

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

**Finance Committee Meeting Minutes  
December 11, 2012**

A Finance Committee meeting was held on Tuesday, December 11, 2012. Ms. McCormack called the meeting to order at 9:03 p.m. in the Board Room. Committee members present were Terry Finnegan, Valerie J. Fisher, Dr. Ralph H. Lee, Amy McCormack, Dr. Dietra D. Millard, Sharon Patchak-Layman, and John Phelan. Also present were Dr. Steven T. Isoye, Superintendent; Michael Carioscio, Chief Information Officer; Dr. Tina Halliman, Assistant Superintendent of Student Services; Amy Hill, Director of Assessment and Research; Philip M. Prale, Assistant Superintendent for Curriculum and Instruction; Nathaniel L. Rouse, Principal; Karin Sullivan, Director of Community Relations and Communications; Cheryl L. Witham, Assistant Superintendent for Finance and Operations and Treasurer; and Gail Kalmerton, Executive Assistant/Clerk of the Board.

Visitors included James Paul Hunter, FSEC Chair; Micheline Piekarski, Robert Zummallen and Doug Willey, ORPFHS staff; Virginia Thomas, Rubin Harris, Karin Mansfield, Dr. Barb Langer, Mark Stockfisch, Mary and Carlo Rodrigo, Karin Levinski, Sue Harkins, Natasha Perssico, Dr. Barry Epstein, Jeff Weissglass, Tom Cofsky, Julie McCarthy, and Dan Lesser, community members and others; and Kenneth Florey of Robbins Schwartz.

Presentation of NIIPC Commodity Foods and Selected Commercial Foods Contract RFP

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the following group of products to the vendors, at the December 20 regular Board of Education meeting.

Cheese-Filled Breadsticks	Schwan's
Shredded and Individually Wrapped Cheese Products Sliced	Bongard's
Egg Products	Sunny Fresh (Cargill Kitchen Solutions)
Frozen Potato Products	McCain
Tomato Products	Red Gold
Instant Potatoes	JR Simplot
Pretzel Products	J&J Snacks
Mozzarella Sticks and Pizza Dippers	Rich's Products
Pork Products	Advance Pierre
Turkey Products	Jennie-O

It was also the consensus of the Finance Committee members to approve the following products to the vendors as presented, at the December 20 regular Board of Education meeting.

3.2oz Beef Patty, Meatballs, Chili Mix, Sloppy Joe Mix, Spaghetti Sauce Mix and Taco Mix and Regular Macaroni and Cheese	JTM
Beef Rib Patty, Cooked Beef Crumbles, All Beef Patties, Beef Nuggets, and	Pierre

Salisbury Steak.	
Reduced Fat and Reduced Sodium Macaroni and Cheese, Bulk Cheese Sauce and Cheese Sauce Cups	Land O'Lakes

The OPRFHS Board of Education approves these proposals, as OPRFHS is the administrative district for the Northern Illinois Independent Purchasing Cooperative (NIIPC), an organization that services eleven charter districts ranging from 500 students to 40,000 students by purchasing quality, student-approved products at low prices. Ms. Micheline Piekarski, OPRFHS Food Service Director, is its executive director.

Visitor Comments

The following visitors ceded their 3 minutes to speak before the Finance Committee to Dr. Barry Epstein: Virginia Thomas, Rubin Harris, Karen Mansfield, Mark Stockfish, Sue Harkins, Nancy Perssico, and Karen Levinsky.

Dr. Epstein spoke to the Finance Committee members in opposition to the proposed 2 ½ percent tax levy increase. He stated that his presentation was drawn from the District’s Comprehensive Annual Financial Reports for the last 10 years and the District’s financial projections published this year. He distributed his packet of material and reviewed the information, giving credit to the District for doing an excellent job with its finances. In his opinion, the data showed that the Levy increase was not necessary.

The following visitors ceded their 3 minutes to speak before the Finance Committee members to Dr. Langer: Mary and Carlo Rodrigo.

