

**FINANCIAL OVERSIGHT PANEL (FOP)  
FOR EAST ST. LOUIS SCHOOL DISTRICT 189  
Administration Building, 1005 State Street, East St. Louis, Illinois  
June 27, 2012**

**REGULAR MEETING**

Ranadore Foggs, Chairman for the Financial Oversight Panel, called the meeting to order at 10:35 a.m.

**Roll Call**

Sister Julia Huiskamp, Present; Karen Davis, Present; Linda Matkowski, Present; Jerome Jackson, Absent

**ISBE / District Staff Members Present**

Superintendent Arthur Culver, Deputy Superintendent Dorland Norris, Assistant Superintendent Beth Shepperd, Executive Director Sue McGown, Chief Financial Officer Adil Khan, Internal Auditor Nick Mance, Carl Holman, Regional Financial Consultant for ISBE, and Deb Vespa, ISBE Division Administrator for School Business Services.

**Approval of Financial Oversight Panel Meeting Minutes – May 29, 2012**

Member Matkowski moved, with a second by member Davis, to approve the FOP minutes of May 29, 2012. Motion carried on a roll call. Ayes 4. Nays 0.

**Public Comment**

There were no public comments.

**Adoption of Financial Oversight Panel Meeting Dates**

Chairman Foggs questioned the short turn-around between meeting dates. The members determined that they prefer hard copies instead of electronically generated information with the exception of Member Matkowski whom wishes to receive the electronic version. The FY13 Panel Meeting Calendar was distributed to the Panel. See attached.

**Financial Oversight Panel Budget**

There was much discussion regarding the FOP Budget. Member Huiskamp asked if the state would provide insurance for the panel members. It was determined that the question of insurance would be discussed at the next meeting. Ms. Vespa will research the matter. Member Matkowski stated the insurance coverage would be similar to BOE member insurance.

Member Matkowski moved with a second by Member Huiskamp to accept the \$3,000 FOP Budget. Motion carried on a roll call. Ayes 4. Nays 0. See attached Letter to State Superintendent regarding the Budget.

### **Procedures Regarding Hiring and Expenditure Approvals**

Mr. Holman addressed the matters of procedures regarding hiring and expenditure approvals. It was stated that the Panel wants expenditures reported by funding source. They also need a cash flow by individual funds. Mr. Khan stated that he forwards a monthly construction project report to Mr. Holman. Member Matkowski inquired about the construction contingency. Mr. Khan stated it was set at \$1.6 million, and that \$500,000 has been spent to date of the contingency. The board members have never been given copies of change orders. It is a five-page spread sheet. Mr. Khan further stated that the state owes the district \$3,000,000 for the High School project. It was recommended that the BOE establish procedures for the construction change orders. Member Huiskamp inquired about the District's bidding process. Mr. Khan explained that if the estimated cost is over \$10,000 the District obtains bids. If the cost is between \$5,000 and \$10,000, then the District obtains three (3) quotes.

### **Superintendent Report**

Superintendent Culver informed the FOP that the \$6,000,000 School Improvement Grant (SIG) was approved for the high school. This is a three (3) year Grant which will be \$2M/year. The high school will be reformed and transformed. He further stated that the \$580,000 Race To The Top Grant was approved. District is second only to Chicago. A \$400,000 counseling grant is pending for K-12. A foreign language grant is pending submittal for the elementary level.

The District is in the process of closing four schools for FY13 (moving furniture, technology equipment, etc). Originally this number was five (5), however, the Miles Davis building is needed to house the Kindergarten pupils since the lease with SIU-E could not be broken.

The District is losing 250 students per year. District's needs will be based on what will occur in the fall. Staffing will be based on 70% of enrollment.

Deputy Superintendent Norris stated that the state wants us to be an example for other districts regarding the SIG Grant application and approval. Chairman Foggs commended Superintendent Culver for his efforts and the efforts of his staff to obtain these grants.

