

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

**Finance Committee Meeting Minutes
September 16, 2014**

A Finance Committee meeting was held on September 16, 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 School Business Official; Amy Hill, Director of Assessment and Learning; Dr. Gwen Walker-Qualls, Interim Director for Pupil Support Services; Michael Carioscio, Chief Financial Officer; and Gail Kalmerton, Executive Assistant/Clerk of the Board.

Visitors included Steve Gevinson, Board member; Joe Herbst, Faculty Senate Speaker; Ronald Johnson, Purchasing Director and Transportation Coordinator; T. Spears, community; Kevin Hooper, IASBO student.

Minutes

Mr. Cofsky moved to approve the Finance Committee minutes of June 2, August 19 (as amended), and September 2, 2014; seconded by Mr. Weissglass. A voice vote resulted in all ayes.

August 19, 2014 Amendment

Page 2, No. 2 bullet, add: Total spending is down 3.11%, as the debt certificates were paid in full last year and construction costs will be \$1.9 million lower. Excluding construction and finance, however, expenses are up by 7.65%.

Contract/Renewals

Contract for Occupational Therapy

The Finance Committee unanimously recommended support and endorsement of advancing the proposed service agreement for occupational therapy (OT) services in the amount of \$45,732 with HealthPRO to the full Board of Education for approval.

Due to the limited need for OT services, the District does not currently employ an occupational therapist. As such, services for those students who's IEP require OT services are provided through a third party provider. During the 2013-2014 school year, the District expended \$45,732 at the rate of \$74.00/hour for contracted OT services with HealthPRO. Based upon their level of service delivery and their focus on each individual students' needs, the administration sought to extend the recommended contract for the current school year to again secure services from HealthPRO to provide OT services at \$74 per hour.

HealthPRO, a large company, provides its own standard contract. OPRFHS controls the minimum and maximum that it spends and a cap does not have to be agreed upon by both parties. While these are mandated services that cannot go unfulfilled, discussion ensued about how to control spending internally. The Board of Education must approve contracts over \$25,000. Monthly, Mr. Altenburg receives an accounting of what has been spent, last year \$45,000 was paid for these services. The line item in the budget mirrors OPRFHS' past experience. In March 2015, if that number is exceeded, the budget will be amended to reflect the additional amount. This is a professional service that is exempt from bid law.

Contract for Physical Therapy Services

The Finance Committee unanimously recommended support and endorsement of advancing the proposed service agreement for physical therapy services with Supplemental Health Care with the budget to be \$45,214 or \$74 per hour to the full Board of Education for approval.

Contract for Speech Therapy Services

The Finance Committee unanimously recommended support and endorsement of advancing the proposed service agreement for speech therapy services with Marissa C. Artman, M.A. to the full Board of Education for approval.

The District employs one (1) individual to provide services to those students designated through their IEP as requiring speech therapy services. At those times that the level of required services exceed the service limitations of the staff, the District relies upon a third party provider. During the 2013-2014 school year the District expended \$55,143 at the rate of \$70.00/hour for contracted speech services through Sunbelt Staffing. State law allows the internal therapist to have a maximum of 60 students. Ms. Artman will provide speech therapy services to 39 students.

Pacific Education Group Contract

The Finance Committee unanimously recommended moving forward the Pacific Education Group contract to the full Board of Education for approval.

The racial equity work has centered on utilizing the Courageous Conversations about Race protocol to deepen the District's understanding about the impact of race while learning how to have more productive and effective conversations about race. Additionally, Beyond Diversity workshops were hosted and the District has engaged in leadership development.

As a part of the racial equity work, District leadership is deliberate about its discussions about race and how it will guide it in identifying harmful systemic inhibitors embedded in the school. The contract for Board approval is about PEG's work to assist OPRFHS in the area of leadership, and more specifically, the District Equity Leadership Team (DELT). DELT has been focusing on its mindset towards race and how racial equity comes into the daily work and has expanded the team. The work is getting to the point of branching out. In order to do so, a clearer framework and plan is needed. By continuing the partnership with PEG, the goal is to achieve this next step. Dr. Isoye supported this partnership because it will advance the overall work described in the strategic plan goal on equity.

Some PEG work has commenced this year. This is the third year of the racial equity learning strand and the third year that participants attended Beyond Diversity. The Beyond Diversity seminar is a foundational experience for learning strand participants. In the learning strand, participants engage in deeper knowledge development and understanding regarding the components that were discussed in Beyond Diversity. Based on the current model, 20% of the faculty and staff participate in the racial equity learning strand each year in a five-year rotation. The District recognizes that strong leadership for racial equity is imperative in order to truly work to transform the school into a more racially equitable institution of learning. Dr. Isoye believed that the racial equity work must be clearly defined for the Board, as the District expands its efforts with this area of focus.

The Beyond Diversity professional development work for faculty and staff with PEG is \$10,800, which is under the \$25,000 threshold which would require Board of Education approval. Additionally, the work of the DELT has been ongoing and the District is to the point of developing and finalizing an equity framework. Although this work is under the guidance of PEG, the cost for this work, \$17,400, goes above and beyond the Beyond Diversity training. Last year, DELT work cost \$16,500. The additional work for 2014-2015 brings the total for PEG above \$25,000, or \$28,200.

