



**Finance Committee Meeting
September 14, 2022
SASED Administrative Center
2900 Ogden
Lisle, IL 60532
5:30 PM
AGENDA**

1. **Call to Order/Roll Call**
2. Approval of minutes from May 5, 2022 Finance Committee Meeting
3. Summer School 2023 Program Budget and Fees
4. Fingerprinting Pilot
5. Business Office Succession Planning
6. Staff Evaluation Platform Recommendation
7. Non-Certified Staff Salary Ranges
8. Staff Recognition - \$15,000 Line
9. Negotiations
10. Upcoming Bids - Food Service, Transportation and Bus Lease Expiration
11. Health Life Safety at Southeast: HVAC and Plenum
12. FY24 Salaries - OT/PT Committee
13. Cost Settlement
14. Part-Time Courier
15. Fund Balance Policy
16. Tuition and Services Billing
17. Southeast Building Assessment
18. Budget Progress Statement
19. **Adjournment**



**SASED Finance Committee Minutes
May 5, 2022 - 5:30 PM
SASED Administration Center
2900 Ogden Avenue, Lisle, IL 60532**

MEETING MINUTES

Meeting was called to order at 5:33 p.m. and welcomed those in attendance.
Roll call was taken with the following responding:

Present:	District	Representative
	Benjamin School District #25	Jack Buscemi
	Winfield School District #34	Dr. Matt Rich
	Salt Creek School District #48	Ray Kielminski
	Woodridge School District #68	Thomas Ruggio

Absent: Sue Caddy, Business Manager, Maercker SD #60
Leah Conover, Westmont Community Unit School District #201

Also in attendance:

Dr. Melinda McGuffin, Executive Director, SASED
Don Robinson, Treasurer and Director for Business, SASED
Anita Howard, Recording Secretary, SASED

1. Approved the March 9, 2022 Finance Committee Meeting Minutes
2. March 9, 2022 Finance Committee Meeting Minutes were approved as presented.
This motion was made by Ray Kielminski and seconded by Jack Buscemi.
3. Discussion on the FY22-23 Tentative Budget
A recommendation was made to present the FY22-23 Tentative Budget to the Board of Control and Governing Board for approval.
4. Discussion on the FY21-22 Amended Budget
A recommendation was made to present the FY21-22 Amended Budget to the Board of Control and Governing Board for approval.
5. Adjournment
Meeting was adjourned at 6:25 pm.



SCHOOL ASSOCIATION FOR SPECIAL EDUCATION IN DUPAGE

To: Finance Committee
From: Julie Grohn, Director of Human Resources
Date: September 14, 2022
Re: Summer School 2023 Program Budget and Fees

Background

SASED operates an Extended School Year (ESY) Program on behalf of our member districts. In addition, SASED also operates the ESY Program on behalf of DuPage West/Cook for the low-incidence population. Prepandemic SASED served on average 350 students in ESY. Over the past two summers, SASED served approximately 230 students.

Students must qualify for the Extended School Year Program through their Individualized Educational Plans (IEP). Through data collection, students must demonstrate that there will be a significant regression in their skills over the summer, an inability to retain information over the summer break, or difficulty recouping information upon return if they do not attend ESY. The main purpose of the ESY program is to ensure that students' skills are at least maintained at a level that was achieved at the end of the prior school year.

The numbers below for staffing reflect the staffing that was used for ESY 2022. We are projecting staffing and enrollments as ESY begins to return to normal post pandemic. Should that not be the case, staffing will be adjusted to reflect a remote learning environment. ESY Site Principal costs have been offset by including ESY responsibilities to our 12 month administrators.

The Extended School Year Program will run from July 3 through July 27, 2023. Programs will operate at the following locations: Southeast Alternative School, and the Transition Center located at 2900 Ogden in Lisle. We are also in the process of finalizing the leases with two additional districts. All programs will operate Monday through Thursday with the exception of July 4, 2023.

