

District 23 Finance Committee Meeting

Monday, October 3, 2022 5:45 PM

Grodsky Administration Building, 700 N Schoenbeck Rd, Prospect Heights, IL
60070

I. Call to Order

II. Discussion Items

II.A. Review of FY24 Budget Calendar

II.B. Update on the Sale of \$2.5M Working Cash
Bonds

II.C. Technology Dept. Update -
Telecommunications Services, Website Development
and E-Rate Renewal

II.D. Summary of Categorical Grants

II.E. First Student Contract Update

II.F. Organic Life Contract Update

III. Old Business

IV. New Business

V. Adjournment



**PROSPECT HEIGHTS DISTRICT 23
BOARD OF EDUCATION
INFORMATION ITEM**

Date: October 12, 2022

Title: 2023-24 Budget Calendar

Contact: Amy McPartlin, Assistant Superintendent for Finance & Operations

DATE RANGE	BUDGET PROCESS
10/12/2022	Board Approves the 2022-23 Budget Calendar
11/9/2022	Board Approves the 2022 Tentative Property Tax Levy
12/14/2022	Board Holds Public Hearing on the 2022 Property Tax Levy
	Board Approves the 2022 Property Tax Levy
01/11/2023	Resolution to Authorize Appointment of Individual to Prepare Budget
01/01 - 02/15/2023	Administration Develops Preliminary Financial Guidelines & Assumptions
02/27/2023	202-24 Preliminary Financial Guidelines and Assumptions are Presented to Finance Committee
03/08/2023	Board Approves the 2023-24 Preliminary Financial Guidelines & Assumptions
03/15 - 04/30/2023	Building Principals and Program Administrators Develop Tentative Budgets
04/15 - 05/30/2023	Budget Meetings with Building Principals & Program Administrators
05/01 - 06/30/2023	Business Office Assembles the 2023-24 Tentative Budget
06/30/2023	Finance Committee to Receive Tentative Budget
07/15 - 08/01/2023	Business Office Prepares the Final Budget
08/9/2023	Board Approves the 2023-24 Tentative Budget and Sets the Date for Public Hearing on Final Budget
	Board Secretary Places the 2023-24 Tentative Budget on Public Display
09/13/2023	Board Holds Public Hearing on the 2023-24 Final Budget
	Board Approves the 2023-24 Final Budget

**Prospect Heights School District No. 23, Cook County, IL
Private Placement vs. Public Sale**

	Indicative Bid Chase (BQ)	Spread to MMD*	Indicative Bid Busey Bank (BQ)	Spread to MMD*	Indicative Bid BMO (BQ)	Spread to MMD*	Indicative Bid BMO (Non-BQ)	Spread to MMD*	Estimated Public Sale	Spread to MMD*
Yield per Maturity:										
12/15/2023	3.610%	+0.63	4.000%	+1.02	4.200%	+1.22	4.320%	+1.34	3.450%	+0.47
12/15/2024	3.610%	+0.59	4.000%	+0.98	4.230%	+1.21	4.350%	+1.33	3.520%	+0.50
12/15/2025	3.610%	+0.58	4.000%	+0.97	4.250%	+1.22	4.370%	+1.34	3.550%	+0.52
12/15/2026	3.610%	+0.56	4.000%	+0.95	4.270%	+1.22	4.400%	+1.35	3.600%	+0.55
12/15/2027	3.610%	+0.56	4.000%	+0.95	4.300%	+1.25	4.430%	+1.38	3.640%	+0.59
Closing Date:	1-Nov-22		1-Nov-22		1-Nov-22		1-Nov-22		1-Nov-22	
Call Date:	Non-Callable		Non-Callable		Non-Callable		Non-Callable		Non-Callable	
Estimated Bond Rating:	Non-Rated		Non-Rated		Non-Rated		Non-Rated		Aa2	
Est. Costs of Issuance	\$28,850		\$28,850		\$28,850		\$28,850		\$40,500	
Est. Underwriter's Discount	\$0		\$0		\$0		\$0		\$15,340	
Est. Total	\$28,850		\$28,850		\$28,850		\$28,850		\$55,840	
Total Est. Debt Service	\$2,702,086		\$2,735,280		\$2,768,121		\$2,768,699		\$2,733,422	
Est. All-In True Interest Cost	4.02%		4.41%		4.67%		4.80%		4.37%	

*Yield to Maturity Spread to AAA MMD rates as of September 29, 2022



Prospect Heights School District Number 23, Cook County, Illinois
\$2,500,000* General Obligation Limited Tax School Bonds, Series 2022 (Working Cash)
PROPOSED FINANCING SCHEDULE

(Private Placement)

