

Rochester Board of Education
Finance Committee
September 19, 2013

Attendance: Commissioner Powell (Chair) - absent; Commissioners Cruz and White. Parent Representative: Giancarlo Giannini (left at 6:43PM) District Staff: Bill Ansbrow, Chief Financial Officer; Vernon Connors, Budget Director; Patty Malgieri, Chief of Staff. Board Staff: Debra Flanagan.

Commissioner Cruz chaired the meeting in Commissioner Powell's absence. He convened the meeting at 6:25PM.

I. Review and Approve Minutes of the August 15, 2013 and August 19, 2013 Finance Committee Meetings

Motion by Commissioner White to approve the minutes of the August 15th and August 19th Finance Committee meetings. **Adopted 2-0, with concurrence of Parent Representative.**

III. Review August 2013 Financial Report

Bill Ansbrow reported that there are no major financial issues at this point because the fiscal year has just begun.

Motion by Commissioner White to approve the August 2013 Financial Report. **Adopted 2-0, with concurrence of Parent Representative.**

IV. Review Year-End Student Activity Fund Report for 2012-13

Parent Representative Giancarlo Giannini sought clarification regarding schools not included in the Year-End Student Activity Fund Report for 2012-13. Mr. Ansbrow confirmed that schools are not included in the report if they had no funds.

Motion by Commissioner White to approve the Year-End Student Activity Fund Report for 2012-13. **Adopted 2-0, with concurrence of Parent Representative.**

V. Review and Approve Resolutions in Preparation for September 26, 2013 Board Business Meeting

A. PROCUREMENT & SUPPLY

- 1. Bernadette, Inc. dba Interstate All Battery Center, Cross Bros. Co., D & W Diesel, Inc., Fleet Pride, Frey The Wheelman Inc. dba Frey Heavy Duty, Matthews Buses, Inc., Oil Filter Service, Inc., Regional International Corp., Tracey Road Equipment, Inc. and Uni-Select, Inc. – extension of contracts for Auto, Truck**

**and Bus Parts to maintain and repair the District's fleet vehicles
– Resolution No. 2013-14: 207**

Motion by Commissioner White to approve above Procurement resolution.
Adopted 2-0, with concurrence of Parent Representative.

B. EDUCATIONAL FACILITIES

Contracts:

- 1. Rejection of single bid for maintenance service contract for fence repair – Resolution No. 2013-14: 208**
- 2. Heaster Building Restoration, Inc. - contract extension for masonry repair – Resolution No. 2013-14: 209**
- 3. Pipitone Enterprises, LLC, Inc. – contract extension for refrigeration/equipment repair – Resolution No. 2013-14: 210**
- 4. Betlem Service Corporation – extension of Contract No. 2B - for maintenance of air conditioning/air handling – Resolution No. 2013-14: 211**
- 5. Betlem Service Corporation – extension of Contract No. 2C – boiler repair – Resolution No. 2013-14: 212**
- 6. Industrial Furnace Co., Inc. – new contract for maintenance/repair of boiler tubes – Resolution No. 2013-14: 213**
- 7. Industrial Furnace Co., Inc. – new contract for boiler refractory repair - Resolution No. 2013-14: 214**
- 8. DG Messmer Corp. – contract extension for sewer cleaning – Resolution No. 2013-14: 215**
- 9. DG Messmer Corp. – contract extension for plumbing repair – Resolution No. 2013-14: 216**
- 10. R.C. Shaheen Paint Co., Inc. – new contract for shades/blinds repair – Resolution No. 2013-14: 217 - **Withdrawn****
- 11. Downey-Goodlein Elevator Corp. – new contract for elevator repair – Resolution No. 2013-14: 218**
- 12. P.D.H. Contractors, Inc. – new contract for curtain and stage drapery cleaning – Resolution No. 2013-14: 219**
- 13. Home Guard Environmental Services, Inc. – contract extension for asbestos abatement – Resolution No. 2013-14: 220**

