

Park Forest - Chicago Heights  
School District 163  
Park Forest, Illinois

**OFFICIAL PROCEEDINGS  
FINANCE COMMITTEE  
MONDAY, FEBRUARY 4, 2008**

The meeting was called to order in the Board Room at 7:00 p.m.

**ROLL CALL**

**Present:** Melvin Pumphrey, Margaret McDannel  
Paul Jasinevicius (entered at 7:40 p.m.), Virginia Ford

Dr. Joyce Carmine.....Superintendent  
Jeanette Kreuz.....Business Manager

**Absent:** Kim Elmore-Perkins, Cheryl Franklin, Walter Mosby

**PUBLIC COMMENTS**

Mrs. McDannel reminded people that tomorrow was Election Day.

**2008-2009 CONTRACTS**

Dr. Carmine reviewed the following contracts:

**CUSTODIAL/MAINTENANCE**-this was a three-year contract with the opportunity for one year extension. The contract will be entering its fifth year if the Board chooses to extend the contract for Aramark Corporation.

**FOOD SERVICE**-this contract is in its third year.

**TRANSPORTATION**

**LIDLAW** is now under the parent company of First Student and is combined with First Student. This and Kickert are going into the fifth year. There is a three-year contract with the opportunity for one year extensions.

**MILK**-this expires annually. The Board packet has a bid document. It has been a practice for the Board to approve going to bid for milk, Dr. Carmine said.

**COPIERS**-currently the District has Oce copiers, which the District will purchase. Dr. Carmine said they are old and not working well. There are three companies coming forward with proposals for more efficient and more cost effective copying. The companies are Oce, Xerox, and Chicago Office Technology Group. The copiers will be paid for in November 2008, Mrs. Kreuz said. She said that the companies were asked to include trade-in values in the proposals. Mrs. Ford said this would be reviewed later in the year. It is hoped that the copiers would be ready for the beginning of the school year. Mrs. Ford asked that the Update include information regarding if the District entered into an agreement effective July 1, how much is owed on the current Oce contract.

Mrs. McDannel said the Laidlaw/First Student contract has an increase of 3.5 percent, which is below the CPI. Mrs. Ford suggested that this be brought forward to the Regular Session for approval because it is reasonable.

Regarding Aramark, Dr. Carmine said that, overall, she is satisfied with its performance.

In terms of customer service, she said that Preferred Meals has been wonderful. Mrs. McDannel said it has been very good since Laura came on board. Dr. Carmine said the food being served to the students is not adequate. She said she has reviewed Dr. Rubenow's audit report. He asked students what they would change and they replied food. Mrs. Ford said she would like to see the audit. Dr. Carmine said she would send the audit to the Board when she completed reviewing it.

Dr. Carmine said there should be conversation about the food. She said there is a new company that is doing business with the schools in the Palos area. Dr. Carmine noted that this is the third year with Preferred. She remarked that there are times that she cannot taste the food that is brought to her office. Mr. Pumphrey said he agreed with Dr. Carmine's assessment. Mrs. McDannel said that for many children this is the only hot meal they have.

Mrs. Kreuz said that if the food vendor is switched, there will be a bid process.

Dr. Carmine said that if the District is going to continue bringing food into the schools and heating, then other vendors should be explored. If the District is going to have its own kitchen, then maybe the District should stay with Preferred. Mrs. McDannel said that possibly there should be a feasibility study on the District doing the meals on its own. Mrs. Ford said the superintendent has the authority to explore other vendors and bring a recommendation to the Board, but the Board has not given up on its food plans for the future.

Regarding the Kickert contract, Mrs. Kreuz said that she was waiting for some numbers. Dr. Carmine said that Kickert wanted to submit its proposal in person.

Mrs. Kreuz said the milk bid is in the Board's packet. This was moved forward.

### **SUMMER SCHOOL PROPOSAL**

Mrs. McDannel said that Maryann Matyasec, director of instructional services, gave a report on the Summer School proposal at a previous meeting. She said the proposal includes remedial and enrichment summer schools. The cost of last year's summer school program was \$70,000 for a remedial summer school and the cost of this year's proposal is \$84,000 for two programs.

