

OAK PARK AND RIVER FOREST HIGH SCHOOL

Finance Committee Meeting Agenda

**October 14, 2008
Board Room
7:30 a.m.**

- | | |
|--|------------------------------------|
| 1. Minutes | |
| 2. Coca Cola Beverage Contract | Cheryl Witham |
| 3. Securatex Security Contract | Cheryl Witham |
| 4. Insurance Renewals | Cheryl Witham |
| Medical & Dental | |
| Life & LTD | |
| 5. Aid to Needy Children Report | Information |
| 6. Construction Update | Jack Lanenga |
| 7. B & G Staffing | Jack Lanenga |
| 8. 2007 Audit Report | Tim Cole & Joe Lightcap |
| 9. Levy Timeline | Cheryl Witham |
| 10. Discussion of Budget Cycle | Discussion |
| 11. Treasurer's Report | Information |

Finance Committee Members

Chair: John Rigas

Board of Education

DLT

Jim Hunter – FSEC Chair

FINANCE COMMITTEE
BOARD REPORTS

July, 2008	August, 2008	September, 2008	October, 2008
	08 - 09 Tentative Budget	08 - 09 Budget	2007 Audit Report
	Time Keeping Software		Levy Timeline
			Discussion of Budget Cycle
			Insurance Renewals
November, 2008	December, 2008	January, 2009	February, 2009
5 Year Plan Projections	Adopt 2008 Levy	Food Service Rollover Bids	Student Fees 09 - 10
Adopt Preliminary 2008 Levy		Authority to Commence Amend. Budget 08/09	RFQ Audit Services
Books & Fees Report		Authority to Commence 09/10 Budget Prep	Bids for Bus Services
Health Insurance Renewal			TIF JT review Board Reports
Landscaping Bid			
Five Year Plan Assump.			
Summer School Report			
March, 2009	April, 2009	May, 2009	June, 2009
	Authorization to Commence 2009 Audit	Prevailing wage	FY 09 Preliminary Budget
	FY 2009 Amended Budget	Resolution to transfer funds	Property & Liability Ins Renewal
	Staffing report 09 - 10 budget	PTAB Resolution	Workers Comp Renewal
	Sub Teacher - Sub clerical pay 09 - 10	Contracts for FY 09 - 10	
	Food Service lunch prices 09 - 10	- Family Services	
	Towel Service Bid	- OT Contracts	
	Audit Services Bid	- Triton Contract	
	Contracted Security Services Bid	Xerographic Paper Bid	
		Office Supplies Bid	
Every Meeting:			
Minutes			
Construction Update			
Financial Reports			
Treasurer's Report			

OAK PARK AND RIVER FOREST HIGH SCHOOL
201 North Scoville Ave.
Oak Park, IL 60302

FINANCE COMMITTEE MEETING

Thursday, September 16, 2008

A Finance Committee meeting was held on Tuesday, September 16, 2008. Chair John P. Rigas called the meeting to order at 7:36 a.m. in the Board Room. Committee members present were Jacques A. Conway, Dr. Ralph H. Lee, Dr. Dietra D. Millard, Sharon Patchak-Layman, and John P. Rigas. Also present were Dr. Attila J. Weninger, Superintendent; Cheryl L. Witham, Chief Financial Officer; and Gail Kalmerton, Executive Assistant/Clerk of the Board.

Visitors included Kay Foran, Communications and Community Relations Coordinator; Doug Wiley, Supervisor of Finance; Cindy Milojevic, Assistant Principal for Student Activities; and James Paul Hunter, OPRFHS Faculty Senate Executive Committee Chair.

Acceptance of Finance Committee Minutes of August 21, 2008

The Finance Committee members accepted the August 21, 2008 Finance Committee Minutes, as presented.

Construction Update

There was no construction update.

VIP Contract

Ms. Milojevic had provided the following information to the Committee members:

“VIP is a professional photography company that has taken photos at OPRFHS for many years. Specifically, it provides the following services to OPRFHS:

- take senior portraits for the yearbook;
- take photos of all freshmen, sophomores and juniors for the yearbook;
- provide digital images to yearbook staff of all students (freshmen-seniors);
- take School ID's and produce ID cards;
- take staff yearbook photos and staff group shots;
- offer portrait packages for sale to families who desire them;
- take candid photos at 50 large school events for Student Activities;
- take photos of all athletic teams;
- take candid photos at sporting events;
- provide Student Activities and Athletics with disks of photos for slideshows, etc.;
- Take prom portrait photos;
- Take photos at Homecoming and King of Heart Dances; and
- Provide 30 large print photos for halls.

“The Board of Education must approve all contracts that provide free goods and services to the District. These contractual arrangements are also disclosed in the ISBE Annual Financial Report (AFR).

“The contract between VIP and OPRFHS defines the services that VIP offers, as well as the “value in kind” to OPRFHS as a result of the contract. The 2008-2009 contract was reviewed by Michelle Carrow, John Stelzer, and Cindy Milojevic. See below for the value of goods and services last year to OPRFHS as a result of the contract/agreement:

ESTIMATED VALUE 2007-2008	RECIPIENT	USE OF REVENUE
\$1,000	Athletics	Spirit Activities, Banners, T-Shirts and Signs
\$6,800	Tabula	Yearbook Camp, Camera Equipment, Computers, Computer Software

It was noted that students who do not sit for their graduation photos do not have their pictures in the yearbook. Students are not charged a sitting fee for pictures to be included in the Tabula. However, they are charged a \$25 fee if they choose to sit for six previews, which may include changes of clothing, etc. Committee members were concerned that students may not realize their choices and asked for that to be clearly stated in any relevant information.

It was also clarified that the contract stipulates that the high school may not hire another firm to take graduation photos, etc. However, others, e.g., parents, newspapers, etc., would not be prohibited from taking pictures.

It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the contract for professional photography services with Visual Image Photography at the Special Board Meeting following the Committee meeting on September 16, 2008.

DJ & Entertainment for Homecoming

Mr. Rigas noted that no contract had been presented with the Finance Committee Packet nor with the Special Board Meeting packet and that the Board of Education could not approve a contract without seeing it. Ms. Witham explained that due to new regulations, this contract needed Board of Education to approve because the value was over \$10,000. It was the consensus of the majority of the Finance Committee members to place this item on the agenda for the Special Board meeting scheduled for Thursday, September 18, 2008. Ms. Milojevic reminded the Board of Education that Student Council pays for this out of its funds. Ms. Milojevic presented the following information in the packet:

“The Homecoming Dance is a long-standing tradition at OPRFHS, eagerly awaited and largely attended. Each year, the majority of the ticket price (\$15 per student) is used to defray the operating cost of decorations and the DJ with the thinking that the main purpose of the dance is to provide an opportunity to bring the student body together as a community.

“This year, the Student Council officers have selected a DJ, BOOM Entertainment, who provides expanded services; DJ music combined with an extraordinary light show to modify the Field House into an “Extravaganza.”

“The DJ package also includes the availability of a light show Friday night at the new Homecoming Block Party, as well as management of a website especially for students. The website offers students: online balloting for Homecoming Queen, the ability to submit song requests in advance of the dance, promotion of the dance and the ability to purchase photos after the dance. With the added promotion and excitement, Student Council feels that attendance at the dance will increase significantly.

“Last year the attendance record was broken with 1,600 students at the dance. This year, Student Council hopes to have 1,800 or more attendees. If \$10 of each ticket (10 x 1,800 participants) were used to cover cost, the total collected would be \$18,000. That leaves a remainder of \$5.00 from each of the 1,800 participants, \$9,000, that Student Council plans to use to support other school wide initiatives and to donate to charity. (As a point of comparison, last year, \$15,000 was spent on decorations, and the DJ was an additional \$1,500.)

“Boom Entertainment contract summary

- DJ	
- Light Show	
- Sound	
- Entertainment	\$15,195 (slight increase from last year)
- Website creation and Management	\$ 1,295
- Friday Night Block Party	\$ 1,600
- Percussionist	<u>\$ 795</u>
- TOTAL	\$18,885

Dr. Millard questioned the charge for the drummer, noting that \$800 was extremely high. Ms. Milojevic noted that she would address this with the vendor.

Contracts – Physical Therapist, Occupational Therapist, and Psychologist

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the contracts with the independent workers for social work services, physical therapy, and occupational therapy services, as presented (attached to and made a part of the minutes of this meeting) at the regular September Board of Education meeting. Ms. Witham noted that these contracts were developed by the District’s attorney.

TIF Report

Because Ms. Witham was meeting with the Village at 2:00 p.m. that same day on the status of the TIFs, the Finance Committee members asked that this discussion be continued at the Special Board Meeting on Thursday, September 18, 2008. Ms. Kalmerton will adjust the agenda for that meeting. Ms. Witham provided the Committee members with an update of the Tax Increment Financing (TIF) with the Village of Oak Park. In her written explanation, she provided the following information:

“The District benefits from three separate TIF agreements with the Village of Oak Park. Two of these agreements are District 97 settlement agreements with the Village of Oak Park related to the Oak Park Downtown TIF and the Village of Oak Park Madison Street TIF. These two agreements provide annual cash distributions from the two TIF’s. All Oak Park Taxing Bodies benefit from these two agreements.

“The third agreement is the Oak Park Downtown TIF Intergovernmental Agreement between Village of Oak Park, District 97, and District 200. This agreement provides carve outs of incremental EAV from the Downtown TIF at pre-arranged intervals until the expiration of the TIF in 2018. A pre-arranged carve out of \$20,345,170 in EAV was scheduled to be released in February 2008 in order to impact the 2007 levy. The Village of Oak Park elected to carve out \$4,863,265 of incremental value and to pay the remaining value in cash. The Village advised District 97 and District 200 of this election approximately one week before passing the ordinance. The 2007 levy had already been filed in December and therefore could not be changed by District 97 and District 200.

“The Village of Oak Park has not met the requirements of the two settlement agreements with District 97. On two separate occasions, a Village staff member has advised District 97 and District 200 that the payment had been sent to Cook County for distribution. However, the payment has not yet been received from Cook County. The Village now advises District 200 that this matter will be discussed with the two districts on September 16, 2008 and not before.

“Although the Village intended to carve out incremental EAV of \$4,863,265 only \$2,772,345 was actually carved out. The EAV shortfall is now \$17,572,655. The cash value of the EAV is a general obligation of the Village and is due to the taxing bodies.”

Ms. Patchak-Layman noted that the Village is now charging parking fund expenses to the TIF, i.e., using TIF proceeds to help pay for the bonds it issued. Ms. Patchak-Layman added that the Village has the ability to extend the TIF if there are still outstanding obligations. It was noted that the Village’s debt to the school districts is consider a “General Obligation” and must be paid. Dr. Weninger reported that the Village informed the high school that it would no longer pay for a police officer to attend any evening events. Mr. Rigas felt that was a poor choice for the Village to make.

