

AGENDA
MEETING OF THE BOARD OF EDUCATION
Monday, December 18, 2023
7:00 P.M.

The Board Meeting for Monday, December 18, 2023 will be held at Park View School, Library, 6200 Lake Street, Morton Grove, Illinois 60053.

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Audience to Visitors
5. Approval of Minutes
 - A) Regular Meeting – November 13, 2023 (page 3)
6. Approval of Bills
 - A) Deposits to Treasurer – November, 2023
 - B) Accounts Payable – November, 2023
7. Treasurer's/Business Report (page 11)
8. Education Report
9. Special Education Report
10. Superintendent Report
11. Informational Items
 - A) Enrollment Report (page 12)
 - B) Lunch Report (page 14)
 - C) FOIA Requests (page 16)
12. Action Items
 - A) Approval of FY23 Audit (page 18)
 - B) Approval of Bids – LED Lighting Project (page 109)
 - C) Approval of Policies – Second Reading (page 112)
 - D) Approval of New Hire – Lunchroom/Recess Supervisor (page 182)
 - E) Approval of New Hire – Kindergarten Teacher aide (page 183)
 - F) Approval of New Hire – Lunch/Recess Supervisor (page 184)
 - G) Approval of New Hire – One-on-One Teacher aide (page 185)

13. Old Business

14. New Business

15. Audience to Visitors

16. Adjournment

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF EDUCATION OF
SCHOOL DISTRICT NO. 70
COOK COUNTY, ILLINOIS**

November 13, 2023

The Meeting was called to order at 7:00 p.m. with the following members present:

Paul Torres
Mark Thannert
Pamela Alper
Kate Pichon
Jeremy Wilson
Claudia Popielarczyk

Absent:

George Karagozian

Erin Majchrowski, Director of Business Services; John Wawczak, Principal; Nicole Cardillo-Kerr, Director of Curriculum and Professional Learning; Katherine McKee, Student Services Coordinator; Jacquelyn Le-Mon, Assistant Principal; Alana McCloskey, District Data Manager; Matt Condon, Superintendent; and Deirdre Koehler, Board Secretary were in attendance. The following staff members were also in attendance: Jane Berg and Laura Hansen. Dr. John Bruesch from ECRA was also in attendance.

Audience

To

Visitors None

***Approval of
Minutes
Regular Mtg
10/16/23***

Copies of the minutes from the Regular Board of Education Meeting on October 16, 2023 were included in the Board Packet. A motion was made by Member Torres and seconded by Member Alper to approve the Minutes of the Regular Meeting on October 16, 2023.

Roll Call: Members Pichon, Thannert, Popielarczyk, Torres, and Wilson voted aye. Member Alper abstained. Nays none. The motion carried.

***Approval of
Deposits***

A motion was made by Member Torres and seconded by Member Alper to approve the deposits for the month of October 2023.

Preschool Tuition	\$3,375.00
Student Lunch	\$14,111.85
Adult Lunch	\$140.00
School Fees	\$19,226.00
iPad Sales	\$600.00
Rebates and Refunds	\$299.34
TOTAL	\$37,752.19

Roll Call: Members Alper, Pichon, Thannert, Popielarczyk, Torres, and Wilson voted aye. Nays none. The motion carried.

***Approval of
Payables***

A motion was made by Member Torres and seconded by Member Alper to approve the payables for the month of October 2023.

Fund 10 – Education	\$1,142,423.97
Fund 20 – O&M	\$81,494.04
Fund 30 – Debt Service	\$76,695.21
Fund 40 – Transportation	\$124,330.04
Fund 60 – Capital Projects	\$6,479.00
TOTAL	\$1,431,422.26

Roll Call: Members Alper, Pichon, Thannert, Popielarczyk, Torres, and Wilson voted aye. Nays none. The motion carried.

***Treasurer's
And Business
Report***

Director of Business Services, Erin Majchrowski, reviewed the Treasurer's Report. Revenues through October total \$1,685,425. Expenditures through October total \$5,208,471. Monthly expenditures for October total \$2,357,707. The current fund balance, which is as of the end of October 2023, is \$18,229,941 and the fund balance in October of 2022 was \$18,199,905. Mrs. Majchrowski also reported that the audit is mostly complete and will be presented at the December or January board meeting.

There was a public hearing at 7:10pm to present the levy. Mrs. Majchrowski presented the tentative levy information. The truth in taxation law states that the determination is established through the adoption of the tentative tax levy at the October board meeting. If the taxing agency's current year's tax levy request is

greater than 5% over the prior year’s extension, a proper notice must be published in the newspaper and a public hearing must be held prior to adoption.

The tax levy is the request for revenue to meet operating needs for the current and future budgets. The tax extension is the actual revenue appropriated to the district based on statutory PTELL limits. If the levy is set too low, lost money is foregone in the first year and compounds significantly in every future year. The district can never catch up because the annual increase is limited by PTELL. The limiting rate formula under PTELL begins with last year’s actual tax extension.

The district is asking for a 6.5% increase to capture all new property. The district is levying less than actual expenditures in IMRF to decrease the fund balance and continuing to levy more in operations and maintenance to fund capital projects.

The factors that were considered in the levy proposal are as follows: CPI for the 2022 levy is 6.5% (capped at 5%), prior year extension was \$13,381,025, 0% increase in EAV (estimate), and new property valued at \$800,000 (estimate).

Based on current factors, and the fact that a majority of these factors are only estimates, the recommendation is that the Board levy 6.5% over the 2022 aggregate extension as detailed in the tax levy presentation. There have been no changes made to the levy since the presentation to the board last month.

The recommended levy amounts per fund are as follows: Education - \$10,050,000, Operations & Maintenance - \$1,800,000, Transportation - \$800,000, Working Cash - \$125,000, Municipal Retirement - \$100,000, Social Security - \$151,000, Special Education - \$1,225,000.

Cash Reserve Balances are as follows:

Fund	Cash Balance as of 6/30/23 (FY23)	Cash Balance as of 10/31/23 (Most Recent)
Education	\$14,369,666	\$11,494,014
Operations&Maintenance	\$1,032,761	\$434,441
Debt Service	\$281,623	\$301,285
Transportation	\$2,112,050	\$2,005,119
IMRF/SS	\$261,734	\$174,818
Capital Projects	\$1,221,902	\$1,163,926
Working Cash	\$2,457,686	\$2,473,452
Fire Prevention & Safety	\$653	\$656

Outstanding debt totals \$895,000 for district bonds & \$599,704.50 for NTDSE construction bonds.

***Super-
Intendent
Report***

Mr. Condon reported that Park View School achieved ISBE exemplary status. This means that overall performance is in the top 10% of all Illinois schools. There must be no underperforming student groups at or below the “all students” group of the lowest-performing 5% of schools. He thanked the board and the staff for their dedication and support to achieve this. Member Torres also express his admiration of the staffs’ efforts. Mr. Condon also thanked former Superintendent, Brad Voehringer, and former Assistant Superintendent, Matt Mayer, for their hard work to help achieve this.

November 15th is School Board Members Day. Mr. Condon conveyed to the Board how much the district appreciates them.

Mr. Condon also informed the board that there will be a water main project from January through April. There will be large trucks. Mr. Condon received assurances that students and staff will be safe during the project.

Dr. John Bruesch from ECRA presented the Achievement Status and Academic Growth for Park View School students. Highlights from the presentation include the following items. There was a continued rise in student achievement from 2017-2018 to 2022-2023 in the Illinois Assessment of Readiness (IAR) for ELA and Mathematics.

For ELA, in 2022, the percentage of meeting/exceeding students was 47.5% (which was the 81st percentile in the state). In 2023 that percentage was 65.8% (which was the 95th percentile in the state). For Mathematics, in 2022, the percentage of meeting/exceeding students was 45.4% (which was the 79th percentile in the state). In 2023 that percentage was 49.7% (which was the 84th percentile in the state). Per ECRA analytics, almost every grade level and every student in grades 3-8 are making higher than expected growth in both Mathematics and ELA.

Compared to the township, the district is number one in regards to percent proficient in ELA and Mathematics. This is true even though the pupil expenditure is less than other districts in the township. Out of 853 public school districts (3,977 actual schools) in Illinois, the district is in the top 10% of those schools for student achievement. This is due to prolonged efforts in using data to drive student learning through the PLC (Professional Learning Communities) process. The steady accelerated ELA and Mathematics growth since using the PLC process in 2018 continues to lead to higher proficiency than even pre-Covid norms. The district shows fiduciary responsibility while also yielding a high academic return on investment.

***Education
Report***

Mr. Wawczak shared that Halloween was a success despite the weather and the parade was moved indoors. The Parent-Teacher conferences were a success with many families/guardians attending. He also highlighted a group of 4th grade students who went out of their way to include other classmates in their activities at recess and also commended recess supervisor, John Scanlon for his involvement.

Director of Professional Learning and Curriculum Nikki Kerr and Student Services Coordinator Katie McKee shared the results of the Panorama Parent Survey. Ninety-three families responded to the survey. For Parent Teacher Conferences, some areas of strength were parents found that the school communicates well with people from their culture (96% favorable response) and the school is welcoming to parents (95% favorable response). A possible growth area is some parents did not feel a sense of belonging to their child's school community (however, this still received a 90% favorable rating).

For the school climate part of the survey, parents felt that teachers have respect for the children (96% favorable response). Parents felt that administrators create a school environment that helps children learn (95% favorable response). Possible growth areas are how fair or unfair the school's system of evaluating children (80% favorable for curriculum night and 89% favorable for Parent-Teacher Conferences).

Mrs. Kerr also talked about vertical alignment with math and work the teachers have been doing with this.

***Special
Education
Report***

Mrs. Alper gave the Special Education Report. Extended school year will be held at Todd Hall School this summer. The new technology network security system has been approved. There was a Friends of NTDSE recognition. Sydney Ratliff, a NTDSE K-2 Satellite Teacher, wrote, "Laura Hansen has been so welcoming to me as a new teacher and also to my students. She has welcomed them with open arms and always invites them to different activities in the room. She has also taken the time out of her day to brainstorm with me on how to make their experiences more meaningful! I am really happy to be working with her this year." Mrs. Alper stated that Mrs. Hansen is well respected throughout the community.

***Informational
Items***

***Enrollment
Report***

There were 871 students enrolled as of October 31, 2023.

***Lunch
Report***

There were 6,584 lunches sold in October 2023.

FOIA Requests

Guiding Question: What have been the most recent Freedom of Information Act requests since the last report to the Board of Education?

Policy Reference: 2:250 – Access to District’s Public Records

Description: Included are the most recent FOIA request. Please know the District responded appropriately for all requests or is in the process of responding.

REQUEST – received via mail on October 11, 2023

Dear Public Records Department:

Please consider this letter as a public records request for commercial purposes as defined under the laws applicable to your jurisdiction.

We are requesting:

1. A copy of the last property & casualty insurance renewal summary for all lines of insurance purchases by the school district (general liability, auto, workers comp, professional, directors and officers, etc.). This document summarizes the insurance terms, limits, deductibles, premiums and exclusions.
2. A copy of the last employee benefits insurance renewal summary for health, dental and vision plans sponsored by the school district. This document shows plan options available to the district’s employees and the pricing for employee, employee plus spouse, and employee plus family.

Please respond with PDF versions of the requested documents or any questions you may have to the following email address;

publicrecords@alliumdata.com

Thank you,

Michael Rost

Founder & CEO

Allium Data

RESPONSE – Sent via email on October 11, 2023

RECOMMENDATION – No action is needed from the Board.

***Policy
Reading***

Mr. Condon went over the first reading of the PRESS policies updated October 2023. These policies relate to Board Governance and Open Meetings as well as District Operations.

***Action
Items***

***Approval
Of
Tax Levy
Resolution***

A motion was made by Member Torres and seconded by Member Wilson to approve the Tentative Tax Levy Resolution.

Roll Call: Members Alper, Pichon, Torres, Popielarczyk, and Wilson voted aye. Member Thannert voted nay. The motion carried.

***Approval
Of
New Hire***

A motion was made by Member Torres and seconded by Member Alper to approve the hire of Lorna Pinner as the Front Office Administrative Assistant.

Roll Call: Members Alper, Pichon, Thannert, Torres, Popielarczyk, and Wilson voted aye. Nays none. The motion carried.

***Approval
Of
Resignation***

A motion was made by Member Torres and seconded by Member Alper to approve the resignation of Lauren Murphy as a kindergarten teacher aide effective October 27, 2023.

Roll Call: Members Alper, Pichon, Thannert, Torres, Popielarczyk, and Wilson voted aye. Nays none. The motion carried.

***Approval
Of
Resignation***

A motion was made by Member Torres and seconded by Member Alper to approve the resignation of Evelyn Oppenheimer as a recess supervisor, effective November 7th, 2023.

Roll Call: Members Alper, Pichon, Thannert, Torres, Popielarczyk, and Wilson voted aye. Nays none. The motion carried.

***Old
Business*** None

New

Business Member Alper mentioned that she is representing the district at the Delegates Assembly and the Joint Annual Conference and will vote the way suggested unless anyone has any concerns. Mr. Torres brought up the possibility of starting full-day kindergarten before it is mandatory. Mr. Condon said they are meeting with the architect to do that. The facilities will look at options.

Audience

To

Visitors None

**Adjourn-
ment**

At 8:20pm, a motion was made by Member Torres and seconded by Member Thannert to adjourn the meeting. All members were in favor.

Approved by:

Secretary

President

Treasurer's Report - November 23

	Beg of Year Fund Bal	Rev to Date	Month Exp	Exp to Date	Transfers	Current Fund Bal (23-24)	November Fund Bal (22-23)	End of Year Fund Bal (22-23)
EDUCATION	\$14,361,529	\$2,803,401	\$1,007,703	\$5,168,869		\$11,996,061	\$10,653,144	\$14,361,529
STUDENT ACTIVITY	\$20,129	\$14,021	\$2,901	\$21,105		\$13,045	\$24,481	\$20,129
BUILDING	\$1,035,529	\$194,217	\$62,308	\$601,972	(\$87,394)	\$540,380	\$1,348,784	\$1,035,529
BOND & INTEREST	\$281,623	\$49,248	\$0	\$76,695	\$87,394	\$341,570	\$293,954	\$281,623
TRANSPORTATION	\$2,112,202	\$270,231	\$100,192	\$356,418		\$2,026,015	\$1,426,002	\$2,112,202
IMRF/SS	\$261,734	\$39,568	\$28,767	\$120,503		\$180,799	\$97,242	\$261,734
CAPITAL PROJECTS	\$1,221,902	\$8,502	\$0	\$64,779		\$1,165,625	\$253,272	\$1,221,902
WORKING CASH	\$2,457,686	\$30,023	\$0	\$0		\$2,487,709	\$2,330,880	\$2,457,686
TORT IMMUNITY	\$0	\$0	\$0	\$0		\$0	\$71	\$0
LIFE SAFETY	\$653	\$5	\$0	\$0		\$658	\$643	\$653
TOTAL	\$21,752,987	\$3,409,216	\$1,201,871	\$6,410,341		\$18,751,862	\$16,428,473	\$21,752,987

Informational Item A

To: The Board of Education

From: Matthew Condon, Ed. S.

Re: Enrollment Report

Date: December 18, 2023

The enrollment report as of November 30, 2023 is attached.

Number of Students by Teacher and Grade 2023-2024

11/30/2023

Grade	Teacher	Total
K	Cusella AM	14
K	Heymann AM	13
K	Heymann PM	17
K	Luksa AM	15
K	Luksa PM	17
K	Cusella EDK *	5
Kindergarten Total		76
6th Day	74	Prev month 76

Grade	Teacher	Total
3	Faubert	23
3	Nelson	23
3	Schwab	25
3	Starwalt	23
3rd Grade Total		94
6th Day	93	Prev month 95

Grade	Teacher	Total
6	Brody	24
6	Davlin	22
6	Levin	25
6	Schroeder	23
6th Grade Total		94
6th Day	93	Prev month 94

1	Connelly	21
1	Girioni	21
1	Hansen	18
1	Melnick	19
First Grade Total		79
6th Day	82	Prev month 78

4	DiFronzo	23
4	Esp	24
4	Lucci	24
4	Trail	24
4th Grade Total		95
6th Day	94	Prev month 94

7	Farbman	21
7	Katz	20
7	Lazar	20
7	Lerner	26
7	Oats	19
7th Grade Total		106
6th Day	105	Prev month 106

2	Botten	18
2	Frake	21
2	Reynolds	21
2	Thanas	21
Second Grade Total		81
6th Day	80	Prev month 81

5	Cogan	23
5	Nolan	23
5	Oles	23
5	Reich	22
5th Grade Total		91
6th Day	88	Prev month 90

8	Friman	19
8	Hobson	19
8	Mazukelli	20
8	Pape	20
8	Rice	20
8th Grade Total		98
6th Day	96	Prev month 98

Blended AM	13
Instructional AM	6
Blended PM (2 classes)	31
NTDSE D70 **	10
NTDSE non D70 **	2

Total	
PreK-5	566
6-8	298
PreK-8	864
TOTAL (incl. D70 NTDSE)	874

*students already counted in AM class

** not included in classroom totals

Informational Item B

To: The Board of Education

From: Matthew Condon, Ed. S.

Re: Lunchroom Report for 2023-2024

Date: December 18, 2023

Enclosed is the monthly lunchroom report for the 2023-2024 school year.

**MORTON GROVE DISTRICT 70
STUDENT LUNCH COUNT**

STUDENT ENROLLMENT	YEAR	PRICE	AUG/SEP*	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY/ JUNE
767	01-02	\$ 1.85	8129	5975	5306	4571	5025	5362	4134	4733	4599
779	02-03	\$ 2.00	5034	7392	6647	4005	4546	4069	3846	4578	6047
716	03-04	\$ 2.00	5542	4329	3020	3337	4071	3870	4160	4437	4942
777	04-05	\$ 2.00	6927	5279	4426	3560	4976	4976	4605	5051	5357
765	05-06	\$ 2.00	4834	4792	4370	4323	4724	4443	4334	4616	6283
789	06-07	\$ 2.25	5930	4491	3120	3745	4165	3964	3814	4811	5469
812	07-08	\$ 2.25	6010	6817	5318	4525	5686	5134	4537	6451	7049
819	08-09	\$ 2.35	6792	6509	4251	4156	5827	4870	5070	5846	7472
796	09-10	\$ 2.35	5958	5216	3712	3558	4768	4379	5113	4460	5925
821	10-11	\$ 2.35	5220	4796	3892	2905	4861	4230	3779	4177	6232
832	11-12	\$ 2.50	5786	4531	3955	3977	3533	4948	3398	4281	5037
858	12-13	\$ 2.50	7623	6750	5405	4744	5859	5358	4603	6085	6823
853	13-14	\$ 2.60	5935	6609	4799	4828	4677	5409	4855	5965	7221
857	14-15	\$ 2.65	8189	6522	4189	4535	5140	4884	5169	5923	6909
850	15-16	\$ 2.65	6227	6141	4529	4099	5674	5426	5462	5765	7904
855	16-17	\$ 2.75	6956	4825	4534	4855	4651	5478	4436	5278	7601
860	17-18	\$ 2.85	7556	6910	5639	5232	5586	5773	5778	6783	7180
890	18-19	\$ 2.90	8081	7815	5659	5444	5736	6993	5911	7405	8692
877	19-20	\$ 3.00	8309	7908	5096	5573	6979	7094	3738		
845	20-21	\$ 3.05	1029	2336	1335	814	1368	2700	3004	3034	3425
854	21-22	Free	8072	8014	6410	5404	7760	8234	8249	7660	9017
898	22-23	\$ 3.30	6143	5385	5048	4497	4895	6245	5858	5506	7476
871	23-24	\$ 3.55	8703	6584	5111						
MONTHLY AVERAGES			6478	5910	4599	4213	5023	5175	4721	5374	6508

*Starting in 14-15 the total combines August & September
2023 only, not Sept 2023

Informational Item C

To: The Board of Education

From: Matthew Condon, Ed. S.

Re: FOIA Report

Date: November 13, 2023

Guiding Question: What have been the most recent Freedom of Information Act requests since the last report to the Board of Education?

Policy Reference: 2:250 – Access to District’s Public Records

Description: Included are the most recent FOIA request. Please know the District has responded appropriately for all requests or is in the process of responding.

REQUEST – received via mail on November 16, 2023

Dear FOIA Officer,

Under the Illinois Freedom of Information Act, 5 ILCS 140, I am requesting an opportunity to inspect or obtain copies of public records related to the literacy curriculum used within your district. Specifically, I am looking for: 1) the names of the universal/core curricula currently used to teach reading in Kindergarten through 3rd grade, 2) the grade levels these are used if there are multiple reading curricula, 3) the dates the reading curricula were purchased, 4) and if there are plans to purchase different literacy curricula in the future.

If there are any fees for searching or copying these records, please inform us of an estimated cost. This information is being sought for research purposes for a project funded by the Science of Reading Illinois to better understand literacy instruction in Illinois, and is not being sought for commercial purposes.

The Illinois Freedom of Information Act requires a response to this request be made within five business days. If access to the records we are requesting will take longer than this amount of time, please contact us with information about when we might expect copies or the ability to inspect the requested records.

If you deny any or all of this request, please cite the specific exemption you feel justifies the refusal to release the information and notify me of the appeal procedures available to me under the law.

Thank you for considering our request.

Sincerely,

Katharine Casey, Ed. S.
Science of Reading Illinois
9902 Falcon Drive
Richmond, Illinois 60071
773-259-8401
kcasey@sorillinois.com

RESPONSE – Sent via email on November 27, 2023

RECOMMENDATION – No action is needed from the Board.

Action Item A

To: The Board of Education
From: Erin Majchrowski, CSBO
Re: FY23 Audit Approval
Date: December 18, 2023

The FY23 audit was completed and prepared by the accounting firm of Eccezion. A copy of the annual audit is included in the board packet.

SUGGESTED MOTION:

I move that the Board of Education approve the FY23 audit as presented.



November 10, 2023

To the Board of Education
Morton Grove Public School District No. 70
Morton Grove, Illinois

We have audited the financial statements of the governmental activities, and each major fund, of Morton Grove Public School District No. 70 (District) as of and for the year ended June 30, 2023, and have issued our report thereon dated November 10, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 3, 2023, our responsibility under generally accepted auditing standards, Government Auditing Standards and Uniform Guidance, is to form and express an opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

We have identified the following significant risks:

Management override of controls and improper revenue recognition due to fraud, both of which are commonly identified as significant risks for audits. As both are common significant risk areas, both are addressed by performing the following standard procedures:

- Incorporate an element of unpredictability in designing audit procedures: alternating test of controls at least once every two years, vary sampling techniques for detailed transaction testing, and interviewing different employees regarding fraud.
- Obtain an understanding of the process and related controls over journal entries and other adjustments and test journal entries and other adjustments we believe to be of higher risk.
- Review significant accounting estimates for evidence of management bias.
- Finally, obtain an understanding of the entity's rationale for significant and unusual transactions, if any.

Qualitative Aspects of the Organization's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District are included in Note 1 to the financial statements. As described in Note 16 to the financial statements, during the year, the District implemented GASB Statement No. 96, *Subscription-based Information Technology Arrangements*. There have been no changes in existing significant accounting policies or their application during fiscal year 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgement. Those judgements are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgement. We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the financial statements taken as a whole. The most sensitive estimate affecting the financial statements is:

- Management's estimate of depreciation expense is based on estimated useful lives of the capital assets held by the District.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgement and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the District's financial statements relate to fair value measurement.

The disclosures in the financial statements are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements. The schedule below summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Uncorrected misstatement or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or audit matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter.

Management Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the District, and operating plans and strategies that may affect the risks of material misstatement. However, none of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Matters

We were engaged to report on supplemental information, except for the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, and the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not RSI. With respect to the supplemental information, except for the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, and the Schedule of Expenditures of Federal Awards, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplemental information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, which accompany the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restrictions on Use

This information is intended solely for the use of the Board of Education and management of Morton Grove Public School District No. 70 and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Eccezion
Consulting • CPAs • Technology

Client: **Morton Grove Public School District No. 70**
 Engagement: **Morton Grove Public School District No. 70**
 Period Ending: **6/30/2023**
 Trial Balance: **3020.10 - Education Fund**
 Workpaper: **3522.10 - Education Fund AJE Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
Record Property Tax adjustment from PY to correct Fund Balance			
730	Unreserved Fund Balance	33.00	
R1110	Designated Purposes Levies		33.00
Total		33.00	33.00
Adjusting Journal Entries JE # 2			
Record Student Activity and Flex			
126	Student Activity Fund Cash & Investments	41,358.00	
X1999-600	Other Objects	46,912.00	
715	Student Activity Fund Balance		40,273.00
R1799	Student Activity Fund Revenues		47,997.00
Total		88,270.00	88,270.00
Adjusting Journal Entries JE # 3			
Reclass Flow-Through Expenses from NTDSE			
X4220-600	Other Objects	30,408.00	
R4991	Medicaid Matching Funds - Administrative		20,185.00
R4992	Medicaid Matching Funds - Fee-for-Service		10,223.00
Total		30,408.00	30,408.00
Adjusting Journal Entries JE # 4			
Record On-Behalf Payments			
S3998	Revenues for On-Behalf Payments		4,199,005.00
Z4180	Expenses for On-Behalf Payments	4,199,005.00	
Total		4,199,005.00	4,199,005.00
Adjusting Journal Entries JE # 5			
Reclass ECF Grant Revenue Received			
R1950	Refund of Prior Years' Expenditures	4,187.00	
R4998	Othr Rest Rev from Fed Sources (Itemize)		4,187.00
Total		4,187.00	4,187.00
Adjusting Journal Entries JE # 6			
Reallocate CY tax distribution			
111	Cash		70,376.00
R1140	Special Education Purposes Levy	24,319.00	
R1110	Designated Purposes Levies	56,398.00	
R1190	Other Tax Levies (Attach Itemization)		10,341.00
Total		80,717.00	80,717.00

I have reviewed and agree with the above adjustments:

Signature

Date

Client: **Morton Grove Public School District No. 70**
 Engagement: **Morton Grove Public School District No. 70**
 Period Ending: **6/30/2023**
 Trial Balance: **3020.20 - Operation & Maintenance Fund**
 Workpaper: **3522.20 - Operations & Maintenance Fund AJE Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
Record Property Tax adjustment from PY to correct Fund Balance			
730	Unreserved Fund Balance		4,341.00
R1110	Designated Purposes Levies	4,341.00	
Total		4,341.00	4,341.00
Adjusting Journal Entries JE # 2			
Reclass Items Under Threshold - Window Filming			
X2540-500	Capital Outlay		6,574.00
X2540-700	Non-Capitalized Equipment	6,574.00	
Total		6,574.00	6,574.00
Adjusting Journal Entries JE # 3			
Reallocate CY tax distribution			
111	Cash	67,352.00	
R1110	Designated Purposes Levies		67,352.00
Total		67,352.00	67,352.00

I have reviewed and agree with the above adjustments:

Signature

Date

Client: **Morton Grove Public School District No. 70**
 Engagement: **Morton Grove Public School District No. 70**
 Period Ending: **6/30/2023**
 Trial Balance: **3020.30 - Debt Service Fund**
 Workpaper: **3522.30 - Debt Service Fund AJE Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
Record Property Tax adjustment from PY to correct Fund Balance			
730	Unreserved Fund Balance	12.00	
R1110	Designated Purposes Levies		12.00
Total		12.00	12.00

Adjusting Journal Entries JE # 2			
Adjust Long-Term Debt			
X5200-600	Other Objects	21,150.00	
X5300-600	Other Objects	325,000.00	
X5130-600	Other Objects		21,150.00
X5200-600	Other Objects		325,000.00
Total		346,150.00	346,150.00

Adjusting Journal Entries JE # 3			
Reallocate CY tax distribution			
111	Cash		10,117.00
R1110	Designated Purposes Levies	10,117.00	
Total		10,117.00	10,117.00

No adjusting journal entries for FY'22

I have reviewed and agree with the above adjustments:

Signature

Date

Client: **Morton Grove Public School District No. 70**
 Engagement: **Morton Grove Public School District No. 70**
 Period Ending: **6/30/2023**
 Trial Balance: **3020.40 - Transportation Fund**
 Workpaper: **3522.40 - Transportation Fund AJE Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
Record Property Tax adjustment from PY to correct Fund Balance			
730	Unreserved Fund Balance		780.00
R1110	Designated Purposes Levies	780.00	
Total		780.00	780.00

Adjusting Journal Entries JE # 2			
Reallocate CY tax distribution			
111	Cash		28,200.00
R1110	Designated Purposes Levies	28,200.00	
Total		28,200.00	28,200.00

None for FY '18.

I have reviewed and agree with the above adjustments:

Signature

Date

Client: **Morton Grove Public School District No. 70**
 Engagement: **Morton Grove Public School District No. 70**
 Period Ending: **6/30/2023**
 Trial Balance: **3020.50 - Municipal Retirement/Social Security**
 Workpaper: **3522.50 - Municipal Retirement Social Security Fund AJE Report**

Account	W/P Ref	Debit	Credit
Adjusting Journal E			
Record Property Tax adjustment from PY to correct Fund Balance			
R1110		1,213.00	
730			1,213.00
Total		1,213.00	1,213.00
Adjusting Journal E			
Reallocate CY tax distribution			
111		43,485.00	
R1110			22,814.00
R1150			20,671.00
Total		43,485.00	43,485.00

I have reviewed and agree with the above adjustments:

Signature

Date

Client: **Morton Grove Public School District No. 70**
 Engagement: **Morton Grove Public School District No. 70**
 Period Ending: **6/30/2023**
 Trial Balance: **3020.70 - Working Cash**
 Workpaper: **3522.70 - Working Cash Fund AJE Report**

Account	W/P Ref	Debit	Credit
Adjusting Journal E			
Record Property Tax Adjustment from PY to correct Fund Balance			
R1110		730.00	
730			730.00
Total		730.00	730.00

Adjusting Journal E			
Reallocate CY tax distribution			
R1110		2,143.00	
111			2,143.00
Total		2,143.00	2,143.00

I have reviewed and agree with the above adjustments:

Signature

Date

Client: **Morton Grove Public School District No. 70**
Engagement: **Morton Grove Public School District No. 70**
Period Ending: **6/30/2023**
Trial Balance: **3020.80 - Tort**
Workpaper: **3522.80 - Tort Fund AJE Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1				
Correct Journal for Interest Earned				
Y8140	Transfer of Interest		16.00	
R1510	Interest on Investments			16.00
Total			16.00	16.00

I have reviewed and agree with the above adjustments:

Signature

Date

Morton Grove Public School District No. 70

6200 W. Lake St.
Morton Grove, IL 60053

Eccezion
5400 West Elm Street
Suite 203
McHenry, Illinois 60050

This representation letter is provided in connection with your audit of the financial statements of Morton Grove Public School District No. 70 (District), which comprise the respective financial position of the governmental activities, each major fund as of June 30, 2023, and the related statement of activities for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements of the various opinion units are presented fairly, in all material respects, in accordance with the modified cash basis of accounting.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of the auditor's report, the following representations made to you during your audit:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 3, 2023, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with the modified cash basis of accounting and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above have been fairly presented in accordance with the modified cash basis of accounting and include all properly classified funds and notes to the basic financial statements.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
6. We have reviewed, approved, and taken responsibility for the financial statements and related notes.
7. We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

8. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
9. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the modified cash basis of accounting.
10. All events subsequent to the date of the financial statements and for which the modified cash basis of accounting requires adjustment or disclosure have been adjusted or disclosed.
11. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with the modified cash basis of accounting.
12. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
13. All funds and activities are properly classified.
14. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus as amended*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
15. All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
16. Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available is appropriately disclosed and net position is properly recognized under the policy.
17. Our policy regarding whether to first apply restricted, committed, assigned, or unassigned resources when an expense is incurred for purposes for which more than one resource of fund balance is available is appropriately disclosed and fund balance is properly recognized under the policy.
18. All revenues within the statement of activities have been properly classified as program revenue, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
19. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
20. All interfund and intra-entity transactions and balances have been properly classified and reported.
21. Deposit and investment risks have been properly and fully disclosed.
22. Capital assets are properly capitalized, reported, and if applicable, depreciated.
23. With regard to investments and other instruments reported at fair value:

- a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The disclosures related to fair values are complete, adequate, and in accordance with the modified cash basis of accounting.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
24. With respect to preparation of financial statements, preparation of ISBE's AFR report, preparation of the SEFA, preparation of the data collection form, and maintenance of fixed assets records, we have performed the following:
- a. Made all management decisions and performed all management functions;
 - b. Assigned a competent individual to oversee the services;
 - c. Evaluated the adequacy of the services performed;
 - d. Evaluated and accepted responsibility for the result of the service performed; and
 - e. Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

25. We have provided you with:
- a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the Board of Education or summaries of actions of recent meetings as listed below:
 - i. July 18, 2022
 - ii. August 15, 2022
 - iii. September 19, 2022
 - iv. October 17, 2022
 - v. November 14, 2022
 - vi. December 12, 2022
 - vii. January 18, 2023
 - viii. February 22, 2023
 - ix. March 20, 2023
 - x. April 17, 2023
 - xi. May 15, 2023
 - xii. June 20, 2023
 - xiii. July 17, 2023

- xiv. August 21, 2023
- xv. September 18, 2023

- 26. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 27. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 28. We have no knowledge of any fraud or suspected fraud that affects the District and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
- 29. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, vendors, regulators, or others.
- 30. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 31. We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.
- 32. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- 33. The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 34. We have disclosed to you all guarantees, whether written or oral, under which the District is contingently liable.
- 35. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the Statement of Net Position date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- 36. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- 37. There are no:

- a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements, whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB 62.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB 62.
 - d. Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
38. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
39. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
40. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
41. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
42. We are not aware of any current or anticipated losses in excess of our insurance coverage for which we would be financially liable.
43. There have been no cybersecurity breaches or other cyber events whose effects should be considered for disclosure in the financial statements, as a basis for recording a loss contingency, or otherwise considered when preparing the financial statements.
44. With respect to the supplemental financial information, we acknowledge our responsibility for presenting the supplemental financial information in accordance with the modified cash basis of accounting, and we believe the supplemental financial information, including its form and content, is fairly presented in accordance with the modified cash basis of accounting. The methods of measurement and presentation of the supplemental financial information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplemental information.


