

Finance Oversight and Review Committee (FORC)  
District 97 Board of Education

**Overview:** District 97 has historically managed its finances with input from community members. Previous advisory committees were established in 2002 (Finance Task Force) and in 2005-06 (Finance Advisory Committee). These committee assignments have previously been established with specifically limited time commitments and reporting dates.

In fiscal years 2006-07 District 97 experienced numerous changes in staff and responsibilities within the Finance Department, including the assumption of cash and investment management responsibilities formerly handled by the Township Treasurer's office. In accordance with requests by the Board and the Assistant Superintendent for Finance & Operations the Board of Education will establish a standing Finance Oversight and Review Committee with a majority of members drawn from the community.

**Purpose:** To provide on-going expert oversight and guidance to the Board and Administration regarding District fiscal operations. Review the District's financial performance, including monitoring budget projections in comparison to actual experience, examining rolling five year projections, reviewing and commenting on investments, budget development, and annual audit. The committee may take up additional activities upon authorization of the Board. The committee's actions will be governed by the Board's finance and investment policies.

**Charge:**

The FORC will:

1. Review budget to actual reports and budget variance reports.
2. Review investment portfolio, strategy and performance on a quarterly basis. Identify and compare appropriate investment benchmarks against performance.
3. Examine specific issues in budget development at the Board's request.
4. Review periodic selection of audit firm and scope of audit. Read and note salient issues in the audit report; provide guidance to the Administration and Board when necessary.
5. Examine rolling five-year financial projections semi-annually. Vet projection model assumptions annually. Notify Board of significant changes.
6. Provide guidance on improving communication of the District's finances and budget to the Board and community at large.
7. Reports to the Board:
  - a. Provide a brief quarterly report of any material issues or trends.
  - b. Provide an annual report summarizing the FORC's activities, noting any significant issues or trends, including bond ratings and Illinois Financial Profile Scores, over the preceding and succeeding fiscal years.

**Authority:** The FORC shall be a standing committee of the Board of Education.

**Composition:** The FORC will consist of two Board members, the Treasurer, the Asst. Supt. for Finance & Operations, the Fiscal Services Administrator and seven Board-appointed community members who possess relevant experience and knowledge. The Board will ascertain that the community members do not have any conflicts of interest in serving on the committee. One of the community members will serve as Chair of the FORC. For the first two year term the Board will appoint the chair after which the Committee will select its chair. Board and community members will be asked to serve for two years with the exception of fiscal year 2007-08 when two of the community members will be asked to serve one year. A term limit of four terms will apply to Board and community members. The FORC will meet at least quarterly.

**Open Meetings:** As a Board committee, all meetings will be subject to the Illinois open Meetings Act.