August-22							September-22							October-22							November-22							December-22							January-23									
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S			
1	2	3	4	5	6					1	2	3								1				1	2	3	4	5						1	2	3								
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14			
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21			
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28			
28	29	30	31				25	26	27	28	29	30	23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31	29	30	31								

DATE	ACTIVITY	RESPONSIBLE PARTY	BOARD ACTION	STATUS
Friday, September 2, 2022	Receive Resolutions to Loan O&M, Trans, Working Cash to Ed and Working Cash to Debt Service Receive draft Resolution calling Public Hearing and Resolution of Intent for issue of Working Cash Bonds	C&C		Done
Finance Committee Tuesday, September 6, 2022	Discussion of Short Term Cash Flow needs and Long Term Capital Needs; review cash flow and Loan resolutions, Review Resolution calling public hearing (BINA) and Resolution of Intent to issue Working Cash Fund Bonds and financing plan	District/RJ		Done
Wednesday, September 7, 2022	Publication of Notice of Public Hearing in Daily Herald	RJ		Done
Monday, September 12, 2022	District Posts Notice of Public Hearing on website and at District Office	District		Done
Regular Meeting Wednesday, September 14, 2022	Hold public hearing on the issue of \$2.5M working cash fund bonds, close public hearing with roll call vote to close public hearing;	District	Action Item; Roll Call Vote	Done
	Board approves Resolutions authorizing interfund loans: O&M, Trans and WC to Ed and WC to Debt Service;	District	Action Item; Roll Call Vote	Done
	Board approves Resolution of Intent authorizing the issue of \$2.5M working cash fund bonds	District	Action Item; Roll Call Vote	Done
Thursday, September 15, 2022	Publication of Notice of Intent in Daily Herald beginning 30 day petition period	RJ		Done
Wednesday, September 21, 2022	Distribute draft Preliminary Term Sheet	RJ		Done
Wednesday, September 28, 2022	Receive comments on Preliminary Term Sheet	ALL		Done
Monday, October 3, 2022	Send Term Sheet to potential bidders	RJ		
Monday, October 10, 2022	District secures Treasurer's surety bond for 25% of the bond amount, effective November 1st, 2022	District		
Monday, October 17, 2022	Petition Period ends	District		
Tuesday, October 18, 2022	Receive bids from banks on bonds; review winning bid with District	District/RJ		
Special Meeting Tuesday, October 18, 2022	Board approves bond sale resolution and winning bidder on bonds President, Secretary and Treasurer sign bond documents	District	Action Item; Roll Call Vote	
Ongoing	Process and file documents	District/C&C		
Tuesday, November 1, 2022	Close bond issue; receive working cash fund proceeds	ALL		

RESPONSIBLE PARTIES

Chapman and Cutler, Bond Prospect Heights SD 23, Issuer Raymond James, Placement Agent	C&C District RJ
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*Preliminary, subject to change.



**Prospect Heights School District 23
Finance & Buildings and Sites Committees
Memorandum**

Date: September 30, 2022

Subject: Technology Department Updates

Prepared by: Amy McPartlin, Asst. Superintendent for Finance & Operations
Chris Alms, Director of Technology

Under the new Director of Technology, Mr. Chris Alms, the Tech Department has been reviewing both its existing and renewing contracts for services and looking to increase efficiencies where possible. In order to bring the Committees up to date, we wanted to provide an update on several services:

Granite Telecommunications, LLC

The existing 25 Plain Old Telephone Service (POTS) lines have been under contract with Granite Telecommunications, LLC. Knowing that these lines need to be switched to digital, the District engaged Granite to complete an assessment and identify the active lines. Through call tests, consultation with Granite, and audits of inbound and outbound call logs, we ascertained that only the five fax lines (which are currently analog) need to be ported over. Comcast has been on site to do a site survey, with the conversion work forthcoming. We do have an updated contract with Granite for the cost of the lines. With this contract and no longer needing to pay for the other 20 lines, we anticipate a cost savings of approximately \$9,000/year.

Sentinel Technologies, Inc.

All of our digital phones are currently under contract with Sentinel Technologies. Additions to staff and “office areas” have required a correlating increase in phones and phone licenses through Sentinel. The updated licensing structure included several features and pricing options, including a master license with full voicemail capabilities on all lines. By making this transition and signing to a seven-year contract, we are able to realize an annual savings of approximately \$2,000. The contract does include all required updates to software and licensing. We are currently awaiting the updated contract back from Sentinel to reflect seven full years and a prorated year to better align us to the fiscal-year calendar.

eSchoolView (LINQ)

With the upcoming renewal of our Website Development contract this June, Chris has been evaluating options with several (7) different developers, including our current partner, eSchoolView. The Tech Department, including the District Webmasters, have visited and evaluated several sample sites, taking into consideration the following: overall appearance of the website, enhanced mobile view, and smoother, more intuitive editing tools. There are incentives with our current vendor, including a waived website redesign cost, that may be

most advantageous for the District. Following further evaluation, Chris will bring forth a recommendation for Board action.