Single Audit

45. With respect to federal award programs, we represent the following to you:
- a. We are responsible for understanding and complying with, and have complied with, the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

- b. We are responsible for the preparation and presentation of the Schedule of Expenditures of Federal Awards (SEFA) and related notes in accordance with the Uniform Guidance.
- c. We believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance.
- d. The methods of measurement or presentation have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- e. We are responsible for including the auditor's report on the SEFA in any document that contains the SEFA and that indicates that the auditor has reported on such information.
- f. We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance compliance audit.
- g. If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- h. We have, in accordance with the Uniform Guidance, identified in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations and other assistance.
- i. We have provided to you our interpretation of any compliance requirements that are subject to varying interpretations.
- j. We have made available to you all federal awards (including amendments, if any) and any other correspondence relevant to federal programs and related to activities that have taken place with federal agencies or pass-through entities.
- k. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- l. We have identified and disclosed to you all amounts questioned and any known noncompliance with the direct and material compliance requirements of federal awards, including the results of other audits or program reviews, or stated that there was no such noncompliance. We also know of no instances of noncompliance with direct and material compliance requirements occurring subsequent to the period covered by the auditor's report.
- m. We have disclosed to you any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

- o. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared and are prepared on a basis consistent with the SEFA.
- p. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- q. We have properly classified amounts claimed or used for matching in accordance with related guidelines in the Uniform Guidance, as applicable
- r. We have charged costs to federal awards in accordance with applicable cost principles.
- s. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- t. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- u. The reporting package does not contain personally identifiable information.
- v. We have reviewed, approved, and taken responsibility for the financial statements and related notes and an acknowledgement of the auditor's role in the preparation of this information.
- w. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.
- x. We are responsible for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program; and we have complied with these direct and material compliance requirements.
- y. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. Also, no changes have been made in the internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditor's report.
- z. We are responsible for and have accurately completed the appropriate sections of the Data Collection Form.

- aa. We are responsible for taking corrective action on audit findings of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

Signed: 

Title: Director of Business Services

Date: 11/10/23



***MORTON GROVE PUBLIC SCHOOL
DISTRICT NO. 70
MORTON GROVE, ILLINOIS***

ANNUAL FINANCIAL REPORT

JUNE 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Morton Grove Public School District No. 70
Morton Grove, Illinois

Report on the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of

Morton Grove Public School District No. 70

as of and for the year ended June 30, 2023, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of the District as of June 30, 2023 and the respective changes in financial position – modified cash basis thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Morton Grove Public School District No. 70 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Change in Accounting Principle

As described in Note 16 to the financial statements, during the year, the District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Morton Grove Public School District No. 70's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Morton Grove Public School District No. 70 internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Morton Grove Public School District No. 70's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

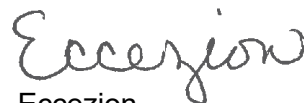
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information, except for the average daily attendance figure included in the computation of operating expenses per pupil and per capita tuition charges, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2023 on our consideration of Morton Grove Public School District No. 70's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Morton Grove Public School District No. 70's internal control over financial reporting and compliance.



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McHenry, Illinois
November 10, 2023



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

To the Board of Education
Morton Grove Public School District No. 70
Morton Grove, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities and each major fund of

Morton Grove Public School District No. 70

as of and for the year ended June 30, 2023, and the related notes to the financial statements which collectively comprise Morton Grove Public School District No. 70's basic financial statements, and have issued our report thereon dated November 10, 2023. Our opinion was modified because the financial statements are not prepared in accordance with generally accepted accounting principles. However, the financial statements were found to be fairly stated on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Morton Grove Public School District No. 70's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Morton Grove Public School District No. 70's internal control. Accordingly, we do not express an opinion on the effectiveness of Morton Grove Public School District No. 70's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

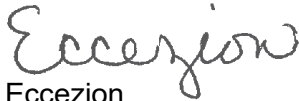
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Morton Grove Public School District No. 70's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


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McHenry, Illinois
November 10, 2023

SUPPLEMENTAL INFORMATION

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

The Management's Discussion and Analysis of Morton Grove Public School District No. 70's (District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2023. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position – Modified Cash Basis presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities – Modified Cash Basis presents information showing how the District's net position changed during the fiscal year being reported. All changes in net position are reported on the cash basis as soon as cash is received or disbursed, regardless of when the underlying event giving rise to the change occurs.

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education and other), supporting services, operations and maintenance, and transportation services.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds are governmental funds (the District maintains no proprietary funds).

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet – Modified Cash Basis and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund Balance Sheet - Modified Cash Basis and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis for the General, Operations and Maintenance, Debt Services, Transportation, Illinois Municipal Retirement/Social Security, Capital Projects, and Fire Prevention and Safety Funds, all of which the District considers to be major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison statement, which is supplemental information, has been provided for each fund to demonstrate compliance with this budget.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplemental information concerning the District's progress in meeting its obligation to provide as fully adequate as possible educational services and extracurricular activities to all of its resident's students.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$32,449,577 at the close of the most recent fiscal year.

The following table presents a summary of the District's net position for the years ended June 30, 2023 and 2022:

Morton Grove Public School District No. 70's Net Position at Year-End

	Governmental Activities	
	FY 2023	FY 2022
Assets		
Current and Other Assets	\$ 21,777,913	\$ 20,609,436
Capital Assets	12,176,354	12,367,500
Total Assets	\$ 33,954,267	\$ 32,976,936
Liabilities		
Payroll Liabilities	\$ 10,137	\$ 16,057
Long-Term Liabilities Outstanding	1,494,705	1,882,102
Total Liabilities	\$ 1,504,842	\$ 1,898,159
Net Position		
Net Investment in Capital Assets	\$ 12,176,354	\$ 12,367,500
Restricted	4,198,708	3,762,911
Unrestricted	16,074,515	14,948,366
Total Net Position	\$ 32,449,577	\$ 31,078,777

The net investment in capital assets (38% of total net position) represents assets such as land, buildings, and equipment, less any related debt used to acquire those assets that is still outstanding. The District uses its assets to provide educational services and extracurricular activities for the students of the local community. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (13%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (49%) may be used to meet the District's ongoing obligation to citizens and creditors.

At the end of the current fiscal year, the District is able to report positive balances in all three categories of net position.

The District's net position increased by \$1,370,800.

Governmental Activities

Governmental activities increased the District's net position by \$1,370,800. Key elements of this increase are as follows:

Morton Grove Public School District No. 70's Change in Net Position

	Governmental Activities	
	FY 2023	FY 2022
Revenues:		
Program Revenues		
Charges for Services	\$ 323,641	\$ 209,344
Operating Grants and Contributions	5,259,497	5,349,951
Capital Grants and Contributions	50,000	50,000
General Revenues:		
Property Taxes	12,829,180	13,070,136
Other Taxes	1,492,565	1,320,589
Grants and Contributions not Restricted to Specific Activities	866,246	867,148
Unrestricted Investment Earnings	457,727	373,642
Other	305,607	285,148
Total Revenues	<u>\$ 21,584,463</u>	<u>\$ 21,525,958</u>
Expenses:		
Instruction	\$ 11,867,790	\$ 11,387,142
Support Services	5,799,454	5,711,145
Community Services	19,941	15,652
Debt Services	46,628	63,908
Intergovernmental Payments	1,854,087	1,915,277
Depreciation - Unallocated	625,763	642,385
Total Expenses	<u>\$ 20,213,663</u>	<u>\$ 19,735,509</u>
Increase/(Decrease) in Net Position	\$ 1,370,800	\$ 1,790,449
Net Position - Beginning	<u>31,078,777</u>	<u>29,288,328</u>
Net Position - Ending	<u>\$ 32,449,577</u>	<u>\$ 31,078,777</u>

Total revenues remained similar. The increase in expenses was due mainly to an increase in instruction expenditures.

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of June 30, 2023, the District's funds reported combined ending fund balances of \$21,767,928, an increase of \$1,174,549 in comparison with the prior year.

The General Fund is the chief operating fund of the District. At June 30, 2023, fund balance was \$16,860,574, of which \$16,849,216 is unassigned. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 97% of total General Fund expenditures and total fund balance represents 97% of total General Fund expenditures.

The General Fund's fund balance increased \$821,108 compared to prior year.

The Operations and Maintenance Fund's fund balance decreased \$823,601 in comparison with the prior year due to an increase in instruction expenditures.

The Debt Services Fund's fund balance increased \$7,307 in comparison with the prior year.

The Transportation Fund's fund balance increased \$382,059 in comparison with the prior year. This increase was the result of a decrease in expenses for transportation services.

The Illinois Municipal Retirement/Social Security Fund's fund balance decreased \$41,435 in comparison with the prior year.

The Capital Projects Fund's fund balance increased \$829,097 in comparison with the prior year due to a reduction in the amount of capital projects completed.

The Fire Prevention and Safety Fund's fund balance increased \$14 in comparison with the prior year.

General Fund Budgetary Highlights

Significant differences between the budget and actual revenues and expenditures are summarized as follows:

- The difference between budgeted revenues and actual revenues was \$4,884,892 (favorable) and was mostly due to State Retirement Contributions not budgeted for.
- The difference between budgeted expenditures and actual expenditures was \$4,024,857 (unfavorable) and was due to State Retirement Contributions not budgeted for.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2023, the District had invested \$12,176,354 in a broad range of capital assets, including land, buildings and improvements, equipment, food service and computer equipment, furniture and fixtures and transportation equipment. Total depreciation expense for the year was \$625,763.

Major capital asset events during the current fiscal year included the following:

- Final payments towards roof replacement project of \$141,409
- Construction in Progress of \$115,460 for elementary roofing project and a bathroom remodel

Morton Grove Public School District No. 70's Capital Assets (net of depreciation)

	Governmental Activities	
	FY 2023	FY 2022
Land	\$ 185,220	\$ 185,220
Construction in Progress	165,021	342,378
Buildings and Improvements	11,598,275	11,590,259
Equipment	216,065	220,450
Food Service Equipment	7,350	8,396
Computer Equipment	4,423	20,797
Total	<u>\$ 12,176,354</u>	<u>\$ 12,367,500</u>

Additional information on the District's capital assets can be found in note 4 in the Notes to the Financial Statements.

Long-Term Debt

At June 30, 2023, the District had \$1,494,705 in long-term debt.

Morton Grove Public School District No. 70's Outstanding Debt

	Governmental Activities	
	FY 2023	FY 2022
General Obligation Bonds	\$ 895,000	\$ 1,220,000
Special Education Bond Series	599,705	662,102
Total	<u>\$ 1,494,705</u>	<u>\$ 1,882,102</u>

Significant debt activity for the year ended June 30, 2023 includes a payment of \$325,000 according to the General Obligation Bonds payment schedule and \$62,397 payments towards the Special Education Bond Series.

Additional information on the District's long-term debt can be found in note 5 in the Notes to the Financial Statements.

Economic Factors and Next Year's Budget

Morton Grove Public School District No. 70 will continue to receive an increase in revenues for Fiscal year 2024 mostly due to ESSER III grant funds as well as an increase in property tax revenue. In fiscal year 2024 the District anticipates capital projects totaling approximately \$1,000,000 which has been reflected in the fiscal year 2024 budget.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, parents, students, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the District at the following address:

Morton Grove Public School District No. 70
 6200 Lake Street
 Morton Grove, IL 60053

BASIC FINANCIAL STATEMENTS

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 GOVERNMENT-WIDE FINANCIAL STATEMENTS
 STATEMENT OF NET POSITION - MODIFIED CASH BASIS
 JUNE 30, 2023

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 21,776,064
Other Current Assets	2,001
Capital Assets:	
Land	185,220
Construction in Progress	165,020
Depreciable Buildings, Property, and Equipment, net of depreciation	11,826,114
Total Assets	\$ 33,954,419
LIABILITIES	
Payroll Liabilities	\$ 10,137
Long-Term Liabilities	
Due Within One Year	394,708
Due in More Than One Year	1,099,997
Total Liabilities	\$ 1,504,842
NET POSITION	
Net Investment in Capital Assets	\$ 12,176,354
Restricted for:	
Operations and Maintenance	713,911
Debt Service	85,122
Transportation	1,995,648
Retirement	237,248
Student Activity Fund	41,358
Unrestricted/(Deficit)	16,074,515
Total Net Position	\$ 32,449,577

The Notes to Financial Statements are an integral part of this statement.

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 GOVERNMENT-WIDE FINANCIAL STATEMENTS
 STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
 YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues		Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		
Governmental Activities					
Instruction					
Regular Programs	\$ 5,479,783	\$ 155,036	\$ 149,343	\$ -	\$ (5,175,404)
Special Education Programs	803,241	-	245,338	-	(557,903)
Special Education Programs Pre-K	119,731	-	-	-	(119,731)
Other Instructional Programs	1,219,118	5,825	850	-	(1,212,443)
Student Activity Fund	46,912	-	-	-	(46,912)
State Retirement Contributions	4,199,005	-	4,199,005	-	-
Support Services					
Pupil	944,201	-	30,408	-	(913,793)
Instructional Staff	915,690	-	-	-	(915,690)
General Administration	490,221	-	-	-	(490,221)
School Administration	625,931	-	-	-	(625,931)
Business	377,914	-	-	-	(377,914)
Facilities Acquisition and Construction Services	40,487	-	-	-	(40,487)
Operations and Maintenance	1,010,551	-	271,654	50,000	(688,897)
Transportation	905,911	-	211,592	-	(694,319)
Food Services	337,812	131,980	151,307	-	(54,525)
Central	130,964	-	-	-	(130,964)
Other Support Services	19,772	-	-	-	(19,772)
Community Services	19,941	-	-	-	(19,941)
Debt Services					
Interest and Fees	46,628	-	-	-	(46,628)
Intergovernmental Payments					
Payments to Other Districts and Governmental Units	1,854,087	30,800	-	-	(1,823,287)
Depreciation Unallocated	625,763	-	-	-	(625,763)
Total Governmental Activities	\$ 20,213,663	\$ 323,641	\$ 5,259,497	\$ 50,000	\$ (14,580,525)
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					\$ 12,481,052
Property Taxes, Levied for Debt Service					348,128
Personal Property Replacement Taxes					1,492,565
Grants and Contributions not Restricted to Specific Activities					866,246
Unrestricted Investment Earnings					457,727
Miscellaneous Income					305,607
Total General Revenues					\$ 15,951,325
Change in Net Position					\$ 1,370,800
Net Position - July 1, 2022					31,078,777
Net Position - June 30, 2023					<u>\$ 32,449,577</u>

The Notes to Financial Statements are an integral part of this statement.

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE - MODIFIED CASH BASIS
 GOVERNMENTAL FUNDS
 JUNE 30, 2023

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	\$ 16,870,711	\$ 1,027,390	\$ 281,624	\$ 2,112,051	\$ 261,734	\$ 1,221,902	\$ 652	\$ 21,776,064
Other Current Assets	-	1,849	-	152	-	-	-	2,001
Total Assets	\$ 16,870,711	\$ 1,029,239	\$ 281,624	\$ 2,112,203	\$ 261,734	\$ 1,221,902	\$ 652	\$ 21,778,065
LIABILITIES AND FUND BALANCE								
LIABILITIES								
Payroll Liabilities	\$ 10,137	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,137
Total Liabilities	\$ 10,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,137
FUND BALANCE								
Restricted								
Operations and Maintenance	\$ -	\$ 713,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 713,911
Debt Services	-	-	85,122	-	-	-	-	85,122
Transportation	-	-	-	1,995,648	-	-	-	1,995,648
Illinois Municipal Retirement Fund/Social Security	-	-	-	-	237,248	-	-	237,248
Capital Projects	-	-	-	-	-	1,125,421	-	1,125,421
Student Activity	41,358	-	-	-	-	-	-	41,358
Assigned								
Operations and Maintenance	-	315,328	-	-	-	-	-	315,328
Debt Services	-	-	196,502	-	-	-	-	196,502
Transportation	-	-	-	116,555	-	-	-	116,555
Illinois Municipal Retirement Fund/Social Security	-	-	-	-	24,486	-	-	24,486
Capital Projects	-	-	-	-	-	96,481	-	96,481
Fire Prevention and Safety	-	-	-	-	-	-	652	652
Unassigned	16,819,216	-	-	-	-	-	-	16,819,216
Total Fund Balance	\$ 16,860,574	\$ 1,029,239	\$ 281,624	\$ 2,112,203	\$ 261,734	\$ 1,221,902	\$ 652	\$ 21,767,928
Total Liabilities and Fund Balance	\$ 16,870,711	\$ 1,029,239	\$ 281,624	\$ 2,112,203	\$ 261,734	\$ 1,221,902	\$ 652	\$ 21,778,065

The Notes to Financial Statements are an integral part of this statement.

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE -
 MODIFIED CASH BASIS TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS
 JUNE 30, 2023

Total Fund Balances - Governmental Funds		\$ 21,767,928
<p>Amounts reported for governmental activities in the Statement of Net Position - Modified Cash Basis are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Capital Assets	\$ 23,741,436	
Accumulated Depreciation on Capital Assets	<u>(11,565,082)</u>	12,176,354
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
		<u>(1,494,705)</u>
Net Position of Governmental Activities		<u><u>\$ 32,449,577</u></u>

The Notes to Financial Statements are an integral part of this statement.

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
 GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2023

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
REVENUES								
Property Taxes	\$ 9,929,439	\$ 1,292,290	\$ 348,128	\$ 1,027,873	\$ 231,450	\$ -	\$ -	\$ 12,829,180
Payments in Lieu of Taxes	1,444,231	-	-	-	48,334	-	-	1,492,565
Tuition	54,078	-	-	-	-	-	-	54,078
Earnings on Investments	363,795	27,349	5,579	38,628	4,386	17,976	14	457,727
Food Services	131,980	-	-	-	-	-	-	131,980
Textbooks	106,783	-	-	-	-	-	-	106,783
Student Activity Income	257,610	-	-	-	-	-	-	257,610
Other Local Sources	877,699	30,800	-	211,592	-	-	-	1,139,291
State Aid	818,384	10,961	-	8,102	-	-	-	837,447
Federal Aid	4,199,005	-	-	-	-	-	-	4,199,005
State Retirement Contributions								
Total Revenues	\$ 18,231,001	\$ 1,361,400	\$ 353,707	\$ 1,286,195	\$ 284,170	\$ 67,976	\$ 14	\$ 21,584,463
EXPENDITURES								
Current								
Instruction								
Regular Programs	\$ 5,414,237	\$ -	\$ -	\$ -	\$ 65,546	\$ -	\$ -	\$ 5,479,783
Special Education Programs	774,496	-	-	-	28,745	-	-	803,241
Special Education Programs Pre-K	114,163	-	-	-	5,568	-	-	119,731
Other Instructional Programs	1,203,432	-	-	-	15,686	-	-	1,219,118
Student Activity Fund	46,912	-	-	-	-	-	-	46,912
State Retirement Contributions	4,199,005	-	-	-	-	-	-	4,199,005
Support Services								
Pupil	820,405	-	-	-	23,796	-	-	844,201
Instructional Staff	876,866	-	-	-	38,824	-	-	915,690
General Administration	486,157	-	-	-	4,064	-	-	490,221
School Administration	604,254	-	-	-	21,677	-	-	625,931
Business	337,149	-	-	-	40,765	-	-	377,914
Facilities Acquisition and Construction Services	-	40,487	-	-	-	-	-	40,487
Operations and Maintenance	62,879	910,712	-	-	36,960	-	-	1,010,551
Transportation	1,396	-	-	904,136	379	-	-	905,911
Food Services	308,294	-	-	-	29,518	-	-	337,812
Central	116,897	-	-	-	14,067	-	-	130,964
Other Support Services	19,772	-	-	-	-	-	-	19,772
Community Services	19,931	-	-	-	10	-	-	19,941
Debt Services								
Principal	-	-	387,397	-	-	-	-	387,397
Interest and Fees	-	-	46,628	-	-	-	-	46,628
Capital Outlay	49,561	146,177	-	-	-	238,879	-	434,617
Intergovernmental Payments								
Payments to Other Districts and Governmental Units	-	-	-	-	-	-	-	-
Total Expenditures	\$ 17,409,893	\$ 1,097,376	\$ 434,025	\$ 904,136	\$ 325,605	\$ 238,879	\$ -	\$ 20,409,914
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 821,108	\$ 264,024	\$ (80,318)	\$ 382,059	\$ (41,435)	\$ (170,903)	\$ 14	\$ 1,174,549
OTHER FINANCING SOURCES (USES)								
Interfund Transfers	-	(1,087,625)	87,625	-	-	1,000,000	-	-
NET CHANGE IN FUND BALANCES	\$ 821,108	\$ (823,601)	\$ 7,307	\$ 382,059	\$ (41,435)	\$ 829,097	\$ 14	\$ 1,174,549
FUND BALANCE - JULY 1, 2022	16,039,466	1,852,840	274,317	1,730,144	303,169	392,805	638	20,593,379
FUND BALANCE - JUNE 30, 2023	\$ 16,860,574	\$ 1,029,239	\$ 281,624	\$ 2,112,203	\$ 261,734	\$ 1,221,902	\$ 652	\$ 21,767,928

The Notes to Financial Statements are an integral part of this statement.

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - MODIFIED CASH BASIS TO THE
 STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
 YEAR ENDED JUNE 30, 2023

Net Change in Fund Balances - Total Governmental Funds \$ 1,174,549

Amounts reported for governmental activities in the Statement of Activities - Modified Cash Basis are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities - Modified Cash Basis the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.

Depreciation Expense	\$ (625,763)	
Capital Outlay	<u>434,617</u>	(191,146)

Repayment of long-term debt requires the use of current financial resources of governmental funds and is therefore shown as an expenditure in the Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis, but the repayment reduces long-term liabilities in the Statement of Net Position - Modified Cash Basis and is therefore not reported in the Statement of Activities - Modified Cash Basis.

Repayment of Long-Term Debt		<u>387,397</u>
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Change in Net Position of Governmental Activities		<u><u>\$ 1,370,800</u></u>
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The Notes to Financial Statements are an integral part of this statement.

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Morton Grove Public School District No. 70 (District) financial statements are prepared in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies used by the District are discussed below.

A. Reporting Entity

The accompanying financial statements comply with the provisions of GASB statements, in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units. In addition, the District is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

B. *Basic Financial Statements – Government-Wide Financial Statements*

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund (reporting the District's major funds) financial statements. Both the government-wide and fund financial statements categorize all of the primary activities of the District as governmental activities. The District does not have any business-type activities.

In the government-wide Statement of Net Position – Modified Cash Basis, the governmental activities column (a) is presented on a consolidated basis, and (b) is reported on a modified cash, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities – Modified Cash Basis reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.). The Statement of Activities – Modified Cash Basis reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function (regular programs, special education programs, payments to other districts and governmental units, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.).

The District does not allocate indirect costs.

NOTES TO FINANCIAL STATEMENTS (Continued)

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

C. *Basic Financial Statements – Fund Financial Statements*

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of all governmental funds) for the determination of major funds. The District electively made all governmental funds major funds.

The following fund types are used by the District:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Educational, Working Cash, and Tort are included in this fund.

This fund also includes activity funds held and controlled by the District, under the direction of district personnel, and administrative involvement of the board of education.

Special Revenue Funds – The Special Revenue Funds (Operations and Maintenance Fund, Transportation Fund, and Illinois Municipal Retirement/Social Security Fund) are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service and capital projects.

Debt Services Fund – The Debt Services Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the periodic payment of principal, interest, and related fees on general long-term debt.

Capital Projects Funds – The Capital Projects Funds (Capital Projects Fund and Fire Prevention and Safety Fund) are used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital facilities and fire prevention and safety projects.

D. *Basis of Accounting*

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

In the government-wide Statement of Net Position - Modified Cash Basis and Statement of Activities - Modified Cash Basis and the fund financial statements, governmental activities are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

NOTES TO FINANCIAL STATEMENTS (Continued)

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the District utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. The government-wide financial statements would be presented on the accrual basis of accounting.

E. *Budgetary Process*

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Director of Business Services submits a proposed operating budget to the Board for the financial year commencing July 1. The operating budget includes proposed expenditures and means of financing them. This proposed budget is approved by the Board at the July meeting.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of an ordinance. Prior to the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The board is authorized to transfers up to 10% of the total budget between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the board after following the public hearing procedures mandated by law. The budget, as reflected in this report, represents the original budget.
5. All appropriations lapse at the end of each fiscal year.

F. *Cash and Cash Equivalents and Investments*

State statues require the District to use treasury services of the Township School Treasurer and authorize the District's treasurer to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements, and money market mutual funds registered under the Investment Company Act of 1940 with certain restrictions.

Separate bank accounts are not maintained for all district funds. Instead, the funds maintain their cash balances in common accounts, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

Occasionally certain of the funds participating in the common bank accounts will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other District funds and are, therefore, interfund loans which have not been authorized by School Board action.

No District fund had a cash overdraft at June 30, 2023.

The District has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred.

NOTES TO FINANCIAL STATEMENTS (Continued)

G. *Inventories*

No inventory accounts are maintained to reflect the values of resale or supply items on hand. Instead, the costs of such items are charged to expense when purchased. The value of the District's inventories is not deemed to be material.

H. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

I. *Capital Assets*

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and Improvements	20 - 50	years
Vehicles	5	years
Computer Equipment	5	years
Equipment	10	years
Furniture and Fixtures	10	years
Food Service Equipment	10	years

J. *Deferred Outflows and Inflows of Resources*

In addition to assets and liabilities, the Statement of Assets, Liabilities, and Fund Balance(s) and Statement(s) of Net Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and therefore will not be recognized as an outflow of resource until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resource until that time.

K. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position – Modified Cash Basis. Bond premiums and discounts are deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as they are incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTES TO FINANCIAL STATEMENTS (Continued)

L. *Government-Wide Net Position*

Government-wide fund net position is divided into three components:

- Net investment in Capital Assets – consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted Net Position – consists of net position that is restricted by the District’s creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted Net Position – the remaining position is reported in this category.

M. *Governmental Fund Balances*

Governmental fund balances are divided between nonspendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. The spendable fund balances are arranged in a hierarchy based on spending constraints.

- Restricted – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
- Committed – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints of the Board of Education. Committed amounts cannot be used for any other purpose unless the Board of Education removes those constraints by taking the same type of action (e.g. legislation, resolution, ordinance). Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- Assigned – Assigned fund balances are amounts that are constrained by the District’s intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Board of Education has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. The District has not delegated this authority to an appointed body or official.

Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects or debt service fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District itself. All assigned fund balances are the residual amounts of the fund.

- Unassigned – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance in the General Fund also includes amounts levied and/or borrowed for working cash.

The District permits funds to be expended in the following order: Restricted, Committed, Assigned and Unassigned.

N. *Property Tax Calendar and Revenues*

Property taxes are levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2022 tax levy was passed by the Board on December 12, 2022. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year and are payable in two installments early in March and early in September of the following calendar year. The District receives significant distributions of tax receipts approximately one month after these dates.

O. *Right-To-Use Assets*

The District recognizes a right-to-use liability and asset for various lease and subscription-based IT agreements right-to-use assets (right-to-use asset) in the government-wide financial statements.

At the commencement of a lease or subscription-based IT agreement, the District initially measures the right-to-use liability at the present value of payments expected to be made during the agreement term. Subsequently, the right-to-use liability is reduced by the principal portion payments made. The right-to-use asset is initially measured as the initial amount of the right-to-use liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the right-to-use asset is amortized on a straight-line basis over the term of the lease or subscription-based IT agreement. Key estimates and judgments related to leases or subscription-based IT agreements include how the District determines (1) the discount rate it uses to discount the expected payments to present value, (2) the term, and (3) payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District uses its estimated incremental borrowing rate as the discount rate for leases or subscription-based IT agreements.

The term includes the noncancellable period of the lease or subscription-based IT agreement. Payments included in the measurement of the right-to-use liability are composed of fixed payments and purchase option prices that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease or subscription-based IT agreements and will remeasure the right-to-use asset and liability if certain changes occur that are expected to significantly affect the amount of the right-to-use liability. Right-to-use assets are reported with Capital Assets and right-to-use liabilities are reported with Long Term Liabilities on the Statement of Net Position. As of June 30, 2023 the District does not have any agreements that fall under these standards.

NOTE 2 - DEPOSITS AND INVESTMENTS

As explained in Note 1, the Illinois Compiled Statutes require the District to utilize the investment services of the Township School Treasurer (the Treasurer). As such, the Treasurer is the lawful custodian of these school funds. The Treasurer is appointed by the Township Treasurer's Board of Trustees. The investment policies are established by the Treasurer, as prescribed by the Illinois Compiled Statutes.

The Treasurer is the direct recipient of property taxes, replacement taxes, and most state and federal aid, and disburses school funds upon lawful order to the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below.

District cash and investments (other than the student activity and petty cash funds) are part of a common pool for all the school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investments balances by district or cooperative. Income from investments

NOTES TO FINANCIAL STATEMENTS (Continued)

is distributed based upon the district's percentage participation in the pool. Cash for all funds, including cash applicable to the Debt Services Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's office operates as a nonrated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's office.

The weighted-average maturity of all pooled marketable investments held by the Treasurer was 6.75 years at June 30, 2023. The Treasurer also holds money-market type investments and deposits with financial institutions, including certificates of deposit. As of the same date, the fair value of all investments held by the Treasurer's office was \$394,118,121 and the fair value of the District's proportionate share of the cash and investments held by the Treasurer's office was \$19,163,836 at June 30, 2023.

Interest Rate Risk

The District's investment policy, which is the same as the Treasurer's office, aims to ensure preservation of capital in the District's overall portfolio. The highest return on investments is sought, consistent with the preservation of principal and prudent investment principles. The investment portfolio is required to provide sufficient liquidity to pay District obligations as they come due, considering maturity and investments, as appropriate to the nature, purpose and amount of funds. The District will also consider investments in local financial institutions, recognizing their contribution to the community's economic development.

Cash and Investments in the Custody of the District

At June 30, 2023, the carrying value of the District's activity fund was \$41,358, all of which was deposited with financial institutions. The District also maintains \$2,000 in an imprest account.

Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2023, the District had \$0 deposited with a financial institution which was uncollateralized and uninsured.

NOTE 3 - FAIR VALUE MEASUREMENT

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs

The District has the following recurring fair value measurements as of June 30, 2023:

- Municipal Bonds (Level 2 inputs) and U.S. Government backed debt (Level 1 inputs) backed debt are valued using quoted market prices

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 185,220	\$ -	\$ -	\$ 185,220
Construction In Progress	342,378	165,021	342,378	165,021
Total Capital Assets not being Depreciated	<u>\$ 527,598</u>	<u>\$ 165,021</u>	<u>\$ 342,378</u>	<u>\$ 350,241</u>
Other Capital Assets				
Buildings and Improvements	\$ 20,914,471	\$ 544,652	\$ -	\$ 21,459,123
Equipment	963,783	67,322	-	1,031,105
Food Service Equipment	10,465	-	-	10,465
Computer Equipment	862,686	-	-	862,686
Vehicles	27,816	-	-	27,816
Total Other Capital Assets at Historical Cost	<u>\$ 22,779,221</u>	<u>\$ 611,974</u>	<u>\$ -</u>	<u>\$ 23,391,195</u>
Less Accumulated Depreciation				
Buildings and Improvements	\$ 9,324,212	\$ 536,636	\$ -	\$ 9,860,848
Equipment	743,333	71,707	-	815,040
Food Service Equipment	2,069	1,046	-	3,115
Computer Equipment	841,889	16,374	-	858,263
Vehicles	27,816	-	-	27,816
Total Accumulated Depreciation	<u>\$ 10,939,319</u>	<u>\$ 625,763</u>	<u>\$ -</u>	<u>\$ 11,565,082</u>
Other Capital Assets, Net	<u>\$ 11,839,902</u>	<u>\$ (13,789)</u>	<u>\$ -</u>	<u>\$ 11,826,113</u>
Governmental Activities Capital Assets, Net	<u>\$ 12,367,500</u>	<u>\$ 151,232</u>	<u>\$ 342,378</u>	<u>\$ 12,176,354</u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
Unallocated	<u>\$ 625,763</u>
Total Governmental Activities Depreciation Expense	<u>\$ 625,763</u>

Net Investment in capital asset calculation as of June 30, 2023 was as follows:

Governmental Activities	
Capital Assets, Net of Accumulated Depreciation	\$ 12,176,354
Less:	
Capital Related Debt	-
Unspent Debt Proceeds	-
Investment in Capital Assets	<u>\$ 12,176,354</u>

NOTE 5 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Additions	Retirement	Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities:					
Tax School Bonds					
2016 G.O. Limited Tax Bonds	\$ 1,220,000	\$ -	\$ 325,000	\$ 895,000	\$ 330,000
2021 Special Education Bond Series	662,102	-	62,397	599,705	64,708
Governmental Activities Long-Term Liabilities	<u>\$ 1,882,102</u>	<u>\$ -</u>	<u>\$ 387,397</u>	<u>\$ 1,494,705</u>	<u>\$ 394,708</u>

Bonds and notes payable consisted of the following at June 30, 2023:

	Maturity Date	Interest Rate	Face Amount	Carrying Amount
2016 General Obligation Limited Tax Bonds	6/28/2026	2.00% - 3.00%	\$ 2,700,000	\$ 895,000
2021 Special Education Bond Series	12/1/2030	2.00% - 5.00%	715,255	599,705

NOTES TO FINANCIAL STATEMENTS (Continued)

At June 30, 2023 annual debt service requirements to service long-term debt are:

Year Ending June 30	Principal	Interest	Total
2024	\$ 394,708	\$ 37,286	\$ 431,994
2025	403,175	27,978	431,153
2026	300,486	19,555	320,041
2027	72,797	14,390	87,187
2028	76,263	11,408	87,671
2029-2031	247,276	15,045	262,321
	<u>\$ 1,494,705</u>	<u>\$ 125,662</u>	<u>\$ 1,620,367</u>

The District defeased Tax School Bonds, Series 2014 by placing the proceeds of the 2016 bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District’s financial statements. At June 30, 2023 \$670,000 of defeased bonds remained outstanding.

