

Rochester Board of Education
Finance Committee Meeting of the Whole
April 30, 2015

Attendance: Commissioner Cruz (Chair); Commissioners Adams, Elliott, White, Campos (arrived at 6:21PM), Evans (arrived at 7:15PM), and Powell (arrived at 7:26PM).

Parent Representative: Giancarlo Giannini.

District Staff: Superintendent Vargas; Adele Bovard, Deputy Superintendent for Administration; Dr. Christiana Otuwa, Deputy Superintendent for Teaching & Learning; Ray Giamartino, School Chief; Bill Ansbro, Chief Financial Officer; Everton Sewell, Budget Director; Barbara Goldammer, Director of Student Placement; Keith Babuszcak, School Chief of Career & Technical Education; and Chris Suriano, Director of Special Education.

Board Staff: Debra Flanagan

Commissioner Cruz convened the meeting at 6:05PM.

I. Review of the Minutes of the April 21, 2015 Finance Committee Meeting of the Whole

Motion by Commissioner White to approve the minutes of the April 21, 2015 Finance Committee Meeting of the Whole. Seconded by Commissioner Adams. **Adopted 4-0, with concurrence of Parent Representative.**

II. Discussion of Section 5 (Program Profiles & Budgets) and 9 (Capital Improvement Plan)

Commissioner Cruz reminded his colleagues that this is the last budget deliberation meeting before the Board is to vote on budget adoption. He requested that Board members submit suggested budget changes as soon as possible, and also include potential areas from which funds could be taken to support the suggested changes.

Commissioner Adams followed up on a question that had been submitted earlier regarding positions funded by grants. She asked about the impact on the General Fund when the grant funding ends for these positions, and also questioned the use of grant funds to support librarian positions. Mr. Ansbro responded that the increased Title I funding that will be provided to the District as a result of corrections to poverty data will be applied to increase staffing of librarians.

Commissioner Adams inquired about the use of grant funds to support the position of Budget Director. Mr. Ansbro explained that funds from the Management Efficiency Grant had been used to support the position of Principal Management Analyst, and the individual in this position was promoted this year with the retirement of the previous Budget Director. He stated that the grant funds were simply applied to the employee's new position title of Budget Director, since the basic functions of the position remained the same.

Commissioner Adams asked whether each change in the use of funds under the Management Efficiency grant has been submitted to the State for approval. Mr. Ansbrow replied that the use of these grant funds to support the Budget Director position required an amendment, but was consistent with the succession plan for this position and did not result in any additional cost. He stated that NYSED was supportive of the position title change for these reasons.

Commissioner Adams pointed out that Management Efficiency grant funds have been used for a wide range of items, and inquired whether the District has obtained approval from NYSED for each of the changes in the use of these funds. Mr. Ansbrow noted that certain items specified in the grant do not require an amendment, and the District has been reporting to the NYS Grant Monitor of proposed changes in the use of these funds to ensure their support.

Commissioner Adams inquired about the latest date for the final monitoring of the Management Efficiency grant. Mr. Ansbrow reported that this grant ends in October 2015.

Commissioner Adams asked when a final analysis of the grant will be available.

Action Item: Mr. Ansbrow will notify the Board of the close-out period for the Management Efficiency grant, and the time period in which a final analysis of this grant will be available.

Commissioner Adams requested an overview of the changes to date that have been made to the proposed 2015-16 RCSD budget. Mr. Ansbrow noted that this has been discussed with the Chair of the Finance Committee and Budget Director Everton Sewell is currently preparing a summary of all of the budgetary changes that have been made since the 2015-16 RCSD budget was originally proposed.

Commissioner Elliott pointed out the proposed elimination of the Director of Diversity Initiatives position in the Human Capital Initiatives (HCI) division, and asked how efforts will be sustained to increase diversity in the RCSD workforce without this position. Adele Bovard replied that the Human Capital Initiatives (HCI) Division will be partnering with the African – African American Studies Department and the Office of Latino Affairs to represent RCSD at recruitment fairs. She offered to provide Board members with a list of the various recruitment fairs and events that have been attended to increase the diversity of the District's workforce.

