A Finance Committee meeting was held on Tuesday, March 16, 2010. Acting Chair Conway called the meeting to order at 7:35 a.m. in the Board Room. Committee members present were John C. Allen, IV (attended electronically), Jacques A. Conway, Terry Finnegian, Dr. Ralph H. Lee, Amy McCormack, Dr. Dietra D. Millard, and Sharon Patchak-Layman. Also present were Dr. Attila J. Weninger, Superintendent; Philip M. Prale, Assistant Superintendent for Curriculum and Instruction; Jason Edgecombe, Assistant Superintendent for Human Resources; 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, OPRFHS Supervisor of Finance; Tim Keeley, Purchasing Coordinator, James Paul Hunter, OPRFHS Faculty Senate Executive Committee Chair; Robert Zummallen, Director of Buildings and Grounds; and John Stelzer, Director of Athletics; and Terry Dean of the Wednesday Journal. Jason Dennis, Nancy Henson, Steve Gevinson, Ed Kraus, Paul Carbery, Vanessa Hughes, Finance Advisory Committee.

Approval of February 16 Finance Committee Minutes
It was the consensus of the Finance Committee members to accept the minutes as presented of the February 16, 2010 Finance Committee meeting.

Finance Advisory Committee Update
Ms. Witham named the participants on the Finance Advisory Committee (FAC), a committee which had been established as a result of Board of Education Goal Number 4. Its composition included community members, students, administration, faculty and representatives from the bargaining units.

Mr. Dennis reviewed a summary presented in the packet. FAC had met eight times to discuss various perspectives on a financial model, including those from corporate and business models, as well as accountability and what that would entail. The committee has agreed on the following thus far.

- Create a process that systemically incorporates broader, effective buy-in and accountability for cost-containment efforts throughout the school;
- Assure continued academic excellence and long term stability for the District;
- Provide a proactive approach to cost containment rather than crisis management due to depleted resources, recognizing the need to moderate the growth of expenses over time;
- Incorporate ways to give Division and Department Heads greater stake in and responsibility for budget planning and cost containment within their own areas, as well as stimulating such thinking cross-divisionally/departmentally;
• Integrate finances and Board Goals;
• Recognize the value of efficiency through innovation bubbling up from the bottom or anywhere within the District.

Because extreme cost cutting measures are usually the result of not having middle management involvement, FAC wanted to find ways not only to bend the cost curve but also improve education. Mr. Dennis stated that FAC’s work is a process and that cross management types of conversations should occur under the auspices of the Board of Education goals. FAC hopes to pilot some of these discussions before the end of the year. FAC wants to affect changes so that the school does not have to have a cost cutting mode. This will entail a concerted public relations effort to fully inform the stakeholders that the District wants to be as fiscally responsible, to improve on the educational product, and to delay the need for a referendum. The members of FAC are happy about the work they are doing.

Discussion ensued. Dr. Lee asked how the Finance Advisory Committee would control large amounts of actual dollars being spent, including the collective bargaining agreements, or would that be the Board of Education’s responsibility. Mr. Dennis responded that while FAC is developing a plan, more time is needed to flush out its ideas and those of others, e.g., the Board of Education, DLT, community members, etc. Those ideas would then be shared with other committees which would be asked for goals or timelines. Mid-level managers would then have to try and meet those goals and timelines without sacrificing what is already in place.

When asked if it would be the FAC that would determine how to find the dollars for a Board of Education goal such as giving every student the opportunity to travel outside of the United States, Mr. Dennis stated that the highest level advisory committee, similar to DLT, would have to make that decision, as that would be a Board of Education directive.

The Finance Committee noted its appreciation of the report.

**Food Service Rollover Bids**
It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the Rollover Bids, as presented, at its regularly scheduled March Board of Education meeting.