Zeller & Assoc., Gerry Zeller

For the past several years, the District has partnered with Gerry Zeller for E-Rate consulting and support. Gerry continues to be an invaluable asset when it comes to maximizing the E-Rate opportunities and returns for District 23. He also offers consulting on updates to E-Rate and additional grant opportunities offered by the State and Federal Government. Gerry's current contract, as included, will cover Funding Year 2023 (7/1/2023 – 6/30/2024). The current listening period for suggested new items to cover is open, and Gerry keeps us updated as to what this means for us and for what we can apply. We are grateful of the Board's ongoing support of the partnership.

**LETTER OF AGENCY FOR THE
FCC’S SCHOOL AND LIBRARIES PROGRAM (E-RATE PROGRAM)
FY2023 (July 1, 2023 – June 30, 2024)
PROSPECT HTS SCHOOL DIST 23
700 N SCHOENBECK RD
PROSPECT HTS, IL 60070-1231**

PROSPECT HTS SCHOOL DIST 23, BEN 135314, has retained **Zeller and Associates, LLC (CRN 16051885)**, under contract as an Independent Consultant to serve as its’ agent in all matters related to E-Rate Funding Year 2023. This letter authorizes the Consultant and its authorized representatives to engage in all necessary and appropriate E-Rate application activities for the funding years(s) described herein, as well as follow-up actions as necessary related to ALL prior funding years.

I understand that, in submitting any E-Rate Program forms on our behalf, E-Rate Funding Services is making certifications for our school/district/library/consortium. By signing this Letter of Agency, I make the following certifications:

- a. I certify that the school(s) in our district are all schools under the statutory definitions of elementary and secondary schools found in the No Child Left Behind Act of 2001, 20 U.S.C. §§ 7801(18) and (38), that do not operate as for-profit businesses and do not have endowments exceeding \$50 million. I certify that the services that our school/district/library purchases under E-Rate, will be used solely for educational purposes and will not be sold, resold, or transferred in consideration for money or any other thing of value.
- b. I certify that the school/district/library has secured access to all of the resources necessary to make effective use of the services purchased as well as to pay the discounted charges for eligible services. I acknowledge that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service, receive an appropriate share of benefits from those services.
- c. I certify that our school/district/library is compliant, or will be compliant at the time funded services are provided, with the Children’s Internet Protection Act.
- d. I certify that our school/district has complied with all E-Rate program rules and I acknowledge that failure to do so may result in denial of discount funding and/or cancellation of funding commitments. I acknowledge that failure to comply with program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities. I certify that I am authorized to procure eligible services. I certify that I am authorized to submit this request on behalf of the eligible entity listed on this form.
- e. I certify that we will retain all E-Rate related documents for at least Ten years after the last day of service delivered; we will retain all documents necessary to demonstrate compliance with the statute and Commission rules, and I acknowledge that we may be audited pursuant to participation in the schools and libraries program.
- f. I certify that the non-discount portion of the costs for eligible services will not be paid by the service provider. The pre-discount costs of eligible services are net of any rebates or discounts offered by the service provider. I acknowledge that the provision, by the provider of a supported service, of free services or products unrelated to the supported service or product constitutes a rebate of some or all of the cost of the supported services.
- g. I certify that our Form 470 (RFP) is posted and make it available for at least 28 days before considering all bids received. I certify that all bids submitted will be considered and the bid selected will be for the most cost-effective product/service offering, with price being the primary factor. I certify that I have reviewed all applicable FCC, state, and local procurement/competitive bidding requirements and that I have complied with them.

I certify that I am authorized to sign this letter of agency and, to the best of my knowledge, information, and belief, all information provided to E-Rate Funding Services for E-Rate submission is true. That entities receiving discounted services under this Letter pursuant to this application have complied with the terms, conditions and purposes of the program, that no kickbacks were paid to anyone and that false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001 and civil violations of the False Claims Act.

Print Name of Authorized Signatory:

Title:

Signature:

Date:

X

_____ day of _____ 2022



ZELLER AND ASSOCIATES, LLC

2827 Covert Road
Glenview, Illinois 60025-4606
www.zellerandassociates.com
Voice: 847•828•4606
Fax: 847•729•5240

E-mail: gzeller@zellerandassociates.com

Customer: PROSPECT HTS SCHOOL DIST 23	Invoice No. 20800
PROSPECT HTS SCHOOL DIST 23 Christopher Alms 700 N SCHOENBECK RD Prospect Heights, IL 60070-1231	Date: September 22, 2022
Voice: Fax:	

e-Rate Consulting: Funding Year 2023 (July 1, 2023 to June 30, 2024)

ZELLER AND ASSOCIATES, LLC'S fee per contract is equal to 5% of the actual funding received by Prospect Hts School Dist 23 for Funding Year 2023.

