A Finance Committee meeting was held on Tuesday, June 17, 2008. Chair John P. Rigas called the meeting to order at 10:59 a.m. in the Board Room. Committee members present were: Jacques A. Conway (departed at 11:25 a.m.), Valerie J. Fisher, Dr. Ralph H. Lee (departed at 11:00 a.m.), Dr. Dietra D. Millard, Sharon Patchak-Layman, and John P. Rigas. Also present were Dr. Attila J. Weninger, Superintendent; Jason Edgecombe, Assistant Superintendent for Human Resources; Cheryl L. Witham, Chief Financial Officer; Jack Lanenga, Assistant Superintendent for Operations; and Gail Kalmerton, Executive Assistant/Clerk of the Board.

Visitors included Doug Wiley, Supervisor of Finance; Tim Keeley, Purchasing Coordinator; Nate Rouse (Principal-elect); and James Hunter, FSEC Chair.

**Acceptance of Finance Committee Minutes of May 13, 2008**

The Finance Committee members accepted the May 13, 2008 Finance Committee Minutes, as presented.

**Construction Update**

There was no construction update.

**Executive Bid Summary for Xerographic Paper Bid**

It was the consensus of the Finance Committee members to recommend to the Board of Education that it award the contract for Xerographic Paper Bid to Ricoh Americas at its regular June Board of Education meeting. Ricoh Americas has been supplying the District with this paper for the past two years and the District has found their product and customer service to be excellent.

**Executive Bid Summary for Office Supplies**

It was the consensus of the Finance Committee members to recommend to the Board of Education that it award the contract for Office Supplies to Quill Corporation at its regular June Board of Education meeting. Quill offers free delivery from its Lincolnshire warehouse as well as local sales support and customer service. References netted positive comments from satisfied customers.
Executive Bid Summary for Fencing

It was the consensus of the Finance Committee members to recommend to the Board of Education that it award the contract for fencing to Marchio Fence at its regular June Board of Education meeting. Marchio Fence’s references stated that it was consistently on time and on budget with its projects, as well as customer service being excellent.

Request for RFQ for Legal Services

It was the consensus of the majority of Board of Education members to defer the discussion of an RFQ for Legal Services until the July 17 Special Board meeting.

Changes to the Illinois Program Accounting Manual (IPAM)

Ms. Witham informed the Board of Education that the ISBE was changing several of its account code structures for the fiscal year ending June 30, 2009 and this change will have an impact on ORPFHS. The changes will affect the fund balance in the Education Fund and move expenditure recognition to different areas on the ISBE Annual Financial Report. The items that are specific to O.P.R.F.H.S. and will be reflected in the reports are as follows:

- The Tort Fund will be Fund 80 rather than Fund 13 and the fund balance will be transferred. This will reduce the Education Fund Balance on the Annual Financial Report.
- Drivers Ed will have new account codes beginning July 1, 2008, and will no longer be grouped with Regular Education. Salaries and benefits will also be included in this new section.
- Tuition payments to LEA’s and other governmental units will have a new account code (HARBOR, Triton)
- Tuition payments to private facilities will have new account codes, which will be different than the account code for tuition paid to other LEA’s.
- Furniture and equipment for less than $500 will have new account code and cannot be recorded under supplies.
- Drivers Ed fees will have new account codes.
- TIF payments will have new account codes
- Vendor contract proceeds must be deposited into account code.

The Board of Education will be asked to approve a resolution to transfer the Tort Fund balance as of June 30, 2008, from the Education Fund to the new Tort Fund after the FY 2008 audit has occurred.

African American Outreach Coordinator

Dr. Weninger stated that the position of African American Outreach Coordinator was borne out of his experiences in previous districts with Hispanic and African American liaison positions as well as talking with staff and community members as a means by
which to strengthen the relationship between OPRF and parents/guardians and students. This position was previously proposed. The responsibilities of the job include:

1. Provide leadership with students, parents/guardians, faculty/staff, student groups, teams/clubs/organizations, and community organizations/agencies to develop and maintain a positive atmosphere at OPRF for African American students.
2. Raise the academic achievement expectations of and for African American students. Work with faculty/staff and community organizations/agencies to accomplish same.
3. Assist Assistant Principal for Student Activities and Athletic Director to raise student participation in co-curricular program among African American students.
4. Independently and working with the Communications and Community Relations Coordinator and the Communications Advisory Committee, develop and implement programmatic and individual outreach programs for African American parents/guardians. This includes but is not limited to enrollment, registration, residency; school information; parental attendance/participation at/in school programs; and parental/guardianship information sessions/workshops.
5. Work with Assistant Principals, Counselors, Deans, Division Heads, and Social Workers to identify and to mitigate barriers to student academic achievement, co-curricular participation, graduation, and a positive attitude about OPRF among African American students.
6. Advise Assistant Principals, Counselors, Deans, Division Heads, and Social Workers re: factors which inhibit academic achievement among African American students.
7. Establish calendar of events at which attendance/participation by African American students and their parents/guardians are required to attend and work to gain attendance/participation.
8. Establish tracking system for African American student and parent/guardian involvement.
9. Establish annual calendar of meetings and topics for African American students’ parents/guardians at OPRF and/or other community locales.”