Dr. Langer too spoke to the Finance Committee members in opposition to the proposed tax levy. She referred to the 2002 referendum, at which time the Board of Education asked the voters for a property tax increase. At that time, the Oak Park Township Assessor stated that the request was made on false pretense. Referendum had two components, the expected, and the unexpected revenues. She also distributed and reviewed with the Board of Education a packet of information. She asked the Board of Education not to increase the Levy, to return the money to the taxpayers, and to add the “Community” back to the organizational chart.

Discussion of Hiring Practices

The administration, in continuing to ensure that the District operates within the designated budget allowance for the hiring of faculty, provided the following information.

- Article 10, Section A, of the Collective Bargaining Agreement with Faculty Senate, outlines the salary schedule placement and advancement of teachers. Each vacant certified position is budgeted at a Master Zero Credit/5 years’ experience, as reflected on the current year’s Faculty Senate salary schedule, or \$68,656. This does not prevent the District from hiring teachers under that or over that experience level, however, as that salary dollar amount allows for hiring teachers who ranged from BA 5 to Ph.D. 1.
- A recap of spending compared to the amount budgeted over the last four years.

The administration asked the Board of Education to affirm the use of the MA 5 salary level as a budgeting parameter. The administration felt that teachers with the skill sets desired could be found using this range. The administration also asked that the Committee consider holding this level for part-time personnel, as well. Discussion about specific individuals would be held in closed session.

Discussion ensued.

Q: Is there a differential between those teachers hired for leaves of absence, etc., versus part-time and long-time staff who the District wants to retain because they provide quality education for students? Why was the District using a generalized list of part-time or temporary assignments as opposed to looking at divisions? Is it the District's focus to see that divisions have an equal distribution of employees, i.e., employees beginning their career, employees with 10 to 15 years of experience, and employees with longer careers so that always there are new and experienced personnel and not everyone leaves at the same time? Is the District looking at divisions individually for a cost by student/staff or some other ratios? Will some be pulled out because there will never be a fulltime position?

A: Some part time positions have the same person returning every year without any plans to change the nature of those positions. There are situations where an individual has returned year over year for temporary positions, sabbaticals, leave of absences, etc.

Q: Is the District comfortable with this standard?

A: Ms. Witham and Mr. Rouse affirmed that the DLT members believed that budgeting for the dollar amount provided at the MA-5 level is adequate to attract quality teachers. Mr. Rouse's experience, as a DTL member and principal, is that divisions have discussed MA 5 and flexibility has been utilized when decisions were made. Any unique opportunity could be addressed. Mr. Prale believes that the MA 5 level provides a teacher that has had classroom experience and has demonstrated proficiencies in differentiated instructional matters and students with different ethnic backgrounds. The MA 5 level demonstrates a level of scholarship or commitment to the field. If the District recruited someone for a special program, it would take balancing. The District is also committed to professional development.

Mr. Phelan did not understand why the Board of Education was being asked to put a rigid limitation on the hiring process. If the administration's recommendation is to use this parameter, then it should do so. However, he felt a hiring decision was unique to the pool of candidates, the needs, the individuals who interview, etc. Dr. Isoye noted that DLT had listened to the Board of Education questions regarding the MA 5 level last spring. Based on those questions, DLT brought this discussion forward in order to educate the Board of Education as to what MA 5 means to the District in terms of the dollars. The part-time question relative to MA 5 needs to be addressed. While Ms. McCormack appreciated the educational piece, she was concerned that if the Board of Education supported a recommendation in theory, it could be used as a reason to release individuals. Dr. Millard asked if the District should budget for a higher salary. Ms. Witham responded that some schools not only budget FTE and salary but have budget parameters for benefits as well. If the Board of Education felt the salary range was too low, the projection model could be changed and modifications would need to occur in other areas. That would be an area of debate.

