been altered, amended, suspended or repealed and is still in full force and effect as of the date of this certificate.

WITNESS my hand and seal of the Merchant this 14th day of May, 2012

[SEAL]

Name: Stacy M. Gober
Title: Board Secretary

PARTICIPANT AGREEMENT

WHEREAS, the Pennsylvania Local Government Investment Trust, a Pennsylvania common law trust ("PLGIT"), Global Payments Direct, Inc. ("Global"), and HSBC Bank, USA, the member ("Member"), and Concord EFS National Bank, as debit sponsor (the "Debit Sponsor") have entered into an agreement entitled "Terms and Conditions of Merchant Service Agreement" which includes pricing terms in Schedule A thereto (collectively, the "Merchant Service Agreement");

WHEREAS, Bethlehem Area School District ("Participant") desires to utilize Global's credit card processing services as further described in the Merchant Service Agreement;

NOW THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth, the parties hereto, intending to be legally bound, agree as follows:

1. Participant represents and warrants that it has received and read the Merchant Service Agreement, including the pricing schedule contained therein. Participant agrees that it is a "Merchant" and a "Participant" as described and used in the Merchant Service Agreement and agrees to be bound by the Merchant Service Agreement, the pricing schedule contained therein, all other documents referenced therein, and any other terms, policies or procedures Participant may receive from PLGIT or Global in connection therewith. Participant agrees that the Merchant Service Agreement is incorporated by reference into this Agreement as if fully stated herein. Participant acknowledges that PLGIT and/or Global may change the pricing schedule in the Merchant Services Agreement without the consent of the Participant.

2. Without limiting the generality of the foregoing, Participant agrees that it will be paid for indebtedness purchased under this Agreement by credit to an account with a financial institution which may be designated by PLGIT from time to time ("Settlement Account"). As of the date of execution of this Agreement, PLGIT has designated the following account as the Settlement Account: Wachovia Bank, ABA 031000503, Account Number 2100012112486, located at P.O. Box 7558, Philadelphia, Pennsylvania 19101. The specific procedures for crediting and debiting the Settlement Account and any account(s) of Participant are governed by the Merchant Service Agreement.

3. PLGIT is a common law trust. The Participant or anyone relying on this Agreement, the Merchant Service Agreement or any related documents is expressly put on notice of the limitation of liability of any shareholder, trustee, initial settlor, officer or employee of PLGIT as set forth in Article V of PLGIT's Declaration of Trust and agrees that, with respect to obligations assumed by PLGIT pursuant to this Agreement, the Merchant Service Agreement or any related documents, such party will not seek satisfaction of any such obligation from any shareholder, trustee, initial settlor, officer or employee of PLGIT, individually, but only from the PLGIT portfolio of PLGIT's trust estate. Nor shall such party seek satisfaction of any such obligation from any shareholder, trustee, initial settlor, officer or employee of PLGIT solely on the basis of his, her or its status as a shareholder, trustee, initial settlor, officer or employee of

PLGIT. Any person signing this instrument or the Merchant Service Agreement or any related documents on behalf of PLGIT is not signing as or bound hereunder or thereunder as an individual, but only in his or her capacity as a shareholder, trustee, initial settlor, officer or employee of PLGIT, subject to the aforementioned limitations of liability.

4. Participant represents and warrants that the undersigned is authorized to enter into this Agreement on its behalf and that all legal prerequisites to entering into this Agreement have been satisfied.

5. In addition to the Section 13 Term and Termination provision set forth in the Merchant Service Agreement, Participant may terminate this Agreement at any time without cause upon sixty (60) days prior written notice to PLGIT and Global.

IN WITNESS WHEREOF, Participant, Global, Member, and PLGIT, intending to be legally bound, have each caused this Participant Agreement to be executed, sealed and delivered as of the 14 day of May, 2012.

<p>Bethlehem Area School District ("Participant")</p> <p>By: _____ Name: <u>Michael E. Faccinetto</u> Title: <u>Board President</u> Date: <u>May 14, 2012</u></p>	<p>HSBC BANK, USA ("Member")</p> <p>By: _____ Name: _____ Title: _____ Date: _____</p>
<p>GLOBAL PAYMENTS DIRECT, INC.</p> <p>By: _____ Name: _____ Title: _____ Date: _____</p>	<p>PENNSYLVANIA LOCAL GOVERNMENT INVESTMENT TRUST</p> <p>By: _____ Name: _____ Title: _____ Date: _____</p>
<p>CONCORD EFS NATIONAL BANK ("Debit Sponsor")</p> <p>By: _____ Name: _____ Title: _____ Date: _____</p>	