

CITY of PEORIA SCHOOLS, DISTRICT No. 150

**REPORT OF THE
STRUCTURAL BUDGET IMBALANCE (SBI)
TASK FORCE**

PRESENTED TO:

BOARD BUDGET & FINANCE COMMITTEE

Office Controller - Treasurer

June 30, 2005

[THIS PAGE INTENTIONALLY LEFT BLANK]

ACKNOWLEDGEMENTS

The District would like to thank those citizens, staff, administration, and board who gave of their time to make for a better, more financially secure Peoria School District 150.

To the program directors, other staff, and business partners who, in the truest spirit of working for the good of the organization, prepared and made presentations before the Task Force, helping to enlighten the members and provide invaluable insights which led to more informed discussion. For your presentations, thank you to Clifton-Gunderson's Dennis Bailey and Ron Hilton, Coyle and Pearl Insurance companies Steve Lohemeier and Mike O'Brien, Special Education Director Tim Delinski and Wayne Pullen, Business Services Director Carla Eman, Purchasing Agent C.J. Dickerson, Program Directors Mike Sullivan (Transportation), Dave Ryon (Buildings and Grounds), Dr. Cindy Fischer (special schools), Cheryl Sanfillip (middle and high schools), and Yvonne Patton (primary schools). Thank you also to Miller, Hall & Triggs' Dennis Triggs and Larry Williams and Human Resource's Charles Davis, the Kavanaugh Law Firm's David Walvoord, C.L. Wyman & Associates' Karen Hallam and Kim Fauser, and Master Facility Committee representatives Ray Lees, Ed Barry, and Dave Henebry.

To the District staff for their efforts in scheduling meetings and arranging sites, preparing agendas and minutes, compiling data, and supporting the Facilitator. For your good works, thank you Board secretaries Julie Cramer and Debbie Sullivan.

To Superintendent-designee Ken Hinton and Co-interim Superintendent's Drs. Cindy Fischer and Herschel Hannah for your unending support, counsel, and encouragement in helping, especially, the facilitator navigate the complexities and idiosyncrasies of the organization and its community.

Thank you to the print, radio, and television news media for your thorough, well-rounded, and timely reporting on a topic of significant import to the community. Special thanks to Claire Jelleck, Lisa Miller, Tanya Koonce, and Ed Hammond.

And most importantly, the Task Force members for their countless hours and late evenings, their careful listening and deliberate thought, articulate and sometimes spirited discussion, for their patience with and adherence to "the process," and the respect shown their fellow members in all of the foregoing. For your countless hours and energy, thank you community members McFarland Bragg, Matt Waugh, Mike McCord, Mark Schellenberg, and Dallis Howard; teachers Lisa McCreedy, Jennifer Perez, Anne Castagna, Gail Truho, Terry Knapp, and Scott Schifeling. Thank you also support staff members Debbie Chavez and Mike McKee, building principals Tim Ryon, Randy Simmons, and Delores Turner, and board member David Gorenz. Your thankless, oft-times difficult task, and putting aside your own personal preferences to reach consensus will make for a programmatically focused and financially stronger City of Peoria School District 150.

g.m.c.

[THIS PAGE INTENTIONALLY LEFT BLANK]

EXECUTIVE SUMMARY

As much can be said—and should be said—for what the Structural Budget Imbalance (SBI) Task Force is *not* recommending as for what it *is* recommending. Charged with the task of identifying nineteen million dollars (\$19,000,000) in potential savings and/or new moneys, the Task Force—without eliminating instructional programs or sacrificing rigor in the curriculum—maintained four comprehensive high schools, special schools for the academically gifted and artistic, and schools of choice. In the end, the driving mantras of the Task Force were: keeping children in school, providing choice, obtaining efficiencies through consolidations, achieving reductions through attrition, weighing costs to benefits and industry trends/standards, and balancing within and between the foregoing.

The Task Force chose *not* to touch early childhood programming, gifted programming, fine arts, and special schools. It chose to protect by classifying “only as necessary” recommendations pertaining to alternative programs, special academies, extracurricular opportunities, security, outreach, and current contractual obligations. It listed as “second priority” for consideration administrative staffing, new yet unproven programming, and select fees and services. Instead, the Task Force looked to efficiencies to be had from consolidating, for example, buildings to optimize class sizes; purchasing practices from streamlined processes in handling to the procurement of goods and services; and, operational practices in how business is done from food services to data processing to transportation.

A large target for opportunity were those items whose costs-benefits were not demonstrable, after due consideration of added or intangible value not otherwise captured in a straight cost-benefit analysis. In this instance, the Task Force did *not* choose the wholesale elimination of the “Edison Model”. Rather, the Task Force found that in select instances the model worked. Factoring in the intangible of parental desire for “choice”, maintaining the “model” in select instances appeared reasonable and, therefore, justifiable given the underlying mantras of the Task Force of “choice” and “keeping students in school.” Similar cost-benefit analyses were found in the replacement of copiers with network-able copier-printers and in changing employee pharmaceutical vendors.