- \$750 of this fee is due at the signing of this agreement. This initial fee is nonrefundable.
- 50% of the committed funding is due September 1 of Funding Year 2023 or within 30 days of the receipt of the Funding Year 2023 Funding Commitment Decision Letter.
- The balance will fall due after the last day of Funding Year 2023 or when the applicant completes receiving Funding Year 2023 reimbursements.

Amount Due: \$750.00

Please make check payable to *Zeller and Associates, LLC*.

Please Mail Payment to:

Zeller and Associates, LLC
2827 Covert Road
Glenview, Illinois 60025-4606

Thank-you very much for the opportunity to serve you, your school district, and the students it educates.

**AGREEMENT FOR E-RATE CONSULTING SERVICES
For Funding Year 2023 (7/1/2023 – 6/30/2024)**

THIS AGREEMENT (the "Agreement") is made as of this _____ day of _____, 2022 by and between **PROSPECT HTS SCHOOL DIST 23**, 700 N SCHOENBECK RD, PROSPECT HTS, IL, 60070-1231, **BEN 135314** (the "Applicant") and **ZELLER AND ASSOCIATES, LLC**, 2827 Covert Road, Glenview, IL 60025-4606 CRN 16051885, (the "Consultant").

RECITALS:

- The Applicant desires to have a Consultant prepare the documentation, forms and applications regarding the Federal Communications Commission ("FCC") Schools and Libraries Program, commonly referred to as the E-Rate Program (E-Rate).
- Applicant has the authority to enter into an Agreement with a Consultant for purposes of complying with the FCC E-Rate Program.
- Consultant is duly qualified to provide the services called for in this Agreement in consideration for the fee stipulated in this Agreement.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Applicant and the Consultant (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

Professional Services Provided. The Applicant hereby agrees to engage the Consultant to provide the Applicant with the services (the "Services") consisting of:

Best practice consulting services in all matters related to Category One and Category Two applications of the Federal Communication Commission E-Rate filings with the schools and library division ("SLD"); including E-Rate Program rules, regulations, policies, procedures, guidelines and deadlines.

Services provided by the Consultant under this agreement to include the following:

1. Advise Applicant on E-Rate compliance including updates on rules or regulatory changes, as applicable.
2. Advise Applicant of eligible services (USAC Eligible Service List "ESL").
3. Advise and assist Applicant in the vendor selection process, sharing all vendor proposals and ensuring compliance with program rules and regulations.
4. Advise and coordinate the preparation and filling of FCC Forms: 470, 471, 486, 500; and related forms, e.g. RAL:
 - a. Notify service providers of applicant's reimbursement payment option(s): by filing vendor specific documents indicating the monthly discount option (SPI) or the applicant reimbursement option (BEAR) as necessary;
 - b. Prepare and file as required:
 1. Invoice Deadline Extension Request(s) (IDER);
 2. Service Provider Identification Number (SPIN) change requests;
 3. Service Substitution Requests.
5. Respond to requests from USAC:
 - a. Program Integrity Assurance (PIA) requests;
 - b. Selective Review Information Requests (SRIR) related to a contracted filing year (current); and/or
 - c. Payment Quality Assurance (PQA) requests.
6. Prepare and file USAC and/or FCC appeals, if necessary.
7. Track, file, and reconcile applicant invoices for current funding year.
8. Act as the applicant's main point of contact with the SLD.
9. Provide Applicant with copies of documents and correspondence that the applicant must be maintain for ten (10) years after the last date of service
10. Other services or tasks which the Parties may agree on.

Applicant Responsibilities

- USAC – EPC Portal: Applicant agrees to designate Zeller and Associates, LLC, as the Applicant’s “E-Rate” consultancy with “Full Rights” as defined by USAC granted to Gerry Zeller, Brian Kelly, David Gornstein, and any other consultant as requested, in consultation with the Applicant, by Zeller and Associates, LLC;
- Provide all required / requested information and data necessary for successful filing of all forms with the SLD in a timely manner;
- Take official action to review drafts and promptly sign and return all forms required for filing with a third party in a timely manner;
- Inform the Consultant at least forty-five (45) days prior to the signing of any contract that may concern E-Rate Eligible services;
- Inform the Consultant within two (2) business days of any communication the Applicant receives from the SLD of the Universal Service Administrative Company (“USAC”);
- Promptly pay Consultant’s fee(s) for services rendered. All payments are due and payable upon receipt of the invoice, unless other payments options have been agreed upon by the parties;
- Retain all necessary E-Rate documentation and correspondence relative to the program for at least ten (10) years from the last date of service as required by the FCC.