In addition, SASED will once again provide a Credit Recovery Program for high school students. The session will run Tuesday-Friday from May 30, 2023-June 30, 2023 at Southeast Alternative School. Students will be able to recoup high school course credit through our Apex Learning Lab, as well as traditional classroom instruction.

This year we will continue to determine the effectiveness of the ESY Program by analyzing student performance during all three phases of instruction (before, during & after). An ESY presentation will occur in the fall at which time student outcome data will be shared.

Details of the SASED and DWC ESY Program

- The SASED and DWC ESY Program will run Monday-Thursday, July 3-July 27 (no instruction on 4th of July)

- Staff training will be June 28, 2023 and June 29, 2023
- The student hours will run from 8:15 a.m. to 12:15 p.m. and staff hours will be 8:00 a.m.-12:30 p.m.
- Cost: \$890 per student (0% increase)
- Districts are responsible for transportation

SASED and DWC Enrollment and Fees					
	2022				2023
	Budget	Actual	Difference		Budget
Enrollment	Lakeview - 87 Transition - 31 SE - 55 DWC- 57	230	137		350
Tuition- Regular SASED	\$890	\$867	23		890
Tuition - Regular- DWC	\$890	\$867	23		890

Details of the Credit Recovery Program

- The Credit Recovery Program will run Tuesday-Friday and start May 30, 2023 and end June 30, 2023
- The student hours will run from 8:15 a.m. to 12:15 p.m.
- Cost: \$1,105 per student (0% increase)
- Districts are responsible for transportation
- Students will receive their academic instruction through Apex Digital Learning. District students who are not currently attending Southeast School must select a course from the established course list in order for the student to be properly placed. Some courses are single semester classes. Districts can send students for either original credit or credit recovery. Students who are attending for credit recovery can test out of previously learned content by scoring an 80% or above. Southeast students will be placed based on credit needed for graduation as deemed appropriate by their home school.
- In the event a student is absent for more than one day, the student will be dropped from the program because the student would not be able to be allocated the .5 course credit.

Credit Recovery Enrollment and Fees					
	2022				2023
	Budget	Actual	Difference		Budget
Enrollment	10	6			10
Tuition	\$1105	\$1024	\$81		\$1105

Details of Staffing Needs

Location and PA assignments

- MN @Southeast - Kati Curby and Amy McKee
- STARS and SE @ Lakeview (TBD) - Sheila White
- DWC @ Salt Creek (TBD) - Amy Gebre and Tara Corral
- Transition @ Admin Center - Rich Laren
- Credit Recovery @ SE - Laura Capparelli

ESY Staffing Needs		
Certified Staff FY 23		
	FY 22	FY 23
DWC Site Principals SASED Site Principals	(covered by 1 program administrators) (covered by 3 hires)	(covered by 1 program administrators) (covered by 2 program admin and 1 hire)
DWC Assistant Site Principals SASED Assistant Site Principals	(covered by 1 program administrators) (covered by 2 hires)	(covered by 1 program administrators) (Covered by one hire and one PA)
Classroom Teachers -SASED Classroom Teacher -DWC	34 7	34 7
Speech Therapists - DWC Speech Therapists - SASED	3 6.5	3 6.5
Social Worker - DWC Social Worker - SASED	1 4	1 4
Classified Staff FY23		
	FY 22	FY 23
Teacher Asst - DWC Teacher Asst - SASED	20 51	20 51
Admin Asst - DWC Admin Asst - SASED	1 2	1 2
RN/Medical Asst - DWC RN/Medical Asst - SASED	1 8	1 8
Custodians	3	3
OT/PT - DWC OT/PT - SASED	2 3	2 3
O & M - DWC	2	2
Audiologist	1	1
Daily Living Asst - DWC Daily Living Asst - SASED	3 17	5 17
Food Service	1	1
Transportation Aide	1	1

Credit Recovery Staffing Needs

Credit Recovery FY 22		
	FY22	FY23
Administrator	0 (covered by SE Program Admin)	0 (covered by SE Program Admin)
Teachers	1	1
Teacher Assistants	2	1