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	Debt Services Fund
Special Education Bond Series	Debt Services Fund

NOTE 6 - INTERFUND LOANS

There are no outstanding interfund loans at June 30, 2023.

NOTE 7 - DEFICIT FUND BALANCE

No District fund had a deficit fund balance at June 30, 2023.

NOTE 8 - PROPERTY TAXES

Taxes recorded in these financial statements are from the 2022 levy (\$6,809,287) and 2021 and prior levies (\$6,019,893). A summary of the assessed valuations, rates, and extensions for tax years 2022, 2021, and 2020 is as follows:

Assessed Valuation	2022		2021		2020	
	Rate	Extension	Rate	Extension	Rate	Extension
	\$423,235,960		\$344,240,208		\$377,939,705	
Educational	2.1861	\$ 9,255,726	2.5882	\$ 8,910,593	2.4413	\$ 9,226,642
Special Education	0.2830	1,197,757	0.3446	1,186,251	0.3104	1,173,125
Operations and Maintenance	0.3451	1,460,587	0.3658	1,259,230	0.3234	1,222,257
Debt Service	0.0863	365,295	0.1066	366,870	0.0969	366,225
Transportation	0.2554	1,080,944	0.3145	1,082,635	0.2069	781,957
Municipal Retirement	0.0230	97,344	0.0141	48,537	0.0026	9,826
Social Security	0.0460	194,688	0.0422	145,269	0.0026	9,826
Working Cash	0.0230	97,344	0.0281	96,731	0.0259	97,886
Levy Adjustment	0.0153	77,433	0.0156	53,860	-	-
	<u>3.2632</u>	<u>\$13,827,119</u>	<u>3.8197</u>	<u>\$13,149,976</u>	<u>3.4100</u>	<u>\$12,887,744</u>

NOTE 9 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2023, expenditures in the following fund exceeded the budget:

Fund	Budget	Actual	Excess of Actual Over Budget
General Fund	\$ 13,385,036	\$ 17,409,893	\$ 4,024,857

The General Fund was over budget due to state retirement contributions that were not budgeted for.

NOTE 10 - RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

General Information About the Pension Plan

Plan Description

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <http://www.trsil.org/financial/acfrs/fy2022>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with ten years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last ten years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2% of final average salary up to a maximum of 75% with 34 years of service. Disability and death benefits are also provided.

Tier II members qualify for retirement benefits at age 67 with ten years of service, or a discounted annuity can be paid at age 62 with ten years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the highest four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of 3% of the original benefit or $\frac{1}{2}\%$ of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2020. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and will be funded by bonds issued by the state of Illinois.

Contributions

The State of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of fiscal year 2045.

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2023 was 9.0% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2023, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$4,131,682 in pension contributions from the State of Illinois.

2.2 Formula Contributions. Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023 were \$43,498.

Federal and Special Trust Fund Contributions. When TRS members are paid from federal and special trust funds administered by the employer, there is a statutory requirement for the employer to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

Previously, employer contributions for employees paid from federal and special trust funds were at the same rate as the state contribution rate to TRS and were much higher.

For the year ended June 30, 2023, the District pension contribution was 10.49% of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$60,319 were paid from federal and special trust funds that required District contributions of \$6,327.

Employer Retirement Cost Contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2023, the District paid \$0 to TRS for employer contributions due on salary increases in excess of 6% and \$0 for sick leave days granted in excess of the normal annual allotment.

B. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by

NOTES TO FINANCIAL STATEMENTS (Continued)

statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired **before** January 1, 2011 are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last ten years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired **on or after** January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last ten years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. As of December 31, 2022, the following employees were covered by the benefit terms:

Inactive plan members and beneficiaries currently receiving benefits	39
Inactive plan members entitled to but not yet receiving benefits	60
Active plan members	27
	<hr/>
	126
	<hr/>

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2023 and 2022 was 12.60% and 14.73%, respectively. For the fiscal year ended June 30, 2023, the District contributed \$138,224 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

C. *Social Security*

Employees not qualifying for coverage under the Teachers' Retirement System of the State of Illinois or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The District paid the total required contribution for the current fiscal year.

NOTE 11 - POST EMPLOYMENT BENEFIT COMMITMENTS

Teacher Health Insurance Security Fund (THIS)

Plan Description

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General (<http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>). The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>). Prior reports are available under "Healthcare and Family Services" (<http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp>).

Benefits Provided

The State of Illinois offers comprehensive health plan options, all of which include prescription drug and behavioral health coverage. The State of Illinois offers TCHP, HMO, and OAP plans.

- Teachers' Choice Health Plan (TCHP) benefit recipients can choose any physician or hospital for medical services; however, benefit recipients receive enhanced benefits, resulting in lower out-of-pocket costs, when receiving services from a TCHP in-network provider. TCHP has a nationwide network and includes CVS/Caremark for prescription drug benefits and Magellan Behavioral Health for behavioral health services.
- Health Maintenance Organizations (HMO) benefit recipients are required to stay within the health plan provider network. No out-of-network services are available. Benefit recipients will need to select a primary care physician (PCP) from a network of participating providers. The PCP will direct all healthcare services and make referrals to specialists and hospitalization.
- Open Access Plan (OAP) benefit recipients will have three tiers of providers from which to choose to obtain services. The benefit level is determined by the tier in which the healthcare provider is contracted.
 - Tier I offers a managed care network which provides enhanced benefits and operates like an HMO.
 - Tier II offers an expanded network of providers and is a hybrid plan operating like an HMO and PPO.
 - Tier III covers all providers which are not in the managed care networks of Tiers I or II (i.e., out-of-network providers). Using Tier III can offer benefit recipients flexibility in selecting healthcare providers but involves higher out-of-pocket costs. Furthermore, benefit recipients

NOTES TO FINANCIAL STATEMENTS (Continued)

who use out-of-network providers will be responsible for any amount that is over and above the charges allowed by the plan for services (i.e., allowable charges), which could result in substantial out-of-pocket costs. Benefit recipients enrolled in an OAP can mix and match providers and tiers.

Contributions

For the fiscal year ended June 30, 2023, the State Employees Group Insurance Act of 1971 (5ILCS 375/6.6) requires that all active contributors of the TRS, who are not employees of a department, make contributions to the plan at a rate of 0.90% of salary and for every employer of a teacher to contribute an amount equal to 0.67% of each teacher’s salary. For the fiscal year ended June 30, 2022 the employee contribution was 0.9% of salary and the employer contribution was 0.67% of each teacher’s salary. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the Teachers’ Health Insurance Security Fund (THIS), an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer. Total employer contributions for the fiscal year ended June 30, 2023 were \$50,248.

On-Behalf Contributions to THIS. The State of Illinois makes employer benefit contributions on behalf of the District. For the year ended June 30, 2023, State of Illinois contributions recognized by the District were based on the State’s proportionate share of the collective net OPEB liability associated with the District, and the District recognized revenue and expenditures of \$67,323 in benefit contributions from the State of Illinois.

NOTE 12 - INTERFUND TRANSFERS

The District had the following interfund transfers during the year ended June 30, 2023:

Transfer from	Transfer to	Amount
Operations and Maintenance Fund	Capital Projects Fund	\$ 1,000,000
Operations and Maintenance Fund	Debt Services Fund	87,625

The District transferred monies to the Capital Project Fund in order to fund future capital projects and the transfer to the Debt Services Fund was to fund the Special Education Bonds.

NOTE 13 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damages to, and destruction of assets; injuries to employees; and natural disasters. To ensure against these losses, the District carries commercial insurance for these risks of loss. Settled claims have not exceed this commercial coverage in any of the past three fiscal years. During the year ended June 30, 2023 there was no significant reductions in coverage.

NOTE 14 - CONTINGENCIES

The District is currently dealing with property tax objections, none of which were finalized by year-end. The objectors allege that the District’s tax rates for a number of funds are illegally excessive for various reasons. The District is unable to estimate any future liability.

NOTE 15 - LEGAL DEBT LIMITATION

The Illinois School Code limits the amount of indebtedness to 6.9% of the most recent available equalized assessed valuation (EAV) of the District. The District’s legal debt limitation is as follows:

2022 EAV	\$ 423,235,960
Rate	6.9%
Debt Margin	<u>\$ 29,203,281</u>
Current Debt	<u>1,494,705</u>
Remaining Debt Margin	<u><u>\$ 27,708,576</u></u>

NOTE 16 - CHANGE IN ACCOUNTING PRINCIPLE

The District has implemented GASB 96, *Subscription-Based Information Technology Arrangements*. This statement establishes financial reporting standards related to subscription-based information technology arrangements. Implementation of this standard resulted in recognizing the fair market value of the liability and asset at the commencement of the agreement. There have been no changes to the previously issued audited financial statements which would be required on a retrospective basis.

NOTE 17 - JOINT VENTURE – NILES TOWNSHIP DISTRICT FOR SPECIAL EDUCATION (NTDSE)

The District and several other districts within Niles Township have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the management council.

A summary of financial condition (accrual basis) of NTDSE at June 30, 2022 (the most recent information available) is as follows:

Assets and Deferred Outflow s	<u>\$ 39,853,041</u>
Liabilities and Deferred Inflow s	<u>\$ (21,436,257)</u>
Fund Equity	<u>18,416,784</u>
	<u><u>\$ (3,019,473)</u></u>
Revenues Received	<u>\$ 18,538,428</u>
Expenditures Disbursed	<u>13,678,241</u>
Net Increase/(Decrease) in Fund Balance	<u><u>\$ 4,860,187</u></u>

Complete financial statements for NTDSE can be obtained from the Administrative Offices at 8701 Menard Ave., Morton Grove, IL 60053

NOTE 18 - TAX ABATEMENTS

The District entered into an intergovernmental agreement with the Village of Morton Grove in January 2000 in connection with the adoption of a Tax Increment Financing (TIF) District. Certain areas designated for redevelopment are generating incremental property taxes and the Village of Morton Grove agreed to pass certain amounts of these funds on to the District. The amount of property taxes that the District has not received or has abated for fiscal year 2023 was estimated to be \$312,000. Per the agreement, the District received approximately \$234,000 from the Village in lieu of these abated taxes in fiscal year 2023.

NOTE 19 - CONSTRUCTION COMMITMENTS

The District had construction commitments of \$297,130 as of June 30, 2023 for the elementary roofing project.

SUPPLEMENTAL INFORMATION

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original and Final		
REVENUES			
Property Taxes	\$ 9,849,650		\$ 9,929,439
Payments in Lieu of Taxes	945,502		1,444,231
Tuition	73,275		54,078
Earnings on Investments	280,564		363,795
Food Services	101,000		131,980
Textbooks	110,000		106,783
Student Activity Income	37,700		47,997
Other Local Sources	248,383		257,610
State Aid			
Evidence Based Funding	866,246		866,246
Special Education	-		10,218
State Free Lunch and Breakfast	1,000		385
Other Restricted Revenue from State Sources	-		850
Federal Aid			
Food Service	85,000		150,922
Title I	87,729		93,250
Title IV	27,238		22,216
Federal Special Education	214,825		235,120
Title III - English Language Acquisition	30,855		18,980
Title II - Teacher Quality	19,002		14,897
Medicaid Matching Funds - Administrative Outreach	-		20,185
Medicaid Matching Funds - Fee-for-Service Program	-		10,223
Other Federal Aid	368,140		252,591
State Retirement Contributions	-		4,199,005
Total Revenues	\$ 13,346,109		\$ 18,231,001
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$ 4,581,131		\$ 4,400,804
Employee Benefits	711,496		693,937
Purchased Services	73,075		109,189
Supplies and Materials	253,900		202,989
	<u>\$ 5,629,602</u>		<u>\$ 5,414,237</u>
Special Education Programs			
Salaries	\$ 630,036		\$ 628,704
Employee Benefits	80,435		87,973
Purchased Services	7,000		5,506
Supplies and Materials	2,500		5,329
	<u>\$ 719,971</u>		<u>\$ 727,512</u>
Special Education Programs Pre-K			
Salaries	\$ 97,563		\$ 97,540
Employee Benefits	16,681		16,623
	<u>\$ 114,244</u>		<u>\$ 114,163</u>
Remedial and Supplemental Programs K-12			
Salaries	\$ 517,739		\$ 614,237
Employee Benefits	70,910		81,929
Supplies and Materials	2,500		2,932
	<u>\$ 591,149</u>		<u>\$ 699,098</u>
Interscholastic Programs			
Salaries	\$ 72,275		\$ 83,394
Employee Benefits	903		1,101
Purchased Services	10,195		9,989
Other Objects	10,800		9,458
	<u>\$ 95,673</u>		<u>\$ 104,827</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>
	<u>Original and Final</u>	<u> </u>
EXPENDITURES (Continued)		
Instruction (Continued)		
Summer School Programs		
Salaries	\$ 35,457	\$ 56,453
Employee Benefits	270	6,032
Supplies and Materials	1,300	704
	<u>\$ 37,027</u>	<u>\$ 63,189</u>
Bilingual Programs		
Salaries	\$ 312,657	\$ 312,657
Employee Benefits	19,981	19,896
Purchased Services	-	3,250
Supplies and Materials	1,000	515
	<u>\$ 333,638</u>	<u>\$ 336,318</u>
Private Tuition		
Special Education Programs K-12		
Other Objects	\$ -	\$ 46,984
	<u>\$ -</u>	<u>\$ 46,984</u>
Student Activity Fund	<u>\$ 37,700</u>	<u>\$ 46,912</u>
State Retirement Contributions	<u>\$ -</u>	<u>\$ 4,199,005</u>
Total Instruction	<u>\$ 7,559,004</u>	<u>\$ 11,752,245</u>
Support Services		
Pupil		
Attendance and Social Work Services		
Salaries	\$ 170,879	\$ 170,879
Employee Benefits	25,546	25,412
Purchased Services	8,453	7,600
Supplies and Materials	1,000	573
	<u>\$ 205,878</u>	<u>\$ 204,464</u>
Guidance Services		
Supplies and Materials	<u>\$ 10,000</u>	<u>\$ 278</u>
	<u>\$ 10,000</u>	<u>\$ 278</u>
Health Services		
Salaries	\$ 77,110	\$ 77,987
Employee Benefits	436	349
Purchased Services	750	490
Supplies and Materials	2,000	1,153
	<u>\$ 80,296</u>	<u>\$ 79,979</u>
Psychological Services		
Salaries	\$ 183,760	\$ 183,760
Employee Benefits	32,686	32,291
Purchased Services	210,487	177,095
Supplies and Materials	250	2,532
	<u>\$ 427,183</u>	<u>\$ 395,678</u>
Speech Pathology and Audiology Services		
Salaries	\$ 182,432	\$ 182,433
Employee Benefits	49,101	48,832
Supplies and Materials	1,500	1,006
	<u>\$ 233,033</u>	<u>\$ 232,271</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts	Actual Amounts
	Original and Final	
EXPENDITURES (Continued)		
Support Services (Continued)		
Pupil (Continued)		
Other Support Services - Pupil		
Purchased Services	\$ 600	\$ 4,438
Supplies and Materials	2,600	2,947
Other Objects	2,500	350
	\$ 5,700	\$ 7,735
Total Support Services - Pupil	\$ 962,090	\$ 920,405
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	\$ 20,000	\$ 20,757
Purchased Services	119,305	101,619
Supplies and Materials	1,000	3,247
	\$ 140,305	\$ 134,239
Educational Media Services		
Salaries	\$ 325,878	\$ 322,744
Employee Benefits	62,824	67,465
Purchased Services	201,000	196,280
Supplies and Materials	169,800	106,398
Non-Capitalized Equipment	15,000	31,180
	\$ 774,502	\$ 724,067
Assessment and Testing		
Purchased Services	\$ 30,000	\$ 18,560
	\$ 30,000	\$ 18,560
Total Support Services - Instructional Staff	\$ 944,807	\$ 876,866
General Administration		
Board of Education Services		
Purchased Services	\$ 79,045	\$ 79,522
Supplies and Materials	1,500	2,014
Other Objects	5,664	6,008
	\$ 86,209	\$ 87,544
Executive Administration Services		
Salaries	\$ 184,324	\$ 183,779
Employee Benefits	29,789	26,389
Purchased Services	14,000	7,955
Supplies and Materials	2,000	2,574
Other Objects	3,000	1,981
	\$ 233,113	\$ 226,702
Special Area Administrative Services		
Salaries	\$ 83,516	\$ 83,517
Employee Benefits	16,235	16,232
Purchased Services	4,000	159
Other Objects	1,000	239
	\$ 104,751	\$ 110,104
Tort Immunity Services		
Purchased Services	\$ 72,175	\$ 61,807
	\$ 72,175	\$ 61,807
Total Support Services - General Administration	\$ 496,248	\$ 486,157

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts	Actual Amounts
	<u>Original and Final</u>	<u> </u>
EXPENDITURES (Continued)		
Support Services (Continued)		
School Administration		
Office of the Principal Services		
Salaries	\$ 502,336	\$ 496,283
Employee Benefits	94,609	90,308
Purchased Services	16,498	17,013
Other Objects	1,500	650
	<u>\$ 614,943</u>	<u>\$ 604,254</u>
Total Support Services - School Administration	<u>\$ 614,943</u>	<u>\$ 604,254</u>
Business		
Direction of Business Support Services		
Salaries	\$ 68,063	\$ 67,815
Employee Benefits	15,173	14,771
Purchased Services	2,000	2,039
	<u>\$ 85,236</u>	<u>\$ 84,625</u>
Fiscal Services		
Salaries	\$ 130,942	\$ 130,695
Employee Benefits	36,477	35,766
Purchased Services	80,471	85,423
Other Objects	550	640
	<u>\$ 248,440</u>	<u>\$ 252,524</u>
Total Support Services - Business	<u>\$ 333,676</u>	<u>\$ 337,149</u>
Operations and Maintenance		
Employee Benefits	\$ 2,815	\$ 2,791
Purchased Services	56,962	60,088
Total Support Services - Operations and Maintenance	<u>\$ 59,777</u>	<u>\$ 62,879</u>
Transportation		
Employee Benefits	\$ 1,407	\$ 1,396
Total Support Services - Transportation	<u>\$ 1,407</u>	<u>\$ 1,396</u>
Food Services		
Salaries	\$ 181,418	\$ 182,796
Employee Benefits	34,377	25,142
Purchased Services	5,464	1,235
Supplies and Materials	115,000	98,355
Other Objects	755	766
Total Support Services - Food Services	<u>\$ 337,014</u>	<u>\$ 308,294</u>
Central		
Information Services		
Purchased Services	\$ 37,728	\$ 39,937
Supplies and Materials	500	-
	<u>\$ 38,228</u>	<u>\$ 39,937</u>
Data Processing Services		
Salaries	\$ 71,270	\$ 66,270
Employee Benefits	10,832	10,690
	<u>\$ 82,102</u>	<u>\$ 76,960</u>
Total Support Services - Central	<u>\$ 120,330</u>	<u>\$ 116,897</u>

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts Original and Final	Actual Amounts
EXPENDITURES (Continued)		
Support Services (Continued)		
Other Support Services		
Purchased Services	\$ 19,587	\$ 18,820
Supplies and Materials	1,000	952
Total Support Services - Other Support Services	\$ 20,587	\$ 19,772
Total Support Services	\$ 3,890,879	\$ 3,734,069
Community Services		
Purchased Services	\$ 17,012	\$ 7,282
Supplies and Materials	2,316	4,357
Total Community Services	\$ 19,328	\$ 19,931
Intergovernmental Payments		
Payments to Other Districts and Governmental Units		
Payments to Other Districts and Governmental Units (In-State)		
Payments for Special Education Programs		
Purchased Services	\$ 167,844	\$ 169,223
Other Objects	140,281	139,041
Total Payments to Other Districts and Governmental Units (In-State)	\$ 308,125	\$ 308,264
Total Payments to Other Districts and Governmental Units (In-State)	\$ 308,125	\$ 308,264
Payments to Other Districts and Governmental Units-Tuition (In-State)		
Payments for Special Education Programs		
Other Objects	\$ 1,607,700	\$ 1,545,823
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	\$ 1,607,700	\$ 1,545,823
Total Payments to Other Districts and Governmental Units	\$ 1,915,825	\$ 1,854,087
Total Intergovernmental Payments	\$ 1,915,825	\$ 1,854,087
Total Expenditures	\$ 13,385,036	\$ 17,409,893
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (38,167)	\$ 821,108
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ (38,167)	\$ 821,108
FUND BALANCE - JULY 1, 2022		16,039,466
FUND BALANCE - JUNE 30, 2023		\$ 16,860,574

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - OPERATIONS AND MAINTENANCE FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts	Actual Amounts
	Original and Final	
REVENUES		
Property Taxes	\$ 1,217,047	\$ 1,292,290
Earnings on Investments	35,445	27,349
Other Local Sources	30,000	30,800
State Aid		
Other Federal Aid	10,961	10,961
Total Revenues	\$ 1,293,453	\$ 1,361,400
EXPENDITURES		
Support Services		
Facilities Acquisition and Construction Services		
Purchased Services	\$ 90,000	\$ 40,487
Total Support Services - Facilities Acquisition and Construction Services	\$ 90,000	\$ 40,487
Operations and Maintenance		
Salaries	\$ 216,087	\$ 232,690
Employee Benefits	38,108	41,153
Purchased Services	458,714	304,679
Supplies and Materials	285,400	263,689
Non-Capitalized Equipment	100,000	68,161
Total Support Services - Operations and Maintenance	\$ 1,098,309	\$ 910,712
Total Support Services	\$ 1,188,309	\$ 951,199
Capital Outlay		
Support Services		
Operations and Maintenance	\$ 50,000	\$ 146,177
Total Capital Outlay	\$ 50,000	\$ 146,177
Total Expenditures	\$ 1,238,309	\$ 1,097,376
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 55,144	\$ 264,024
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	(1,087,625)	(1,087,625)
NET CHANGE IN FUND BALANCE	\$ (1,032,481)	\$ (823,601)
FUND BALANCE - JULY 1, 2022		1,852,840
FUND BALANCE - JUNE 30, 2023		\$ 1,029,239

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
DEBT SERVICES FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 354,385	\$ 348,128
Earnings on Investments	4,681	5,579
Total Revenues	\$ 359,066	\$ 353,707
EXPENDITURES		
Debt Services		
Interest		
Corporate Personal Property Replacement Tax Anticipation Notes		
Other Objects	\$ 21,150	\$ -
Other Interest on Long-Term Debt		
Other Objects	350,228	46,378
Total Debt Services - Interest	\$ 371,378	\$ 46,378
Payments of Principal on Long-Term Debt		
Other Objects	\$ 62,397	\$ 387,397
Total Debt Services - Payment of Principal on Long-Term Debt	\$ 62,397	\$ 387,397
Other		
Other Objects	\$ 250	\$ 250
Total Debt Services - Other	\$ 250	\$ 250
Total Debt Services	\$ 434,025	\$ 434,025
Total Expenditures	\$ 434,025	\$ 434,025
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (74,959)	\$ (80,318)
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	87,625	87,625
NET CHANGE IN FUND BALANCE	\$ 12,666	\$ 7,307
FUND BALANCE - JULY 1, 2022		274,317
FUND BALANCE - JUNE 30, 2023		\$ 281,624

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 1,051,990	\$ 1,027,873
Earnings on Investments	28,411	38,628
State Aid		
Transportation	235,684	211,592
Other Federal Aid	4,928	8,102
Total Revenues	\$ 1,321,013	\$ 1,286,195
EXPENDITURES		
Support Services		
Transportation		
Salaries	\$ 26,332	\$ 26,254
Employee Benefits	3,034	2,362
Purchased Services	1,160,007	875,520
Total Support Services - Transportation	\$ 1,189,373	\$ 904,136
Total Support Services	\$ 1,189,373	\$ 904,136
Total Expenditures	\$ 1,189,373	\$ 904,136
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 131,640	\$ 382,059
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ 131,640	\$ 382,059
FUND BALANCE - JULY 1, 2022		1,730,144
FUND BALANCE - JUNE 30, 2023		\$ 2,112,203

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts	Actual Amounts
	<u>Original and Final</u>	<u></u>
REVENUES		
Property Taxes	\$ 186,949	\$ 231,450
Payments in Lieu of Taxes	48,334	48,334
Earnings on Investments	6,297	4,386
Total Revenues	<u>\$ 241,580</u>	<u>\$ 284,170</u>
EXPENDITURES		
Instruction		
Regular Programs		
Employee Benefits	\$ 70,337	\$ 65,546
Special Education Programs		
Employee Benefits	31,949	28,745
Special Education Programs Pre-K		
Employee Benefits	5,948	5,568
Remedial and Supplemental Programs K-12		
Employee Benefits	7,507	8,503
Interscholastic Programs		
Employee Benefits	2,168	1,591
Summer School Programs		
Employee Benefits	1,076	1,127
Bilingual Programs		
Employee Benefits	4,534	4,465
Total Instruction	<u>\$ 123,519</u>	<u>\$ 115,545</u>
Support Services		
Pupil		
Attendance and Social Work Services		
Employee Benefits	\$ 2,478	\$ 2,340
Health Services		
Employee Benefits	17,257	16,393
Psychological Services		
Employee Benefits	2,665	2,630
Speech Pathology and Audiology Services		
Employee Benefits	2,645	2,433
Total Support Services - Pupil	<u>\$ 25,045</u>	<u>\$ 23,796</u>
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	\$ -	\$ 125
Educational Media Services		
Employee Benefits	41,262	38,699
Total Support Services - Instructional Staff	<u>\$ 41,262</u>	<u>\$ 38,824</u>
General Administration		
Executive Administration Services		
Employee Benefits	\$ 2,673	\$ 2,710
Special Area Administrative Services		
Employee Benefits	1,211	1,354
Total Support Services - General Administration	<u>\$ 3,884</u>	<u>\$ 4,064</u>

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual Amounts</u>
EXPENDITURES (Continued)		
Support Services (Continued)		
School Administration		
Office of the Principal Services		
Employee Benefits	\$ 23,617	\$ 21,677
Total Support Services - School Administration	<u>\$ 23,617</u>	<u>\$ 21,677</u>
Business		
Direction of Business Support Services		
Employee Benefits	\$ 15,233	\$ 13,678
Fiscal Services		
Employee Benefits	29,305	27,087
Total Support Services - Business	<u>\$ 44,538</u>	<u>\$ 40,765</u>
Operations and Maintenance		
Employee Benefits	\$ 36,087	\$ 36,960
Total Support Services - Operations and Maintenance	<u>\$ 36,087</u>	<u>\$ 36,960</u>
Transportation		
Employee Benefits	\$ 382	\$ 379
Total Support Services - Transportation	<u>\$ 382</u>	<u>\$ 379</u>
Food Services		
Employee Benefits	\$ 32,774	\$ 29,518
Total Support Services - Food Services	<u>\$ 32,774</u>	<u>\$ 29,518</u>
Central		
Data Processing Services		
Employee Benefits	\$ 15,950	\$ 14,067
Total Support Services - Central	<u>\$ 15,950</u>	<u>\$ 14,067</u>
Total Support Services	<u>\$ 223,539</u>	<u>\$ 210,050</u>
Community Services		
Employee Benefits	\$ -	\$ 10
Total Community Services	<u>\$ -</u>	<u>\$ 10</u>
Total Expenditures	<u>\$ 347,058</u>	<u>\$ 325,605</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (105,478)	\$ (41,435)
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (105,478)</u>	\$ (41,435)
FUND BALANCE - JULY 1, 2022		<u>303,169</u>
FUND BALANCE - JUNE 30, 2023		<u>\$ 261,734</u>

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
 CAPITAL PROJECTS FUND
 YEAR ENDED JUNE 30, 2023

	Budgeted Amounts	Actual Amounts
	Original and Final	
REVENUES		
Earnings on Investments	\$ 5,424	\$ 17,976
State Aid		
Infrastructure Improvements - Construction	-	50,000
Total Revenues	\$ 5,424	\$ 67,976
EXPENDITURES		
Capital Outlay		
Support Services		
Facilities Acquisition and Construction Services	\$ 1,000,000	\$ 238,879
Total Capital Outlay	\$ 1,000,000	\$ 238,879
Total Expenditures	\$ 1,000,000	\$ 238,879
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (994,576)	\$ (170,903)
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	1,000,000	1,000,000
NET CHANGE IN FUND BALANCE	\$ 5,424	\$ 829,097
FUND BALANCE - JULY 1, 2022		392,805
FUND BALANCE - JUNE 30, 2023		\$ 1,221,902

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
 CAPITAL PROJECTS FUND - FIRE PREVENTION AND SAFETY FUND
 YEAR ENDED JUNE 30, 2023

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Earnings on Investments	\$ 10	\$ 14
Total Revenues	\$ 10	\$ 14
EXPENDITURES		
Total Expenditures	\$ -	\$ -
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 10	\$ 14
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ 10	\$ 14
FUND BALANCE - JULY 1, 2022		638
FUND BALANCE - JUNE 30, 2023		\$ 652

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 COMBINING BALANCE SHEET - MODIFIED CASH BASIS
 GENERAL FUND
 JUNE 30, 2023

	Educational Fund	Working Cash Fund	Tort Fund	Total General Fund
ASSETS				
Cash and Cash Equivalents	\$ 14,413,024	\$ 2,457,687	\$ -	\$ 16,870,711
Total Assets	\$ 14,413,024	\$ 2,457,687	\$ -	\$ 16,870,711
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Payroll Liabilities	\$ 10,137	\$ -	\$ -	\$ 10,137
Total Liabilities	\$ 10,137	\$ -	\$ -	\$ 10,137
FUND BALANCE				
Restricted				
Student Activity	\$ 41,358	\$ -	\$ -	\$ 41,358
Unassigned	14,361,529	2,457,687	-	16,819,216
Total Fund Balance	\$ 14,402,887	\$ 2,457,687	\$ -	\$ 16,860,574
Total Liabilities and Fund Balance	\$ 14,413,024	\$ 2,457,687	\$ -	\$ 16,870,711

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
 GENERAL FUND
 YEAR ENDED JUNE 30, 2023

	Educational Fund	Working Cash Fund	Tort Fund	General Fund Total
REVENUES				
Property Taxes	\$ 9,837,881	\$ 91,558	\$ -	\$ 9,929,439
Payments in Lieu of Taxes	1,444,231	-	-	1,444,231
Tuition	54,078	-	-	54,078
Earnings on Investments	312,488	51,291	16	363,795
Food Services	131,980	-	-	131,980
Textbooks	106,783	-	-	106,783
Student Activity Income	47,997	-	-	47,997
Other Local Sources	257,610	-	-	257,610
State Aid	877,699	-	-	877,699
Federal Aid	818,384	-	-	818,384
State Retirement Contributions	4,199,005	-	-	4,199,005
Total Revenues	\$ 18,088,136	\$ 142,849	\$ 16	\$ 18,231,001
EXPENDITURES				
Current				
Instruction				
Regular Programs	\$ 5,414,237	\$ -	\$ -	\$ 5,414,237
Special Education Programs	774,496	-	-	774,496
Special Education Programs Pre-K	114,163	-	-	114,163
Other Instructional Programs	1,203,432	-	-	1,203,432
Student Activity Fund	46,912	-	-	46,912
State Retirement Contributions	4,199,005	-	-	4,199,005
Support Services				
Pupil	920,405	-	-	920,405
Instructional Staff	876,866	-	-	876,866
General Administration	486,157	-	-	486,157
School Administration	604,254	-	-	604,254
Business	337,149	-	-	337,149
Operations and Maintenance	62,879	-	-	62,879
Transportation	1,396	-	-	1,396
Food Services	308,294	-	-	308,294
Central	116,897	-	-	116,897
Other Support Services	7,037	-	12,735	19,772
Community Services	19,931	-	-	19,931
Intergovernmental Payments				
Payments to Other Districts and Governmental Units	1,854,087	-	-	1,854,087
Total Expenditures	\$ 17,397,158	\$ -	\$ 12,735	\$ 17,409,893
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 690,978	\$ 142,849	\$ (12,719)	\$ 821,108
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	71	-	(71)	-
NET CHANGE IN FUND BALANCES	\$ 691,049	\$ 142,849	\$ (12,790)	\$ 821,108
FUND BALANCE - JULY 1, 2022	13,711,838	2,314,838	12,790	16,039,466
FUND BALANCE - JUNE 30, 2023	\$ 14,402,887	\$ 2,457,687	\$ -	\$ 16,860,574