While supportive of moving this forward, one member voiced concern about this work's evaluation process and suggested investigating other vendors who do this work. This expenditure will be added to the scorecard as a reminder to the committee to review this. It was also suggested that this expenditure be labeled "discretionary" versus "required" services.

Transportation Contract RFP

The Finance Committee unanimously recommended moving the contract for First Student forward to the Board of Education at the September 23 meeting. The contract is for \$278,179 or \$55 per hour and will begin September 25, 2014 and end June 30, 2017; it includes two one-year extensions for a total of five years.

The award is based on fees, experience, reputation and the financial stability of the contractor as well as compliance with the format, terms, and conditions of the bid documents. The three vendors represented at the mandatory pre-bid meeting were First Student, Grand Prairie Transit and Lakeview Bus Company. First Student was the only company to submit a bid. Two companies submitted a no-bid due to resource availability and District insurance requirements. This is for field trips, etc. Currently, First Student is on a purchaser order. The trial basis has resulted in a good experience. In the summary of results, it showed that First Student scored highest.

For the last 8 years OPRFHS had paid below market rates. The previous company was able to obtain higher rates in a different market. OPRFHS requires more liability insurance so that if a catastrophe occurred, OPRFHS's liability would be limited. OPRFHS pays a conflicting trip charge, which constitute extra trips between the normal daily route and another bus and driver is required. OPRFHS pays \$55 per hour for a bus and driver to take students between certain times and \$75 to just show. The number of hours and total increase on a year-over-year basis will be included in the packet for the Board of Education meeting. One member expressed frustration that the budget had gone up 7.65%, after capital and financing costs had been removed.

Mass Transit Exclusion Board Resolution

The Finance Committee members recommended that the Resolution for the Mass Transit Exclusion for OPRFHS be moved to the full Board of Education for approval at its September 23, 2014 meeting.

When a district has a public mass transit system within its boundaries, the district may elect to certify to the State Board of Education that adequate transportation for the public is available for students and not offer free pupil transportation (105 ILCS 5/29-3). In exercising the mass transit exclusion as stated in Article 5/29-3 of the School Code, Districts do not have to pay any costs associated with this service, including tripper services.

Oak Park and River Forest High School District 200 utilizes the mass transit exemption due to the availability of public mass transit transportation.

FY 2015 Proposed Budget

The Finance Committee members unanimously recommended moving forward to the Board of Education approval of the Fiscal Year 2014-15 Budget, as presented, at its September 23, 2014 meeting. One change was to amend down the TIF receipts as to what was received versus what was expected, a reduction of \$532,000.

The committee recommended that going forward instead of comparing the Amended Budget to the Proposed Budget, the Amended Budget be replaced with the Unaudited Budget to see what the future is

as compared to what has been done. When comparing Amended Budget to Proposed Budget, that is where the variables will show. The actuals are reliable in the appropriate timeframe.

Monthly Treasurer's Reports

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

Second Draft of Amended Budget Process

The Finance Committee members unanimously recommended moving forward the second draft of the amended budget process to be presented as information only to the Board of Education at its September 23, 2014 meeting.

The amended budget process is usually started in the January or February timeframe. Division heads and administrators submit budget revisions to the Business Office throughout the year and those adjustments are input into Skyward. The division heads and administrators are allowed to amend the budget lines in their control as long as there is a net zero effect in their overall budget. Budgets are not allowed to be amended across funds. For instance, if a division head has excess budget in their field trip line in the Transportation Fund, they are not allowed to move those dollars to their supply line in the Education Fund.

All expenditures and revenues are analyzed for budget variances. These variances help to determine whether amendments are necessary. This occurs concurrently with the changes received from other areas. All of these changes are then made to the budget and a "tentative" amended budget document is produced for Board approval in the March or April timeframe.

This process is consistent with Board Policy 4:10 – Fiscal and Business Management. A "tentative" amended budget is presented to the Finance Committee and the Board of Education in March or April. A notice is published in the local newspapers of the "tentative" amended budget's availability along with the date and time in which a public hearing will be held. The "tentative" amended budget is placed on display in the Business Office for a minimum of 30 days for members of the public to review. As soon as possible after the 30-day requirement has been met, at the next regularly scheduled board meeting in April or May a public hearing is held and then the Board of Education votes on the amended budget for official adoption. The officially adopted amended budget is filed with the Regional Office of Education, the County Clerk of Cook County, and the Illinois State Board of Education.

Draft of 5-Year Financial Projections Process

The Finance Committee provided feedback and recommendations to the documentation of the 5-year Financial Projections process as presented in the packet. A suggestion was made to use a flow chart rather than narrative, as key assumptions are made when going through the process. Other comments included: 1) the District should assume tax abatement throughout the remaining term of the debt as there will be assumptions going forward in the next year or two because of the FAC work and the fund balance issues; and 2) this year two models will have to be created a) a return to the 2012 levy and b) a slight reduction of the 2013 levy, as the Board of Education makes that determination. Another suggestion was to add a date of the October Finance Committee to the second sentence in the last paragraph.

Adjournment

At 6:06 p.m., Mr. Weissglass moved to adjourn the Finance Committee; seconded by Dr. Lee. A voice vote resulted in all ayes. Motion carried.

Submitted by Gail Kalmerton
Clerk of the Board