### **BUDGET AMENDMENT**

Dr. Carmine said she was told by Mrs. Matyasec that as the District goes into the next school year, it is anticipated that the Reading First funds would be decreased by 62 percent. The District gets about \$705,000 in Reading First funds. This would be diminished by about \$420,000. Dr. Carmine said this money is spent on reading specialists. If \$420,000 has to go back into salaries, it would use up the new money that the governor has just allocated. The District is supposed to receive about \$500,000 this year and a budget amendment is necessary.

Mrs. Ford said the administration has to look very closely at the potential loss of Reading First in preparing the RIF list if there is to be one. She said this is a contract year. The loss of \$420,000 will tighten the budget. Either the District will have to be careful about the staff that it will retain, or it will have to look at another round of cuts.

Dr. Carmine remarked that the District has kept up with its AYP increases because of the strong intervention programs it has implemented. The District is 80 percent poverty and some of the children do

not get a lot of support at home. Mrs. Ford said this was not something she wanted to take away, but that the administration has to look carefully where staff is needed and who is kept.

### **2008-2009 BUDGET PREPARATION**

Mrs. Kreuz said this was brought forward to seek direction from the Board to begin the process.

### **ANNUAL FINANCIAL REPORT PRESENTATION**

Dr. Carmine said the financial report from the auditor was forwarded to the Regional Office of Education and the Illinois State Board of Education. The report is for the fiscal year 2007. She said this is the first year since she has been in the District that there was a finding, which means that the District has been cited in an area that reflects a material cause and it is substantial enough that it is filed with the state. It represents a value of over \$10,000, Dr. Carmine said. She said the findings were for two items. One had to do with footnotes in the report regarding the protocol of how the report is written. Dr. Carmine said that Rob Grossi, township treasurer, related that because of the new requirement for footnotes and the way the auditor prepares the report, every school district has this finding. Mr. Grossi will discuss this with the state.

The other finding dealt with the District's grant expenditure reports. Mrs. Kreuz explained that the Business Office had an error in the Title I expenditures report. Dr. Carmine said the error was corrected and the State has said that the District could get the money back.

Mrs. Ford said there was another finding regarding expenditure approval. She said it was noted that food service expenditures were not properly approved before payment. Also, there were two Title I Reading First transactions that were initialed and approved by the same person. Mrs. Ford said she was interested in the food service expenditure. Dr. Carmine said these were not findings, but noted in the management letter.

Dr. Carmine said that a finding is of material significance in excess of \$10,000 and is registered with the state and the error has to be corrected. The management letter indicates that the District has to do things differently; it is a recommendation on best practice.

Mrs. Ford wanted to know how an Imprest Fund expenditure and a food service expenditure could not be approved before they are paid. Mrs. Kreuz said she called the auditor for an explanation of this, but they were not available. Mrs. Ford said she would like a motion on the March agenda that requests the auditors to come to the Board of Education with their notes because she wants them to tell the Board what it is.

Dr. Carmine said that she, Mrs. McDannel, and Mrs. Kreuz do not recall the auditors telling them about the food service issue.

Dr. Carmine said the District's estimated financial rating is 3.35, which puts the District at the Review Status rating. The District's per pupil expenditure is \$10,488.20, up from last year's total of \$8,959.52. Dr. Carmine said the increase is due to the fact that the District's ADA is lower and it recycled the way it pays classified staff.

**SUMMER ASBESTOS WORK**

Mrs. McDannel said that asbestos work is to be done at Beacon Hill and Algonquin. She said the report shows a map of the buildings and where the work will be done. Mrs. Kreuz said there is a proposal from Hygieneering also to test for asbestos for \$6,100 for all of the buildings. Mrs. Ford said she would like Beacon Hill and Algonquin tested first while work was underway there this summer. This was moved forward.

**PUBLIC COMMENTS**

Nothing at this time.

**ADJOURNMENT**

The meeting adjourned at 7:50 p.m.

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**President**

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**Secretary**