

FINANCE COMMITTEE MEETING

MEETING DATE: TUESDAY, OCTOBER 13, 2015 AT 4:30 P.M.

Members:

Ms. Annette Johnson, Chair
Mr. Alex Arroyo
Mr. Ken Darby
Ms. Christi Tyler
Dr. Michael Popp

Attendance

Yes
Yes (*arrived approximately at 4:45pm*)
Yes
Yes
No

Agenda

1. Roll Call
2. Public Comments/Questions
3. Next meeting—Tuesday, November 10, 2015 at 4:30 pm at the School Service Center
4. Employee Benefits Vendors:
 - a. Blue Cross Blue Shield of Illinois- Health Plan and Stop Loss Plan
 - b. CIGNA-Dental Plan
 - c. VSP- Vision Plan
 - d. Employee Benefits Corporation (EBC)- Flexible Spending Accounts and COBRA Plans (potential change)
 - e. Sun Life Financial- Life Insurance and Long Term Disability (potential change)
 - f. Perspectives- EAP
5. Property Assessments
6. School checking accounts
7. Payment of stipends on a timely basis
8. Bidding as it relates to the current rules
9. Risk Management
10. Citizen's Financial Advisory Committee
11. Executive Session, if needed

Consent Agenda

1. Motion to approve the monthly financial report(s):
 - a. List of Bills
 - b. September 2015 Financials
 - c. Fund Balance Report
 - d. Investments Report
 - e. Payroll Report
2. Motion to accept the following donation(s):
 - a. Painting supplies and volunteer hours for the beautification of the MMR and Gym/Cafeteria at Krug School from the Montgomery Rotary Club
3. Motion to accept the following grants:
 - a. "Reflex Math" grant in the amount of \$1,625.⁰⁰ from Explore Learning for O'Donnell School
 - b. "FY 2016 Truants' Alternative and Optional Education Program (TAOEP)" grant in the amount of \$64,595.⁰⁰ from the Illinois State Board of Education (ISBE) for District 131 students
 - c. "The Lois Lenski Covey Foundation's 2015 Library Grant" grant in the amount of \$2,998.⁰⁰ from the Lois Lenski Covey Foundation for Simmons Middle School
 - d. "Walk to School" grant in the amount of \$900.⁰⁰ from the Kane County Health Department—Fit for Kids Campaign for: Bardwell, Beaupre, Dieterich, Gates, Hermes, Krug, O'Donnell, Rollins Elementary Schools and Waldo Middle School

Action Items

4. Motion to approve Employee Benefit Vendors:
 - a. Blue Cross Blue Shield of Illinois- Health Plan and Stop Loss Plan
 - b. CIGNA-Dental Plan
 - c. VSP- Vision Plan
 - d. Employee Benefits Corporation (EBC)- Flexible Spending Accounts and COBRA Plans Sun Life Financial- Life Insurance and Long Term Disability
 - e. Perspectives- EAP

Informational Items

5. Property assessments
6. School checking accounts
7. Payment of stipends on a timely basis
8. Bidding as it relates to the current rules
9. Risk Management
10. Citizen's Financial Advisory Committee

Minutes

There were no public comments/questions.

Employee Benefit Vendors: Ms. Christi Tyler presented a list of employee benefits vendors that are being recommended for renewal for the 2016 calendar year. The following vendors are being recommended:

- Blue Cross Blue Shield of Illinois- Health Plan and Stop Loss Plan
- CIGNA-Dental Plan
- VSP- Vision Plan
- Employee Benefits Corporation (EBC)- Flexible Spending Accounts and COBRA Plans
- Sun Life Financial- Life Insurance and Long Term Disability. Ms. Tyler reported that Mr. Stephen Morcos, the district insurance consultant, recommended renewing with Sun Life. Ms. Annette Johnson commented that Sun Life has been a good vendor and has provided good service.
- Perspectives- EAP

Property assessments: Ms. Tyler presented a property assessments report from Whitt Law. Whitt Law reviewed the Stonegate area and the area around the School Service Center. The report details that market values are increasing more in the Stonegate area than in the area around the School Service Center. Ms. Tyler also provided the committee with a list of rental boundaries within the District 131 boundaries. Ms. Johnson asked if the rental listing included all properties, Ms. Tyler responded that the City of Aurora provided the list.