Commissioner Elliott inquired whether there are plans to travel to the South to recruit graduates from historically black colleges, adding that she would personally be interested in assisting with this effort. She pointed out that this approach was used in the 1970s, but the staff recruited at that time are now retiring. Commissioner Elliott asked whether sufficient funding is included in the proposed 2015-16 RCSD budget to support this travel. Ms. Bovard replied that the District has begun engaging with historically black colleges, as indicated by the Career Fair and luncheon held earlier this year. She reported that funding has been allocated in the HCI budget for 2015-16 for these types of recruitment initiatives.

Action Item: Ms. Bovard will provide information to the Board of the representatives from historically black colleges that attended the Career Fair earlier this year.

Commissioner Elliott noted that the Career Fair was initiated by a member of City Council, and emphasized the importance of the District initiating these efforts to demonstrate a commitment to workforce diversity. Dr. Otuwa reported that tours have been scheduled of historically black colleges to engage faculty in curriculum work and to develop partnerships through this process to enhance the District's presence and improve recruiting efforts at these colleges. She added that these types of partnerships are important in the District making its presence known and in establishing ongoing relationships that will facilitate recruitment efforts. Superintendent Vargas added that African Americans and Latinos comprise 24% of the employees recruited this year in the District. He noted that one of the difficulties in enhancing workforce diversity is the requirement to give preference to former employees who are on the preferred eligibility list.

Commissioner Elliott questioned the rationale for the 40% reduction in funding for the Office of Adult and Career Education Services (OACES) in the proposed budget. Ms. Bovard noted that 1.0FTE for an Assistant Principal has been restored. She explained that some of the insecurity regarding these OACES positions is due to the fact that they are funded through grants, and the grants have not yet been retained. Ms. Bovard pointed out that this leads the staffing cuts to appear greater than actually expected. She discussed the proposed reduction of staffing for Project Workers from 4.0FTE to 1.0FTE, and noted that another 1.0-2.0FTE will be retained if the grants are renewed.

Commissioner Elliott clarified that her primary concern is not for saving jobs, but of the impact on programs/services for students. Ms. Bovard noted that the proposed budget includes cuts in staffing to Teacher Instructor positions in OACES, and this is due to a review of the program and data reflecting low attendance. She explained that the GED program for youth will shift from full-day to half-day, which will result in a reduction of Teacher Instructors from 7.0FTE to 2.0FTE to provide instruction for four half-day sessions. Ms. Bovard stated that the program will also have a full-time counselor.

Commissioner Elliott asked about the age of the youth participating in the Adult Basic Education program. Mr. Babuszcak replied that the program serves youth aged 17-21 who are no longer enrolled with the District. He explained that the proposed program cuts are due to low enrollment and attendance, which may be due to the full-day structure. Mr. Babuszcak stated that the instructional time will be condensed and additional time devoted to workshops, counseling, support services, career preparation and work experience.

Commissioner Elliott suggested that the Administration reconsider the proposed funding and staffing reductions to the Adult Basic Education program (i.e. GED) to assist students who have dropped out of school. She acknowledged that low enrollment is a concern, but emphasized the importance of the District promoting the program to ensure that students are aware of the services available to them. Superintendent Vargas replied that he has asked Barbara Goldammer, Director of Student Placement, and Keith Babuszcak, School Chief of Career & Technical Education, to follow up on this suggestion.

Commissioner Elliott questioned the rationale for the proposed funding cuts to Youth & Justice programs, noting that the District receives reimbursement for these costs. She expressed concern regarding the impact on services to students next year, and the reduction in reimbursement affecting revenue in the subsequent year. Dr. Otuwa reported that the Youth & Justice program

has performed well, and teachers will be added in 2015-16 to the Strong Memorial Hospital site. She acknowledged that the District has to do more to promote this program.

Commissioner White expressed concern about student transportation at this point with the recent breakdown of contract negotiations with RTS, and asked whether the proposed \$700K in the Capital Improvement Plan (CIP) for vehicles is part of a plan for the District to provide student transportation. He requested information of the plans for student transportation and the potential budgetary impact. Superintendent Vargas reported that the District is engaged in conversation with RTS, but has to stay within the budgetary parameters that have been established for student transportation. Mr. Ansbro explained that the \$700K proposed in the CIP is to replace some of the existing RCSD fleet that is used to provide transportation for students in Special Education, and cautioned that current RTS transportation issues will have a budgetary impact.

