

**Rochester Board of Education
Finance Committee Meeting of the Whole
April 1, 2014**

Attending: Commissioner Powell (Chair); Commissioners Cruz, White, Elliott, Adams, Campos, and Evans (left at 7:37PM due to illness). Parent Representative: Giancarlo Giannini. District staff: Superintendent Vargas; Bill Ansbro, Chief Financial Officer; Vern Connors, Budget Director; Anita Murphy, Deputy Superintendent of Administration; Bethany Centrone, HCI Chief; Ray Giamartino, Chief of Priority Schools; Vicky Ramos, Executive Director of School Operations; Ed Lopez-Soto, General Counsel; Patty Malgieri, Chief of Staff; Chris Suriano, Director of Special Education.

Commissioner Powell called the meeting to order at 6:09PM, requesting that Mr. Ansbro provide a brief presentation regarding the Conference budget bill that has been presented to the Governor. She specifically asked for a comparison of the assumptions upon which the proposed 2014-15 RCSD budget was developed with the funding allocated to the District in the Conference bill.

Overview of proposed 2014-15 RCSD Budget Assumptions and NYS Funding in the Conference Bill:

Mr. Ansbro explained that the proposed RCSD 2014-15 budget was developed with the assumption of an increase of \$3.5M in NYS Aid. He noted that the Conference bill contains \$11.5M additional funds for the District in the upcoming fiscal year, an increase of \$8M above the amount included in the proposed 2014-15 budget. Mr. Ansbro emphasized the importance of restoring \$8M to the Fund Balance that had been included in the proposed budget to close the deficit. He noted that 2015-16 will bring significant cost increases: projected \$9M increase in charter school tuition, and increased payments to the Teachers' Retirement System due to the difference between the contributions allowed for the last two years under the pension smoothing plan and the actual required contribution amount.

Mr. Ansbro stated that the Conference bill includes other line items, but he does not want to include them in the budget until approved by the Governor.

Superintendent Vargas pointed out that 60% of the additional NYS Aid went to charter school tuition, and this is a caution for the future.

Section 1 (Introduction and Overview)

Commissioner Cruz questioned the rationale for eliminating the Early Childhood Director position, particularly when the District is implementing universal preK. Superintendent Vargas replied that while the position is being eliminated, the function will not. He stated that this position and the Early Childhood department has focused primarily on preK programs and has been somewhat removed from instruction in the early grades. Superintendent Vargas explained that an integrated approach is needed to succeed in

having students read on grade level by third grade, which is a critical indicator of future learning and graduation rates.

Commissioner Cruz asked about accountability for the preK program under the proposed restructuring of early childhood education in the District. The Superintendent responded that the new Director of Reading by the Third Grade will be held accountable for preK and for leading coordination of instruction and intervention from preK through third grade. He emphasized that strategies must be integrated across the early grades and summer learning loss must be addressed to realize the results that are needed.

Commissioner Campos questioned whether the new Director of Reading by the Third Grade would supervise all UPK programs and initiatives under way to assist students in reading on grade level by the third grade. Superintendent Vargas replied that this would not rest on one person, but on teamwork within an entire unit. He added that the District is seeking a model using an integrated approach with the participation of a team. He stated that the new Director will need leadership, an understanding of preK through third grade, and the ability to coordinate all of the efforts needed to increase the number of students reading on grade level by third grade.

Commissioner Evans reported that he has served as the Board liaison to the Early Childhood program for ten years, and expressed concern about making substantial changes to the program structure. He stated that he supports using cross-functional teams, but does not consider it feasible to have one director for preK and for reading on level by third grade. Commissioner Evans asked about evidence available to indicate that combining these positions is effective, and how other districts have managed these functions.

Commissioner Powell expressed skepticism about treating preK and kindergarten in the same way as grades 1-3. She stated that preK and kindergarten are essential in preparing the child for the conditions of learning and building a foundation for understanding the world. Commissioner Powell voiced concern about imposing the grade 1-3 curriculum and expectations onto younger children, which is not developmentally appropriate.

Commissioner Elliott pointed out that studies have shown children to be on equal terms in preK, but not by third grade. She emphasized the importance of examining the extent to which RCSD students are on par for their grade level at each grade in early childhood to address the causes of these imbalances. Commissioner Elliott discussed identifying the specific points at which some children begin to fall behind, and investing funds in approaches that will address the underlying causes.

Commissioner White concurred with Commissioner Elliott, noting the extensive research demonstrating the criticality of reading on grade level by third grade to future learning and to graduation rates. He contended that the District can focus on early childhood education without eliminating the RCSD preK model, which has been nationally recognized.