Details of FY23 Hourly Rates

ESY Hourly Rates		
<u>Position</u>	<u>FY 22 Rate</u>	<u>FY 23 Rate</u>
Site Principal (Flat Rate)	6,475.00	6,475.00
Assistant Site Principal	42.54	42.54
OT/PT	47.28	47.28
SLP	42.54	42.54
Teachers, Site Nurse, COTA, Social Workers, Audiologist, IST Support, O & M	34.98	34.98
Medical Assistants	26.00	26.00
Teacher Assistants, Job Coaches, Summer Crew	15.61	15.61
Daily Living Skills Assistants	10.51	10.51
Substitute Teachers	17.53	17.53
Sign Language Interpreter	0	17.17
Substitute Teacher Assistants (Para Pro)	13.66	13.66
Custodial staff at member district ESY sites (contract)	4900.00	4900.00

Credit Recovery Hourly Rates		
<u>Position</u>	<u>FY 22 Rate</u>	<u>FY 23 Rate</u>
Site Principal (fulfilled by SE/DIR admin)	NA	NA
Teacher	34.98	34.98
Teacher Assistants	15.61	15.61

Recommendations

The Administration recommends to the Board of Control:

- Establish a tuition rate of \$890 for SASSED and DWC summer school.
- Establish a tuition rate of \$1,105 per student per session for the Credit Recovery Program.
- Accept stated pay rates for ESY 2022 reflecting no increase except the Daily Living Assistant who did not meet the State of Illinois minimum wage.



To: Finance Committee
From: Julie Grohn, Director of Human Resources
Date: 9/14/2022
Re: Fingerprinting Pilot

Purpose:

SASED is looking to expand its Live Scan fingerprinting services to a pilot group of our member districts.

Background:

At a meeting with some of the member districts; D94, D33, D25, D34, a discussion about onboarding new employees took place. During this meeting the member districts expressed their frustration with scheduling new employees to get fingerprinting at either the local police department or the DuPage ROE. Both the police department and DuPage ROE have limited access, days, and hours for getting fingerprinting complete so districts can onboard employees.

SASED is charged \$28.50 by the Illinois State Police for the service.
The DuPage ROE will charge the district/cooperative \$44 per new employee.

Next Steps:

SASED would like to begin providing fingerprinting service to the above member districts as a pilot. SASED is able to provide additional opportunities (days and times) for the member districts to complete the fingerprinting process for their new employees.

Recommendations:

- Initiate pilot beginning November 2022
- Charge to district \$44 per new employee
- Financial difference to offset personnel and equipment to offer service
- Evaluate usage and consider expansion to other member districts.



To: Finance Committee
From: Julie Grohn, Director of Human Resources
Date: 9/14/2022
Re: Business Office Succession Planning

Purpose:

Succession planning for potential retirements and need for additional staff in the business office

Background:

SASED's Business Office has 5 employees. The Director of Business Services/CSBO, 2 Business Office Assistants, Accounts Payable, and Payroll. The Business Office is critical to the overall operations of SASED. SASED would like to hire and develop Business Office staff to prepare for the future.

Current posted positions and compensation ranges include:

Assistant Director of Business Services/CSBO (\$85,000-\$110,000)
Interim Assistant Director of Business Services/CSBO (\$500-\$650/day)
Business Office Assistant (\$20-\$24/hour)

Next Steps:

Administration recommends hiring and training 2 new Business Office staff from the combination stated above.



To: Finance Committee
From: Julie Grohn, Director of Human Resources
Date: September 14, 2022
Re: Evaluation Platform Recommendation

Purpose: A recommendation for a new Evaluation Platform.

Background: SASED has been using Powerschool's TalentEd/Perform as the platform hosting our staff performance management system. When I arrived at SASED in March of 2021, I started to review the evaluation systems and the online platform we were using. I started to ask questions of my Administrative Assistant, who was responsible for setting up the system and providing the year end close out and set up for each school year, the administration, and the licensed union staff. All expressed concerns about the difficulties surrounding TalentEd/Perform.