Ms. Patchak-Layman asked if this were the first cash payout that had transpired, as opposed to property being released from the TIF. Ms. Witham responded that it was the first time and there had never been a discussion as to the number of properties that would be released, only the amount of EAV that was due the District. Ms. Witham commented that the Village will have the same general obligation next year plus CPI or it will have to carve out property. Ms. Sharon Patchak-Layman noted that the amount of property tax being collected is diminishing, as many properties are vacant.

FY 2009 Final Budget Update

The FY 2008 – 2009 Tentative Budget was approved by the Board of Education at the August 21, 2008 Special Board of Education Meeting. The Final Budget will be presented at the Regular Board of Education Meeting on September 25, 2008, and a Public Hearing will be held. The Board of Education will then adopt the Final Budget.

Ms. Witham provided information regarding the FY 2008-09 Final Budget, noting that there had been several changes to the Tentative Budget. They are:

1. An adjustment of the levy based on the final Cook County Levy report received on September 3, 2008.
2. An amount of \$612,887, the estimated value of the TIF carve out, is a result of a reclassification from the Property Tax revenue category to Other Local Sources of revenue. The Village of Oak Park decided to pay the value in cash rather than carve out the property from the TIF.
3. Minor adjustments to several grant expenditure categories.
4. The addition of an ERO penalty of \$159,000 to the General Instruction expenditure category.

Financial Reports and Check Distributions

It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the September 16, 2008, check disbursement listings as presented at the Special Board Meeting immediately following the Finance Committee meeting.

Old Business

Because John Allen had requested a further discussion on the budget information, the Committee tabled this item until a later time.

Adjournment

At 8:16 a.m., the Financial Committee adjourned.

***Oak Park and River Forest High School
District 200***

201 North Scoville Avenue • Oak Park, IL 60302-2296

TO: Board of Education
FROM: Cheryl L. Witham
DATE: October 14, 2008
RE: Coca-Cola Bottling Company Contract

BACKGROUND

The Board of Education accepted the Food Services RFP for beverages in April, 2008. The bid was awarded to Coca-Cola Enterprises Inc.

SUMMARY OF FINDINGS

The Coca Cola contract is for a term of 5 years, which is the same term as the last contract.

The sponsorship funding of \$50,000 will be received as cash payments of \$10,000 per year; it will be revenue in the Food Service Fund.

The only advertising signage will be located on the beverage machines and menu boards.

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

To present the Coca Cola Bottling Contract for approval to the Board of Education at the October 23rd regular meeting.

BEVERAGE PROVIDER AGREEMENT

This agreement (the “**Agreement**”) is made by and between Coca-Cola Enterprises Inc. d/b/a Coca-Cola Bottling Company of Chicago, a Delaware corporation (“**Beverage Provider**”), and the Oak Park School District having its principal place of business at 201 N. Scoville, Oak Park, Illinois 60302 (“**District**”).

WITNESSETH:

WHEREAS, Beverage Provider is dedicated to being responsive to local school needs and to improving the communities in which it does business, including by supporting youth development and education, and School has requested a variety of beverages for the use of its students, faculty and staff;

WHEREAS the Beverage Provider has adopted the Alliance for a Healthier Generation School Beverage Guidelines which were announced on May 3, 2006 by former President Clinton and Governor Huckabee of Arkansas, co-chairs of the Alliance for a Healthier Generation. Working together with the District and School to implement these guidelines, this school wellness effort supports teaching kids to consume a balanced diet and be physically active;

WHEREAS, District duly issued a Request For Proposal for Exclusive Beverage Pouring Rights in accordance with all applicable laws and its internal rules and regulations and Beverage Provider submitted a conforming proposal in response thereto;

WHEREAS, District considered Beverage Provider’s proposal as required by the terms of the Request For Proposal and duly awarded the contract to Beverage Provider;

WHEREAS, such award complied with all applicable laws and the contract as embodied in this agreement is either not subject to or is exempt from any statutory or other rules, regulations or policies requiring any competitive bidding;

WHEREAS, District is vested with the appropriate authority and wishes to grant to Beverage Provider the exclusive beverage availability rights described herein with respect to Oak Park River Forest High School, located at 201 N. Scoville, Oak Park, Illinois 60302 (“School”) and with respect to all other facilities owned or operated by the District.

NOW, THEREFORE, in consideration of the promises herein contained, the parties hereto agree as follows:

1. Definitions.

(a) “Agreement Year” means each twelve-month period beginning with the first day of the Term.

(b) “Approved Cups” means disposable cups approved by Beverage Provider from time to time as its standard trademark cups and/or vessels and/or other (disposable and nondisposable) containers approved by Beverage Provider from time to time, all of which shall prominently bear the trademark(s) of Coca-Cola® and/or other Products (as herein defined) on all of the cup surface.

(c) “Beverage” or “Beverages” shall mean all nonalcoholic beverages of any kind, including concentrated energy drinks in small servings, but shall not include fresh-brewed unbranded coffee and

fresh-brewed unbranded tea products, unflavored dairy products, water drawn from the public water supply or unbranded juice squeezed fresh on the Campus.

(d) "Campus" means the entire premises of the School including all now or after-acquired property, including without limitation, all athletic facilities, offices, maintenance facilities, and including for each such location, the grounds, parking lots, all buildings which are a part of the location, all cafeterias, faculty and staff lounges, dining facilities, branded and unbranded food service outlets, concession stands, press rooms, sky boxes, stadium suites, vending locations, and players' benches, sidelines and locker rooms. The defined terms "School" and "Stadium" are included within the collective term "Campus."

(e) "Competitive Products" means any and all Beverages other than Products (as defined herein).

(f) "Products" shall mean Beverage products purchased directly from Beverage Provider or sold through vending machines owned and stocked exclusively by Beverage Provider.

(g) "Stadium" shall mean the Oak Park River Forest High School Football Stadium, which is located at 201 N. Scoville, Oak Park, IL 60302 and all other stadiums within the Campus including, but not limited to, the grounds, parking lots, all buildings which are part of the Stadium, all concession stands, dining facilities, branded and unbranded food service outlets, press rooms, sky boxes, stadium suites, vending and players' benches, sidelines and locker rooms.

(h) "Team" or "Team(s)" means all interscholastic athletic teams associated with District.

2. Term. Beverage Provider shall have the rights provided herein for a term of five (5) years, beginning August 1, 2008 ("Term"), unless mutually extended by written Agreement of the parties or unless sooner terminated as provided herein. Effective at the end of each full Agreement Year, either party shall have the right to terminate this Agreement, with or without cause, by giving the other party sixty (60) days advance written notice.

3. Consideration.

In order to advance the educational mission of the District, to benefit the District, its students and educators, to support school wellness efforts and in exchange for the rights granted to Beverage Provider hereunder, Beverage Provider agrees to provide the following funding, programs and other support described below. The parties intend that the use of funding will be focused on some or all of the following:

- Academic enrichment and scholarships
- Improvement of technology at the School
- Additional or improved educational materials
- School and Campus improvements
- Student extra-curricular activities
- Educator and Student reward and recognition programs
- Physical fitness and nutrition education programs
- Teaching kids to consume a balanced diet and be physically active

(a) Sponsorship Funding. Beverage Provider agrees to pay District an aggregate of Fifty Thousand Dollars (\$50,000) for the entire Term (the "**Sponsorship Funding**"). The Sponsorship Fund-

ing will be paid in five (5) equal annual installments of Ten Thousand Dollars (\$10,000) each. The first installment will be paid within thirty (30) days of the date that this Agreement is fully executed and subsequent payments shall be due on the anniversary date. The Sponsorship Funding shall be deemed earned evenly on a monthly basis over the Agreement Year in which they are paid.

(b) Beverage Provider will pay District a rebate of: (i) One Dollar (\$1.00) for each standard physical case of 12 ounce bottled FUZE Product and 12 ounce bottled Glaceau VitaminWater Product; (ii) Two Dollars (\$2.00) for each standard physical case of 12 ounce bottled POWERade Product; (iii) Two Dollars and fifteen cents (\$2.15) for each standard physical case of 12 ounce canned carbonated (excluding Enviga) Product and 12 ounce bottled Caribou (24 count) Product; (iv) Three Dollars and twenty five cents (\$3.25) for each standard physical case of 20 ounce bottled Dasani Product and 20 ounce bottled Dasani Flavors Product; (v) Four Dollars (\$4.00) for each standard physical case of 20 ounce bottled POWERade Product; and (v) Six Dollars (\$6.00) for each standard physical case of 20 ounce bottled carbonated Product purchased and paid for by District for sale on the Campus. The Rebates shall be paid off-invoice, in arrears, and will be based on Beverage Provider's case sales records.

(c) Each Agreement Year, Beverage Provider agrees to provide District with complimentary Products, of Beverage provider's choosing, with an approximate annual retail value of Five Hundred Dollars (\$500). In the event District does not request all complimentary Products by the end of the Agreement Year, any remaining complimentary Products shall be retained by Beverage Provider with no further obligation.

4. Grant of Beverage Availability and Beverage Merchandising Rights. District hereby grants to Beverage Provider the following exclusive Beverage availability and merchandising rights:

(a) Beverage Availability on Campus. Beverage Provider shall have the exclusive right to make Beverages available for sale and distribution on Campus. District agrees that Products shall be the exclusive Beverages sold, dispensed, served or sampled at all locations and at all functions on the Campus. District agrees that District and all other persons serving Beverages on Campus, including without limitation concessionaires, food service vendors, teams, and booster clubs, shall purchase all (100%) of their requirements for Products, Approved Cups and carbon dioxide from Beverage Provider. In particular, District shall cause the School administration to do the following:

(i) Offer a selection of Beverage Provider's Products to comply with the following standard Beverage guidelines (the "Guidelines"):

High Schools

- Bottled water
- No or low calorie Beverages with up to 10 calories per 8-ounce serving
- Up to 12 ounce servings of milk, 100% juice, light juice and sports drinks
 - Low fat and non fat regular and flavored milk with up to 150 calories per 8-ounce serving
 - 100% juice with no added sweeteners and up to 120 calories per 8-ounce serving
 - Light juices and sports drinks with no more than 66 calories per 8-ounce serving
- At least 50% of Beverages on Campus must be water and no or low calorie options

Products offered at the School in compliance with the Guidelines shown above shall be available during the regular and extended school day and at all locations in the School, except where not permitted by federal or state regulations. The extended school day includes, but is not limited to, activities such as clubs, athletic practices, yearbook, band and choir practice, student govern-

ment, drama, and childcare/latchkey programs. District represents and warrants that current federal and state regulations permit the sale of Beverages in the School at least in accordance with the above Guidelines;

(ii) Obtain Beverage vending services from Beverage Provider, which shall have the exclusive right to provide Beverage vending on Campus;

(iii) Offer juice Products, juice-containing Products and other Products in cafeteria lines of the School, if such Products meet state, and federal nutrition and procurement regulations and the above Guidelines;

(iv) Permit Beverage Provider to place a minimum of sixteen (16) Beverage vending machines and twenty two (22) coolers in mutually agreed upon locations as required to meet Beverage availability needs on Campus;

(v) Permit Beverage Provider to place vending machines in all athletic facilities operated by the District, including the Stadium; and

(vi) Cause Products to be hawked in stands in Approved Cups and plastic bottles (currently twenty-ounce) at all sporting events and during all events when any items of any make or description are hawked on the Campus.