Insurance provided additional opportunity. Aside from the pharmaceutical vendor noted above, opportunity was seen in the costs for health care and workman’s compensation insurance.

Ninety-one percent of the district’s operational revenues are spent on personnel costs, though only 65% of the targeted goal came from these sources. In all, balance was struck between those areas of focus directly impacting student achievement, attendance, and choice and those impacting personnel and non-personnel budgets. For example, a net total thirty teaching positions would be eliminated as a result of nearly 100+ retirements. While class sizes would increase, the enrollments would remain below district guidelines.

A Task Force of 17 community, board, staff, and administration stakeholders met over the course of eight meetings of an average three hours length each. This commitment was matched by countless hours put in by Program Directors responding to information requests and associated staff costing out proposals. These combined efforts have culminated in the recommendations now coming forward in this report to the Board of Education’s Budget and Finance Committee, all as prescribed by Board of Education Action dated April 2005.

[THIS PAGE INTENTIONALLY LEFT BLANK]

TABLE OF CONTENTS

Executive Summary

- I. Introduction
- II. Recommendations
 - a. Recommended for Immediate Action
 - b. Recommended for Future Action
 - c. Recommended as Necessary
 - d. Not Recommended/Recommended as Last Resort
- III. Summary, Conclusions, and Other Recommendations

Appendices

- A. Charge of Task Force
- B. Meeting Storyboards

[THIS PAGE INTENTIONALLY LEFT BLANK]

INTRODUCTION

With a looming short-fall of available cash, a concern on the part of the administration that the budget adopted was not realistic, and the absence of timely, reliable financial information, the Board of Education embarked upon a deliberate course of incurring debt to cover payrolls, shore-up reserves, and “buy” time to develop and implement a plan that was thoughtful, deliberate and humane while addressing the District’s budgetary imbalances. Utilizing available though one-time borrowing alternatives, the Board of Education was able to buy time and allow the formation of a Structural Budget Imbalance (SBI) Task Force. The Task Force was charged with developing a plan to “right the 150 ship” going forward—matching expenditures to available revenues. This document represents the work of the Task Force and its recommendations for “righting” the budgetary ship of City of Peoria School District 150.

In establishing the Task Force, the Board of Education made clear its goal, the parameters within which the task force must work, and its priorities. A minimum nineteen million dollars or 14% of the budget would need to be saved and/or new revenue generated. Additional dollars were desirable given the District’s historical expenditure trends. The Task Force was limited only in that it must:

1. Maintain campuses at Peoria High, Manual, Richwoods, and Woodruff.
2. Utilize attrition and/or enticements wherever practicable to achieve any reductions.
3. Support where practicable the implementation of the Strategic Plan and opportunities that might be created by the triangulation of Vision 20/20, Peoria NEXT, and Talent Force21.
4. Maintain and improve upon the academic rigor of the District’s curriculum toward student achievement and success.

The Task Force was comprised of seventeen members drawn from the community (5), board of education (1), and teaching (6), support (2) and administrative staffs (3). The Controller-Treasurer acted to facilitate, provide support to the work of the Task Force, and bring about consensus, but did not directly participate in its decision-making. The Task Force met over the course of eight meetings to identify, compare, take testimony, analyze, and evaluate over 200 items of opportunity brainstormed or considered by prior administrations engaged in similar activities.

Based upon comparative analysis of neighboring districts, Program Director presentations, associated readings, the unique and diverse insights of Task Force members (including private sector and not-for-profit businesses) and the deliberations resulting there-from, the 200+ items were condensed into 52 items. The items were prioritized. Costs were assessed, in whole and in part. Each item was broken into its sub-components and re-prioritized from greatest opportunity "first priority" to "do not touch". The items were further spread across a time line of three years for implementation beginning with Fiscal 2006. A line was struck at the savings goal. The list was revisited and certain sub-components re-arranged with the line being re-struck. This re-visiting process occurred several times. Four groupings of sub-components emerged. Consensus was reached on the groupings. Those recommendations follow.

Finally, many items of opportunity have been recommended. The Task Force acknowledges and understands that certain of the items are subjects of collective bargaining and may require impact bargaining and/or negotiation with the respective unions of the District.

RECOMMENDATIONS

The Task Force grouped recommendations according to timing and level of consideration. Four groupings were derived: "1st priority", "2nd priority", "as necessary", and "do not touch."

While members individually differed on the priority of one or more items, the Task Force as a whole reached consensus on and recommends the listed items "above the line" as a package to reach the \$19,000,000 goal. The recommendation and values are shown below in Table 1 for those Items of Opportunity to be considered. The Task Force used the Low Running total in striking its line. The total of the Items exceeded the mandate but was considered to be "cushion" for unavoidable cost overlap and/or recognition of changes in circumstances.

