

Illinois Association of School Boards
 430 East Vine Street, Springfield, Illinois
 August 24, 2002

Present:

Christy M. Coleman.....	President	Geneseo
Raymond Zimmerman.....	Vice President.....	Flanagan
Dennis McConville.....	Immediate Past President.....	Peru
Mary Walsh	Treasurer	Rosemont
Joseph Alesandrini.....	Central Illinois Valley.....	Pekin
David Barton.....	Two Rivers.....	Nebo
Lowell Beggs.....	Northwest.....	Amboy
Tariq Butt.....	Chicago Board of Education.....	Chicago
Gary Carter	Egyptian.....	Fairfield
Donna Cech	West Cook	River Forest
Roger D. Edgecombe.....	Abe Lincoln	Maroa
Thomas Hannigan.....	Lake	Mundelein
Wil Helmick.....	Service Associates Representative	Peoria
Cheryl Jackson.....	Corn Belt.....	Bloomington
David Kniker	Blackhawk	Kewanee
Milton Koppenhoefer.....	Director at Large.....	Metamora
Debora McCleary.....	Three Rivers.....	Coal City
Mark Metzger	Director at Large.....	Aurora
Jack Moore	Illini.....	Charleston
Roger Pfister	Shawnee.....	Murphysboro
Frances Roll.....	Director at Large.....	Cary
Marie Slater	DuPage.....	Wheaton
Barbara Somogyi	North Cook	Elk Grove Village
Wesley G. Stellhorn.....	Southwestern.....	Baldwin
Brian Waitkus	Starved Rock.....	LaSalle
Gerald White.....	Western.....	Colchester

Absent:

Fred Clatfelter.....	Wabash Valley.....	West York
John Heidler.....	Kishwaukee.....	McHenry
Kent Kistler.....	Kaskaskia.....	Brownstown
Michelle Skinlo.....	Director at Large.....	Mattoon
Patricia Stroube.....	South Cook	Steger

Time Keeper	Mark Metzger
Process Observer	Mary Walsh
Recording Secretary	Pat Culler

Call To Order

President Christy Coleman called the meeting to order at 1:30 p.m., Saturday, August 24, 2002, Oak Brook Hills Resort, Oak Brook, Illinois, welcomed attending staff, and asked that they and each Director introduce themselves to the group.

Additions to/Approval of the Agenda

Action: David Kniker moved, seconded by Wesley Stellhorn and carried unanimously, that the agenda be approved with the following additions: 1.) Constitutional amendment allowing a division to send a voting alternate in the place of their absent Director to IASB Board of Directors' meetings; 2.) IASB headquarters building update; 3.) Illinois State Board of Education; 4.) Publishing Board of Directors' Minutes on the IASB website; and 5.) Lobbying leadership.

May 4, 2002, Board of Directors' Minutes Approval

Action: Joe Alesandrini moved, seconded by Gary Carter and carried unanimously that the minutes for the May 4, 2002, Board of Directors' Meeting be approved with a correction to paragraph three, line three, Springfield, Building Update/Schedule, page 4, to correct the date of the Executive Committee meeting from May 7 to April 7, 2002.

Consent Agenda Items Approval

Action: Jack Moore moved, seconded by Marie Slater and carried unanimously that Consent Agenda Items 5, 6, 7, 8, and 9 be accepted as printed and distributed with the addition of Gerald White's name to the Nominating Committee membership, page 17.

Monitoring Reports

Ends/Mission (Pages 19-22)

Action: Thomas Hannigan moved, seconded by David Kniker and carried unanimously, that with the approval of the ends statements changes as listed on page 19; the policy is in compliance at this time.

Executive Limitations/General Executive Constraint (Page 23)

This policy is in compliance at this time.

Executive Limitations/Staff/Volunteer Treatment (Page 25)

This policy is in compliance at this time.

Executive Limitations/Financial Condition (Pages 26-36)

This policy is in compliance at this time.

Executive Limitations/Compensation and Benefits (Pages 37-38)

This policy is in compliance at this time.

Note: The Executive Director noted there were no changes since the Board approved the policy last year and, for the first time, this year pension account payments are made monthly.

Executive Limitations/Protection of Image (Page 41)

This policy is in compliance at this time.

Governance Process/Governing Style (Pages 43-44)

This policy is in compliance at this time.

Governance Process/Board Committee Principles (Page 45)

This policy is in compliance at this time.

Governance Process/Committee Structure Page 47)

This policy is in compliance at this time.

Governance Process/Executive Committee (Page 49)

This policy is in compliance at this time.

Governance Process/Resolutions Committee (Page 51)

This policy is in compliance at this time.

Governance Process/Nominating Committee (Pages 53-56)

This policy is in compliance at this time.

Governance Process/Audit Committee (Page 57)

This policy is in compliance at this time.

Governance Process/Governance Process (Page 59)

This policy is in compliance at this time.

Board-Staff Relationship/Executive Director Role (Page 61)

This policy is in compliance at this time.

Board-Staff Relationship/Delegation to the Executive Director (Pages 63-64)

This policy is in compliance at this time.

Board-Staff Relationship/Executive Director Job Description (Page 65)

This policy is in compliance at this time.

2002 Audit Committee Report

Audit Committee Chair Mary Walsh and members Donna Cech, Tom Hannigan, Jack Moore, and Barbara Somogyi, met with Dan Call, Sikich, Gardner and Company, and the Association's Chief Financial Officer, Robert Morenz, on Friday, August 23.

Chair Mary Walsh reported that the Association continues to maintain a strong financial position as substantiated by the 2001-02 audit report prepared and presented by Sikich, Gardner and Company. The audit was presented as a preliminary report and will be submitted to the November 23, 2002, Delegate Assembly.