14. **TES Environmental Corp. – contract extension for testing laboratory services – Resolution No. 2013-14: 221**
15. **Kuitems Construction, Inc. – contract extension for miscellaneous millwright repair – Resolution No. 2013-14: 222**
16. **Kuitems Construction, Inc. – contract extension for general carpentry – Resolution No. 2013-14: 223**
17. **Manel Excavating Corp. – contract extension for paving and resurfacing – Resolution No. 2013-14: 224**
18. **Leo J. Roth Corp. – new contract for roof repairs – Resolution No. 2013-14: 225**
19. **Sheen and Shine, Inc. – new contract for window washing services (Groups A, B, C, E and J) – Resolution No. 2013-14: 226**
20. **Power Team Maintenance Co., Inc. d/b/a All Seasons Window Cleaning Co. – contract extension for window washing services (Groups D, F, G, H and I) – Resolution No. 2013-14: 227**
21. **A.R. Pierrepont Co., Inc. – contract extension for painting – Resolution No. 2013-14: 228**
22. **Kircher Construction, Inc. – contract extension for demountable partition work – Resolution No. 2013-14: 229**
23. **Hewitt Young Electric LLC – contract extension for electrical work at various schools – Resolution No. 2013-14: 230**
24. **J.C. Ehrlich Co., Inc. – new contract for pest management services – Resolution No. 2013-14: 231**

Motion by Commissioner White to address all above Facilities contracts as a group. **Adopted 2-0.**

Motion by Commissioner White to approve all above Facilities contracts. **Adopted 2-0.**

Final Payments:

25. **McMullen-Bishop, Inc. – final payment for electrical work for renovations to School No. 4 – Resolution No. 2013-14: 232**
26. **Leo J. Roth Corp. – final payment for HVAC work for Renovations to School No. 16 and School No. 44 – Resolution No. 2013-14: 233**
27. **Leo J. Roth Corp. – final payment for HVAC work for Renovations to School No. 46 – Resolution No. 2013-14: 234**

Motion by Commissioner White to address above Facilities final payment resolutions as a group. **Adopted 2-0.**

Motion by Commissioner White to approve all above Facilities final payment resolutions. **Adopted 2-0.**

Other:

28. Day Automation Systems, Inc. – Agreement to provide software, hardware and technical support to assist in the maintenance of the District’s Energy Management System, contingent upon the form and terms of the Agreement having been approved by Counsel to the District – Resolution No. 2013-14: 235

Motion by Commissioner White to approve above contract with Day Automation Systems, Inc. **Adopted 2-0.**

VI. Discuss Resolution No. 2013-14: 68 (Agreement with Center for Youth for the Rochester Teen Court) referred by Board to the Finance Committee

Commissioner Cruz recalled that the Board discussed this resolution regarding an agreement with the Center for Youth for the Rochester Teen Court in the August 19, 2013 meeting. The Board decided to refer the resolution to the Finance Committee at Commissioner Powell’s suggestion, so that options could be explored in terms of program efficiencies and potential sources of additional funding.

Commissioner White noted that the 2013-14 budget includes \$7500 for the Rochester Teen Court, and he asked about the way in which this figure was derived. Patty Malgieri replied that the allocation for Rochester Teen Court was made in the context of examining agreements with all external organizations, and many difficult decisions had to be made to close the \$50M deficit. She stated that the Superintendent’s priority is to focus resources on instruction in the classroom, so cuts had to be made to other types of programs. Bill Ansbro pointed out that 1264 additional children have enrolled for the 2013-14 school year above projections, and additional funding is needed for their instruction. He stated that the budget contingency fund was created to address these types of unforeseen circumstances, and will be used to accommodate these additional students.

Ms. Malgieri reported that the Superintendent believes that increasing funding during the fiscal year for one external partner will lead to a re-evaluation of funding for all partners.

Commissioner White continued to question the basis for the \$7500 funding allocation for the Rochester Teen Court, inquiring whether this 50% reduction was based on a decrease in the number of students served or changes in the recidivism rate. He noted that 60-65% of the children that go to the Rochester Teen Court have committed offenses in the Rochester City School District. Given that the majority of youngsters served by the Teen Court program are from the District, Commissioner White contended that the District has an obligation to support

the program. He also discussed the importance of the Teen Court in diverting children from the formal criminal justice program, thereby preventing them from entering the “cradle-to-prison pipeline” and giving them additional opportunities to succeed. With concerns escalating in the community regarding gang involvement and youth violence, Commissioner White asked whether the Administration has considered re-directing funds to address these issues. Ms. Malgieri responded that it is the right and responsibility of the Board to address issues that have arisen since adoption of the budget and this is one of the purposes of the contingency fund.

