

Board of Education
Community Consolidated School District 64

Committee-of-the-Whole: Finance

Monday, January 28, 2013
7:00 p.m. – 7:30 p.m.

Jefferson School
8200 Greendale Avenue
Niles, IL 60714

AGENDA

1. CALL TO ORDER AND ROLL CALL
2. REPORT FROM COMMUNITY FINANCE COMMITTEE (CFC)
STUDY GROUP ON STUDENT FEES
3. PUBLIC COMMENTS
4. ADJOURNMENT

Student Fees

CFC 2012-2013

Our Goal

The goal of the CFC committee was to analyze the current fee structure to determine its appropriateness for District 64.

In order to accomplish this goal we reviewed the fee study completed by the CFC in 2009, compared District 64 fees to fees charged in selected districts, and broke down financial information gathered from the district report card. We also began analysis of actual expenses and revenues, particularly for extra-curricular activities that charge participatory fees.

Fees not included in this study include: transportation (paid bus rider), before/after school care, field trips, other activities.

We offer a recommendation based on our analysis.

Current Situation

In the 2011-12 school year, District 64 collected \$1,575,411 in fees from families

Registration	\$	931,849
Lunch Supervision (now eliminated)	\$	492,401
Field Trips	\$	49,056
Pay Rider Fees	\$	35,394
Instrumental Music	\$	31,413
Athletic Fees	\$	19,352
Chorus Fee	\$	1,598
<u>Other Fees*</u>	<u>\$</u>	<u>14,349</u>
TOTAL	\$	1,575,411

The mandatory registration fee is applied to the Education Fund and is not tied to specific expenses. It is intended to cover a portion of costs for textbooks, supplies, and technology.

Participatory fees are intended to cover the expenses related to athletic teams, chorus and instrumental music

- Transportation to events and away games
- Referees and supervisors for home games
- Supplies: sheet music, trophies, etc.
- Fees are not intended to cover cost of staff stipends for these activities

* Other Fees Include: Book and Library fines, Summer School Pay Rider
Revenues not included: Extended Day Care, Elementary Milk and Pupil Lunch
Source: Financial Report for Fiscal Year 2011-12 through June 30, 2012

The Fee Study of 2009

Although we were unable to recover the entire study from the CFC group in 2009, we were able to review the main results of the study:

- “A la carte” electives fees in middle school were rolled up into one registration fee.
- It was determined that fees generally covered the intended amount of expenses. However, the specific expenses and percentage to be covered by student fees was not documented.
- At the time of the 2009 study, District 64 fees were ranked #1 or #2 vs. 7 comparable districts
- Overall fee levels for D64 were kept at the same level.

The Comparables

District 64 charges the highest student fees of all the comparables at the elementary and middle school level. Among half-day kindergarten programs, D64 fees rank #5 out of 17.

The 23 school districts analyzed are the D64 standard list of comparable districts (see Appendix) .

	District 64	Average Comparables	D64 % Above Ave
½ Day Kindergarten	\$84	\$65.12	29%
Average G1 - 5	\$227	\$110.23	106%
Average G6 - 8	\$315	\$141.20	123%
Total K – G8	\$2,164	\$1058.68	104%

(Source: District websites, phone calls)
Not included: Winnetka SD 36 Lunch Supervision; Outdoor Education (e.g. Camp Duncan) fees.

Comparable district fees were analyzed using several methods, none yielding significantly different results

- Median fees
- Fees as a % of operational expense per pupil
- Average of middle 15 districts' fees (eliminating top and bottom 3)

Financial Information

District 64 has recently been given a 4.0 rating for financial health. This is the highest possible rating indicating that our district is financially stable and has adequate revenue exceeding expenditures.

We found that District 64 ranked in the average range of our comparables in other of the areas of the report card.

