

MAINE SCHOOL ADMINISTRATIVE DISTRICT 6

FINANCE-FACILITIES COMMITTEE MEETING

December 12, 2019

Central Office

MINUTES

Present: A. Payeur, D. Marean, N. Carlow and J. Sargent

Guests: T. Hustus, S. Sheehan, S. Nason, C. Plummer and B. Brockman

1. Meeting opened at 4:03 p.m.
2. Public Comments
3. **Moved by N. Carlow; seconded by J. Sargent**
To accept the Finance-Facilities Minutes from November 14, 2019 as presented.

VOTED: "Yes", Unanimously

TECHNOLOGY

4. **Technology – Ransomware update**
 - a. **Network needs/Remediation** - Mr. Nason attended the meeting to provide an overview of the Ransomware attack including the timeline of events that was involved and implemented upon learning of the Ransomware attack. It is called Snatch Ransomware, which encrypts our documents and compromises your computer. This is a Windows based attack as Mac products have more internal protection on their devices. The district was able to notify staff within 3 days of the incident via an email and was then followed up with a letter mailing that went to all current and former staff, which occurred on Thursday, December 5, 2019.

Mr. Nason contacted law enforcement (Maine State Police Computer Crimes Unit) to report the incident that then referred him to the Secret Service who began an investigation of the attack. Mr. Nason was also able to engage two Cyber Security vendors; Tyler Detect and Sophos which are both engaged in cleaning up the server environment as well as providing 24/7 monitoring. This will be an ongoing cost occurring on an annual basis. Tyler Detect will be \$23,000 annually. After the first year, Technology will review the services of both companies and choose the one that best fits the district needs moving forward.

With the last payroll before Christmas occurring on December 13th it was imperative to get the Financial Software (ADS/Profund) up and running on a safe site. Technology staff was able to locate a copy of the ADS Software system that was up to date. This software was up and running on Tuesday, December 10, 2019 allowing the Business Office to begin processing payroll for employees and issuing payments to vendors.

Mr. Brockman stressed that at this point we don't truly know if any data was actually accessed in addition to being encrypted. Usually these attacks are more focused on encryption and collecting a ransom for obtaining access back to your data. Mr. Brockman shared with the committee the cost of Tyler Technologies providing hosting service for the district's current financial software, which will be at a cost of \$24,800. Mr. Brockman identified where the funding for covering the costs associated with the Ransomware attack, which will be a transfer from the Capital Improvement Reserve fund. This transfer must be approved by a 2/3-majority vote by the School Board. The total transfer would be \$75,100;

- Tyler Detect Service \$23,000
- Tyler Hosting Service \$24,800
- Sophos Ransomware \$27,300

Discussion/Question

- What is executable – these are .exe files that are created on a network and can be executed.
- Are there disadvantages to storing data on the cloud? One of the strengths of storing data “in the cloud” is that it places the responsibility and reliability on to the vendor providing the service. Mr. Nason added that Cloud storage has come a long way from when it was first introduced and those providing cloud storage will back up their storage on multifaceted solutions. Though the district does back up in different areas it is still within the same network.
- What is the status of our current vulnerability? The compromised servers have been removed and are offline. New storage has been built by the vendors that have been contracted to do so.

Moved by J. Sargent; seconded by N. Carlow

To recommend to the full Board to reallocate \$75,100 from Capital Funds to cover expenses associated with the Ransomware attack on 11/30/2019 - to include threat remediation, network rebuilding and future Security to include intrusion monitoring services.

VOTED: “Yes”, Unanimously

b. Possible Lease Purchase with Apple Corporation – Mr. Nason informed the committee that the elementary staff laptops lease is completed and the district owns them at this point. The laptops are about 5 years old. Mr. Nason shared that there has been an increase of malware activity and the amount of storage the virus software protection uses up is considerable on these devices, which only have 4 gigs of ram. The Sophos anti-virus protection uses up to 2 gigs of ram and this in turn slows down the older laptops. Mr. Nason has obtained a quote to purchase new MacBook Air laptops to replace the older devices. Their price quote is \$134,057.50 if the district were to purchase these devices this year. Mr. Nason added that he would also have the opportunity to sell the older laptops to a company called Second Life Mac and an estimate of their buy back is around \$36,830. This amount is contingent on the condition of devices once Second Life Mac evaluates them.