	YEAR ONE	YEAR TWO	YEAR THREE	YEAR 1 - 3	RUNNING TOTALS	
ITEM	REVISED \$s (Low)	REVISED \$s (Low)	REVISED \$s (Low)	REVISED \$s (Low)	Running Low	RECOMMENDATION
FIRST PRIORITY RECOMMENDATIONS						
Taxes Collected	1,060,437				1,060,437	Continue to maximize operational levies and, as possible, offset with reductions in restricted levies.
State Aid (foundation level change)	1,306,829				2,367,266	Applaud Legislative action to nearly double the increase in the State's foundation level but continue to efforts to achieve "adequate funding which would have resulted in \$4MM in add'l state aid; Audit "inputs" used in calculation to assure District is receiving full potential.
State Aid (poverty grant)	879,293				3,246,559	Advocate for full funding of poverty grant and elimination of proration threat.
Copiers	462,069				3,708,628	Implement the replacement of old, obsolete technology with newer, copier-printers and realize savings in service and maintenance.
Teacher Retirements 114 1st and 40 2nd	3,536,554				7,245,182	Achieve minimum net thirty reductions in staffing and more were practicable.
Pharmaceutical Vendor	260,000				7,525,182	Award bid changing vendors for the District's prescription drugs used in its employee benefit program.
Data Processing	225,000	225,000			7,975,182	Continue with planned elimination; Assure success of new Skyward implementation by providing adequate support structure to staff learning new system.
Aramark food service	175,000				8,150,182	Return to previous structure to provide school lunch program. School will provide food service. School to contract with local vendor to provide food.
School Closing		3,000,000	2,000,000		13,150,182	Close, consolidate, and/or build replacement buildings in sufficient numbers to achieve the targeted savings; Task the Master Facility Planning Committee to evaluate and determine which schools can be consolidated and also which schools should be replaced with new buildings. This evaluation should include an evaluation of a K-8 model. Entire system should be evaluated based on similar criteria. If more than \$5M can be saved, that should be evaluated. Look at other districts for best practice and consolidation in K-8 model.
RIF - Administrator	69,000				13,219,182	RIF 2-3 Administrators. Associated Clerical staff to be reassigned, attrited as applicable per contract.
Online supply purchasing - Vendor Consolidation	216,674				13,435,856	Transition to a online school purchasing system. Vendor bids to be evaluated.
Busing		450,000			13,885,856	Expert task force to evaluate and determine busing reroutes and three tier bell system. Convert current buses to biodiesel.
State Aid (1% incr. in ADA)	232,328				14,118,184	Considerable effort to increase student attendance. Consider a program to reward the schools with greater ADA increases.
Workman's Comp	320,000				14,438,184	Implement recommendations of Coyle/Pearl Insurance, including create light duty program, return to work, investigations to decrease injury, intervention training for teachers. Inhouse staff to manage the program (reduce legal interventions).
Online supply purchasing - Hard Costs + Process Costs	64,000	288,423			14,790,607	After vendor evaluation RIF positions that are not required (IE depending on what is, if anything, needed at the warehouse.)
Edison Schools (revert to all others)		1,250,000			16,040,607	Maintain Edison "model" at Louckes middle and Franklin primary schools; Terminate contract with Edison corporation effective with the beginning of the 2007 Fiscal year.
Health Care Cost		2,980,000			19,020,607	Broker to present recommendations to decrease costs to Insurance Committee. Health plan should reflect local market competitive benefit structure.

	YEAR ONE	YEAR TWO	YEAR THREE	YEAR 1 - 3	RUNNING TOTALS	
ITEM	REVISED \$s (Low)	REVISED \$s (Low)	REVISED \$s (Low)	REVISED \$s (Low)	Running Low	RECOMMENDATION
Legal Fees	43,200				19,063,807	Eliminate use of legal counsel in student disciplinary matters were students choose not to have their own counsel.
Book Rentals Second Set	34,250				19,098,057	Charge for each textbook rented at the replacement value for a set.
Department Heads @ HS	160,000				19,258,057	As necessary, negotiate elimination of release time for staff working on curriculum and assessment and revert to practice of using before school volunteers for the same.
Transition to Success	-	164,000			19,442,057	In year 2 suspend and/or eliminate program after initial year trial period is complete.
TO BE CONSIDERED AS NECESSARY						
Roosevelt Magnet School		300,000			19,742,057	Eliminate longer day and associated stipend used to support the fine arts emphasis.
1% Change in Payroll - Teachers		606,000			20,348,057	Net of planned reductions, turn-over (including retirements), replacements, and previously negotiated and scheduled increases, negotiate reduction in salary schedule lane and step costs to achieve savings.
1% Change in Payroll - Administration	73,000				20,421,057	Net of planned reductions in staff, turn-over, and replacements, reduce overall administrative payroll to achieve savings.
1% Change in Payroll - Custodial-Maintenance	65,000				20,486,057	Net of planned reductions, turn-over (including retirements), replacements, and previously negotiated and scheduled increases, negotiate reduction in salary schedule lane and step costs to achieve savings.
Extracurricular Activities		106,048			20,592,105	Reduce by 10% the cost of extracurricular programming based upon student participation; Conduct a "Title IX-like" analysis to gauge student interest in menu of extracurricular programming.
Custodial and Security Overtime	214,000				20,806,105	Reduce by half the cost of overtime by either building in offsetting charges when due to outside groups, changing staffing levels for events, and/or practices which add to unnecessary costs.
Electronics	63,800				20,869,905	Eliminate middle man in acquisition of computers used by District.
RIF - Teaching Staff (incl. TRS) / single employee				40,000	20,909,905	Reduce additional staff position enterprise-wide beyond those already planned, scheduled reductions, and/or those resulting from building closure/consolidation.
RIF - Custodial-Maintenance				35,000	20,944,905	Reduce additional staff position enterprise-wide beyond those already planned, scheduled reductions, and/or those resulting from building closure/consolidation.
RIF - Paraprofessional				19,000	20,963,905	Reduce additional staff position enterprise-wide beyond those already planned, scheduled reductions, and/or those resulting from building closure/consolidation.
RIF - Security				29,000	20,992,905	Reduce additional staff position enterprise-wide beyond those already planned, scheduled reductions, and/or those resulting from building closure/consolidation.
RIF - Home-School Facilitator				22,000	21,014,905	Reduce additional staff position enterprise-wide beyond those already planned, scheduled reductions, and/or those resulting from building closure/consolidation.
1% Change in Payroll - Paraprofessionals				51,000	21,065,905	Net of planned reductions, turn-over (including retirements), replacements, and previously negotiated and scheduled increases, negotiate reduction in salary schedule lane and step costs to achieve savings.