	District 64	Average	D64 Rank
Operational \$/pupil	\$13,450	\$14,018	#13/23
EAV / pupil	\$530,239	\$618,153	#11/23

(Source: 2011 Illinois Interactive Report Card)

Extra-Curricular

The analysis of the extra-curricular fees is ongoing. The fees for sports, chorus, and music are low compared to other districts. Increasing these fees may be an option, but covering 100% of the costs for extra-curricular activities is prohibitive, largely due to the cost of teacher stipends.

ACTIVITY	# STUDENTS	EXPENSES	STAFF STIPENDS	FEES REVENUE (subtract 4% for fee waiver)	Expenses / student	Total Cost / student
Basketball	Emerson & Lincoln, 8 teams	Transport, refs & home game supervision	\$ 12,191	8 coaches \$ 24,136	\$ 117.22	\$ 349.30
% coverage					81%	27%
Volleyball	Emerson & Lincoln, 8 teams	Transport & refs	\$ 7,880	8 coaches \$ 17,208	\$ 80.41	\$ 256.00
CROSS COUNTRY	Girls/Boys G6-8	Transport, refs, 147 trophies	\$ 2,222	2 coaches \$ 4,302	\$ 15.11	\$ 44.38
CHORUS	G4 - G8	??	# staff??		165%	56%
Instrumental Music	G4 - G8	819	# staff??			
Other Clubs	TBD					

Impact on Families

Currently families are charged \$227 for students in grades 1-5 and \$315 for students in grades 6-8.

While not necessarily controlled by the district, additional financial responsibilities for District 64 families include \$50-\$70 on average per student for school supplies, PTO membership, \$20 per student for classroom parties/teacher gifts, and field trips.

For example, a District 64 family with three children in elementary school would pay nearly \$1000 per year when adding together the student fees, school supplies, and classroom fees.

Our Recommendation

Based on the information that we gathered, we recommend that the student fees in District 64 be lowered for G1 - G8th to a level consistent with comparable districts. It would provide financial relief for families within the district while still collecting funds to support the purchase of materials for student use.

	K	G1-5	G6-8	Total K-G8
Current D64 Fees	\$ 64	\$ 227	\$ 315	\$2,164
Our Recommendation	\$ 64	\$125	\$150	\$1,159

Options for Consideration

OPTION ONE:

Reduce fees to recommended level -- consistent with average comparable districts

OPTION TWO:

Reduce fees to recommendation level over 4 years (co-incides with referendum commitment)

OPTION THREE:

Reduce fees to 150% of average: K \$95; G1-5 \$165; G6-8 \$210

OPTION FOUR:

Leave fees at same level for one year, then switch to a cost-based fee system

ALL OPTIONS: commit to performing in-depth analysis of actual expenses and adoption of a policy for coverage levels

The Impact on the District

	K			G1-5	G6-8	TOTAL K-G8		Estimated Revenue (assume 4% fee waiver)	Impact to Budget
D64 Enrollment ¹			403	2371	1481		4254		
Current Fees	\$	84	\$	227	\$	315	\$	996,849	

OPTION 1: REDUCE FEES TO AVERAGE OF COMPARABLES

Recommended Fees	\$	84	\$	125	\$	150	\$	1,159	\$	530,170	\$ (466,680)
Total 4-year Impact 2013-17											\$ (1,866,718)

OPTION 2: REDUCE FEES TO AVERAGE AND TAKE REDUCTION OVER 4 YEARS

Recommended Fee Yr 1 2013-14	\$	84		200		275	\$	1,909	\$	878,542	\$ (118,308)
Recommended Fee Yr 2 2014-15	\$	84		175		235	\$	1,664	\$	764,786	\$ (232,063)
Recommended Fee Yr 3 2015-16	\$	84		150		195	\$	1,419	\$	651,031	\$ (345,818)
Recommended Fee Yr 4 2016-17	\$	84		125		150	\$	1,159	\$	530,170	\$ (466,680)
Total 4-year Impact 2013-17											\$ (1,162,868)

OPTION 3: REDUCE FEES TO 150% OF AVERAGE

Recommended Fees	\$	95	\$	165	\$	210	\$	1,550	\$	710,743	\$ (286,106)
Total 4-year Impact 2013-17											\$ (1,144,424)

Notes:

(¹) Enrollment number is average of 06/08/12 and 09/30/12 actual enrollment

Process for the Future

We also recommend that student fees be reviewed every four years to update. A written policy indicating the specific percentage of costs for materials, supplies, technology, textbooks, etc. that fees are intended to cover would determine the appropriateness of the fees.

