

MINUTES OF THE
FINANCE COMMITTEE MEETING
of the Board of Education
Riverside School District No. 96
Held on Tuesday, June 15, 2010
at Hauser Jr. High School
Riverside, Illinois

Committee chair Jim Schraidt called the meeting to order at 6:00 p.m.

Present: Mr. Giles McCarthy and Mrs. Mary Ellen Meindl

Absent: None

Also Present: Board members Jennifer Leimberer and Mary Stimming; Supt. Jonathan Lamberson; Technology Director Vern Bettis; and approximately 10 District 96 parents, staff and interested citizens of the community.

The purpose of this meeting was to discuss:

- Student Fee Policy.
- 2010-11 Budget Parameters and Descriptors.
- Summary of 2009-10 Amended Budget.

There were no comments from the public.

- **Student Fee Policy.**

Supt. Lamberson noted that tonight's discussion of student fees is a follow-up to the Board's request for clarification of the District 96 definition of student fees.

Conversation took place regarding how the current economic situation is affecting the ability of some District 96 families to pay student fees. Dr. Lamberson noted that in 2009-10 approximately 70 families requested reduced or waived fees, and that the District processed approximately 30 fee payments that were returned for non-sufficient funds (NSF). This is an increase over prior years. Starting in 2010-11, on-line payment of school fees via credit card will be available to District 96 families. Supt. Lamberson noted he is hopeful that this payment option will reduce the incidence of NSF checks.

Discussion transpired regarding various fee payment models. It was suggested that in future years the District could consider using a "two-tiered" fee structure where parents would pay a lower school fee if student registration and payment were submitted in the spring for the following school year. A higher fee could be assessed if student registration and payment were submitted in August (late registration). Obtaining early access to the next school year's enrollment figures would be the motivation behind offering a lesser fee for registration and payment submitted in the spring.

2010-11 school fees are as follows (unchanged for the 5th consecutive year):

KA	\$70.00
1 st Grade	\$80.00
2 nd Grade	\$85.00
3 rd Grade	\$85.00

4 th Grade	\$95.00
5 th Grade	\$95.00
6 th Grade	\$160.00
7 th Grade	\$165.00
8 th Grade	\$185.00

The Committee reviewed the definition of “School Fees” as it currently appears in District 96 **Board Policy 4:140 – Waiver of Student Fees**.

Definition of School Fees

School fees include, but are not limited to, the following:

1. All charges for use of school property such as textbooks, general supplies, materials, Little Symphony, assignment notebooks, wind instruments, towels and laboratory equipment;
2. Charges for field trips made during school hours or made after school hours if the field trip is a required or customary part of a class or extracurricular activity;
3. Charges or rentals for uniforms or equipment related to sports or Fine Arts programs;
4. School fees DO NOT include library fines, and other charges made for the loss, misuse or destruction of school property; charges for the purchase of yearbooks, pictures, diploma covers or similar items; charges for optional travel undertaken by a school club or group of students outside of school hours; charges for admission to school dances, athletic events or other social events.

Dr. Lamberson remarked that the current fee structure represents a modest sum to off set the cost of the items listed above. He noted the replacement cost of an 8th grade textbook is \$53.00 He further commented that student fee revenue is not applied toward the cost of student laptops.

Conversation took place regarding the timing of a possible future increase in school fees. The pros and cons of small gradual increases over time versus one large increase in the future were discussed.

Dialogue ensued regarding what will happen to the laptops when Hauser 8th grade students graduate. Dr. Lamberson noted that the laptops could be repurposed and re-used in the lower grades. He commented that the computers could also be sold to students, who could then continue using them in high school. Supt. Lamberson stated he would like to explore this option with parents to ascertain their interest in a purchase or lease option. If parents express interest in this possibility, he would present a plan and pricing for the Committee’s consideration. By consensus, the Committee agreed this topic should be discussed to determine parent interest.

Following discussion, the Committee agreed by consensus that **Policy 4:140 Waiver of Student Fees** should be disseminated to parents in an effort to promote a better understanding of school fees in District 96.

- **2010-11 Budget Parameters and Descriptors.**

In response to a request by Board members, Dr. Lamberson presented sample revenue and expense report formats that could be attached as supplemental information to the District’s annual budget report in an effort to provide a greater level of detail for the community. These reports would provide actual revenue and expenditure data from the

preceding school year providing insight into how the budget for the new school year is established.

As a point of reference, Dr. Lamberson noted that the Proviso Township School Treasurer's Office provides financial accounting services for District 96 and several other area districts. The Township Treasurer uses a DOS-based accounting program with very limited reporting capability. Supt. Lamberson noted that the sample report formats as presented could be readily generated using the DOS program, but that reports tailored specifically for District 96 could be developed by the Township Treasurer for a programming fee. He also stated that the District could consider purchasing a Windows-based financial package, at considerable cost, to run a parallel set of books with superior reporting capability.

Conversation took place regarding the pros and cons of generating "standard" financial reports using the Township Treasurer's existing software versus the more expensive alternatives of providing "tailored" reports or reports generated from a Windows-based accounting software package. Following discussion, the Committee agreed by consensus to recommend to the full Board that the standard report formats be attached to the District's annual budget report, and noted that the community could direct any additional budget questions directly to Dr. Lamberson or the Board.

Supt. Lamberson commented that the majority of 2010-11 budget parameters remain unknown until a contract is ratified with the Riverside Education Council (REC). He noted that conservative estimates would be made when drafting the tentative budget and that any budget amendments required following contract ratification would be made in June 2011.

Discussion transpired regarding the possibility of the Board adopting a *Reserve Fund Balance Policy* to establish procedures whereby existing funds could be set aside for a specific future use. It was noted that because increases in annual revenue are limited by tax cap constraints, the District would benefit from having a policy that protects existing cash reserves. Supt. Lamberson noted that sample policies could be provided by the Illinois Association of School Boards, and recommended Board action occur mid-year following receipt of the 2009-10 Audit Report.

- **Summary of 2009-10 Amended Budget.**

- * **Employee Health Insurance Costs** - As a point of reference, Dr. Lamberson commented that the amount budgeted for employee health insurance in any given year is based on the amount spent in this category the prior year. He noted that in 2009-10, there was a significant increase in the number of employees changing from single to family coverage due to marriage or due to a spousal loss of insurance because of job termination. The budget is being increased \$400,000 in this category to account for these unanticipated increased expenses.

- * **Salaries** - The 2009-10 budget is being increased by \$300,000 to cover higher than anticipated salary costs including an Administrative sabbatical leave of absence and the cost of a long-term substitute teacher covering an extended mental/emotional leave of absence taken by a veteran teacher.

- * **Special Education Costs** - The 2009-10 budget is being increased by \$400,000 in the area of Special Education to cover higher than anticipated costs to provide needed

service levels to students; and to cover the salary of an additional staff member hired per student IEP requirements.

Following these remarks, Dr. Lamberson noted that revenue would be adjusted concomitantly with the stated budget amendments leaving overall fund balances unchanged.

There being no further reports, a motion was made by Mr. McCarthy, supported by Mrs. Meindl, that the meeting be adjourned.

The time was 7:15 p.m.

Susan Moorhead, Board Secretary

Jim Schraidt, Committee Chair