



**DUPAGE/WEST COOK GOVERNING BOARD  
BOARD BRIEFS  
FEBRUARY 14, 2019 – 3RD QUARTERLY MEETING**

**GOVERNING BOARD  
MEMBERS**

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Executive Director  
AERO

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LASEC

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CASE

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LADSE

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Salt Creek SD #48  
Representing SASED

Tammy Prentiss  
Assistant Superintendent, SD #86  
Representing Hinsdale School  
Districts #86 & #181

Maria McCarthy, Director  
Berwyn North SD #98  
Representing School Districts #90,  
#91, #98, #100

Ebony Lofton, Senior Director  
Oak Park Elementary SD #97

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Norridge SD #80

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Broadview SD #89  
Cynthia Riha, Director  
OakLawn-Hometown SD #123

**SEPTA REPRESENTATIVES**

Alana Rybak, Cook County  
Heather Roy, DuPage County

**COORDINATOR**

Nan Diamond, Director

**TREASURER**

Sam Cannata, Director

**RECORDING SECRETARY**

Lynne Mennel

**ARTICLES OF AGREEMENT**

Nan Diamond acknowledged all the Committee members & gave a brief overview of their daunting task. At the request of one of the newer Board members, our attorney, Mr. Sraga, gave a short chronicle of how these Articles came to be & why they may be a little antiquated. Mr. Sraga also noted that due to the procedural change in IDEA money, language may have to be put into the Articles to cover the Operating Entities if the 92 districts were to use IDEA money to pay tuition for DWC programs.

**ENROLLMENT**

	<u>2/1/2019</u>	<u>2/2018</u>	<u>2/2017</u>	<u>2/2016</u>
Deaf/Hard of Hearing (total SASED & HSHS)	99	117	128	137
Visually Impaired	76	80	75	79
Transition (Blended)	N/A	15	18	12
	<b>194</b>	<b>212</b>	<b>221</b>	<b>228</b>

The SASED Deaf/Hard of Hearing program enrollment is stabilized; Hinsdale South's Deaf/Hard of Hearing & SASED's Vision programs enrollment have remained steady; the SASED Transition program no longer has DWC students enrolled.

**STAFFING PATTERNS SUMMARY for 2019-2020**

SASED's projected enrollment in the **Deaf/Hard of Hearing** program for the fall is approximately 50, which is a reduction in enrollment by 5 students. The DHH teachers, which are our most veteran staff at SASED, will decrease by one; class aides will decrease by three; 1:1 aides will decrease by one.

Hinsdale South High School's **Deaf/Hard of Hearing/Transition** projected enrollment is 60. There is little change in staffing patterns for the 2019-2020 school year.

SASED's projected enrollment in the **Vision Impaired** program is 80. 1:1 aides will increase by 2; class aides will decrease by 3 for the 2019-2020 school year.

Included in the tuition costs, SASED will continue to have a .5 Psychologist for each Program, & EL services are available for all Programs.

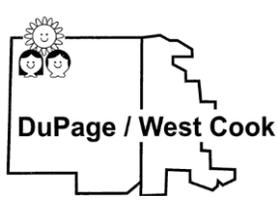
**SASED FINANCIAL/BUDGETARY ITEMS – FY20 BUDGET PROCESS & ASSUMPTIONS for Low Incidence Programs**

The goal is to retain SASED's quality programming, commitment to measurable student growth & ensure compliance with all students' IEP needs/requirements.

There will be a minimum student enrollment of 10 in each classroom. No classroom will be opened with an enrollment of less than 6-8 students. However, consideration will be given to alternate enrollment/staffing patterns if:

- 1) required due to a small classroom size;
- 2) required for preschool age students;
- 3) required due to the range of severity of student disabilities;
- 4) required due to the severity of student needs as indicated on student IEP's; and
- 5) required due to other extraordinary factors.

We will consolidate first for maximum instructional space & second for the creation/maintenance of cluster sites.



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**REVENUES – CPI Increase Impacting District’s Levies (Calendar 2017)**

SASED uses the change in the CPI-U as a standard in developing tuition rate increases. We strive to have the increase in tuition & service fee rates at or below this standard. However, wage increases negotiated in labor agreements, increases in benefit rates & enrollment fluctuations often interfere with keeping costs at or below changes in the CPI-U.

**EVIDENCED BASED FUNDING**

The hold harmless component of Evidenced Based Funding (EBF) has been included in next year’s budget. Under the EBF funding model SASED receives a hold harmless distribution of EBF based upon its previous claim for personnel reimbursement funds. The SASED Finance Committee has directed the SASED administration to apply EBF funds in the same manner as personnel reimbursement was previously applied. So, billings to districts for program services are reduced by an allocation of EBF revenues to each SASED operated program including the DWC programs.

**TRANSPORTATION REIMBURSEMENT**

This revenue source was not included in the EBF model, so it continues to be allocated to offset the cost of programs which incur transportation costs. This represents approximately \$500,000 and almost 2% of the revenues for SASED’s tuition & service fee programs.

**OUT OF DISTRICT FEES**

Non-DWC districts can place students in the Visually Impaired or Deaf /Hard of Hearing programs that SASED operates. SASED is currently charging a \$5,000 tuition surcharge to non-member districts for students who attend these programs. These fees work toward reducing tuition costs. We have established that they are consistent & comparable to other area cooperative’s fees for non-members.