In addition, we recommend that communication to taxpayers be improved

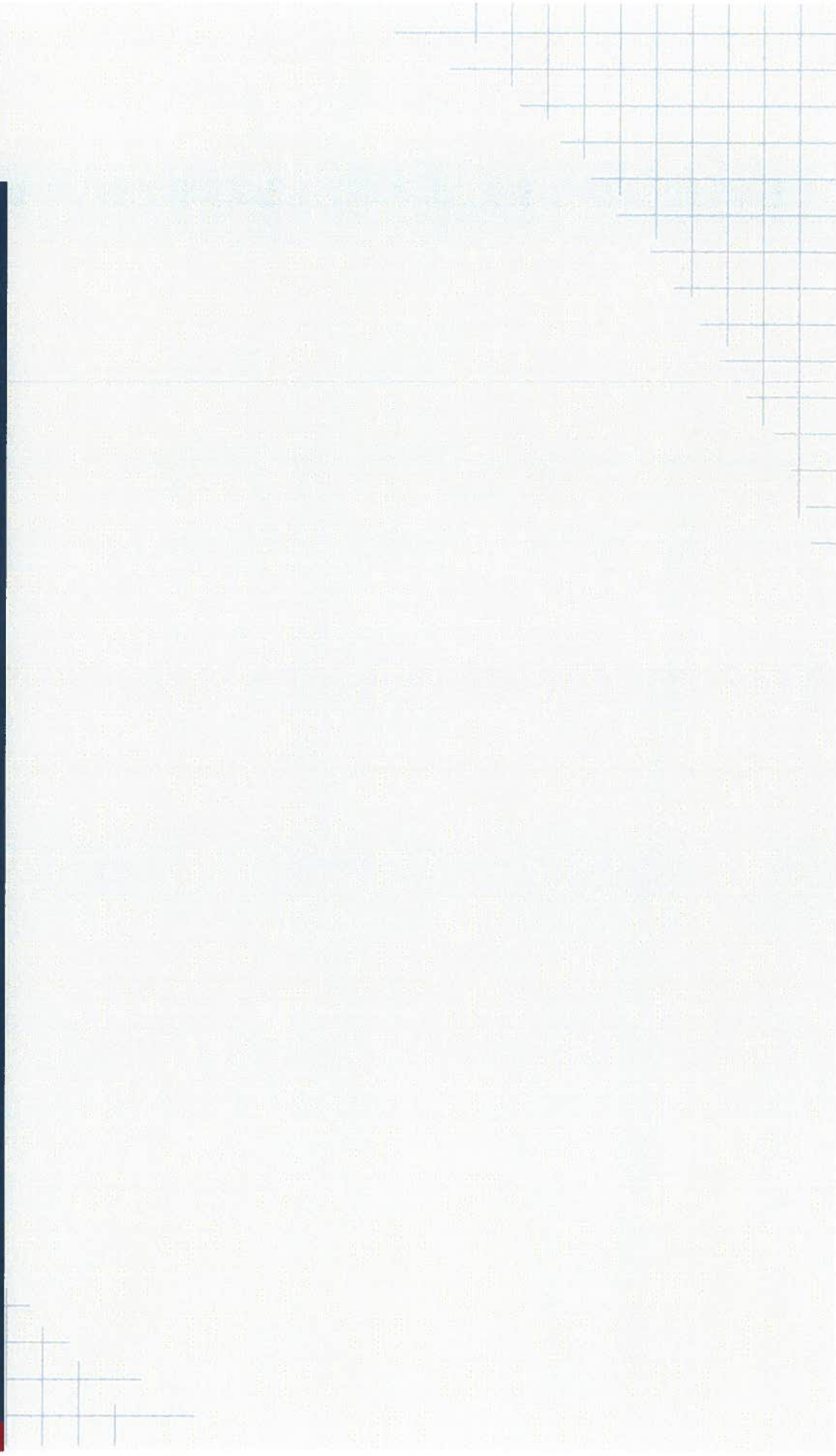
- Update Education Finance Fact Book section on fees¹. Current information posted is based on pre-2009 fee structure.
- Expand description of fees in District 64 Handbook and in “Pay Student Fees” section of website².

