

Rochester Board of Education
Finance Committee
March 20, 2014

Attendance: Commissioner Powell (Chair); Commissioners Evans, Elliott (arrived at 5:43PM) and Cruz (arrived at 6:06PM). Parent Representative: Giancarlo Giannini. District Staff: Bill Ansbro, Chief Financial Officer; Michael Schmidt, Chief of Operations; John Burke, Purchasing; and Mark Cassella, IM&T. Community Members: Elizabeth Laidlaw, RCSD parent, tutor, and representative of Urban Presbyterians Together.

Commissioner Powell convened the meeting at 5:36PM.

I. Input from Community Member regarding proposed 2014-15 RCSD Budget

Elizabeth Laidlaw expressed gratitude to the Board of Education for supporting an increase in the number of Social Workers in the District. She thanked Commissioner Powell for her leadership on this issue and Commissioner Evans for his research to set forth this proposal.

Ms. Laidlaw noted that additional costs will be incurred to ensure at least 1.0FTE for a Social Worker in every school, but pointed out that the District's Grants Office has outstanding ability to locate opportunities and secure funding. She stated that the Urban Presbyterians Together consortium will donate additional backpacks and school supplies to students this year to help prepare for school.

Ms. Laidlaw discussed considerable research she has conducted over the last three years regarding models/initiatives for de-concentrating poverty in urban areas. She referred to a book written by researcher Jerry Grant regarding one of these models, with a comparison between Syracuse, NY and Raleigh, NC. Ms. Laidlaw reported that she and other members of Urban Presbyterians Together plan to travel to Raleigh, NC to examine this model and the factors affecting its success.

Commissioner Powell asked whether Raleigh, NC is a center for high technology and business development. Ms. Laidlaw replied that Raleigh, Durham, and Chapel Hill comprise the "Research Triangle" in North Carolina. She explained that the business community in this area was advocating for reform of local school systems.

Commissioner Powell stated that she has heard that the students in this area are quite diverse, and include many immigrant families and English language learners. She stated that she is interested in monitoring the impact of the poverty de-concentration model in these school districts because of the implications for the work being conducted by Michael Alves at RCSD in studying school choice and the current zone model.

II. Question regarding the Fresh Fruit & Vegetable Program

Giancarlo Giannini recalled that approximately \$900K was included in the budget amendments in December 2013 for the Fresh Fruit & Vegetable program. He requested an update regarding expenditures to date, amount of funding for 2013-14, the schools participating in this program, the amount of food consumed v. the amount thrown away, and indicators of program effectiveness. Mr. Ansbrow responded that efforts are under way to include 7th and 8th grade students in the grant for schools with K-8 grade levels, and \$87K has been provided through the General Fund to date to include these students. Mr. Schmidt stated that he will provide data of the schools and number of students participating in the Fresh Fruit & Vegetable program tomorrow.

Action Item: Mr. Schmidt will provide information to the members of the Finance Committee of the schools and the number of students participating in the Fresh Fruit & Vegetable program.

Mr. Schmidt reported that this program has been very well received in schools and by students, to the point where 7th and 8th grade students were disappointed that they were not initially included in the grant. He noted that there have been concerns in the past about the freshness of the produce, but this has improved through selection of more seasonal items and better delivery systems. Mr. Schmidt stated that the result has been a significant decline in the amount of food waste under this program.

Commissioner Elliott inquired about the possibility of offering items such as smoothies, which might be more appealing to students. Mr. Schmidt expressed appreciation for this suggestion, and offered to look into this possibility.

Mr. Ansbrow reported that he will not be able to provide financial information regarding the Fresh Fruit & Vegetable program until next week.

Action Item: Mr. Ansbrow will inform the Finance Committee of the financial impact of the Fresh Fruit & Vegetable program in terms of expenditures, and the cost of food waste under this program compared to food waste costs in schools not participating in the program.

III. Questions & Answers

Commissioner Powell requested a brief synopsis of the current status of the NYS budget and of the one-house bills. Mr. Ansbrow replied that the NYS Assembly has proposed a 2% increase in funding for education above the amount in the Governor's budget, while the NYS Senate has proposed a 1% increase above this level. He stated that the Conference Committee has just begun to meet in negotiations, and emphasized the importance of daily contact with key legislators to ensure that RCSD budgetary needs are met.

Mr. Ansbrow reported that the District's proposed 2014-15 budget continued to be developed right up until the deadline this year because an evaluation was conducted of the way in which Special Services are provided. He stated that data regarding student Individual Education Plans

(IEPs) and services must be obtained to determine staffing levels, and this caused a slight delay in school staffing allocations. Mr. Ansbrow announced that a forum will be held with parents on Saturday, March 22nd, to discuss Special Services.