Investments are made with the Illinois Investment guidelines and they consist of CD's and government agency securities. The portfolio is restricted to short-term investments of low risk areas.

Dues and Conference fees account for 64% of the revenue with the year-end balance some \$200,000 plus—up over the previous year, and sponsorship fees are increasing.

Compensations, according to the auditor, are fair and generous and membership is at 97%--867 districts out of a possible 892.

Safety Reserve, covering three months expenditures, is in place. Receipts are deposited daily and vouchers paid weekly.

Verbiage information and language clarification was requested of the auditor:

Cash—During the Conference registration period a daily deposit may exceed \$100,000, the federal insured limit. Should this happen, the deposit is moved into another account or a CD within a twenty-four to thirty-six hour period.

Marketable advertising may be subject to being taxed; however, in some instances the actual dollar amount is reduced when expenses are tallied against the account and the amount is not significant as an income tax claim.

Audit Committee Learning Format—Bob Morenz will supervise a learning format for the Audit Committee during the November Conference. The mini-session will apprise members of the Association financial statements and basic accounting practices.

Action: On behalf of the 2002 Audit Committee, Mary Walsh moved and carried unanimously, that the June 30, 2002 Audit Report be accepted.

Service Associates Report

The Service Associates Executive Committee met on Friday, August 23, 2002, but had received no membership applications for review/action.

Illinois High School Association Report

IASB Representative to the Illinois High School Association Joe Alesandrini updated the Board on recent IHSA changes/discussions. As of July 1 Marty Hickman assumed the Executive Directorship. Financial concerns are still the major issue and, in this vein, they are revisiting areas/programs; such as, staff travel, television contracts, March Madness, debate, and boys gymnastics and attempting to redefine what they are and what they should do in light of their original activity consensus.

Resolutions Committee Report

Vice President and Resolutions Chair Ray Zimmerman reported on the August 2, 2002, Resolutions Hearing held at the Hyatt Regency Oak Brook, Oak Brook, Illinois. Sixteen resolutions were brought before the Committee and attendees spoke to seven or eight of these, including one on school fund consolidation that had been appealed on the floor of a previous delegate assembly. In light of discussion of an elected state superintendent and the unlikelihood of the submitting school district supporting a resolution for an elected state board of education, it was the consensus of the Committee to submit its own resolution calling for an elected state board of education. IASA is coming out in support of the president and superintendent being appointed by the board and the board being elected.

Legislative Update

Associate Executive Director for Governmental Relations Ben Schwarm updated the Board on current legislative issues including school funding and a total rewrite of the School Code by a group put together by the Governor that will include input hearings. In view of the upcoming elections, it is unlikely that a lot will happen in the veto session. Student testing and an elected superintendent are viewed as issues for the 2003 spring session.

IASB Pension Program Report

Bob Morenz, Deputy Executive Director for Financial Operations, reviewed the fifty-five staff member IASB defined contribution pension program, administered by Lincoln National Life Insurance Company. While employees manage their own investment fund decisions, they are subject to all the rules and regulations pertaining to pension programs. This program eliminates some of the risks to the Association. Employees become fully vested after six years of employment or attaining sixty-five years. As of June 30, total investments are \$1,591,535.

IASB Staffing Update

Executive Director Johnson reported that Terry Mugnaini, Policy Department, Lombard office, retired on July 19; Reed McCann, Assistant Manager, Administrative Services, Springfield, resigned; and Judy Williams joined the Springfield staff as Administrative Assistant for Board Development.

IASB Signatories

Action: David Kniker moved, seconded by Marie Slater and carried unanimously, that Mary Walsh, IASB Treasurer; Michael D. Johnson, Executive Director; Bob Morenz, Associate Executive Director/Chief Financial Officer; Gerald Glaub, Deputy Executive Director; and Michael Bartlett, Deputy Executive Director, shall be the signatories for IASB accounts for the period August 26, 2002, through November 17, 2002, or until successors are reported to the Board.

IASB Constitution/Director Replacement

Clarification as to how a division selects a representative to a Board of Directors' Meeting in the absence of its director and who determines whether or not the alternate may vote was discussed. Since the present constitution does not address this issue, either of two scenarios might lend clarity: A constitutional amendment could be put before the Delegate Assembly, or The Board of Directors could initiate action setting the replacement procedure and the voting qualification. Consensus was reached that the staff research the issue and present a recommendation at the November 21 Board of Directors' Meeting.

IASB Building Update

Action: David Kniker moved, seconded by Marie Slater and carried unanimously, that the staff proceed with the Springfield building at a total cost of \$2.7 million plus a ten percent contingency.

Illinois State Board of Education

Following up on a meeting between State Superintendent Schiller and the IASB officers and Executive Director on Friday evening, consensus was reached that if the Executive Director and Superintendent Schiller can continue to meet, discuss and agree this was the route to follow. However, when agreement can't be reached each organization would put out its own information.

Board of Directors' Minutes/Website Publication

Consensus was reached to publish approved Board of Directors' minutes on the IASB website.

Lobbying Leadership

Since there will be few new monies available, Directors discussed how educational needs might be best postured to attract new funds. During the ensuing discussion most agreed that any statement should be based on the IASB position statements and that a strong case should be developed for specific needs with no comparisons to the needs of other groups; Directors should be supplied with detailed information of why IASB is either lobbying for or against an issue for legislator discussions; and any local district lobby days should be organized in line with IASB position statements and with the IASB Governmental Relations staff.

Adjournment

Action: Joe Alesandrini moved, seconded by David Kniker and carried unanimously, that the meeting be adjourned.

The next meeting of the IASB Board of Directors is scheduled for 1 p.m., Thursday, November 21, 2002, Crystal B Ballroom, Hyatt Regency Chicago, West Tower.