	YEAR ONE	YEAR TWO	YEAR THREE	YEAR 1 - 3	RUNNING TOTALS	
ITEM	REVISED \$s (Low)	REVISED \$s (Low)	REVISED \$s (Low)	REVISED \$s (Low)	Running Low	RECOMMENDATION
1% Change in Payroll - Security				7,000	21,072,905	Net of planned reductions, turn-over (including retirements), replacements, and previously negotiated and scheduled increases, negotiate reduction in salary schedule lane and step costs to achieve savings.
1% Change in Payroll - Home-School Facilitator				3,000	21,075,905	Net of planned reductions, turn-over (including retirements), replacements, and previously negotiated and scheduled increases, negotiate reduction in salary schedule lane and step costs to achieve savings.
1% Change in Payroll - Clerical Staff				45,342	21,075,905	Net of planned reductions, turn-over (including retirements), replacements, and previously negotiated and scheduled increases, negotiate reduction in salary schedule lane and step costs to achieve savings.
Controller-Treasurer				150,000	21,225,905	Eliminate position and re-assign responsibilities to other central office administrator(s).
GRANT WRITER				(73,000)	21,152,905	Add position to secure funds for necessary (mandated), new programs otherwise to be funded from existing resources.
RIF - Clerical				15,000	21,167,905	Reduce additional staff position enterprise-wide beyond those already planned, scheduled reductions, and/or those resulting from building closure/consolidation.
Administration in Bldgs, Assts., Deans, etc.				68,000	21,235,905	Beyond reductions resulting from building closures/consolidations, reduce administrative positions in buildings by __Xs at average savings \$68,000 ea.
Business Academy	122,000				21,357,905	Suspend program for one or more years until "above line" recommendations can be implemented.
Industrial Tech Academy	113,000				21,470,905	Suspend program for one or more years until "above line" recommendations can be implemented.
Peoria Alternative High School		83,474			21,554,379	Eliminate program and associated staff; Re-integrate students with peers at home or other existing schools within the District.
Adult Education	171,000			-	21,725,379	Eliminate program and associated staff, integrate students less than age 22 into existing high schools; re-direct older students to community college system or regional office of education (for GED) completion.
Technology Pathways	59,000			-	21,784,379	Suspend program for one or more years until "above line" recommendations can be implemented.
Health Science	169,000			-	21,953,379	Suspend program for one or more years until "above line" recommendations can be implemented.
Greeley Alternative School				244,000	22,197,379	Eliminate program and associated staff; Re-integrate students with peers at home or other existing schools within the District.
DO NOT TOUCH						
Preparatory School For the Arts	178,000				22,375,379	Suspend program for one or more years until "above line" recommendations can be implemented.
Valeska Hinton				315,000	22,690,379	
Washington Gifted School				827,616	23,517,995	Eliminate program and associated staff; Re-integrate students with peers at home or other existing schools within the District.
Cosmetology	78,000			-	23,595,995	Suspend program for one or more years until "above line" recommendations can be implemented.

SUMMARY

The Task Force identified \$27,000,000 in savings and/or revenue enhancing opportunities. This total was broken down into four groupings: "1st priority" \$19,020,607; "2nd priority" \$378,250; and, "as necessary" \$2,755,322. The Task Force reached consensus on this list and prioritization of items.