Mr. Ansbrow discussed opportunities to obtain additional revenue by leasing extra space in the District. He reported that a charter school approached the District to inquire about leasing opportunities, and the NYS Education Department has been consulted regarding requirements and regulations governing this type of arrangement.

Commissioner Powell reported that a statement was just released from the Joint Senate – Assembly Committee about providing an additional \$240M in funding for education. She noted that the statement indicated that funds for preK education would be added to this amount, although information is not yet available about the way in which these additional funds will be allocated.

Commissioner Elliott inquired about the budgetary implications due to problems with Career & Technical Education and having to redesign/develop a new plan for East High School. Mr. Ansbrow confirmed that these actions will have an impact on the 2014-15 RCSD budget, but the details will not be known until a plan has been developed and approved by the NYS Education Department for East High School. He stated that this may have to be addressed through budget amendments this summer.

Commissioner Elliott asked about overages in renovating School No. 58 and the overall impact of the FMP on the local share/cost. Mr. Ansbrow responded that the Board approved a maximum amount for the local share of Phase I of the FMP, and projections indicate that expenditures will stay within that limit. He recalled that the local share for each school in Phase I was reported to the Board, and the upgrades for School No. 58 comprised the largest portion of the local share because of the age of the building and the need to accommodate K-12 grade levels. He stated that he is exploring the possibility of distributing these costs over a five-year time period, which would mitigate the fiscal impact to some extent.

IV. Review and Approve Minutes of February 13, 2014 and February 27, 2014 Finance Committee Meetings

Motion by Commissioner Evans to approve the minutes of the February 13, 2014 Finance Committee meeting. **Adopted 3-0, with concurrence of Parent Representative.**

Motion by Commissioner Evans to approve the minutes of the February 27, 2014 Finance Committee meeting. **Adopted 3-0, with concurrence of Parent Representative.**

V. Review and Approve February 2014 Financial Report

Commissioner Elliott requested receipt of the monthly financial report prior to the Finance Committee meeting.

Action Item: Ms. Flanagan will email the monthly financial report to Commissioner Elliott, members of the Finance Committee, and the Parent Representative prior to the Finance Committee meeting.

Motion by Commissioner Evans to approve the February 2014 Financial Report. **Adopted 3-0, with concurrence of Parent Representative.**

VI. Review and Approve 2nd Quarter Student Activity Funds Report

Commissioner Evans emphasized the importance of school staff being aware that Student Activity Funds are public funds and do not belong to them. He noted that the Board reviews and approves Student Activity Fund Reports to ensure appropriate use of public monies.

Commissioner Evans referred to a recent situation in which school staff refused to provide information in an audit, and expressed concern about accountability in the use of these funds.

Commissioner Elliott commented that processes should be in place and penalties imposed when employees are not conducting themselves appropriately or professionally.

Commissioner Powell noted that accountability has actually improved because schools had not provided Student Activity Fund Reports for a number of years. She stated that Student Activity Funds had to be withheld in some cases to hold schools accountable.

Motion by Commissioner Evans to approve 2nd Quarter Student Activity Funds Report. Seconded by Commissioner Cruz. **Adopted 4-0, with concurrence of Parent Representative.**

VII. Review and Approve Proposed Resolutions for March 27, 2014 Board Business Meeting

A. BUDGET

1. Rates for Non-Resident Tuition – Resolution No. 2013-14: 542

Commissioner Powell noted that the Administration investigated and found that the District is able to charge tuition for foreign exchange students attending RCSD schools, and this is now being done.

Mr. Giannini asked whether the non-resident elementary tuition rate of \$415 is per student per day. Mr. Ansbrow replied that \$415 is the difference between half-day and full-day tuition for non-resident elementary students for the entire school year.

Motion by Commissioner Evans to approve above resolution for non-resident tuition rates. Seconded by Commissioner Cruz. **Adopted 4-0, with concurrence of Parent Representative.**

B. PROCUREMENT & SUPPLY

- 1. Jim Dal Sports, Inc. (dba “Jim Dalberth Sporting Goods”); Laux Sporting Goods, Inc.; Riddell/All American Sports Corporation; Toth’s Sports; V&V Vending (dba “Valenti Sports”); and Varsity Spirit Fashion – contract extension to purchase athletic uniforms for various schools – Resolution No. 2013-14: 543**
- 2. Lightspeed Technologies, Inc.; Oticon, Inc.; Phonak, LLC (dba “Phonak Hearing Systems”); and Tequipment, Inc. – contract extension to purchase audiology supplies and equipment – Resolution No. 2013-14: 544**
- 3. Flower City Glass; Pleasant View Glass, Inc. – contract extension to purchase laminated, insulated glass and glazing tape for various District locations – Resolution No. 2013-14: 545**