Mr. Brockman reviewed the Lease Purchase proposal provided by Apple Corporation, which has an interest rate of 1.999%. Mr. Brockman noted that this lease would not impact the current year budget as the resale of the old devices would cover the first payment and the additional payments would be included in the next three budget cycles. This lease can be signed by the Business Manager and does not require legal counsel, as it is less than \$200,000.

Moved by J. Sargent; seconded by N. Carlow

To accept the lease purchase submitted by Apple Inc. and authorizes the Business Manager to sign the lease.

VOTED: “Yes”, Unanimously

5. Facilities Updates – Discussion/Action Items:

a. Mr. Sheehan reviewed work orders for the month of November noting there was nothing out of ordinary that occurred at any of schools over the past month.

- Irrigation specialists have been in to irrigate athletic fields. Seasonal bathrooms and Snack shack have been closed and winterized.
- Servicing winter equipment as needed and daily sanding.
- BCES Boiler Update is completed

- Jack Memorial uni-ventilators (9) are about 80% percent completed with installation and he anticipates being fully installed and complete over the holiday break

b. Subsurface Disposal System Update – Mr. Sheehan reported that the structure is well under construction and is weather tight. Underwood Engineers is still inquiring on the district's behalf to check the status of the Site Law Permit with no new information as of December 5, 2019.

6. Other Discussion/Action Items

a. PFAS – Chemical testing update: Mr. Sheehan informed the committee that BCES and Frank Jewett water samples have been sent out specifically for PFAS testing. There are no results from the testing at the time of this meeting.

b. PFAS ME CDC Drinking Water Program Status update

Mr. Sheehan and the Compliance Specialist, Mr. Plummer attended a meeting the annual Maine rural water meeting in Bangor on 12/12/19 with PFAS being one of the topics. Mr. Sheehan noted that the presenters used the wording “emerging issue” as the State does not have a good grasp of where to go as far as implementing standards for testing. As this point in time it is important to note that in the State of Maine there is no required testing for PFAS. Mr. Sheehan that during the course of their meeting they were informed that the public water systems in New Hampshire have filed litigation against the State of New Hampshire for creating unreasonable requirements in standards. Based on this it appears that the State of Maine is waiting to see how this is handled by New Hampshire before taking any future steps. Mr. Sheehan stressed how this is a topic that needs careful consideration before jumping to any action without good information being presented and evaluated.

Mr. Sheehan reported that on 12/17/19 the State has considered revising a draft plan, which has led them to believe it would incorporate adopting the health advisory put forth by the federal government.

Questions/Discussion:

- J. Sargent – will we have to test the sites on public water? Possibly, if it should become a State mandate similar to required testing for lead and copper.

FINANCE ITEMS:

7. Moved by N. Carlow and seconded by J. Sargent

To approve the Accounts Payable and Payroll Warrants 20-08 and 20-09.

Voted Yes; Unanimous

MAINE SCHOOL ADMINISTRATIVE DISTRICT 6				
FINANCE & FACILITIES ACCOUNTS PAYABLE WARRANT SUMMARIES				
NOVEMBER 2019				
Thursday, November 7, 2019				
FIRST WARRANT	Payroll	20-08	\$1,664,799.47	
	Accounts Payable Warrant	20-08	\$239,282.38	
	Food Service Warrant	20-08	\$37,692.59	
	Insurance (MePers + Ins)	20-08		\$1,941,774.44
Thursday, November 21, 2019				
SECOND WARRANT	Payroll	20-09	\$1,475,676.23	
	Accounts Payable Warrant	20-09	\$272,321.94	
	Food Service Warrant	20-09	\$25,466.76	
	Insurance (MePers + Ins)	20-09	\$1,006,115.85	\$2,779,580.78
* THIRD PAYROLL \$1,467,793.47			TOTAL	\$4,721,355.22

Data for the top 25 Expenditures were not available for this meeting.

Interim Financial Report/Dashboard:

Data for the Interim Financial report and Dashboard is not available for this meeting.

Dashboard:

11. Other Finance Discussion/Action Item(s):

- a. Question on Youth Cheerleading booster group whether is would be a conflict with staff serving on the board and having access to the group funds. The group's by-laws state only the treasurer of this booster group has access to funds and the Treasurer position is not held by a district employee.

Adjournment:

Moved by N. Carlow; seconded by J. Sargent

To adjourn the meeting at 5:40 p.m.

Vote Yes; Unanimous