The greatest savings were realized in personnel costs associated with "net" retirements, building closures, and health insurance and related costs. Greater than anticipated revenues were expected, primarily from the state school aid formula.

Most cost-savings recommendations would require a year or more to implement. Class sizes would stay within guidelines. No programs would be cut wholesale. The Edison contract is not recommended to be continued. The Edison "model", however, is recommended to be retained at Franklin primary and Loucks middle schools.

Many focus areas were not considered further. They included the Washington Gifted School programs, the Valeska Hinton Early Childhood Education Center, and the District's cosmetology program. Each was seen as model programs that best captured keeping children in school, providing parental choice, and promoting student achievement and excellence.

CONCLUSION

The Board goal of \$19,000,000 in budgetary savings and/or revenue enhancements was achieved and exceeded by the work of the Structural Budget Imbalance Task Force. The resulting recommendations fell within the parameters set by the Board: Maintain campuses at Peoria High, Manual, Richwoods, and Woodruff, utilize attrition and/or enticements wherever practicable to achieve any reductions, support where practicable the implementation of the Strategic Plan and opportunities that might be created by the triangulation of Vision 20/20, Peoria NEXT, and Talent Force21, and maintain and improve upon the academic rigor of the District's curriculum toward student achievement and success.

Consensus was reached on a list of fifty-two items of which 17 landed above the line and became the priority recommendations totaling \$19,020,607. In all, balance was achieved through increased efficiencies based upon demand and adherence to industry trends/standards. Keeping children in school, providing parent's choice, maintaining proven programs, and eliminating inefficiencies were the underlying themes of the Task Force's work.

OTHER RECOMMENDATIONS

In addition to the recommendations listed, the Task Force also recommends the following:

- Set-up mechanism to continuously evaluate costs-benefits; Revisit "lists" of opportunities and re-evaluate programs periodically and, where practicable and appropriate, implement cost savings and/or revenue enhancements.
- Visit "high performing/low income" Illinois and District 150 schools and glean replicable practices and implement same throughout the district; Maintain the Edison school "model"; and, Create a scaleable, replicable "District 150" model for use within the District and export to other districts throughout the State.
- Create a mind-set among and between staffs and develop a marketing program around "choice" and "customer" satisfaction; Replicate throughout the district.

- Promote and advocate for the “adequate” funding of schools, generally, and the City of Peoria schools specifically; Do so at the local, state and federal levels, where appropriate.
- Establish accountability measures and performance goals for the implementation of the Task Force recommendations at all levels and those enumerated here.

APPENDICES

[This page intentionally left blank]

Appendix A

CHARGE OF TASK FORCE

PEORIA PUBLIC SCHOOLS
ACTION ITEM

Regular Meeting – March 21, 2005

To: Co-interim Superintendents Dr. Cindy Fischer and Dr. Herschel Hannah
Superintendent Designee Mr. Ken Hinton

RE: Structural Budget Imbalance Task Force Creation

Proposed Action by the Board of Education:

That the Board of Education “authorize the creation of a ‘stakeholder’ Task Force to address the district’s structural budget imbalances and to report its findings and recommendations to the Board of Education Budget & Finance Committee no later than July 1, 2005.

Background Information:

In the fiscal year ending June 30, 2004, the district spent \$14.3 million more than it received in the combined “operating funds” of Education, Operations and Maintenance, Transportation, and Working Cash—or the State’s “FAAS”¹ funds. This also occurred in each of the prior two fiscal years with operating deficits of \$8.4 million and \$12.2 million respectively. The trend is expected to continue into the current fiscal year with the exhaustion in March of

¹ “FAAS” refers to the Illinois State Board of Education’s Financial Accountability and Assurance System of rating the financial health of school districts. The system is made up of the four operating funds of education, operations and maintenance, transportation and working cash. It excludes the restricted funds of bond and interest, retirement, site and construction, health-life-safety, and “agency” accounts.

available cash and investment assets and a general ledger *operating fund deficit projected to equal \$11,744,113 (based upon historical cash flows through February).*

It is proposed that the district establish a task force to:

Goal: Identify by no later than July 1, 2005, for phased implementation over the next three fiscal periods, \$12,000,000 in budget savings, revenue enhancements and/or resource re-allocations.

Objectives:

1. Identify program areas, resources, and costs and the benefits derived as measured against standards/defined expectations; Invite program area presentations including support arguments for maintaining and identification of areas of opportunity to optimize efficiencies.
2. Rank based upon BOE parameters and priorities
3. Apply dollar value to program areas
4. Draw line at intersection of savings and goal
5. Evaluate items for alternative delivery/savings; Re-draw line
6. Conduct community forum to obtain feedback on any proposed recommendations
7. Recommend "cuts", "re-allocations", and alternative deliveries to the Board of Education Finance Committee

It is further proposed that the task force be comprised of 16 Members including 5 "lay" citizens, 5 certificated staff, 2 non-certificated staff, 1 BOE member, and 3 building and/or district administrative staff (see Exhibit 1 for proposed membership). The Controller/Treasurer would facilitate the work of the task force and be supported by the respective directorate staffs.