(b) Beverage Merchandising Rights. Beverage Provider shall have the exclusive right to merchandise Beverages on Campus including the following specific rights:

(i) Trademarks for Products shall be prominently listed on the menu boards of all food refreshment outlets on Campus;

(ii) District and School shall ensure that all post-mix Beverages served or pre-mix Beverages served, sold or dispensed at concessions and for Team use (including Beverages sold, served or made available in locker rooms, sidelines and players' benches) shall be served in Approved Cups.

5. Signage for Products.

Beverage Provider shall be entitled to signage locations as selected by Beverage Provider at the School and athletic facilities, including but not limited to advertising panels located on scoreboards. Such signage shall meet Beverage Provider's reasonable specifications as to design, construction, and general appearance. The location, size and appearance of any sign are subject to District and/or School's approval, not to be unreasonably withheld. Without the express written consent of Beverage Provider, Beverage Provider's signage on the Campus shall not be altered, obscured in any way or draped at any time or for any reason by any person or entity, including any broadcaster. District and/or School shall maintain all scoreboards, signs and other promotional materials for Products in good order and repair. All lighted signs and panels promoting Products (including lighted concession advertising) shall be fully illuminated at all events on the Campus for which any signs are illuminated. Beverage Provider shall have the right of access to its permanent signage at all reasonable times for the purpose of replacement or removal of the same or to modify, change or alter the promotional messages appearing thereon at Beverage Provider's cost and discretion, subject to District and/or School's approval of content, not to be unreasonably withheld.

6. Competitive Products. During the entire Term and any renewal or extension thereof:

(a) No Competitive Products may be sold, dispensed or served anywhere, at any time on the Campus.

(b) No permanent or temporary advertising, signage or trademark visibility for Competitive Products will be displayed or permitted anywhere on the Campus, including locker rooms, sidelines and players benches.

(c) No agreement or relationship will be entered into or maintained by District or School pursuant to which Competitive Products are associated in any manner with the Campus, School, Stadium, Teams and/or events at the Stadium in any advertising, promotional activity or other endeavor which creates or tends to create the impression of a relationship or connection between Competitive Products and Campus, School, Stadium, Teams and/or events at the Stadium.

7. Pricing. During Agreement Year one, District shall be entitled to purchase bottle/can Products from Beverage Provider in accordance with the price schedule set forth in **Exhibit A**. Such prices shall remain in effect until July 31, 2009. Thereafter, such prices will be subject to an annual increase of no more than five percent (5%) over the previous Agreement Year's price, except in the event of an increase in a component of Bottler's cost of goods, manufacture or delivery, in which case Bottler may increase prices to cover such increased costs. Annual price increases shall occur automatically on August 1.

8. Equipment and Service

(a) During the Term, Beverage Provider will loan to District all Beverage dispensing equipment ("**Equipment**") which is reasonably required in Beverage Provider's discretion to dispense Products at the Campus. District represents and warrants that electrical service on the Campus is proper and adequate for the installation of Equipment, and District agrees to indemnify and hold harmless Beverage Provider from any damages arising out of defective electrical services.

(b) District agrees (i) it will execute documents evidencing Beverage Provider's ownership of the Equipment, (ii) upon request of Beverage Provider, District will execute Beverage Provider's Equipment Placement Agreement ("BPEPA"), however, if any of the terms of the BPEPA are in conflict with the terms of this Agreement, this Agreement will control, (iii) the Equipment may not be removed from the Campus without Beverage Provider's written consent, (iv) District will not encumber the Equipment in any manner or permit any attachment thereto except as authorized by Beverage Provider for the Equipment, and (v) District will be responsible to Beverage Provider for any loss or damage to the Equipment, reasonable wear and tear excepted.

(c) Beverage Provider will provide District with reasonable, free service to its Equipment. All equipment service will be provided during normal business hours. Beverage Provider shall not be obligated to provide service hereunder during periods in which it is prevented from doing so due to strikes, civil disturbances, unavailability of parts or other causes beyond the control of Beverage Provider. Beverage Provider shall not be liable for damages of any kind arising out of delays in rendering service.

9. Remedies for Loss of Rights.

(a) In addition to any other legal or equitable remedy, District will have the right to terminate this Agreement upon forty-five (45) days prior written notice to Beverage Provider at any time if:

- (i) Beverage Provider fails to make any payment due under this Agreement, and if such default continues uncured for the forty-five day period referenced in this Section 9(a); or
 - (ii) Beverage Provider breaches any material term or condition of this Agreement, and if such breach continues uncured for the forty-five day period referenced in this Section 9(a).
- (b) In addition to any other legal or equitable remedy, Beverage Provider will have the right to terminate this Agreement upon forty-five (45) days prior written notice to District at any time if:
- (i) District or School breaches any material term or condition of this Agreement, and if such breach continues uncured for the forty-five day period referenced in this Section 9(b); or
 - (ii) District's right to convey the promotional and Beverage availability rights contained in this Agreement expire or are revoked; or
 - (iii) Any material component of the Campus is closed for a period of one hundred twenty (120) days or more.
- (c) Upon termination of this Agreement for any reason, except as set forth in Section 9(a), District will refund any prepaid Sponsorship Funding pro rated to the date of termination or, if earlier, the date of any default hereunder by District and/or School, and District will refund a pro rata portion of the cost of refurbishing and installing the Equipment.
- (d) If any material component of the Campus is closed for more than thirty (30) consecutive days, but less than one hundred twenty (120) consecutive days, Beverage Provider may extend the Term for a corresponding period, whether or not such closure is due to a cause beyond the reasonable control of District.
- (e) If (i) any of the rights granted to Beverage Provider herein are materially restricted or limited during the Term or (ii) if there is a closing of any material component of the Campus, or (iii) a Team fails to play all of its scheduled home games on the Campus for a period of more than thirty (30) consecutive days during its scheduled season, (iv) the School's enrollment declines below 3,000 or the standard school year is shortened; or (v) government or other regulation limits or prohibits the availability of Beverages as outlined in Section 4; (whether or not any event is due to a cause beyond the reasonable control of District including a strike or other work stoppage), then in addition to any other remedies available to Beverage Provider, Beverage Provider may elect, at its option, to adjust the Sponsorship Funding and/or Rebates to be paid to District for the then remaining portion of the Term (and District will pay to Beverage Provider a pro rata refund of any prepaid amounts and a pro rata refund of the costs of refurbishing and installing the Equipment), or to extend the Term of this Agreement, to reflect the diminution of the value of rights granted hereunder to Beverage Provider. In the event Beverage Provider elects to exercise its right to such adjustment and refund, District may, at its option, within ten (10) days following receipt of notice of any adjustment, notify Beverage Provider of its disagreement with the amount of the adjustment. The parties will then attempt in good faith to resolve the disagreement over such adjustment. If the parties cannot, after good faith negotiations, resolve the matter, Beverage Provider may exercise the right of termination described in Section 9(b) above.
- (f) Beverage Provider shall have the right to withhold and not pay further Sponsorship Funding or any other amounts which may become payable to District pursuant to this Agreement if: (i) District and/or School has failed to perform its obligations hereunder, (ii) Beverage Provider's rights hereunder have been lost, limited or restricted, or (iii) there exists a bona fide dispute between the parties.

10. Notices. Any notices or other communication hereunder shall be in writing, shall be sent via registered or certified mail, and shall be deemed given when received.

If to Beverage Provider:

Coca-Cola Bottling Company of Chicago
7400 Oak Park Ave
Niles, IL 60714
Attention: Business Unit Vice President and General Manager

with a copy to:

Coca-Cola Enterprises Inc.
2500 Windy Ridge Parkway
Atlanta, Georgia 30339
Attention: General Counsel

If to District:

Oak Park School District
201 N. Scoville
Oak Park, IL 60302
Attention: Business Manager

If to School:

Oak Park River Forest High School
201 N. Scoville
Oak Park, IL 60302
Attention: Business Manager

11. Representations, Warranties and Covenants

(a) Representations, Warranties and Covenants of District. District represents, warrants and covenants to Beverage Provider as follows:

(i) District Authority. District has full power and authority to enter into this Agreement and to grant and convey to Beverage Provider the rights set forth herein. Upon any expiration or revocation of District's authority to convey, in whole or in part, the above Beverage availability and merchandising rights, then, in addition to the termination rights set forth, in whole or in part, in Section 9 above, Beverage Provider shall have the right, but not the obligation, to cease payment to District and instead make payments to any party that thereafter assumes responsibility for any Beverage merchandising and/or availability rights with respect to the Campus, School, Stadium and the Teams.

(ii) District Binding Obligation. All necessary approvals for the execution, delivery and performance of this Agreement by District have been obtained, and this Agreement has been duly executed and delivered by District and constitutes the legal and binding obligation of District enforceable in accordance with its terms.

(iii) No Conflict With Other Agreements. District has not entered into, and during the Term of this Agreement, will not enter into (a) any other agreements (including agreements with any broadcaster or any other Beverage providers of the Campus, School, Stadium and/or the Teams) which would prevent it from fully complying with the provisions of this Agreement or (b) any agreement granting Beverage availability and merchandising rights that are inconsistent with the rights granted to Beverage Provider pursuant to this Agreement, including any agreements with concessionaires or third party food service operators, vending companies, boosters, parents and student groups, and/or other entities which sell, distribute or advertise Beverages and/or food (including agreements with broadcasters or other Beverage Providers of the Campus, School, Stadium and/or the Teams). District further covenants that it will require compliance with the relevant provisions of this Agreement by third party food service operators, vending companies, concessionaires, boosters, parent and student groups, and/or other entities which sell, distribute or advertise Beverages and/or food on the Campus, or which sponsor events on the Campus.

(b) Representations and Warranties and Covenants of Beverage Provider. Beverage Provider hereby represents, warrants and covenants as follows:

(i) Authority. Beverage Provider has full power and authority to enter into and perform this Agreement.

(ii) Binding Agreement. All necessary approvals for the execution, delivery and performance of this Agreement by Beverage Provider, have been obtained, and this Agreement has been duly executed and delivered by Beverage Provider, and constitutes the legal and binding obligation of Beverage Provider, enforceable in accordance with its terms.

(iii) No Conflict With Other Agreements. Beverage Provider has not entered into and during the Term of this Agreement, will not enter into, any other agreements which would prevent it from fully complying with the provisions of this Agreement.

(c) General. Each of the parties hereto agree that the representations, warranties and covenants contained herein shall survive the execution and delivery, and if appropriate the termination, of this Agreement.

12. Miscellaneous. District agrees that it will not: (i) take any steps to interfere with, limit or restrict the rights granted to Beverage Provider hereunder; (ii) interfere with School's performance of its obligations hereunder; or (iii) enter into or maintain any agreement or relationship pursuant to which any Competitive Products are associated in any manner with the School, Campus, Stadium and/or Team.