Deputy Superintendent Norris stated that we are working hard to close out the SS/HS Grant and to also be in compliance. The federal government is not pleased with our Small Learning Communities Grant.

Member Huiskamp inquired about the District's plan for the closed schools. Supt. Culver stated they will keep the power on for the security systems. Mr. Khan stated that we are accepting bids on the buildings that are being closed. The bid closing date is July 13, 2012. The bid opening date is July 16, 2012. Someone wants to lease the Alta Sita Building @ \$4,000 per month. The District needs the revenue; however, the District needs to maximize their resources desperately. Supt. Culver instructed Mr. Khan to look at the lease policies and to be ready in August or September for proposed changes.

### **District Finance Report**

Nick Mance explained the amended FY12 budget. There is a \$10,000,000 deficit for 2012 and a \$15,000,000 deficit for 2013. Mr. Khan stated that general state aid has been pro-rated – 95% in 2012 and 89% estimated for FY13. Supt. Culver stated that the State of Illinois should change the way education is funded in the state. Mr. Khan stated that the District had 1,300 employees and now they are down to 800 employees. District will need to finalize cash flow projections ASAP. District restructured some bonds funded by General State Aid to being funded by the tax levy fund in December. There was some discussion concerning allocating people to grants. Districts cannot supplant in federal programs. Chairman Foggs inquired what the District is doing to address the deficits. District responded that they have cut independent contracts (\$2M). District has also explored reducing supplies and other services. The biggest part of the budget is Personnel and Benefits. Supt. Culver stated that we need to enhance our revenue and until education is restructured in the state that is not going to happen. The District's children must be educated and they need great opportunities. The State is here because of student achievement. Superintendent Culver implored that the District cannot cut so close that they face chaos. Keep kids in mind – “we must be champions for these kids.” Supt. Culver stated that he did not want the District to suffer “Paralysis by Analysis”. Supt. Culver further stated that whether the FOP becomes the Independent Authority or if the State Superintendent asks the Regional Superintendent to appoint a board, he feels confident that the right structure will be in place to lead the District forward.

### **Discussion of Emergency Financial Assistance Loan**

There was discussion regarding short-term loans and exploring other options, i.e. borrowing money until January and selling bonds.

Member Matkowski requested a list of employees. Chairman Foggs requested a copy of the organizational chart.

### **Executive Session**

Member Davis moved, with a second by Member Huiskamp, to adjourn into *Executive Session* in accordance with the Illinois Open Meetings Act (5 ILCS 120/2c) to consider Personnel 120/2/c/(1), Negotiations 120/2/c/(2), Property Acquisition/Lease/Purchase 120/2/c/(5), Sale/Lease of Property 120/2/c/(6), and Actual/Potential Litigation 120/2/c/(11). The motion carried on roll call. Ayes 4. Nays 0.

The Panel convened into *Executive Session* at 12:24 p.m.

### **Open Session**

Member Davis moved, with a second by Member Huiskamp, to re-convene *Open Session* at 4:04 p.m. Motion carried on a roll call. Ayes 4. Nays 0.

### **Action Agenda – June 4, District Special Board of Education Meeting and June 25, 2012 District Board of Education Meeting**

Member Matkowski moved, with a second by Member Davis, to approve Agenda Items 13 A through Q. The motion carried on a roll call. Ayes 4. Nays 0.