Compensation. For the services rendered by the Consultant as described by this Agreement, the Applicant will provide compensation (the "Compensation") to the Consultant as follows:

For Funding Year 2023 (July 1, 2023 to June 30, 2024): Five percent (5.0%) of the actual funding received by the applicant.

- \$750 of this fee due at the signing of this agreement. This initial fee is nonrefundable.
- 50% of the committed funding due September 1, 2023 or within 30 days of receipt of the Funding Year 2023 Funding Commitment Decision Letter.
- The balance will fall due after the last day of the Funding Year (June 30, 2024) or when the applicant receives Funding Year 2023’s reimbursements.

Additional Compensation. The Applicant understands that the Compensation as provided in this Agreement will constitute the full and exclusive monetary consideration and compensation for all services in all matters related to Category One and Category Two applications performed by the Consultant. At the written request of the Applicant, the Consultant will provide additional Professional Services, compensation as agreed to by the parties.

Term. The term of this Agreement ("Term") will commence with the signing of this agreement, and will remain in full force and effect until the Program has paid the applicant all approved amounts for the specified funding year or until all issues with the funding year are resolved. The Term of this Agreement may be extended by mutual written agreement of the Parties.

Termination. Either party may terminate this Agreement by delivering written notice at least (30) days prior to the proposed termination date.

Conflict of Interest. No business or personal relationship exists between any applicant employee and the consultant.

Attorney’s Fees and Costs. In any litigation, arbitration or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, each party shall bear its own attorney fees, together with any costs and expenses to resolve the dispute and to enforce the final judgement.

Severability. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

Confidentiality. Confidential information refers to any data or information relating to the Applicant, whether business or personal, which would reasonably be considered to be private or proprietary to the Applicant and that is not generally known and where the release of that Confidential Information could reasonably be expected to cause harm

to the Applicant. The Consultant agrees that (s)he will not disclose, divulge, reveal, report or use, for any purpose, any Confidential Information which the Consultant has obtained, except as authorized by the applicant, or required by law. This obligation will survive for a period of one (1) year from the termination of this Agreement.

Independent Contractor. While engaged in carrying out and complying with the terms and conditions of this Agreement, Consultant is an independent contractor and not an officer, employee, or agent of the Applicant.

Limitation of Liability. The Applicant is responsible for verifying the accuracy of information submitted to the Consultant. The Consultant disclaims and makes no warranty, express or implied, nor assumes any legal liability or responsibility for the validity, accuracy, correctness, or completeness of any information that is provided by the Applicant to the Consultant. By submitting information, the Applicant understands that Consultant will submit the information to USAC, and shall not be liable for any direct, indirect, incidental, consequential or exemplary damages, including but not limited to, damages for loss of funding, data or other intangible losses, resulting from the Applicant's non-response or incomplete response and/or the Applicant's inaccurate, invalid, incorrect, or incomplete provision of information.

Modification of Agreement. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party.

Assignment. The Consultant will not voluntarily or by operation of law assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Applicant.

In the event Zeller and Associates, LLC is unable to perform the above duties; with the consent of the Applicant, they may be assumed by David Gornstein, of E-Rate Funding Services, LLC, 718 Saint Nicholas Drive, O’Fallon, IL 62269 CRN 16082747; Home Office: 618-589-9233; Fax: 866-735-8070; Cell: 973-714-3724; Email: dave.erfs@att.net.

Governing Law. It is the intention of the Parties to this Agreement that this Agreement and the performance under this Agreement, and all suits and special proceedings under this Agreement, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of the State of Illinois, without regard to the jurisdiction in which any action or special proceeding may be instituted.

Authority. The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to execute and contractually bind their respective legal entities.

Entire Agreement. This Agreement supersedes any and all other agreements, whether oral or in writing, between the parties with respect to the subject of this Agreement. The Agreement contains all the covenants and agreements between the parties with respect to the subject of this Agreement, and each party acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any party except the covenants and agreements embodied in this Agreement. No agreement, statement, or promise not contained in this Agreement shall be valid or binding on the parties with respect to the subject of this Agreement.

ACCEPTED on this ___ day of _____ 2022.