Motion by Commissioner Evans to address all above Procurement & Supply resolutions as a group. Seconded by Commissioner Cruz. **Adopted 4-0, with concurrence of Parent Representative.**

Motion by Commissioner Evans to approve all above Procurement & Supply resolutions. Seconded by Commissioner Cruz. **Adopted 4-0, with concurrence of Parent Representative.**

C. INFORMATION MANAGEMENT & TECHNOLOGY

- 1. Cisco Electronics – utilize Cisco equipment as the standard in all bids for wired and wireless local area networks – Resolution No. 2013-14: 546**

Commissioner Evans inquired about the purpose of this IM&T resolution. Mr. Cassella replied that this resolution is to require standardization of the network platform throughout the District. He noted that this is particularly necessary with the facility upgrades performed under the FMP and Capital Improvement Plan (CIP) to ensure compatibility and to coordinate staff training.

Motion by Commissioner Evans to approve above IM&T resolution. Seconded by Commissioner Cruz. **Adopted 4-0, with concurrence of Parent Representative.**

D. EDUCATIONAL FACILITIES

Contracts:

- 1. BRG Corporation – general construction work; Epic contracting of Orchard Park – asbestos abatement work – contract for renovations to School No. 3 – Resolution No. 2013-14: 547**

- 2. Titan Development, Inc. – general construction work; Bell Mechanical Contractor, Inc. – HVAC work; Daniel J. D’Amico Plumbing and Heating Co., Inc. – plumbing work; Hewitt Young Electric, LLC – electrical work – renovations to School No. 23 – Resolution No. 2013-14: 548**
- 3. Steve General Contractor, Inc. – general construction work; Sunshine Environmental Services, Inc. – asbestos abatement work; Unified Mechanical Inc. – plumbing work; Invictus Electrical, LLC – electrical work – renovations to School No. 35 – Resolution No. 2013-14: 549**
- 4. Kuitems Construction, Inc. – general construction work; AAC Contracting, Inc. – asbestos abatement work; Pipitone Enterprises, LLC – HVAC work; Hewitt Young Electric, LLC – electrical work – renovations to School No. 41 – Resolution No. 2013-14: 550**
- 5. Highland Masonry and Restoration, Inc. – general construction work; Lloyd Mechanical Co. – HVAC work; Michael A. Ferrauilo Plumbing & Heating, Inc. – plumbing work; Invictus Electrical, LLC – electrical work; Fibertech Environmental Services, Inc. – asbestos abatement work; TES environmental Corporation – air monitoring work – renovations to School No. 52 – Resolution No. 2013-14: 551**
- 6. Genesee Building Restoration, Inc. – general construction work; Spring Sheet Metal & Roofing Co., Inc. – roofing work; Pipitone Enterprises, LLC – mechanical work; Thurston Dudek, LLC – plumbing work; Invictus Electrical, LLC – electrical work – renovations to East High School – Resolution No. 2013-14: 552**
- 7. Steve General Contractor, Inc. – general construction work; Landry Mechanical Contractors, Inc. – mechanical work; Thurston Dudek, LLC – plumbing work; Concord Electric Corporation – electrical work – renovations to Edison Educational Campus – Resolution No. 2013-14: 553**
- 8. Kuitems Construction, Inc. – general construction work; Pipitone Enterprises, LLC – HVAC; Concord Electric Corporation – electrical work; TES Environmental Corporation – air monitoring work – renovations to Jefferson Educational Campus - Resolution No. 2013-14: 554**
- 9. Heaster Building Restoration, Inc. – general construction work; Eastcoast Electric, LLC – electrical work – Renovations to School of the Arts – Resolution No. 2013-14: 555**

10. Pipitone Enterprises, LLC – HVAC work; Eastcoast Electric, LLC – electrical work – renovations to School Without Walls Commencement Academy – Resolution No. 2013-14: 556

11. UDN, Inc. – general construction work; Pipitone Enterprises, LLC – HVAC work; Daniel J. D’Amico Plumbing & Heating Co., Inc. – plumbing work; Invictus Electrical, LLC – electrical work – renovations to Wilson Foundation Academy – Resolution No. 2013-14: 557

Motion by Commissioner Evans to address all above Facilities contract resolutions as a group. Seconded by Commissioner Cruz. **Adopted 4-0, with concurrence of Parent Representative.**

Commissioner Powell pointed out that these are new contracts for performing capital improvements under the CIP this summer.