- A. Approved following from District's Finance Report:
  - Board Bills (Part B – Necessary Expenditures) - \$2,942,005.57
  - May Payroll \$4,487,063
  - Credit Card \$4,415.16
  - School Construction \$1,812,810.54
  - Wire Transfers \$1,908,993.45
  - W/C Claims \$36,334.50
  - Miscellaneous Cash Receipts Received by District \$196,079.25
  - Athletic Activity Net Expenses \$19,392.76
  - Money Returned from Expense Checks (Part E) \$76,158.19
  - Projected Open Accounts Payable (Part F) \$107,227.58
  - No Part G
  - Payroll Overtime (Part H) \$10,480.22
  - Funded Program Claims/Expenses (Part I) \$20,290 (addendum 6/25 BOE Mtg)
- B. Approved of Resolutions Authorizing Settlement of Litigation.  
**#062512B and #062512C (as discussed in Closed Session)**
- C. Approved of Resolution Appointment Separate Legal Counsel  
**#062512D (as discussed in Closed Session)**
- D. Approved of Resolution Authorizing Abatement of \$6,200,000 of Working Cash to the Education Fund  
**#062512A**
- E. Approved to Adopt Resolution concerning Prevailing Rate of Wages.
- F. Approved to pay Stan L. Mims \$3,600 for services rendered to the Smaller Learning Communities Grant. (Funding Source: Smaller Learning Communities Grant)
- G. Approved to bid out asbestos response items for the Administration Building Priority 1 items for FY13 (Total estimated cost = \$84,305)
- H. Approve contract for asbestos consulting to Environmental Consultants, LLC (Priority 1 for Administrative Building) Task Activity #1 - Project Design Lump Sum Cost = \$7,820; Task Activities #2 through #4: AHERA Air Monitoring & Project Management – Hourly Rates as disclosed in Finance Backup materials plus Sample Costs. (Environmental Consultants will provide a not to exceed cost estimate for the response actions following the approval of the specific response actions by the district.)

- I. Approved of Baker Tilly's proposal for a 3 year contract for auditing services at a Total Annual Cost for three (3) audits (District, Regional Vocational and Area SE Joint Agreement) \$85,000 for FY12, \$87,500 for FY13, and \$89,500 for FY14. Option to extend two additional fiscal years. (note: the individual amounts are as follows for FY12: \$71,500 District, \$4,500 Vocational, and \$9,000 SE Joint Agreement)
- J. Approved to award Over the Road Bus Service to Cavello at an annual cost of \$81,680.
- K. Approved to award Office Supplies to Office Depot.
- L. Approved to award Food Service Contract to Chartwell. (See Finance Backup 10F) Total Estimated Cost \$3,272,996.87
- M. Approved of Items from Curriculum Committee:
  - Professional Development – Costs – Training (Source of Funds IDEA and Title IIA) (\$915.59 IDEA Funds, \$15,588 for Title IIA)
  - Field Trips – High School Estimated Costs \$2,150
  - Technology – Nine (9) Computers – Approximate Cost \$9,000 (Title I Funds)
  - Other – Science Training \$52,000 (Title Funds)
    - School Mate: Texas Instruments \$76,835.85 (Title Funds)
    - Renzulli Learning: Site License and Onsite Workshops \$8,000 for Miles Davis (Title I Funds)
    - Kaplan 9-12 Learning Services: \$56,000 and \$2,500 (onsite Training) Title Funds
  - Addendum Items:
    - Expenses –L. Singleton to attend training \$272.69 IDEA Funds and \$400 not to exceed (no funding source)
    - License for Stars Suite - \$5,730 (Title I Funds)
- N. Approved to award Furniture Moving Contract to Dodge Moving & Storage at a cost of \$10,526.
- O. Approved to award football helmets to Riddell (Total Cost of \$34,594) and to Recondition Helmets and Shoulder Pads (Total Cost \$6,794).
- P. Approved to award CoachComm, LLC Winning Solutions at a total cost \$15,083 for football equipment (includes headsets, end zone video tower, monitor and camcorder, and memory camcorder, DVD Deck/VHS, Player/recorder)
- Q. Approved to award a contract to Daktronics for play clocks at a cost of \$3,950.

Member Davis moved, with a second by Member Matkowski, to approve Agenda Items #14 – a. – q., #14 - b. 2a – p; #14 – f. As Discussed in Closed Session. The motion carried on a roll call. Ayes 4. Nays 0.