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted		Actual
	Amounts		
	<u>Original and Final</u>		<u>Amounts</u>
REVENUES			
Property Taxes	\$	9,756,304	\$ 9,837,881
Payments in Lieu of Taxes		945,502	1,444,231
Tuition		73,275	54,078
Earnings on Investments		241,225	312,488
Food Services		101,000	131,980
Textbooks		110,000	106,783
Student Activity Income		37,700	47,997
Other Local Sources		248,383	257,610
State Aid			
Evidence Based Funding		866,246	866,246
Special Education		-	10,218
State Free Lunch and Breakfast		1,000	385
Other Restricted Revenue from State Sources		-	850
Federal Aid			
Food Service		85,000	150,922
Title I		87,729	93,250
Title IV		27,238	22,216
Federal Special Education		214,825	235,120
Title III - English Language Acquisition		30,855	18,980
Title II - Teacher Quality		19,002	14,897
Medicaid Matching Funds - Administrative Outreach		-	20,185
Medicaid Matching Funds - Fee-for-Service Program		-	10,223
Other Federal Aid		368,140	252,591
State Retirement Contributions		-	4,199,005
Total Revenues	\$	<u>13,213,424</u>	\$ <u>18,088,136</u>
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$	4,581,131	\$ 4,400,804
Employee Benefits		711,496	693,937
Purchased Services		73,075	109,189
Supplies and Materials		253,900	202,989
	\$	<u>5,629,602</u>	\$ <u>5,414,237</u>
Special Education Programs			
Salaries	\$	630,036	\$ 628,704
Employee Benefits		80,435	87,973
Purchased Services		7,000	5,506
Supplies and Materials		2,500	5,329
	\$	<u>719,971</u>	\$ <u>727,512</u>
Special Education Programs Pre-K			
Salaries	\$	97,563	\$ 97,540
Employee Benefits		16,681	16,623
	\$	<u>114,244</u>	\$ <u>114,163</u>
Remedial and Supplemental Programs K-12			
Salaries	\$	517,739	\$ 614,237
Employee Benefits		70,910	81,929
Supplies and Materials		2,500	2,932
	\$	<u>591,149</u>	\$ <u>699,098</u>
Interscholastic Programs			
Salaries	\$	72,275	\$ 83,394
Employee Benefits		903	1,101
Purchased Services		10,195	9,989
Other Objects		10,800	9,458
	\$	<u>95,673</u>	\$ <u>104,827</u>

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts	Actual Amounts
	Original and Final	Original and Final
EXPENDITURES (Continued)		
Instruction (Continued)		
Summer School Programs		
Salaries	\$ 35,457	\$ 56,453
Employee Benefits	270	6,032
Supplies and Materials	1,300	704
	<u>\$ 37,027</u>	<u>\$ 63,189</u>
Bilingual Programs		
Salaries	\$ 312,657	\$ 312,657
Employee Benefits	19,981	19,896
Purchased Services	-	3,250
Supplies and Materials	1,000	515
	<u>\$ 333,638</u>	<u>\$ 336,318</u>
Private Tuition		
Special Education Programs K-12		
Other Objects	\$ -	\$ 46,984
	<u>\$ -</u>	<u>\$ 46,984</u>
Student Activity Fund	<u>\$ 37,700</u>	<u>\$ 46,912</u>
State Retirement Contributions	<u>\$ -</u>	<u>\$ 4,199,005</u>
Total Instruction	<u>\$ 7,559,004</u>	<u>\$ 11,752,245</u>
Support Services		
Pupil		
Attendance and Social Work Services		
Salaries	\$ 170,879	\$ 170,879
Employee Benefits	25,546	25,412
Purchased Services	8,453	7,600
Supplies and Materials	1,000	573
	<u>\$ 205,878</u>	<u>\$ 204,464</u>
Guidance Services		
Supplies and Materials	\$ 10,000	\$ 278
	<u>\$ 10,000</u>	<u>\$ 278</u>
Health Services		
Salaries	\$ 77,110	\$ 77,987
Employee Benefits	436	349
Purchased Services	750	490
Supplies and Materials	2,000	1,153
	<u>\$ 80,296</u>	<u>\$ 79,979</u>
Psychological Services		
Salaries	\$ 183,760	\$ 183,760
Employee Benefits	32,686	32,291
Purchased Services	210,487	177,095
Supplies and Materials	250	2,532
	<u>\$ 427,183</u>	<u>\$ 395,678</u>
Speech Pathology and Audiology Services		
Salaries	\$ 182,432	\$ 182,433
Employee Benefits	49,101	48,832
Supplies and Materials	1,500	1,006
	<u>\$ 233,033</u>	<u>\$ 232,271</u>

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MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts	Actual Amounts
	Original and Final	
EXPENDITURES (Continued)		
Support Services (Continued)		
Pupil (Continued)		
Other Support Services - Pupil		
Purchased Services	\$ 600	\$ 4,438
Supplies and Materials	2,600	2,947
Other Objects	2,500	350
	<u>\$ 5,700</u>	<u>\$ 7,735</u>
Total Support Services - Pupil	<u>\$ 962,090</u>	<u>\$ 920,405</u>
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	\$ 20,000	\$ 20,757
Purchased Services	119,305	101,619
Supplies and Materials	1,000	3,247
	<u>\$ 140,305</u>	<u>\$ 134,239</u>
Educational Media Services		
Salaries	\$ 325,878	\$ 322,744
Employee Benefits	62,824	67,465
Purchased Services	201,000	196,280
Supplies and Materials	169,800	106,398
Non-Capitalized Equipment	15,000	31,180
	<u>\$ 774,502</u>	<u>\$ 724,067</u>
Assessment and Testing		
Purchased Services	\$ 30,000	\$ 18,560
	<u>\$ 30,000</u>	<u>\$ 18,560</u>
Total Support Services - Instructional Staff	<u>\$ 944,807</u>	<u>\$ 876,866</u>
General Administration		
Board of Education Services		
Purchased Services	\$ 79,045	\$ 79,522
Supplies and Materials	1,500	2,014
Other Objects	5,664	6,008
	<u>\$ 86,209</u>	<u>\$ 87,544</u>
Executive Administration Services		
Salaries	\$ 184,324	\$ 183,779
Employee Benefits	29,789	26,389
Purchased Services	14,000	7,955
Supplies and Materials	2,000	2,574
Other Objects	3,000	1,981
	<u>\$ 233,113</u>	<u>\$ 226,702</u>
Special Area Administrative Services		
Salaries	\$ 83,516	\$ 83,517
Employee Benefits	16,235	16,232
Purchased Services	4,000	159
Other Objects	1,000	239
	<u>\$ 104,751</u>	<u>\$ 110,104</u>
Tort Immunity Services		
Purchased Services	\$ 72,175	\$ 61,807
	<u>\$ 72,175</u>	<u>\$ 61,807</u>
Total Support Services - General Administration	<u>\$ 496,248</u>	<u>\$ 486,157</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts	Actual Amounts
	Original and Final	Original and Final
EXPENDITURES (Continued)		
Support Services (Continued)		
School Administration		
Office of the Principal Services		
Salaries	\$ 502,336	\$ 496,283
Employee Benefits	94,609	90,308
Purchased Services	16,498	17,013
Other Objects	1,500	650
	<u>\$ 614,943</u>	<u>\$ 604,254</u>
Total Support Services - School Administration	<u>\$ 614,943</u>	<u>\$ 604,254</u>
Business		
Direction of Business Support Services		
Salaries	\$ 68,063	\$ 67,815
Employee Benefits	15,173	14,771
Purchased Services	2,000	2,039
	<u>\$ 85,236</u>	<u>\$ 84,625</u>
Fiscal Services		
Salaries	\$ 130,942	\$ 130,695
Employee Benefits	36,477	35,766
Purchased Services	80,471	85,423
Other Objects	550	640
	<u>\$ 248,440</u>	<u>\$ 252,524</u>
Total Support Services - Business	<u>\$ 333,676</u>	<u>\$ 337,149</u>
Operations and Maintenance		
Employee Benefits	\$ 2,815	\$ 2,791
Purchased Services	56,962	60,088
Total Support Services - Operations and Maintenance	<u>\$ 59,777</u>	<u>\$ 62,879</u>
Transportation		
Employee Benefits	\$ 1,407	\$ 1,396
Total Support Services - Transportation	<u>\$ 1,407</u>	<u>\$ 1,396</u>
Food Services		
Salaries	\$ 181,418	\$ 182,796
Employee Benefits	34,377	25,142
Purchased Services	5,464	1,235
Supplies and Materials	115,000	98,355
Other Objects	755	766
Total Support Services - Food Services	<u>\$ 337,014</u>	<u>\$ 308,294</u>
Central		
Information Services		
Purchased Services	\$ 37,728	\$ 39,937
Supplies and Materials	500	-
	<u>\$ 38,228</u>	<u>\$ 39,937</u>
Data Processing Services		
Salaries	\$ 71,270	\$ 66,270
Employee Benefits	10,832	10,690
	<u>\$ 82,102</u>	<u>\$ 76,960</u>
Total Support Services - Central	<u>\$ 120,330</u>	<u>\$ 116,897</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts Original and Final	Actual Amounts
EXPENDITURES (Continued)		
Support Services (Continued)		
Other Support Services		
Purchased Services	\$ 6,852	\$ 6,085
Supplies and Materials	1,000	952
Total Support Services - Other Support Services	\$ 7,852	\$ 7,037
Total Support Services	\$ 3,878,144	\$ 3,721,334
Community Services		
Purchased Services	\$ 17,012	\$ 7,282
Supplies and Materials	2,316	4,357
Total Community Services	\$ 19,328	\$ 19,931
Intergovernmental Payments		
Payments to Other Districts and Governmental Units		
Payments to Other Districts and Governmental Units (In-State)		
Payments for Special Education Programs		
Purchased Services	\$ 167,844	\$ 169,223
Other Objects	140,281	139,041
Total Payments to Other Districts and Governmental Units (In-State)	\$ 308,125	\$ 308,264
Payments to Other Districts and Governmental Units-Tuition (In-State)		
Payments for Special Education Programs		
Other Objects	\$ 1,607,700	\$ 1,545,823
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	\$ 1,607,700	\$ 1,545,823
Total Payments to Other Districts and Governmental Units	\$ 1,915,825	\$ 1,854,087
Total Intergovernmental Payments	\$ 1,915,825	\$ 1,854,087
Total Expenditures	\$ 13,372,301	\$ 17,397,158
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (158,877)	\$ 690,978
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	-	71
NET CHANGE IN FUND BALANCE	\$ (158,877)	\$ 691,049
FUND BALANCE - JULY 1, 2022		13,711,838
FUND BALANCE - JUNE 30, 2023		\$ 14,402,887

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
 GENERAL FUND - WORKING CASH FUND
 YEAR ENDED JUNE 30, 2023

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 93,346	\$ 91,558
Earnings on Investments	39,339	51,291
Total Revenues	\$ 132,685	\$ 142,849
EXPENDITURES	\$ -	\$ -
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 132,685	\$ 142,849
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ 132,685	\$ 142,849
FUND BALANCE - JULY 1, 2022		2,314,838
FUND BALANCE - JUNE 30, 2023		\$ 2,457,687

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
 GENERAL FUND - TORT FUND
 YEAR ENDED JUNE 30, 2023

	Budgeted Amounts <u>Original and Final</u>	Actual Amounts
REVENUES		
Earnings on Investments	\$ -	\$ 16
Total Revenues	\$ -	\$ 16
EXPENDITURES		
Support Services		
Other Support Services		
Purchased Services	\$ 12,735	\$ 12,735
Total Support Services - Other Support Services	\$ 12,735	\$ 12,735
Total Support Services	\$ 12,735	\$ 12,735
Total Expenditures	\$ 12,735	\$ 12,735
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (12,735)	\$ (12,719)
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	-	(71)
NET CHANGE IN FUND BALANCE	\$ (12,735)	\$ (12,790)
FUND BALANCE - JULY 1, 2022		12,790
FUND BALANCE - JUNE 30, 2023		\$ -

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 COMPUTATION OF OPERATING EXPENSE PER PUPIL
 AND PER CAPITA TUITION CHARGE
 YEAR ENDED JUNE 30, 2023

OPERATING EXPENSE PER PUPIL

EXPENDITURES:			
ED	Total Expenditures	\$	13,151,241
O&M	Total Expenditures		1,097,376
DS	Total Expenditures		434,025
TR	Total Expenditures		904,136
MR/SS	Total Expenditures		325,605
TORT	Total Expenditures		12,735
	Total Expenditures	\$	15,925,118

LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:

ED	Special Education Programs Pre-K	\$	114,163
ED	Summer School Programs		63,189
ED	Special Education Programs K-12 - Private Tuition		46,984
ED	Community Services		12,425
ED	Total Payments to Other District & Govt Units		1,854,087
ED	Capital Outlay		49,561
ED	Non-Capitalized Equipment		46,004
O&M	Capital Outlay		146,177
O&M	Non-Capitalized Equipment		68,161
DS	Debt Service - Payments of Principal on Long-Term Debt		387,397
MR/SS	Special Education Programs - Pre-K		5,568
MR/SS	Summer School Programs		1,127
MR/SS	Community Services		10
	Total Deductions	\$	2,794,853
	Total Operating Expenses (Regular K-12)	\$	13,130,265
	9 Mo ADA from Average Daily Attendance - Student Information System (SIS) in IWAS		774.16
	Estimated OEPP	\$	16,960.66

PER CAPITA TUITION CHARGE

LESS OFFSETTING RECEIPTS/REVENUES:

ED	Total Food Service	\$	131,980
ED	Rentals - Regular Textbooks		106,783
ED-O&M-DS-TR-MR/SS	Payment from Other Districts		30,800
ED-O&M-TR	Total Special Education		10,218
ED	State Free Lunch & Breakfast		385
ED-O&M-TR-MR/SS	Total Transportation		211,592
ED-O&M-DS-TR-MR/SS-Tort	Other Restricted Revenue from State Sources		850
ED-MR/SS	Total Food Service		150,922
ED-O&M-TR-MR/SS	Total Title I		93,250
ED-O&M-TR-MR/SS	Total Title IV		22,216
ED-O&M-TR-MR/SS	Fed - Spec Education - IDEA - Flow Through/Low Incidence		229,392
ED-TR-MR/SS	Title III - Language Inst Program - Limited Eng (LIPLEP)		18,980
ED-O&M-TR-MR/SS	Title II - Teacher Quality		14,897
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Administrative Outreach		20,185
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Fee-for-Service Program		10,223
ED-O&M-TR-MR/SS	Other Restricted Revenue from Federal Sources (Describe & Itemize)		271,654
ED-TR-MR/SS	Special Education Contributions from EBF Funds		269,058
ED-MR/SS	English Learning (Bilingual) Contributions from EBF Funds		51,343
	Total Allowance for PCTC Computation	\$	1,644,727
	Net Operating Expense for PCTC Computation	\$	11,485,538
	Total Depreciation Allowance (from page 27, Col I)	\$	637,179
	Total Allowance for PCTC Computation	\$	12,122,717
	9 Mo ADA from Average Daily Attendance - Student Information System (SIS) in IWAS		774.16
	Unaudited	Total Estimated PCTC	\$
			15,659.19

ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Board of Education
Morton Grove Public School District No. 70
Morton Grove, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited

Morton Grove Public School District No. 70's

compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Morton Grove Public School District No. 70's major federal programs for the year ended June 30, 2023. Morton Grove Public School District No. 70's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Morton Grove Public School District No. 70 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

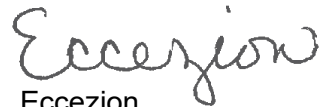
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The 2022 comparative information shown in the Schedule of Expenditures of Federal Awards was subjected to auditing procedures by us in our report dated November 28, 2022 expressed an unmodified opinion that such information was fairly stated in all material respects in relation to the 2022 financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Eccezion

Consulting • CPAs • Technology

McHenry, Illinois
November 10, 2023

Morton Grove SD 70
05-016-0700-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2023

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)-(F)-(G) (H)	Budget (I)
			Year 7/1/21-6/30/22 (C)	Year 7/1/22-6/30/23 (D)	Year 7/1/21-6/30/22 Pass through to Subrecipients (E)	Year 7/1/21-6/30/22 Pass through to Subrecipients (F)	Year 7/1/22-6/30/23 Pass through to Subrecipients (G)			
CHILD NUTRITION CLUSTER								0		
US Department of Agriculture Passed Through								0		
Illinois State Board of Education								0		
Food Donations Program (Non-Cash Commodities)	10.555	23-4299-00		7,151			7,151	7,151	N/A	
US Department of Agriculture Passed Through								0		
Department of Defense								0		
Food Donations Program (Non-Cash Commodities)	10.555	23-4299-00		16,725			16,725	16,725	N/A	
US Department of Agriculture Passed Through								0		
Illinois State Board of Education								0		
National School Lunch Program +	10.555	22-4210-00	272,305	17,937	272,305	17,937	17,937	290,242	N/A	
National School Lunch Program+	10.555	23-4210-00		101,233			101,233	101,233	N/A	
COVID-19 ARP National School Lunch Program +	10.555	22-4210-BT		628			628	628	N/A	
COVID-19 ARP Nutrition Supply Chain Assistance +	10.555	23-4210-SC		31,124			31,124	31,124	N/A	
Subtotal CFDA "10.555"			272,305	174,798	272,305	174,798	174,798	447,103		
Total Child Nutrition Cluster			272,305	174,798	272,305	174,798	174,798	447,103		
Subtotal CFDA "10"			272,305	174,798	272,305	174,798	174,798	447,103		
US Department of Education Passed Through								0		
Illinois State Board of Education								0		
Title I - Low Income (M)	84.010	22-4300-00	112,610	14,016	126,626			126,626	173,971	
Title I - Low Income (M)	84.010	23-4300-00		79,234			114,926	114,926	151,010	
Subtotal CFDA "84.010"			112,610	93,250	126,626		114,926	241,552		
								0		

Morton Grove SD 70
05-016-0700-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2023

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits or Contract #) ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)-(F)-(G) (H)	Budget (I)
			Year 7/1/21-6/30/22 (C)	Year 7/1/22-6/30/23 (D)	Year 7/1/21-6/30/22 (E)	Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/22-6/30/23 (F)			
Title IVA - Student Support & Academic Enrichment*	84.424	22-4400-00	5,815	12,516	5,815				18,331	26,356
Title IVA - Student Support & Academic Enrichment	84.424	23-4400-00		9,700					9,700	20,480
Subtotal CFDA "84.424"			5,815	22,216	5,815	0	0	0	28,031	
Title III - LIPEP*	84.365	22-4909-00	9,670	14,336	23,406				0	
Title III - LIPEP*	84.365	23-4909-00		4,644					24,006	30,855
Subtotal CFDA "84.365"			9,670	18,980	23,406	0	0	0	16,656	27,649
Title II - Teacher Quality	84.367	22-4932-00	24,527	2,476	27,003				0	
Title II - Teacher Quality	84.367	23-4932-00		12,421					27,003	28,008
Subtotal CFDA "84.367"			24,527	14,897	27,003	0	0	0	16,649	25,129
COVID-19 Elementary and Secondary Emergency Relief Fund - ESER 3 (M)	84.425U	22-4998-E3	236,840	258,526	318,480				586,633	731,950
COVID-19 American Rescue Plan - Homeless Children and Youth (M)	84.425W	22-4998-HL	2,883	8,941	8,990				11,774	14,893
COVID-19 Formula CARES and ARP Programs (M)	84.425	23-4998-EB		0					740	9,930
Subtotal CFDA "84.425"			239,723	267,467	327,470	0	0	0	599,147	
SPECIAL EDUCATION CLUSTER									0	
Special Education - Preschool	84.173	22-4600-00	4,870	533	5,403				5,403	5,403
Special Education - Preschool	84.173	23-4600-00		5,195					5,798	5,798
Subtotal CFDA "84.173"			4,870	5,728	5,403	0	0	0	11,201	
Special Education - Grants to States	84.027	22-4620-00	193,965	32,060	226,025				226,025	226,025
Special Education - Grants to States	84.027	23-4620-00		197,332					238,043	238,043
Subtotal CFDA "84.027"			193,965	229,392	226,025	0	0	0	464,068	
Total Special Education Cluster			198,835	235,120	231,428	0	0	0	475,269	
Subtotal CFDA "84"			591,180	651,930	741,748	0	0	0	1,428,313	
									0	

Morton Grove SD 70

05-016-0700-02

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ending June 30, 2023

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴			Final Status (E)-(F)-(G) (H)	Budget (I)
			Year 7/1/21-6/30/22 (C)	Year 7/1/22-6/30/23 (D)	Year 7/1/21-6/30/22 Pass through to Subrecipients (E)	Year 7/1/21-6/30/22 Pass through to Subrecipients (F)	Year 7/1/22-6/30/23 Pass through to Subrecipients (G)		
MEDICAID CLUSTER							0		
US Department of Health and Human Services Passed Through							0		
Illinois Department of Healthcare and Family Services							0		
Medicaid Matching	93.778	23-4992-00		21,026		21,026	21,026	N/A	
Total Medicaid Cluster			0	21,026	0	21,026	21,026		
Subtotal CFDA "93"			0	21,026	0	21,026	21,026		
Federal Communications Commission							0		
COVID-19 Emergency Connectivity Fund Program	32.009	22-4998-00	0	4,187	4,187		0	N/A	
COVID-19 Emergency Connectivity Fund Program	32.009	23-4998-00				4,187	4,187	N/A	
Subtotal CFDA "32.009"			0	4,187	4,187	4,187	8,374		
Subtotal CFDA "32"			0	4,187	4,187	4,187	0		
Total Federal Assistance			863,485	851,941	1,018,240	886,576	1,904,816		
+ 9/30 Project Year End							0		
* 8/31 Project Year End							0		
							0		

• (M) P program was audited as a major program as defined by §200.518.

*Include the total amount provided to subrecipients from each Federal program. §200.510 (b)(4).

The accompanying notes are an integral part of this schedule.

1 To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

2 When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

3 When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)

4 The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal award activity of Morton Grove Public School District No. 70 under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with requirements of the Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to, and does not present, the financial position, changes in fund balance, or cash flows of the District.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - INDIRECT COST RATE

The District has elected not to use the 10 percent de minimis indirect rate as allowed under the Uniform Guidance.

NOTE 4 - SUBRECIPIENTS

The District did not provide federal awards to subrecipients during the year ended June 30, 2023.

NOTE 5 - FEDERAL LOANS

There were no federal loans or loan guarantees outstanding at year end.

NOTE 6 - DONATED PERSONAL PROTECTIVE EQUIPMENT (PPE) (UNAUDITED)

The District was not the recipient of any federally donated PPE during the current fiscal year.

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2023

- 1) Summary of auditor's results:
 - a) The auditor's report expresses a modified opinion on whether the financial statements of Morton Grove Public School District No. 70 were prepared in accordance with GAAP.
 - b) No significant deficiencies are reported during the audit of the financial statements. No material weaknesses are reported.
 - c) No instances of noncompliance material to the financial statements of Morton Grove Public School District No. 70, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
 - d) No significant deficiencies in internal control over major federal award programs are reported during the audit of the financial statements. No material weaknesses in internal control over major federal award programs are reported.
 - e) The auditor's report on compliance for the major federal award programs for Morton Grove Public School District No. 70 expresses as unmodified opinion on all major federal programs.
 - f) There are no audit findings that are required to be reported in accordance with Uniform Guidance 2 CFR section 200.516(a).
 - g) The programs tested as major programs were: Title I – Low Income (CFDA #84.010) and Covid-19 Elementary and Secondary Emergency Relief Fund (CFDA #84.425, CFDA #84.425U and CFDA #84.425W).
 - h) The threshold to distinguish between Type A and Type B programs was \$750,000.
 - i) Morton Grove Public School District No. 70 was determined to not be a low-risk auditee.
- 2) There were no findings related to the financial statements which are required to be reported.
- 3) There were no findings related to federal awards which are required to be reported.

Morton Grove SD 70
05-016-0700-02
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2023

SECTION II - FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER:¹¹

2023- None

2. THIS FINDING IS:

New

Repeat from Prior Year?

Year originally reported? _____

3. Criteria or specific requirement

4. Condition

5. Context¹²

6. Effect

7. Cause

8. Recommendation

9. Management's response¹³

¹¹ A suggested format for assigning reference numbers is to use the digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year **2021** would be assigned a reference number of **2021-001**, **2021-002**, etc. The sheet is formatted so that only the number need be entered (1, 2, etc.).

¹² Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.

¹³ See §200.521 *Management decision* for additional guidance on reporting management's response.

Morton Grove SD 70
05-016-0700-02
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2023

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:¹⁴ **2023- None** 2. THIS FINDING IS: New Repeat from Prior year?
Year originally reported? _____

3. Federal Program Name and Year: _____

4. Project No.: _____ 5. CFDA No.: _____

6. Passed Through: _____

7. Federal Agency: _____

8. Criteria or specific requirement (including statutory, regulatory, or other citation)

9. Condition¹⁵

10. Questioned Costs¹⁶

11. Context¹⁷

12. Effect

13. Cause

14. Recommendation

15. Management's response¹⁸

¹⁴ See footnote 11.

¹⁵ Include facts that support the deficiency identified on the audit finding (§200.516 (b)(3)).

¹⁶ Identify questioned costs as required by §200.516 (a)(3 - 4).

¹⁷ See footnote 12.

¹⁸ To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

Morton Grove SD 70
05-016-0700-02
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS¹⁹
Year Ending June 30, 2023

[If there are no prior year audit findings, please submit schedule and indicate **NONE**]

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status²⁰</u>
NONE		

When possible, all prior findings should be on the same page

¹⁹ Explanation of this schedule - §200.511 (b)

²⁰ Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.

Action Item B

To: The Board of Education

From: Erin Majchrowski, CSBO

Re: LED Lighting Replacement Bid

Date: December 18, 2023

In collaboration with our architectural firm, STR, the district went out to bid to replace the existing fluorescent lighting with LED fixtures. The bid opening was held on December 1st at 3:30pm. Seven companies submitted bids for the base bid as well as both alternates, and the range was from \$171,130 - \$361,000. The law requires that the bid be awarded to the lowest responsive, responsible bidder.

The lowest bidder, including the alternates, who met all the requirements of the bid was Ogni Group. This project type is what Ogni Group specializes in and STR recommends them for the project. As a result, we are recommending that the LED lighting replacement bid be awarded to Ogni Group at a cost of \$171,130.

SUGGESTED MOTION:

I move that the Board of Education award the bid for the LED lighting replacement project to Ogni Group for the amount of \$171,130.



STR PARTNERS LLC
350 West Ontario Street
Suite 200
Chicago IL 60654
312.464.1444
www.strpartners.com

December 7, 2023

Mr. Matthew Condon
Superintendent
Morton Grove SD 70
6200 Lake Street
Morton Grove, IL 60053

RE: LED Lighting Replacement

Mr. Condon,

On Dec. 1, 2023, we conducted the public bidding for the first phase of the proposed replacement of the existing fluorescent lighting with significantly more efficient LED fixtures. We were very pleased with the number and quality of the 7-deep field of bidders.

The low-combined bid was presented by the Ogni Group. We have interviewed them and confirmed that they have included everything we specified into their bid price. This project type is what Ogni Group specializes in. ON this basis, we recommend acceptance of this bid.

To recap the project: Base bid is the gyms and cafeteria. Alternate 1 is the east classroom wing, and alternate 2 is the west classroom wing. Besides the advantage of energy savings, all of the LED fixtures include dimming capability. The work will be done mostly over Spring Break, but if they can obtain light fixtures in time, they may also work over Winter Break.

Thank you,

Alan Armbrust
Executive Manager
STR Partners LLC

BID TABULATION SHEET

Project Name: D70 2023 Park View School LED Lighting Replacement
 Owner: Morton Grove School District 70

STR Project No: 23093.00

Opening Date: December 1, 2023

Opening Location: Morton Grove SD70 district office

	OGNI	PUBLIC	HAMILTON	WINDY CITY	MONARCH ELECTRIC	MICK WILLIAMS	ARCOBY ELECTRIC
Acknowledge Addenda Issued: (1)							
Bid Bond							
Bid Form Attachments							
Spring Break							
2nd Shift							
BASE BID	65,330	70,300	86,500	86,109.91	119,000	76,343	99,000
Alternate Bid 1	53,445	84,400	85,000	112,337.60	111,400	81,067	158,000
Alternate Bid 2	50,555	77,980	80,000	101,246.60	105,500	79,161	135,000
TOTAL	171,130	228	251	227,193		241	

OGNI

Pa. [Signature]

Matthew J. Clark

[Signature]

Action Item C

To: The Board of Education

From: Matthew Condon, Ed. S.

Re: Policy Review Second Reading and Approval

Date: December 18, 2023

In November, the Board completed the first reading of the attached policies. These policies were recommended by the PRESS service and were reviewed by the Policy Committee. Also included is a summary of the policies and the potential impact of each.

SUGGESTED MOTION:

I move that the Board of Education approve the recommendations made by the Policy Committee for adoption.

Press Policy Update #113
 October 2023

Policy Number/Name	Update Summary	Recommendation
2:110, Qualifications, Terms, and Duties of Board Officers	The policy is unchanged, footnote 22 updated.	Adopt as presented
2:120, Board Member Development	The policy, Legal References, and footnotes are updated for continuous improvement.	Adopt as presented
2:200, Types of School Board Meetings	The policy, footnotes, and Cross References are updated.	Adopt as presented
2:220, School Board Meeting Procedure	The policy, Legal References, and footnotes are updated.	Adopt as presented
2:220-E2, Motion to Adjourn to Closed Meeting	The exhibit is updated.	Adopt as presented
2:220-E6, Log of Closed Meeting Minutes	The exhibit is updated.	Adopt as presented
4:90, Student Activity and Fiduciary Funds	The policy is unchanged. The footnotes are updated.	Adopt as presented
8:30 Visitors to and Conduct on School Property	The policy, Legal References, Cross References, and footnotes are updated.	Adopt as presented
4:10, Fiscal and Business Management	The policy, Legal References, and footnotes 12 and 20 are updated.	Adopt as presented
4:30, Revenue and Investments	The policy and footnotes are updated.	Adopt as presented
4:60, Purchases and Contracts	The policy, Legal References, and footnotes are updated.	Adopt as presented
4:60-AP1, Purchases	The procedure is updated.	Adopt as presented
4:130, Free and Reduced-Priced Food Services	REFORMATTED. The policy, Legal References, and footnotes are updated.	Adopt as presented

4:160, Environmental Quality of Buildings and Grounds	The policy, Legal References and footnote 3 are updated.	Adopt as presented
4:160-AP, Environmental Quality of Buildings and Grounds	The procedure is updated.	Adopt as presented
4:170, Safety	The policy is unchanged. The footnotes are updated.	Adopt as presented
4:170-AP1, Comprehensive Safety and Security Plan	The procedure is updated.	Adopt as presented
7:345, Use of Educational Technologies; Student Data Privacy and Security	The Legal References and footnotes are updated.	Adopt as presented
7:345-AP, Use of Educational Technologies; Student Data Privacy and Security	The procedure is updated.	Adopt as presented

School Board

Qualifications, Term, and Duties of Board Officers

The School Board officers are: President, Vice President, Secretary, and Treasurer. These officers are elected or appointed by the Board at its organizational meeting.

President

The Board elects a President from its members for a two-year term. The duties of the President are to:

1. Preside at all meetings;
2. Focus the Board meeting agendas on appropriate content;
3. Make all Board committee appointments, unless specifically stated otherwise;
4. Attend and observe any Board committee meeting at his or her discretion;
5. Represent the Board on other boards or agencies;
6. Sign official District documents requiring the President's signature, including Board minutes and Certificate of Tax Levy;
7. Call special meetings of the Board;
8. Serve as the head of the public body for purposes of the Open Meetings Act and Freedom of Information Act;
9. Ensure that a quorum of the Board is physically present at all Board meetings, except as otherwise provided by the Open Meetings Act;
10. Administer the oath of office to new Board members;
11. Serve as or appoint the Board's official spokesperson to the media;
12. Except when the Board President is the subject of a complaint of sexual harassment, a witness, or otherwise conflicted, appoint a qualified outside investigator to conduct an independent review of allegations of sexual harassment made against a Board member by another Board member or elected official; and
13. Ensure that all fingerprint-based criminal history records information checks, screenings, and sexual misconduct related employment history reviews (EHRs) required by State law and policy 5:30, *Hiring Process and Criteria*, are completed for the Superintendent.

The President is permitted to participate in all Board meetings in a manner equal to all other Board members, including the ability to make and second motions.

The Vice President fills a vacancy in the Presidency.

Vice President

The Board elects a Vice President from its members for a two-year term. The Vice President performs the duties of the President if:

1. The office of President is vacant;
2. The President is absent; or
3. The President is unable to perform the office's duties.

A vacancy in the Vice Presidency is filled by a special Board election.

Secretary

The Board elects a Secretary for a two-year term. The Secretary may be, but is not required to be, a Board member. The Secretary may receive reasonable compensation as determined by the Board before

appointment. However, if the Secretary is a Board member, the compensation shall not exceed \$500 per year, as fixed by the Board at least 180 days before the beginning of the term. The duties of the Secretary are to:

1. Keep minutes for all Board meetings, and keep the verbatim record for all closed Board meetings;
2. Mail meeting notification and agenda to news media who have officially requested copies;
3. Keep records of the Board's official acts, and sign them, along with the President, before submitting them to the Treasurer at such times as the Treasurer may require;
4. Report to the Treasurer on or before July 7, annually, such information as the Treasurer is required to include in the Treasurer's report to the Regional Superintendent;
5. Act as the local election official for the District;
6. Arrange public inspection of the budget before adoption;
7. Publish required notices;
8. Sign official District documents requiring the Secretary's signature; and
9. Maintain Board policy and such other official documents as directed by the Board.

The Secretary may delegate some or all of these duties, except when State law prohibits the delegation. The Board appoints a secretary pro tempore, who may or may not be a Board member, if the Secretary is absent from any meeting or refuses to perform the duties of the office. A permanent vacancy in the office of Secretary is filled by special Board election.

Recording Secretary

The Board may appoint a Recording Secretary who is a staff member. The Recording Secretary shall:

1. Assist the Secretary by taking the minutes for all open Board meetings;
2. Assemble Board meeting material and provide it, along with prior meeting minutes, to Board members before the next meeting; and
3. Perform the Secretary's duties, as assigned, except when State law prohibits the delegation.