Commissioner Adams congratulated the Superintendent and his staff for obtaining the UPK grant, and noted that breaking up the leadership of a good program only jeopardizes the

quality of instruction for students. She stated that parent engagement and support could be the key to success, particularly in the early grades. Commissioner Adams suggested increasing the number of parent group leaders in preK and adding parent groups for kindergarten to empower parents and encourage their participation in the educational system. She emphasized the importance of integrating parent support and the parent group model throughout the early grades to promote a solid educational foundation. Commissioner Adams stated that the District's early childhood education program needs stability during the significant expansion of UPK.

Superintendent Vargas maintained that the Early Childhood Education department is primarily a preK program, and has not been integrated into the critical early grades (i.e. K-3). As an example, he pointed out that attendance in the preK program is not recorded centrally at the District level, but is fragmented among school and community-based programs. The Superintendent noted that integration from preK to 3rd grade is essential to realize improvements in students reading on grade level by the third grade. He also discussed the importance of incorporating summer learning in the early grades to attain this goal.

Commissioner Cruz observed that the District has had an increase in the number of Latino students in recent years, particularly from Puerto Rico and other Caribbean islands. He noted that these students have unique needs because they tend to be older and less literate in their own language, much less in English. Commissioner Cruz also discussed tensions in the community between these recent immigrants and Latino students who have lived in the U.S. for some time. He noted that the District has to improve in addressing the needs of a variety of Latino students. Commissioner Cruz suggested that the Board consider establishing a position for a Director of Latino Student Achievement and an office dedicated to focusing on the specific needs of Latino students. He stated that this may be achieved in a budget-neutral way by using existing staff in the ELL/Bilingual programs, and that he would support using additional funding for this purpose, if necessary.

Action Item: Superintendent Vargas will consider the suggestion to establish an office dedicated to focusing on the specific needs of Latino students and promoting their academic achievement, as well as establishing a position of Director of Latino Student Achievement. He will report his response to this suggestion to the Board.

Commissioner Cruz pointed out that data provided by District staff on the Latino Student Achievement Task Force demonstrate that Latino students have the lowest attendance rates and assessment scores of all students in the District.

Commissioner Campos inquired about the loss of \$817K in grant funding from the Greater Rochester Health Foundation (Section 3, p. 11), noting that the Foundation has been quite supportive in the past because of the District's Wellness policy. Mr. Connors responded that none of these grants are pending at this point, but the District may well receive them later in the year.

Commissioner Campos noted that \$126K of Title I and \$550K of Title III funds are to support all ELL programs in the District (Section 3, p. 13) – a total of approximately \$650K for a district with a significant segment of Latino, ELL, and immigrant students. She objected to the minimal allocations, asserting that this is a disservice to these students.

Commissioner Campos highlighted the success of the Rochester International Academy (RIA), which is specifically for non-Spanish-speaking students. She advocated for replicating this model or a similar program (e.g. “Newcomer program”) for Latino students. Commissioner Campos suggested providing an immersion program to assist Spanish-speaking students from other countries become acclimated to the U.S. and to the educational system here. The Superintendent replied that the Rochester International Academy (RIA) model specifically applies to children whose education has been interrupted significantly due to war or other types of internal strife in their country. He stated that care must be taken in applying a model to different types of students with very different needs and backgrounds. Superintendent Vargas suggested that the transitional model at School No. 9 would be more applicable to recently arrived Latino students. He offered to have staff from RIA and School No. 9 give a presentation of their programs to the Board.

Commissioner Campos expressed concern that successful programs are not replicated in the District, and asked about the needs of students outside of School No. 9. The Superintendent emphasized the importance of identifying specific needs and the history of different student populations arriving from out of the country to determine the appropriate placement. He stated that each program created in the District must be sustainable in the long term because of budget constraints.

Commissioner Campos pointed out that Latino students have the lowest Regents scores in the District, even lower than students with disabilities in Special Education. She asserted that the District has to change its approach to these students because current practices are failing. Superintendent Vargas stated that further examination would be needed of the options and resources to create a different approach, and to consider the implications in terms of NYS regulations and for families and the community. He suggested that this discussion take place outside of budget deliberations.

Commissioner Powell noted that although the overall student population in the District is shrinking due to charter schools, the influx of immigrant and Latino students is leading them to become a larger percentage of the student population.