**Construction Bid**
Ms. Witham reported that the District spent much time on the bid process for construction work and was able to go out to bid much earlier to try and get the best vendors and the best prices. Over 108 firms attended the pre-bid and there were 40 to 50 actual bidders. The work was bid by trade, casework, e.g., electrical, steel, etc. The bids exceeded the budget by $2 million. Ms. Witham added that the longer one waits to complete the work, the more expensive it will become. Wight had been given the go ahead to do explorative work in the ceilings and walls, etc., so that the District knows what actually needs to be completed. In its exploration, it discovered that not all of the plumbing needed to be addressed this year. Wight will review its Life Safety Plan and talk with the State of Illinois about amending it. The District is very excited about
redoing the science labs as they have not been touched in 20 years. Ms. Witham recommended going forward with the plans for the science labs as originally stated using the monies received from River Forest TIF and the money harvested from the Bond & Interest Fund, because the teachers have reworked curriculum, the District has delayed some important educational goals, and it continues to care for this vintage building. Mrs. Witham suggested that the shortfall of approximately $2.0 million dollars be funded from the O & M fund balance. She suggested Wight & Company make a presentation to the Board of Education.

When asked if delaying some of this work would allow OPRFHS to host the Friends of the Library’s book fair this summer, Ms. Witham noted that the administration was discussing that possibility but a definite answer cannot be given at this time.

Ms. Patchak-Layman reiterated her concern she had expressed earlier about using the same architectural firm for both life safety and construction, noting a lack of checks and balances. Wight’s new team has admitted that some of the things on the Life Safety Plan did not have to be included in the Life Safety Plan and it underestimated the expense. The State will require the District to complete the Life Safety Work as the District accepted it and it had been filed at the State. She was not interested in tying monies up for construction and maintenance that might be used for students who have additional educational needs. Ms. Witham clarified that the money to support additional educational needs would be from the Education Fund, not the Bond and Interest Fund or the Operations and Maintenance Fund.

Dr. Millard, while concerned about the book fair, believed the District’s priorities were what it must attend to most. Mr. Finnegan hoped that this work could be done in sections. Dr. Lee was reluctant to easily take the fund balance to solve the problem. Dr. Weninger stated that the fund balance exists because there has been good financial management and budgeting, specifically in the Operations & Maintenance Fund which is designated for preventative maintenance. The District is trying to prevent a crisis by taking care of this vintage building and at the same time put forward the education of the students.

**VIP Photography**

It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the photography bid to VIP Photography at its regular March Board of Education meeting.

Bruce Hayes, owner of VIP Photography, was present to give some background on the company and to answer any questions.

**Athletic Training RFP**

It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the contract with AthletiCo at its regular March Board of Education meeting as it provides highly skilled services at a lower cost.
Mr. Conway stated that AthletiCo personnel had won him over with their quality, service and care for the athletes and he had trusted his children to them on many occasions.

**Ombudsman Contract**
It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the Ombudsman Contract for ten spaces, as presented, at its regular March Board of Education meeting.

The District has not used the reserved spaces at Ombudsman as a way to provide educational instruction. Should the Board of Education want to discuss the instructional quality provided by Ombudsman, it should have that conversation at the Instruction Committee. The price for guaranteed slots is the same as last year and is billed quarterly. The District will be charged $520 monthly for each additional student.

**Audit**
It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the commencement of the Audit at its regular March Board of Education meeting under the consent agenda.

**Amended Budget**
Ms. Witham presented a summary of the amendments FY 2010 budget. The changes were due to 1) the work done in cost containment, 2) changes in revenue and expenditures, 3) implementation of Board of Education goals; 4) more students were given alternative education; 5) the refinancing of the bonds, 6) TIF monies received, and 7) less IMRF funding was necessary, etc.

It was the consensus of the Finance Committee meeting to recommend to the Board of Education that it approve placing the amended budget on display for 30 days at its March 16 Special Board Meeting.

**School Treasurer**
It was the consensus of the Finance Committee members to recommend that the Board of Education appoint Ms. Witham as the School Treasurer for two years at its March 16, 2010 Special Board Meeting.

The checks and balances for the District include 1) using PMA, an outside firm to do the cash flow and investments; 2) conducting an external audit, and 3) having the Supervisor of Finance do the bank reconciliations. The District pays for the surety bond.

**Monthly Financial Reports**
The Board of Education will be asked to approve the February 2010 Financial Reports at the regular March Board of Education meeting.

**Monthly Treasurers Report**
The Board of Education will be asked to approve the February 2010 Treasurer’s Reports at the regular March Board of Education meeting.
Additional Items
It was suggested that if the Board of Education wanted to talk about potential changes for
next year, e.g., mentoring program, staffing, etc. for the FY 2011 budget, then the
conversation should possibility occur at the April Finance Committee meeting.

Adjournment
The Finance Committee adjourned 8:31 a.m.