

Business Office Update June 26, 2017 Meeting

Millburn Elementary Gymnasium Floor

- The Millburn Elementary gym floor is in the process of being refinished this summer. Remaining to be completed is a large “M” painted in the center of the floor and two more coats of finish. The white spots on the floor are caused by a reflection from the lights.



Amended Budget

- A public hearing will be held on June 26, 2017 at Millburn Elementary School to allow the public to comment on the proposed FY2017 Amended Budget for Millburn CC School District #24.
- Agenda Item VI-A – Dr. Lind and I are recommending that the board approved the FY2017 amended budget as presented. A legal notice was placed in the Daily Herald on May 24, 2017 providing notice of the Public Hearing to be held on June 26, 2017. The amended budget went on public display on May 24, 2017.
- The budget amendment reflects a reduction of \$343,940 in expenditures in the Education Fund. It also reflects a transfer of \$200,000 from the Education Fund to the Operations & Maintenance Fund and a subsequent transfer of \$150,000 from the Operations & Maintenance Fund to the Capital Projects Fund.
- The end result of the budget amendment is that the Education Fund estimated ending balance increases by \$143,940; the Operations and Maintenance estimated ending balance increases by \$50,000, and the estimated ending balance of the Capital Projects Fund increases by \$150,000.

Sale or Disposal of Personal Property

- Agenda Item VI-H
- The district has a number of pieces of computer equipment, furniture and other equipment. Some of this equipment has reached the useful end of life and has little if any value and other items still have monetary value. The resolution allows the Superintendent to sell these items at a public or private sale. Our plans are to have a garage sale sometime in mid to late summer.

Interfund Transfers

- In conjunction with the public hearing regarding the FY2017
- Agenda Item VI-B - \$200,000 transfer from the Education Fund to the Operations & Maintenance Fund
 - Anytime a permanent transfer is made between the Education, Operations & Maintenance, and the Transportation Funds, a public hearing is required. A notice must be published in the newspaper at least seven, but not more than 30 days prior to the hearing. The notice for the Millburn District 24 hearing was published in the Daily Herald on June 1, 2017. The transfer must be for one-time non-recurring expenses. The proposed transfer will be used to pay for capital improvement projects such as replacement of an HVAC boiler, snow removal equipment, lawn equipment, and the installation of gymnasium ceiling fans.
- Agenda Item VI-C - \$150,000 Interfund Transfer between the Operations & Maintenance and the Capital Project Fund
 - The Illinois Programming & Accounting Manual (IPAM) recommends that capital improvement projects be paid from the Capital Projects Fund. This resolution satisfies the requirement that the board authorize the transfer of funds to the Capital Projects Fund.
- Agenda Item VI-D – Transfer of Interest from the Education Fund and the Debt Service Fund to the Operations & Maintenance Fund
 - School Code Section 10-22.44 allows a school district to transfer interest earned from certain funds to be transferred to the fund most in need as long as the transfer was included in the district's annual budget.
 - Because the interest for June won't be posted until July 1, 2016, the board resolution indicates that the interest transfer will be in excess of \$ 4050.00.

Award of Foodservice Bid

- Agenda Item VI-E
- Bid specifications were mailed to eight vendors as well as advertising the bid in the Daily Herald on May 2, 2017
- A Pre-Bid meeting was held on May 12, 2017. Three vendors were present at the pre-bid meeting.
- A bid opening was held on Wednesday, May 31, 2017. Arbor Management was the sole bidder. Two vendors submitted letters indicating that they elected not to bid on our foodservice contract. Five vendors did not respond to the notification.
- The bid from Arbor Management, Inc. was \$185,400.53. This bid is 2.25% higher than the current 2016-17 pricing.
- As a result, Dr. Lind and I recommend that the board award the bid to Arbor Management, Inc.

Financial System Transition

- The district's first payroll on the new Specialized Data System software was the June 16, 2017 payroll.
- Employees are able to receive their director deposit advice notice via a secure online portal resulting in savings of approximately \$600 in postage this summer.
- Just in case there is any data that did not transfer properly, we will enter all transactions for the month of June in both systems so that we can verify and correct any data transfer errors. The standard reports that I have run so far are matching up with the financial data in the old system as of May 31, 2017. The only difference we have found is related to income taxes. Our old system used the bi-weekly tax tables and the new system uses the annual tax tables. As a result, the tax withholding is slightly different. For approximately 265 payroll checks, the difference was about \$211.
- We will be completely transitioned to the new system in early July, 2017.

Prevailing Wage Resolution

- Agenda Item VII-G
- Each Illinois School Board is required by law to adopt a "Resolution for Prevailing Wage" no later than June 30 each year. The prevailing wage rates come directly from the Illinois Department of Labor website.

Treasurer's Bond

- Agenda Item VII-H
- The board must approve and the district must file a copy of the Treasurer's bond with the Regional Office of Education on or before June 30 each year.
- The current bond is in the name of Mr. Gary White who recently submitted his resignation to leave the district on September 1, 2017. Once a successor is named to replace Mr. White, his Treasurer's Bond will be cancelled and a new bond will be issued in the name of the new Treasurer.

Meal Charge Policy

- All districts that participate in the National School Lunch Program are required to have an Unpaid Meal Policy in place prior to July 1, 2017.
- Our current policies 4:130, 4:140, 4:45, and 7:190 along with two exhibits (4:130E & 7:190 E2) satisfy this requirement. The two exhibits do not require board approval. A copy of both exhibits are included at the end of my report.

