

**Rochester Board of Education
Finance Committee Meeting of the Whole
June 9, 2011**

MINUTES

Attendance: Commissioner Powell (Chair) and Commissioners Cruz (left at 7:09PM), Campos, White, and Evans (arrived at 6:12PM). District Staff: Superintendent Vargas, Joyce Martelli, Jeanette Silvers, Rob Ulliman, Mary Doyle, Chuck Johnson, Annmarie Lehner, Mark Cassella and Maria Mello-Dupre. Board Staff: Debra Flanagan.

Commissioner Powell convened the meeting at 6:03 p.m.

I. Review and Approve Minutes of May 18, 2011 Finance Committee Meeting

Motion by Commissioner White to approve the minutes of the May 18, 2011 Finance Committee meeting. Seconded by Commissioner Cruz. **Adopted 3-0.**

II. Presentation by Office of Accountability regarding Software Applications

Jeanette Silvers discussed three different software applications to be utilized by the Office of Accountability: Certify, NWEA, and an add-on to DataCation. She noted that a resolution for the Certify application (Certica Solutions, Inc.) is included in the agenda for this evening's Finance Committee meeting, and a resolution for the add-on to DataCation is to be addressed in the June 22nd Board Business meeting. Ms. Silvers stated that the resolution for NWEA will be presented to the Finance Committee and to the Board in July.

Certify:

An overview and demonstration of the Certify software application was presented, and Ms. Silvers explained that this program will cleanse all of the data in the Chancery, IEP Direct, and Data Warehouse before submission to the State. She stated that the Certify system will scan all of the data on a nightly basis to identify errors, and automatically generate an email to each staff person (data steward) responsible for entering the data to notify them of the error. Each data steward will log into the Certify system, which will contain a link to the specific location of each error. Certify will also indicate the larger implications of the error and precise corrective actions needed. In this way, errors in District records will be dramatically reduced.

Ms. Silvers reported that problems in merging data with the switch to the Chancery student record system resulted in many errors. Consequently, staff have been manually identifying and correcting the information in the Chancery system, a process which entails a great deal of time and cost. Based on pilot implementation of Certify in November 2010, the likelihood of obtaining an inaccurate transcript has fallen from 46% to 11%. After further data correction, Ms. Silvers asserted that a 99% accuracy rate in student transcripts is expected. She reported that Certify will be used next year to correct errors in student enrollment (BEDS data), demographics, student behavior/disciplinary records, and participation in programs. She gave an example of one disciplinary incident involving multiple students and noted that the current system recorded this as

multiple incidents, thereby contributing toward an erroneous designation of the school as “persistently dangerous”.

Commissioner Powell pointed out that this system should reduce the incidence of staff repeating the same errors, since they will receive regular feedback and information about the exact corrective actions needed.

Add-On to DataCation:

Ms. Silvers reported that an RFP was issued for a contract to provide assessment results at the student, classroom, and building level in a timely manner to allow targeted intervention to address student needs and improve achievement. Although the District scans assessments, assessment results are not available in time to facilitate targeted intervention. Ms. Silvers stated that no vendors were able to respond to the RFP to meet the District’s particular software needs, so DataCation was approached to inquire whether a solution could be devised.

Ms. Silvers described an add-on to the existing DataCation program that will provide assessment results within 24-48 hours, with an item analysis to identify the specific concepts or skills with which a student is struggling. This will allow teachers to tailor their instructional approach to the particular needs of each student. This additional component of DataCation is planned to be piloted in five high schools.

Commissioner Powell questioned the NYS requirement that school districts scan assessments and provide results within 24-48 hours, yet there are no vendors with this capability. Ms. Silvers clarified that NYS requires assessments to be scanned, but allows three months for generating the results. She stated that assessment results are a useful tool for teachers only if there is time to adapt their instruction accordingly. She also noted that the item analysis generated by this component of DataCation is critical in enabling teachers to identify the specific skill or concept to target for instruction.

Rob Ulliman presented sample reports for the 2008 cohort (to graduate in 2012) for the entire District and at the school level. He explained that the report identifies the number/percentage of students in need of “intensive triage” (i.e. 0-5 credits), “moderate triage” (5-11 credits), and “additional support”, as well as those having an adequate number of credits at this point to graduate. He noted that the report also provides information as to the number/percentage of students that have passed three Regents exams, and those who are “on track” for graduation (i.e. at least 11 credits and passed at least three Regents exams). This information allows teachers to focus intervention efforts on students at risk of not graduating and to monitor these students’ performance throughout the school year. Principals will also have this information to evaluate overall performance of the students in their school.

Commissioner White commented on the apparent value of this system, but expressed concern about the extent to which it will be utilized by teachers and administrators. Ms. Silvers replied that staff in the Office of Accountability have been working closely with the Teaching & Learning Division and the Zone Chiefs in designing this component to be as user-friendly as possible for school-based staff. Superintendent Vargas added that this data must be used on a daily basis and by staff in different positions (i.e. teachers, counselors, principals, Zone Chiefs, etc.) to monitor and promote student achievement.