In addition, the Recording Secretary or Superintendent receives notification from Board members who desire to attend a Board meeting by video or audio means.

Treasurer

The Treasurer of the Board shall be either a member of the Board who serves a one-year term or a non-Board member who serves at the Board's pleasure. A Treasurer who is a Board member may not be compensated. A Treasurer who is not a Board member may be compensated provided it is established before the appointment. The Treasurer must:

1. Be at least 21 years old;
2. Not be a member of the County Board of School Trustees; and
3. Have a financial background or related experience, or 12 credit hours of college-level accounting.

The Treasurer shall:

1. Furnish a bond, which shall be approved by a majority of the full Board;
2. Maintain custody of school funds;
3. Maintain records of school funds and balances;
4. Prepare a monthly reconciliation report for the Superintendent and Board; and
5. Receive, hold, and expend District funds only upon the order of the Board.

A vacancy in the Treasurer's office is filled by Board appointment.

LEGAL REF.: 105 ILCS 5/8-1, 5/8-2, 5/8-3, 5/8-6, 5/8-16, 5/8-17, 5/10-1, 5/10-5, 5/10-7, 5/10-8, 5/10-13, 5/10-13.1, 5/10-14, 5/10-16.5, 5/10-21.9, 5/17-1, 5/21B-85, and 5/22-94.
5 ILCS 120/7, Open Meetings Act.
5 ILCS 420/4A-106, Ill. Governmental Ethics Act.

CROSS REF.: 2:80 (Board Member Oath and Conduct), 2:105 (Ethics and Gift Ban), 2:150 (Committees), 2:210 (Organizational School Board Meeting), 2:220 (School Board Meeting Procedure), 5:30 (Hiring Process and Criteria)

School Board

Board Member Development

The School Board desires that its individual members learn, understand, and practice effective governance principles. The Board is responsible for Board member orientation and development. Board members have an equal opportunity to attend State and national meetings designed to familiarize members with public school issues, governance, and legislation.

The Board President and/or Superintendent shall provide all Board members with information regarding pertinent education materials, publications, and notices of training or development.

Mandatory Board Member Training

Each Board member is responsible for his or her own compliance with the mandatory training laws that are described below:

1. Each Board member elected or appointed to fill a vacancy of at least one year's duration must complete at least four hours of professional development leadership training in education and labor law, financial oversight and accountability, fiduciary responsibilities, and trauma-informed practices for students and staff within the first year of his or her first term.
2. Each Board member must complete training on the Open Meetings Act no later than 90 days after taking the oath of office for the first time. After completing the training, each Board member must file a copy of the certificate of completion with the Board. Training on the Open Meetings Act is only required once.
3. Each Board member must complete a training program on evaluations under the Performance Evaluation Reform Act (PERA) before participating in a vote on a tenured teacher's dismissal using the optional alternative evaluation dismissal process. This dismissal process is available after the District's PERA implementation date.

The Superintendent or designee shall maintain on the District website a log identifying the complete training and development activities of each Board member, including both mandatory and non-mandatory training.

Professional Development; Adverse Consequences of School Exclusion; Student Behavior

The Board President or Superintendent, or their designees, will make reasonable efforts to provide ongoing professional development to Board members about the adverse consequences of school exclusion and justice-system involvement, effective classroom management strategies, culturally responsive discipline, appropriate and available supportive services for the promotion of student attendance and engagement, and developmentally appropriate disciplinary methods that promote positive and healthy school climates.

Board Self-Evaluation

The Board will conduct periodic self-evaluations with the goal of continuous improvement.

New Board Member Orientation

The orientation process for newly elected or appointed Board members includes:

The Board President or Superintendent, or their designees, shall give each new Board member a copy of or online access to the Board Policy Manual, the Board's regular meeting minutes for the past year,

and other helpful information including material describing the District and explaining the Board's roles and responsibilities.

The Board President or designee shall schedule one or more special Board meetings, or schedule time during regular meetings, for Board members to become acquainted and to review Board processes and procedures.

The Board President may request a veteran Board member to mentor a new member.

All new members are encouraged to attend workshops for new members conducted by the Illinois Association of School Boards.

Candidates

The Superintendent or designee shall invite all current candidates for the office of Board member to attend: (1) Board meetings, except that this invitation shall not extend to any closed meetings, and (2) pre-election workshops for candidates.

LEGAL REF.: 5 ILCS 120/1.05 and 120/2, Open Meetings Act.
105 ILCS 5/10-16a and 5/24-16.5.

CROSS REF.: 2:80 (Board Member Oath and Conduct), 2:125 (Board Member Compensation; Expenses), 2:200 (Types of School Board Meetings)

School Board

Types of School Board Meetings

General

For all meetings of the School Board and its committees, the Superintendent or designee shall satisfy all notice and posting requirements contained herein as well as in the Open Meetings Act. This shall include mailing meeting notifications to news media that have officially requested them and to others as approved by the Board. Unless otherwise specified, all meetings are held in the District's main office. Board policy 2:220, *School Board Meeting Procedure*, governs meeting quorum requirements.

The Superintendent is designated on behalf of the Board and each Board committee to receive the training on compliance with the Open Meetings Act that is required by Section 1.05(a) of that Act. The Superintendent may identify other employees to receive the training. In addition, each Board member must complete a course of training on the Open Meetings Act as required by Section 1.05(b) or (c) of that Act.

Regular Meetings

The Board announces the time and place for its regular meetings at the beginning of each fiscal year. The Superintendent shall prepare and make available the calendar of regular Board meetings. The regular meeting calendar may be changed with 10 days' notice in accordance with State law.

A meeting agenda shall be posted at the District's main office and the Board's meeting room, or other location where the meeting is to be held, at least 48 hours before the meeting.

Closed Meetings

The Board and Board committees may meet in a closed meeting to consider the following subjects:

1. The appointment, employment, compensation, discipline, performance, or dismissal of specific employees, specific individuals who serve as independent contractors in a park, recreational, or educational setting, or specific volunteers of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee, a specific individual who serves as an independent contractor in a park, recreational, or educational setting, or a volunteer of the public body or against legal counsel for the public body to determine its validity. However, a meeting to consider an increase in compensation to a specific employee of a public body that is subject to the Local Government Wage Increase Transparency Act may not be closed and shall be open to the public and posted and held in accordance with [the Open Meetings Act]. 5 ILCS 120/2(c)(1).
2. Collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees. 5 ILCS 120/2(c)(2).
3. The selection of a person to fill a public office, as defined in the Open Meetings Act, including a vacancy in a public office, when the public body is given power to appoint under law or ordinance, or the discipline, performance or removal of the occupant of a public office, when the public body is given power to remove the occupant under law or ordinance. 5 ILCS 120/2(c)(3).

4. Evidence or testimony presented in open hearing, or in closed hearing where specifically authorized by law, to a quasi-adjudicative body, as defined in the Open Meetings Act, provided that the body prepares and makes available for public inspection a written decision setting forth its determinative reasoning. 5 ILCS 120/2(c)(4).
5. Evidence or testimony presented to the Board regarding denial of admission to school events or property pursuant to 105 ILCS 5/24-24, provided that the Board prepares and makes available for public inspection a written decision setting forth its determinative reasoning. 5 ILCS 120/2(c)(4.5).
6. The purchase or lease of real property for the use of the public body, including meetings held for the purpose of discussing whether a particular parcel should be acquired. 5 ILCS 120/2(c)(5).
7. The setting of a price for sale or lease of property owned by the public body. 5 ILCS 120/2(c)(6).
8. The sale or purchase of securities, investments, or investment contracts. 5 ILCS 120/2(c)(7).
9. Security procedures, school building safety and security, and the use of personnel and equipment to respond to an actual, a threatened, or a reasonably potential danger to the safety of employees, students, staff, the public, or public property. 5 ILCS 120/2(c)(8).
10. Student disciplinary cases. 5 ILCS 120/2(c)(9).
11. The placement of individual students in special education programs and other matters relating to individual students. 5 ILCS 120/2(c)(10).
12. Litigation, when an action against, affecting or on behalf of the particular public body has been filed and is pending before a court or administrative tribunal, or when the public body finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the minutes of the closed meeting. 5 ILCS 120/2(c)(11).
13. The establishment of reserves or settlement of claims as provided in the Local Governmental and Governmental Employees Tort Immunity Act, if otherwise the disposition of a claim or potential claim might be prejudiced, or the review or discussion of claims, loss or risk management information, records, data, advice or communications from or with respect to any insurer of the public body or any intergovernmental risk management association or self insurance pool of which the public body is a member. 5 ILCS 120/2(c)(12).
14. Self evaluation, practices and procedures or professional ethics, when meeting with a representative of a statewide association of which the public body is a member. 5 ILCS 120/2(c)(16).
15. Discussion of minutes of meetings lawfully closed under the Open Meetings Act, whether for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06. 5 ILCS 120/2(c)(21).
16. Meetings between internal or external auditors and governmental audit committees, finance committees, and their equivalents, when the discussion involves internal control weaknesses, identification of potential fraud risk areas, known or suspected frauds, and fraud interviews conducted in accordance with generally accepted auditing standards of the United States of America. 5 ILCS 120/2(c)(29).

The Board may hold a closed meeting, or close a portion of a meeting, by a majority vote of a quorum, taken at an open meeting. The vote of each Board member present, and the reason for the closed meeting, will be publicly disclosed at the time of the meeting and clearly stated in the motion and the meeting minutes.

A single motion calling for a series of closed meetings may be adopted when such meetings will involve the same particular matters and are scheduled to be held within three months of the vote.

No final Board action will be taken at a closed meeting.

Reconvened or Rescheduled Meetings

A meeting may be rescheduled or reconvened. Public notice of a rescheduled or reconvened meeting shall be given in the same manner as that for a special meeting, except that no public notice is required when the original meeting is open to the public and: (1) is to be reconvened within 24 hours, or (2) an announcement of the time and place of the reconvened meeting was made at the original meeting and there is no change in the agenda.

Special Meetings

Special meetings may be called by the President or by any three members of the Board by giving notice thereof, in writing, stating the time, place, and purpose of the meeting to remaining Board members by mail at least 48 hours before the meeting, or by personal service at least 24 hours before the meeting.

Public notice of a special meeting is given by posting a notice at the District's main office at least 48 hours before the meeting and by notifying the news media that have filed a written request for notice. A meeting agenda shall accompany the notice.

All matters discussed by the Board at any special meeting must be related to a subject on the meeting agenda.

Emergency Meetings

Public notice of emergency meetings shall be given as soon as practical, but in any event, before the meeting to news media that have filed a written request for notice.

Posting on the District Website

In addition to the other notices specified in this policy, the Superintendent or designee shall post the following on the District website: (1) the annual schedule of regular meetings, which shall remain posted until the Board approves a new schedule of regular meetings; (2) a public notice of all Board meetings; and (3) the agenda for each meeting which shall remain posted until the meeting is concluded.

LEGAL REF.: 5 ILCS 120/, Open Meetings Act.
5 ILCS 140/, Freedom of Information Act.
105 ILCS 5/10-6 and 5/10-16.

CROSS REF.: 2:110 (Qualifications Term, and Duties of Board Officers), 2:120 (Board Member Development), 2:210 (Organizational School Board Meetings), 2:220 (School Board Meeting Procedure), 2:230 (Public Participation at School Board Meetings and Petitions to the Board), 6:235 (Access to Electronic Networks), 8:30 (Visitors to and Conduct on School Property)

School Board

School Board Meeting Procedure

Agenda

The School Board President is responsible for focusing the Board meeting agendas on appropriate content. The Superintendent shall prepare agendas in consultation with the Board President. The President shall designate a portion of the agenda as a consent agenda for those items that usually do not require extensive discussion before Board action. Upon the request of any Board member, an item will be withdrawn from the consent agenda and placed on the regular agenda for independent consideration.

Each Board meeting agenda shall contain the general subject matter of any item that will be the subject of final action at the meeting. Items submitted by Board members to the Superintendent or the President shall be placed on the agenda for an upcoming meeting. District residents may suggest inclusions for the agenda. The Board will take final action only on items contained in the posted agenda; items not on the agenda may still be discussed.

The Superintendent shall provide a copy of the agenda, with adequate data and background information, to each Board member at least 48 hours before each meeting, except a meeting held in the event of an emergency. The meeting agenda shall be posted in accordance with Board policy 2:200, *Types of School Board Meetings*.

The Board President shall determine the order of business at regular Board meetings. Upon consent of a majority of members present, the order of business at any meeting may be changed.

Voting Method

Unless otherwise provided by law, when a vote is taken upon any measure before the Board, with a quorum being present, a majority of the votes cast shall determine its outcome. A vote of *abstain* or *present*, or a vote other than *yea* or *nay*, or a failure to vote, is counted for the purposes of determining whether a quorum is present. A vote of *abstain* or *present*, or a vote other than *yea* or *nay*, or a failure to vote, however, is not counted in determining whether a measure has been passed by the Board, unless otherwise stated in law. The sequence for casting votes is rotated.

On all questions involving the expenditure of money and on all questions involving the closing of a meeting to the public, a roll call vote shall be taken and entered in the Board's minutes. An individual Board member may request that a roll call vote be taken on any other matter; the President or other presiding officer may approve or deny the request but a denial is subject to being overturned by a majority vote of the members present.

Minutes

The Board Secretary shall keep written minutes of all Board meetings (whether open or closed), which shall be signed by the President and the Secretary. The minutes include:

1. The meeting's date, time, and place;
2. Board members recorded as either present or absent;
3. A summary of the discussion on all matters proposed, deliberated, or decided, and a record of any votes taken;
4. On all matters requiring a roll call vote, a record of who voted yea and nay;

5. If the meeting is adjourned to another date, the time and place of the adjourned meeting;
6. The vote of each member present when a vote is taken to hold a closed meeting or portion of a meeting, and the reason for the closed meeting with a citation to the specific exception contained in the Open Meetings Act (OMA) authorizing the closed meeting;
7. A record of all motions, including individuals making and seconding motions;
8. Upon request by a Board member, a record of how he or she voted on a particular motion; and
9. The type of meeting, including any notices and, if a reconvened meeting, the original meeting's date.

The minutes shall be submitted to the Board for approval or modification at its next regularly scheduled open meeting. Minutes for open meetings must be approved within 30 days after the meeting or at the second subsequent regular meeting, whichever is later.

Every six months, or as soon after as is practicable, in an open meeting, the Board: (1) reviews minutes from all closed meetings that are currently unavailable for public release, and (2) determines which, if any, no longer require confidential treatment and are available for public inspection. This is also referred to as a *semi-annual review*. The Board may meet in a prior closed session to review the minutes from closed meetings that are currently unavailable for public release, but it reports its determination in open session.

The Board's meeting minutes must be submitted to the Board Treasurer at such times as the Treasurer may require.

The official minutes are in the custody of the Board Secretary. Open meeting minutes are available for inspection during regular office hours within 10 days after the Board's approval; they may be inspected in the District's main office, in the presence of the Secretary, the Superintendent or designee, or any Board member.

Minutes from closed meetings are likewise available, but only if the Board has released them for public inspection, except that Board members may access closed session minutes not yet released for public inspection (1) in the District's administrative offices or their official storage location, and (2) in the presence of the Recording Secretary, the Superintendent or designated administrator, or any elected Board member. The minutes, whether reviewed by members of the public or the Board, shall not be removed from the District's administrative offices or their official storage location except by vote of the Board or by court order.

The Board's open meeting minutes shall be posted on the District website within ten days after the Board approves them; the minutes will remain posted for at least 60 days.

Verbatim Record of Closed Meetings

The Superintendent, or the Board Secretary when the Superintendent is absent, shall audio record all closed meetings. If neither is present, the Board President or presiding officer shall assume this responsibility. After the closed meeting, the person making the audio recording shall label the recording with the date and store it in a secure location. The Superintendent shall ensure that: (1) an audio recording device and all necessary accompanying items are available to the Board for every closed meeting, and (2) a secure location for storing closed meeting audio recordings is maintained close to the Board's regular meeting location.

After 18 months have passed since being made, the audio recording of a closed meeting is destroyed provided the Board approved: (1) its destruction, and (2) minutes of the particular closed meeting.

Individual Board members may access verbatim recordings in the presence of the Recording Secretary, the Superintendent or designated administrator, or any elected Board member. Access to the verbatim

recordings is available at the District's administrative offices or the verbatim recording's official storage location. Requests shall be made to the Superintendent or Board President. While a Board member is listening to a verbatim recording, it shall not be re-recorded or removed from the District's main office or official storage location, except by vote of the Board or by court order.

Before making such requests, Board members should consider whether such requests are germane to their responsibilities, service to District, and/or Oath of Office in policy 2:80, *Board Member Oath and Conduct*. In the interest of encouraging free and open expression by Board members during closed meetings, the recordings of closed meetings should not be used by Board members to confirm or dispute the accuracy of recollections.

Quorum and Participation by Audio or Video Means

A quorum of the Board must be physically present at all Board meetings. A majority of the full membership of the Board constitutes a quorum.

Provided a quorum is physically present, a Board member may attend a meeting by video or audio conference if he or she is prevented from physically attending because of: (1) personal illness or disability, (2) employment or District business, (3) a family or other emergency, or (4) unexpected childcare obligations. If a member wishes to attend a meeting by video or audio means, he or she must notify the recording secretary or Superintendent at least 24 hours before the meeting unless advance notice is impractical. The recording secretary or Superintendent will inform the Board President and make appropriate arrangements. A Board member who attends a meeting by audio or video means, as provided in this policy, may participate in all aspects of the Board meeting including voting on any item.

No Physical Presence of Quorum and Participation by Audio or Video; Disaster Declaration

The ability of the Board to meet in person with a quorum physically present at its meeting location may be affected by the Governor or the Director of the Ill. Dept. of Public Health issuing a disaster declaration related to a public health emergency. The Board President or, if the office is vacant or the President is absent or unable to perform the office's duties, the Vice President determines that an in-person meeting or a meeting conducted under the **Quorum and Participation by Audio or Video Means** subhead above, is not practical or prudent because of the disaster declaration; if neither the President nor Vice President are present or able to perform this determination, the Superintendent shall serve as the duly authorized designee for purposes of making this determination.

The individual who makes this determination for the Board shall put it in writing, include it on the Board's published notice and agenda for the audio or video meeting and in the meeting minutes, and ensure that the Board meets every OMA requirement for the Board to meet by video or audio conference without the physical presence of a quorum.

Rules of Order

Unless State law or Board-adopted rules apply, the Board President, as the presiding officer, will use the most recent edition of Robert's Rules of Order Newly Revised, as a guide when a question arises concerning procedure.

Broadcasting and Recording Board Meetings

Any person may record or broadcast an open Board meeting. Special requests to facilitate recording or broadcasting an open Board meeting, such as seating, writing surfaces, lighting, and access to electrical power, should be directed to the Superintendent at least 24 hours before the meeting.

Recording meetings shall not distract or disturb Board members, other meeting participants, or members of the public. The Board President may designate a location for recording equipment, may restrict the movements of individuals who are using recording equipment, or may take such other steps as are deemed necessary to preserve decorum and facilitate the meeting.

LEGAL REF.: 5 ILCS 120/2a, 120/2.02, 120/2.05, 120/2.06, and 120/7, Open Meetings Act.
105 ILCS 5/10-6, 5/10-7, 5/10-12, and 5/10-16.

CROSS REF.: 2:80 (Board Member Oath and Conduct), 2:150 (Committees), 2:200 (Types of School Board Meetings), 2:210 (Organizational School Board Meeting), 2:230 (Public Participation at School Board Meetings and Petitions to the Board)

School Board

Exhibit - Motion to Adjourn to Closed Meeting

Motion to Adjourn to Closed Meeting

Date: _____ Time: _____

Location: _____

A motion was made by _____, and seconded by _____, to adjourn to closed meeting to discuss:

- The appointment, employment, compensation, discipline, performance, or dismissal of specific employees, specific individuals who serve as independent contractors, or specific volunteers of the District or legal counsel for the District, including hearing testimony on a complaint lodged against an employee, a specific individual who serves as an independent contractor, or a volunteer of the District or against legal counsel for the District to determine its validity. However, a meeting to consider an increase in compensation to a specific employee of a public body that is subject to the Local Government Wage Increase Transparency Act may not be closed and shall be open to the public and posted and held in accordance with this Act. 5 ILCS 120/2(c)(1).
- Collective negotiating matters between the District and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees. 5 ILCS 120/2(c)(2).
- The selection of a person to fill a public office, including a vacancy in a public office, when the District is given power to appoint under law or ordinance, or the discipline, performance or removal of the occupant of a public office, when the District is given power to remove the occupant under law or ordinance. 5 ILCS 120/2(c)(3).
- Evidence or testimony presented in open hearing, or in closed hearing where authorized by law, to a quasi-adjudicative body, as defined in the Open Meetings Act, provided that the body prepares and makes available for public inspection a written decision with its determinative reasoning. 5 ILCS 120/2(c)(4).
- Evidence or testimony presented to the Board regarding denial of admission to school events or property pursuant to 105 ILCS 5/24-24, provided that the Board prepares and makes available for public inspection a written decision setting forth its determinative reasoning. 5 ILCS 120/2(c)(4.5), added by P.A. 103-311.
- The purchase or lease of real property for the use of the District, including meetings held for the purpose of discussing whether a particular parcel should be acquired. 5 ILCS 120/2(c)(5).
- The setting of a price for sale or lease of property owned by the District. 5 ILCS 120/2(c)(6).
- The sale or purchase of securities, investments, or investment contracts. 5 ILCS 120/2(c)(7).
- Security procedures, school building safety and security, and the use of personnel and equipment to respond to an actual, a threatened, or a reasonably potential danger to the safety of employees, students, staff, the public, or public property. 5 ILCS 120/2(c)(8).

- Student disciplinary cases. 5 ILCS 120/2(c)(9).
- The placement of individual students in special education programs and other matters relating to individual students. 5 ILCS 120/2(c)(10).
- Litigation, when an action against, affecting or on behalf of the particular District has been filed and is pending before a court or administrative tribunal, or when the District finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the closed meeting minutes. 5 ILCS 120/2(c)(11).
- The establishment of reserves or settlement of claims as provided in the Local Government and Governmental Employees Tort Immunity Act, if otherwise the disposition of a claim or potential claim might be prejudiced, or the review or discussion of claims, loss or risk management information, records, data, advice or communications from or with respect to any insurer of the District or any intergovernmental risk management association or self insurance pool of which the District is a member. 5 ILCS 120/2(c)(12).
- Self-evaluation, practices and procedures or professional ethics, when meeting with a representative of a statewide association of which the District is a member. 5 ILCS 120/2(c)(16).
- Discussion of minutes of meetings lawfully closed, whether for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06. 5 ILCS 120/2(c)(21).
- Meetings between internal or external auditors and governmental audit committees, finance committees, and their equivalents, when the discussion involves internal control weaknesses, identification of potential fraud risk areas, known or suspected frauds, and fraud interviews conducted in accordance with generally accepted auditing standards of the United States of America. 5 ILCS 120/2(c)(29).

Closed Meeting Roll Call:

“Yeas”	“Nays”
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Motion: Carried Failed

School Board

Exhibit - Log of Closed Meeting Minutes

The purpose of this log is to facilitate the Board’s semi-annual review of closed meeting minutes. *Semi-annual* means every six months, or as soon after as is practicable, taking into account the nature and meeting schedule of the board. 5 ILCS 120/2.06(d), amended by P.A. 102-653. See 2:220-E5, *Semi-Annual Review of Closed Meeting Minutes*.

The Board Secretary or Recording Secretary shall maintain a list of closed meeting minutes, arranged according to the reason for the closed meeting, that have not been released for public inspection.

Closed Session Held to Discuss:	Dates of Closed Sessions		
Specific employee(s), specific independent contractors, specific volunteers, or District legal counsel; however, a meeting to consider an increase in compensation to a specific employee of a public body that is subject to the Local Government Wage Increase Transparency Act may not be closed and shall be open to the public and posted and held in accordance with [the Open Meetings Act]. 5 ILCS 120/2(c)(1).			
Collective negotiating matters or deliberations concerning salary schedules for one or more classes of employees. 5 ILCS 120/2(c)(2).			
Selection of a person to fill a vacancy on the Board. 5 ILCS 120/2(c)(3).			
Evidence or testimony presented in a hearing where authorized by law. 5 ILCS 120/2(c)(4).			
Evidence or testimony presented to the Board regarding denial of admission to school events or property pursuant to 105 ILCS 5/24-24, provided that the Board prepares and makes available for			

Closed Session Held to Discuss:	Dates of Closed Sessions		
public inspection a written decision setting forth its determinative reasoning. 5 ILCS 120/2(c)(4.5), added by P.A. 103-311.			
Purchase or lease of real property. 5 ILCS 120/2(c)(5).			
Setting of a price for sale or lease of District property. 5 ILCS 120/2(c)(6).			
Sale or purchase of securities, investments, or investment contracts. 5 ILCS 120/2(c)(7).			
Security procedures and the use of personnel and equipment to respond to an actual, a threatened, or a reasonably potential danger. 5 ILCS 120/2(c)(8).			
Student disciplinary cases. 5 ILCS 120/2(c)(9). <i>Minutes of meetings held for this reason shall never be released to protect the individual student's privacy.</i>			
Any matter involving an individual student. 5 ILCS 120/2(c)(10). <i>Minutes of meetings held for this reason shall never be released to protect the individual student's privacy.</i>			
Litigation, when an action against, affecting, or on behalf of the District has been filed and is pending before a court or administrative tribunal, or when the Board finds that an action is probable or imminent. 5 ILCS 120/2(c)(11).			
Establishment of reserves or settlement of claims as provided in the Local Government and Governmental Employees Tort Immunity Act or			

Closed Session Held to Discuss:	Dates of Closed Sessions		
discussion of claims, loss or risk management information, records, data, advice or communications from or with respect to any insurer of the District or any intergovernmental risk management association or self insurance pool. 5 ILCS 120/2(c)(12).			
Self-evaluation, practices and procedures or professional ethics, when meeting with an IASB representative. 5 ILCS 120/2(c)(16).			
Minutes of meetings lawfully closed, whether for purposes of approval or semi-annual review. 5 ILCS 120/2(c)(21).			
Meetings between internal or external auditors and governmental audit committees, finance committees, and their equivalents, when the discussion involves internal control weaknesses, identification of potential fraud risk areas, known or suspected frauds, and fraud interviews conducted in accordance with generally accepted auditing standards of the United States of America. 5 ILCS 120/2(c)(29).			

Operational Services

Student Activity and Fiduciary Funds

The School Board, upon the Superintendent or designee's recommendation, establishes student activity funds to be managed by student organizations under the guidance and direction of a staff member for educational, recreational, or cultural purposes. The Board, upon the Superintendent or designee's recommendation, also establishes fiduciary funds to be supervised by the Superintendent or designee. The District has custodial responsibilities for fiduciary funds but no direct involvement in the management of such funds.

Student Activity Funds

The Superintendent or designee shall be responsible for supervising student activity funds in accordance with Board policy, 4:80, *Accounting and Audits*; State law; and the Ill. State Board of Education (ISBE) rules for student activity funds. The Board will appoint a treasurer for each fund to serve as the fund's sole custodian and be bonded in accordance with the School Code. The treasurer shall have all of the responsibilities specific to the treasurer listed in ISBE rules for school activity funds, including the authority to make loans between activity funds.

Unless otherwise instructed by the Board, a student activity fund's balance will carry over to the next fiscal year. An account containing student activity funds that is inactive for 12 consecutive months shall be closed and its funds transferred to another student activity fund or authorized fund with a similar purpose.

Fiduciary Funds

The Superintendent or designee shall be responsible for supervising fiduciary funds in accordance with Board policy 4:80, *Accounting and Audits*; State law; and ISBE rules for fiduciary funds. The Board will appoint a treasurer for each fund to serve as the fund's sole custodian and be bonded in accordance with the School Code. The treasurer shall have all of the responsibilities specific to the treasurer listed in the ISBE rules for fiduciary funds.

LEGAL REF.: 105 ILCS 5/8-2 and 5/10-20.19.
23 Ill.Admin.Code §§100.20, 100.80, and 100.85.

CROSS REF.: 4:80 (Accounting and Audits), 7:325 (Student Fundraising Activities)

Community Relations

Visitors to and Conduct on School Property

The following definitions apply to this policy:

School property - District and school buildings, grounds, and parking areas; vehicles used for school purposes; and any location used for a School Board meeting, school athletic event, or other school-sponsored or school-sanctioned events or activities.

Visitor - Any person other than an enrolled student or District employee.

All visitors to school property are required to report to the Building Principal's office and receive permission to remain on school property. All visitors must sign a visitors' log, show identification, and wear a visitor's badge. When leaving the school, visitors must return their badge. On those occasions when large groups of parents/guardians, friends, and/or community members are invited onto school property or when community members are attending Board meetings, visitors are not required to sign in but must follow school officials' instructions. Persons on school property without permission will be directed to leave and may be subject to criminal prosecution.

Except as provided in the next paragraph, any person wishing to confer with a staff member should contact that staff member to make an appointment. Conferences with teachers are held, to the extent possible, outside school hours or during the teacher's conference/preparation period.

Requests to access a school building, facility, and/or educational program, or to interview personnel or a student for purposes of assessing the student's special education needs, should be made at the appropriate building. Access shall be facilitated according to guidelines from the Superintendent or designee.

The School District expects mutual respect, civility, and orderly conduct among all people on school property or at a school event. No person on school property or at a school event (including visitors, students, and employees) shall perform any of the following acts:

1. Strike, injure, threaten, harass, or intimidate a staff member, Board member, sports official or coach, or any other person.
2. Behave in an unsportsmanlike manner, or use vulgar or obscene language.
3. Unless specifically permitted by State law, possess a weapon, any object that can reasonably be considered a weapon or looks like a weapon, or any dangerous device.
4. Damage or threaten to damage another's property.
5. Damage or deface school property.
6. Violate any Illinois law, or town or county ordinance.
7. Smoke or otherwise use tobacco products.
8. Distribute, consume, use, possess, or be impaired by or under the influence of an alcoholic beverage, cannabis, other lawful product, or illegal drug.
9. Be present when the person's alcoholic beverage, cannabis, other lawful product, or illegal drug consumption is detectible, regardless of when and/or where the use occurred.
10. Use or possess medical cannabis, unless he or she has complied with policy 7:270, *Administering Medicines to Students*, implementing *Ashley's Law*.
11. Impede, delay, disrupt, or otherwise interfere with any school activity or function (including using cellular phones in a disruptive manner).

12. Enter upon any portion of school premises at any time for purposes other than those that are lawful and authorized by the Board.
13. Operate a motor vehicle: (a) in a risky manner, (b) in excess of 20 miles per hour, or (c) in violation of an authorized District employee's directive.
14. Engage in any risky behavior, including roller-blading, roller-skating, or skateboarding.
15. Violate other District policies or regulations, or a directive from an authorized security officer or District employee.
16. Engage in any conduct that interferes with, disrupts, or adversely affects the District or a School function.

Convicted Child Sex Offender

State law prohibits a child sex offender from being present on school property or loitering within 500 feet of school property when persons under the age of 18 are present, unless the offender is:

1. A parent/guardian of a student attending the school and has notified the Building Principal of his or her presence at the school for the purpose of: (i) attending a conference at the school with school personnel to discuss the progress of his or her child academically or socially, (ii) participating in child review conferences in which evaluation and placement decisions may be made with respect to his or her child regarding special education services, or (iii) attending conferences to discuss other student issues concerning his or her child such as retention and promotion; or
2. Has permission to be present from the Board, Superintendent, or Superintendent's designee. If permission is granted, the Superintendent or Board President shall provide the details of the offender's upcoming visit to the Building Principal.

In all cases, the Superintendent, or designee who is a certified employee, shall supervise a child sex offender whenever the offender is in a child's vicinity.

Exclusive Bargaining Representative Agent

Upon notifying the Building Principal's office, authorized agents of an exclusive bargaining representative will be provided reasonable access to employees in the bargaining unit they represent in accordance with State law. Such access shall be conducted in a manner that will not impede the normal operations of the District.

Enforcement

Any staff member may request identification from any person on school property; refusal to provide such information is a criminal act. The Building Principal or designee shall seek the immediate removal of any person who refuses to provide requested identification.

Any person who engages in conduct prohibited by this policy may be ejected from or denied admission to school property in accordance with State law. The person also may be subject to being denied admission to school athletic or extracurricular events for up to one calendar year in accordance with the procedures below.

Procedures to Deny Future Admission to Athletic or Extracurricular School Events

Before any person may be denied admission to athletic or extracurricular school events, the person has a right to a hearing before the Board. The Superintendent may refuse the person admission pending such hearing. The Superintendent or designee must provide the person with a hearing notice, delivered or sent by certified mail with return receipt requested, at least ten days before the Board hearing date. The hearing notice must contain:

1. The date, time, and place of the Board hearing;

2. A description of the prohibited conduct;
3. The proposed time period that admission to school events will be denied; and
4. Instructions on how to waive a hearing.

LEGAL REF.: Nuding v. Cerro Gordo Community Unit School Dist., 313 Ill. App.3d 344 (4th Dist. 2000).
20 U.S.C. §7971 et seq., Pro-Children Act of 2001.
105 ILCS 5/10-20.5, 10-20.5b, 5/10-22.10, 5/22-33, 5/24-25, and 5/27-23.7(a).
115 ILCS 5/3(c), Ill. Educational Labor Relations Act.
410 ILCS 130/, Compassionate Use of Medical Cannabis Program Act.
410 ILCS 705/, Cannabis Tax and Regulation Act.
430 ILCS 66/, Firearm Concealed Carry Act.
720 ILCS 5/11-9.3, 5/21-1, 5/21-1.2, 5/21-3, 5/21-5, 5/21-5.5, 5/21-9, and 5/21-11.