Commissioner White reflected that there are many variables over which the District does not have control and which have a significant budgetary impact: RTS and student transportation, the Food Services contract, and receivership. He pointed out that there is a great deal of ambiguity regarding the schools at risk of receivership in 1-2 years, noting that the State has only set aside funding for schools that have one year to demonstrate improvement. Commissioner White stated that the schools required to demonstrate substantial improvement within the next two years have not been given any additional funding. He asked how the proposed budget was developed with all of these uncertainties, and the extent to which these will have to be addressed through budget amendments in 2015-16.

Superintendent Vargas asserted that District should be able to stay within budget constraints with respect to the Food Services contract and student transportation. He stated that the schools at risk for receivership have to be in the forefront of District efforts, although many questions remain. The Superintendent stated that the proposed 2015-16 RCSD budget contains a significant investment in schools at risk for receivership, and the District has already initiated many of the elements required in the legislation such as extended day and extended school year programs. He discussed plans to engage the school community at School No. 9 and Monroe High School.

Commissioner Adams expressed concern about the existing School-Based Planning Teams and school communities being included in the receivership process, particularly since these groups have been most effective in advocating for school improvement.

Commissioner Adams objected to the decline in funding support for core academics at NE College Preparatory Academy and NW College Preparatory Academy. Overall, she noted that the proposed budget does not seem to be addressing schools' needs adequately. Commissioner Adams recommended using the additional Title I funding that has been awarded to the District to better meet needs at the school level. She pointed out that Title I funding has been used by the District in the past to fund the Summer School program, and urged for funding to be used to support all schools in the same way that support has been provided to East High School for the educational partnership with the University of Rochester.

Action Item: Mr. Ansbro will provide information to the Board of the amount/percentage of Summer School program costs in 2014 were covered by Title I funding.

Commissioner Elliott noted that Section 9 of the Budget Book pertaining to the District's Capital Improvement Plan (CIP) indicates a budget of \$116M for 2015-16 and \$118-119M for the subsequent four years. She requested an overview of these projected costs for the next five years, specifically regarding the amounts for the CIP and for the Facilities Modernization Plan (FMP). Mr. Ansbrow replied that \$17.2M of the funds in the proposed budget are to cover the cost of the projects planned under the CIP for the District in 2015-16, while the remaining costs are due to the FMP projects. He explained that these projections were carried out over the next five years to indicate the scope of work being undertaken in the District. Mr. Ansbrow pointed out that the RCSD budget has to be approved by the Mayor and City Council, and he wanted to ensure that they are aware of the scale of work involved.

Commissioner Elliott inquired about coordination of projects at facilities that are co-located between the District and the City (e.g. Baden Recreation Center and School No. 9). Mr. Ansbrow explained that the work is coordinated between the City and RCSD Facilities Departments. He added that there has been enhanced coordination this year in planning the location and development of playgrounds in the City to support the Mayor's Healthy Weight initiative. Mr. Ansbrow reported that School Nos. 3 and 4 were identified as sites for playgrounds, which will be one aspect of a broader City plan to engage children in healthy nutrition and physical activity.

Commissioner Elliott asked about proposed funding reductions for textbooks and library books. Mr. Ansbrow replied that the amount budgeted for textbooks and library books reflects the anticipated demand at this time, noting that the Textbook Coordinator reached out to each of the directors of the academic departments to determine the level of demand for the next year. He noted that an additional \$1M was expended in the current year for textbooks because a new Science text was adopted last year, since it had not been updated for 12 years.

Commissioner Elliott asked about funding provided for library books in previous years. Mr. Ansbrow responded that approximately \$100K had been allocated for library books in previous years, and \$600K has been allocated in the proposed budget. Ms. Bovard stated that the District is planning to continue investing to build stronger school libraries over the next 3-4 years because of the age of the existing stock.

Commissioner Elliott requested information of the percentage of textbooks that have been updated at this point. Dr. Otuwa responded that a new textbook has been adopted for 2015-16 for the Social Studies curriculum, but the bulk of the funding in the proposed 2015-16 budget is primarily for replacing textbooks.

Commissioner Elliott commented that the District's failure to provide the most recent and updated materials to students contributes to attendance and drop-out problems. She stated that students have access to the most current information through social media, and are therefore aware that schools are not providing them with the resources to succeed.