Mr. Ansbrow reported that he will present information to the Board in October regarding the number of additional students enrolled in the District and the status of SIG grant funding. He offered to include an update regarding the balance in the contingency fund at that time. Mr. Ansbrow stated that the best information currently available indicates that the contingency fund balance is “razor thin” due to enrollment of additional students and NYSED questioning some of the allowable costs under grants received by the District. Vern Connors added that the current balance in the contingency fund is approximately \$500K. He stated that RCSD may receive additional SIG funding, but definitive information is not yet available.

Commissioner White inquired about the status of the Harvard fund. Mr. Ansbrow replied that RCSD was recently awarded this grant, and is still waiting to hear about approval of the grant for the LyncX program. Commissioner White asked how the District would fund this initiative if it had not been awarded the Harvard grant. Mr. Connors replied that Title I funds would have been used in that situation.

Commissioner White asked whether Title I funds could be used to increase the allocation for the Rochester Teen Court. Mr. Connors replied that all Title I funds have been committed to other programs. Commissioner White questioned how all of the Title I funds have been committed to other programs, when \$100K had to be set aside in case the District had not been awarded the Harvard grant. Mr. Connors explained that the contingency fund is the only fund in the 2013-14 budget that has not been committed for specific purposes.

Commissioner White contended that the Administration is able to locate funding for its priorities, but not for the priorities of the Board or community. He stated that there have been numerous examples of the Administration locating funding for its priorities, even when not included in the budget. He cited the example of the extended day program at NE and NW College Preparatory Academies, which was to be financially supported by Wegmans. Commissioner White explained that Wegmans could not provide funding for sufficient staffing of these programs, and the Administration went to considerable effort to re-direct funds – even though this had not been incorporated into the budget. He noted that this effort amounted to approximately \$1M that had not been budgeted for this purpose.

Commissioner White pointed out that approximately \$25K is needed to fund the Rochester Teen Court sufficiently, yet there are objections to diverting from the budget by even such a relatively small amount. He emphasized that failing to provide adequate support for preventive programs such as the Rochester Teen Court, PBS, and ATS is a much more costly approach in the long term, particularly in view of the extensive effort required to re-engage students after they have been involved in the criminal justice system. Ms. Malgieri expressed concern about increasing

the funding allocation for the Teen Court at this point, leading to increases in funding to other community organizations for similar programs (e.g. Pathways to Peace).

Commissioner White asserted that the Teen Court is unique in diverting students from the formal criminal justice system, and no other programs accomplish this goal. He contended that the City of Rochester is currently in a crisis with regard to youth violence, and the Teen Court is highly effective in preventing recidivism. He noted that 78% of the youth that go through the Rochester Teen Court do not re-offend.

Commissioner White emphasized the need to base funding decisions on examination of data, particularly when these decisions have such a significant impact on students. He objected to across-the-board funding cuts to community agencies, regardless of the unique population served or the efficacy of their programs.

Commissioner Cruz observed inconsistencies in the way in which the District treats external partners, tending to compound difficulties for community organizations that have fewer resources (e.g. daycare providers). He noted that discrepancies in funding priorities and practices have led to inequities such as covering the costs associated with the Gates Foundation grant, but reducing funding for the Center for Youth for the Teen Court. Commissioner Cruz underscored the importance of consistency in District fiscal agreements with outside partners to ensure the long-term sustainability of these critical relationships.

Commissioner White suggested waiting until information is available in October regarding changes in student enrollment, budget amendments, and the contingency fund balance.

Action Item: Mr. Ansbrow will obtain the following information and report his findings to the members of the Finance Committee in the October meeting:

- **Possibility of using Title I funds to increase the allocation for the Rochester Teen Court**
- **Possibility of using SIG grant funds for adding to the allocation for the Rochester Teen Court**
- **Balance in the budget contingency fund**

Motion by Commissioner White to table consideration of the above resolution until the next Finance Committee meeting on October 17th. **Adopted 2-0.**

VII. Follow-Up on Action Items from August Finance Committee Meeting

I. Follow-Up on Action Items from Previous Meeting

- A. The schools attended by the 3rd and 4th grade students included in the longitudinal study by the Wallace Foundation

- B. Estimated cost savings from modernizing school buildings under the FMP (e.g. reduced utility and maintenance costs)
- C. Possibility of using solar panels to provide energy for the schools modernized under the FMP, and of obtaining assistance to purchase the panels

Commissioner Cruz suggested considering the above follow-up items in the October Finance Committee meeting, considering the delay in beginning this meeting.

Motion by Commissioner White to adjourn. **Adopted 2-0.**

Meeting adjourned at 7:14PM.