Notes:

(1) <http://www.d64.org/subsite/dist/page/student-fees-637>

(2) <http://www.d64.org/subsite/dist/page/pay-student-fees-835>

Appendixes



Comparable Districts and Mandatory Fees – 2012-13 School Year

	K Program	K	Ave G1-G5	Ave G6-G8	Ave Fee K-8	Total K-8
Park Ridge CCSD 64	1/2 day	\$ 84	\$ 227	\$ 315	\$ 240	\$ 2,164
Arlington Heights SD 25	1/2 day	\$ 31	\$ 59	\$ 119	\$ 76	\$ 680
Arlington Heights CCSD 59	1/2 day	\$ 32	\$ 53	\$ 89	\$ 63	\$ 564
Des Plaines CCSD 62	1/2 day	\$ 50	\$ 80	\$ 127	\$ 92	\$ 831
East Maine SD 63	1/2 day	\$ 60	\$ 100	\$ 133	\$ 107	\$ 960
Evanston 65	Full	\$ 120	\$ 120	\$ 130	\$ 123	\$ 1,110
Glencoe 35	1/2 day	\$ 125	\$ 145	\$ 144	\$ 143	\$ 1,284
Glenview CCSD 34	1/2 day	\$ 43	\$ 113	\$ 255	\$ 153	\$ 1,373
Lincolnwood 74	Full	\$ 175	\$ 175	\$ 212	\$ 187	\$ 1,685
Mount Prospect SD 57	1/2 day	\$ 95	\$ 146	\$ 186	\$ 154	\$ 1,385
Northbrook ESD 27	1/2 day	\$ 50	\$ 54	\$ 122	\$ 76	\$ 686
Northbrook SD 28	1/2 day	\$ 20	\$ 20	\$ 31	\$ 24	\$ 213
Northbrook/Glenview 30	1/2 day	\$ 115	\$ 115	\$ 115	\$ 115	\$ 1,035
Palatine CCSD 15	1/2 day	\$ 60	\$ 120	\$ 127	\$ 116	\$ 1,040
Prospect Heights 23	1/2 day	\$ 75	\$ 135	\$ 205	\$ 152	\$ 1,365
River Trails 26	Full	\$ 140	\$ 140	\$ 196	\$ 159	\$ 1,427
Schaumburg CCSD 54	1/2 day	\$ 50	\$ 50	\$ 50	\$ 50	\$ 450
Skokie 68	Full	\$ 120	\$ 120	\$ 120	\$ 120	\$ 1,080
Skokie SD 69	Full	\$ 140	\$ 145	\$ 140	\$ 143	\$ 1,284
Skokie 73.5	Full	\$ 132	\$ 132	\$ 132	\$ 132	\$ 1,188
Wheeling 21	1/2 day	\$ 47	\$ 57	\$ 98	\$ 70	\$ 626
Wilmette SD 39	1/2 day	\$ 100	\$ 198	\$ 227	\$ 197	\$ 1,770
Winnetka SD 36 w/o Lunch Supervision	1/2 day	\$ 70	\$ 148	\$ 148	\$ 139	\$ 1,255
Winnetka SD 36	1/2 day	\$ 70	\$ 342	\$ 148	\$ 247	\$ 2,223
AVERAGE COMPARABLE						\$ 1,124.36

* Kindergarten average includes only ½ day kindergarten programs
 Sources: District websites and phone calls
 Data does not include outdoor education fees (e.g., Camp Duncan)