Commissioner Elliott questioned the need for renovations to East High School when there is a real possibility of the school closing. She urged consideration of other possible uses for this facility. Mr. Schmidt stated that a great deal has already been invested in renovating East High School, and the initial improvements will be completed this August.

Commissioner Powell stated that the District has to be a good steward of its property, noting that it can be sold at market value even if completely vacated.

Commissioner Evans recalled the Superintendent stating that closing East High School will not be a viable option, and that restructuring the school is under consideration. Mr. Schmidt added that District staff have the flexibility to make modifications to the building, even with a dramatic programmatic change to the school.

Motion by Commissioner Evans to approve all above Facilities contract resolutions. Seconded by Commissioner Cruz. **Adopted 4-0, with concurrence of Parent Representative.**

Final Payments:

12. Hewitt Young Electric, LLC – final payment for electrical work for renovations to School No. 6 – Resolution No. 2013-14: 558

13. Lloyd Mechanical Co., LLC – final payment for mechanical work for renovations to School No. 30 – Resolution No. 2013-14: 559

14. **Unified Mechanical Contractors, Inc. –final payment for plumbing work for renovations to School No. 34 – Resolution No. 2013-14: 560**
15. **Kuitems Construction, Inc. – final payment for general construction work for renovations to School No. 42 – Resolution No. 2013-14: 561**
16. **Lloyd Mechanical Co., LLC – final payment for HVAC work for renovations to School No. 44 – Resolution No. 2013-14: 562**
17. **Lloyd Mechanical Co., LLC – final payment for plumbing work for renovations to School No. 44 – Resolution No. 2013-14: 563**
18. **Hewitt Young Electric, LLC – final payment for electrical work for renovations to East High School – Resolution No. 2013-14: 564**
19. **Pipitone Enterprises, LLC – final payment for HVAC work for renovations to East High School – Resolution No. 2013-14: 565**
20. **Mark Cerrone, Inc. – final payment for asbestos abatement work for renovations to Wilson Commencement Academy and Wilson Foundation Academy – Resolution No. 2013-14: 566**
21. **Crosby-Brownlie, Inc. – final payment for HVAC work for renovations to the Douglass campus – Resolution No. 2013-14: 567**

Motion by Commissioner Evans to address all Facilities final payment resolutions as a group. Seconded by Commissioner Cruz. **Adopted 4-0, with concurrence of Parent Representative.**

Commissioner Elliott expressed concern regarding the high percentage of M/WBE payments for Resolution Nos. 2013-14: 555, 557, and 560. Mr. Schmidt stated that the final payment does not necessarily reflect the total amount or percentage for M/WBE participation, but is simply the amount needed to close out the project.

Commissioner Elliott voiced concern about possible misappropriation of funds, citing the 95% M/WBE share with the contract under Resolution No. 2013-14: 560. Mr. Schmidt replied that this contract was with a minority-owned business, which would receive the vast majority of the payment as the owner.

Commissioner Elliott requested information about the remaining 5% of the payment under this contract.

Action Item: Mr. Schmidt will provide information to the Finance Committee of the remaining 5% of the payment that was not for M/WBE participation under the contract referred to in Resolution No. 2013-14: 560.

Mr. Schmidt discussed capital improvements made to School No. 42 to improve building security. He described steps taken in the wake of the Sandy Hook tragedy in December 2012, stating that a full analysis was conducted of the entryways of all RCSD schools and this led to the discovery that security was most problematic at School No. 42. Mr. Schmidt pointed out that individuals could enter the school without any contact with the main office, thereby enabling anyone to enter without school authorities' knowledge. He described meeting with school administrators and faculty to discuss the security concerns. Mr. Schmidt stated that the entry of School No. 42 has been reconfigured to ensure that all entering the building are visible to staff in the main office.

Commissioner Elliott asked whether all RCSD school buildings have the same level of safety and security as is now at School No. 42. Mr. Schmidt replied that safety enhancements comprise an essential aspect of the CIP and FMP for this year.

Commissioner Elliott pointed out that if the additional expenditures to restructure the entryway for School No. 42 exceeded \$31K, the Board should have been informed before this meeting.

Commissioner Powell stated that the Board was informed of the additional cost and scope of the project through the Quarterly Change Order Report, which reflects project modifications. She noted that this report offers Board members the opportunity to review project costs before the final payment is made.

Mr. Ansbrow pointed out that the District receives 97-98% reimbursement in NYS Building Aid for these types of improvements.

Motion by Commissioner Evans to approve all above Facilities resolutions for final payments. Seconded by Commissioner Cruz. **Adopted 4-0, with concurrence of Parent Representative.**

Motion by Commissioner Evans to adjourn. Seconded by Commissioner Cruz. **Adopted 4-0, with concurrence of Parent Representative.**