Commissioner Campos questioned apparent discrepancies in the student enrollment projections for Monroe High School in 2015-16. Ms. Goldammer replied that this is due to the fact that some students enrolled at Monroe High School may also be attending a program such as Young Mothers & Interim Health Academy, Rochester International Academy, or Special Education.

She explained that the apparent staff reductions are due to a reduction in Special Education teachers from redesign of this program, and in basing staffing on actual numbers of students in attendance. Mr. Ansbrow added that a portion of the \$75M set aside at the state level will be allocated to Monroe High School, and the 2015-16 budget will be amended to reflect these allocations.

Commissioner Campos inquired about the impact of restructuring Special Education in the District on services and programs offered for bilingual students. She questioned how services will be diversified for bilingual students in Special Education programs. Mr. Suriano responded that the District is currently evaluating options for providing services to these students, exploring the effectiveness of having the Special Education Consultant Teacher push into the classroom in conjunction with the ELL Teacher or having these teachers in sequence. He noted that the Consultant Teacher model allows the flexibility to adapt staffing to student needs, so that different options may be maximally effective for different students.

Commissioner Campos stated that she would like to follow up to learn the findings of this evaluation.

Action Item: When the evaluation of service/instructional models for bilingual students in Special Education has been completed, Mr. Suriano will provide the evaluation findings to the members of the Board.

Commissioner Elliott contended that the plan for restructuring Special Education seems too generalized, emphasizing the specific needs of this group of students and the importance of understanding their cultural background and context. Mr. Suriano reported that he has been collaborating with Jerome Underwood, Director of Youth & Family Services, to develop professional development and intervention that is culturally sensitive.

Commissioner Adams commented on the division between direct and indirect Consultant Teacher support in students' Individual Education Plans (IEPs), asking how indirect support can be effective. Mr. Suriano replied that the majority of students with disabilities have direct service with Consultant Teachers, but a handful of students are at a level in which indirect support is more appropriate. He clarified that the IEP specifies the type of Consultant Teacher support (i.e. direct or indirect), the number of minutes per week support is to be provided to the student, and the duration of time for providing support in each academic subject.

Commissioner Adams asserted that there have been concerns that indirect services are being provided to a greater extent than should be under students' IEPs, and asked how this is monitored. Mr. Suriano responded that a critical component of CSE meetings is to ensure that parents understand the services to be provided to their child, and these discussions are recorded in the meeting minutes. He emphasized the importance of professional development in distinguishing between direct and indirect services with Consultant Teachers, particularly since this is a new model for the District.

Commissioner White noted that the District's past practices have failed to help students with disabilities to succeed, and the restructuring of Special Education and adoption of a new approach is long overdue to improve outcomes for these students.

Commissioner Elliott reported a situation in which a child enrolled in the District in 3rd grade, and the parent was told that their child did not need an IEP because they had not had one in the past. Commissioner Elliott asked about mechanisms to ensure that an IEP is developed for every child in need of these services, and to ensure that the IEP is being implemented. Mr. Suriano replied that the District has access to a database to identify every student with an IEP, and the IEP is provided to the Lead Teachers and all service providers after it has been developed.

Commissioner Campos inquired about the proposed changes to the OACES programs, specifically the proposed reductions in funding and staffing. Ms. Bovard replied that all of the trade programs (i.e. Career & Technical Education) will remain fully intact in 2015-16. Mr. Babuszcak reported that the main change in these programs is to align the Adult Basic Education (i.e. GED) program for youth with enrollment. He stated that 160 youth attended this program in 2014-15, but only 50 have been attending for at least 50% of the time and these are not necessarily the same students. Mr. Babuszcak contended that the current program is not working to serve these youth, so it will be changed from a full-day to a half-day structure and include support services and work experience.

Mr. Babuszcak discussed proposed changes to Family Literacy programs, noting that these programs are funded by grants and the possibility of using Title I funds is currently being explored. He stated that the District can also support adult literacy programs through partnering with community agencies such as the Ibero American Action League and Rochester Educational Opportunity Center (REOC).

Commissioner Campos asked where the Family Literacy programs/services will be located in 2015-16. Ms. Bovard replied that a total of 14 parents enrolled in all of the Family Literacy programs this year in five different locations. She stated that the program will be offered in 2015-16 at one location (School No. 45) because of extremely low enrollment, which she attributed to the proliferation of adult literacy programs in the community.