13. Assignment. This Agreement or any part hereof shall not be assigned or otherwise transferred by any party without the prior written consent of the other parties. Notwithstanding the foregoing, Beverage Provider shall be entitled to assign its rights and obligations under this Agreement pursuant to the sale of substantially all of its assets.

14. Claims. In no event will Beverage Provider accept any audits of, or claims of discrepancies or errors in, pricing, rebates, commissions, funding, discounts, or other consideration provided under this Agreement ("Claims") more than one (1) year from the date of invoice or the date of funding or consideration, as applicable. In order to present Claims within forty-five (45) days of the date of invoice, commission report, check or other applicable documentation, District and/or School shall provide Beverage Provider a detailed, written request specifying the particular price, commission, funding, product, amount in dispute and reason for dispute, along with a true copy of the original invoice, commission report,

check or other applicable documentation. In order to present Claims later than forty-five (45) days from the date of invoice (but not more than one (1) year from the date of invoice), District and/or School shall provide to the Beverage Provider a request as specified above, and, in addition, submit true copies of any check remittances, and any other relevant documentation showing proof of Claim. Beverage Provider will review each Claim in good faith and provide responses to each properly-made Claim. Beverage Provider will work directly with the District and/or School to resolve any Claims or audit issues, but will not interact with third-party auditors or contractors. Any audits requested by District and/or School shall take place during normal business hours and shall be conducted at Beverage Provider's place of business.

15. Modifications. No modification or waiver of any of the terms and conditions of this Agreement shall be effective unless such modification or waiver is expressed in writing and executed by each of the parties hereto. This Agreement may be amended only in writing signed by each of the parties hereto.

16. Relationship of Parties. The parties are acting herein as independent contractors and independent employers. Nothing herein contained shall create or be construed as creating a partnership, joint venture or agency relationship between any of the parties and no party shall have the authority to bind the other in any respect.

17. Retention of Rights. School and/or District shall not obtain, by this Agreement, any right, title or interest in the trademarks of The Coca-Cola Company, nor shall this Agreement give School and/or District the right to use, refer to, or incorporate in marketing or other materials the name, logos, trademarks or copyrights of The Coca-Cola Company.

18. Governing Law. This Agreement and any dispute arising out of or relating to this Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

19. Applicable Law. Each of the parties hereto agrees that it will, in its performance of its obligations hereunder, fully comply with all applicable laws, regulations and ordinances of all relevant authorities and shall obtain all licenses, registrations or other approvals required in order to fully perform its obligations hereunder.

20. Captions. The captions used in this Agreement are for convenience only and shall not affect in any way the meaning or interpretation of the provisions set forth herein.

21. Entire Agreement. This Agreement shall constitute the complete and exclusive written expression of the intentions of the parties hereto and shall supersede all previous communications, representations, Agreements, promises or statements, either oral or written, by and between any party.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed as of the date last below written.

Beverage Provider:

By: Maara Neuendorf
Printed Name: Maara Neuendorf
Title: VP Finance
Date: 8.22.08

District:

By: _____
Printed Name: _____
Title: _____
Date: _____

Beverage Provider:

By: Timothy T. Janowski
Printed Name: Timothy T. Janowski
Title: Contract Analyst
Date: 8/18/08

School:

By: _____
Printed Name: _____
Title: _____
Date: _____

EXHIBIT A

INITIAL PRICE SCHEDULE

<u>Package</u>	<u>Price per case</u>
20 ounce bottles - Dasani/Dasani Flavors	\$13.25
12 ounce bottles - Powerade	\$14.40
12 ounce cans – carbonated (excluding Enviga)	\$ 8.15
12 ounce bottles – Glaceau VitaminWater	\$19.68
20 ounce bottles - carbonated	\$21.25
20 ounce bottles - Powerade	\$19.50
12 ounce bottles - Caribou (24 count)	\$ 8.15
12 ounce bottles - Fuze	\$16.50
10 ounce bottles - Minute Maid Juices to Go	\$14.75

***Oak Park and River Forest High School
District 200***

201 North Scoville Avenue • Oak Park, IL 60302-2296

TO: Board of Education

FROM: Cheryl L. Witham

DATE: October 9, 2008

RE: Securalex Security Contract

BACKGROUND

The Director of Buildings and Grounds is responsible for the supervision of the outside security company. Securalex was awarded the contract in December of 2007 after Securalex purchased our previous vendor, Continental Security. The shift covers Mon – Fri 10:00 p.m. to 6:00 am and weekends, Saturday 6:00 a.m. to Monday 6:00 a.m., for a total of 80 hours per week. They have provided excellent service for the District.

SUMMARY OF FINDINGS

Securalex has presented a two year renewable contract, which reflects the same price as last year. The terms in the new contract are the same as the previous contract.

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

To present the Securalex Security Contract for approval to the Board of Education at the October 23rd regular meeting.



SECURITY SERVICES AGREEMENT

This agreement made this _____ day of _____, 2008 by and between Securalex, an Illinois Corporation (hereinafter referred to as "Company") and Oak Park River Forest High School District 200 (hereinafter referred to as "Client") having a facility located at 201 North Scoville Avenue, Oak Park, Illinois, 60302 to wit:

Whereas, Client is an Educational Facility; and

Whereas, Company is engaged in the business of providing security services; and

Whereas, Client desires to have the Company provide security services at 201 North Scoville Avenue, Oak Park, Illinois, 60302 and at such other locations that Client and Company agree to in writing from time to time, with such services to commence on July 17, 2008 and continue until June 30, 2010.

1. ACCEPTANCE: This document constitutes an offer to sell services only on the terms and conditions contained herein and shall remain open for acceptance for a period of 30 days from September 29, 2008. Acceptance is expressly limited to Client's and the Company's acceptance of the terms and conditions hereof as indicated by the signature of a duly authorized representative. Notwithstanding anything to the contrary, acceptance of services by the Client or the performance by the Company for the benefit of the Client shall constitute acceptance by the Client of all terms and conditions contained herein. Company hereby provides notice of objection to any conflicting, different, limiting or additional terms and conditions proposed by Client in any agreement, contract, purchase order or any other similar document.

2. SERVICES/SELECTION:

(a) Company agrees to furnish unarmed, uniformed, Security Officers to the Client in such number(s) as the parties mutually agree upon from time to time. The initial dimensions of such services to be provided is set forth in a schedule hereto attached and hereby made an integral part of this agreement. Changes to the schedule hereafter may be endorsed and added by mutual agreement of the parties set forth in writing. Company personnel shall conform to the rules, regulations and duties as set forth in Company Policies and Handbooks (copies of which have been furnished to client), and as contained in the Post Orders (as approved by Client) at the specific site location where the security services are to be performed.

(b) The parties agree that it is outside the scope of normal security duties for Company personnel to have responsibilities for the operation of Client's business, equipment, machinery, processes or systems. In the event Client requests any employee to perform duties other than those mutually agreed to in writing and set forth in Post Orders, or requires that Company personnel perform first aid treatment, bodily searches of personnel or visitors of the Client, and any duties or responsibilities that require the operation of Client's business, equipment, machinery, processes or systems which are not consistent with or related to the security services which this Agreement is designed to provide, then the Client assumes all liability for and to the fullest extent permitted by law, agrees to defend, indemnify and hold harmless the Company, its assigns, successors, officers, agents and employees from and against any and all damages, injuries, actions and claims resulting from or in any way connected with the performance of such additional duties



and responsibilities, without regard to the negligence or fault of such indemnified parties or any limitation on the amount or type of damages, compensation or benefits payable by or for Client under worker's compensation, disability or other similar employment benefits for services provided.

(c) Security Officers selected and assigned to the Client will have successfully completed the screening process established by the Company. The screening process includes, but is not limited to, the following: Verification of employment history, verification of educational requirements, checking criminal background and conducting post-employment drug screens prior to the assignment of the security officer to the Client's facility.

3. COMPENSATION: Client agrees to pay Company for services rendered based on the following rates.

(a) Security Officers will be billed at \$13.99 per hour of straight time coverage.

(b) Overtime requested by the Client, or required by emergencies not reasonably foreseeable, will be billed at one and one-half times the above listed straight time rate.

(c) Holidays shall be billed at 1.5 the above listed straight time rate for each of the following days: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

(d) All payments for services provided shall be made within thirty (30) days of the invoice date.

(e) In the event any payment due hereunder is more than ten (10) days delinquent following such 30 day grace period, Company may impose and collect interest of 1.50% per month, compounded monthly (18% per annum), retroactive to the initial date of delinquency, or the highest amount allowed under law, whichever is less.

(f) The hourly rate herein established is predicated upon initial provision of 80 hours per week, and any material decrease in said number of hours may require a renegotiations of the hourly rate established.

(g) The hourly rate articulated above is for the initial term of this agreement. Following the initial term, the Company reserves the right to increase the hourly rate to reflect any and all increases in federal and state unemployment tax rates, worker's compensation costs, social security contributions, cost of living and inflation increases and any changes in the hours of service, rates of pay, duties, working conditions or in the Company's costs of performing the services provided under this Agreement. Company shall notify Client in writing in advance of any proposed rate increase beyond the expiration of the initial term, and such notification shall provide the revised rates to be charged and the effective date of the rate change.

(h) Recognizing that employee retention is significantly effected by the prevailing minimum wage rate, in the event that there shall be an increase in the minimum wage required to be paid during the term of this contract, Client agrees to an increase in the prevailing hourly rates paid hereunder equal to 10% of the dollar increase in the minimum wages over the minimum wages prevailing just prior to such increase, the new wage rates to become applicable at the effective date of any new minimum wage law.

4. INDEPENDENT CONTRACTOR: The personnel assigned to the Client are employees of the Company, which performs the services derived from this Agreement as an independent contractor. The Company will exercise full control over the conduct of their employees, and will pay all payrolls, payroll taxes, worker's compensation insurance premiums and will procure all appropriate licenses, permits and approvals and will pay all fees relating to the procurement of such.

5. LIMITATION OF LIABILITY AND INSURANCE: The Company is not an insurer of the Client's risks and liability exposure. The rates payable to the Company under this Agreement are based upon the cost of the services rendered. The costs of these services are unrelated to the value of or the risk to the Client's property or the property of others located on Client's premises. The number of Company personnel, hours of services and the nature of services provided hereunder have been determined and directed by Client, who shall be solely responsible for the adequacy or inadequacy thereof.

The parties acknowledge that it is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from a failure to perform any of the obligations contained herein, because of, among other things:

- (a) The uncertain amount or value of the Client's property or the property of others kept on the premises which may be lost, stolen, destroyed, damaged, or otherwise affected by occurrences which these services are designed to detect or avert;
- (b) The uncertainty of the response time of any police, medical or fire department, or any other responding third party;
- (c) The inability to ascertain what portion, if any, of any loss or damage which would have been proximately caused by the Company's failure to perform any of the services articulated herein;
- (d) The nature of the services performed by the Company.