The task force would meet on at least five but not more than seven occasions of two to three hours duration each: (i) to identify program areas and organizational processes for study and cost analysis within the parameters established by the Board (see Exhibit 2), (ii) to receive testimony from program area staff and review organizational processes, (iii) rank by Board dictated priority (see Exhibit 2) the program areas and organizational processes from least in importance to most, (iv) apply costs and establish initial list of programmatic "opportunity", (v) re-rank based upon alternative delivery models establishing a list of "opportunity" and resource re-allocations, (vi) finalize recommendations, and (vii) present findings to the Board of Education Finance Committee.

The Task Force will have successfully completed its charge if (i) it stays within the parameters established by the Board, (ii) makes recommendations that are not contrary to the priorities of the Board, and (iii) attains the \$12 million budgetary goal established.

It is recommended that the Board of Education authorize the creation of a "stakeholder" Task Force to address the district's structural budget imbalances and to report its findings and recommendations to the Board of Education Finance Committee no later than July 1, 2005.

EXHIBIT 1.
PROPOSED MEMBERSHIP

Teaching Staff (5)

- 1.
- 2.
- 3.
- 4.
- 5.

Group characteristics: One each from primary, middle, high school levels, union leadership, and special programs, all recognized by their peers as expert in teaching and learning, and demonstrated ability to work collaboratively and reach consensus.

"Expert" Citizens (5)

- 1.
- 2.
- 3.
- 4.
- 5.

Group characteristics: Persons possessing knowledge of and working background in organizational structure and dynamics, systems and processes, finance or economics, cost-benefit analyses, and the like.

Administrative Staff (3)

- 1.
- 2.
- 3.

Group characteristics: One each from successful primary, middle, and high school buildings, each regarded as instructional leaders by their peers, and all having demonstrated ability to work collaboratively and reach consensus.

Non-certificated Staff (2)

- 1.
- 2.

Group characteristics: each member having a "big picture" understanding of the operations of the district and how the pieces fit together in making the whole.

Board of Education (1)

- 1.

Characteristic: member selected by the Board to validate to back to the Board the group process employed, discussions had, and the consensus reached.

Exhibit 2.
Parameters
(as proposed by Administration for Board of Education consideration)

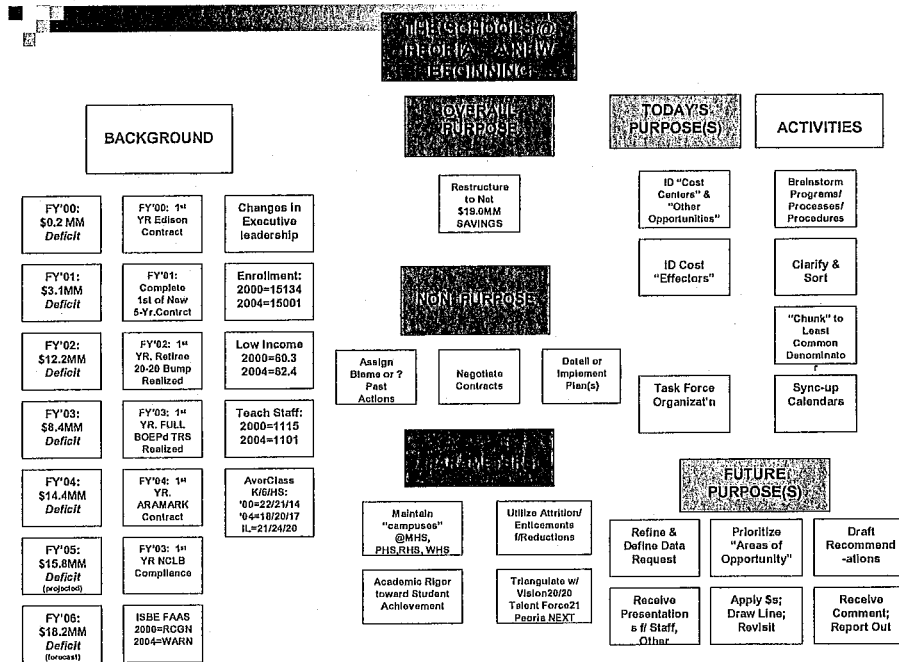
The Structural Budget Imbalance Task Force shall work within the following parameters:

1. Maintain campuses at Peoria High, Manual, Richwoods, and Woodruff.
2. Utilize attrition and/or enticements wherever practicable to achieve any reductions.
3. Support where practicable the implementation of the Strategic Plan and opportunities that might be created by the triangulation of Vision 20/20, Peoria NEXT, and Talent Force21.
4. Maintain and improve upon the academic rigor of the District's curriculum toward student achievement and success.