June 4, 2012 BOE Meeting - Personnel: **See Attachment A**

- a. Separations a. – q. (attached), b. Employment a. – p. (attached), and f. Approved Resolutions for Separation Agreements **#060412D** and **#060412E**

No action necessary for the following Resolutions: **#060412A**, **#060412B**, and **#060412C** as these were approved at the May 29<sup>th</sup> FOP meeting contingent upon East St. Louis BOE approval at their June 4<sup>th</sup> Meeting.

Member Matkowski moved, with a second by Member Davis, to approve Agenda Items #15 a. District Personnel Report #1. Separations (June 25<sup>th</sup> BOE Meeting Personnel Section). The motion carried on roll call. Ayes 4. Nays 0.

Member Matkowski moved, with a second by Member Davis, to approve Agenda Items # 15 b. District Personnel Report #2. Employment (June 25<sup>th</sup> BOE Meeting Personnel Section) Following Items ONLY 2a, 2c, 2d, 2e, 2f, 2g, 2h, 2i, 2j, 2k, 2l, 2m, 2n, 2p, 2s, 2t, and 2u. The motion carried on roll call. Ayes 4. Nays 0.

2a. Approved the reclassification of Lori Chalmers to Assistant Elementary Principal at Officer Elementary (200 day position); effective July I, 2012. Salary per the Administrative Salary Scale: \$71,329.00. Funding source: District

2c. Approved the hiring of Tony Young as Academic Intervention Specialist; effective July 1, 2012. Salary per the Local 1220 Bargaining Agreement; Certified Coordinator/Step 5: \$60,868.00. Funding source: Title 1

2d. Approved the salary adjustment Carmen Bonds, Assistant Principal for Curriculum and Instruction at East St. Louis Senior High School; effective July 1, 2012. Salary per the Administrative Salary Scale: \$82,572.00. Funding source: District

2e. Approved employees, who have been requested to work in lieu of taking vacation days, to be allowed to carry over ten (10) additional vacation days into the next school year with the Superintendent's approval. This is non-precedence setting.

Dr. Jeanette Dear

Lawrence Tourijigian

Vicki Fair

2f. Approved the hiring of Anson Mitchell as Principal of Lincoln Middle School (210 day position); effective July 23, 2012; with dates to be worked in June and July at a daily

rate of pay. Salary per the Administrative Salary Scale: \$93,777.00. Funding source: District

2g. Approved the hiring of Anthony Smith as Principal of Curtis Miller Alternative (12 month position); effective July 1, 2012; with dates to be worked in June and July at a daily rate of pay. Salary per the Administrative Salary Scale: \$83,367.00. Funding source: District

2h. Approved the hiring of Claudette Vaughn as Director of Curriculum and Grants (12 month position); effective July 1, 2012; with dates to be worked in June at a daily rate of pay. Salary per the Administrative Salary Scale: \$94,677.00. Funding source: 40% LIFT Grant/60% Title 1

2i. Approved the salary change for Annette Buntyn, Executive Assistant; effective July 1, 2012. Salary per the Administrative Salary Scale: \$67,996.00. Funding source: District

2j. Approved the salary adjustment for Eric Harris, Assistant Principal at Mason-Clark Middle School; effective July 1, 2012. Salary per the Administrative Salary Scale: \$78,640.00. Funding source: District

2k. Approved the following individuals for recall for the Special Services Department for the 2012-2013 school year. Salary per the Local 1220 Bargaining Agreement. Funding Source: District

Paula Rush-Shumpert	Counselor Special Services
Deborah Hannah	Counselor Special Services
Fionna Hill	Counselor Special Services
Audrey Jackson-Luster	Counselor Special Services
Michelle Genteman	Psychologist Special Services
Molly Elder	Psychologist Special Services
Regina Echols	Psychologist Special Services
Regina Mouton	Social Worker Special Services
Chester Carothers	Social Worker Special Services
Cynthia Letner	Social Worker Special Services
April Lomax	Social Worker Special Services
Rochelle Reed	Social Worker Special Services
Tyler Zipfel	Social Worker Special Services
Sylvia Campbell	Speech Therapist Special Services
Eartha Brown	Speech Therapist Special Services
Regina Luster	Speech Therapist Special Services

2l. Approved the recall of Kimberly Mitchell, 210 day Clerk, to Mason-Clark Middle School: Salary per the Local 1220 Bargaining Agreement; 210 day Clerk/Step 7 - \$37,837.00. Funding source: District

2m. Approved adding the following positions to the Personnel Inventory: Director of Curriculum and Grants.