CROSS REF.: 2:200 (Types of School Board Meetings), 2:230 (Public Participation at School Board Meetings and Petitions to the Board), 4:170 (Safety), 5:50 (Drug- and Alcohol-Free Workplace; E-Cigarette, Tobacco, and Cannabis Prohibition), 6:120 (Education of Children with Disabilities), 6:250 (Community Resource Persons and Volunteers), 7:190 (Student Behavior), 7:270 (Administering Medicines to Students), 8:20 (Community Use of School Facilities)

Operational Services

Fiscal and Business Management

The Superintendent is responsible for the School District's fiscal and business management. This responsibility includes annually preparing and presenting the District's statement of affairs to the School Board and publishing it before December 1 as required by State law.

The Superintendent shall ensure the efficient and cost-effective operation of the District's business management using computers, computer software, data management, communication systems, and electronic networks, including electronic mail, the Internet, and security systems. Each person using the District's electronic network shall complete an *Authorization for Access to the District's Electronic Network*.

Budget Planning

The District's fiscal year is from July 1 until June 30. The Superintendent shall present to the Board, no later than the first regular meeting in August, a tentative budget with appropriate explanation. This budget shall represent the culmination of an ongoing process of planning for the fiscal support needed for the District's educational program. The District's budget shall be entered upon the Ill. State Board of Education's (ISBE) *School District Budget Form*. To the extent possible, the tentative budget shall be balanced as defined by ISBE guidelines. The Superintendent shall complete a tentative deficit reduction plan if one is required by ISBE guidelines.

Preliminary Adoption Procedures

After receiving the Superintendent's proposed budget, the Board sets the date, place, and time for:

1. A public hearing on the proposed budget, and
2. The proposed budget to be available to the public for inspection.

The Board Secretary shall arrange to publish a notice in a local newspaper stating the date, place, and time of the proposed budget's availability for public inspection and the public hearing. The proposed budget shall be available for public inspection at least 30 days before the time of the budget hearing.

At the public hearing, the proposed budget shall be reviewed, including the cash reserve balance of all funds held by the District related to its operational levy and, if applicable, any obligations secured by those funds, and the public shall be invited to comment, question, or advise the Board.

Final Adoption Procedures

The Board adopts a budget before the end of the first quarter of each fiscal year, September 30, or by such alternative procedure as State law may define. To the extent possible, the budget shall be balanced as defined by ISBE; if not balanced, the Board will adopt a deficit reduction plan to balance the District's budget within three years according to ISBE requirements.

The Board adopts the budget by roll call vote. The budget resolution shall be incorporated into the meeting's official minutes. Board members' names voting *yea* and *nay* shall be recorded in the minutes.

The Superintendent or designee shall perform each of the following:

1. Post the District's final annual budget, itemized by receipts and expenditures, on the District's Internet website; notify parents/guardians that it is posted and provide the website's address.
2. File a certified copy of the budget resolution and an estimate of revenues by source anticipated to be received in the following fiscal year, certified by the District's Chief Fiscal Officer, with the County Clerk within 30 days of the budget's adoption.
3. Ensure disclosure to the public of the cash reserve balance of all funds held by the district related to its operational levy and, if applicable, any obligations secured by those funds, at the public hearing at which the Board certifies its operational levy.
4. Present a written report that includes the annual average expenditures of the District's operational funds for the previous three fiscal years at or before the board meeting at which the Board adopts its levy. In the event the District's combined cash reserve balance of its operational funds is more than 2.5 times the annual average expenditures of those funds for the previous three fiscal years, the Board will adopt and file with ISBE a reserve reduction plan by December 31.
5. Make all preparations necessary for the Board to timely file its Certificate of Tax Levy, including preparations to comply with the Truth in Taxation Act; file the Certificate of Tax Levy with the County Clerk on or before the last Tuesday in December. The Certificate lists the amount of property tax money to be provided for the various funds in the budget.
6. Submit the annual budget, a deficit reduction plan if one is required by ISBE guidelines, and other financial information to ISBE according to its requirements.

Any amendments to the budget or Certificate of Tax Levy shall be made as provided in the School Code and Truth in Taxation Act.

Budget Amendments

The Board may amend the budget by the same procedure as provided for in the original adoption.

Implementation

The Superintendent or designee shall implement the District's budget and provide the Board with a monthly financial report that includes all deficit fund balances. The amount budgeted as the expenditure in each fund is the maximum amount that may be expended for that category, except when a transfer of funds is authorized by the Board.

The Board shall act on all interfund loans, interfund transfers, transfers within funds, and transfers from the working cash fund or abatements of it, if one exists.

LEGAL REF.: 105 ILCS 5/10-17, 5/10-22.33, 5/17-1, 5/17-1.2, 5/17-1.3, 5/17-1.10, 5/17-2A, 5/17-3.2, 5/17-11, 5/20-5, 5/20-8, and 5/20-10.
35 ILCS 200/18-55 et seq., Truth in Taxation Law.
23 Ill.Admin.Code Part 100.

CROSS REF.: 4:20 (Fund Balances), 4:40 (Incurring Debt), 4:60 (Purchases and Contracts), 6:235 (Access to Electronic Networks)

ADMIN. PROC.: 6:235-AP1, E1 (Student Authorization for Access to the District's Electronic Networks), 6:235-AP1, E2 (Staff Authorization for Access to the District's Electronic Networks)

Operational Services

Revenue and Investments

Revenue

The Superintendent or designee is responsible for making all claims for property tax revenue, State Aid, special State funds for specific programs, federal funds, and categorical grants.

Investments

The Superintendent shall either appoint a Chief Investment Officer or serve as one. The Chief Investment Officer shall invest money that is not required for current operations, in accordance with this policy and State law.

The Chief Investment Officer and Superintendent shall use the standard of prudence when making investment decisions. They shall use the judgment and care, under circumstances then prevailing, that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of their capital as well as its probable income.

Investment Objectives

The objectives for the School District's investment activities are:

1. Safety of Principal - Every investment is made with safety as the primary and over-riding concern. Each investment transaction shall ensure that capital loss, whether from credit or market risk, is avoided.
2. Liquidity - The investment portfolio shall provide sufficient liquidity to pay District obligations as they become due. In this regard, the maturity and marketability of investments shall be considered.
3. Rate of Return - The highest return on investments is sought, consistent with the preservation of principal and prudent investment principles.
4. Diversification - The investment portfolio is diversified as to materials and investments, as appropriate to the nature, purpose, and amount of the funds.

Authorized Investments

The Chief Investment Officer may invest District funds in one or more of the following:

1. Bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, that are guaranteed by the full faith and credit of the United States of America as to principal and interest.
2. Bonds, notes, debentures, or other similar obligations of the United States of America, its agencies, and its instrumentalities.
The term "agencies of the United States of America" includes: (a) the federal land banks, federal intermediate credit banks, banks for cooperative, federal farm credit banks, or any other entity authorized to issue debt obligations under the Farm Credit Act of 1971 and Acts amendatory thereto, (b) the federal home loan banks and the federal home loan mortgage corporation, and (c) any other agency created by Act of Congress.
3. Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act.

4. Short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if: (a) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and that mature not later than 270 days from the date of purchase, (b) such purchases do not exceed 10% of the corporation's outstanding obligations, and (c) no more than one-third of the District's funds may be invested in short-term obligations of corporations under this paragraph.
5. Obligations of corporations organized in the United States with assets exceeding \$500,000,000 if: (a) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and which mature more than 270 days but less than three years from the date of purchase, (b) such purchases do not exceed 10% of the corporation's outstanding obligations, and (c) no more than one-third of the District's funds may be invested in obligations of corporations under this paragraph.
6. Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraph (1) or (2) and to agreements to repurchase such obligations.
7. Interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation, school district, the State of Illinois, any other state, or any political subdivision or agency of the State of Illinois or any other state, whether the interest earned is taxable or tax-exempt under federal law. The bonds shall be (a) registered in the name of the municipality, county, or other governmental unit, or held under a custodial agreement at a bank, and (b) rated at the time of purchase within the four highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.
8. Short term discount obligations of the Federal National Mortgage Association or in shares or other forms of securities legally issuable by savings banks or savings and loan associations incorporated under the laws of this State or any other state or under the laws of the United States. Investments may be made only in those savings banks or savings and loan associations, the shares, or investment certificates that are insured by the Federal Deposit Insurance Corporation. Any such securities may be purchased at the offering or market price thereof at the time of such purchase. All such securities so purchased shall mature or be redeemable on a date or dates prior to the time when, in the judgment of the Chief Investment Officer, the public funds so invested will be required for expenditure by the District or its governing authority.
9. Dividend-bearing share accounts, share certificate accounts, or class of share accounts of a credit union chartered under the laws of this State or the laws of the United States; provided, however, the principle office of any such credit union must be located within the State of Illinois. Investments may be made only in those credit unions the accounts of which are insured by applicable law.
10. A Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act. The District may also invest any public funds in a fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of any public funds.
11. The Illinois School District Liquid Asset Fund Plus.
12. Repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986, as now or hereafter amended or succeeded, subject to the provisions of said Act and the regulations issued there under. The government securities, unless registered or inscribed in the name of the District, shall be purchased through banks or trust companies authorized to do business in the State of Illinois.

Except for repurchase agreements of government securities that are subject to the Government Securities Act of 1986, as now or hereafter amended or succeeded, the District may not purchase or invest in instruments that constitute repurchase agreements, and no financial institution may enter into such an agreement with or on behalf of the District unless the instrument and the transaction meet all of the following requirements:

- a. The securities, unless registered or inscribed in the name of the District, are purchased through banks or trust companies authorized to do business in the State of Illinois.
- b. The Chief Investment Officer, after ascertaining which firm will give the most favorable rate of interest, directs the custodial bank to “purchase” specified securities from a designated institution. The “custodial bank” is the bank or trust company, or agency of government, that acts for the District in connection with repurchase agreements involving the investment of funds by the District. The State Treasurer may act as custodial bank for public agencies executing repurchase agreements.
- c. A custodial bank must be a member bank of the Federal Reserve System or maintain accounts with member banks. All transfers of book-entry securities must be accomplished on a Reserve Bank’s computer records through a member bank of the Federal Reserve System. These securities must be credited to the District on the records of the custodial bank and the transaction must be confirmed in writing to the District by the custodial bank.
- d. Trading partners shall be limited to banks or trust companies authorized to do business in the State of Illinois or to registered primary reporting dealers.
- e. The security interest must be perfected.
- f. The District enters into a written master repurchase agreement that outlines the basic responsibilities and liabilities of both buyer and seller.
- g. Agreements shall be for periods of 330 days or less.
- h. The Chief Investment Officer informs the custodial bank in writing of the maturity details of the repurchase agreement.
- i. The custodial bank must take delivery of and maintain the securities in its custody for the account of the District and confirm the transaction in writing to the District. The custodial undertaking shall provide that the custodian takes possession of the securities exclusively for the District; that the securities are free of any claims against the trading partner; and that any claims by the custodian are subordinate to the District’s claims to rights to those securities.
- j. The obligations purchased by the District may only be sold or presented for redemption or payment by the fiscal agent bank or trust company holding the obligations upon the written instruction of the Chief Investment Officer.
- k. The custodial bank shall be liable to the District for any monetary loss suffered by the District due to the failure of the custodial bank to take and maintain possession of such securities.

13. Any investment as authorized by the Public Funds Investment Act, and Acts amendatory thereto. Paragraph 13 supersedes paragraphs 1-12 and controls in the event of conflict.

Except as provided herein, investments may be made only in banks, savings banks, savings and loan associations, or credit unions that are insured by the Federal Deposit Insurance Corporation or other approved share insurer.

The Chief Investment Officer and Superintendent shall regularly consider material, relevant, and decision-useful sustainability factors in evaluating investment decisions, within the bounds of financial and fiduciary prudence. Such factors include, but are not limited to: (1) corporate governance and leadership factors, (2) environmental factors, (3) social capital factors, (4) human capital factors, and

(5) business model and innovation factors, as provided under the Ill. Sustainable Investing Act, 30 ILCS 238/.

Selection of Depositories, Investment Managers, Dealers, and Brokers

The Chief Investment Officer shall establish a list of authorized depositories, investment managers, dealers and brokers based upon the creditworthiness, reputation, minimum capital requirements, qualifications under State law, as well as a long history of dealing with public fund entities. The Board will review and approve the list at least annually.

In order to be an authorized depository, each institution must submit copies of the last two sworn statements of resources and liabilities or reports of examination that the institution is required to furnish to the appropriate State or federal agency. Each institution designated as a depository shall, while acting as such depository, furnish the District with a copy of all statements of resources and liabilities or all reports of examination that it is required to furnish to the appropriate State or federal agency.

The above eligibility requirements of a bank to receive or hold public deposits do not apply to investments in an interest-bearing savings account, interest-bearing certificate of deposit, or interest-bearing time deposit if: (1) the District initiates the investment at or through a bank located in Illinois, and (2) the invested public funds are at all times fully insured by an agency or instrumentality of the federal government.

The District may consider a financial institution's record and current level of financial commitment to its local community when deciding whether to deposit funds in that financial institution. The District may consider factors including:

1. For financial institutions subject to the federal Community Reinvestment Act of 1977, the current and historical ratings that the financial institution has received, to the extent that those ratings are publicly available, under the federal Community Reinvestment Act of 1977;
2. Any changes in ownership, management, policies, or practices of the financial institution that may affect the level of the financial institution's commitment to its community;
3. The financial impact that the withdrawal or denial of District deposits might have on the financial institution;
4. The financial impact to the District as a result of withdrawing public funds or refusing to deposit additional public funds in the financial institution; and
5. Any additional burden on the District's resources that might result from ceasing to maintain deposits of public funds at the financial institution under consideration.

Collateral Requirements

All amounts deposited or invested with financial institutions in excess of any insurance limit shall be collateralized in accordance with the Public Funds Investment Act, 30 ILCS 235/. The Superintendent or designee shall keep the Board informed of collateral agreements.

Safekeeping and Custody Arrangements

The preferred method for safekeeping is to have securities registered in the District's name and held by a third-party custodian. Safekeeping practices should qualify for the Governmental Accounting Standards Board Statement No. 3, Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements, Category I, the highest recognized safekeeping procedures.

Controls and Report

The Chief Investment Officer shall establish a system of internal controls and written operational procedures to prevent losses arising from fraud, employee error, misrepresentation by third parties, or imprudent employee action.

The Chief Investment Officer shall provide a quarterly investment report to the Board. The report will: (1) assess whether the investment portfolio is meeting the District's investment objectives, (2) identify each security by class or type, book value, income earned, and market value, (3) identify those institutions providing investment services to the District, and (4) include any other relevant information. The investment portfolio's performance shall be measured by appropriate and creditable industry standards for the investment type.

The Board will determine, after receiving the Superintendent's recommendation, which fund is in most need of interest income and the Superintendent shall execute a transfer. This provision does not apply when the use of interest earned on a particular fund is restricted.

Ethics and Conflicts of Interest

The Board and District officials will avoid any investment transaction or practice that in appearance or fact might impair public confidence. Board members are bound by the Board policy 2:100, *Board Member Conflict of Interest*. No District employee having influence on the District's investment decisions shall:

1. Have any interest, directly or indirectly, in any investments in which the District is authorized to invest,
2. Have any interest, directly or indirectly, in the sellers, sponsors, or managers of those investments, or
3. Receive, in any manner, compensation of any kind from any investments in that the agency is authorized to invest.

LEGAL REF.: 30 ILCS 235/, Public Funds Investment Act.
30 ILCS 238/, Ill. Sustainable Investing Act.
105 ILCS 5/8-7, 5/10-22.44, 5/17-1, and 5/17-11.

CROSS REF.: 2:100 (Board Member Conflict of Interest), 4:10 (Fiscal and Business Management), 4:80 (Accounting and Audits)

Operational Services

Purchases and Contracts

The Superintendent shall manage the District's purchases and contracts in accordance with State law, the standards set forth in this policy, and other applicable School Board policies.

Standards for Purchasing and Contracting

All purchases and contracts shall be entered into in accordance with applicable federal and State law. The Board Attorney shall be consulted as needed regarding the legal requirements for purchases or contracts. All contracts shall be approved or authorized by the Board.

All purchases and contracts should support a recognized District function or purpose as well as provide for good quality products and services at the lowest cost, with consideration for service, reliability, and delivery promptness, and in compliance with State law. No purchase or contract shall be made or entered into as a result of favoritism, extravagance, fraud, or corruption.

Adoption of the annual budget authorizes the Superintendent or designee to purchase budgeted supplies, equipment, and services, provided that State law is followed. Purchases of items outside budget parameters require prior Board approval, except in an emergency.

When presenting a contract or purchase for Board approval, the Superintendent or designee shall ensure that it complies with applicable federal and State law, including but not limited to, those specified below:

1. Supplies, materials, or work involving an expenditure in excess of \$35,000 must comply with the State law bidding procedure, 105 ILCS 5/10-20.21, unless specifically exempted.
2. Construction, lease, or purchase of school buildings must comply with State law and Board policy 4:150, *Facility Management and Building Programs*.
3. Guaranteed energy savings must comply with 105 ILCS 5/19b-1 *et seq.*
4. Third party non-instructional services must comply with 105 ILCS 5/10-22.34c.
5. Goods and services that are intended to generate revenue and other remunerations for the District in excess of \$1,000, including without limitation vending machine contracts, sports and other attire, class rings, and photographic services, must comply with 105 ILCS 5/10-20.21(b-5). The Superintendent or designee shall keep a record of: (1) each vendor, product, or service provided, (2) the actual net revenue and non-monetary remuneration from each contract or agreement, and (3) how the revenue was used and to whom the non-monetary remuneration was distributed. The Superintendent or designee shall report this information to the Board by completing the necessary forms that must be attached to the District's annual budget.
6. Any contract to purchase food with a bidder or offeror must comply with 105 ILCS 5/10-20.21(b-10).
7. The purchase of paper and paper products must comply with 105 ILCS 5/10-20.19c and Board policy 4:70, *Resource Conservation*.
8. Each contractor with the District is bound by each of the following:
 - a. In accordance with 105 ILCS 5/10-21.9(f): (1) prohibit any of its employees who is or was found guilty of a criminal offense listed in 105 ILCS 5/10-21.9(c) and 5/21B-80(c) to have direct, daily contact at a District school or school-related activity with one or more student(s); (2) prohibit any of the contractor's employees from having direct,

daily contact with one or more students if the employee was found guilty of any offense in 5/21B-80(b) (certain drug offenses) until seven years following the end of the employee's sentence for the criminal offense; and (3) require each of its employees who will have direct, daily contact with student(s) to cooperate during the District's fingerprint-based criminal history records check on him or her.

- b. In accordance with 105 ILCS 5/22-94: (1) prohibit any of its employees from having *direct contact with children or students* if the contractor has not performed a sexual misconduct related employment history review (EHR) of the employee or if the District objects to the employee's assignment based on the employee's involvement in an instance of sexual misconduct as provided in 105 ILCS 5/22-94(j)(3), which the contractor is required to disclose; (2) discipline, up to and including termination or denial of employment, any employee who provides false information or willfully fails to disclose information required by the EHR; (3) maintain all records of EHRs and provide the District access to such records upon request; and (4) refrain from entering into any agreements prohibited by 105 ILCS 5/22-94(g).
 - c. In accordance with 105 ILCS 5/24-5: (1) concerning each new employee of a contractor that provides services to students or in schools, provide the District with evidence of physical fitness to perform the duties assigned and freedom from communicable disease; and (2) require any new or existing employee who provides services to students or in schools to complete additional health examinations as required by the District and be subject to additional health examinations, including tuberculosis screening, as required by the Ill. Dept. of Public Health rules or order of a local health official.
- 9. Any pavement engineering project using a coal tar-based sealant product or high polycyclic aromatic hydrocarbon sealant product for pavement engineering-related use must comply with the Coal Tar Sealant Disclosure Act.
 - 10. Design-build contracts must comply with 105 ILCS 5/15A-1 et seq.
 - 11. Any new contract for a district-administered assessment must comply with 105 ILCS 5/10-20.85.
 - 12. Purchases made with federal or State awards must comply with 2 C.F.R. Part 200 and 30 ILCS 708/, as applicable, and any terms of the award.

The Superintendent or designee shall: (1) execute the reporting and website posting mandates in State law concerning District contracts, and (2) monitor the discharge of contracts, contractors' performances, and the quality and value of services or products being provided.

LEGAL REF.: 2 C.F.R. Part 200.
105 ILCS 5/10-20.19c, 5/10-20.21, 5/10-20.85, 5/10-21.9, 5/10-22.34c, 5/15A-1 et seq., 5/19b-1 et seq., 5/22-94, and 5/24-5.
30 ILCS 708/, Grant Accountability and Transparency Act.
410 ILCS 170/, Coal Tar Sealant Disclosure Act.
820 ILCS 130/, Prevailing Wage Act.

CROSS REF.: 2:100 (Board Member Conflict of Interest), 4:70 (Resource Conservation), 4:150 (Facility Management and Building Programs), 4:175 (Convicted Child Sex Offender; Screening; Notifications), 5:90 (Abused and Neglected Child Reporting)

Operational Services

Administrative Procedure - Purchases

The Board Attorney should be consulted, as needed, regarding the legal requirements presented by this administrative procedure as well as before a contract is presented to the Board.

Requirements for Purchases and Contracts

- A. Each of the following requirements describes the type of purchase and/or contract to which it applies; requirements in Sections B and C may also apply to a specific purchase or contract.
1. All purchases of goods or services must be made through the use of contracts or purchase orders, except for those purchases made from petty cash funds or the Imprest Fund, or as otherwise specifically authorized by the Superintendent.
 2. Ill. Use Tax Act compliance (105 ILCS 5/10-20.21(b) and 35 ILCS 105/):
 - a. Persons bidding for and awarded a contract, and all affiliates of the person, must collect and remit Ill. Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provision of the Ill. Use Tax Act.
 - b. All bids and contracts must include: (1) a certification that the bidder or contractor is not barred from bidding for or entering into a contract, and (2) an acknowledgment that the Board may declare the contract void if the certification is false.
 3. All entities seeking to enter into a contract with the District must provide written certification to the District that it will provide a drug free workplace by complying with the Ill. Drug Free Workplace Act, 30 ILCS 580/. All contractors must comply with the notification mandates and other requirements in the Ill. Drug Free Workplace Act. "Contractor" is defined in the Ill. Drug Free Workplace Act as "a corporation, partnership, or other entity with 25 or more employees at the time of letting the contract, or a department, division, or unit thereof, directly responsible for the specific performance under a contract of \$5,000 or more."
 4. Before soliciting bids or awarding a contract for supplies, materials, equipment, or services, a certified education purchasing contract that is already available through a State education purchasing entity (as defined in the Education Purchasing Program, 105 ILCS 5/28A), may be considered as a bid. 105 ILCS 5/10-20.21(d).
 5. All contracts must include provisions required by State or federal law, as applicable. Topics commonly requiring a provision include equal opportunity employment, prevailing wage, minimum wage, and performance bond.
 6. The procurement of architectural, engineering, and land surveying services is governed by the Local Government Professional Services Selection Act, 50 ILCS 510/, implemented by 2:170-AP, *Qualification Based Selection*.
 7. A list must be posted on the District's website, if any, of all contracts in excess of \$25,000 and any contract with an exclusive bargaining representative. 105 ILCS 5/10-20.44(b).
 8. Each contractor with the District must comply with 105 ILCS 5/10-21.9(f) and: (a) not allow any of its employees to have direct, daily contact with one or more students if the employee was found guilty of any offense listed in 105 ILCS 5/10-21.9(c) or 5/21B-80(c); (b) prohibit any of its employees from having direct, daily contact with one or more students if the employee was found guilty of any offense in 5/21B-80(b) (certain drug offenses) until seven years following the end of the employee's sentence for the criminal offense; (c) require each of its employees who will have direct, daily contact with one or more student(s) to cooperate

- during the District's fingerprint-based criminal history records check on him or her; and (d) reimburse the District for the cost of the fingerprint-based criminal history records check that the District obtains on each employee of a contractor who will have direct, daily contact with a student(s). See 4:60-AP3, *Criminal History Records Check of Contractor Employees*.
9. For each position involving *direct contact with children or students*, each contractor must perform sexual misconduct related employment history reviews (EHRs) of its employees as required by 105 ILCS 5/22-94, added by P.A. 102-702, and: (a) prohibit any of its employees from having direct contact with children or students if the contractor has not performed an EHR; (b) discipline, up to and including termination or denial of employment, any employee who provides false information or willfully fails to disclose information required by an EHR, and prohibit any such employee from having direct contact with children or students; (c) immediately inform the District of any instances of sexual misconduct involving an employee as provided in 105 ILCS 5/22-94(j)(3); (d) prohibit any of its employees from having direct contact with children or students if the District objects to the employee's assignment after being informed of an instance of sexual misconduct; (e) maintain all records of EHRs and provide copies of such records upon the District's request; and (f) not enter into any agreements prohibited by 105 ILCS 5/22-94(g). See 4:60-AP4, *Sexual Misconduct Related Employment History Review (EHR) of Contractor Employees*.
 10. Each contractor with the District must comply with 105 ILCS 5/24-5 and: (a) concerning each new employee who will provide services to students or in schools, provide the District with evidence of physical fitness to perform the duties assigned and freedom from communicable disease; and (b) require any new or existing employee who provides services to students or in schools to complete additional health examinations as required by the District and be subject to additional health examinations, including tuberculosis screening, as required by the Ill. Dept. of Public Health rules or order of a local health official.
 11. Any contract to purchase food with a bidder or offeror must comply with 105 ILCS 5/10-20.21(b-10) (food donations).
 12. Any pavement engineering project using a coal tar-based sealant product or high polycyclic aromatic hydrocarbon sealant product for pavement engineering-related use must comply with the Coal Tar Sealant Disclosure Act by (a) requesting a bid with an alternative for asphalt-based or latex-based sealant product, and (b) considering whether an asphalt-based or latex-based sealant product should be used for the project based upon costs and life cycle costs that regard preserving pavements, product warranties, and the benefits to public health and safety.
 13. Guaranteed energy savings contracts must comply with 105 ILCS 5/19b-1 et seq.
 14. Design-build contracts must comply with 105 ILCS 5/15A-1 et seq.
 15. Before the Board approves a new contract for a district-administered assessment: (a) the Superintendent or designee must substantially present the terms of the proposal at a regular board meeting, (b) the public must be afforded the opportunity to comment on the proposal at the meeting, and (c) the Board must hold a public vote on the contract at the meeting. The Superintendent or designee shall ensure the assessment is presented in a manner such that the assessment tool and any other intellectual property of the publisher is not able to be widely disseminated to the public.
- B. To the extent feasible, the following govern all purchases and/or the award of contracts for supplies, materials, or work, and/or contracts with private carriers for transporting students, involving: (a) an expenditure of \$35,000 or less, or (b) in an emergency, an expenditure in excess of \$35,000, provided such expenditure is approved by three-quarters of the Board. See 105 ILCS 5/10-20.21(a)(xiv) (3/4s of the members of the Board must approve an emergency expenditure in

excess of \$35,000 when the bidding process is not used) and 5/29-6.1, amended by P.A. 103-460 (time limitations for transportation contracts).

1. Telephone quotations, verbal quotations, or catalog prices are used to purchase materials that are needed urgently, or small quantity orders.
 2. Written quotations are used to purchase materials or services when time requirements allow. Whenever possible, quotations should be received from at least two competitors. The Superintendent or designee may negotiate with vendors at any time, including after receiving quotations.
- C. The following govern all purchases and/or the award of contracts involving an expenditure in excess of \$35,000 for supplies and materials or work. 105 ILCS 5/10-20.21(a).
1. Contracts are awarded to the lowest responsible bidder, considering conformity with specifications, terms of delivery, quality and serviceability, except contracts or purchases for:
 - a. Services of individuals possessing a high degree of professional skill where the ability or fitness of the individual plays an important part;
 - b. Printing of finance committee reports and departmental reports;
 - c. Printing or engraving of bonds, tax warrants, and other evidences of indebtedness;
 - d. Perishable foods and perishable beverages;
 - e. Materials and work that have been awarded to the lowest responsible bidder after due advertisement, but due to unforeseen revisions, not the fault of the contractor for materials and work, must be revised causing expenditures not in excess of 10% of the contract price;
 - f. Maintenance or servicing of, or provision of repair parts for, equipment which are made with the manufacturer or authorized service agent of that equipment where the provision of parts, maintenance, or servicing can best be performed by the manufacturer or authorized service agent;
 - g. Use, purchase, delivery, movement, or installation of data processing equipment, software, or services and telecommunications and interconnect equipment, software, and services;
 - h. Duplicating machines and supplies;
 - i. Fuel, including diesel, gasoline, oil, aviation, natural gas, or propane, lubricants, or other petroleum products;
 - j. Equipment previously owned by some entity other than the District itself;
 - k. Repair, maintenance, remodeling, renovation, or construction, or a single project involving an expenditure not to exceed \$50,000 and not involving a change or increase in the size, type, or extent of an existing facility;
 - l. Goods or services procured from another governmental agency;
 - m. Goods or services that are economically procurable from only one source, such as for the purchase of magazines, books, periodicals, pamphlets and reports, and for utility services such as water, light, heat, telephone, or telegraph;
 - n. Emergency expenditures when such an emergency expenditure is approved by three-quarters of the members of the Board;
 - o. Goods procured through an education master contract, as defined in the Education Purchasing Program, 105 ILCS 5/28A; and
 - p. Providing for the transportation of students, which contracts must be advertised in the same manner as competitive bids and awarded by first considering the bidder(s) most able to provide safety and comfort for the students, stability of service, and any other factors set forth in the request for proposal regarding quality of service, and then price.

- q. Goods, services, or management in the operation of a school's food service, including a school that participates in any of the U.S. Dept. of Agriculture's (USDA) child nutrition programs if a good faith effort is made on behalf of the District to give preference to contracts that: (a) procure food that promotes the health and well-being of students, in compliance with USDA nutrition standards for school meals, and contracts should also promote the production of scratch-made, minimally processed foods; (b) give a preference to State or regional suppliers that source local food products; (c) utilize producers that adopt hormone and pest management practices recommended by the USDA; (d) give a preference to food suppliers that value animal welfare; and (e) increase opportunities for businesses owned and operated by minorities, women, or persons with disabilities.

When this exemption applies, the bidder shall submit to the District at the time of the bid, to the best of the bidder's ability, and annually thereafter during the term of the contract, the food supplier data required in this Section q. The food supplier data shall also include the name and address of each supplier, distributor, processor, and producer involved in the provision of the products that the bidder is to supply.

2. Competitive bidding process:

- a. An invitation for bids is advertised, where possible, by public notice at least 10 days before the bid date in a newspaper published in the District, or if no newspaper is published in the District, in a newspaper of general circulation in the area of the District. 105 ILCS 5/10-20.21(a).
- b. The following information should be included in the advertisement for bids:
- i. A description of the materials, supplies, or work involved;
 - ii. Completion or delivery date requirements;
 - iii. Requirements for bids, bonds, and/or deposits;
 - iv. Requirements for performance, labor, and material payment bonds;
 - v. Date, time, and place of the bid opening;
 - vi. The approximate time period between the opening of bids and the award of the contract; and
 - vii. Any other useful information.
- c. If specifications are available, the advertisement for bids describes where they may be obtained and/or inspected.
- d. All bids must be sealed by the bidder. 105 ILCS 5/10-20.21(a).
- e. A Board member or District employee opens the bids at a public bid opening at which time the contents are announced. 105 ILCS 5/10-20.21(a). Bids may be communicated, accepted, and opened electronically. The following safeguards apply to an electronic bid opening (105 ILCS 5/10-20.21(a)):
- i. On the date and time of a bid opening, the primary person conducting the electronic bid process shall log onto a specified database using a unique username and password previously assigned to the bidder to allow access to the bidder's specific bid project number.
 - ii. The specified electronic database must be on a network that: (i) is in a secure environment behind a firewall; (ii) has specific encryption tools; (iii) maintains specific intrusion detection systems; (iv) has redundant systems architecture with data storage back-up, whether by compact disc or tape; and (v) maintains a disaster recovery plan.
- f. Each bidder is given at least three days' notice of the time and place of the bid opening. 105 ILCS 5/10-20.21(a).

- g. Conduct that promotes deception and collusion during the bidding process is prohibited and may violate the Ill. Criminal Code, 720 ILCS 5/33E-1 et seq. Examples include interference with public contracting, bid-rigging, and acquisition or disclosure of bidding information by a public official.
3. Following the opening of bids, the Superintendent (and Board Attorney, if needed) determines the lowest responsible bidder and verifies the bidders' qualifications. Contracts are awarded at a properly called open meeting of the Board. If the Superintendent recommends a bidder other than the lowest bidder, the Superintendent must provide the Board with the factual basis for the recommendation in writing. The Board, if it accepts a bid from a bidder other than the lowest, records the factual basis for its decision in its minutes. A contract arises only when the Board votes to accept a bid, although written notice of the award will later be given to the successful bidder.
4. Notwithstanding the foregoing, the District is relieved from bidding when making joint purchases with other public entities in compliance with the Governmental Joint Purchasing Act. 30 ILCS 525/.

LEGAL REF.: 105 ILCS 5/10-20.21, 5/10-20.44, 5/10-20.85, 5/10-21.9, 5/19A-1 et seq., 5/21B-80, 5/22-94, and 5/24-5.
30 ILCS 580/, Ill. Drug Free Workplace Act.
35 ILCS 105/, Ill. Use Tax Act.
50 ILCS 510/, Local Government Professional Services Selection Act.
410 ILCS 170/10, Coal Tar Sealant Disclosure Act.

Operational Services

Free and Reduced-Price Food Services

Notice

The Superintendent shall be responsible for implementing the District's free and reduced-price food services policy and all applicable programs.