Print Name of Authorized Signatory:

Title:

Signature:

X

For Zeller and Associates, LLC:

Gerard “Gerry” F. Zeller

Title:

Consultant

Signature:



**Prospect Heights School District 23
Board Memorandum**

Date: October 12, 2022

Subject: Summary of Categorical Grants

**Contacts: Dr. Amy Zaher Assistant Superintendent for Curriculum and Instruction
Mrs. Amy McPartlin Assistant Superintendent for Finance and Operations**

This table is intended to provide a summary of the categorical grants for the 2022-2023 school year.

CATEGORY	OVERVIEW	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
School Library Grant	Funds will be used to purchase library books.	\$1,129	\$1,135	\$1,103	\$1,052	\$1,199
Base Funding Minimum	Formerly: General State Aid SPED Personnel SPED Children Requiring Services SPED Summer Title III TBE/TPI (EL)	\$1,753,620	\$1,805,831	\$1,805,831	\$1,845,756	\$1,846,549
Title III: LIPLEPS (Federal) Language Instruction Program for Limited English Proficient Students	Funds will be used for .5 FTE TPI/TBE salaries, supplementary materials, Summer Reading and BPAC Meetings	\$41,600	\$40,000	\$37,825	\$37,060	\$45,600
IDEA Flow-Through	Funds will be used to pay special education aide salaries and to address the needs of our	\$287,324	\$310,628	\$325,768	\$318,023	\$327,454

	Disproportionality Findings.					
IDEA Preschool	Funds will be used for a portion of a program assistant's salary.	\$17,890	\$15,936	\$15,360	\$14,645	\$15,093
Title IA Basic Programs	Funds will be used for 6 part-time reading and math tutors, digital literacy software, reading and math supplemental materials, programming, and supplies for homeless students.	\$130,333	\$128,765	\$127,081	\$120,266	\$118,849
Title IIA Teacher Quality	Funds will be used to pay for the mentoring program, tuition reimbursement for teachers and for teacher professional development.	\$29,496	\$28,040	\$26,856	\$26,515	\$26,793
Title IV -Student Support and Academic Enrichment	Funds will be used to student health and wellness presentations	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Elementary and Secondary Emergency Relief Grant ESSR (CARES Act) <i>*funds must be spent by Sept. 30, 2022</i>	Funds were approved and allocated at the end of FY20 and utilized over this summer to purchase iPads for Kindergarten through 3rd Grade as well as Thermometers and PPE for school use. Funds were received in FY21.			\$124,604		

<p>Elementary and Secondary Emergency Relief Grant ESSR II (CRRSA)</p> <p><i>*funds must be spent by Sept. 30, 2023</i></p>	<p>Funds were approved and allocated to refresh iPads, purchase building subs, Sound System Enhancement, HVAC equipment, etc.</p>			<p>\$467,692</p>		
<p>Elementary and Secondary Emergency Relief Grant ESSRG III (American Rescue Plan - ARP)</p> <p><i>*funds must be spent by Sept. 30, 2024</i></p>	<p>Funds were approved and allocated, purchase building subs, curriculum materials, after school tutoring, outdoor learning spaces, HVAC equipment etc.</p>			<p>\$1,093,264</p>		
<p>Total</p>		<p>\$2,286,458</p>	<p>\$2,340,335</p>	<p>\$2,942,120</p>	<p>\$3,466,581</p>	<p>\$2,391,537</p>

Child Nutrition Programs

Emergency Contract Amendment for School Year 2022-2023 Guidance

Food Management Services/ Vended Meals Services

Due to the current market conditions and feedback from SFAs, SFAs may negotiate with their FSMC/Vendor to adjust their current contracted rates under an emergency contract amendment. The Emergency Contract Amendment would allow rate to reflect current market pricing and/or the addition of another Federally funded Child Nutrition program if it was not in the original contract.

We understand that, in some cases, there has been a significant industry increase in costs (such as additional packaging requirements, additional transport equipment, the Illinois mandated fixed minimum wage increase, etc.) based on the individual SFA needs. It is the SFA's responsibility, as stewards of these federal funds, to take an active role in the negotiation of any such increases. The SFA **must** ensure that the increase is based on a financial/cost analysis of your specific district needs. The SFA must ensure that the increased costs only include costs that are an allowable use of the nonprofit school food service account and costs specific to the production of the reimbursable meals served. The final rate must be based on all of these factors and must be of mutual agreement between both parties

ISBE recommends and encourages the SFA to consult the SFA's legal counsel to ensure compliance with all local, state and federal statutes and policies before implementing this Emergency Contract Amendment for School Year 2022-2023.

This amendment is **REQUIRED** if, due to current market conditions, the SFA is adding any additional Federally funded Child Nutrition Programs and/or both parties agree to any rate adjustments and the attached form **must** be submitted to ISBE for approval prior to utilizing Child Nutrition Program funds to pay for any meals or services outside of the original contract. The ISBE Emergency Contract Amendment for School Year 2022-2023 form **must** be used for submission. No other amendment agreement or documentation will be accepted.

