THE JOSEPH SEARS SCHOOL
KENILWORTH SCHOOL DISTRICT NO. 38

To: Dr. Kelley Kalinich, Superintendent

From: Dr. Crystal LeRoy, Business Services and Human Resources Manager

Date: June 15, 2015

Re: Business Office and Human Resources Update

Accounts Payable Review

The following section will highlight any bills that are beyond the regular monthly bills list or require an explanation:

Explanation: Annual Premium for Liability and Workers Compensation Insurance

Check Number: 132444 Check Type: Check Check Date: 06/15/2015 Vendor: CLIC C.L.I.C. Check Total: 75,266.00

Invoice Number	Invoice Date	PO Number	Detail Description	Chart of Account Number	Detail Amount
Collective Liab	06/05/2015		Workmans Comp Insurane	80 2362 381 00	30,541.00
FiducLiab15/16	06/05/2015		Fid Liability Insurance Insurance	80 2364 380 02	2,050.00
Prop/Cas/Stu15/	06/05/2015		Liability Insurance	80 2364 380 00	39,489.00
Prop/Cas/Stu15/	06/05/2015		Student Accident Insurance	80 2364 380 01	3,186.00

Explanation: Illinois Association for School Boards – Annual District Membership

Check Number: 132469 Check Type: Check Check Date: 06/15/2015 Vendor: IASB IASB Check Total: 6,297.00

Invoice Number	Invoice Date	PO Number	Detail Description	Chart of Account Number	Detail Amount
0003 May 15th	05/12/2015		Professional Growth	10 2330 300 00	895.00
160380-2015	05/01/2015		Board Dues and Fees	10 2310 640 00	5,402.00

Explanation: Landscaping Services – Annual Spring Maintenance

Check Number: 132482 Check Type: Check Check Date: 06/15/2015 Vendor: MIDWARBOR MIDWEST ARBOR CORP. Check Total: 8,481.00

Invoice Number	Invoice Date	PO Number	Detail Description	Chart of Account Number	Detail Amount
3027096	05/01/2015		Grounds Services	20 2540 329 00	8,481.00

Explanation: New Trier Math Program Tuition

Check Number: 132484 Check Type: Check Check Date: 06/15/2015 Vendor: NEWTRIERHS New Trier Township High School Dst. 203 Check Total: 12,634.00

Invoice Number	Invoice Date	PO Number	Detail Description	Chart of Account Number	Detail Amount
30511-38	05/11/2015		NTHS Tuition	10 4110 600 00	12,634.00

Presentation of Infinite Visions for the District's Financial Software

Software Unlimited Incorporated (SUI) is the District's current financial software company. The District has been using SUI for over ten years. Although the cost of the program is extremely competitive, the limitations of the system are equally significant. SUI requires a great deal of manual intervention, which increases the risks for error or inaccuracies. Additionally, the District's Auditor also noted the deficiencies of SUI and recommended that the District research alternate financial software solutions.

DR. KELLEY M. KALINICH, SUPERINTENDENT DR. CRYSTAL S. LEROY, BUSINESS SERVICES AND HUMAN RESOURCES MANAGER
MRS. KENDRA N. WALLACE, PRINCIPAL MS. JULIA JONES, DIRECTOR OF STUDENT SERVICES

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I conducted the initial research of the various school district financial software systems and brought in two finalists to present to the Financial Software Search Committee. The Committee members included the following positions:

- Business Services and Human Resources Managers
- Business Services and Human Resources Coordinator
- Data Manager
- District Bookkeeper
- District Technology Specialist
- Technology Facilitator

The Committee Members used a rubric to evaluate both finalists. The criteria included the following:

- Implementation Timeline
- Initial Training/On-Going Training
- Modules
    - Payroll
    - General Ledger
    - Negotiations
    - Human Resources
    - Purchase Orders
    - Substitute Tracking/Compatibility with Aesop
- Data Conversion/Transfer
- Customer Service/Response Time/Help Options
- References

Overall, either company would be a significant improvement to the District's current financial software system. However, Infinite Visions was unanimously chosen as the Committee preference for three primary reasons:

1. The product was very user friendly and easily exportable to Excel.
2. The initial training and implementation is primarily on-site versus web-based training.
3. The customer service response time is approximately 25 minutes versus 2 hours and 30 minutes.

The premium product and customer service also comes at a premium cost. Below is a summary of the overall financial software costs:

	Infinite Visions	Skyward Inc
Initial Software Cost	$35,646	$45,47
Professional Services - Data Import and Training	$51,200	*Included in Initia Cos
Data Hosting	Included in Annual Cost	$2,40
Year One Annual Cost	$6,500	$3,67
Training is primarily web-based	$93,346	$51,55
On-Going Annual Maintenance	$14,321	$3,67

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The current annual maintenance cost for SUI is $7,500, which is in between the annual cost of Infinite Visions and Skyward Incorporated. As you can see, it is the initial purchase and implementation cost that is significant. However, it is important to note the District is not just investing in a product, but more importantly an independent and reliable financial resource. The District's current system, SUI, requires a great deal of manual intervention. With minimal automated checks and balances, this means the accuracy of the data will always be dependent on the individuals inputting data.

Therefore, the Financial Software Search Committee recommends your favorable approval of Infinite Visions for the District's financial software.

Presentation of Benefit Advantage for the District's Flexible Spending Account Administration

The Board of Education currently offers the benefit of a Flexible Spending Account (FSA) to all permanent employees. An FSA, sometimes referred to as a cafeteria plan, flex plan, or a Section 125 plan, allows employees to set aside money from of each paycheck into an account before paying income taxes. At the present time, the Business Services and Human Resources Coordinator is responsible for administering the FSA's. However, it is very common for school districts to outsource the services of administering the FSA's to a third party administrator. By utilizing the services of a third party administrator, the employer and employee will benefit from the following:

- Employer compliance with IRS guidelines
- Employee privacy and confidentiality of personal information
- Easier and convenient access to funds with FSA debit card
- Secure web portal with real time account information and reporting options

The cost for using a third party administrator for FSA services ranges from $4.25 - $5.00 per employee, per month. Based on the District's current FSA enrollment, the annual amount, excluding the start up fee, would range from $1,938 - $2,780. The following chart provides a summary of the proposals:

Section 125 (Flex)	Ameriflex	Benefit Advantage	Discovery Benefits	PBA
Administration Fee/PEPM	$4.25	$5.00	$5.00	$5.00
Minimum Monthly Fee	$75.00	$50.00	$50.00	$200.00
Debit Card Fee	Included	Included	Included	Included
Debit Card Replacement	Included	$5.00	no charge	$10.00
Start Up Fee	$400.00	$650.00	$0.00	$500.00
Annual Fee	$175.00	$5.00 per participant	$0.00	$500.00
Online Enrollment	Available	Available	Available	Available
Paper Enrollment Materials	Printing and Shipping costs	Included	Included	PDF's Provided
Employee Meeting Fee	n/a	n/a	$350 per day plus travel	Not for standard meetings
Plan Document Draft	Included	Included	Included	Included
Plan Document Amendments	Included	$100-$250	Included	Included

Although Benefit Advantage is not the lowest proposal, I have previously worked with Benefit Advantage and had a very good experience with the implementation and their on-going services. Additionally, their proposal is inline with their competitors. Therefore, I recommend your favorably approval for the District to outsource the services of administering the District's Flexible Spending Accounts to Benefit Advantage.

Should you have any questions or concerns regarding this report, please do not hesitate to contact me.

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