

HARVEY PUBLIC SCHOOLS DISTRICT 152
 Finance Committee of the Whole Meeting Minutes
 Monday, May 6, 2019
 3:30 P.M.

THE MEETING WAS CALLED TO ORDER AT 3:30 P.M.

Present at the meeting were: Board Members: Mr. Joseph Whittington, Myra Gardner

Administration: Dr. Matt Wilkinson, Mr. Charles Givens, Mr. Seneca Woodson, Mr. Oscar Herrera, Mr. Anderson, Ms. Jamie Watson

Guest Presenters: Ms. Silvia McIvor

CALENDAR: FINANCE COMMITTEE MEETINGS

Dr. Wilkinson presented the 2019 – 2020 Finance Committee Meeting Calendar. All meetings will be held on the first Monday of the month at 3:30 p.m. unless instructed otherwise. There will be one more meeting before Summer begins. There will be no meetings scheduled in July. In August the Finance Committee Meetings will resume.

MCKINSTRY: CONSTRUCTION MANAGEMENT, MS. SYLVIA MCIVOR

Ms. Sylvia McIvor of McKinstry presented to the Committee; Critical Project Delivery Utilizing Construction Manager at Risk. A Construction Manager at Risk (CMAR) is a construction project delivery method which includes a commitment by the Construction Manager (CM) to deliver the project within a Guaranteed Maximum Price (GMP).

CMAR MODEL			
Complete a Design or other service	Creates a Satisfactory Relationship	Establish McKinstry as CM	McKinstry Becomes GC and Manages Work
Building Audit	McKinstry is an IL Pro Design Firm	Establish pricing structure	
FCA	Satisfactory relationship per the Professional Services Act	Contract with District as CMAR	
Commissioning		McKinstry designs and bids out work/ work with Districts design firm	
ComEd RCx Program		McKinstry provides projects oversight through construction completion	
Bidding Docs			
Other ...			

Some benefits of using CMAR:

- Cost Control – guaranteed maximum price
- Cost Transparency – subcontractor bidding process
- No Change Orders
- Ability to deliver projects quickly
- Reduces Districts Financial and schedule Risks

In summary, if there are a lot of different components to a project and several sub-contractors are needed is when a Construction Manager (CM) adds value to a project.

VOIP: VOICE OVER IP PHONE UPGRADE PROPOSAL

Oscar Herrera presented the VOIP; Voice Over IP Phone Upgrade proposal. Mr. Herrera stated that our current phone system provider is AT&T. This outdated phone system is costing this district over 9,500.00 in monthly expenses for the entire district. In previous years the phone system was covered by E-Rate. Over the years the E-Rate coverage has been

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going down. The 2017-2018 school year was the last year that Harvey SD has had some coverage with E-Rate. Currently, it is no longer a provider for the District and is a full expense on the District.

Five bidders submitted information relative to the VOIP:

Vendor	(MRC) Monthly Recurring Cost	(NRC) Non-Recurring Cost		36 Month
NetFortris	\$2,693.31	\$4,622.75	Installation	\$101,581.91
Comcast	\$2,663.50	\$5,723.05	Installation	\$101,609.05
Racom Business	\$2,864.68	NA		\$103,128.48
AIS,Inc	\$2,925.00	NA		\$105,300.00
Rival 5	\$3,401.08	NA		\$122,438.88
AT&T	\$2,390.32	\$47,885.54	Install, Maintenance & Equip	\$133,937.06

Based upon the information that was provided by each bidder the Finance Committee recommends the Voice Over IP Phone Upgrade Proposal approve Comcast as the District VOIP service provider.

- **Recommendation for Board Approval.**

SCHOOL SECURITY ASSESSMENT AND GRANT OPPORTUNITIES

Mr. Woodson presented the School Security Assessment and Grant Opportunities. After doing an assessment on Brooks Junior High, Maya Angelou, Whittier, and Bryant Mr. Woodson stated that the accumulated total cost for the project is \$435,656.00.

Mr. Woodson informed the Committee of a Cops Grant from the US Department of Justice where it allows school districts and police departments to apply for funds relative to the Cops Grant regulations. The total award amount is \$25,000,000.00. It is spread over 100 recipients and it's up to \$500,000.00 with a 25% match. This is a 2yr grant. This will help cover a lot of the cost with some restrictions on a few items. Mr. Woodson is working with Dr. Wilkinson and Dana Nichols with the completion of the grant. Additionally, there have been some setbacks outside of the District that has prolonged completion of the Cops Grant. The Grants submission deadline is May 30, 2019. The Finance Committee is recommending approval for submission of Cops Grant.