- The ISBE Emergency Contract Amendment for School Year 2022-2023 form must be submitted by the SFA, not the FSMC/Vendor, based on your negotiations.
- Applicable dates must align with the original contract and shall not exceed June 30, 2023.
- Per meal rates must be calculated as if no USDA commodities will be received.
- All rates must be a fixed price per meal based and all modified rates must be based on a financial/cost analysis and need to increase pricing based on food, supplies, and Illinois Fixed Minimum wage increase that are above and beyond the contracted CPI index.

Please Note: ISBE is **not** requiring the SFA to enter into this Emergency Contract Amendment for school year 2022-2023 for rate adjustments. SFAs may utilize this Emergency Contract Amendment at their discretion if they are anticipating additional costs due to the current market conditions and/or student/family needs. If the SFA determines through the required financial/cost analysis that there would be allowable increases in costs for the meal service(s), then the SFA can choose to allow this Emergency Contract Amendment, in order to prevent conducting a new procurement. If the SFA determines they wish to allow the amendment, the attached Emergency Contract Amendment form for School Year 2022-2023 must be completed, signed by both parties and submitted to ISBE.

If you have questions concerning the Emergency Contract Amendment for School Year 2022-2023, please contact Program Staff at nutritionprocurement@isbe.net.

Child Nutrition Programs

Emergency Contract Amendment for School Year 2022-2023 Question and Answers Food Management Services/ Vended Meals Services

Updated September 2022

- Q1: **Are we, the School Food Authority (SFA), required to enter into the Emergency Contract Amendment with our FSMC/Vendor?**
- A: ISBE is **not** requiring the SFA to enter into this Emergency Contract Amendment for school year 2022-2023 for rate adjustments. SFAs may utilize this Emergency Contract Amendment at their discretion if they are anticipating additional costs due to the current market conditions and/or student/family needs. If the SFA determines through the required financial/cost analysis that there would be allowable increases in costs for the meal service(s), then the SFA can choose to allow this Emergency Contract Amendment, in order to prevent conducting a new procurement. If the SFA determines they wish to allow the amendment, the attached Emergency Contract Amendment form for School Year 2022-2023 must be completed, signed by both parties and submitted to ISBE.
- Q2: **Who should fill out the Emergency Contract Addendum for School Year 2022-2023?**
- A: It is the intent that the SFA should initiate the Emergency Contract Amendment for school year 2022-2023. It is the SFA's responsibility, as stewards of these federal funds, to take an active role in the negotiation of any such increases. The SFA **must** ensure that the increase is based on a financial/cost analysis of your specific district needs. The SFA must ensure that the increased costs only include costs that are an allowable use of the nonprofit school food service account and costs specific to the production of the reimbursable meals served. The final rate must be based on all of these factors and must be of mutual agreement between both parties
- Q3: **Can the terms of the Emergency Contract Addendum for School Year 2022-2023 go back to the beginning of the school year?**
- A: Any Emergency Contract Amendment for school year 2022-2023 submitted can only be effective date will be the first day of the submission month. Example if the Emergency Contract Amendment for school year 2022-2023 is submitted on October 29th, 2022, that effective date of the amendment will be October 1, 2022.
- Q4: **When is the ending date for the Emergency Contract Addendum for School Year 2022-2023?**
- A: The Emergency Contract Amendment for school year 2022-2023 will end on June 30, 2023, or sooner if indicated by the SFA, for all contracts.
- Q5: **Since our labor needs might fluctuate, can the labor costs be billed outside the meal rate?**
- A: No. All labor costs must always be included in the price per meal for all fixed price contracts based on the financial analysis. This includes the previous allowable billback of the Illinois fixed minimum wage billback. The Illinois fixed minimum wage rates must now be included in the new fixed meal rate and cannot be billback as a separate line item on the monthly invoice.

Q6: What if we (the SFA) do not agree with the requested price adjustment, or the requested price adjustment does not fit into our budget what are our options as an SFA?

A: If both parties can not come to a mutual agreement of a fixed price per meal rate based on a financial/cost analysis specific to the local SFA needs, both parties can elect to terminate the partnership. The SFA then can conduct an emergency purchase, with **any** FSMC/Vendor that is able to provide the services the district requires for the time period needed, to continue uninterrupted food service using noncompetitive procurement methods. This type of procurement or purchase is short-term in duration (maximum one school year), which means these contracts **cannot** be renewed for the following school year regardless of any current contracted renewal options or potential USDA waivers or flexibilities regarding contract extensions. The district will be placed on a mandatory rebid list for a new contract starting SY 2023-2024

Q7: When is a financial/cost analysis required and who is supposed to complete it?