2n. Approved deleting the following positions from the Personnel Inventory:  
Records Specialist  
Director of Grants

2p. Approved the hiring of Trenese Dancy as Assistant Principal at Bush Elementary (200 day position); effective July 1, 2012. Salary per the Administrative Salary Scale - \$71,329.00. Funding source: District

2s. Approved the recall of the following teachers for Lincoln Middle School for the 2012-2013 school year. Salary per the Local 1220 Bargaining Agreement. Funding source: District/Title TBD

Darrylyn Grimitt Hill- Language Arts

James Groves - Language Arts

Chanel Thornton - Math

DeAndre Scott - Science

Nicole Langston-Reed - Science

Teleza Patterson - Math

Audra Jones - Science

2t. Approved the following for Homebound Instruction for the 2012-2013 school year. Rate of pay \$25 per hour (Teachers work one and a half hours per student and cannot exceed 500 hours in a school year). Funding Source: District

Otha Blackburn

Nancy Byrd

Phyllis Fisher

Sherman King

Leslie Smith

Wilma Bourrage

Clifford Fields

James King

Marian Harris

Opal Walker

Jacqueline Little

Christi Liddell

Pearl Morris

Stephen Sampson

Pearl Washington

2u. Approved the hiring of the following Crossing Guard for Summer School. Rate of pay \$9 per hour.

Anthony Reed – Wright Elementary

Funding Source: District

Member Matkowski moved, with a second by Member Davis, to approve Agenda Items # 15 b. District Personnel Report #2. Employment (June 25<sup>th</sup> BOE Meeting Personnel Section) Following Items with exceptions #15b – 2q & 2r with the exception of music staff. The motion carried on roll call. Ayes 4. Nays 0.



2q. Approved the recall of the following teacher at East St. Louis Senior High School for the 2012-2013 school year. Salary per the Local 1220 Bargaining Agreement. Funding source: District

Phillip Schneider – Spanish

2r. Approved the recall of the following teachers for Mason-Clark Middle School for the 2012-2013 school year. Salary per the Local 1220 Bargaining Agreement. Funding source: District/Title TBD

Deborah Duevant - Language Arts      Lorna Mallett - Language Arts

Hollie Whiteman – Math                      Anthony Fernando - Science

Brian Riley – Science                         Richard Lowe - Social Science

Iris Preston – Reading                        Leah Crowell- Math

Member Matkowski moved, with a second by Member Davis, to approve Agenda Item #15c, Approved Notices of Remedy - **#062512E and #062512F**. Motion carried on a roll call. Ayes 4. Nays 0.

Member Matkowski moved, with a second by Member Davis, to approve Agenda Item #16 – Short Term Loan. Discussion followed and it was decided the District would meet with Stifel Nicolaus, ISBE Finance staff, and Member Matkowski regarding securing the Short Term Loan for the District. Motion carried on a roll call. Ayes 4. Nays 0.

Member Matkowski moved, with a second by Member Davis, to approve Agenda Item #17 – Approval of the District’s Amended Budget for Fiscal year 2012. Motion carried on a roll call. Ayes 4. Nays 0.

The Financial Oversight Panel scheduled a Special Meeting which will be held on July 6, 2012, at 10:30 a.m. at the East St. Louis SD #189 Administration Building.

**Adjournment**

This meeting was adjourned at 4:13 p.m.

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Chair, Financial Oversight Panel