Some of the difficulties surrounded:

- The inability to have a system that worked without the use of the internet as we travel from location to location.
- The amount of back and forth when approving all of the documents.
- The lack of an app for a tablet to evaluate.
- Inability to attach evidence to TalentEd so staff can show/share their growth.
- The system shuts down often.
- The inability to add additional evaluation options such as walkthroughs.
- Cannot see where the employee is in the evaluation system, tenure status, etc.
- Reports are difficult to run.
- Not able to assist staff with their parts because I can't see their forms (e.g., pre-observation form) until after they submit it to admin.
- The SLO process is difficult to manage.

The HR department embarked on a review of other evaluation platforms to determine the best fit for SASED and the variety of staff at SASED. I asked members of PACT (Personnel Administrator in DuPage) as well as other district administrators and HR staff about their use of performance management tools. There were three tools that were used the most; TalentEd, Frontline Growth, and Evaluwise. I also reached out to the following companies.

TalentEd is currently used at SASED.

Frontline Growth - They were only interested in sending us a video to watch on their tool vs a live demo

Evaluwise - We had a demo of the tool on July 22. Administration and union membership were present for the presentation.



Current and past Powerschool TalentEd/Perform cost:

- 2022 - \$6667
- 2021 - \$6349
- 2020 - \$6105
- 2019 - \$5870

Evaluwise cost

- Licensing - Can be annual or multi year; 1 year \$25/staff, 2 year \$22/staff, 3 year \$20 per staff
- There is onsite training included for 2 hours. Teachers usually require 30 minutes or training and admin usually an hour/
- Set up is \$100 for teacher set up and \$250 for the other setups.
- SASED has approximately 325 employees in need of evaluation.
 - SASED can elect to move on with a 1, 2, or 3 year agreement with Evaluwise. Costs will decrease with each additional year added on the agreement. The first year will have the setup cost added for each of the tools we need to include in our evaluation system. After the first year, there are no additional setup costs
 - 1 year agreement - \$8125 per year (325 employees x \$25/person) + \$1100 for setup for first year only = TOTAL is \$9225 for year one and \$8125 for each year after.
 - 2 year agreement - \$7150 per year (325 employees x \$22/person) + \$1100 for setup for first year only = TOTAL is \$8250 for year one and \$7150 for each year after.
 - 3 year agreement - \$6500 per year (325 employees x \$20/person) + \$1100 for setup for first year only = TOTAL is \$7600 for year one and \$6500 for each year after.
 - Set up costs
 - Set ups - Teacher (\$100), Teacher Assistant (\$250), OT/PT (\$250), Admin Assistant (\$250), Administration (\$250), Related Service staff (\$250). Evaluation setup cost is approximately \$1100.

Benefits of Evaluwise:

- Single Sign on
- ipad app or Web
- SOPPA
- Documentation of evaluation cycles
- Training
- PD online
- Connection to the Google Calendar

Video of Evaluwise:

<https://www.evaluwise.org/support/video-tutorials/evaluwise-overview>



School Association for Special Education in DuPage

~~Next Steps Recommendation~~ to the Board of Control at the October meeting for the purchase of Evaluwise to be implemented for the 2023-2024 school year.



To: Finance Committee
From: Julie Grohn, Director of Human Resources
Date: 9/14/2022
Re: Pay Ranges

Purpose:
Review of pay ranges for non-certified staff members

Background:
In March of 2021, I started a review of the compensation ranges for administrative assistants. There was variance among the staff. As we have replaced positions, the salary bands below became apparent within existing compensation ranges.

Below is a summary of the current compensation structure for these positions. These bands reflect staff newly hired since March 2021 - current. Staff with longevity beyond this range are not included below.

Executive Director Executive Assistant

Compensation Band	\$26-\$30
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Director Administrative Assistants

Compensation Band	\$20-\$24
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Assistant Director Administrative Assistants

Compensation Band	\$18-\$20
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Program Administrator Administrative Assistants

Compensation Band	\$17-\$19
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Other Clerical Support (Data)

Compensation Band	\$20-24
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Custodial

Compensation Band	\$16-\$18
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Next Steps:
For informational purposes.