Dr. Weninger continued that this position will work with the Community Relations and Communications Coordinator to develop to outreach with African American parents and students. The salary and the benefits total $59,000 for 12 months. The reasons for this being in the non-affiliated category, as opposed to the union is 1) cost, and 2) the District did not want to restrict good candidates from applying who might be qualified and yet not certified.

Discussion ensued.

Q: How would this person act and interact with faculty and staff, as the position sounds like glorified social worker. Would the District be able to recruit qualified people at this salary range and job intensity?

A: When the District reviewed the contractual agreements with Family Services, Dr. Weninger believed those individuals got salaries in that range. The position will grow to capacity; it is a new position in the District to do outreach. He did not believe that the individual would be able to do everything in the beginning. He agreed that a higher salary would attract different candidates, but this was an effort to be prudent with the District’s resources. If it is found that the right candidates are not being attracted to this position, the Administration can come
back to the Board of Education in a year and request an increase. Mr. Rigas did not believe the salary range was the issue. He did not want someone sitting in an office all day and felt that the position must be closely monitored. He wanted more active involvement with the students and a level of credibility with the staff and faculty.

Q: Is this is an 8 hour-day description? In addition to responsibilities at the high school during the day, some of the outreach might take place in the evenings or on weekends. How will the usefulness of this program be evaluated? How will the Administration determine the criteria in place? Is this position being set up to fail because of the expectation that the person would work 24/7? Because there have been suggestions to have an advocate for parents of Special Education students, will this person be involved in Special Education and that part of the school day?

A: The person will not be an advocate for Special Education students. The position is being recommended to get parents of underachieving students involved in the school. The person in this position will put in a work year that is flexible; it is a fulltime position.

Q: What is the differentiation between this position and the principal position? While the principal will have other activities besides being involved with parents at the school, in many ways Ms. Patchak-Layman saw them as the principal’s job. She suggested waiting until the new staff was in place to be able to give more direction to the responsibilities of the job. She suggested that the present job description was unmanageable for someone to be successful.

A: Mr. Conway, supporting the job description as a working document, noted that no one would be able to do things well at the start. While he understood Ms. Patchak-Layman’s position regarding hours, he felt the year should start with the position in place and allow the administration to adjust it.

Ms. Fisher favored the addition of this position.

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the request for the African American Outreach Program Coordinator at its regular June Board of Education meeting.

**Request GASB 45 Services**

It was the consensus of the Finance Committee members to recommend that the Board of Education approve CBIZ’s as the lowest bidder of the RFQ for GASB 45 Services at $10,500 at the June Board of Education meeting.

Ms. Witham reported, “The Government Accounting Standards Board (GASB) had issued Statement No. 45 which establishes standards for the measurement, recognition and display of Other Post Employment Benefits (OPEB) expenses and related liabilities, note disclosures and supplementary information in the financial reports of state and local
governmental employers. OPEB’s include post employment health care costs as well as post employment benefits such as life insurance.

“In addition, Oak Park and River Forest High School offers post employment benefits such as retirement annuities for faculty members retiring under a previous collective bargaining agreement, healthcare benefits, life insurance benefits, and dental benefits until age 65 and separation benefits. The actuarial value of these benefits will be calculated and reflected in the District financial statements. GASB 45 does not require the District to fund this liability although some school districts have chosen to do so. The District may make a decision about funding the OPEB liability after the results are received and carefully reviewed.

**Occupational Therapist Agreement**

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the contract renewal for FY 2008-09 with Comprehensive Therapeutics at a rate of $72.50 per hour at its regular June Board of Education meeting.

This is a contract for physical and speech therapy services and the District has maintained this contract since FY 2002-03. The rate represents an increase of $3.50 per hour or five percent. The total value of the contract for FY 2008-09 will be approximately $25,000.

**Triton Community College Intergovernmental Agreement**

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the Intergovernmental Agreement with Triton Community College for FY 2008-09 with a five-percent increase in custodial and security services at its regular June Board of Education meeting.

Triton Community College uses the O.P.R.F.H.S. facility for evening adult education classes three nights per week. The contract provides for the following:

- a site manager for the program, paid for by Triton;
- a reimbursement for custodial and security services;
- cost sharing for parking; and
- computer lab and facility use fees.

**Family Services Contract**

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the Intergovernmental Agreement with Family Services for services related to Resource Managers and a Drug Free and Safe School Counselor at its regular June Board of Education meeting.