Ms. Fisher asked if there was a way to portion out fairly to the divisions that in the hiring process everyone gets their fair share to hire more expensive FTE. Divisions that have part-time teachers must be aware of when the division crossed over the MA 5 level, it would affect who else might be hired. While MA 5 could be the hiring average, it did not mean everyone had to be hired at that level. Previously some divisions would find more experienced FTE and others had less. An attempt had been made to review the divisions overall. Ms. Witham affirmed that in her tenure, it was a pool and the Assistant Superintendent for Human Resources and the Superintendent had the big picture perspective. Conversations had occurred about staying within the budget. Mr. Phelan and Ms. McCormack did not believe in sacrificing students in this process. Ms. Fisher stated that it was important for the Board of Education to insure an overview occurred so that there was equity in hiring across divisions. The important focus should be on making it fair for all divisions to hire experienced personnel, rather than saying this is what the Board of Education wanted. Dr. Lee asked if the Board of Education would stand behind the administration if hard decisions had to be made. Ms. Patchak-Layman asked if a list of new part-time positions would need to be separated from all of the positions. While hiring full-time FTE is a good practice, it is difficult to release part-time, effective teachers after a number of years.

Dr. Isoye explained that DLT had discussed when and how to bring this matter forward to the Board of Education. This was a philosophical discussion only. One question raised was why the District had part-time FTE. Dr. Millard noted that only two salaries of the teachers hired in the last three years were higher than what was budgeted. Ms. McCormack asked for the administration's help with talking about full-time people versus a part-time people via the personnel reports. Ms. Witham noted that some school districts only hire teachers with multiple certificates.

Ms. Patchak-Layman asked if the salary scale related to the bigger conversation of remuneration for teachers for their knowledge and skills, changes in step and looking at teacher and staff salaries. A bigger conversation in the United States is to look at the skills and knowledge that teachers bring to a position versus an annual year-over-year increase. A double certification would benefit the district and the teacher, as they would be worth more remuneration.

#### Presentation of the Check Disbursements & Financial Resolutions

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the Check Disbursements and Financial Resolutions dated December 11, 2012 at the Special Board of Education meeting to follow this meeting.

#### Collaboration of Early Childhood Care and Education (Collaboration)

Ms. McCormack explained to the committee that the purpose of this discussion was to gather questions from the Board of Education for either the Collaboration or legal counsel about the request for funding from the Collaboration.

Mr. Florey commented on 1) what parameters should be used when the District is asked to provide funds for a private endeavor and 2) the opinion letter of Miller Canfield. He also responded to Finance Committee members' questions.

- 1) Public funds cannot be given to a private entity, no matter how compelling the reason.

- 2) Constitutionally, public funds must be used for public purpose.
- 3) Public entities such as the Township or the Village have different limitations than do schools.
- 4) A contract with a private entity must be proportionate to what the District is receiving for the public's good and it must be within the District's statutory mission definition. Missions can be blurred when multiple jurisdictions are involved.
- 5) The Board of Education must consider whether the District would receive a significant public return for the amount being requested and if it were within the District's statutory responsibilities.

While Mr. Florey concurred with most of the opinion letter written by the law firm of Miller Canfield, he noted that it had not addressed the amount of dollars. In the broad scope, the District can participate in early childhood programs, as it presently does, but as it broadens across the community, the District will stray from the mission of the high school. A distinction will have to be made as to whether this is an employment benefit for the teachers or if it reaches across the entire community to other users of the childhood programs. Ultimately, it would be a policy decision.

Mr. Phelan noted that statute did not provide for the contribution under discussion. For 30 years, the school has been addressing gaps in achievement, high and low income, racial, etc., by spending money on remediation programs, educational programs, and professional development. Recently a Nobel Peace Prize economist stated that gaps occur because of what happens with children from age 0 to 5. Mr. Phelan felt it would take a comprehensive set of ways to address it that come from remediation development, early childhood development, engagement of adults, extracurricular activities, etc. The types of collaboration would be to address that portion of the achievement gap that the high school has been trying to address. Ultimately, the question before the Board of Education is whether it is illegal to spend this money to address the achievement gap. Are there on-point cases? If not, then the Board of Education will have to use reasoned judgment as to whether or not addressing the achievement gap by addressing those early childhood days serves a purpose. Mr. Florey concurred that there were no cases. His point was to the legalities. If the contribution is low, the risk is low, as it is then easy to make a connection between the statutory purposes. However, as the commitment grows and the larger the contribution, it would then go beyond statutory purpose. If challenged, the consequences could be a temporary restraining order and/or the court could void the contract saying that it was outside of the school's legal authority. He did not believe that the money already provided would have to be returned to the District.