Commissioner Campos acknowledged that this is a pitifully low enrollment rate and pointed to the excellent quality of the model used in the District for adult literacy. She questioned the extent to which the extremely low enrollment rate is due to insufficient publicity/promotion of the program in the community. Ms. Bovard discussed her work with the Anti-Poverty Task Force, noting that this group is focusing on the range of factors that contribute to poverty: literacy, employment, housing, etc. She reported that the Task Force recognizes the interrelationships between these different factors and that it is not the responsibility of just one entity/organization to address, but requires the efforts of the entire community. Ms. Bovard stated that the Anti-Poverty Task Force plans to release their recommendations by mid-June, and a team will be created to address these recommendations. She pointed out that Monroe County and the City of Rochester are also involved in these efforts.

Mr. Babuszcak commented that the District may be able to offer Family Literacy services at a second location due to the increase in Title I funding above the amount in the proposed budget. He explained that the District is changing the focus of OACES to be more strategic in the programs and services offered to attain the greatest impact. Mr. Babuszcak stated that the GED (Adult Basic Education), Career & Technical Education, English As a Second Language (ESL), Family Literacy, and Making A Connection programs will all be continued under OACES in 2015-16. He noted that the population being served by these programs is quite transient, which

complicates enrollment and staffing projections. Mr. Babuszcak emphasized the importance of assisting students in accessing programs/services and in providing more support services.

Commissioner Campos inquired about the staffing reductions and changes in the role of school psychologists, particularly since they will now be staffed centrally rather than in schools. Dr. Otuwa responded that staffing of school psychologists is only being reduced by 3.0FTE, and the remaining 50.0FTE will be in schools and report to the Director of Special Education and the Zone Directors. She explained that the school psychologists will collaborate with school social workers and counselors to provide social/emotional supports in schools. Superintendent Vargas added that adjustments have been made to ensure that there is a school psychologist in every school in the District. He noted the importance of having a staff person on site that has knowledge of the students and mental health expertise to be able to intervene in crisis situations effectively.

Commissioner Evans commented that he has a few suggested changes to the proposed budget that will not have a substantial fiscal impact. He stated that he will consult with his colleagues on the Board to see if there is sufficient support for his suggestions. Commissioner Evans added that he has shared his concerns with the Superintendent, so the changes he is proposing should not come as a surprise.

Commissioner Adams stated that Board members need an update/overview of the adjustments made to date to the proposed budget.

Commissioner Elliott recalled that some budgetary problems occurred last year because the restructuring of Special Education had not proceeded as planned, and she asked whether this has been addressed in the current proposed budget. Superintendent Vargas replied that there was no way of predicting delays in adopting the shift to the Consultant Teacher model in Special Education last year, and there was also an increase in the number of students with disabilities in the District. He stated that some of these problems were also due to a reduction in reimbursement for Career & Technical Education (CTE) due to a drop in student enrollment in these programs the previous year. The Superintendent assured the Board that steps have been taken to improve the budget development process, but there will always be some unknown factors to some extent (e.g. NYS budget and funding for education, changes in education law and requirements).

Commissioner Elliott asked about the amount contained in the contingency fund and in the Fund Balance for 2015-16. Mr. Ansbro replied that \$5M has been set aside in the 2015-16 RCSD budget for contingency funds to cover unforeseen expenses. He reported that the unrestricted portion of the Fund Balance amounts to \$14.5M, pointing out that the Fund Balance should be used to cover any future budget deficits and this should be incorporated into the budget development process.

Commissioner Elliott inquired whether \$5M in contingency funds is sufficient to cover potential unforeseen costs that may arise during the next fiscal year. Mr. Ansbro responded that there was only \$2M in contingency funds when he began his tenure with the District as the Chief Financial Officer. He stated that he was uncomfortable with this slim margin, so he has increased it to \$5M. Superintendent Vargas asserted that the District has a healthy Fund Balance

and contingency fund, which has facilitated continuation and expansion of programs and services.

Motion by Commissioner Evans to adjourn. **Adopted 7-0, with concurrence of Parent Representative.**

Meeting adjourned at 7:55PM.