- **Recommendation for Board Approval**

SMARTBOARDS: TITLE I AND SPECIAL ED FUNDS

Oscar Herrera presented to the Finance Committee Smartboards: Title I and Special Ed Funds. He quoted 3 different vendors, Project Superstore, Classroom Technologies and Touchboards for 57 smartboards. 50 smartboards will be paid through Title I funds and 7 through Special Ed Funds. Based upon the information that was provided by each vendor the Finance Committee recommends Classroom Technologies for purchasing the smartboards.

Approve Classroom Technology Smartboards, Title I and Special Ed Funds as Presented

- **Recommendation for Board Approval**

BUDGET UPDATE

Dr. Wilkinson presented to the Committee the Budget Update. He stated that the District is 83% through the FY total revenues recorded 85% and 73% of total expenditures spent. Operating Funds (Education, O&M, Transportation, and Working Cash) expenditures are within budget and balanced. **As a result, the budget will not need to be amended this year.** Dr. Wilkinson did express a concern about the district not receiving all four State categorial payments within this fiscal year, specifically Regular and Special Education transportation payments.

Negative expenditure balances in non-operating funds will be addressed by account Fund Balances. The issued a Working Cash Bond for \$1.6 million in February 2019 and those funds will be used for Health Life Safety Projects.

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The Districts challenges include: declining Equalized Assessed Valuation (EAV) due to declining property values, property tax collection rate at 50%, delayed state categorical payments, declining student enrollment, and \$12.6 million of required Health Life Safety building improvements.

District funds will be audited by John Kasperek Co. CPAs in July 2019.

TAX RATE OBJECTIONS UPDATE

Dr. Wilkinson presented information about potential tax rate obligations from Attorney Izzo. Progress has been real but excruciatingly slow. This litigation will probably not be settled for another year or a year and a half. Attorney Izzo remains confident of ultimately prevailing.

FY 16 – 17 AUDIT RESULTS

Dr. Wilkinson presented the Fy16 – 17 Audit Results. He stated that the audit went very well. For the adjustments that we have seen. There are a couple of \$2,000.00 – \$3,000.00 adjustments in Title funds. In transportation, the district had a positive of \$68,759.00 in monies that are owed to the district that has not been paid.

HLS “A” PROJECTS PRE-CONSTRUCTION MEETING

Dr. Wilkinson and Mr. Givens meet with the architects and the contractors to discuss the Health Life Safety “A” projects at Riley, Holmes, Whittier, Brooks, and Bryant. Dr. Wilkinson stated that the meeting went well, and the District is headed in the right direction. The next pre-construction meeting will be held on Wednesday, May 29, 2019, one week prior to the start of construction.

ECHO CAPITAL PROJECT IMPROVEMENT PLAN

The Finance Committee was presented with ECHO’s Capital Project Improvement Plan. The District is part of the ECHO Special Education Co-op. ECHO would like to get out of leasing buildings and is considering building a new facility. ECHO would utilize current lease funds and would require ECHO member school districts to take on long-term bond debt over the next 20 yrs. A possible option for the District to explore is to consider selling Sandburg School to ECHO and be free from any obligations relative to ECHO capital improvement bond debt. This would eliminate the need to make Health Life Safety repairs and would eliminate any future utilities and maintenance upkeep. The Finance Committee would like to share this information with the full Board and see if there is any interest and to explore other options. This item will be brought back to the Finance Committee as a discussion item at the next meeting for a more in-depth detailed discussion.

PAP CONSULTING INVOICE – DISAPPROVE

Dr. Wilkinson presented documents and information from Attorney Petrarca to disapprove payment of PAP Consulting’s invoice.

Disapprove PAP Consulting Invoice as Presented

- *Recommendation for Board Approval*

BRYANT PBIS PROPOSAL

Mr. Anderson presented the Bryant PBIS (Positive Student Behavior System) Proposal to the Finance Committee.

Approve Bryant’s PBIS Proposal as Presented

- *Recommendation for Board Approval*

BUILDING AND GROUNDS UPDATE

None was given at this time.

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INVOICES OVER \$10,000.00

SouthSide Boiler and Welding - Mr. Givens stated an emergency boiler repair at Sandburg School for \$13,600.00

ACTION ITEMS FOR RECOMMENDATION:

1. ***Action Item: 18-150***
Administration recommends action to approve VOIP Upgrade Proposal (Comcast) as presented
2. ***Action Item: 18-151***
Administration recommends action to approve submission for Cops Grant
3. ***Action Item: 18-152***
Administration recommends action to approve CLASSROOM Technology Smartboards as presented
4. ***Action Item: 18-153***
Administration recommends action to disapprove PAP Consulting Invoice as presented
5. ***Action Item: 18-154***
Administration recommends action to approve Bryant PBIS Proposal as presented
6. ***Action Item: 18-161***
Administration recommends action to approve Harvey Blue Angels Facility Usage Request