If State funding is available for the Healthy School Meals for All Program, the Board will annually determine if it will participate in the program.

Eligibility Criteria and Selection of Children

A student's eligibility for free and reduced-price food services shall be determined by the income eligibility guidelines, family-size income standards, set annually by the U.S. Dept. of Agriculture and distributed by the Ill. State Board of Education.

Notification

At the beginning of each school year, by letter, the District shall notify students and their parents/guardians of: (1) eligibility requirements for free and reduced-price food service; (2) the application process; (3) the name and telephone number of a contact person for the program; and (4) other information required by federal law. The Superintendent shall provide the same information to: (1) informational media, the local unemployment office, and any major area employers contemplating layoffs; and (2) the District's website (if applicable), all school newsletters, or students' registration materials. Parents/guardians enrolling a child in the District for the first time, any time during the school year, shall receive the eligibility information.

Nondiscrimination Assurance

The District shall avoid publicly identifying students receiving free or reduced-price meals and shall use methods for collecting meal payments that prevent identification of children receiving assistance.

Appeal

A family may appeal the District's decision to deny an application for free and reduced-price food services or to terminate such services as outlined by the U.S. Dept. of Agriculture in 7 C.F.R. §245.7, Determining Eligibility for Free and Reduced-Price Meals and Free Milk in Schools. The Superintendent shall establish a hearing procedure for adverse eligibility decisions and provide by mail a copy of them to the family. The District may also use these procedures to challenge a child's continued eligibility for free or reduced-price meals or milk.

During an appeal, students previously receiving food service benefits shall not have their benefits terminated. Students who were denied benefits shall not receive benefits during the appeal.

The Superintendent shall keep on file for a period of three years a record of any appeals made and the hearing record. The District shall also maintain accurate and complete records showing the data and method used to determine the number of eligible students served free and reduced-price food services. These records shall be maintained for three years.

LEGAL REF.: U.S. Dept. of Agriculture, Food and Nutrition Service, National School Lunch Program, 7 C.F.R. Part 210.
U.S. Dept. of Agriculture, Food and Nutrition Service, Determining Eligibility for Free and Reduced-Price Meals and Free Milk in Schools, 7 C.F.R. Part 245.
105 ILCS 125/, School Breakfast and Lunch Program Act.
105 ILCS 126/, Childhood Hunger Relief Act.
23 Ill.Admin.Code §305.10 et seq.

Operational Services

Environmental Quality of Buildings and Grounds

The Superintendent shall take all reasonable measures to protect: (1) the safety of District personnel, students, and visitors on District premises from risks associated with hazardous materials, and (2) the environmental quality of the District's buildings and grounds.

Pesticides

Pesticides will not be applied on the paved surfaces, playgrounds, or playing fields of any school serving grades K-8 during a school day or partial school day when students are in attendance for instructional purposes. Additionally, the application of any restricted use pesticides is prohibited on or within 500 feet of school property during normal school hours. Before pesticides are used on District premises, the Superintendent or designee shall notify employees and parents/guardians of students as required by the Structural Pest Control Act, 225 ILCS 235/, and the Lawn Care Products Application and Notice Act, 415 ILCS 65/.

Coal Tar Sealant

Before coal tar-based sealant products or high polycyclic aromatic hydrocarbon sealant products are used on District premises, the Superintendent or designee shall notify employees and parents/guardians of students in writing or by telephone as required by the Coal Tar Sealant Disclosure Act.

LEGAL REF.: 105 ILCS 5/10-20.17a; 5/10-20.48.
 29 C.F.R. §1910.1030, Occupational Exposure to Bloodborne Pathogens, as adopted by the Illinois Department of Labor, 56 Ill.Admin.Code §350.700(b).
 29 C.F.R. §1910.1200, Occupational Safety and Health Administration Hazard Communication Standards, as adopted by 820 ILCS 255/1.5, Toxic Substances Disclosure to Employees Act.
 20 ILCS 3130/, Green Buildings Act.
 105 ILCS 135/, Toxic Art Supplies in Schools Act.
 105 ILCS 140/, Green Cleaning School Act.
 105 ILCS 160/, Pesticide Application at Schools Act.
 225 ILCS 235/, Structural Pest Control Act.
 415 ILCS 60/14, Illinois Pesticide Act.
 415 ILCS 65/, Lawn Care Products Application and Notice Act.
 410 ILCS 170/, Coal Tar Sealant Disclosure Act.
 820 ILCS 255/, Toxic Substances Disclosure to Employees Act. (inoperative)
 23 Ill.Admin.Code §1.330.

CROSS REF.: 4:150 (Facility Management and Building Programs), 4:170 (Safety)

Operational Services

Administrative Procedure - Environmental Quality of Buildings and Grounds

Hazardous and/or Infectious Materials

The Buildings and Grounds Supervisor is responsible for the District's compliance with State and federal law concerning toxic, hazardous, and/or infectious materials. This includes requirements in the federal Occupational Safety and Health Administration (OSHA) Hazard Communication Standards (29 C.F.R. §1910.1200), adopted by the State Toxic Substances Disclosure to Employees Act (820 ILCS 255/, otherwise inoperative). See information on OSHA's website at www.osha.gov/hazcom.

Pesticide Application on School Grounds

The Buildings and Grounds Supervisor is responsible for compliance with the Lawn Care Products Application and Notice Act (415 ILCS 65/3) and the Pesticide Application at Schools Act (105 ILCS 160/) and shall:

1. Provide an annual schedule of pesticide application to the supervisor of each District building, ensuring that the applications take place outside of normal school hours (Monday through Friday, before 7 a.m. or after 4 p.m. or on days when students are not in attendance).
2. In coordination with the supervisor of each District building (including each Building Principal), notify employees and students and their parents/guardians in each building. The notification must:
 - a. Be provided at least four business days before a pesticide application on school grounds.
 - b. Be written or by telephone. If written, the notice may be included in newsletters, calendars, or other correspondence currently being published.
 - c. Identify the intended date of the application.
 - d. Provide the name and telephone contact number for the Buildings and Grounds Supervisor or other school personnel responsible for the pesticide program.

Prior notice is not required if an imminent threat to health or property exists. If such a situation arises, the Buildings and Grounds Supervisor must sign a statement describing the circumstances that gave rise to the health threat and ensure that written or telephonic notice is provided as soon as practicable.

Pesticide Application in School Buildings and Structures

The Buildings and Grounds Supervisor is responsible for compliance with the requirements in the Structural Pest Control Act (225 ILCS 235/) and shall:

1. Provide an annual schedule of pesticide application to the supervisor of each District building, ensuring that the applications take place outside of normal school hours (Monday through Friday, before 7 a.m. or after 4 p.m. or on days when students are not in attendance).
2. In coordination with the supervisor of each District building (including each Building Principal):
 - a. Maintain a registry of all employees and parents/guardians of students.
 - b. Notify those employees and parents/guardians of students before pesticides are applied in or on each building. The notification must:
 - i. Be provided at least two business days before a pesticide application in or on school buildings.

- ii. Be written. The notice may be included in newsletters, bulletins, calendars, or other correspondence currently being published.
- iii. Identify the intended date of the application.
- iv. Provide the name and telephone contact number for the Buildings and Grounds Supervisor or other school personnel responsible for the pesticide program.

Prior notice is not required if an imminent threat to health or property exists. If such a situation arises, the Buildings and Grounds Supervisor must sign a statement describing the circumstances that gave rise to the health threat and ensure that written notice is provided as soon as practicable.

The Buildings and Grounds Supervisor is responsible for the District's integrated pest management program and the District's compliance with the Structural Pest Control Act. 225 ILCS 235/.

Applicable if the Superintendent determines that an integrated pest management program is economically feasible:

The Buildings and Grounds Supervisor or designee shall: (1) develop and implement a program incorporating the Department of Public Health guidelines; (2) notify the Department, on forms provided by the Department, that a program is being implemented; (3) repeat the notification every five years after the initial notification; and (4) keep copies of all notifications and all written integrated pest management program plans.

Applicable if the Superintendent determines that adopting an integrated pest management program is not economically feasible because such adoption would result in an increase in pest control costs:

The Buildings and Grounds Supervisor or designee shall: (1) notify the Department, on forms provided by the Department, that the development and implementation of an integrated pest management program is not economically feasible; (2) include in the notification the projected pest control costs for the term of the pest control program and projected costs for implementing a program for that same time period; (3) repeat this notification every five years after the initial notification until a program is developed and implemented; and (4) attend a training course, approved by the Department, on integrated pest management and repeat attendance every five years thereafter until a program is developed and implemented in the District's schools.

The Buildings and Grounds Supervisor or designee shall maintain copies of all notifications that are required by the Structural Pest Control Act and provide the Building Principal(s) or designee(s) sufficient information to allow him/her/them to inform all parents/guardians and school employees at least once each school year that the District has met its notification requirements.

Training and Necessary Equipment

Each Building Principal and noncertificated staff supervisor shall ensure that all staff members under his or her supervision receive training on the safe handling and use of hazardous materials as required by 105 ILCS 5/10-20.17a. Emergency response and evacuation plans must be a part of the training.

Before an employee is given an assignment where contact with blood or bodily fluids or other hazardous material is likely, the employee must be provided the necessary training, including training in the universal precautions and other infection control measures to prevent the transmission of communicable diseases and/or to reduce potential health hazards as required by 23 Ill.Admin.Code §1.330. The appropriate supervisor shall maintain an attendance record of an employee's participation in the training.

Substitute Non-Hazardous Materials

District staff shall comply with State law governing toxic art supplies in schools. 105 ILCS 135/. This includes substituting non-hazardous material for hazardous substances whenever possible and minimizing the quantity of hazardous substances stored in school facilities. No art or craft material containing a toxic substance shall be ordered or purchased for use through grade 6; material containing toxic substances may be used in grades 7 through 12 only if properly labeled according to State law.

Infectious Materials

The Buildings and Grounds Supervisor shall prepare and distribute to all employees an Occupational Exposure Control Plan to eliminate or minimize occupational exposure to potentially infectious materials. The Plan shall comply with the Bloodborne Pathogens Standards adopted by State and federal regulatory agencies and an updated copy given to the Superintendent annually. The Plan shall address the following issues:

1. Exposure determination. Positions that do not subject the employee to occupational exposure are generally exempt from the Plan and the Standards.
2. Implementation schedule specifying how and when risks are to be reduced. The Standards are very specific on risks reduction, e.g., Universal Precautions must be followed; engineering and work practice controls are specified (hand washing, restricted food areas); personal protection equipment must be provided; housekeeping requirements are specified (regulated waste disposal and laundry); vaccination requirements (all employees who have occupational exposure must be offered, at employer expense, the hepatitis B vaccine and vaccination series); communication of hazards to employees through labeling and training; and recordkeeping.
3. Process for ensuring that all medical evaluations and procedures, including the hepatitis B vaccine and vaccination series and post-exposure evaluation and follow-up, are available as required by law.
4. Procedures for evaluating an exposure incident.

Emergency Response Plan

The Building Principal shall ensure that proper procedures for the cleanup of potentially hazardous material spills are followed including the following:

1. A building custodian is responsible for the actual cleanup,
2. Personal protective equipment, chemical neutralization kits, and absorbent material are available in each building at all times, and
3. Spill residue is placed in containers designated for such purpose and disposed of in compliance with local, State, and federal law.

Evacuation

The Building Principal shall ensure compliance with the School Safety Drill Act. 105 ILCS 128/. This includes, among other things, ensuring that evacuation rules are posted in each room and discussed with each class using the room during the first days of the school year. The evacuation rules indicate the primary and alternate exits and the evacuation area to which students should proceed upon leaving the building.

The Building Principal shall conduct evacuation drills according to School Board policy 4:170, *Safety*, and administrative procedure 4:170-AP1, *Comprehensive Safety and Security Plan*.

LEGAL REF: 29 C.F.R. §1910.1030, Occupational Exposure to Bloodborne Pathogens, adopted by the Ill. Department of Labor at 56 Ill.Admin.Code §350.300.
29 C.F.R. §1910.1200, Occupational Safety and Health Administration Hazard Communication Standards, adopted by 820 ILCS 255/1.5, Toxic Substances Disclosure to Employees Act.
105 ILCS 5/10-20.17a and 5/10-20.49.
105 ILCS 135/, Toxic Art Supplies in School Act.
105 ILCS 140/, Green Cleaning School Act.
105 ILCS 160/, Pesticide Application at Schools Act.
225 ILCS 235/, Structural Pest Control Act.
415 ILCS 65/, Lawn Care Products Application and Notice Act.23 Ill.Admin.Code §1.330.

Operational Services

Safety

Safety and Security

All District operations, including the education program, shall be conducted in a manner that will promote the safety and security of everyone on District property or at a District event. The Superintendent or designee shall develop, implement, and maintain a comprehensive safety and security plan that includes, without limitation:

1. An emergency operations and crisis response plan(s) addressing prevention, preparation, response, and recovery for each school;
2. Provisions for a coordinated effort with local law enforcement and fire officials, emergency medical services personnel, and the Board Attorney;
3. A school safety drill plan;
4. Instruction in safe bus riding practices; and
5. A clear, rapid, factual, and coordinated system of internal and external communication.

In the event of an emergency that threatens the safety of any person or property, students and staff are encouraged to follow the best practices discussed for their building regarding the use of any available cellular telephones.

School Safety Drill Plan

During every academic year, each school building that houses school children shall conduct, at a minimum, each of the following in accordance with the School Safety Drill Act (105 ILCS 128/):

1. Three school evacuation drills to address and prepare students and school personnel for fire incidents. One of these three drills shall require the participation of the local fire department or district.
2. One bus evacuation drill.
3. One severe weather and shelter-in-place drill to address and prepare students and school personnel for possible tornado incidents.
4. One law enforcement lockdown drill to address a school shooting incident and to evaluate the preparedness of school personnel and students. This drill shall occur no later than 90 days after the first day of school of each year, and shall require the participation of all school personnel and students present at school at the time of the drill, except for those exempted by administrators, school support personnel, or a parent/guardian.

Annual Review

The Board or its designee will annually review each school building's emergency operations and crisis response plan(s), protocols, and procedures, as well as each building's compliance with the school safety drill plan. This annual review shall be in accordance with the School Safety Drill Act (105 ILCS 128/) and the Joint Rules of the Office of the State Fire Marshal and the Ill. State Board of Education (ISBE). 29 Ill.Admin.Code Part 1500.

Automated External Defibrillator (AED)

The Superintendent or designee shall implement a written plan for responding to medical emergencies at the District's physical fitness facilities in accordance with the Fitness Facility Medical Emergency

Preparedness Act and shall file a copy of the plan with the Ill. Dept. of Public Health (IDPH). The plan shall provide for at least one automated external defibrillator (AED) to be available at every physical fitness facility on the premises according to State law requirements.

The District shall have an AED on site as well as a trained AED user: (1) on staff during staffed business hours; and (2) available during activities or events sponsored and conducted or supervised by the District. The Superintendent or designee shall ensure that every AED on the District's premises is properly tested and maintained in accordance with rules developed by the IDPH. This policy does not create an obligation to use an AED.

Carbon Monoxide Alarms

The Superintendent or designee shall implement a plan with the District's local fire officials to:

1. Determine which school buildings to equip with approved *carbon monoxide alarms* or *carbon monoxide detectors*,
2. Locate the required carbon monoxide alarms or carbon monoxide detectors within 20 feet of a carbon monoxide emitting device, and
3. Incorporate carbon monoxide alarm or detector activation procedures into each school building that requires a carbon monoxide alarm or detector. The Superintendent or designee shall ensure each school building annually reviews these procedures.

Soccer Goal Safety

The Superintendent or designee shall implement the Movable Soccer Goal Safety Act in accordance with the guidance published by the IDPH. Implementation of the Act shall be directed toward improving the safety of movable soccer goals by requiring that they be properly anchored.

Unsafe School Choice Option

The unsafe school choice option allows students to transfer to another District school or to a public charter school within the District. The unsafe school choice option is available to:

1. All students attending a persistently dangerous school, as defined by State law and identified by the ISBE.
2. Any student who is a victim of a violent criminal offense, as defined by 725 ILCS 120/3, that occurred on school grounds during regular school hours or during a school-sponsored event.

The Superintendent or designee shall develop procedures to implement the unsafe school choice option.

Lead Testing in Water

The Superintendent or designee shall implement testing for lead in each source of drinking water in school buildings in accordance with the Ill. Plumbing License Law and guidance published by the IDPH. The Superintendent or designee shall notify parent(s)/guardian(s) about the sampling results from their children's respective school buildings.

Emergency Closing

The Superintendent is authorized to close school(s) in the event of hazardous weather or other emergency that threatens the safety of students, staff members, or school property.

LEGAL REF.: 105 ILCS 5/10-20.2, 5/10-20.57, 5/18-12, and 5/18-12.5.
105 ILCS 128/, School Safety Drill Act; 29 Ill.Admin.Code Part 1500.
210 ILCS 74/, Physical Fitness Facility Medical Emergency Preparedness Act.
225 ILCS 320/35.5, Ill. Plumbing License Law.

CROSS REF.: 4:110 (Transportation), 4:175 (Convicted Child Sex Offender; Screening; Notifications), 4:180 (Pandemic Preparedness; Management; and Recovery), 4:190 (Targeted School Violence Prevention Program), 5:30 (Hiring Process and Criteria), 8:30 (Visitors to and Conduct on School Property), 8:100 (Relations with Other Organizations and Agencies)

Operational Services

Administrative Procedure - Comprehensive Safety and Security Plan

Contents:

- A. Safety- and Security-Related Administrative Procedures and Forms**
- B. Definitions**
- C. District Safety Coordinator and Safety Team; Responsibilities**
- D. Safety Team Meetings**
- E. Annual Safety Review**
- F. School Safety Drill Plan**
- G. School Emergency Operations and Crisis Response Plan (SEOCRCP)**
- H. Material to be Included in Each SEOCRP**
- I. Managing Communications During and About an Emergency or Crisis**
- J. Required Notices**
- K. Resources**

Attachment A – School Emergency Operations and Crisis Response Plan Format

Attachment B – Alignment of Comprehensive Safety and Security Plan with Targeted School Violence Prevention Program

A. Safety and Security Related Administrative Procedures and Forms

Administrative material on school safety and security may be implemented under this plan, including, without limitation, any in the following list.

- 4:60-AP3 *Criminal History Records Check of Contractor Employees*
- 4:110-AP1 *School Bus Post-Accident Checklist*
- 4:110-AP3 *School Bus Safety Rules*
- 4:110-E *Emergency Medical Information for Students Having Special Needs or Medical Conditions Who Ride School Buses*
- 4:160-AP *Environmental Quality of Buildings and Grounds*
- 4:170-AP1, E1 *Accident or Injury Form*
- 4:170-AP1, E2 *Memo to Staff Members Regarding Contacts by Media About a Crisis*
- 4:170-AP2 *Routine Communications Concerning Safety and Security*
- 4:170-AP2, E1 *Letter to Parents/Guardians Regarding Student Safety*
- 4:170-AP2, E2 *Letter to Parents/Guardians Regarding the Dangers of Underage Drinking*
- 4:170-AP2, E3 *Letter to Parents/Guardians About Disruptive Social Media Apps; Dangers*
- 4:170-AP2, E4 *Letter to Parents/Guardians About Preventing and Reducing*

	<i>Incidences of Sexting</i>
4:170-AP2, E5	<i>Notice to Parents/Guardians of Lockdown Drill; Opt-out</i>
4:170-AP4	<i>National Terrorism Advisory System</i>
4:170-AP5	<i>Unsafe School Choice Option</i>
4:170-AP6	<i>Plan for Responding to a Medical Emergency at a Physical Fitness Facility with an AED</i>
4:170-AP6, E1	<i>School Staff AED Notification Letter</i>
4:170-AP6, E2	<i>Notification to Staff and Parents/Guardians of CPR and AED Video</i>
4:170-AP8	<i>Movable Soccer Goal Safety</i>
4:175-AP1	<i>Criminal Offender Notification Laws; Screening</i>
4:175-AP1, E1	<i>Informing Parents/Guardians About Offender Community Notification Laws</i>
4:180-AP1	<i>School Action Steps for Pandemic Influenza or Other Virus/Disease</i>
4:180-AP2	<i>Pandemic Influenza Surveillance and Reporting</i>
4:190	<i>Targeted School Violence Prevention Program</i>
4:190-AP1	<i>Targeted School Violence Prevention Program</i>
4:190-AP1, E1	<i>Targeted School Violence Prevention Program Resources</i>
4:190-AP2	<i>Threat Assessment Team (TAT)</i>
4:190-AP2, E1	<i>Principles of Threat Assessment</i>
4:190-AP2, E2	<i>Threat Assessment Documentation</i>
4:190-AP2, E3	<i>Threat Assessment Key Areas and Questions; Examples</i>
4:190-AP2, E4	<i>Responding to Types of Threats</i>
4:190-AP2, E5	<i>Threat Assessment Case Management Strategies</i>
4:190-AP2, E6	<i>Targeted School Violence Prevention and Threat Assessment Education</i>
6:235-E4	<i>Keeping Yourself and Your Kids Safe On Social Networks</i>
6:235-E5	<i>Children's Online Privacy Protection Act</i>
7:140-AP	<i>Use of Metal Detectors and Searches for Student Safety</i>
7:140-E	<i>Letter to Parents/Guardians Regarding the Right to Privacy in the School Setting Act</i>
7:150-AP	<i>Agency and Police Interviews</i>
7:280-AP	<i>Managing Students with Communicable or Infectious Diseases</i>
7:290-AP	<i>Resource Guide for Implementation of Suicide and Depression</i>

Awareness and Prevention Program

B. Definitions

*SEOCR*P is a School Emergency Operations and Crisis Response Plan (formerly *Emergency Operations Plan*). Each school or facility has an *SEOCR*P.

First responders are local law enforcement, fire department officials, emergency medical services personnel, and any other entity in the community that provides emergency assistance.

Incident means any event or occurrence that threatens the safety and security of individuals on school property or at school events.

District Safety Coordinator is the individual who manages the District's safety and security efforts.

Safety Team is the Superintendent's administrative committee that is responsible for its respective *SEOCR*P. Each school or facility has a Safety Team.

SRO means school resource officer, defined as a law enforcement officer who has been primarily assigned to a school or school district under an agreement with a local law enforcement agency.

C. District Safety Coordinator and Safety Team; Responsibilities

The Superintendent appoints an administrator to be the **District Safety Coordinator** to manage the District's safety and security efforts and serve as the District's spokesperson during a crisis or emergency.

The Superintendent appoints members of a **Safety Team** for each school or facility, with input from the District Safety Coordinator and each school's Building Principal. The Building Principal and SRO, if any, shall be members of the Safety Team.

The District Safety Coordinator and each school's Safety Team are responsible for developing, implementing, and maintaining a **SEOCR**P with the following objectives as explained in FEMA's *Guide for Developing High-Quality School Emergency Operations Plans (2013)*, at www.rems.ed.gov/docs/REMS_K-12_Guide_508.pdf:

- **Prevention**, meaning the capabilities needed to avoid, deter, or stop an incident. Prevention requires the use of: (a) research-based principles of safety and security, (b) an ongoing analysis of data (e.g., incident and inspection reports, complaints, suggestions), and (c) an ongoing program for identifying and evaluating unreasonable risks.
- **Protection**, meaning the capabilities needed to secure schools against violence and manmade or natural disasters. Protection focuses on ongoing actions that protect students, teachers, staff, visitors, networks, and property from a threat or hazard.
- **Mitigation**, meaning the capabilities needed to reduce the likelihood or impact of an incident or emergency. Mitigation requires, among other things, high-quality training, and instruction programs to execute and improve the *SEOCR*P.
- **Response**, meaning the capabilities needed to stabilize an incident, save lives, establish a safe and secure environment, and facilitate the transition to recovery. Effective response requires, among other things, a clear, rapid, factual, and coordinated system of internal and external communication.
- **Recovery**, meaning the capabilities needed to restore the learning environment.

D. Safety Team Meetings

The District Safety Coordinator chairs the Safety Team meetings. The meetings are held as determined by the District Safety Coordinator. **At least once annually, the Safety Team shall**

request the participation of first responders and the Board Attorney in a meeting to review and provide input. The following matters are suggested agenda items:

- Review the agenda and determine who will take meeting notes.
- Review the notes from the previous meeting.
- Discuss the status of previously submitted recommendations.
- Receive, review, and discuss individual and Safety Team committee reports and recommendations concerning one or more items below.
 1. Safety and security data from incidents, investigations, audits, etc.
 2. Recommendations received from stakeholders and first responders
 3. Emerging issues
 4. Status of the SEOCRCP
 5. Status of the safety and security communication system
 6. Status of training programs
 7. Status of programs to build awareness of, and support for, the SEOCRCP (contests, posters, drives, etc.)
- Clarify information and recommendations for a report to the Superintendent.
- Confirm the Safety Team meeting schedule and review upcoming meeting dates.

E. Annual Safety Review

The District Safety Coordinator facilitates the annual safety review meeting conducted by the School Board or its designee, as required by 105 ILCS 128/25, amended by P.A. 102-395, and 128/30. During the annual safety review, the law requires the School Board or its designee to “review each school building’s emergency and crisis response plans, protocols, and procedures, including procedures regarding the District’s threat assessment team, the efficacy and effects of law enforcement drills, and each building’s compliance with the school safety drill programs.” If the school board uses a designee, it should preferably be someone other than the District Safety Coordinator to assure an unbiased audit. The District Safety Coordinator assists the Board or its designee to comply with annual review requirements, including without limitation, the completion of a report certifying that the review took place. See the Ill. State Board of Education (ISBE) website for an annual review checklist and report at: www.isbe.net/Pages/School-Emergency-and-Crisis-Response-Plan-Guide.aspx. The Open Meetings Act (OMA) allows the Board to enter closed session to discuss security procedures, school building safety and security, and the use of personnel and equipment to respond to an actual, a threatened, or a reasonably potential danger to the safety of employees, students, staff, the public, or public property. 5 ILCS 120/2(c)(8). Consult the Board Attorney for assistance with this OMA exception.

F. School Safety Drill Plan

The School Safety Drill Act (105 ILCS 128/, amended by P.A.s 102-395, 102-791, 103-104, eff. 1-1-24, and 103-197, eff. 1-1-24) and any implementing State administrative rules shall supersede this procedure in the event of a conflict.

The Building Principal shall keep the Superintendent or designee informed of when drills are scheduled and/or accomplished. ISBE’s fillable *School Drill Documentation* form for documenting the completion of minimum drill requirements may be used (see www.isbe.net/Documents/91-02_school_drill_documentation.pdf).

Each academic year, each school building that houses students must conduct a minimum of:

1. **Three school evacuation drills.** These drills prepare students and personnel for situations that occur when conditions outside of a school building are safer than inside a school building. Evacuation may be necessary depending on the circumstances. They may include a fire, suspicious item or person, or incident involving a hazardous material, including but not limited to a chemical, incendiary, explosive, and bomb threat.

One of the three school evacuation drills requires the participation of the appropriate local fire department, unless waived as provided below. A date is selected according to the following timeline:

- No later than **September 1** of each year, the local fire department or fire district must contact the Building Principal in order to make arrangements.
- No later than **September 14** of each year, the Building Principal or designee and the local fire department or fire district may agree to waive the provisions concerning participation by the local fire department in a school evacuation drill.
- No later than **September 15** of each year, each Building Principal or designee must contact the responding local fire official and propose to the local fire official four dates within the month of October, during at least two different weeks of October, on which to hold the drill. The fire official may choose any of the four available dates, and if he or she does so, the drill occurs on that date.
- Alternatively, the Building Principal or designee and the local fire official may, by mutual agreement, set any other date for the drill, including a date outside of the month of October.
- If the fire official does not select one of the four offered dates in October or set another date by mutual agreement, the school does not need to include the local fire service in one of its mandatory school evacuation drills.

After a drill in which the local fire service participated, the Building Principal should request certification from the local fire service that the school evacuation drill was conducted. Additional school evacuation drills for fire incidents may involve the participation of the appropriate local fire department. In addition, schools may conduct additional school evacuation drills to account for other evacuation incidents, including without limitation, suspicious items or bomb threats.

2. **One school bus evacuation drill.** This drill prepares students and school personnel for situations that occur when conditions outside of the bus are safer than inside the bus. Evacuation may be necessary, depending on the circumstances, in the event of a fire, suspicious items, and incidents involving hazardous materials. Schools may conduct additional bus evacuation drills.

In addition, instruction on safe bus riding practices should be provided for all students. See 4:110-AP3, *School Bus Safety Rules*.

3. **One severe weather and shelter-in-place drill.** This drill prepares students for situations involving severe weather emergencies or the release of external gas or chemicals. Severe weather and shelter-in-place drills must address and prepare students and school personnel for possible tornado incidents. Other drills shall be based on the needs and environment of particular communities, including severe weather (such as tornadoes, wind shears, lightning, and earthquakes), incidents involving hazardous materials, and incidents involving weapons of mass destruction.

4. **One law enforcement lockdown drill.** This drill addresses a school shooting incident and evaluates the preparedness of school personnel and students for situations calling for the involvement of law enforcement when there is an active threat or an active shooter within a school building. A law enforcement lockdown drill must occur no later than 90 days after the first day of each school year. This drill must be conducted: (a) according to the District's emergency operations and crisis response plan(s), (b) on days and times when students are normally present in the school building, and (c) with the participation of all school personnel and students present at school at the time of the drill, except for those exempted at the discretion of administrators or school support personnel. The appropriate local law enforcement agency must observe administration of the drill.

Schools must notify parents/guardians in advance of any lockdown drill that involves student participation, and must allow parents/guardians to exempt their child from participating for any reason. The District may, at its discretion, exempt a student from participating in a lockdown drill. 105 ILCS 128/20(c)(4), added by P.A. 102-395. When deciding whether to exempt a student, the District must include the student's individualized education program team or 504 plan team, if any, in the decision. 105 ILCS 128/20(c)(4), amended by P.A. 103-197, eff. 1-1-24. For students who do not participate in the lockdown drill, districts must provide alternative safety education and instruction related to an active threat or active shooter event. For students who do participate in the lockdown drill, districts must allow them to ask questions related to it. See 4:170-AP2, E5, *Notice to Parent/Guardian of Lockdown Drill; Opt-out*. In addition, a law enforcement lockdown drill must meet each of the following criteria:

- During each calendar year, the appropriate local law enforcement agency contacts the Building Principal to request participation in the law enforcement lockdown drill. The Building Principal and the local law enforcement agency shall set, by mutual agreement, a date for the drill.
- The lockdown drill involves the onsite participation of the local law enforcement agency, provided that an agreeable date can be reached between the Building Principal and the local law enforcement agency. If the parties cannot reach an agreeable date, the school shall hold the drill without participation from the local law enforcement agency.
- After a drill in which local law enforcement participated, the Building Principal should request a certification from local law enforcement that the law enforcement lockdown drill was conducted. The local law enforcement agency shall also notify the school of any deficiencies noted during the drill.
- The lockdown drill cannot include any simulations that mimic an actual school shooting incident or active shooter event. Law enforcement may only run an active shooter simulation, including simulated gun fire drills, on school days when students are not present.
- All lockdown drills must be announced in advance to all school personnel and students prior to the commencement of the drill.
- Lockdown drill content must be age and developmentally appropriate, and must include trauma-informed approaches to address the concerns and well-being of school personnel.
- Lockdown drills must include and involve school personnel, including school-based mental health professionals.

The District Safety Coordinator, in cooperation with the Building Principal, shall encourage local law enforcement agencies to establish a school walk-through program. This program encourages local law enforcement officials to walk through school properties during their patrols with the goal of increasing security (school districts are encouraged, but not mandated, to do this by House Resolution 153 (98th General Assembly, 2013)).

G. School Emergency Operations and Crisis Response Plan (SEOCR)

Each Safety Team shall develop, implement, and maintain a SEOCR using the process below, as explained in FEMA's *Guide for Developing High-Quality School Emergency Operations Plans (2013)*, at: www.rems.ed.gov/docs/REMS_K-12_Guide_508.pdf:

1. Develop a schedule and invite the participation of first responders.
2. Identify threats and hazards, assess risks, and prioritize threats and hazards.
3. Determine goals and objectives.
4. Develop, review, evaluate, and maintain the SEOCR.
5. Share the SEOCR with stakeholders and train them. This includes, without limitation, having the SEOCR accessible in a digital format.

Each SEOCR shall include a plan for local law enforcement to rapidly enter a school building in an emergency. 105 ILCS 128/50 (final citation pending), added by P.A. 103-194, eff. 1-1-24.

Each SEOCR shall be in the format suggested by and explained in FEMA's *Guide for Developing High-Quality School Emergency Operations Plans (2013)*, at www.rems.ed.gov/docs/REMS_K-12_Guide_508.pdf. See also *The Role of Districts in Developing High-Quality School Emergency Operations Plans: A Companion to the School Guide (2019)*, at: https://rems.ed.gov/docs/District_Guide_508C.pdf; and the **Attachment** to this procedure.

H. Material to be Included in Each SEOCR

Each school Safety Team annually gathers and/or renews the following material for inclusion in the SEOCR:

1. District-level Targeted School Violence Prevention Plan. See Board policy 4:190, *Targeted School Violence Prevention Program*, and 4:190-AP1, *Targeted School Violence Prevention Program*.
2. Building-level Threat Assessment Team procedures. See 4:190-AP2, *Threat Assessment Team (TAT)*.
3. Building evacuation protocol. The Building Principal or designee shall: (a) keep a comprehensive evacuation map - describing main and alternate routes - in the main office, (b) post signs containing main and alternate evacuation routes for each occupied area in a conspicuous place, preferably near the exit, (c) prepare evacuation plans for outdoor areas (playgrounds and stadiums), and (d) keep all staff informed of the evacuation plans.
4. Documents concerning safety drills. The Building Principal shall schedule, execute, and document safety drills as per the School Safety Drill Act (105 ILCS 128/, amended by P.A.s 102-395, 102-791, 103-104, eff. 1-1-24, and 103-197, eff. 1-1-24) and this procedure.
5. Maps and layouts, including: (a) campus map, (b) building floor plan, (c) location of first aid kits, AEDs, fire extinguishers, and any trauma kits (105 ILCS 5/10-20.85, added by

P.A. 103-128), and (d) map or plan describing the areas to be used in the event of an emergency or crisis for triage, emergency helicopter landing, media center, non-victim students, and parents/guardians. The Safety Team or Principal shall annually give a copy of these to first responders.

