

**OAK PARK AND RIVER FOREST HIGH SCHOOL
201 N. Scoville
Oak Park, IL 60302**

**Finance Committee Meeting Minutes
September 17, 2015**

A Finance Committee meeting was held on September 17, 2015. Chair Cofsky called the meeting to order at 4:50 p.m. in the Board Room. Committee members present were Thomas F. Cofsky, Fred Arkin, and Sara Dixon Spivy, Also present were Dr. Steven T. Isoye, Superintendent; Tod Altenburg, Chief School Business Officer; Philip M. Prale, Assistant Superintendent for Curriculum and Instruction; Amy Hill, Director of Research and Assessment; Sheila Hardin, Faculty Senate Executive Committee Chair; and Gail Kalmerton, Clerk of the Board.

Visitors: OPRFHS faculty staff members Ron Johnson, Dr. Gwen Walker-Qualls, and Jennifer Hoffmann

Public Comments

None

Minutes

Mr. Cofsky moved to approve the August Finance Committee minutes, as presented; seconded by Ms. Spivy. A voice vote resulted in motion carried.

Contracts/Renewals

Center for Psychological Services (Center) Contract

The Finance Committee unanimously recommended that the contract with the Center for Psychological Services be moved forward to the Board of Education for approval at its September 24, 2015 meeting. The term of the contract is September 25, 2015 through May 27, 2016 in the amount of \$38,850 for 2 days per week for 37 weeks. A second day of contractual services was added to the contract because of the increased number of mandated 504 plans and the inability of in-house staff to handle them. Nationally, 504 requests are higher because students identified with ADHD anxiety and/or depression and who are not in need of a restrictive environment are now eligible for these services. Typically, the accommodations are extended time on tests and/or standardized exams, preferential seating, etc., without modification to the curriculum.

MENTA Contract

The Finance Committee moved the approval of the MENTA Contract to the Board of Education for approval at its September meeting by a vote of 2 to 1. This contract calls for MENTA to provide alternative educational services with daily reports on the students' attendance, behavior, grades, etc. MENTA is located on Madison Street in Oak Park, easily accessible by OPRFHS staff. This is in contrast to the HARBOR Academy location which is located in Hillside, making it much easier for students to travel to it. While the costs associated with this agreement for a maximum of 8 student slots are \$222,666, including MENTA's transportation services, other students may also be assigned to this site, resulting in additional expense to the District. The budget has \$300,000 earmarked for alternative

educational services. The purpose of this contract is to improve results for those students who attend alternative education sites. The success of this program will be determined by graduation rates, attendance, and grades.

The dissenting committee member was concerned about the mechanism used to keep track what resources were being used to support the Board of Education goals. While in support of helping students, this committee member wanted to have an idea of the options?

West 40 Agreement

The Finance Committee unanimously recommended that the Board of Education approve this IGA with West 40 for Alternative Educational Services at HARBOR Academy at its regular September meeting. The agreement stated a daily rate of \$110. This IGA is being approved in tandem with the MENTA contract.

Special Education Systems Transportation Agreement

The Finance Committee members unanimously recommended that the Board of Education approve the Special Education Systems transportation contract at its regular September meeting. The terms of the contract are:

- Special Education students - \$45.38 per day per student (FY2016 Anticipated Total \$48,329.70; 5 fulltime students)
- Alternative Placement/Non-SPED students - \$26.25 per day per student (FY2016 Anticipated Total \$37,170; 8 long term placement students)

FY 2016 Proposed Budget

The Finance Committee unanimously recommended that the FY 2016 Budget be moved to the Board of Education for approval at its regular September meeting. Mr. Altenburg highlighted the following:

Revenue

The state has recently begun making General State Aid payments at a 92% proration level rather than the historical 89% proration level. This upward adjustment has been reflected in the FY 2016 Proposed Budget. General State Aid is now listed as \$1,366,919 rather than our estimated amount of \$1,390,536. Even though we have used the 92% proration level, it is still a decrease from the prior year of \$23,617 or 1.7%.

Expenditures

The state has not made any final decisions on the funding of the ACT Test. At this point, Amy Hill and I are operating under the assumption that we will administer the ACT Test on March 15, 2016 regardless of the state's decision. The cost of the test is \$56.50 per student; there are currently 819 students in the junior class. With wiggle room for students transferring in, a budget to test 830 kids would be \$46,895. Therefore, we have rounded up and placed \$47,000 in the Education Fund for this expenditure.

Treasurer's Report

The Finance Committee unanimously recommended that the Treasurer's Report be moved to the BOE for approval at its September meeting.

Marginal Deficit Fund Balance Policy

Discussion ensued about exploring best practice metrics used by other state and school board entities that could be used to drive the financial posture and decisions of OPRFHS. The Ed. Data and Consultant Services suggest such things as:

1. operating expense per pupil, differentiate between Special Education and Regular Education students
2. teachers salary average
3. fund balance per expenditure
4. fund balance per total budget
5. average daily attendance
6. debt per ADA
7. surplus for device per data (fund balance)
8. education fund tax rate per student
9. aggregate (total) tax rate per student) Ed Fund tax rate divided by the students or ADA and then take all of funds in total and divide by ADA

Additional metrics to consider?

- 1) How effectively is OPRFHS utilizing its resources (as compared to other districts?)
What are the operating expense per pupil, delineated by general and special education?
Measure and compare with other districts
- 3) What is the health of OPRFHS?
The fund balance itself in months.
The ratio of expenses to revenue. Is OPRFHS in surplus or deficit spending?
How does OPRFHS compare as to the return on its investments.
- 4) How much of a tax burden is being placed on the taxpayers? What is the aggregate tax rate?
- 5) What is the comparative compensation using NWPA schools, using total faculty compensation?
How many staff live in the community?
Can the District get a sense of how it fits with regard to the economic health of the community?
- 6) How does capital improvement fit in? (Could be return on investment, change in energy, or maintenance costs.) Focus on what is the asset value over time?

Discussion ensued about having a financial scorecard available on the website. Discussion will continue at the next meeting.

Cost Containment

The administration was charged with providing a summary of what has been done with the district's resources in order for the committee to have a big picture understanding as to which venues the resources are being spent.

Compensation Philosophy and Processes

The Committee will schedule a special session to discuss the compensation philosophy and processes in order to provide guidance to the administration. This meeting will be coordinated with the Hay Group. Committee members were asked to send questions to Mr. Altenburg and Mr. Cofsky.

Long-Term Facility Plan

Mr. Prale reported that he and Mr. Altenburg were working with the architects and would be bringing an executive summary to the Board of Education for discussion at its September meeting.

Marginal Deficit/Fund Balance Policy

Modifications relative best practices should include reference to the 5-year projection model and a discipline in methodology. These will be added to the Fund Balance Policy. This policy will be reviewed at the next Finance Committee meeting.

New Business

None

Adjournment

At 6:30 p.m., Mr. Arkin moved to adjourn; seconded by Ms. Spivy. A voice vote resulted in motion carried.

Submitted by
Gail Kalmerton
Clerk of the Board of Education