**ASSUMPTIONS/EXPENDITURES**

**Budgeted Wages & Benefit Increases**

75% of expenditures are for wages & benefits; 23% for contractual services, which are classroom rentals & fees and related service & support allocations; 2% for supplies & equipment.

Certified Bargaining Unit	2.3%
Non-certified Bargaining Unit	2.5%
Occupational & Physical Therapists	2.3%
All Other Groups	2.1%

The support staff bargaining unit will be entering the final year of a three-year agreement. Hourly rates are increasing by 2.5%. The certified bargaining unit staff will be entering into the second year of a three-year extension agreement. They are receiving a soft freeze (step only) of 2.3% next year. We have two teachers retiring this year from the VI program & the cost savings associated with these retirements are included in the development of tuition & service fee rates.

When considering wage increases for the Occupational & Physical Therapists, SASED acknowledges that this group has contemplated forming a collective bargaining unit in the past. Whenever possible, it has been desirable for their wage increase to be comparable to the professional bargaining unit staff. Since the professional bargaining unit received a soft freeze (step only), we are extending the same soft freeze to OT/PT’s representing a 2.3% average increase in their salaries.

For all remaining employee groups, SASED is also proposing a 2.1% increase in wages next year reflecting the 2.1% increase in the calendar year 2017 CPI-U.

**Benefits**

Based upon an increase in claims activity, SASED will budget for an increase in rates for medical insurance next year. SASED has not increased rates for the previous three years. SASED will continue to not need to increase rates for dental insurance.

Medical	8% & more participation
Dental	0%

SASED is seeing more employees participating in SASED’s health insurance programs. This has impacted costs in several SASED programs including VI & DHH.



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**IMRF Rates**

Next year IMRF rates are being reduced from 11.0% to 8.5% reflecting the actuarial phase in of recent investment returns at the IMRF. This reduction in rates will partially offset the increase in the rate increase & participation levels in our medical insurance plan.

**Pension Shift**

In anticipation of an eventual change from Springfield, the administration has included the continuation of a budget line item of 1.0% of salaries for staff employed under the TRS retirement system to provide for the costs of a pension cost shift from the State to districts & cooperatives. This cost will not be included in the final tuition billing rates unless legislation is passed approving this cost shift.

<b>BUDGETED TUITION INCREASES</b> – CPI Increase Benchmark, 2.1%			Targeted Rate of Increase, 2.5%
Deaf/Hard of Hearing	50 students	2.1% increase in tuition	
Visually Impaired	80 students	2.6% increase in tuition	
ESY		2.5% increase in tuition	

<b>BUDGETED SERVICE FEE INCREASES</b> - CPI Increase Benchmark, 2.1%		Targeted Rate of Increase, 2.5%
1:1 Classroom Assistant	2.5%	
1:1 Interpreters	2.5%	
1:1 Medical Assistant	2.5%	
Audiology Evaluations	2.5%	

**LADSE FINANCIAL/BUDGETARY ITEMS – FY20 BUDGET PROCESS & ASSUMPTIONS**

The target for a “standard” classroom enrollment is a minimum of 10 students, but modifications can occur to meet credit requirements for graduation; maintain quality of common core driven curriculum; address the goals of the Transition plan and/or IEP; & specialized programming for specific disabilities as indicated in the IEP.

LADSE’s goal is to meet the needs of each student; seek efficiencies in program staffing patterns; maintain programs that provide positive outcomes for each student; and emphasize a process of continual cost review to find efficiencies. Staff caseloads are also scrutinized for efficiencies.

**ASSUMPTIONS/EXPENDITURES - Compensation**

**Certified Bargaining Unit** – LADSE will be negotiating a new CBA in the Spring of 2019. A 3% salary increase will be used as a placeholder until an agreement is reached. 3% is being used because that has been the flat increase for the last 6 years per the current CBA. In addition, staff members contribute 20% of the total health/dental insurance premium in each insurance level.

**Non-CBA Employees** – will get a flat 3% salary increase as a placeholder until further direction from LADSE’s Board.

**Benefits** – The budget was developed based upon an 8% projected blended rate increase in the cost of health and dental insurance.

**Staffing** – The budget includes 33.0 FTE, flat from FY19. The staffing is staying flat as the student enrollment of 60 is anticipated to be flat (+/- 2).

**Contract Services** – Operating and Maintenance costs (D86) are flat.

**Classroom Supplies** – Includes instructional materials used to develop and provide student curriculum; supplies to maintain classroom space; and cost associated with community activities for students. There is a 50% reduction in line items.

**Educational Equipment** – Includes technology equipment used in classrooms. LADSE will be purchasing Chromebooks for incoming freshmen. This will align with the new 1 to 1 initiative that D86 has implemented for all students. LADSE also budgeted for new audiology equipment that is purchased through SASSED.



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**Revenue**

The new Base Funding Minimum will provide less of an offset than the old Personnel Reimbursement allocation structure from the state.

Transportation reimbursement prorated at 85%.

**BUDGETED TUITION RATES**

DHH	62 students	-1.4%
ESY	17 students	0%

**BUDGETED SERVICE FEE RATES**

1:1 Signing Aide	4	1.9%
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**OTHER DISCUSSION - Lease Agreement**

The lease agreement between DWC and Hinsdale SD86 is near completion; tentatively set for a 10 year lease agreement with automatic renewal built in.