Client understands and agrees that if Company should be found liable for personal injury or property loss or damage due from the Company's performance or non-performance of services for Client, whether based on contract, tort, law, equity or otherwise, and whether or not such damages are caused in whole or in part by employees of the Company, such damages, shall be exclusively limited to the amounts of the Company's insurance coverage as hereinafter provided. This provision is intended by the parties to represent the appropriate amount of liquidated damages, and as such, shall not be construed as a penalty.

The Company shall procure, pay for, maintain the following insurance coverages, evidence of which will be furnished to Client upon request:

- (a) Comprehensive General Liability- \$1,000,000 each occurrence including property, personal injury, as loss of any nature, with an aggregate limit of \$5,000,000.
- (b) Umbrella- \$2,000,000 each occurrence. \$2,000,000 aggregate limits.
- (c) Worker's Compensation Insurance/Employer Liability Insurance- for all security officers, supervisors, site supervisors, and inspectors employed by the Company and who perform any service on behalf of the Company for the benefit of the Client in an amount equal to statutorily required limits.

In the event Company personnel will be required to operate motor vehicles relative to their assignment at the Client's facility, Client agrees to provide and maintain Automobile insurance ensuring company personnel with Property Damage limits of at least \$250,000 and Personal Injury limits of at least \$500,000. Company further requires that it be named as an additional insured on the Client's Automobile Insurance policy.

6. DISCLAIMER OF THIRD PARTY LIABILITY: The services provided pursuant to this Agreement are intended solely for the benefit of Client, and neither this Agreement nor any service rendered hereunder shall give rise to or shall be deemed to or construed as to confer any right to any other person or entity as a third party beneficiary or otherwise, and Client agrees to indemnify, defend and hold harmless the Company, its assigns, successors, officers, agents and employees from and against any and all losses, injuries and damages (including reasonable attorney's fees and court costs) to any third party or other entity that result, or are alleged to have resulted, from the performance or non-performance of any of the services

contained in this Agreement except any such loss, injury or damage caused by negligent or wilfull acts or omissions of any of Company's employees.

7. FORCE MAJEURE: The Company shall not be liable for and shall be excused from performance in this Agreement for any delay in providing or the failure to provide services hereunder where such delay or failure is occasioned by labor dispute, strike, war, nuclear disaster, riot, insurrection, terrorist act, fire, flood, accident, storm, act of God or any other cause beyond the control of the Company.

8. EMERGENCY SERVICE: The Company agrees that it will use reasonable efforts to provide additional personnel as may be requested by Client to maintain order by reason of a labor dispute or strike by Client's employees, civil disturbance, riot or any local, national or natural emergency, or any other need requiring an increase in the number of security personnel assigned to Client's location(s), at such rates as shall be agreed to by the parties. Should the circumstances of the emergency preclude a written agreement as to applicable rates, then it is agreed that the applicable rates will be 1.5 times the regular hourly rates for any additional security services provided to the Client throughout the time frame of the emergency, or until the parties agree to a specific rate, whatever event occurs first in time. Should the nature of such emergency justify use of lawfully armed emergency personnel possessing police powers, then such hourly rates of such armed personnel shall be 3 times that established for unarmed security personnel.

9. SUPERVISION: The Company shall be solely responsible for the direct supervision and disciplining of all its personnel furnished to the Client, and executive personnel of the Company shall be available at reasonable times to consult with the Client, or its designated representatives, regarding the services rendered under this Agreement.

10. HIRING RESTRICTIONS: Client recognizes that the Company has incurred considerable expense in the recruitment, selection, outfitting and training of security personnel for assignment to Client's location. As such, Client expressly agrees to pay Company on demand, a fee of Two Thousand Five Hundred Dollars (\$2,500.00) for each Company employee previously assigned to Client and hired by Client within six (6) months of such employee's termination of employment with the Company.

11. DEFAULT: The Company reserves the right to terminate this Agreement for non-payment by Client for any monies or costs which are in excess of sixty (60) days beyond the invoiced date of service provided. The parties agree that in the event of such default, Company shall notify Client by fax and by mail and such notice shall demand that the Client immediately pay all monies or costs to a current date. Should the Client fail to cure such non-payment within five (5) days of the faxed notice, then the Company may immediately thereafter cease all further services on behalf of the Client, and the Client assumes and shall accept all risks of damages which may or shall occur following such cancellation of service, and shall hold and save the company harmless on account thereof.

12. LEGISLATIVE INITIATIVES: In the event of any change in any federal, state or municipal legislation or regulation, or upon the decision of any administrative body which affects matters relating to changes in the hours of service, rates of pay, working conditions or costs of performance of service provided under this Agreement, the Company shall notify Client hereunder of the effective date of the change. Such notice shall constitute an amendment to this Agreement, and Client shall be obligated to pay a proportionate increase in the hourly rate which reflects the increase stemming from the legislative initiative, unless Client notifies the Company in writing within ten (10) days of receipt of the Company rate increase notice, affirmatively stating that Client is not willing to pay such increased rates. Company hereby reserves the

right to terminate this Agreement thirty (30) days following receipt of Client's refusal to pay the increased rates. Such decision to terminate this Agreement by the Company shall be communicated in writing to the Client as least twenty (20) days prior to the cessation of security services. The parties specifically agree that the failure of the Client to agree to the increase rates and the decision by the Company to cease security services shall not be cause for any action, claim, lawsuit or liability by or against the parties hereunder.

13. ATTORNEY'S FEES: In the event it shall be necessary for either party to institute an action, claim, lawsuit or proceeding related to or arising out of this Agreement, the unsuccessful party shall pay to the successful party all reasonable attorney's fees and court costs.

14. TERMINATION OF THE AGREEMENT: Except as provided for in paragraphs eleven (11) and twelve (12) above, this Agreement shall continue beyond its stated term until termination by either party upon ninety (90) days written notice to the other party of a desire or intention to cancel the agreement.

15. SEVERABILITY: In the event any term, provision, covenant or warranty of this Agreement shall be declared invalid or inoperative, all of the remaining terms, provision, covenants and warranties shall remain in full force and effect.

16. LIMITATION ON ACTIONS AND VENUE: Any legal action or proceeding relating to or arising out of this Agreement must be brought by Client within one (1) year of the date the cause of action arose or it shall be expressly time barred. Each party hereby consents to the jurisdiction and venue of the U.S. District Court for the Northern District of Illinois and any court of the State of Illinois in any action, suit or proceeding relating to or arising out of this Agreement or the services provided herein.

17. NOTICES: The parties agree that any notices relating to the terms or conditions of this Agreement, or the service of process in any action, suit or proceeding shall be effective if in writing and sent either personally or by U.S. registered or certified mail, return receipt requested, postage prepaid by the party sending such notice or service and is addressed to the locations listed on the face of this Agreement.

18. PARAGRAPH HEADINGS: The paragraph headings in this Agreement are for reference purposes only and shall not affect the interpretation or construction of this Agreement.

19. SURVIVAL: The limitations of liability and indemnities provided in this Agreement shall have full force and effect, and shall survive any termination or expiration hereof.

20. COMPLETE AGREEMENT/AUTHORIZATION: This Agreement supersedes and cancels any and all previous agreements, oral or written, entered into between Company and Client. This Agreement represents the complete and entire agreement between the parties hereto. The parties agree that no other agreements or representations, oral or written, have been made by the Company which shall in any respect modify the terms of this agreement. This Agreement may not be modified, altered, waived or amended, except by a properly executed written instrument signed by duly authorized representatives of the Company and the Client. Any purchase order, invoice or other documents issued by Client with respect to the subject matter of this Agreement shall be subject to and governed by the terms and conditions contained in this Agreement. The parties further agree that this Agreement shall supersede any conflicting, different or additional terms and conditions of any other document which the parties have issued or signed, whether or not such terms or conditions materially affect this Agreement. This Agreement shall become

binding upon the Company only when executed by its duly authorized representative. It is further agreed that this Agreement shall be construed under and in accordance with the laws of the State of Illinois.

In Witness Whereof, the parties hereto have caused their presence to be executed as of the date and year written on the face of this Agreement, and the signatures below acknowledges that the parties understand and agree to the terms and conditions contained herein.

COMPANY: SECURATEX

CLIENT: OAK PARK RIVER FOREST HIGH SCHOOL

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____



***Oak Park and River Forest High School
District 200***

201 North Scoville Avenue • Oak Park, IL 60302-2296

TO: Board of Education

FROM: Cheryl L. Witham, CFO

DATE: October 14, 2008

RE: Medical, Dental, Life and LTD Insurance Renewals

BACKGROUND

Catherine Loney of GCG, the District insurance broker, has prepared information for the insurance renewals effective January 1, 2009. Ms. Loney has provided brokerage services for the District since the July 1, 2003 renewal. She will be available at the meeting to explain the renewal and to answer questions.

SUMMARY OF FINDINGS

Ms. Loney has solicited bids for the Life and LTD coverage. Thus far, the results indicate no increase in premium for next year. We are expecting additional quotes that may offer better rates.

The renewals for Blue Cross Blue Shield and Delta Dental are exceptionally favorable and indicate the success of the change in benefits negotiated with Faculty.

RECOMMENDATIONS

The insurance renewals will be presented at the October Regular Board of Education meeting on the consent agenda.

Prepared by Catherine Loney, GCG Insurance Broker

Oak Park River Forest High School
Medical & Prescription Drug Plans
Dental Plan
Life & ADD Plan
LTD Plan

Contract Renewals effective 1/1/09

GCG Financial has reviewed each of the contracts for the January 1, 2009 renewal. It was determined that based on the negotiated contracts and the positive performance of each, the medical plan will continue to be administered through Blue Cross Blue Shield of Illinois and the dental plan will continue to be administered through Delta Dental of Illinois. The life and accidental death insurance, as well as the long term disability insurance, has been under a multiple year rate guarantee through Principal since March 1, 2006. This product was marketed to other carriers for competitive bids.

Medical Plan

The fully insured HMO product offered through Blue Cross Blue Shield has continued to operate in a positive fashion. The medical trend under the HMO is currently 10.0% for both HMO Illinois and Blue Advantage. The pooling level for these products is set at \$60,000. There have been no claims which exceed this amount in either of these products. However, higher physician service fees, which are increasing 3.1%, have been the primary force behind the renewal increase. Through the Blue Cross underwriting review, the underwriters are requiring an increase of 3.2% to the current premiums.

For an added savings, Blue Cross recommends that the school district emphasize that 61% of the members in the HMO Illinois plan are currently utilizing Blue Advantage providers. Each year we have brought this to the insured's attention during open enrollment, however, minimal movement has taken place due to limited financial impact on their choices.

The self funded PPO product continues to operate in a strong financial position. Medical and prescription drug claims make up the majority of the plan costs. Projections were completed by GCG Financial using a 10% annual trend for medical claims to estimate expected claim exposure. A comparison of the expected claim experience to the aggregate attachment point provided by Blue Cross indicated GCG's claim projections to be comparable.

Additional fixed costs include the individual and aggregate stop loss insurance. Blue Cross renewed these policies at a 1.6% decrease to the premium for the \$100,000 specific attachment point contract. In addition, Blue Cross did not increase their claim administration or access fees for calendar year 2009. GCG Financial increased their benefit consulting fees by 2% from \$9.60 to \$9.79 per covered employee per month. Total projected PPO medical costs are 2% lower than 2008 costs.