In the past, the District held contracts with both Family Services and Pillars. It was thought to be more effective to use just one resource for this service, as the person from
Pillars resigned and the relationship had ended. While Family Services will recruit and employ the personnel, Dr. Weninger has spoken with Dan Kill, the executive director of Family Services, about racial and gender balance, as well as the District’s expectations. The solutions to any problems or complications are detailed in the contract. Should someone not work well in the District, it would first be addressed with Family Services to make adjustments with that employee, and then, second, the District would ask that the person be removed.

Property and Casualty Liability Insurance Renewal

It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the renewal of property and casualty liability insurance with CLIC as of July 1, 2008, at its regular June Board of Education meeting.

Ms. Witham reported that the total premium for property liability and student accident insurance will increase from $189,919 for FY 2008 to $221,941 in FY 2009. This is a 17 percent increase in premium. The five-year plan projected a ten percent trend in premium for an expected increase to $208,910. This renewal is $13,031 above the expected amount. Last year, the increase was 6.9 percent, which was below the projected amount. The District has participated in the CLIC fund for the past eighteen years. It consists of 153 school districts with 495,406 students and 36,224 teachers. Arthur J. Gallagher Risk Management Services, Inc. administers the cooperative and bids the insurance renewal every year. It is partially self-funded and each district maintains a $1,000 deductible for liability insurance and $15,000 for School Board Legal Liability coverage.

Ms. Witham noted that the District has had three large claims in recent times, e.g., the coil, the flood, and the graffiti.

Workers Comp Renewal

It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the July 1, 2008 CLIC Workers’ Compensation renewal at the June Board of Education meeting.

Ms. Witham reported that unfortunately the District has experienced several losses due to trips, slips and falls this winter and other claims related to custodial services this past year. Therefore the District has been assigned an above average experience modification factor of 1.03. The premium will increase from $243,042 in FY 2007 to $265,350 in FY 2008. This is an increase of $22,308 or 9 percent. This increase is one percent below the ten percent trend in the projection model, i.e., a savings of $2,000.

Oak Park TIF Distribution Agreement

Ms. Witham gave the following report:
District 97 has two TIF settlement agreements with the Village of Oak Park; one for the Downtown TIF and one for the Madison Street TIF. District 200 is not a party to these agreements but is a beneficiary of these two agreements. Each year District 97 calculates the amounts due from the Village of Oak Park to the taxing bodies and delivers this information to the Village of Oak Park. The Village then issues a check to Cook County, which then distributes the funds to the individual taxing bodies. For fiscal year ending June 30, 2008, District 200 was expecting approximately $400,000 to be distributed sometime in April.

The funds have not been received this year. We have been able to verify that D97 did provide the necessary information to the Village of Oak Park in December. After several phone calls and e-mails to the Village of Oak Park it has been discovered that the Village neglected to send the funds to Cook County.

In an e-mail received by Craig Lesner, Chief Financial Officer of the Village of Oak Park on June 11, 2008 he stated:

“As far as the TIF surplus, I had directed staff to issue the checks to the County back when the collections came in early to mid March. However, this was not done and I failed to follow-up to ensure it had been done. We will be sending the checks out in our next cycle run and I will issue a letter to all taxing bodies affected.”

Township Treasure Update

Ms. Witham reported that the Trustee of Funds continues to hold approximately $3.6 million of District funds. The member districts are waiting for a determination of how losses will be distributed amongst the districts and for a final true up and settlement of the remaining funds due each district.

Monthly Financial Reports

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the monthly financial reports at its regular June Board of Education meeting.

Presentation of Preliminary Budget

Because of the lateness of the day, it was the consensus of the Finance Committee members to continue this discussion at the July 17 Special Board meeting.

Ms. Witham explained to Ms. Patchak-Layman that the initiatives are part of the regular Education Fund budget and are listed in a separate report for management purposes only. She noted that preparing this special report requires extra work; if the Board of Education does not need the report she would be happy to discontinue tracking these expenditures separately. Mr. Rigas explained that the reason for listing the new graduation requirements under the initiatives was to affirm the Board of Education’s commitment to
the community that the phase-in money was being used to support the new graduation requirements and initiatives. He suggested labeling it more clearly, e.g., “Use of Phase-in Funds;” Ms. Witham was directed to do that.

Ms. Patchak-Layman asked at what point did the projected fund balance start moving down? The response was 2012. When she asked if these initiatives would continue to be in place after that time, Mr. Rigas responded that they would.

Ms. Patchak-Layman asked for more information regarding the evaluation of the initiatives. It was agree that this would take place at the Instruction Committee meetings.

**Adjournment**

The Finance Committee meeting adjourned at 11:36 a.m. and to an Adjourned Financial Committee meeting on Thursday, July 19, 2008, immediately following the Adjourned Policy Committee meeting.