Property Tax Collection

- As of June 15, 2017, the district has received \$5,732,274.28 in property tax revenue. The total property tax revenue that we anticipate receiving in 2017 is \$13,941,025.78. At this point, the district has received approximately 41% of the property tax revenue due in calendar year 2017. The property taxes are calculated using the equalized assessed value (EAV) of property within the district boundaries in calendar year 2016.
- The district typically receives approximately 50% of the property taxes due from May through July each year with the remainder being received from August through November.

Operational Services

Exhibit - Free and Reduced-Price Food Services; Meal Charge Notifications

On District letterhead, website, in student handbook, newsletters, bulletins, and/or calendars

Date:

To: Students, Parents/Guardians, and Staff

Re: Eligibility and Meal Charge Notifications

The following notification is provided at the beginning of each school year as federally required notification regarding eligibility requirements and the application process for the free and reduced-price food services that are listed in Board policy 4:130, *Free and Reduced-Price Food Services* and 4:140, *Waiver of Student Fees*. For more information, see www.fns.usda.gov/school-meals/unpaid-meal-charges, and/or contact the Building Principal or designee.

Free and Reduced-Price Food Services Eligibility

When students are unable to pay for their meal services, meal charges will apply per a student's eligibility category and will be processed by the District accordingly.

A student's eligibility for free and reduced-price food services shall be determined by the income eligibility guidelines, family-size income standards, set annually by the U.S. Department of Agriculture, and distributed by the Illinois State Board of Education.

Meal Charges for Meals Provided by the District

The Building Principal and District staff will work jointly to prevent meal charges from accumulating. Every effort to collect all funds due to the District will be made on a regular basis and before the end of the school year. Contact your Building Principal or designee about whether your charges may be carried over at the end of the school year, i.e., beyond June 30th.

Unpaid meal charges are considered delinquent debt when payment is overdue as defined by Board policy 4:45, *Insufficient Fund Checks and Debt Recovery*. The District will make reasonable efforts to collect charges classified as delinquent debt.

When a student's funds are low or there is a negative balance, reminders will be provided to the staff, students, and their parent(s)/guardian(s) at regular intervals during the school year. If a parent/guardian regularly fails to provide meal money and does not qualify for free meal benefits, the Building Principal or designee, will direct the next course of action. Continual failure to provide meal money may require the District to notify the Ill. Dept. of Children and Family Services (DCFS) and/or take legal steps to recover the unpaid meal charges.

LEGAL REF.: Healthy Hunger-Free Kids Act of 2010 (P.L. 111-296).
7 C.F.R. §245.5.
23 Ill.Admin.Code Part 305, School Food Service.

Students

Exhibit - Student Handbook Checklist

The Checklist contains mandatory and recommended notices that schools should give to their students and the students’ parents/guardians.¹ *Mandatory* means the notices are legally required. *Recommended* means including the notices are a best practice. The Checklist is in the IASB Policy Reference Manual (PRM) format, and it lists corresponding policies, procedures, and exhibits in numerical order within each sub-headed category. A corresponding citation to the Illinois Principals Association **Online Model Student Handbook (MSH)** is also listed, if one exists. Any handbook should be reviewed by the Board Attorney before distribution to ensure that all mandatory notices are included as this Checklist is subject to change without notice. This Checklist is not a substitute for legal advice.

Mandatory Notices

Student Services

Mandatory Topics	IASB PRM	IPA MSH
Transportation	4:110, <i>Transportation</i>	4.10, <i>Bus Transportation</i>
Transportation reimbursement eligibility and dispute resolution Note: this program has been withdrawn due to lack of funding	4:110, <i>Transportation</i>	4.10, <i>Bus Transportation</i>
Eligibility criteria for free and reduced lunch	4:130, <i>Free and Reduced-Price Food Services</i> 4:130-E, <i>Free and Reduced-Price Food Services; Meal Charge Notifications</i>	3.10, <i>Fees, Fines & Charges; Waiver of Student Fees</i>
Waiver of school fees along with the fee waiver application form	4:140, <i>Waiver of Student Fees</i> 4:140-AP, <i>Fines, Fees, and Charges - Waiver of Student Fees</i> 4:140-E1, <i>Application for Fee Waiver</i> 4:140-E2, <i>Response to Application for Fee Waiver, Appeal, and Response to Appeal</i>	3.10, <i>Fees, Fines & Charges; Waiver of Student Fees</i> 3.10-E1, <i>Application for Fee Waiver</i>
Alternative learning opportunities	6:110, <i>Programs for Students At Risk of Academic Failure and/or Dropping Out of School</i>	2.90, <i>Course Alternatives & Substitutions</i>

The footnotes are not intended to be part of the adopted policy; they should be removed before the policy is adopted.

¹ In its continuing commitment to help school districts comply with legal requirements for all policies and procedures, the Illinois Principals Association (IPA) in conjunction with the Illinois Association of School Boards’ (IASB) **PRESS**, have prepared this checklist to assist school administrators in preparing their student handbooks. A special thank you also goes to the law firm of Hodges, Loizzi, Eisenhammer, Rodick and Kohn for allowing IPA and IASB to cross check this *Student Handbook Checklist* against its annual version.