



Oak Park Elementary School District 97

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Charge for the Finance Oversight and Review Committee (FORC)

Overview and Background

District 97 has historically managed its finances with input from the community. It established two advisory committees—the Finance Task Force (2002) and the Finance Advisory Committee (2005-2006)—to enhance its ability to effectively reach out to residents and solicit feedback. Both committees had limited time commitments and specific reporting dates.

In fiscal years 2006 and 2007, there were several personnel changes in the district's business office. The office also assumed the cash and investment management responsibilities formerly handled by the Cicero Township Treasurer's Office.

In response to the changes in the business office, and in keeping with the district's commitment to seek community input on financial matters, the Board of Education will establish a standing Finance Oversight and Review Committee (FORC) that will be comprised primarily of individuals from the community.

In 2017, as District 97 matures in its fiscal management, so too does the expected role of FORC. With ongoing uncertainty from revenue sources, enrollment growth in D97, and the 2011 and 2017 referendums for additional funding, the charge for FORC continues to evolve as an important input to the Board.

Purpose

FORC will provide the Board of Education and administration with ongoing expertise, oversight and guidance on the district's fiscal operations. FORC will also review the district's financial performance, which will include activities such as monitoring budget projections in comparison to actual experience, examining rolling five-year projections, and reviewing and commenting on investments, budget development and the district's annual audit. FORC will also provide input and guidance on key financial decisions impacting D97, such as the structuring of referendums, debt structuring, and other decisions impacting the balance sheet. FORC is expected to examine financial performance holistically, as well as consider the impact of financial decisions on D97's vision and strategy. The committee may take on additional activities as authorized by the board, and its actions will be governed by the board's finance and investment policies.

Charge

FORC will:

- Review budget to actual reports and budget variance reports.
- Review investment portfolio, strategy and performance on a quarterly basis; and identify and compare appropriate investment benchmarks against performance.
- Examine, at the board's request, specific issues related to budget development.
- Review the periodic selection of the audit firm and the scope of audit; read and note salient issues in the audit report; and provide guidance to the administration and board when necessary.
- Examine rolling five-year financial projections semi-annually; vet projection model assumptions annually; and notify the board of any significant changes.
- Provide guidance on improving communication and transparency about the district's finances and budget.
- Review D97's fiscal performance relative to other comparable districts on an annual basis.
- Provide guidance to the Assistant Superintendent for Finance and Operations as requested.
- Provide input to the budgeting process in advance of the annual publishing of the budget details.
- Review financial performance relative to D97's vision and strategy at least annually.

- Examine D97's finance-related policies and make any necessary recommendations on a rolling three year cycle.
- ◆ Provide the board with a brief quarterly report on any material issues or trends as required; and an annual report summarizing FORC's activities, noting any significant issues or trends, including bond ratings and Illinois Financial Profile Scores, during the preceding and succeeding fiscal years.

Authority

FORC shall be a standing committee of the Board of Education.

Composition

FORC will consist of two board members, the assistant superintendent of finance and operations, the fiscal services administrator and seven board-appointed community members who possess relevant experience and knowledge. The superintendent will serve as an ex-officio member of the committee. The board will ensure that the community members' participation on the committee will not create a conflict of interest.

One of the community members will serve as chair of the committee and a second community member will serve as vice chair. For the first two-year term, the board will appoint the chair after which the committee will select its chair on a bi-annual basis. With the exception of fiscal year 2008 when two of the community members will serve on the committee for one year, Bboard and community members will serve on FORC for a two-year term with a maximum limit of four terms. FORC will meet at least quarterly, with the expectation that FORC members will attend at least two-thirds of all meetings.

Open Meetings

All FORC meetings will be subject to the Illinois Open Meetings Act.

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