

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

**Finance Committee Meeting Minutes
October 14, 2014**

A Finance Committee meeting was held on October 14, 2014. Mr. Cofsky called the meeting to order at 5:00 p.m. in the Board Room. Committee members present were Thomas F. Cofsky, Dr. Ralph H. Lee, and Jeff Weissglass. Also present were Dr. Steven T. Isoye, Superintendent; Tod Altenburg, Chief Financial Officer; Amy Hill, Director of Assessment and Learning; Michael Carioscio, Chief Financial Officer; and Gail Kalmerton, Executive Assistant/Clerk of the Board.

Visitors included Doug Wiley, Supervisor of Finance, Robert Zummallen, Director of Buildings and Grounds, Tom Kirchner, OPRFHS B&G Union Steward; Jon Rossi and Pat King of Baker Tilley Virchow Krause; and Camille Kuthrell of the Hay Group (arrived at 5:26 p.m.).

Minutes

Mr. Cofsky moved to approve the Finance Committee minutes of September 16, 2014, as presented; seconded by Mr. Weissglass. A voice vote resulted in all ayes.

Contract/Renewals

Presentation of Student Resource Officer Agreement

Mr. Cofsky moved to forward the Student Resource Officer (SRO) contract to the full Board of Education for action at its regular October meeting as presented at a cost of \$145,046 per year with annual increases of CPI or 2.5%, whichever is lower; seconded by Dr. Lee. A roll call vote resulted in all ayes. Motion carried.

Last year a contract was presented but the Board of Education had questions about who was in charge and liability issues. The original agreement is a contract for services. The Village has fully paid for the SRO since the inception of the agreement in 1999. Work on this contract for several years has occurred with an understanding that some form of retro-payment for the past two years would occur. As such, OPRFHS will pay for this service until the 2024-25 school year; the contract will be reviewed again at that time. Paying for contracted amounts of time is usual and customary in other school districts. By having the high school pay for this service, the cost is borne by the taxpayers of both Oak Park and River Forest. It was noted that this was an unbudgeted resource for something in the past, the accrual for this year was approximately \$35,000.

Other

Hay Group

Ms. Kuthrell, in conjunction with Tom McMullen also with the Hay Group, were contracted to establish a formal compensation/reward philosophy to guide decision-making. Ms. Kuthrell presented a PowerPoint presentation, in draft form, which was included in the packet and reviewed with the committee. Board of Education members had been individually interviewed as part of the process and an interview guide was presented. In addition, a summary of findings, a list of what was working well, the key objectives of a compensation program, the compensation competitiveness, where opportunities for improvement may exist, and a list of directional recommendations were included in the presentation. Next steps included presenting this to the full Board of Education at its October 23 or November 20 meeting. It was noted that when building a compensation philosophy it was important to get feedback from the entire organization.

One member noted that sustaining compensation levels was of significant concern among most officials and some community members and he was concerned that people felt teachers were overpaid. Ms. Kuthrell noted that the feedback thus far was that the teachers were competitively paid and that perhaps in the design of the compensation strategy, discussion will occur about “competitive to what” and determine appropriate levels of competitiveness in terms of compensation. The feedback was not that teachers were overpaid.

It was recommended that the Hay Group complete its focus groups and bring the results first to the Finance Committee before going to the full Board of Education.

Levy Timeline

The Committee members received the Levy timeline. The Levy will be discussed at the Special Finance Committee on October 21. It was recommended that the discussion at that meeting be brought to the Board of Education at its October 23 meeting along with the Levy timeline.

FY 2014 Audit Report

The Finance Committee unanimously recommended moving forward the Audit Report to the full Board of Education for approval at its regular October Board of Education meeting.

The 2013-2014 Audit Report was prepared by Baker Tilley Virchow Krause. Mr. King reviewed results of audit and commended the District for handling the accruals. OPRFHS received the cleanest, highest opinion a school could receive. The results are comparable to the prior year. The school has a healthy fund balance. The District received significant savings by paying off the debt certificates early. No deficiencies were found when looking at the system of controls. The District is run financially sound.

Mr. Weissglass will send his comments on the management statement directly to Mr. Altenburg. .

Significant praise was given to Doug Wiley, Supervisor of Finance, for having the ability to do the audit. He did the year-end accruals just as the school year began and did it within a short timeline.

Monthly Treasurer’s Report

The Finance Committee members unanimously recommended moving forward to the Treasurer’s Report to the Board of Education for approval at its October 23, 2014 meeting.

Second Draft of the 5-year Financial Projection Model Process

A second draft of the 5-year Financial Projection Model Process was presented to the committee. The first draft was presented at the September Finance Committee meeting and the recommendation was to show the timeline in a flow chart rather than a narrative form. Step 4, reviewing and revising the assumptions, is critical to this process. The Committee members were provided with two flow charts and a suggestion was made to use the first one presented, which was chronological.

First Draft of the Fund Balance Policy

At the September 23 Board of Education meeting, administrative work relative to the current fund balance policy was approved. The draft policy was a combination of District 97’s policy revised for OPRFHS and District 200’s current policy. One member commented that this draft was comprehensive and appropriate. Another member wanted more descriptive language for the last sentence of B1 and the term marginal deficit needed to be defined. Mr. Weissglass offered to assist with these changes.

Closed Session

At 6:21 p.m., Mr. Weissglass moved to enter closed session for the purpose of discussing Collective negotiating matters between the District and its employees or their representatives or deliberations

concerning salary schedules for one or more classes of employees. 5 ILCS 120/2(c)(2); seconded by Dr. Lee. A roll call vote resulted in all ayes. Motion carried.

At 6:54 p.m., the Finance Committee resumed its open session.

Adjournment

At 6:55 p.m., Dr. Lee moved to adjourn the Finance Committee; seconded by Mr. Weissglass. A voice vote resulted in all ayes. Motion carried.

Submitted by Gail Kalmerton
Clerk of the Board of Education