

**THE CITY OF LAKE FOREST  
SCHOOL DISTRICT 67**

Title: Policy Committee Meeting

Date: Wednesday, August 26, 2015

Time: 8:00 a.m.

Location: West Campus, Seminar A

Participants: Jeff Folker, Committee Chair, Suzanne Sands, Board Member, Kent Novit, Board Member,

Administration Present: Allen Albus,

Staff Present: Eileen Faller

A Joint Policy Committee meeting was scheduled to take place, however, due to District 115 not having a quorum of members present the meeting took place with District 67 only. A meeting will be scheduled for District 115 shortly.

The following items were discussed/reviewed:

Policy 4:55 – Use of Credit and Procurement Cards

Currently, Policy 4:55 does not allow for purchases to be made by non-District employees (i.e. contractors) using a District credit or procurement card. However, there are instances where a contractor working on behalf of the District needs to make purchases of equipment, materials, services, etc. As a result, Mr. Albus recommended updating the first paragraph of Policy 4:55 to include the words “or agents” when describing who is authorized to use a credit and/or procurement card when designated by the Superintendent. This change would allow designated District Contractors to purchase necessary equipment, materials, etc. on the District’s behalf.

Mr. Albus also recommended an update to Section 6 of Policy 4:55 to include the following: “Purchases made by the Superintendent shall be processed with the monthly statements to ensure timely payment. Copies of the Superintendent’s monthly statements and receipts will be provided to the Board President and Chair of the District Finance Committee for review.” The intent here is to specifically address the conundrum within this policy that no member of the District 67 Administration staff is authorized to approve purchases made by the Superintendent, but such purchases need to be paid monthly. At the same time, this additional verbiage “officially” requires the Administration to provide appropriate members of the School Board with timely information so that proper oversight can be maintained over the Superintendent’s use of credit and procurement cards.

These recommendations will be discussed further at the next Policy Committee meeting with the hope of bringing a revised policy to the Board for a 1<sup>st</sup> Reading on September 21, 2015.

#### Policy 4:60 – Purchases and Contracts

Currently, Policy 4:60 requires that ALL District contracts must be approved by the School Board, no matter the size or scope. Mr. Albus recommended amending Policy 4:60 so that only contracts worth \$25,000 or more need to be brought before the Board for approval. After some discussion regarding how many contracts would be affected by this change and the values of several important contracts that have historically been brought before the Board, it was decided that Mr. Albus would look at contracts approved by the Board over the last 12 months and provide the Committee with some detail that will be the next Policy Committee meeting.

Also, Mr. Albus pointed out that Policy 4:60 does not technically allow bills to be paid between the start of the Fiscal Year and the approval of the District budget (which usually occurs in September). Currently, the first sentence of paragraph 4 states the following:

*“Adoption of the annual budget authorizes the Superintendent or designee to purchase budgeted supplies, equipment, and services, provide that State law is followed.”*

To close this loophole, Mr. Albus recommended adding the following verbiage to paragraph 4:

*“Recognizing that the fiscal year starts on July 1, and that the District’s budget is typically not approved until the September Board of Education meeting, the Administration is authorized to expend up to 25% of the prior year budget during this time period to maintain normal operations of the District. Any expenditures requiring Board authorization (e.g., contract bids) must have Board approval prior to the expenditure of funds for those purposes.”*

The Committee tentatively agreed to this recommendation pending some fine-tuning of the wording. This will be discussed again at the next Policy Committee meeting with the hope of bringing a revised policy to the Board for a 1<sup>st</sup> Reading on September 21, 2015.

#### Public Participation

There was no public participation.

#### Adjournment

Mr. Novit moved, seconded by Mrs. Sands that the meeting be adjourned.

The meeting adjourned at 9:30 a.m.