6. A protocol to secure a list of people present in the building at any time.
7. Tornado response plan, including a map showing tornado wall locations (105 ILCS 128/25).
8. Carbon monoxide alarm or detector activation plans, protocols, and procedures (105 ILCS 5/10-20.57 and 430 ILCS 135/).
9. The safety equipment's maintenance schedule and the person(s) responsible.
10. An emergency early dismissal protocol.
11. A plan for inviting warnings or tips, e.g., a hotline or website for individuals to make anonymous tips.
12. A protocol for student supervision in the event of an emergency or crisis.
13. A safety patrol plan (105 ILCS 5/10-22.28).
14. Bicycle use rules.
15. Roadway and parking rules.
16. Procedures on student and staff illness and injuries at school and school events (23 Ill.Admin.Code §1.530(c)).
17. A plan for giving students instructions on safe school bus riding practices, including the operation and use of emergency doors and windows (as a means of escape), seat belts, and fire extinguisher (105 ILCS 128/20(b)). The District's parent-teacher advisory committee, in cooperation with school bus personnel, establishes and maintains bus safety rules (105 ILCS 5/10-20.14). See 4:110-AP3, *School Bus Safety Rules*.
18. Safety and security related administrative material. See section A, above.
19. The location of any door security locking means and the use of the locking and unlocking means from within and outside the room(s) (105 ILCS 5/10-20.72, renumbered by P.A. 102-558).
20. Other documents identified by the Safety Team.

I. Managing Communications During and About an Emergency or Crisis

The District Safety Coordinator, with assistance from the Safety Team, is responsible for compiling information and preparing communications concerning an emergency or crisis. The District Safety Coordinator serves as the spokesperson during a crisis or emergency. All District communications should come from this source to ensure accuracy, credibility, and compliance with laws granting confidentiality to student records.

The spokesperson shall follow best practices for spokespersons during an emergency or crisis and receive training on public relations. The Board Attorney serves as a resource to the spokesperson. The objective is:

- To provide the maximum amount of verified information to staff members, students' family members, and the media as quickly as possible,

- While simultaneously respecting student privacy and complying with laws granting confidentiality to student records (Ill. School Student Records Act, 105 ILCS 10/; Family Educational Rights and Privacy Act, 20 U.S.C. §1232g). See 7:340-AP1, *School Student Records*.

All staff members are requested to refrain from spreading information about an emergency or crisis unless the information is from the District Safety Coordinator. All inquiries should be directed to the spokesperson.

Everyone in the school community can positively affect an emergency or crisis situation by:

1. Avoiding speculation as to the cause.
2. Avoiding allocation of blame.
3. Helping school and law enforcement officials gather the facts.
4. Sticking to the facts during discussions.
5. Deferring all media requests to the spokesperson.
6. Comforting and supporting each other.

J. Required Notices

A school staff member shall immediately notify the Building Principal when he or she:

1. Observes any person in possession of a firearm on or around school grounds; however, such action may be delayed if immediate notice would endanger students under his or her supervision. 105 ILCS 5/10-27.1A(a).
2. Observes or has reason to suspect that any person on school grounds is or was involved in a drug-related incident. 105 ILCS 5/10-27.1B.
3. Observes a battery committed against any staff member or is subject to a battery. 105 ILCS 5/10-21.7, amended by P.A. 102-894.

Upon receiving a report of No. 1, above, the Building Principal or designee shall immediately notify local law enforcement. 105 ILCS 5/10-27.1A(b), 5/10-27.1B, and 5/10-21.7. In addition, upon receiving a report on any of the above Nos. 1-3, the Building Principal or designee must notify the Superintendent or designee and any involved student's parent/guardian. See the **Required Notices** subhead of policy 7:190, *Student Behavior*, and 3:60-E, *Event Reporting and Notice Requirements for Building Principals Concerning School Safety and Security*.

Upon receiving a report of any of the above Nos. 1-3, the Superintendent or designee shall immediately notify local law enforcement. 105 ILCS 5/10-27.1A(c), amended by P.A. 103-34, 5/10-27.1B(b), and 5/10-21.7. The Superintendent or designee will also report incidents involving battery against staff members to ISBE through its web-based School Incident Reporting System (SIRS) as they occur during the year and no later than August 1 for the preceding school year. 105 ILCS 5/10-21.7, amended by P.A. 102-894. SIRS is available at www.isbe.net/Pages/School-Incident-Reporting-System.aspx or by going to ISBE's home page and accessing the District's Web Application Security (IWAS) account. Reporting on SIRS does not satisfy the requirement to report incidents to local law enforcement authorities.

K. Resources

Guide for Developing High-Quality School Emergency Operations Plans: At a Glance
www.rems.ed.gov/K12GuideForDevelHQSchool.aspx

Guide for Developing High-Quality School Emergency Operations Plans
www.rems.ed.gov/docs/REMS_K-12_Guide_508.pdf

The Role of Districts in Developing High-Quality School Emergency Operations Plans: A Companion to the School Guide https://rems.ed.gov/docs/District_Guide_508C.pdf

Readiness and Emergency Management for Schools (REMS) Technical Assistance (TA) Center Tool Box www.rems.ed.gov/toolbox.aspx

ALICE (Alert, Lockdown, Inform, Counter, Evacuate) Training Institute www.alicetraining.com

ISBE/OSFM All Hazard Preparedness Guide for Illinois Schools www.isbe.net/Pages/School-Emergency-and-Crisis-Response-Plan-Guide.aspx

Illinois Emergency Management Agency (IEMA) www2.illinois.gov/ready/Pages/default.aspx

Schools/Campus – Resources, including School Safety Information Sharing
<https://ready.illinois.gov/plan/schools.html>

Safe2Help Illinois, designed to offer students a safe, confidential way in which to share information that might help prevent suicides, bullying, school violence, or other threats to school safety, www.safe2helpil.com/

Illinois Terrorism Task Force (ITTF) <https://ready.illinois.gov/hazards/terrorism.html>

National Association of School Psychologists (NASP) - Recommendations for Comprehensive School Safety and Crisis Policies www.nasponline.org/resources-and-publications/resources-and-podcasts/school-safety-and-crisis

U.S. Secret Service (USSS) National Threat Assessment Center (NTAC)
www.secretservice.gov/protection/ntac

Improving School Safety Through Bystander Reporting: A Toolkit for Strengthening K-12 Reporting Programs, developed by the USSS NTAC and the Cybersecurity and Infrastructure Security Agency (CISA) www.secretservice.gov/sites/default/files/reports/2023-05/cisa-uss-12-bystander-reporting-toolkit-508_final_0.pdf

Bomb Threat Response Planning Tool, developed by the U.S. Dept. of Justice's Bureau of Alcohol, Tobacco, Firearms and Explosives and the U.S. Dept. of Education's Office of Safe and Drug Free Schools www.ojp.gov/ncjrs/virtual-library/abstracts/bomb-threat-response-interactive-planning-tool-schools-cd-rom

School Crisis Guide - Help and Healing in a Time of Crisis, published by NEA Health Information Network www.nea.org/resource-library/neas-school-crisis-guide

Attachment A

School Emergency Operations and Crisis Response Plan Format

Basic Plan

- | | |
|--|--|
| 1. Introductory Material | 3. Concept of Operations |
| 1.1 Promulgation Document and Signatures | 4. Organization and Assignment of Responsibilities |
| 1.2 Approval and Implementation | 5. Direction, Control, and Coordination |
| 1.3 Record of Changes | 6. Information Collection, Analysis, and Dissemination |
| 1.4 Record of Distribution | 7. Training and Exercises |
| 1.5 Table of Contents | 8. Administration, Finance, and Logistics |
| 2. Purpose, Scope, Situation Overview, and Assumptions | 9. Plan Development and Maintenance |
| 2.1 Purpose | 10. Authorities and References |
| 2.2 Scope | |
| 2.3 Situation Overview | |
| 2.4 Planning Assumptions | |

Functional Annexes

Note: This is not a complete list, but it is recommended that all SEOCRPs include at least the following functional annexes:

- | | |
|-------------------------------|------------------------------------|
| 1. Communications | 6. Reunification |
| 2. Evacuation | 7. Continuity of Operations (COOP) |
| 3. Shelter-in-Place | 8. Security |
| 4. Lockdown | 9. Recovery |
| 5. Accounting for All Persons | 10. Health and Medical |

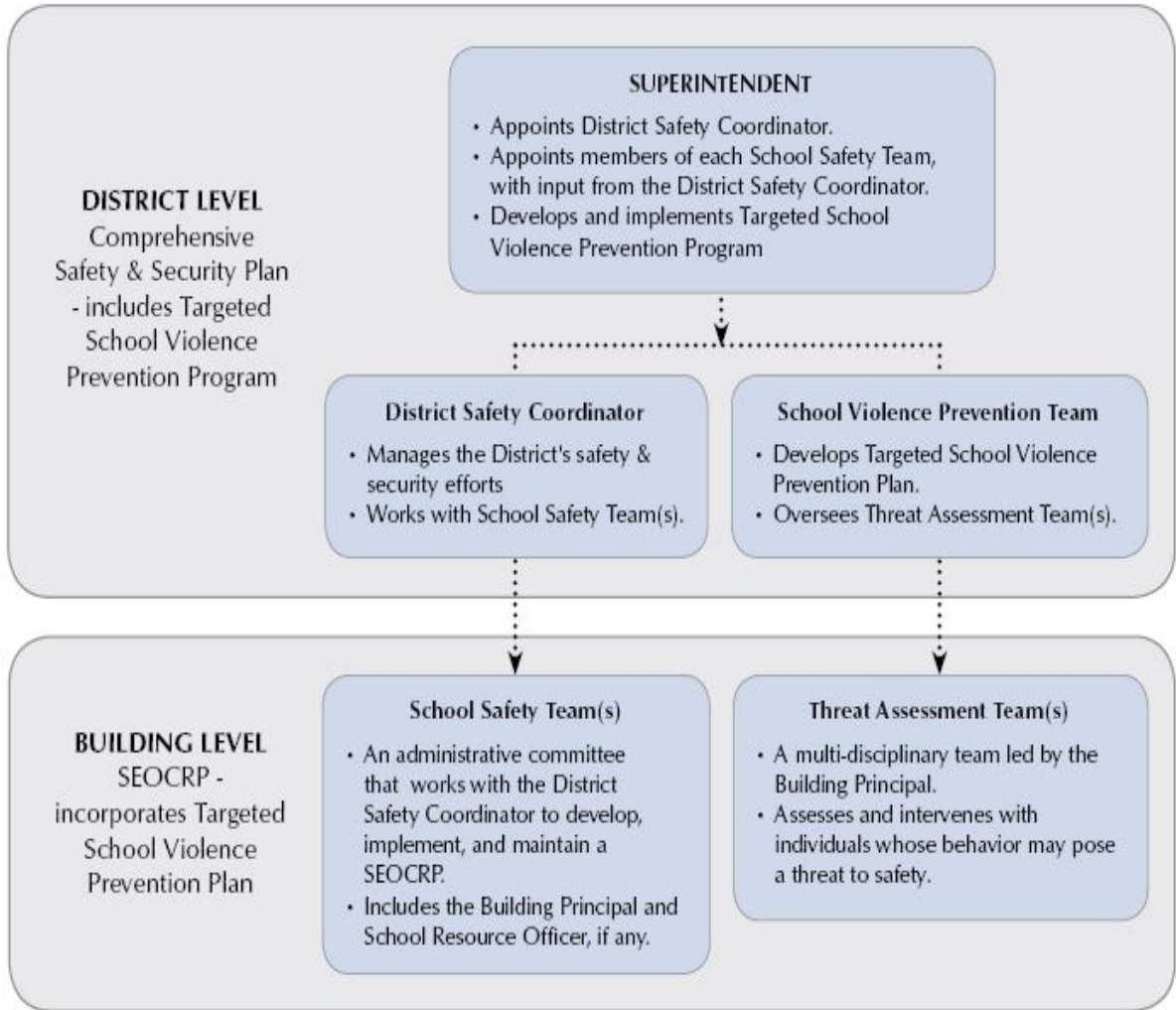
Threat- or Hazard-Specific Annexes

Note: This is not a complete list. Each school's annexes will vary based on its hazard analysis.

- | | |
|---------------------------------|---------------------------------|
| 1. Hurricane or Severe Storm | 5. Mass Casualty Incident |
| 2. Earthquake | 6. Active Shooter |
| 3. Tornado | 7. Pandemic or Disease Outbreak |
| 4. Hazardous Materials Incident | |

Attachment B

Alignment of Comprehensive Safety and Security Plan with Targeted School Violence Prevention Program



Students

Use of Educational Technologies; Student Data Privacy and Security

Educational technologies used in the District shall further the objectives of the District's educational program, as set forth in Board policy 6:10, *Educational Philosophy and Objectives*, align with the curriculum criteria in policy 6:40, *Curriculum Development*, and/or support efficient District operations. The Superintendent shall ensure that the use of educational technologies in the District meets the above criteria.

The District and/or vendors under its control may need to collect and maintain data that personally identifies students in order to use certain educational technologies for the benefit of student learning or District operations.

Federal and State law govern the protection of student data, including school student records and/or *covered information*. The sale, rental, lease, or trading of any school student records or covered information by the District is prohibited. Protecting such information is important for legal compliance, District operations, and maintaining the trust of District stakeholders, including parents, students and staff.

Definitions

Covered information means personally identifiable information (PII) or information linked to PII in any media or format that is not publicly available and is any of the following: (1) created by or provided to an operator by a student or the student's parent/guardian in the course of the student's or parent/guardian's use of the operator's site, service or application; (2) created by or provided to an operator by an employee or agent of the District; or (3) gathered by an operator through the operation of its site, service, or application.

Operators are entities (such as educational technology vendors) that operate Internet websites, online services, online applications, or mobile applications that are designed, marketed, and primarily used for K-12 school purposes.

Breach means the unauthorized acquisition of computerized data that compromises the security, confidentiality or integrity of covered information maintained by an operator or the District.

Operator Contracts

The Superintendent or designee designates which District employees are authorized to enter into written agreements with operators for those contracts that do not require separate Board approval. Contracts between the Board and operators shall be entered into in accordance with State law and Board policy 4:60, *Purchases and Contracts*, and shall include any specific provisions required by State law.

Security Standards

The Superintendent or designee shall ensure the District implements and maintains reasonable security procedures and practices that otherwise meet or exceed industry standards designed to protect covered information from unauthorized access, destruction, use, modification, or disclosure. In the event the District receives notice from an operator of a breach or has determined a breach has occurred, the Superintendent or designee shall also ensure that the District provides any breach notifications required by State law.

LEGAL REF.: 20 U.S.C. §1232g, Family and Educational Rights and Privacy Act; 34 C.F.R. Part 99.
105 ILCS 10/, Ill. School Student Records Act.
105 ILCS 85/, Student Online Personal Protection Act.
23 Ill. Admin. Code Part 380.

CROSS REF.: 4:15 (Identity Protection), 4:60 (Purchases and Contracts), 6:235 (Access to Electronic Networks), 7:340 (Student Records)

Students

Administrative Procedure – Use of Educational Technologies; Student Data Privacy and Security

Use this procedure to establish a process for evaluating the use of educational technologies for student learning and/or District operations, and to facilitate compliance with the Student Online Personal Protection Act (SOPPA).

Definitions (105 ILCS 85/5)

Covered information means personally identifiable information (PII) or information linked to PII in any media or format that is not publicly available and is any of the following: (1) created by or provided to an operator by a student or the student’s parent/guardian in the course of the student’s or parent/guardian’s use of the operator’s site, service or application; (2) created by or provided to an operator by an employee or agent of the District; or (3) gathered by an operator through the operation of its site, service, or application.

Operators are entities (such as educational technology vendors) that operate Internet websites, online services, online applications, or mobile applications that are designed, marketed, and primarily used for K-12 school purposes.

K-12 school purposes means purposes that are directed by, or that customarily take place at the direction of, a teacher, school, or school district; aid in the administration of school activities, including, but not limited to, instruction in the classroom or at home, administrative activities, and collaboration between students, school personnel, or parents; or are otherwise for the use and benefit of a school.

Breach means the unauthorized acquisition of computerized data that compromises the security, confidentiality or integrity of covered information maintained by an operator or the District.

Parent means a person who is the natural parent of the student or other person who has the primary responsibility for the care and upbringing of the student.

Educational Technologies Evaluation and SOPPA Implementation

Actor	Action
Superintendent or Designee or Privacy Officer	1. Establishes an Educational Technology Committee (Ed Tech Committee) to operate as a Superintendent committee for the purposes of: (1) evaluating the use of specific online applications and other educational technologies within the District, (2) establishing a list of applications or other services approved for use within the District, (3) developing a process for the approval of online sites, applications, or services not already approved for District use which staff members may wish to use, and (4) supporting the District’s submission of an annual report to the Ill. State Board of Education (ISBE) regarding educational technology capacities and policies. See 2:150-AP, <i>Superintendent Committees</i> . Consider including: Head of Information Technology (IT) Other district-level administrators, such as Curriculum Director, Student Services Director, Business Manager

Actor	Action
	<p style="text-align: center;">Building Principals Teachers</p> <p>Note: This procedure establishes an administrative committee. The administrative committee centralizes the local decision-making process regarding the use of educational technologies in a district, which in turn should help districts comply with the provisions of SOPPA governing the use of covered information by operators, contractual requirements, and security standards.</p> <ol style="list-style-type: none"> 2. Informs the School Board of the Ed Tech Committee’s progress. 3. Makes recommendations to the Board about operator contracts, as needed and in alignment with Board policy 7:345, <i>Use of Educational Technologies; Student Data Privacy and Security</i>. 4. Designates which District employee(s) are authorized to enter into written agreements with operators when prior board approval of the contract is not otherwise required by Board policy 4:60, <i>Purchases and Contracts</i>, and list them below: <ul style="list-style-type: none"> _____ Employee Title _____ Employee Title _____ Employee Title _____ Employee Title 5. Assigns the following activities to the Head of IT and the Records Custodian: <ol style="list-style-type: none"> a. Develop and maintain a protocol to manage parent requests for copies (electronic and paper) of students’ covered information. b. Develop and maintain a protocol to manage parent requests for corrections to factual inaccuracies contained in a student’s covered information. c. Develop and maintain a protocol to manage parent requests for deletion of a student’s covered information maintained by an operator. 6. Ensures that the parent of any student whose covered information was involved in a breach is provided with a breach notification letter no later than 30 calendar days after the District determines a breach has occurred or has been notified by an operator of a breach, unless an appropriate law enforcement agency has requested in writing that the District not provide breach notifications because doing so would interfere with a criminal investigation. See 7:345-AP, E3, <i>Parent Notification Letter for Student Data Breach</i>. 7. As appropriate, notifies the District’s liability carrier of any third party claims made against the District regarding a data breach. 8. Consults with the Board Attorney for guidance as needed to ensure the District complies with the provisions of SOPPA.
Head of IT or Privacy Officer	<ol style="list-style-type: none"> 1. Implements and maintains reasonable cybersecurity practices to protect covered information, such as technical, administrative, and

Actor	Action
	<p>physical safeguards that are consistent with ISBE guidance, at: www.isbe.net/Pages/Educational-Technology.aspx and 6:235-API, <i>Acceptable use of the District's Electronic Networks</i>. Coordinates with the Superintendent to implement any staff training on such practices. Coordinates with the Business Manager regarding any recommendations for purchases of equipment or software related to cybersecurity.</p> <p>2. Creates, maintains, and regularly updates an internal inventory of all Internet websites, online services, online applications, and mobile applications that are being used in the District for K-12 purposes. Note: The inventory does not need to include general audience websites, online services, online applications, or mobile applications, even if login credentials are required to access the general audience sites, services, or applications. The inventory list should include the following, and any other information deemed pertinent:</p> <ol style="list-style-type: none"> a. Name of Operator b. Contract term and expiration/renewal date c. K-12 purpose for which the online service, application, etc. is being used (e.g., curriculum content area and grade level(s)) d. A listing of the <i>data elements</i> of covered information that the District collects, maintains, or discloses to the operator. e. A layperson explanation of the data elements listed for each operator including how the district uses the information, to whom or what entities it discloses the information, and for what purpose(s) the information is used. <p>3. Ensures the following information is posted on the District's website and updated (if needed) by Jan. 31 and July 31 each year (105 ILCS 85/27(a)) (See 7:345-AP, E1, <i>Student Covered Information Reporting Form</i>):</p> <ol style="list-style-type: none"> a. A list of operators with which the District has written contracts. 105 ILCS 85/27(a)(2). b. Copies of the District's written contracts with operators, with redactions as permitted by State law and mutually agreed upon between the District and operators. 105 ILCS 85/27(a)(2). c. Business address of each operator. 105 ILCS 85/27(a)(2). d. For each operator, a list of any subcontractors to whom covered information may be disclosed or a link to a page on the operator's website that clearly lists that information. 105 ILCS 85/27(a)(3). e. An explanation that is clear and understandable by a layperson, of the following (105 ILCS 85/27(a)(1)): <ol style="list-style-type: none"> i. The <i>data elements</i> of covered information that the District collects, maintains, or discloses to any person, entity, third party, or governmental agency. ii. To whom or to what entities the covered information is disclosed.

Actor	Action
	<ul style="list-style-type: none"> iii. How the covered information is used. iv. The purpose of the disclosure of the covered information. <p>f. For breaches involving 10% or more the District’s enrolled students, a list of any breaches of covered information maintained by the District or by an operator that includes the following information (105 ILCS 85/27(a)(5)):</p> <ul style="list-style-type: none"> i. The number of students whose covered information was involved in the breach, unless the breach involves the <i>personal information</i> of students, as defined by the Personal Information Protection Act, 815 ILCS 530/5. Personal information means either: <ul style="list-style-type: none"> 1. A student’s first name or first initial and last name in combination with any one or more of his or her (a) social security number, (b) driver’s license number or State ID card number, (c) financial account information (with any required security codes or passwords), (d) medical information, (e) health insurance information, and/or (f) unique biometric data or other unique physical or digital representation of biometric data, when either the name or data elements are not encrypted or redacted or are encrypted or redacted but the keys to unencrypt or unredact or otherwise read the name or data elements have been acquired through the breach of security; or 2. A student’s username or email address, in combination with a password or security question and answer that would permit access to an online account, when either the username or email address or password or security question and answer are not encrypted or redacted or are encrypted or redacted, but the keys to unencrypt or unredact or otherwise read the data elements have been obtained through the breach of security. g. A written description of the procedures a parent may use to carry out their rights to: (1) inspect and review his/her child’s covered information; (2) request electronic or paper copies of his/her child’s covered information and (3) request corrections to his/her child’s inaccurate covered information under SOPPA. 105 ILCS 85/27(4). See 7:345-AP, E4, <i>Notice of Parent Rights Regarding Student Covered Information</i>.

Actor	Action
	<ol style="list-style-type: none"> 4. Posts on the District’s website any new operator contracts within 10 business days of the District entering into the contract, along with the information required in items 3.a. through 3.e. listed immediately above. 105 ILCS 85/27(c). 5. Promptly notifies the Superintendent of any breach of covered information or other personal information of students so that appropriate notices can be provided.
<p>Business Manager or Privacy Officer</p>	<ol style="list-style-type: none"> 1. Assists Head of IT in creating, maintaining, and updating the internal inventory list referenced in the row above. 2. Reviews operator contracts (including electronic agreements, click wrap agreements, or other terms and conditions a user must agree to before using the product or service) before approval to ensure they contain the provisions required by SOPPA (this can also be accomplished through the Business Manager’s participation in the Committee described above). The following provisions are required for contracts entered into, renewed, or amended as of 7-1-21, if the operator is seeking in any manner any covered information from the District (105 ILCS 85/15(4) and 85/27(e)): <ol style="list-style-type: none"> a. A listing of the categories or types of covered information to be provided to the operator. b. A statement of the product or service being provided to the District by the operator. c. A statement that, pursuant to the federal Family Educational Rights and Privacy Act of 1974 (FERPA), the operator (1) is acting as a school official with a legitimate educational interest, (2) is performing an institutional service or function for which the District would otherwise use employees, (3) is under the direct control of the District, with respect to the use and maintenance of covered information, (4) is using the covered information only for an authorized purpose and (5) may not re-disclose covered information to third parties without the District’s permission or pursuant to a court order. d. A description of how, if a breach is attributed to the operator, any costs and expenses incurred by the District in investigating and remediating the breach will be allocated between the operator and District. The costs and expenses may include, but are not limited to: (1) providing notification to parent of those students whose covered information was compromised and to regulatory agencies or other entities as required by law or contract, (2) providing credit monitoring to those students whose covered information was exposed in a manner during the breach that a reasonable person would believe that it could impact his or her credit or financial security, (3) legal fees, audit costs, fines, and any other fees or damages imposed against the school as a result of the security breach; and (4) providing any other notifications or fulfilling any other

Actor	Action
	<p>requirements adopted by the ISBE or of any other State or federal laws</p> <ul style="list-style-type: none"> e. A statement that the operator must delete or transfer to the school all covered information if the information is no longer needed for the purposes of the written agreement and to specify the time period in which the information must be deleted or transferred once the operator is made aware that the information is no longer needed for the purposes of the written agreement. f. If the District maintains a website, a statement that the District must publish the written agreement on the District’s website. If the school does not maintain a website, a statement that the District will make the written agreement available for inspection by the general public at its administrative office. g. A provision requiring the operator to implement and maintain reasonable security procedures and practices that otherwise meet or exceed industry standards designed to protect covered information from unauthorized access, destruction, use, modification, or disclosure. <ol style="list-style-type: none"> 3. As permitted by State law, obtains the operator’s agreement regarding what provisions, if any, of the contract will be redacted in the copy that is posted on the District’s website. Items 2.a, 2.b, and 2.c in the list immediately above may NOT be redacted in the posted copy. 4. Ensures that the District also has written agreements in place that include the provisions listed in #2 above whenever it shares, transfers, discloses, or provides access to a student’s covered information to an entity or individual, other than the student’s parent, school personnel, Board members, or ISBE, unless the disclosure or transfer is (1) required by court or State or federal law or (2) to ensure legal or regulatory compliance. 105 ILCS 85/26(2). 5. With the authorization of the Superintendent, consults with the Board Attorney as needed for contract review. 6. Provides a copy of all operator contracts to the Head of IT for posting on the District’s website.
Head of IT and Records Custodian or Privacy Officer	<ol style="list-style-type: none"> 1. Develops and maintains a protocol to manage parent requests to inspect and review their child’s covered information, whether it is maintained by the District, ISBE, or an operator. 105 ILCS 85/33(c)(1). If the covered information is a <i>school student record</i>, then follow the procedures and timelines for responding to student record requests in 7:340-AP1, <i>School Student Records</i>. 2. Develops and maintains a protocol to manage parent requests for copies (electronic and paper) of students’ covered information. Aligns the protocol with the following requirements (105 ILCS 85/33(c)(2)): <ul style="list-style-type: none"> a. A parent must submit the request on a signed and dated form that includes the parent’s name, address, phone number, and the student’s name, and the school from which the request is

Actor	Action
	<p>being made. 23 Ill.Admin.Code §380.20(b). See 7:345-AP, E5, <i>Parent Request Form for Student Covered Information</i>.</p> <ul style="list-style-type: none"> b. The District must provide the parent with a copy of the student’s covered information within 45 days of receipt of the request. 23 Ill.Admin.Code §380.20(a). c. If the parent requests an electronic copy of the student’s covered information, the District must provide an electronic copy of the information at no cost, unless the District does not maintain it in an electronic format and reproducing the information in an electronic format would be unduly burdensome to the District. 23 Ill.Admin.Code §§380.20(a), 380.30(a). d. If the parent requests a paper copy of the student’s covered information, after providing the first 50 pages at no cost, the District may charge the parent the actual cost of copying, not to exceed \$0.15 per page. However, the parent may not be denied a copy of the information due to the parent’s inability to pay the cost of copying. 23 Ill.Admin.Code §380.30(b). e. A parent may make no more than two requests per student per fiscal quarter. 23 Ill.Admin.Code 380.20(d). f. If the covered information requested includes data on more than one student, the parent may inspect and review only the covered information relevant to the parent’s child. g. If the covered information is a <i>school student record</i>, then follow the procedures and timelines for responding to student record requests in 7:340-AP1, <i>School Student Records</i>. <p>3. Develops and maintains a protocol to manage parent requests for corrections to factual inaccuracies contained in a student’s covered information. See 7:345-AP, E6, <i>Parent Request Form for Correction of Student Covered Information</i>. Aligns the protocol with the following requirements (105 ILCS 85/33(c)(3)):</p> <ul style="list-style-type: none"> a. The District must determine whether the factual inaccuracy exists. b. If the District determines that a factual inaccuracy exists, and the District maintains or possesses the covered information, it must correct the inaccuracy and confirm the same with the parent within 90 calendar days after receiving the parent’s request. c. If the District determines that a factual inaccuracy exists and an operator or ISBE maintains or possesses the information, the District must notify the operator or ISBE of the factual inaccuracy and correction to be made. The operator or ISBE must confirm the correction with the District within 90 calendar days after it receives the District’s notice. The District must then confirm the correction with the parent within 10 business days after receiving confirmation of the correction from the operator or ISBE.

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	<p>d. If the covered information is a <i>school student record</i>, and the parent requests a hearing to challenge the accuracy of the record(s), follow the procedures and timelines in 7:340-AP1, <i>School Student Records</i>.</p> <p>4. Develops and maintains a protocol to manage parent requests for deletion of a student’s covered information maintained by an operator. Align the protocol with the following requirements:</p> <p>a. Deny the request if granting it would result in a violation of the Ill. School Student Records Act or other records laws, such as the deletion of a <i>school student record</i> (temporary or permanent) that the District is required by law to maintain for a certain period of time. 105 ILCS 85/27(g).</p> <p>b. Consider denying the request if granting it would effectively result in the student being unable to participate in all or a portion of the District’s curriculum through the site, service, or application being used.</p>
Building Principal(s) or Privacy Officer	<p>1. Ensures that parents are provided with 7:345-AP, E2, <i>Student Data Privacy; Notice to Parents About Educational Technology Vendors</i>, at the beginning of each school year through distribution of school handbooks or other means generally used by the building to provide such notices to parents. 105 ILCS 85/28(e).</p> <p>2. Promptly communicates any parent requests for copies of, corrections to, or deletion of students’ covered information to the Records Custodian and Head of IT.</p>
Staff Members	<p>1. Participate in any District-required trainings on the privacy and security of student data.</p> <p>2. Refrain from using any new online sites, services, or applications that collect any student data or covered information that have not be pre-approved for use by the District.</p> <p>3. Be familiar with and abide by policy 6:235, <i>Access to Electronic Networks</i>, and 6:235-AP1, <i>Acceptable Use of the District’s Electronic Networks</i>.</p>
<p>K-12 Data Privacy and Cybersecurity Resources:</p> <p>www.isbe.net/Pages/Educational-Technology.aspx https://studentprivacy.ed.gov/ https://tech.ed.gov/infrastructure/ www.ltcillinois.org/focus/data-privacy/ www.cisa.gov/protecting-our-future-cybersecurity-k-12 www.studentprivacycompass.org www.k12six.org/ www.cosn.org/edtech-topics/student-data-privacy/</p> <p>Attai, Linnette. <i>Student Data Privacy: Building a School Compliance Program</i>. (Rowman & Littlefield, 2018).</p>	

Action Item D

To: The Board of Education

From: Matthew Condon, Ed. S.

Re: Approval of Hire – Lunchroom/Recess Supervisor

Date: December 18, 2023

Munira Chatriwala is recommended to the Board of Education as a Lunchroom/Recess Supervisor. This is a replacement.

SUGGESTED MOTION:

I move that the Board of Education approve the hire of Munira Chatriwala effective November 27, 2023. She will be paid in accordance with the collective bargaining agreement.

Action Item E

To: The Board of Education

From: Matthew Condon, Ed. S.

Re: Approval of Hire – Kindergarten Teacher Aide

Date: December 18, 2023

Brett Friel is recommended to the Board of Education as a Kindergarten Teacher Aide. This is a replacement.

SUGGESTED MOTION:

I move that the Board of Education approve the hire of Brett Friel as a Kindergarten Teacher Aide effective December 7th, 2023. He will be paid in accordance with the collective bargaining agreement.

Action Item F

To: The Board of Education

From: Matthew Condon, Ed. S.

Re: Approval of Hire – Lunch/recess supervisor

Date: December 18, 2023

Steve Meinecke is recommended to the Board of Education as a lunchroom/recess supervisor.

SUGGESTED MOTION:

I move that the Board of Education approve the hire of Steve Meinecke as a recess supervisor effective as soon as paperwork is received. He will be paid in accordance with the collective bargaining agreement.

Action Item G

To: The Board of Education

From: Matthew Condon, Ed. S.

Re: Approval of Hire – One-on-One Teacher Aide

Date: December 18, 2023

Perrion McClinton is recommended to the Board of Education as a One-on-One Teacher Aide. This is a new position.

SUGGESTED MOTION:

I move that the Board of Education approve the hire of Perrion McClinton as a One-on-One Teacher Aide effective as soon as paperwork is received. He will be paid in accordance with the collective bargaining agreement.