- Q: How could the Board of Education discuss awarding a contract to a private firm to ensure that residents of Oak Park and River Forest consult with a pediatrician at least one or two times per year to get data on children age 0 to 5. If the District believes that babies should be seen by a doctor two times per year and that would further the District's goal, how could that be seen as the District was giving money to private individuals.
- A: The Board of Education would have to look at the public purpose and at how many dots were connected to the public purpose. It would have to have a reasonable return. If it were challenged the District would lose, as it would not be a direct benefit.

Q: If this were a service the high school wanted to provide and it decided to pay employees to do that, would that be less risky than contracting this out?

A: If the District were paying employees, there would be a working assumption that it was within part of the mission of the District. It would be a built in assumption that there would be a public service. Contracting out is not part of the problem. It is the scope. The District provides early childcare services and it is a benefit for students and the employees.

Q: How does the District measure the magnitude of the services?

A: It would be a spectrum. The District has to look at the purpose. The larger the funds provided, the more it would look like a donation, as the direct return would be diluted. What public return would the high school receive on the investment?

Q: Does it look more like a donation if three public bodies form an IGA as opposed to contracting the 503C?

A: Legally, the District needs to look at its mission. Taxing bodies have different missions, e.g., the Township has the ability to give direct grants. District 200 does not have that ability.

Q: What should the District do in order to protect itself to make the facts easier? Should the District do its due diligence by demanding written connections between high school achievement and early childhood development, including data on how programs would improve high school achievement in order to prove public purpose?

A: If that were the policy decision, those facts using statistics and case studies, etc. would need to be included in the contract and the Board of Education would have to make those findings within it.

Q: Could this be a donation (contribution to a 501(c) 3 and a resolution? Should the Board of Education contribute versus paying for services rendered?

A: Ultimately, it would be a contract, not a donation that the local governments would enter into followed by a contract with either a nonprofit or a for-profit entity.

Q: Would the term "investment" as opposed to "donation" make a difference? The investment expectation would be that the students coming to high school would be better prepared and better behaved. Would this be less challengeable?

A: Teachers would say that an investment would be what is being paid to them. The best defense would be getting back what is proportionate to what is being paid out.

Q: Would it matter who was the administrator of the project, i.e., the Village, the Township, the high school? Does it matter who is the administrator of the IGA?

A: No, it just has to be within the high school's own mission, not the mission of the other entities. Legally the more involved the high school would be, the less it would look like a donation. The high school would have to be involved to demonstrate that this was an exchange of money for service.

Q: Is the entity providing the service subject to the Open Meetings Act or FOIA?

A: If the documents requested of the public entity were held by that entity, they would be subject to FOIA. If the documents were requested of the private entity, they would not be subject to FOIA. The governmental entities cannot contract out their responsibilities.

Mr. Hunter, representing the Faculty Senate, made the following comments:

- 1) Why is a 501(c) 3 corporation seeking revenue through taxing bodies rather than raising revenues?
- 2) While the Miller Canfield legal position was nice, people interested in preserving that money could get an opinion that was equally as nice.
- 3) Why is District 97 not doing this project solely?
- 4) Mr. Hunter supported the request for \$30,000 from the Collaboration in 2007, but that amount is very different from the present request.
- 5) How many children would be served? What are their zip codes? The faculty was worried about the flow-through.
- 6) While this is a good idea, why does OPRFHS want to be the guinea pig to orient the educational system in the state?
- 7) Who is the administrator? The faculty does not believe District 97 or the Village of Oak Park is trustworthy?
- 8) This works against the adopted ALT recommendation and the FAC.
- 9) New demands would be placed on the Education Fund, e.g., pension funds and teachers, etc. The money being discussed was the same as what the faculty turned down. It was unsettling to have a hard and a soft freeze compounded by the wishes of a non-entity to have this revenue.
- 10) Where is the Village of River Forest in this? OPRFHS represents two distinct communities, not just one.

