

**BOARD OF EDUCATION
COMMUNITY CONSOLIDATED SCHOOL DISTRICT 64**

Minutes of the Community Finance Committee
held at 7:00 p.m. December 5, 2007
Raymond E. Hendee Educational Service Center
164 S. Prospect Ave., Park Ridge, IL 60068

Superintendent Sally Pryor called the meeting to order at 7:03 p.m. Present were: Olympia Asimacopoulos; Leanne Berry; James Bucaro; Kent Bergren; Leanne Berry; Andy Duerkop; Phil Eichman; Craig Elderkin; Craig Harter; Board of Education Member John Heyde; Fred Kahn; Sharon Lawson; Jun Lim; Margo Lorenz; Business Manager Bruce Martin; Laura McGrady; Emerson Middle School Principal Dr. Vicki Mogil; Tom Nasshan; Board of Education President Sue Runyon; Paul Sheehan; Diana Stapleton; Renate Stolzer; Board of Education Member Ted Smart; Public Information Coordinator Bernadette Tramm; John Waters; and Linda Williger.

Dr. Pryor said the purpose of the meeting was to welcome both new and returning Community Finance Committee (CFC) members, review the CFC mission and operating principles, and begin identifying subcommittee activities for 2007-08.

Dr. Pryor briefly highlighted the history of the CFC and its essential role as a standing committee to the Board of Education. She noted that the CFC takes a multi-year perspective in dealing with current concerns as well as looking ahead to issues that may impact the District's finances. She announced that Craig Elderkin, Communications Subcommittee Chairman, would be helping to facilitate the CFC this year. Mr. Elderkin stated that although the District's immediate funding needs have been addressed by the April referendum, the CFC now has the important task of conducting analyses and researching recommendations to help the Board make good financial decisions going forward.

Dr. Pryor then invited everyone in attendance to introduce themselves, describe what brought them to the CFC, and identify any areas of special interest. Following this information sharing, Board President Sue Runyon thanked all the volunteers for agreeing to serve on the CFC, and expressed her hope that they would find CFC work to be challenging and personally rewarding. She affirmed the importance of the CFC in providing solid facts to the Board on a timely basis.

Business Manager Bruce Martin then gave an overview of District 64's budget for 2007-08, and noted that the District is expected to conclude this fiscal year with a surplus of approximately \$3.8 million due to the referendum. He noted that although the District's financial situation had improved, the Board of Education and District 64 administration remain committed to being fiscally responsible in managing spending.

Dr. Pryor briefly described the subcommittee process the CFC has followed in the past. She stated that each subcommittee develops a work plan and meets independently to prepare a report to meet the timeline requested by the Board of Education. Periodically, the entire CFC will meet so that subcommittees can brief each other and provide a forum for input. All meetings also are open to any interested community members. A steering committee consisting of the subcommittee chairmen, the

Superintendent, the Board of Education liaisons, and several administrators and staff members meets as needed to plan the work flow. Dr. Pryor stated that this year, the Board has requested the CFC report in May. Messrs. Elderkin and Eichman affirmed that each subcommittee is able to refine the topics being researched, and to design how to conduct that work utilizing the skills, interests and time constraints of its members.

Dr. Pryor distributed a 2007-08 update of the CFC (attached), which reviews the mission, ongoing work plan, and operating principles. She then allowed time for attendees to read the list of potential subcommittee projects for 2007-08, and to then select a subcommittee to meet with during a brief breakout session.

She announced that the existing subcommittee chairs will facilitate these breakout groups, and that she would work with the Legislative Subcommittee. She noted that only Mr. Elderkin would be continuing as a subcommittee chair for 2007-08, and asked members to consider stepping forward to lead the other three groups.

Following the subcommittee breakout sessions, the membership reconvened and a representative from each group reported on the preliminary overview of the possible work stream for the subcommittee. Dr. Pryor observed that there would likely be areas of overlap between subcommittees, which will offer good opportunities for collaboration.

Dr. Pryor and Public Information Coordinator Bernadette Tramm then gave an on-line tour of key Web sites containing useful education finance information: District 64 (www.d64.org); ED-RED (www.ed-red.org); FED Ed (www.thefeded.org); the Illinois Association of School Boards (www.iasb.com); and the Illinois General Assembly (www.ilga.gov).

The next meeting will be a useful “boot camp” training session on Thursday, January 17 at 7 p.m. It is designed to introduce education finance topics to new members and refresh the understanding of returning members. The next full CFC meetings will be at 7:00 p.m. on Thursday, February 7; Thursday, March 13; and Wednesday, April 23. All meetings will be at the Educational Service Center, and are open to the public.

The meeting was adjourned at 8:55 p.m.

