

## MINUTES

Glen Ellyn School District 41  
Board of Education

Joint Policy/Finance Committee Meeting

February 7, 2005 – 4:30 p.m.

District 41 Central Services Office  
793 North Main Street, Glen Ellyn, IL

The meeting began at 4:35 p.m.

Present: Board members John Vivoda, Willie DiFabio, John Marcheschi, Walt Snodell and Debbie Hoffman. Also present were Superintendent Jack Barshinger, Assistant Superintendent For Teaching, Learning and Accountability John Correll, Recording Secretary Maureen Stecker and Board candidate Terra Howard.

- 1) The District 41 Policy and Finance Committees conducted a joint review of Draft Section 4 of the School Board Policy Manual and policy issues related to the finance and operational services of District 41. The following items were discussed:
  - a. Policy #4:200 Fund Balance Provisos: Dr. Barshinger distributed the Illinois State Board of Education's School District Finance Profile, dated March 2004 to use as a guideline for developing policy for the District's Fund Balance Provisos. A philosophical discussion ensued regarding the following:
    - Education Fund: It was acknowledged and agreed that the District is obliged to prudently manage the taxpayer's money. This requires adequate reserves to consistently maintain student programs and services.

The Board felt that the District should annually identify revenue "at risk" (defined as state and federal aid and categorical funding) and maintain this amount in the Working Cash Fund.

- Working Cash Fund = Revenue "at risk" (i.e. State & Federal Funding; salaries & benefits). Revenue "at risk" is considered non-property tax revenue. The purpose for establishing the Working Cash Fund is to provide the District with an internal mechanism for cash flow ability. The Board agreed that excess money or reserves should be held in the working cash fund and that they will strive to maintain a fund balance of 115%, or a minimum of an amount equal to next year's budgeted "at risk" revenue for all fund provisos except for the Working Cash and O & M Funds (Education, Transportation & Tort Immunity)
- Operation & Maintenance (O & M) Fund: The Board is committed to an on-going Capital Development Plan for the District and discussed the need to develop a Capital Improvement budget process.
  - 5-10 Year Capital Development Plan: The Board requested that the Superintendent (or a designee) develop and monitor a 5-10 year Capital Development Plan and a related funding plan.
  - "At Risk" Expenditures: The Board agreed that "at risk" expenditures (defined as contingency funds that are three times the District's deductible for catastrophic loss) would be placed in contingency.
  - O & M Levy: The Board requested that the Superintendent (or a designee) maintain and maximize the levy for O & M (not transfer money from the O & M fund to other funds by adjusting the tax rate.)
  - The Board expressed an interest in separating Operations and Maintenance expenditures. It was agreed that the O & M Fund would differentiate between operational expenditures and capital development expenditures.

2) Miscellaneous Items:

- a. Policy # 8:25 and 8:25AP Advertising and Distributing Materials in Schools Provided by Non-School Related Entities: The Board agreed that commercial companies and/or Political Candidates and Parties may not be allowed to purchase space for their advertisements, but would be allowed to sponsor the various activities. Sponsor is defined as a private or public company or organization that provides money for the purchase or publication of school related equipment and materials. Recognition may be noted in printed materials (i.e. programs), however sponsorship will not be allowed to be placed on fixed assets.

Dr. Barshinger will revise the policies discussed to reflect the consensus of the Committee. The tentative plan is to present this information to the Board of Education for a first reading on February 28, 2005 and second reading and adoption at the April 18, 2005 Regular Meeting.

3) Adjournment: The meeting was adjourned at 6:08 p.m.