School checking accounts: Ms. Johnson asked what types of procedures have been put in to place for the school checking accounts. Ms. Tyler responded that the schools have been instructed to follow the same rules as the District Office. Ms. Tyler mentioned that five schools have been transitioned to Infinite Visions accounting software, with the goal of transitioning all schools by the end of this year. Currently, schools not using Infinite Visions accounting software are using Quicken. Ms. Tyler commented that Quicken is loaded directly to the bookkeeper/secretary's computer and there is no way to monitor these remotely. She does plan on performing random audits, to make sure that documentation and procedures are being followed. Ms. Johnson asked if the types of purchases were being limited. Ms. Tyler said these were student activity accounts; therefore, these need to be used for students. Monies being collected by students for activities/clubs need to be used for the students raising the funds. Ms. Johnson asked if school fees were coming to the District Office. Ms. Tyler replied that all schools have been directed to deposit fee monies directly into the District main account, and the schools have been provided with deposit slips to the main account. Mr. Ken Darby asked if the District Office would know what was being deposited and who deposited it. Ms. Tyler responded yes, the schools would indicate

on the deposit slip who was depositing the funds. Mr. Darby asked if it was broken down by school fees, gym uniforms, etc...Ms. Tyler informed Mr. Darby she would check on this. Mr. Darby asked if we were tracking gym uniform fees. Ms. Tyler responded that if a student has waived fees, this would also include gym uniforms. Mr. Darby asked what happens to library/text books that have been lost, how are these fees collected. Ms. Tyler responded that if a student loses a book they are responsible for the replacement, this is not waived. Mr. Darby then asked who gives the librarian the directive to collect the fees. Ms. Tyler replied that this was the first she had not heard of this situation, she will check on this.

Ms. Johnson asked what was going on with the NJROTC account; she has noticed a list of charges on the list of bills. Ms. Tyler replied that the District is reimbursed for NJROTC expenses from the Navy. The Navy deposits funds directly into the main checking account, expenses are then run thru the account. Ms. Johnson asked if we were monitoring the activities and making sure they were filling out reports. Ms. Tyler replied yes.

Mr. Darby asked how P-card use was going. Ms. Tyler replied some of the buildings were still a little “gun-shy” about using the P-card. Receipts are accounted for by the purchasing agent; so far, nothing has been questionable. Ms. Johnson noticed that some sales tax is slipping through. Ms. Tyler said that frequent offenders who do not use a tax exemption certificate will be monitored. Ms. Tyler also said she would mention this at the next joint principals meeting.

Payment of stipends on a timely basis: Ms. Johnson asked if summer sports and camps have been all paid. Ms. Tyler responded she will check into this. Ms. Tyler reported that 370 stipends have been processed for the October 15 payroll. This is a very cumbersome process, stipends go through three levels before they are paid, first it goes to Leadership Development, Human Resources, and then to Payroll. Ms. Tyler will be attending an Infinite Visions payroll training along with Human Resources Director, Steven Megazzini. Ms. Tyler will ask Infinite Visions if there is an easier way to streamline the process. Mr. Darby asked for a master listing of individuals who are receiving a stipend and the amount of the stipend. Ms. Johnson asked what the timeline will be for receiving raises after the new contract is accepted; will Infinite Visions be able to calculate this retroactively. Ms. Tyler replied yes, she also informed the committee that Human Resources and Payroll have met and a tentative plan has been reviewed for retro pay.

Bidding as it relates to the current rules: Ms. Johnson felt there was still some confusion in regards to what needs to be put in Infinite Visions. She said that a majority of people are not including three quotes for purchases \$2,500 and above. Ms. Tyler asked for clarification on the amount needing three quotes, Ms. Johnson replied \$2,500. Ms. Tyler will remind staff that purchases over \$2,500 will require three quotes and they need to be attached in Infinite Visions.

Risk Management: Recommendations from the property/casualty insurance provider were reviewed. Mr. Darby asked if the District has considered increasing the excess liability for school board legal. Ms. Tyler replied she had asked Laura at the office of Mickey Wilson, but did not feel the question was answered. She will reach out to them again. Mr. Darby also asked if cyber liability was needed and what would it cover. Ms. Tyler replied she would look into it.

Citizen's Financial Advisory Committee (CFAC): Ms. Tyler asked if the committee was still interested in maintaining the Citizens Financial Advisory Committee. Mr. Darby asked what happened to this committee. Ms. Tyler responded that the impression was the board did not feel this committee was warranted anymore. Mr. Alex Arroyo said any member from that committee was more than welcome to attend the finance committee meeting and join in discussion, since the finance committee was the only legal finance committee for the District. Ms. Johnson thought it was because there were no topics to discuss. Ms. Tyler replied that was partly true, in the past bonds, school finance 101, and auditing services were discussed. Mr. Darby asked what other topics could be discussed. Ms. Tyler said that was a good question. Mr. Darby said if there were topics that needed to be discussed he could see continuing with the CFAC. Mr. Johnson worries about CFAC members thinking they have decision making capabilities, when this is a Board function. Ms. Jonson said the committee could be the Citizens Advisory Committee; it does not need to focus on finances.

The meeting adjourned at 5:30 pm.