



**KANKAKEE SCHOOL DISTRICT NO. 111
BOARD OF EDUCATION ~ COMMITTEE MEETING MINUTES**

Committee Finance & Facilities Committee
Date: October 29, 2015
Time: 5:00 p.m.
Place: Lincoln Cultural Center, Room 217

Committee Members present:
John Coghlan
Jess Gathing
Dr. Genevra Walters

Other attendees:
Robert Grossi
Kenneth Carr
Dan Dannenberg
Laura Fisher
Martin Whalen – Martin Whalen (MWOS)
Tom Ciassico – Martin Whalen (MWOS)
Brian Flaherty – Martin Whalen (MWOS)
Tom Clocksin – Advantage Copier
Kevin Clocksin – Advantage Copier
Brett Cosich – Proven Business Systems
Eric Kennedy – Proven Business Systems

The following discussion was held:

1. Approval of Minutes

Motion made by Gathing. Seconded by Coghlan. Motion carried.

2. 2016 Bond Issue

Mr. Grossi said that the District has been considering proposing a \$2 Million bond issue for the Health Life Safety Fund. But as these changes continue to occur in the district, it does not make sense to maximize the District's debt extension. Mr. Grossi instead proposed the idea of issuing a bond for about \$342,000, which is the minimum amount the District needs to issue to keep its full borrowing capability. This will provide the District with more long-term flexibility.

3. Summer 2016 Projects

Mr. Grossi and Mr. Carr have been walking through each of the schools to identify potential needs. They believe that the priority for Summer 2016 should be moving all of the buildings into grade centers to allow the staff to have as easy a transition as possible.

4. Health Insurance

Mr. Grossi reported that he had been meeting with staff members to discuss the potential change with health insurance from Aetna to Health Alliance. The majority of the employees have been accepting to the change once they understood everything that is involved with this new insurance structure. Mr. Grossi assured the committee that further communication would continue with both the Board and staff until the decision would be brought to the board for a final vote.

4. District Printing

Mr. Grossi gave a PowerPoint Presentation to respond to public comments made at the October 26 Board Meeting from Mr. Martin Whalen, the CEO of Martin Whalen Office Solutions.

Martin Whalen had been charging Kankakee School District with massive overage rates and overages charges. The contract was set up so that the District had a set number of copies (10.75 Million) per year. If the District did not use all of the copies, then it would be charged for unused copies. If the District went over the allotted copy amount, then it would be charged overage rates equivalent to 3.5 – 4 times the rate of a regular copy. The District had over 1,000,000 copies that were considered overages in each of the last two years.

Martin Whalen claimed that the District has always bid out copy contracts in the past. That was simply not true. The District had 9 current copying contracts, but only 1 of them was actually bid out. All 9 contracts belonged to Martin Whalen.

Language in the fine print contract gave Martin Whalen the right to automatically renew the contracts, adjust the service rates without notice, and had language claiming the contract “non-cancellable.” Mr. Grossi then went on to show examples of how Martin Whalen raised the cost of the contract and compared them to the much lower rate that exists in the market. 4 of these 9 contracts have already been stopped by the District.

Mr. Grossi concluded by saying that the new administration is going to continue to look into the relationships with all existing vendors. They will read the fine print of current agreements and evaluate the value that each vendor provides. The District expects this same backlash from any long-term vendor who is threatened about losing business with the District. All decisions are made with data, and the District hopes that all vendors, as well as the community, will support its efforts to create a fiscally sound school district.

5. Other Concerns/Issues

Motion to close meeting made by Gathing. Seconded by Coghlan. Motion carried. Meeting ended at 6:10.