Minutes submitted by Bernadette Tramm

Attachment: CFC 2007-08 Update December 5, 2007

**Park Ridge-Niles School District 64
Community Finance Committee
2007-08 Update**

Mission Statement

The CFC was named a standing committee of the Board of Education in January 2007. The role of the CFC is to conduct analyses and provide advice on education finance issues to the Board as directed, to help build community consensus around these issues, and to provide a forum for community input. Community is defined in the broadest terms to include students and their families, teachers and other staff members, taxpayers, and other local residents. The CFC takes a multi-year time perspective in dealing with current concerns as well as looking on the horizon to foresee issues of importance to the District's operations in the future.

Ongoing Work Plan

Building on the success of its work thus far, the CFC will move forward in four major areas. This work is expected to occupy the CFC in 2007-08 and for some months beyond. Tasks have been assigned to the existing three subcommittees as appropriate. A fourth subcommittee is being formed at the request of the Board of Education to take on new tasks.

Operating Principles

Since its inception in 2004, the CFC has operated under the leadership of its subcommittee chairmen. Within each subcommittee, volunteers are recruited based on specific skills and interests in carrying out current assignments. These contributors can be ongoing members of the CFC or community volunteers interested in assisting with a focused interest and expertise. Each subcommittee develops a work plan to meet the timeline requested by the Board of Education for its report.

Periodically, the entire CFC meets to be briefed on the subcommittee projects and to provide a forum for input. These general meetings are helpful in recruiting members and new volunteers for future assignments as well as building consensus. All meetings are open to the public.

A steering committee consisting of the chairmen of the subcommittees, the Superintendent, Board of Education liaisons, and several administrators and staff members meets as needed to plan work flow.

Subcommittee Projects for 2007-08

- **Spend Management**
 - Review structure of the District's RFP process for professional services, and suggest tools that the Board and administration can implement in developing and evaluating proposals
 - Spend analysis 2005-06 and 2006-07 data
 - Review of revenue generation ideas (summer 2006 brainstorming) and prioritize high-potential ideas [in conjunction with Financial Structure]

- **Financial Structure**
 - Post-referendum accountability metrics [in conjunction with Communications]
 - Cash flow forecasting
 - Review of revenue generation ideas (summer 2006 brainstorming) and prioritize high-potential ideas [in conjunction with Spend Management]
 - District 64 investments:
 - Benchmark performance of Township Treasurer in managing District 64 investments
 - Analyze District 64's ROI and investment limitations
 - Student fee calculation process

- **Communications**
 - Additional chapters for Education Finance Fact Book
 - Post-referendum metrics "scorecard" [in conjunction with Financial Structure]
 - Develop one or two themes (based on current District 64 initiatives) to build greater awareness, such as Educational Ends or Civil Behavior
 - Explore new ways to expand reach of "State of the District" content (e.g., 2nd cup of coffee administrator sessions)
 - Assist in building awareness for Strategic Plan effort Spring 2008 (see below)

- **NEW – Legislative** (see attached proposal)

Strategic Plan Spring 2008

The 2007-08 school year is the second and final year of the District's current strategic plan. In addition to the activities of these subcommittees, CFC members will be invited to participate in the planning process in spring 2008 to develop a new long-range strategic plan for the District.

Subcommittee Projects Beyond 2007-08

The following ideas have been suggested for future work:

Revenue and Expense Alternatives

- Recommend process to systematically evaluate benefits of spending and insurance cooperatives
- Assess financial implications of curriculum reviews: costs, methods, and frequency relative to benefits
- Examine opportunities to enhance the grant-seeking process
- Explore distance learning benefits, costs, and trends

Business and Financial Management

- Advise on methods to systematically track budget cuts
- Suggest approaches to improve forecasting and analysis
- Provide independent review and analysis of the annual budget
- Assess and recommend how to develop a Financial Reporting database
- Assess and recommend a consistent method of calculating FTE labor costs, and tracking/reporting these numbers.
- Consider benefits of an “Activity-Based Costing” pilot

Communications

- Revise and update existing Fact Book chapters
 - Cross-district comparisons
 - More recent data
- Support periodic community surveys:
 - Public understanding of District 64’s financial situation
 - Post-referendum accountability
 - General satisfaction with District performance

**Park Ridge-Niles School District 64
Community Finance Committee**

Proposal for Legislative Subcommittee

Goals

- To assist the Board of Education in staying current on pending financial legislation of interest to District 64.
- To help the Board of Education become more pro-active in influencing legislation that has a financial impact on District 64 and its taxpayers.

Objectives

- Identify and monitor education legislation at the state and national level that may impact District 64 finances
- Research likely financial and other impacts of this legislation on District 64
- Recommend positions on key legislation to the Board of Education periodically
- If requested by the Board, assist with legislative contacts and communications with parents and other community members on specific pending legislation
- Form smaller study groups on “hot” issues needing quick input to the Board

Membership

- Solicit members from staff and community via Staff Bulletin (9/28), Take Homes (10/4) and local news media (10/3 and 10/4)
- Interview and select group of 6-8 interested volunteers, ideally with a mix of staff, parents and local residents
- Subcommittee chairman to be selected from this group

General Procedures

- Operate on a non-partisan basis
- Subcommittee chairman will become part of the CFC Steering Committee