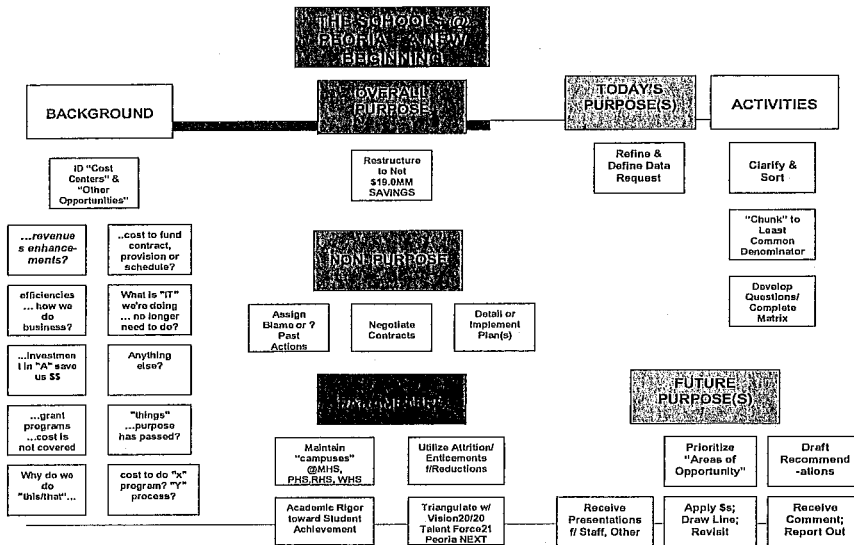
APPENDIX B

MEETING STORYBOARDS - AGENDAS

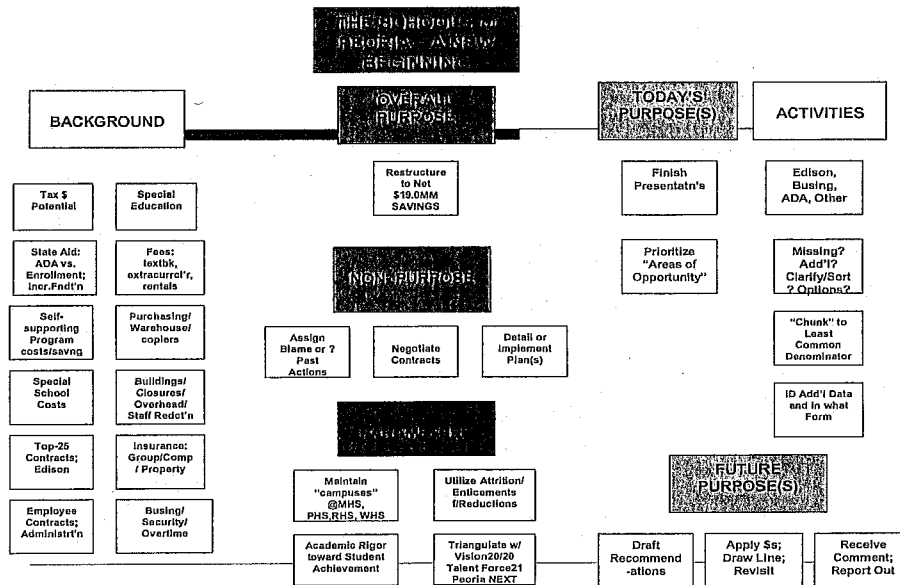
Meeting One – April 21, 2005



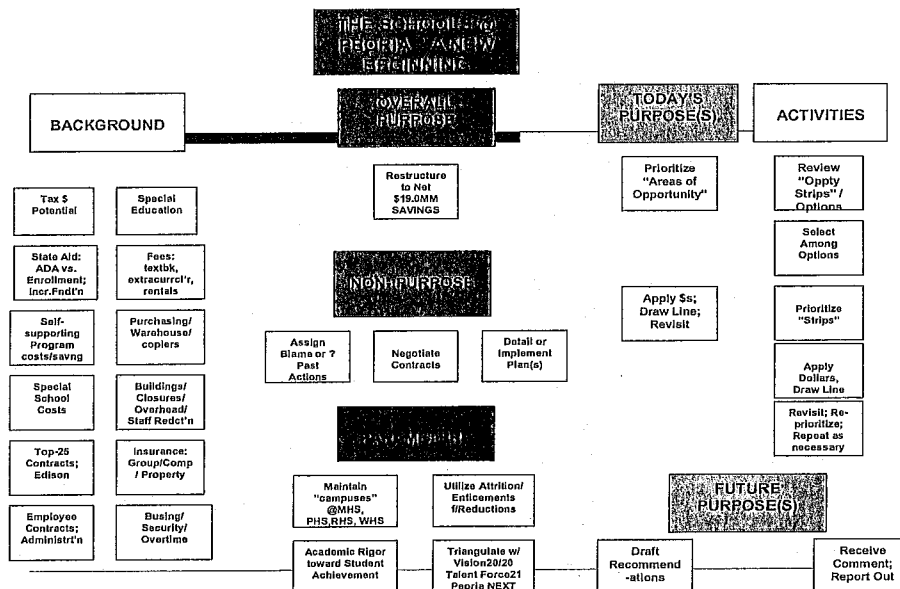
Meeting Two – April 28, 2005



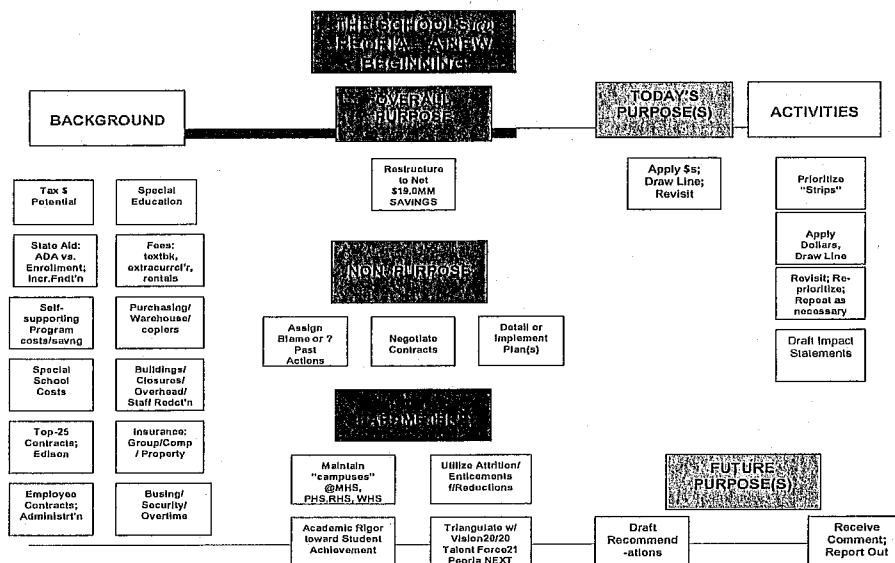
Meeting Three – May 11, 12, 2005



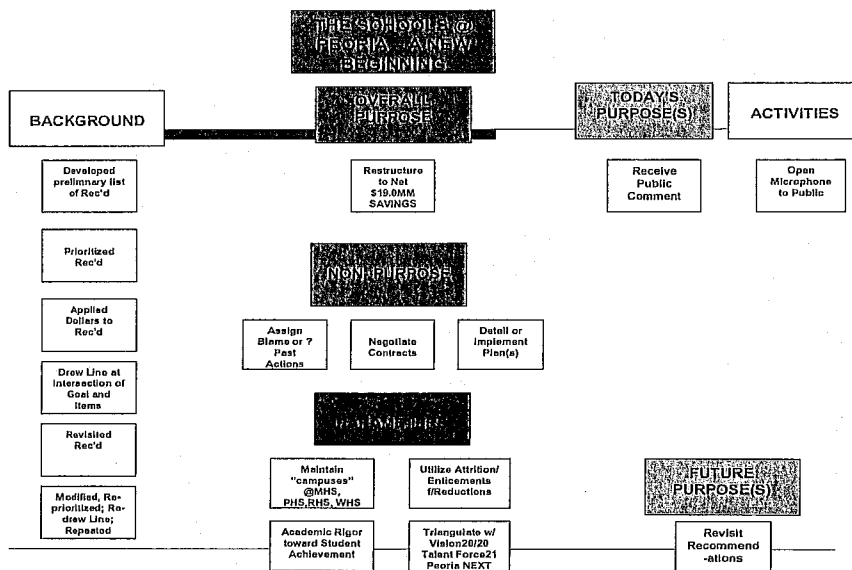
Meeting Four – May 19, 2005



Meeting Five – June 9, 16, 2005



Meeting Six – June 23, 2005



APPENDIX C

CALENDAR OF MEETINGS

APRIL 18	19	20	21	22
			Convene Task Force +Review Charge, Goal, Parameters +Warm-up Activity +Brainstorm "Areas of Opportunity"	
25	26	27	28	29
			2nd Meeting +Reinforce/define "Areas of Opportunity" +ID "Expert Witnesses"; Other Non-financial Data	
MAY 2	3	4	5	6
9	10	11	12	13
		3rd Meeting +Receive Testimony	3rd Meeting (cont.) +Receive Testimony	
16	17	18	19	20
			4th Meeting +Synthesize Testimony +Reconcile to "Areas of Opportunity" +Prioritize "Areas of Opportunity"	
23	24	25	26	27
30	31	1	2	3
JUNE 6	7	8	9	10
			5th Meeting +Apply \$s to "Areas of Opportunity" +Draw line intersection; \$ / opportunity +ID "Smarter/Better/Alternatives"	
13	14	15	16	17
	Convene Subcommittee +Draft Recommendations		6th Meeting +Review Recommendations with Committee +Confirm consensus	
20	21	22	23	24
			Community Forum +Receive Comment on Plan	
27	28	29	30	1
	Subcommittee +Finalize Recommendations		Finance Committee +Present Recommendations	Board of Education Meeting +File Recommendations