To: Finance Committee
From: Julie Grohn, Director of Human Resources
Date: 9/14/2022
Re: Employee Recognition and Appreciation Budget

Purpose:
 Review of monthly employee recognition and appreciation budget

Background:

MONTH			
August September October	Item	Amount	
	Tshirt-all staff	\$3,500.00	
	Staff Signing Day	\$300.00	
	Staff recognition Major Milestones (retirement and service awards)	\$1,000.00	plaques, etc
	Halloween/Fall Contest award (1st, 2nd, 3rd)	\$100.00	
	Staff quarterly appreciation	\$250.00	
November December January			
	Celebrate SASED Week	\$1,000.00	Notebooks purchased already for 2022
	Staff quarterly appreciation	\$125.00	
	Holiday event	\$2,500.00	
	Pop into the New Year (popcorn)	\$400.00	
February March April			
	Superbowl	\$150.00	



<i>Teaching · Leading · Believing</i>			
	Staff quarterly appreciation	\$325.00	
	March Madness	\$200.00	
	Admin Asst Week	\$800.00	
May June July			
	Celebrate SASED week	\$2,000.00	
	End of the year event	\$1,700.00	
Recruitment	Job Fair Items, tablecloth, banner, table goodies,	\$550.00	
New Staff	New staff goodie bag (drawstring bag, pen, waterbottle, shirt)	\$100.00	
SE -Directions and SAC	SASED Staff Woo-Hoo (peer nominated recognition in the HUB and \$10 gift card monthly) SE and SAC wagon and supplies		
	TOTAL	\$15,000.00	
DuPage Credit Union	Staff raffle of miscellaneous items during Appreciation week	\$250.00	

Next Steps:



School Association for Special Education in DuPage
Melinda McGuffin, Ed.D.
Executive Director

To: Finance Committee
From: Don Robinson, Director of Business Services/CSBO
Date: September 14, 2022
Re: Negotiations

Purpose: To prepare for upcoming negotiations.

Background: The current Support Staff contract expires in 2023. The administration anticipates we will receive a request from the union to bargain this spring. The Board should appoint a negotiating committee.

Next Steps: Committee makeup.



To: Finance Committee
From: Don Robinson, Director of Business Services
Date: September 14, 2022
Re: Upcoming Bids – Food Service, Transportation, and Bus Lease Expiration

Purpose: To inform the Finance Committee of upcoming bids.

Background: The current Food Service and Transportation contracts expire June 30, 2023. The transportation contracts are between member districts and Sunrise Transportation; however, SASED coordinates the bid for those districts wanting to participate. In addition, the Midwest bus leases for five yellow buses and five vans also expire June 30, 2023.

Next Steps: No near-term next steps are necessary.



To: Finance Committee
From: Don Robinson, Director of Business Services
Date: September 14, 2022
Re: Health/Life Safety at Southeast: HVAC, Roofing, and Plenum

Purpose: To inform the Finance Committee of HLS status and upcoming work.

Background: The current Health/Life Safety survey and long-range plan include architectural items, roof repair, rooftop HVAC replacement, and plenum work. The architectural items have all been completed. The remaining work, all mechanical, is scheduled to be done as a single project. Doing the work at the same time would be more cost-effective and would also result in the building being out of service for one summer rather than two. ESY and Credit Recovery would both need to be relocated. Credit Recovery could be done at 2900 Ogden. This work, if done in Summer 2024, requires we begin planning due to the lead times for relocating ESY and acquiring the mechanical systems. A rough estimate of the project cost is \$1.6 million. The administration recommends using the balance in the O&M fund and transferring any additional needed funds from the Education Fund to pay for the work. The balance in the O&M fund as June 30, 2022 was \$483,229. Below is a cost estimate table using data shared by our architect on September 7, 2022.