Similar projections were completed for the prescription drug component of the plan, using a 10% trend factor, provided by DrugCard, Inc. Total projected drug costs produced an increase to the PPO product of 4.1% and no increase for the HMO product.

Based on the reserve analysis, comparing actual reserves at 8/30/08 to target reserves, no additional provision for reserves is included in the 2009 premiums. Finally,, no increase is being imposed on the high deductible plan to continue to encourage individuals to participate in this cost effective program.

Dental Plan

The dental plan, administered by Delta Dental, continues to be a comprehensive dental plan with high utilization of in network providers. Though the cost of dental services continues to rise, 41% of the dental claims have been for preventive and diagnostic procedures. The average claim payment for the past 12 months has been \$188.21 in comparison to Delta Dental block of business average of \$139.70. However, due to the high level of in network utilization, 86.9%, the pre-negotiated discounts applied to charges and the accumulated reserves allow for the school district to continue at the current rates for an additional year.

Life and Accidental Death and Dismemberment Plan

Currently, the school district is completing the multiple year contract through Principal. The initial renewal has been received, noting \$197,000 in terminal claims and \$30,000 in dependent claims creating a 83% loss ratio. The renewal action required by Principal is from \$.14/\$1,000 to \$.17/\$1,000 for life coverage. Requests for competitive quotes has been submitted to Assurant, Guardian, Hartford, Lincoln Financial, Madison National (National Insurance Services), MetLife, TruAssure and Unum. Competitive quotes have been received by Madison National Life (National Insurance Services) and MetLife. Principal has requested competitive results for reconsideration to their renewal rate.

Long Term Disability Plan

The school district is also completing the multiple year contract through Principal for long term disability coverage. The industry experience has increased for this product and Principal responded with an increase from \$.09/\$100 of benefit to \$.11/\$100 of benefit. However, the experience is not supporting the increase. The claims have been \$13,000 compared to \$45,000 in premium collected. Competitive quotes have been received by Madison National (National Insurance Services), with additional quotes received from EPIC, Hartford, MetLife and Unum. The primary difference in the carriers is whether underwriting has the ability to understand and integrate the IMRF coordination of benefits.

Ultimately, the renewal process has been very positive for calendar year 2009. The industry trends continue to decline and with the financial strength of established reserves, positive claim experience, Oak Park River Forest High School has been able to control their overall benefit plan costs.

Oak Park River Forest High School
Summary of Benefits with Premiums

Network	Blue Cross HMO Blue Advantage	Blue Cross HMO Illinois HMO Illinois	Blue Cross PPO Low Deductible PPO	Blue Cross PPO High Deductible PPO/VEBA
VEBA	N/A	N/A	N/A	\$750 Individual \$1,500 Ee + Child(ren) \$1,500 Ee + Spouse \$1,500 Family
Annual Deductible - Individual	N/A	N/A	\$500 in/\$1,500 out	\$1,500
Family	N/A	N/A	\$1,000 in/\$3,000 out	\$3,000
Coinsurance Percentage	N/A	N/A	90/10 in - 60/40 out	90/10 in - 70/30 out
Max. Out of Pocket - Individual	N/A	N/A	\$1,250 in/\$3,750 out	\$3,000 in - \$6,000 out
Family	N/A	N/A	\$3,500 in/\$6,500 out	\$6,000 in - 12,000 out
(including deductible)				
Preventive Care				
Routine adult exams	\$25	\$25	\$25 in - ded/coins out	\$25 in - ded/coins out
Routine immunizations to age 18, mammograms, x-rays, labs	\$25	\$25	\$25 in - ded/coins out	\$25 in - ded/coins out
Physician Services				
Office visits, diagnostic x-rays, labs	\$25	\$25	\$25 in - ded/coins out	\$25 in - ded/coins out
Hospital Services				
Inpatient Care	\$0	\$0	deductible/coins	deductible/coins
Outpatient non-surgical	\$0	\$0	deductible/coins	deductible/coins
Outpatient surgical	\$0	\$0	deductible/coins	deductible/coins
Emergency room	\$75 Co-pay	\$75 Co-pay	\$50 co-pay	deductible 90%
Prescription Drugs - Retail	\$10/\$20/\$60	\$10/\$20/\$36	\$10/\$20/\$60	\$10/\$20/\$60
Mail Order	\$20/\$40/\$100	\$20/\$40/\$100	\$20/\$40/\$100	\$20/\$40/\$100
Self Injectables	\$50	\$50		
Mental Health - Inpatient	\$0 (20 day annual maximum)	\$0 (20 day annual maximum)	ded/coins (14 day annual maximum)	ded/coins (14 day annual maximum)
Outpatient	\$20 (20 visits annual maximum)	\$20 (20 visits annual maximum)	ded/coins (20 visits annual maximum)	ded/coins (20 visits annual maximum)
Chemical Dep. - Inpatient	\$0 (20 day annual maximum)	\$0 (20 day annual maximum)	ded/coins (14 day annual maximum)	ded/coins (14 day annual maximum)
Outpatient	\$20 (20 visits annual maximum)	\$20 (20 visits annual maximum)	ded/coins (20 visits annual maximum)	ded/coins (20 visits annual maximum)
Vision	Vision Rider	Vision Rider	N/A	N/A
Total Premium (2008)				
Single	\$395.92	\$424.69	\$499.98	\$418.94
Employee + Child(ren)	\$670.11	\$731.74	\$998.37	\$815.06
Employee + Spouse	\$870.15	\$934.37	\$1,312.49	\$1,222.38
Family	\$1,158.17	\$1,253.52	\$1,619.78	\$1,258.38
Proposed Premium (2009)				
Single	\$404.20	\$433.89	\$504.28	\$418.94
Employee + Child(ren)	\$688.86	\$751.46	\$1,004.28	\$815.06
Employee + Spouse	\$888.64	\$954.92	\$1,328.88	\$1,222.38
Family	\$1,185.63	\$1,284.03	\$1,631.75	\$1,258.38

* HMO Medical Increase - 3.2%

HMO Prescription Increase - no increase

PPO Medical Increase - no increase

PPO Prescription - 4.11%

Vebea - no change

* HMO physician fees going up 3.1%.
Claim experience was .1% of the increase.

**Oak Park River Forest High School
District #200
ASO PPO Projection
1/1/2009 -12/31/2009**

Projections based on the following census data:

Single	161
Single & Spouse	68
Single & Child(ren)	30
Family	79
Total	338

Projected Income

Premiums	\$3,007,882.70
Total Projected Income	\$3,007,882.70

Projected Expenses

Medical Claims		\$2,635,580.99	(Based on actual claims paid) 12 mo claim data
Drug Claims (Not Included)		\$0.00	
Increase in Reserve		\$0.00	
Individual Stop Loss Premium	\$29.29	\$118,800.24	(\$100K Ded; 1.6% Decrease)
Aggregate Stop Loss Premium		\$32,198.00	(1.6% Decrease)
Claim Administration Blue Cross	\$44.77	\$181,587.12	(No Change)
Plan Consulting - GCG Financial	\$9.79	\$39,716.35	(2% Increase)
Total Projected Expenses		\$3,007,882.70	
Projected Income (Loss)		\$0.00	

Recommended Reserve Level

12 - 15% of Projected Claims \$ 320,000 - \$ 400,000

2008 Actual Premiums (Low Ded Plan)

Single	\$395.33	\$763,777.56	24.83%
Single & Spouse	\$913.79	\$745,652.64	24.24%
Single & Child(ren)	\$854.59	\$307,652.40	10.00%
Family	\$1,328.63	\$1,259,541.24	40.94%
Total		\$3,076,623.84	100.00%

2009 Projected Premiums (Low Ded Plan)

Single	\$386.50	\$746,712.44	24.83%	-2%
Single & Spouse	\$893.37	\$728,992.49	24.24%	-2%
Single & Child(ren)	\$835.50	\$300,778.51	10.00%	-2%
Family	\$1,298.94	\$1,231,399.26	40.94%	-2%
		\$3,007,882.70	100.00%	

GCG recommendation for 2009 is to maintain premiums at the 2008 level.

Oak Park River Forest High School
Prescription Drug Projections
1/1/09 - 12/31/09

Projected Income			
Premiums			\$ 1,265,054.05
Total Projected Income			\$ 1,265,054.05
Projected Expenses			
Prescription Claims			
PPO			\$ 883,701.17
HMO			\$ 371,492.88
Increase in Reserve			\$ - (Included in Medical Plan)
Drug Admin Per Employee per Year			
PPO	\$20.00		\$ 6,760.00
HMO	\$20.00		\$ 3,100.00
Total Projected Expenses			\$ 1,265,054.05
Projected Income (Loss)			\$ -

Recommended Reserve Level

8 - 10% of Projected Claims \$ 100,000 - \$ 130,000

2008 Actual Premiums					
PPO	Employee	161	\$104.65	\$202,184	23.64%
	Employee + Child(ren)	30	\$143.78	\$51,761	6.05%
	Employee + Spouse	68	\$396.70	\$325,339	38.04%
	Full Family	79	\$291.15	\$276,010	32.27%
				<u>\$855,294</u>	100.00%
HMO	Employee	78	\$137.04	\$128,269	34.24%
	Employee + Child(ren)	13	\$115.49	\$18,016	4.81%
	Employee + Spouse	23	\$292.20	\$80,647	21.53%
	Full Family	41	\$300.07	\$147,634	39.41%
				<u>\$374,568</u>	100.00%
2009 Projected Premiums					
PPO	Employee	161	\$108.95	\$210,497	4.11%
	Employee + Child(ren)	30	\$149.69	\$53,889	4.11%
	Employee + Spouse	68	\$415.09	\$338,716	4.11%
	Full Family	79	\$303.12	\$287,359	4.11%
				<u>\$890,461</u>	
HMO	Employee	78	\$137.05	\$128,278	0.01%
	Employee + Child(ren)	13	\$115.50	\$18,018	0.01%
	Employee + Spouse	23	\$292.22	\$80,653	0.01%
	Full Family	41	\$300.09	\$147,644	0.01%
				<u>\$374,593</u>	
2009 Projected Unified Premium					
	Employee	239	127.66	366,130.53	22%
	Employee + Child(ren)	43	133.15	68,703.47	-7%
	Employee + Spouse	91	345.05	376,790.27	-13%
	Full Family	120	314.88	453,429.77	8%
				<u>1,265,054.05</u>	

GCG recommendation for 2009 is to maintain premiums at the 2008 level for the HMO. For the PPO low deductible plan, increase as shown above. For the PPO high deductible plan, maintain premiums at the 2008 level to promote participation in the plan.