The Finance Committee members then asked what questions or information they wanted in order to help them make a decision as to whether the District can form a contract for services with the Collaboration or enter into an IGA and expend those funds.

- 1) What percentage of children, ages 0 to 5, would be impacted by the program that would end up going to the high school?
- 2) How many children in the daycare centers that the Collaboration now serves are current residents of Oak Park and River Forest versus how many are from surrounding communities?
- 3) How many students entering high school in ninth grade lived in Oak Park, since the age 0-5, or they were born here? What impact would this have on the District?
- 4) How many families moved to Oak Park because of the school system?
- 5) How many children were born in Oak Park?
- 6) How many people would move here because of the Collaboration sooner if this program were successful?
- 7) The specific data, findings, accountability, outcomes would have to be built into a contract to justify whatever was coming out of the homeowners tax bills.
- 8) What amount is being requested? What will the Collaboration budget look like with the new funding? What is the purpose of the amount being requested?

- 9) Up until 2009, the Village of Oak Park Public Health Department paid for vision and hearing screening. After that time, the Village reduced its budget by that amount and the Collaboration picked up this responsibility. How did that shift of responsibility occur?
- 10) Is the target to reduce the at-risk students to be 800 children every year, as the information suggests? Is the goal to reduce that number to 600 per year, etc.? What is the measure of success?
- 11) Does the Collaboration intend to create physical centers to provide these services or just the staffing of programs?
- 12) What is the percentage of the entire budget for which the districts would be responsible? What is the percentage of the high school? What is the percent of the Collaboration budget for which the money from the high school would be used?
- 13) Is there any plan for private funding or will the Collaboration long-term rely exclusively on public funds?
- 14) What would the impact be if one of the three bodies were to default on their contribution per the IGA on the program? If OPRFHS were still funding, how would that money be spent after one year?
- 15) How would the measurements be affected if all contributed for one year and then one stopped?
- 16) What oversight would the Board of Education have?
- 17) Would the OPRFHS Board of Education or administration be members of a Collaboration board and have leadership or voting rights? If there is no board, then what is the ability of the high school to oversee the contract?
- 18) What is the contract for services being contemplated?
- 19) Is an IGA agreement necessary if contracting for services from the Collaboration? Note: the need for an IGA would be dependent on the scope, physical space, and budget.
- 20) What would be an escape hatch? Could an early determination provision be included?
- 21) What is the specific geographic scope of the Collaboration's service area?
- 22) What is the connection between OPRFHS students?
- 23) What does the Collaboration plan to do in the Oak Park and River Forest area?
- 24) Does the Collaboration plan to serve River Forest whether or not it contributes?
- 25) What evidence does the Collaboration have of examples in similar communities that have engaged in early childhood efforts? Comparable programs?
- 26) Would most of the services be provided by Oak Park daycare centers?
- 27) What is the list of services that the Collaboration will provide? Answer: Work with individual families and provide a higher level of understanding of the needs of preschoolers, as well as training and certification of daycare personnel.
- 28) Where will the new money be spent?

Ms. Patchak-Layman did not favor entering into an IGA with the Village of Oak Park. Ms. McCormack hoped the Collaboration would seek private funding as well. Dr. Lee stated that this was a community-wide effort and that was the reason for having an IGA. The Board of Education had helped to fund the Collaboration's creation of a five-year plan and he suggested that Board of Education members read that plan for a descriptor of what it plans to do. Ms. McCormack affirmed that it legally needed to be a contract for services, not a donation, or an investment. Ms. Patchak-Layman felt that the IGA said it would be a contract for service in a general way. An IGA agreement with Village of Oak Park and District 97 for the investment question, invest in children in community, and therefore, the District



would provide an amount of money and then the Village of Oak Park, as the administrator of the IGA, would have a relationship with the Collaboration, similar to the Housing Center and the Oak Park Development Corporation. Mr. Florey stated that an IGA could blur the mission and create a risk. The goal would be to have a legitimate contract for services.

**Adjournment**

Ms. McCormack adjourned the Finance Committee meeting at 11:44 p.m.

Amy McCormack  
Secretary