Item	Cost Estimate
Roof Replacement	210,000
Rooftops	900,000
M-1 Plenum	35,000
M-2 Plenum	70,000
Add 2 years of Inflation	48,600
Contingency - 20%	252,720
Architectural Fees - 8%	101,088
Total Project Estimate	1,617,408

Next Steps: Discuss the advisability of beginning preliminary planning and source of funding.



To: Finance Committee
From: Don Robinson, Director of Business Services
Date: September 14, 2022
Re: FY24 Salaries – OT/PT Committee

Purpose: To plan for FY24 salaries and a revised OT/PT salary schedule.

Background: Aside from the collective bargaining agreements, the Board must approve annually salaries for administrative assistants, administrators, OT/PT, and a small number of other individuals. The administration recommends using a 3.0% placeholder for all these individuals as we begin the FY24 budget development cycle.

The OT/PT salary schedule provides 3.0% annual step increases for years 2 – 9 and then 1.5% step increases for years 10 – 17. After that, the annual increases are under 1.0%, averaging .78% over all cells. The administration would like to meet with an OT/PT group and explore revising the schedule to a more traditional vertical and horizontal spread.

Next Steps: provide feedback on FY24 salaries and the OT/PT salary schedule.



To: Finance Committee
From: Don Robinson, Director of Business Services
Date: September 14, 2022
Re: Cost Settlement

Purpose: To inform the Finance Committee of changes to Medicaid reimbursement

Background: The Illinois Department of Healthcare and Family Services (HFS) submitted a Medicaid State Plan Amendment (SPA) to the Federal Centers for Medicare and Medicaid Services (CMS) to update and expand the Illinois Medicaid School-Based Health Services (SBHS) program. The SPA proposes changing Fee-for-Service (FFS) reimbursements to include to Medicaid-enrolled students without IEPs. The SPA also proposes changing from its current rate-based methodology to a cost-based methodology. The cost settlement methodology compares the actual total cost with interim payments and trues-up the settlement by either reimbursing an underpayment or by recovering any overpayment. All states (22) that have implemented cost settlement have experienced increased reimbursements.

Illinois remains hopeful the SPA will be approved before the end of this year. If so, the approval would be retroactive to July 2021. That would result in a true-up around January 2024. Districts have 18 months after the end of the school year to submit claims and HFS requires approximately 6 months to do the calculation.

The following two pages are an estimate of the expected January 2024 settlement provided to SASED by Embrace.

Next Steps: Discuss whether these funds should be distributed to member districts or retained by SASED.