Oak Park River Forest High School
Prescription Drug and Medical Claim Projections
1/1/09 - 12/31/09

Drug Claims	Prescription Drug			Medical PPO
	COMBINED	HMO	PPO	
Experience Period				
Start Date	10/1/2007	10/1/2007	10/1/2007	9/1/2007
End Date	9/30/2008	9/30/2008	9/30/2008	8/31/2008
Total Claims	\$1,113,945.06	\$329,688.19	\$784,256.87	\$2,320,755.86
Midpoint	3/31/2008	3/31/2008	3/31/2008	3/1/2008
Number of Months	12	12	12	12
Average Monthly Claims	\$92,828.76	\$27,474.02	\$65,354.74	\$193,396.32
Average Annual Claims	\$1,113,945.06	\$329,688.19	\$784,256.87	\$2,320,755.86
Projection Period				
Start Date	1/1/2009	1/1/2009	1/1/2009	1/1/2009
End Date	12/31/2009	12/31/2009	12/31/2009	12/31/2009
Annual Trend	10%	10%	10%	10.0%
Midpoint	7/2/2009	7/2/2009	7/2/2009	7/2/2009
Number of Months	12	12	12	12
Compounded Trend	12.7%	12.7%	12.7%	13.6%
Expected Monthly Claims	\$104,599.50	\$30,957.74	\$73,641.76	\$219,631.75
Expected Annual Claims	\$1,255,194.05	\$371,492.88	\$883,701.17	\$2,635,580.99
Expected Claims for Period	\$1,255,194.05	\$371,492.88	\$883,701.17	\$2,635,580.99

**Oak Park River Forest High School
Self-Funded Delta Dental Plan
Projections
1/1/2009 - 12/31/2009**

Projections based on the following enrollment:

Single	365
Family	175
Total	<u>540</u>

Projected Income

Premiums	<u>\$442,003.15</u>
Total Projected Income	<u>\$442,003.15</u>

Projected Expenses

Dental Claims \$417,119.95 (Based on 12-month actual experience)

Increase in Reserve \$0.00

GCG Plan Administration
Per Employee per Month \$ 0.50 \$3,240.00 No increase

Claim Administration
Per Employee per Month \$ 3.34 \$21,643.20 Per Renewal - No Increase

Total Projected Expenses \$442,003.15

Projected Income (Loss) \$0.00

Recommended Reserve Level

7 - 10% of Projected Claims \$ 30,000 - \$40,000

2008 Actual Premiums

Single	\$41.60	\$182,208	41.7%
Family	\$121.29	\$254,709	58.3%
		<u>\$436,917</u>	<u>100.0%</u>

2009 Projected Premiums

Single	\$42.08	\$184,329	41.7%	1.2% Increase
Family	\$122.70	\$257,674	58.3%	1.2% Increase
		<u>\$442,003</u>	<u>100.0%</u>	

GCG recommendation for 2009 is to maintain premiums at the 2008 level.

Oak Park River Forest High School
Dental Dental Projections
1/1/2009 - 12/31/09

Dental Claims

Experience Period

Start Date	9/1/2007
End Date	8/31/2008
Total Claims	\$378,738.99

Midpoint	3/1/2008
Number of Months	12
Average Monthly Claims	\$31,561.58
Average Annual Claims	\$378,738.99

Projection Period

Start Date	1/1/2009
End Date	12/31/2009
Annual Trend	7.5%

Midpoint	7/2/2009
Number of Months	12
Compounded Trend	10.1%

Expected Monthly Claims	\$34,760.00
Expected Annual Claims	\$417,119.95
Expected Claims for Period	\$417,119.95

For Discussion on October 9, 2008

Oak Park River Forest High School
Analysis of Reserves
For 2009 Premium Projections

Current Balance as of 8/30/08

Medical (Includes Drug Dep)	\$	1,382,120	
Dental	\$	94,034	
	\$	<u>1,476,154</u>	(Per Internal District Accounting)

Target Reserves

Medical			
Aggregate Attachment	\$	3,144,315	(2009 Agg Attachment per Blue Cross)
Less Expected Claims	\$	(2,635,581)	(per ASO PPO Projection)
IBNR est 12%	\$	316,270	(as a percentage of expected claims)
Drug IBNR est 9%	\$	112,967	(as a percentage of expected claims)
Total Medical	\$	<u>937,971</u>	

Dental			
IBNR est 8%	\$	33,360	(as a percentage of expected claims)

Total Target Reserves	\$	<u>971,331</u>	
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Excess over Target	\$	<u>504,823</u>	
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Life AD&D Review - January 1, 2009

Oak Park River Forest High School

SCHOOL TRUST

Amount	Principal Carried	Principal Renewal Fee	Life Insurance	Medical	National Insurance Service	Unum
Class 1	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
Class 2	1x Salary to \$225,000	1x Salary to \$225,000	1x Salary to \$225,000	1x Salary to \$225,000	1x Salary to \$225,000	1x Salary to \$225,000
Class 3	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
Class 4	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000
Class 5	1x Salary to \$225,000	1x Salary to \$225,000	1x Salary to \$225,000	1x Salary to \$225,000	1x Salary to \$225,000	1x Salary to \$225,000
Class 6	Flat \$25,000	Flat \$25,000	Flat \$25,000	Flat \$25,000	Flat \$25,000	Flat \$25,000
Rate (per \$1,000)						
Life	\$0.14	\$0.17	\$0.16	Active Retiree	\$0.14	** *
AD&D	\$0.025	\$0.025	\$0.030	\$0.086	\$0.025	\$0.185
Life Volume	\$36,106,650	\$36,106,650	\$36,106,650	\$0.017	\$0.025	\$0.020
AD&D Volume	\$36,160,650	\$36,106,650	\$36,106,650	\$0.034	\$36,106,650	\$36,106,650
# of EE's	516	516	516	\$30,711,650	\$36,160,650	\$36,160,650
Rate Guarantee	3 Year	1 Year	2 Year	\$5,395,000	2 Year	3 Year
MONTHLY PREMIUM	\$5,958.95	\$7,040.80	\$6,860.26	\$5,531.70	\$5,958.95	\$7,402.94

Notes:

This is a summary only

Monthly Administration Fees (if any) are not included above.

Benefit Amounts start reducing at Age 65.

The volume amounts are subject to change based on actual enrollment and are illustrative only.

Class 1 - Active Administrators

Class 2 - Active All Others

Class 3 - Retired Administrators \$350,000

Class 4 - Retired Administrators \$225,000

Class 5 - Retirees All Others

Class 6 - Active Non Certified Technical Members working 20-29 hours (closed class) - Ronald Anderson

Quotes have been requested and are pending from Hartford and Lincoln Financial Group.

Assurant and Guardian declined to quote non competitive.

***Unum would like the opportunity to be more aggressive on their rates. We were only able to provide claims experience for 7-1-2000 to 1-31-04 (Assurant) and 9-1-2006 to 9-1-2008 (Principal). We are in the process of trying to obtain the missing time frame of 2-1-04 to 9-1-06 in an effort to see if Unum can be more competitive.

Long Term Disability Review - January 1, 2009 **Oak Park River Forest High School**

	Teacher's Benefit	Principal Renewal	Health Plan Dental	Medical Services	Union
Benefit Percentage	60%	60%	60%	60%	60%
Max Monthly Benefit	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Elimination Period	180 Days	180 Days	180 Days	180 Days	180 Days
Definition of Disability	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ
Rate per \$100	\$0.09	\$0.11	\$0.19	\$0.09	\$0.16
Per Covered Payroll	\$1,774,136	\$1,774,136	\$1,774,136	\$1,774,136	\$1,774,136
Rate Guarantee	3 Year	1 Year	2 Year	2 Year	3 Year
# of EE's	266	266	266	266	266
Monthly Total	\$1,596.72	\$1,951.55	\$3,370.86	\$1,596.72	\$2,838.62

Notes:

Monthly Administration Fees (if any) are not included above.

This is a summary only, not a contract for insurance.

The volume amounts are subject to change based on actual enrollment.

This plan covers Teacher Non Affiliated, Non Certified Members under Age 65 or Administrators. Building/Grounds, Classified, Retired, Food Service, and Security are not eligible.

Quotes have been requested and are pending from Hartford and Lincoln Financial Group.

Assurant and Guardian declined to quote non competitive.

***Oak Park and River Forest High School
District 200***

201 North Scoville Avenue • Oak Park, IL 60302-2296

TO: Board of Education

FROM: Cheryl L. Witham

DATE: October 14, 2008

RE: Aid to Needy Children Report

INFORMATION

BACKGROUND

Recommendations for financial assistance for books and required supplies for needy students are processed through the Business Office. The requests for free and reduced lunches are originated by parent applications. The Food Service Department processes the Free and Reduced Lunch Program applications. All approved applications must meet government guidelines. The reimbursement received from State and Federal governments helps to defray the cost for the total lunch program.

SUMMARY OF FINDINGS

I. Free and Reduced Cost Lunch Program

A. Free Lunch Program

2007-08	410	Students participated
2006-07	350	Students participated
2005-06	345	Students participated

B. Reduced Cost Lunch Program

2007-08	92	Students participated
2006-07	100	Students participated
2005-06	67	Students participated

II. Deferred Payments

Students and their parents request a deferred payment for books, supplies and fees. This is available to all families upon request.

2007-08	631 Recommended	
	Balance Outstanding as of 6/30/08	\$13,428.97
2006-07	595 Recommended	
	Balance Outstanding as of 6/30/07	\$24,317.30
2005-06	452 Recommended	
	Balance Outstanding as of 6/30/06	\$ 9,057.60

NOTE: Families are sent an invoice each month.

III. School Loans

Books and required supplies are paid for by Oak Park and River Forest High School for needy students using the same State guidelines provided for the Free and Reduced Lunch Program. A fund transfer from the Education Fund pays for the cost. Students are instructed to return their loaned books to the bookstore at the termination of the course. The outstanding balance reflects the cost of the books that students did not return as of 6/30/08.

2007 -08	354 Approved applications	
	Balance Outstanding as of 6/30/08	\$10,432.99
2006-07	410 Approved applications	
	Balance Outstanding as of 6/30/07	\$18,404.85
2005-06	354 Approved applications	
	Balance Outstanding as of 6/30/06	\$17,651.37

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

INFORMATION ONLY

***Oak Park and River Forest High School
District 200***

201 North Scoville Avenue • Oak Park, IL 60302-2296

TO: Board of Education
FROM: Jack Lanenga
DATE: October 14, 2008
RE: Construction Update

BACKGROUND

None at this time

SUMMARY OF FINDINGS

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

TO: Finance Committee
FROM: Jack Lanenga
RE: Evaluation of .5 FTE B&G Custodian Position

Background

Last August Robert and Jack proposed additional staffing for B&G. The original proposal requested 1.5 FTE, and the decision was made to add the 1.5 FTE, and to evaluate after one year. It became immediately clear to us that the 1.0 position was going to be difficult to justify, and we scrapped the addition of 1 FTE. The goals we established in justifying the .5 FTE position were

1. Reduce the line item related to landscaping by \$30,000
2. Increase the amount of rental income received by the district,
3. Decrease the amount spent on Facility Attendants
4. Decrease B&G overtime
5. Improve week-end services

We agreed to re-evaluate the increase after one year

Summary of Findings

We will look at each goal and determine the status.