Commissioner Evans commended the Superintendent and Finance staff for their fiscal stewardship over the last several years, noting that this has not always been the case. He recalled a time when the Finance department was reorganized and significant problems ensued in terms of financial management. Commissioner Evans objected to the proposed merging of the Budget Director and Grant Director positions, emphasizing the importance of having one staff member dedicated to monitoring a \$1B budget. He asked about the rationale for this proposal, stating that he doesn’t understand the need to change what’s working well.

Action Item: Mr. Ansbrow will provide to the Board the rationale for proposing that the Budget Director and Grants Director positions be merged in the 2014-15 RCSD budget.

Commissioner Elliott inquired about the cost for the services of a nationally recognized football consultant, and the need for these services. Mr. Ansbrow replied that this is one component of an athletic initiative planned for 2014-15, which will also include equipment and training for volunteer coaches to become certified.

Action Item: Mr. Ansbrow will provide the Board with a breakdown of proposed expenditures under the athletic initiative planned for 2014-15, including the estimated cost for the services of a nationally recognized football consultant.

Commissioner Elliott asked about the \$5.2M shown as “Net of Other Charges” in Section 1, p. 15. Mr. Ansbrow replied that these are items costing less than \$1M and he stopped itemizing beyond this threshold.

Action Item: Mr. Ansbrow will provide the Board with a breakdown of the \$5.2M “Net of Other Charges” in Section 1, p. 15 of the 2014-15 Budget Book.

Commissioner White stated that he submitted questions regarding evaluating the effectiveness of the expanded learning programs and the key performance measures used to examine vendor performance for contracts exceeding \$25K. He noted that the response regarding evaluating vendor performance basically stated that this has not been done in the District and evaluations of expanded learning programs will not be available until mid-April or later. Commissioner White objected to the District’s continued practice of failing to base funding decisions on evaluation and analysis, noting that millions are expended without any indication of efficacy.

Superintendent Vargas clarified that the expanded learning program involves voluntary participation by schools to enhance instruction time by 300 or more hours per year, while extended learning is required by the State for priority schools and involves an additional 200 hours of instruction time per year. He reported that the five schools participating in the expanded learning program are School Nos. 3, 10, 23, 45, and 46.

The Superintendent pointed out that School No. 9 is in the second year of implementing expanded learning, and this school has had the best growth scores in the District in the last year.

Action Item: Superintendent Vargas will provide the Board with additional information about the 200 extra hours of instruction to be given in the priority schools in 2014-15.

The Superintendent will also include in his report to the Board at the State of Our Schools (planned for August 2014) the specific schools in the same situation as East High School.

Commissioner White inquired about the effectiveness of the Wegmans initiative at Northeast and Northwest College Preparatory Academies. He discussed the District's institutionalized practice of failing to monitor the current status or progress of initiatives and programs. Commissioner White proposed that the Board create a policy prohibiting payment of contractors until a performance assessment has been completed.

Superintendent Vargas noted that the District has tended to initiate programs out of a sense of urgency (e.g. Northeast and Northwest Preparatory Academies), often due to pressure from external entities (i.e. the State) to make changes. He assured the Board that data will be provided regarding school performance after it has been released by the State.

Commissioner Adams pointed to the sophisticated technological systems and capable data analysts in the District, and inquired why this information and analysis cannot be provided internally at this time. She also noted that each of the grants received by the District (e.g. School Improvement Grants – SIG) require monitoring and evaluation, so this data should already be available. Superintendent Vargas replied that the District has formative and summative data, but cautioned about interpretation and comparison with NYS data with which the public is more familiar.

Commissioner Adams requested the following information:

- Comparison of costs and a time analysis for schools with expanded learning programs with schools that do not have these programs
- Staffing for preK through grade 3 restructuring, with a fully restored Director of Early Childhood Education
- Additional information about the \$13M for expanded learning programs, the extent to which this includes extended learning programs and SIG-related requirements
- Complete list of costs for expanded learning and for extended learning programs

Action Item: The Superintendent will provide the information requested above by Commissioner Adams to the Board.

Commissioner Adams asked whether Social Workers will assume a new role with the reorganization of Special Education, particularly for school-based Social Workers in elementary schools. Mr. Suriano replied that the proposed 2014-15 budget includes a minimum of 1.0FTE for a Social Worker in every school, which will enable provision of mandated services under Individual Educational Plans (IEPs) and social-emotional support/learning to students.

Commissioner Adams expressed concern that 1.0FTE for a Social Worker in every school may not be sufficient to provide the needed social-emotional support to students, particularly with the elimination of in-school suspension, Alternatives to Suspension, and

positive behavioral supports. Mr. Suriano stated that Social Workers will serve in a more proactive capacity in schools by providing social-emotional support rather than focusing on mandated services.