IEP Service Settlement Calculation

Direct Service Cost Pool ServiceTypes	Salaries, Benefits, and Contractual Costs for Providers	Material & Supply Costs for the Provision of Service	Net	Unrestricted Indirect Cost Rate	Allowable Indirect Costs	Total Allowable Costs	IEP Direct Medical Service Percentage (Range 35% - 40%)	IEP Ratio	FMAP	Total Medicaid Allowable Costs	Interim Claims	Net Due District
							35%					
Audiology Services	\$ 216,925.10		\$ 216,925.10	10.00%	\$ 21,692.51	\$ 238,617.61	35%	31%	50.00%	\$ 12,945.01		\$ 12,945.01
Licensed Clinical Professional Social Workers			\$ -	10.00%	\$ -	\$ -	35%	31%	50.00%	\$ -		\$ -
Medical Social Workers	\$ 1,059,061.91		\$ 1,059,061.91	10.00%	\$ 105,906.19	\$ 1,164,968.10	35%	31%	50.00%	\$ 63,199.52		\$ 63,199.52
Occupational Therapy Services (OTs and COTAs)	\$ 4,524,851.08		\$ 4,524,851.08	10.00%	\$ 452,485.11	\$ 4,977,336.19	35%	31%	50.00%	\$ 270,020.49		\$ 270,020.49
Orientation and Mobility Specialists	\$ 485,671.66		\$ 485,671.66	10.00%	\$ 48,567.17	\$ 534,238.83	35%	31%	50.00%	\$ 28,982.46		\$ 28,982.46
Physical Therapy Services (PTs and PTAs)	\$ 1,066,924.59		\$ 1,066,924.59	10.00%	\$ 106,692.46	\$ 1,173,617.05	35%	31%	50.00%	\$ 63,668.72		\$ 63,668.72
Psychological Services (School Psychologists, Licensed Clinical Psychologists and Psych Interns)	\$ 864,601.69		\$ 864,601.69	10.00%	\$ 86,460.17	\$ 951,061.86	35%	31%	50.00%	\$ 51,595.11		\$ 51,595.11
Registered Behavior Technicians	\$ -		\$ -	10.00%	\$ -	\$ -	35%	31%	50.00%	\$ -		\$ -
School Health Services (RNs and LPNs)	\$ 903,150.43		\$ 903,150.43	10.00%	\$ 90,315.04	\$ 993,465.47	35%	31%	50.00%	\$ 53,895.50		\$ 53,895.50
Speech Pathology Services (Speech Paths and SPAs)	\$ 1,246,221.35		\$ 1,246,221.35	10.00%	\$ 124,622.14	\$ 1,370,843.49	35%	31%	50.00%	\$ 74,368.26		\$ 74,368.26
Total	\$ 10,367,407.81	\$ -	\$ 10,367,407.81		\$ 1,036,740.78	\$ 11,404,148.59				\$ 618,675.06	\$ -	\$ 618,675.06
Other Direct Service Cost Pool Service Types							IEP Direct Medical Service Percentage (Range 14% - 18%)					
School Health Aide	\$ 4,327,519.67		\$ 4,327,519.67	10.00%	\$ 432,751.97	\$ 4,760,271.64	14%	31%	50.00%	\$ 103,297.89		\$ 103,297.89
IEP Service Total										\$ 721,972.96	\$ -	\$ 721,972.96



To: Finance Committee
From: Don Robinson, Director of Business Services
Date: September 14, 2022
Re: Part-time Courier

Purpose: To receive approval to hire a part-time courier

Background: Our maintenance and custodial staff consist of Larry McCarthy (2900) and John Westerholm (Southeast). Larry on average spends approximately 15 hours per week doing courier delivery to Southeast and buildings with leased classrooms. This prevents him from being available for 2900 custodial needs and impacts his ability to develop and implement maintenance plans. Hiring a part-time courier for 15 hours per week @ \$13.50 per hour would free up Larry's time to provide necessary custodial services for our student programs at 2900 and increase attention to maintenance issues. The projected cost would be less than \$250.00 per week. In addition, Don and Larry would formalize a program for his professional development.

Next Steps: Provide feedback, and if appropriate, approve hiring a part-time courier.



To: Finance Committee
From: Don Robinson, Director of Business Services
Date: September 14, 2022
Re: Fund Balance Policy

Purpose: To review a proposed Fund Balance policy.

Background: SASED does not currently have a fund balance policy. SASED’s auditors recommended a fund balance policy be adopted. Joint Agreements differ from School Districts in that the member districts can always be assessed if there were an emergency cash shortfall. In addition, SASED has more predictable cash flow because it bills member and non-member districts for tuition and services and is not dependent on real estate taxes. This allows SASED to safely operate with a lower fund balance target than a school district.

I have checked several cooperatives and am reporting my findings below.

- A.E.R.O – unable to view policies
- CASE – “The Cooperative seeks to maintain a year-end fund balance to revenue ratio of no less than 10-25 percent, as calculated under the Ill. State Board of Education’s School District Financial Profile.”
- ECHO – “ECHO Joint Agreement will maintain a reasonable cash balance to cover expenditures...” The policy then identifies reimbursements such as Medicaid reimbursements and program refunds that could be temporarily stopped if there was a cash shortfall.
- Eisenhower – no policy
- LADSE – no policy
- LASEC – (Lockport) “LASEC will strive to maintain an unassigned fund balance in the Educational Fund no less than four months of Educational Fund operating expenditures.”
- LASEC – (Leyden) unable to locate policies
- MVCES – no policy
- NDSEC – no policy
- NTDSE – no policy
- PAEC – no policy
- SPEED – no policy
- True North – no policy

There are two cooperatives in the survey with identified fund balance targets. CASE’s policy states 10 – 25%. LASEC’s (Lockport) policy implies 33%.