1. Reduce the line item related to landscaping by \$30,000, **The line item was reduced by \$30,000, and the goal was met.**
2. Increase the amount of rental income received by the district. The rental income increased to \$94,052, an increase of \$44,000 over budget. This is an 88% increase. **This goal was met.**
3. Decrease the amount spent on Facility Attendants. The budget for facility attendants was \$14,000. We spent \$10,839, or \$3,161 under budget. This is a savings of almost 23%. **This goal was met.**
4. Decrease B&G overtime. B&G overtime was over budget, although less over than the prior year. However, the “custodial” overtime, which would be impacted by this position, was \$13,000 less than last year. Part of the overall overage can be attributed to an almost \$5,000 increase in the grounds overtime due to the amount of snow this winter. **This goal was partially met.**
5. Improve week-end services. This is very difficult to measure, but having another adult in the building has been a plus. In addition to saving us overtime on Saturdays for games, activities and events, he has also given us a visible presence in the building on Sundays. Although it is a judgment call, we believe **this goal has been met.**

Recommendation

The majority of the goals have been clearly met, and we would propose that we continue the position and make it permanent.

***Oak Park and River Forest High School
District 200***

201 North Scoville Avenue • Oak Park, IL 60302-2296

TO: Board of Education
FROM: Cheryl L. Witham
DATE: October 14, 2008
RE: 2007 Audit Report

BACKGROUND

The 2007 Audit Report has been prepared by Virchow Krause & Company.

SUMMARY OF FINDINGS

Enclosed is a copy of the 2007 Audit.

Tim Cole, Audit Partner of Virchow Krause will be presenting the 2007 audit at the Finance Committee meeting. He will be available to answer any questions you may have.

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

To present the 2007 Audit Report to be accepted by the Board of Education, at the October 23rd Regular Board meeting.



To the Board of Education
Oak Park and River Forest High School District 200
201 North Scoville Avenue
Oak Park, Illinois 60302-2296

In planning and performing our audit of the financial statements of Oak Park and River Forest High School District 200 (the "District") as of and for the year ended June 30, 2007, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting ("internal control") as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of its internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control, which is defined by auditing standards to fall within three categories:

- A **control deficiency** exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.
- A **significant deficiency** is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.
- A **material weakness** is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

We have noted a deficiency at the District and classified it based on the above definitions accordingly. These are described in detail in the page that follows this report.

This communication is intended solely for the information and use of the Board of Education and management and is not intended to be, and should not be, used by anyone other than the specified parties.

Virchow, Krause & Company, LLP

Oak Brook, Illinois
October 7, 2008

MATERIAL WEAKNESSES

External Financial Reporting – Journal Entries

Oak Park and River Forest High School District 200 maintains its general ledger on the cash basis of accounting and records modified accrual adjustments at year end to prepare GAAP basis financial statements for external financial reporting. During the course of our audit, it was necessary to make adjustments to accounts payable and replacement tax revenue to properly state these balances at year end. Because the District's internal controls did not detect these misstatements, we are required to report these adjustments as a material weakness.

Oak Park and River Forest High School
District 200

201 North Scoville Avenue • Oak Park, IL 60302-2296

TO: Board of Education

FROM: Cheryl L. Witham

DATE: October 14, 2008

RE: 2008 Levy Timeline

BACKGROUND

The Preliminary Levy must be placed on display no less than 20 days in advance of adoption. The Board of Education will adopt the 2008 Levy at its regularly scheduled Board meeting on December 18, 2008. A Truth in Taxation Hearing will be held at the regularly scheduled Board Meeting on December 18, 2008.

SUMMARY OF FINDINGS

The following is the Timeline for the 2008 Levy

October 14	Finance Meeting	Present Levy Timeline
November 12	Finance Meeting	Present Preliminary Levy
November 20	Board of Education Meeting	Adopt Preliminary Levy
November 20		Preliminary Levy on Display
December 18		Notice of Truth in Taxation Public Hearing in local newspaper
December 18	Board of Education Meeting	Truth in Taxation Public Hearing
December 18	Board of Education Meeting	Final Adoption of Levy
December 19		Board of Education Resolution filed at Cook County Clerk's Office

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

This is information only

***Oak Park and River Forest High School
District 200***

201 North Scoville Avenue • Oak Park, IL 60302-2296

TO: Board of Education

FROM: Cheryl Witham

DATE: October 14, 2008

RE: Treasurer's Reports

BACKGROUND

It is a requirement that the Board of Education accepts and approves the monthly Treasurer's Reports.

SUMMARY OF FINDINGS

Attached is the Treasurer Report for July, 2008.

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

The July, 2008 Financial Reports, will be presented to the Board of Education for approval at the October 14 2008, Board of Education meeting.

Oak Park & River Forest High School District 200
Treasurers Report
July 31, 2008

<u>Funds</u>	<u>Opening Cash Balance 07/01/08</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Adjustments to Cash (JE's)</u>	<u>Ending Cash Balance 07/31/08</u>	<u>% of Total</u>
10 Education	48,275,711.99	768,024.32	(3,050,766.95)	(285,034.27)	45,707,935.09	67.00%
14 Food Service	315,940.03	36,023.50	(42,858.33)	(1,003.49)	308,101.71	0.45%
15 Book Store	375,762.25	9,505.98	(22,467.19)	(4,449.20)	358,351.84	0.53%
Total - Education Fund	48,967,414.27	813,553.80	(3,116,092.47)	(290,486.96)	46,374,388.64	67.98%
20 Operations, Building & Maintenance	7,781,792.83	269,881.10	(316,021.02)	(45,498.88)	7,690,154.03	11.27%
22 Restricted Fund	773,438.81	503.22	-	-	773,942.03	1.13%
Total - Building Fund	8,555,231.64	270,384.32	(316,021.02)	(45,498.88)	8,464,096.06	12.41%
30 Bond & Interest Fund	2,404,158.33	6,649.23	-	-	2,410,807.56	3.53%
40 Transportation Fund	1,808,020.17	208,276.78	(59,702.15)	-	1,956,594.80	2.87%
50 IMRF & SS Fund	1,145,582.19	4,284.18	(138,340.56)	-	1,011,525.81	1.48%
70 Working Cash	4,203,565.18	3,021.31	-	-	4,206,586.49	6.17%
80 Tort Immunity	1,690,947.58	2,796.81	(495,013.04)	-	1,198,731.35	1.76%
81 Dental Self Insurance	220,803.84	2,838.31	(28,763.52)	8,976.25	203,854.88	0.30%
82 Medical Self Insurance	1,390,461.13	16,627.76	(288,187.53)	327,009.59	1,445,910.95	2.12%
83 Workers' Comp Self Insurance	17,782.04	-	(1,925.00)	-	15,857.04	0.02%
84 Harris - PMA	785,761.25	20,665.23	(446,824.57)	-	359,601.91	0.53%
84 Park National	(73,367.21)	385,496.34	(51,325.80)	-	260,803.33	0.38%
Total - Activity Funds	712,394.04	406,161.57	(498,150.37)	-	620,405.24	0.91%
90 Fire Prevention & Safety	306,482.62	2,161.07	-	-	308,643.69	0.45%

Total - All Funds	\$ 71,422,843.03	\$ 1,736,755.14	\$ (4,942,195.66)	\$ (0.00)	\$ 68,217,402.51	100.00%
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Summary of adjustments to cash:

Reclassification of food service chargebacks.
Reclassification of bookstore chargebacks.
Reclassification of expenditures
PPO/Pharmacy reclassification.

Oak Park & River Forest High School District 200
Cash and Investments
July 31, 2008

	<u>Account Balance</u>	<u>Treasurer's Control</u>	<u>% of Total</u>
Harris Bank Comingled Account (treas ofc.)			
Statement CTTO	1,541,742.54		
Less: Outstanding Checks	-		
Plus: Deposits in Transit	-		
Adjusted	<u>1,541,742.54</u>	1,541,742.54	2.26%
Park National Student Activity Account			
Statement Balance	361,072.62		
Less: Outstanding Checks	(100,269.29)		
Plus: Deposits in Transit	-		
Adjusted	<u>260,803.33</u>		0.38%
Harris ISDLAF Account (Liquid & Max)			
Statement Balance	66,611,561.42		
Less: Outstanding Checks	(289,449.61)		
Plus: Deposits in Transit	34,562.16		
Adjusted	<u>66,356,673.97</u>		97.27%
Park National Imprest Account			
Statement Balance	14,463.32		
Less: Outstanding Checks	(936.00)		
Plus: Deposits in Transit	-		
Adjusted	<u>13,527.32</u>		0.02%
Chase Bank Athletic Imprest Account			
Statement Balance	1,805.35		
Less: Outstanding Checks	(550.00)		
Plus: Deposits in Transit	-		
Adjusted	<u>1,255.35</u>		0.00%
Petty Cash	<u>3,400.00</u>		0.00%
Workers Compensation Escrow	<u>40,000.00</u>		0.06%
Total Cash and Investments	\$ 68,217,402.51	\$ 1,541,742.54	100.00%

Oak Park & River Forest High School District 200
Schedule of Investments
July 31, 2008

	Average	Investment		Prior Month
	Interest	Value	% of	% of
<u>By Financial Institution</u>	<u>Rate *</u>	<u>07/31/08</u>	<u>Total</u>	<u>Total</u>
Harris ISDLAF - Liquid MM	2.30%	2,129,846.52	3.13%	6.15%
Harris ISDLAF - Max MM	2.39%	9,681,714.90	14.21%	11.47%
Harris ISDLAF - CD's	0.00%	54,800,000.00	80.41%	80.24%
Harris - CTTO MM	*	1,541,742.54	2.26%	2.14%
Total All Investments by Institution		<u>68,153,303.96</u>	100.00%	100.00%

	Average	Investment		Prior Month
	Interest	Value	% of	% of
<u>By Investment Type</u>	<u>Rate *</u>	<u>07/31/08</u>	<u>Total</u>	<u>Total</u>
CD's	2.72%	54,800,000.00	80.41%	80.24%
Money Market	2.35%	13,353,303.96	19.59%	19.76%
Total All Investments by Type		<u>68,153,303.96</u>	100.00%	100.00%

	Average	Investment		Prior Month
	Interest	Value	% of	% of
<u>By Maturity Age</u>	<u>Rate *</u>	<u>07/31/08</u>	<u>Total</u>	<u>Total</u>
1 month	2.49%	2,500,000.00	3.67%	4.16%
2 months	3.08%	9,900,000.00	14.53%	3.47%
3 months	2.84%	5,100,000.00	7.48%	13.74%
4-6 months	2.62%	18,700,000.00	27.44%	26.65%
7-9 months	2.76%	5,600,000.00	8.22%	14.16%
10-12 months	0.00%	-	0.00%	0.00%
1 year +	2.90%	13,000,000.00	19.07%	13.88%
2 years +	0.00%	-	0.00%	4.16%
Mature on demand	0.00%	13,353,303.96	19.59%	19.76%
Total Investments		<u>68,153,303.96</u>	100.00%	100.00%