Section 2 (Policies, Priorities, and Plans)

Commissioner Powell expressed the hope that the existing Day Care policy could be implemented, particularly for students in the Young Mothers program. She noted that providing day care for these students could be cost-neutral if a child care provider can be obtained that is approved by Monroe County and if subsidies can be obtained for these students.

Commissioner Elliott voiced a general concern about accountability and implementation of Board policies in the District. She asserted that there has been a pervasive problem in the District failing to follow through with implementation, monitoring and analysis, which results in the State requiring re-design of schools and increasing numbers of students attending charter schools. Commissioner Elliott stated that the District obtains resources for initiatives and creates approaches based on theory, but this fails to translate into results that benefit students. She contended that the District will not be able to move forward until the underlying issues and barriers have been addressed.

Commissioner White discussed several questions submitted that related to the recommendations of the Special Committees convened earlier this year. He noted that the question regarding the salary of the Director of African – African American Studies goes beyond questioning this specific position, but is indicative of the extent to which cultural relevance (i.e. African – African American studies, Latino studies) is a priority and valued in the District. Commissioner White also asserted that this reflects the priority given to the recommendations of the special committees and of the larger community.

Commissioner White identified his biggest budget priorities:

- Creating a Latino Studies department to address the needs of these students
- Elevating the role of parents in the District
- Establishing an Office of Equity/Social Justice
- Establishing an Office of Instructional Change
- Creating an “Adopt A School” program based on the PENCIL Partnership model
- Social – emotional supports for students based on their needs

Commissioner White asserted that having 1.0FTE for a Social Worker in every school may not be equitable in terms of meeting school or student needs. He stated that the real issue relates to the resources required to provide social/emotional supports and services based on the needs of the students in each school.

Commissioner Adams contended that more community input and support is needed for the curriculum, social/emotional/behavioral supports, instructional support, and parent

engagement to realize a major shift in the culture and prevailing paradigm. She also discussed the continuum from violence in the streets to misconduct in the classroom, asserting that mechanisms must be put in place to address staff behavior and school culture to promote reform of disciplinary practices. Commissioner Adams noted that student disciplinary issues reflect the quality of relationships in school and the larger community, which is why the focus on staff and school culture is so critical.

Commissioner Powell stated that she was alarmed at the response to one of the questions, which stated that new school boundaries will be established to balance school capacities with students. She stated that the intent of the School Choice policy was to end the practice of establishing specific school boundaries to ensure that enrollment would be based on the choice process, rather than the number of students residing in proximity to the school. Superintendent Vargas responded that the consultant, Michael Alves, is preparing a report indicating that the School Choice policy has not been implemented with fidelity in the past and this is now being rectified. Ms. Ramos clarified that Mr. Alves' recommendation was to re-examine school boundaries if the District would like to promote neighborhood schools within the school choice model.

Section 3 (District-wide Summary Budget)

Mr. Giannini requested information about the District's plan and fiscal support for expeditionary learning in the future. The Superintendent replied that the models in the District must be sustainable and teachers cannot only teach four courses, particularly when considering expanding this model to other schools. He stated that a critical mass of schools is necessary to participate to make this model sustainable. Superintendent Vargas also emphasized the importance of consistency over time and among schools to provide stability in the District. He stated that expeditionary learning is currently utilized at School No. 8 and there is a commitment to support this model at that school. Superintendent Vargas discussed the importance of ensuring that the investment in expeditionary learning is generally sustainable – not only in one school.

Commissioner Adams noted that there seems to be concern about constraints imposed in the current expeditionary learning model, and asked whether this model will be continued in the District with a different vendor. Superintendent Vargas discussed concerns regarding the sustainability of expeditionary learning, citing an example with School No. 10. He stated that a great deal of professional development was provided to the teachers at this school, but many of these teachers subsequently left School No. 10 and went to schools that do not use this model.

Commissioner Adams inquired about differences between teachers who received the expeditionary learning training compared to those who did not. The Superintendent underscored the importance of continual evaluation of the effectiveness of training and educational models. He stated that the District cannot afford to offer courses in which students cannot earn credits, and this is one of the reasons that expeditionary learning is not a sustainable model. Superintendent Vargas clarified that some of the courses integral

to expeditionary learning do not meet the criteria for credit-bearing courses as defined by NYS regulations.