I am recommending SASED maintain a fund balance to total budgeted expenditures ratio of no less than 10% at any time throughout the fiscal year. A 10% threshold equals approximately \$3.3 million.

Operating deficits the next three years and the Southeast maintenance project (to follow in another memorandum) should allow SASED to approach the 10% target.

A proposed Fund Balance policy follows on page 2.



School Association for Special Education in DuPage (SASED)

4:20

Operational Services

The Executive Director or designee shall maintain fund balances adequate to ensure SASED's ability to maintain levels of service and pay its obligations in a prompt manner despite unforeseen events or unexpected expenses. The Executive Director or designee shall inform the Board of Control whenever it should discuss drawing upon its reserves or borrowing money.

SASED seeks to maintain a fund balance to total budgeted expenditures ratio of no less than 10 percent at any time throughout the fiscal year.

CROSS REF.: 4:10 (Fiscal and Business Management), 4:80 (Accounting and Audits)

ADOPTED:

4:20

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Next Steps: Review the proposed policy and provide feedback.



To: Finance Committee
From: Don Robinson, Director of Business Services
Date: September 14, 2022
Re: Tuition and Services Billing

Purpose: To continue a discussion about developing a long-term plan for tuition and services billing

Background: FY22 closed with a large operating deficit. The actual results will become available once our auditors finish the FY22 audit. There were two large drivers. First, a change in Medicaid Fee-for-Service (FFS) disbursements now sends all FFS reimbursements to the student's home district. SASED retained some of those funds in the past. Second, a challenging labor market resulted in increased usage of staffing agencies to fill positions where we could not hire employees. SASED expects to continue using staffing agencies, but on a smaller basis. This suggests a need to increase SASED's tuition charges and service fees. The FY23 pre-bill rates set in January 2022 included a 3.5% increase

I have been a proponent of a blended, single tuition charge. Conversations with Dr. McGuffin have provided me with a better understanding of laws and regulations. That understanding, coupled with concerns for our member district's Maintenance of Effort requirements, leads me to conclude a single, blended tuition charge is not workable. Still, SASED needs a better timeline and financial model that allows member districts to accurately develop their budgets.

FY23 Recommendation: Increase the FY23 final bill rates to include a 5.0% increase above the pre-bill rates. These final bills could go out in December 2022 and would represent a not-to-exceed cap on fees. The initial 3.5% increase in the July pre-bill and the recommended 5.0% increase in the December final bill would equal a total increase of 8.5%.

- July 2022: pre-billed FY23 using the rates set in January 2022, a 3.5% increase
- November 2022: final FY22 results available after receiving audit and AFR
- December 2022: final FY23 bills sent out with an additional 5.0% increase, for a total of 8.5%

FY24 Recommendation: The following FY24 timeline and charges will support SASED moving toward a breakeven financial model.

- July 2023: pre-bill FY24 using the prior year's final rate plus 5.0%
- August 7, 2023: send a guidance email to member districts projecting final rates for FY24. This could be a "not-to-exceed" cap on fees, meaning no increase in the rate but a possible refund if results are lower than the projection
- November 2023: final determination of FY23 results after receiving audit and AFR
- December 2023: final FY24 bills sent out

Next Steps: Feedback and discussion of recommendations.



To: Finance Committee
From: Don Robinson, Director of Business Services
Date: September 14, 2022
Re: Southeast Building Assessment

Purpose: To review the current Southeast building assessment.

Background: SASED assesses member districts \$2,000 for each student attending Southeast and Directions. This was reviewed at the September 8, 2021 finance committee meeting. Last year was year 4 of a five-year practice. The minutes read “This question is part of a larger discussion of tuition revenue following staff and SASED’s billing practices.” The fund balance as of June 30, 2022 was \$483,229.

Next Steps: Review the current procedure and provide feedback.