A: A detailed financial/cost analysis must be performed and submitted by the FSMC/Vendor to the SFA if price changes should occur during the life of a contract. The SFA must ensure that the FSMC/Vendor has completed the financial/cost analysis and that appropriate supporting documentation is provided to the SFA and maintained on file and available upon request by ISBE or the USDA.

Q8: How do I submit my Emergency Contract Amendment for School Year 2022-2023?

A: Via email to nutritionprocurement@isbe.net

Q9: Do amendments need to include all of these rates or just the ones that the SFA believes will apply to them this year? ex. if I am not going to do SFSP this summer or next summer can I leave those rates empty?

A: The SFA is not required to include all of these rates. However, ISBE does encourage that the SFA and FSMC/Vendor discuss all of the rates just in case the SFA determines at a later date that there is a need. Although all rates are not required conducting a financial/cost analysis and negotiating all of the rates could eliminate the need to complete another amendment later in the school year if an unforeseen need were to arise.

**Emergency Contract Amendment for School Year 2022-2023
Food Management Services/Vended Meals Services
Nonprofit Food Service Program**

This document contains the fixed price per meal rates and fees for the contract of food service management company services for nonprofit food service programs for the period beginning (**September 1, 2022**) and shall not exceed June 30, 2023. Upon acceptance, this document shall constitute a contract amendment between the Food Service Management Company (FSMC)/Vended Meals Company (Vendor) and the School Food Authority (SFA).

The FSMC shall not plead misunderstanding or deception because of the character, location, or other conditions pertaining to the contract.

Adjusted rate must be based on a required detailed financial/cost analysis to support how the rate was determined. The SFA is required to maintain on file the detailed financial/cost analysis and have available upon request for auditing purposes.


PER MEAL PRICES MUST BE A FIXED PRICE PER MEAL RATE AND
CALCULATED AS IF NO USDA COMMODITIES WILL BE RECEIVED

	Current Rate	Adjusted Rate
<u>School Nutrition Programs (SNP)</u>		
1. Reimbursable Breakfasts with Milk	1. <u>\$1.5088</u>	1. <u>\$1.8288</u>
2. Reimbursable Breakfasts without Milk	2. _____	2. _____
3. Reimbursable Lunches ⁽¹⁾ with Milk	3. <u>\$2.5770</u>	3. <u>\$3.2570</u>
4. Reimbursable Lunches ⁽¹⁾ without Milk	4. _____	4. _____
5. A la Carte Equivalents Fee ⁽¹⁾	5. <u>\$2.5770</u>	5. <u>\$3.2570</u>
6. Reimbursable After-School Snack	6. _____	6. _____
<u>Child and Adult Food Care Programs (CACFP)</u>		
7. Reimbursable Supper with Milk	7. <u>\$4.3502</u>	7. <u>\$5.0302</u>
8. Reimbursable Supper without Milk	8. _____	8. _____
9. Reimbursable AM/PM Snack	9. _____	9. _____
<u>Summer Food Service Program (SFSP)</u>		
10. Reimbursable Breakfasts with Milk	10. <u>\$1.5088</u>	10. <u>\$1.8288</u>
11. Reimbursable Breakfasts without Milk	11. _____	11. _____
12. Reimbursable Lunches ⁽¹⁾ with Milk	12. <u>\$2.5770</u>	12. <u>\$3.2570</u>
13. Reimbursable Lunches ⁽¹⁾ without Milk	13. _____	13. _____

⁽¹⁾ Reimbursable Lunch and A la Carte Equivalents Fee Rates must be the same. (A la carte equivalency factor for this contract term is 4.1875 and applies to all a la carte sales in the CNP)

OrganicLife, LLC		
Food Service Management Company (FSMC)/ Vended Meals Company (Vendor)		
430 W. Erie St., Ste. 403	Chicago, IL	60654
Street Address	City/State	ZIP Code

By submission of this Emergency Contract Amendment, the FSMC certifies that they shall operate in accordance with all applicable Child Nutrition Program rules and regulations outlined in, but not limited to, 2 CFR 200, 7 CFR 210, 7 CFR 225, 7 CFR 226, and 7 CFR 250.

 _____ Authorized Signature of FSMC	CEO _____ Title	9/23/22 _____ Date
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Acceptance of Noncompetitive Procurement Contract

School Food Authority (SFA)

Agreement Number (RCDT Code)

SFA Authorized Representative Signature

Title

Date

* The Authorized Representative is the individual who is the highest-ranking official that is legally and financially responsible for all areas of the school district or organization. For public schools this would be the District Superintendent.