Ms. Murphy added that a coach is in the school during implementation of expeditionary learning, and their role diminishes as the school staff assume greater responsibility in applying this model. She asserted that the presence of the vendor was supposed to be temporary, until the school staff are ready to apply and sustain expeditionary learning. Ms. Murphy stated that the District would have to rectify implementation of expeditionary learning with the criteria for credit-bearing courses under NYS regulations to make the model sustainable and to replicate it in other schools.

Mr. Giannini asked whether the District will remain committed to expeditionary learning in the four schools that currently utilize this model. He asked about the status of implementation in each of these schools and the amount of funding required to reach a sustainable level in each school.

Action Item: The Superintendent will provide the Board with information of the current status of implementing expeditionary learning in the four schools using this model, as well as the costs for each school to attain a sustainable level for this model.

Commissioner Elliott inquired about the \$1.08M increase for BOCES Career & Technical Education (CTE) services (Section 3, p. 19), particularly with the CTE initiative in the District for 2014-15. Superintendent Vargas replied that the District is required to provide Career & Technical Education (CTE) services through BOCES for students at East High School. He stated that grants are no longer available to the District for these services, and will now have to be paid from the General Fund. The Superintendent noted that the actual cost will be determined by the number of students enrolling in the CTE program at BOCES in 2014-15. Mr. Ansbrow pointed out that this budget item also includes the cost of obtaining nursing services through BOCES.

Commissioner Elliott asked about the \$19M in funding proposed for hourly teachers. Mr. Connors replied that this includes extra pay for work performed beyond the regular work day, and the primary factors for this funding increase are expanded day, extended day, and expanded summer school programs.

Commissioner Elliott noted that this winter has been especially harsh, and asked about the source of funds to cover the additional utility costs. Mr. Connors responded that the budget contingency funds are used in these types of unexpected situations.

Mr. Giannini pointed out that several School Improvement Grants (SIG), Race to the Top, and Title I grants have declined by a total of approximately \$14M from 2013-14 to 2014-15. He asked about the staff that have been supported by these grants, and the impact on programs and services. The Superintendent responded that staffing adjustments have been made and there will also be an impact on vendors that have contracted with the District.

Action Item: Superintendent Vargas will provide an update to the Board regarding grant projections for 2014-15.

Mr. Ansbrow stated that Section 1, p. 17 lists the major grants for which the District has applied but has not yet been awarded (\$17M). He reported that the District is in the process of applying for an additional \$15-25M in funds from competitive grants. Mr. Ansbrow noted that this is an ongoing timing issue in developing the budget because the budget and grant cycles do not necessarily coincide.

Mr. Connors explained that SIG grants are competitive three-year grants awarded by the State to struggling schools to develop and fund improvement plans. He stated that the District tries to minimize permanent staffing under grants because this revenue is temporary. Mr. Connors noted three main criteria involved in grant funding:

1. Obtaining revenue from grants that align with the goals in the District's Strategic Plan;
2. Ensure that the school has incorporated mechanisms to sustain improvements after the grant funding ends;
3. Avoid adding staff with temporary funding

Mr. Connors asserted that if these three conditions cannot be met, then the District should not pursue or accept the grant.

Mr. Giannini inquired about specific areas in the District in which services will be affected or goals not realized due to the loss of grant revenue. Mr. Connors replied that this question can only be answered by the experts in the schools that have been working under these grants. Superintendent Vargas reported that loss of this grant revenue has affected the District's funding for professional development, which is required by the State for the staff in schools with extended day programs.

Superintendent Vargas observed that federal investment in education (e.g. Race to the Top, Title I) has wavered historically, and therefore cannot be considered a reliable source of revenue over time. He also cautioned about creating new initiatives, programs or services using grant funds because an expectation develops that this will be maintained over time – even if the funding is not.

Mr. Ansbrow reported that the 2014-15 proposed budget funds fewer coaches because Title I rollover funds are no longer available (\$4.2M decrease). He stated that these positions will be supported to the extent that additional grant revenue is received.

Commissioner Elliott recalled that the Superintendent has discussed reducing costs for Professional Technical Services for contracts and vendors, but the proposed 2014-15 budget shows an increase of \$4M from 2012-13 levels (Section 3, p. 19).

Action Item: The Superintendent will provide a written summary to the Board of the annual expenditures for Professional Technical Services from 2012-13 to proposed for 2014-15.

Mr. Connors noted that one of the major factors affecting the increase in these costs for 2014-15 is full-day community-based preK providers.

Motion by Commissioner Cruz to adjourn. Seconded by Commissioner Elliott. **Adopted 6-0, with concurrence of Parent Representative.**