Commissioner White asked whether the detailed data at the class level can be sorted from students most in crisis to those least in crisis, as an additional aid for teachers. He also asked whether the data can be sorted by counselor and by teacher to enable principals to evaluate the performance of the staff in their school. Superintendent Vargas replied that information has been available for years as to the students most at risk and the actions necessary to improve student achievement, but the real issue is to change the organizational culture and addressing goals systematically. He emphasized the importance of staff participation at multiple levels (e.g. principals, counselors, teachers, Zone Chiefs) to implement the necessary changes.

Commissioner White noted that the purpose of sorting the data by counselor or teacher would be to identify staff members who are not performing well. He contended that the District has not had the tools in the past to take the steps necessary to boost student achievement, particularly in terms of usable data.

Jeanette Silvers emphasized that timely availability of assessment results will enable teachers to modify their instructional approach to adapt to student needs, thereby maximizing teaching effectiveness. Superintendent Vargas pointed out that the most critical factor is embedding the use of these types of tools into the culture to maximize its' use and benefit.

Mr. Ulliman described conducting training sessions with the Zone Chiefs and school principals on an individual basis to tailor the training to their particular needs and knowledge base. Ms. Silvers discussed initiatives conducted by the Office of Accountability to meet with new principals in the program at St. John Fisher College to emphasize the criticality of data in their work and to inform them of the tools available.

Commissioner White requested a presentation and/or information as to the way in which the Chancery, IEP, DataCation, and Certify systems interact.

Action Item: Ms. Silvers will provide information to the Board to graphically illustrate the interactions between the Chancery, IEP Direct, DataCation, and Certify systems.

NWEA:

Ms. Silvers explained that NWEA was selected from a number of benchmark assessments and will enable parents to monitor their child's performance in detail over time. NWEA will identify the particular areas in which a student is excelling or struggling.

Commissioner White inquired as to who will be responsible for following up on the data provided through NWEA. Ms. Silvers replied that the Zone Chiefs will be primarily responsible for tracking this data.

Commissioner Cruz expressed concern that the data be provided in a comprehensible and readily accessible way in order to be a useful to parents in monitoring their child's performance. He also asked whether the information will be provided in other languages for those families for which English is not their first language. Ms. Silvers stated that the company is developing a Spanish assessment tool, which will be piloted by the District.

III. Presentation regarding the District Share of the Facilities Modernization Program (FMP)

Joyce Martelli referred to two resolutions regarding the District share for the FMP, which will amount to \$34 - \$39m payable over a fifteen-year period beginning in 2015. She noted that the fifteen-year timeframe will minimize interest costs and thereby reduce annual costs for maintenance bonds. Ms. Martelli stated that these reduced costs will enable the District to make the annual payments toward the local share of the FMP. She reported that the City of Rochester has already approved the bonding for the FMP, which is now contingent upon approval of the Board of Education. She stated that the community has been involved in every stage of the FMP, including use of the facility at 690 St. Paul Street as swing space.

Commissioner Powell pointed out that New York State has frozen aid at 2007-08 levels and thereby has not lived up to the promise of full funding of urban districts. For this reason, she stated that the District cannot fully support the FMP. She noted that energy savings resulting from modernizing school buildings represents cost avoidance, but does not add revenue to support the annual local share required for the FMP. Commissioner Powell contended that the annual \$2m payment of the District's share for FMP will come out of funds that could be used for the classroom, amounting to approximately 35 teaching positions. She stated that the legislation authorizing the FMP simply increased the District's borrowing limit, but does not add revenue to help meet current needs. She cautioned against being dismissive about the impact of funding shortfalls in the future, noting that proceeding with the FMP will create modern buildings with no teachers.

Commissioner Evans stated that he has worked on the FMP since 2004 and the program needs to move forward.

Commissioner White replied that it would be irresponsible to reject this opportunity and the funding support available, especially in light of the age of the District's school buildings.

Late Submission Resolutions for Consideration in June 16, 2011 Board Business Meeting:

- 1. City of Rochester issuance of Bond Anticipation Notes (BANs) for \$29m on behalf of the Rochester City School District toward the District's share for Phase I of the Facilities Modernization Program (FMP) - Resolution No. 2010-11: 922**

Motion by Commissioner Cruz to approve resolution for the City of Rochester to issue \$29m in Bond Anticipation Notes to finance Phase I of the FMP. Seconded by Commissioner White. **Adopted 2-1, with Commissioner Powell dissenting.**

- 2. Agreement for RCSD to pay \$39.7m for Phase I of the Facilities Modernization Program, with \$29m in bond issuance and the remainder from EXCEL aid available to the District**

Motion by Commissioner Cruz to approve resolution for the District to agree to \$39.7m payment for its' share for Phase I of the FMP. Seconded by Commissioner White. **Adopted 2-1, with Commissioner Powell dissenting.**

IV. Review and Approve May 2011 Financial Report

Motion by Commissioner White to approve the May 2011 Financial Report. Seconded by Commissioner Cruz. **Adopted 3-0.**

Ms. Martelli stated that the District's cash flow is sufficient at this point, but the State Aid payment for this month will be delayed. She noted that legislation approved last year requires payment of State Aid to school districts by June 30th, and this payment is critical in funding summer school programs and preparation for the beginning of the school year.

Ms. Martelli reported that the audit team is preparing for the external audit (CAFR) in September.

Ms. Martelli also stated that a matrix is being developed to clarify the various functions of the Finance Department (e.g. Purchasing, Grants, Accounts Payable). She provided handout materials with this information.

V. Review of Resolutions for June 16, 2011 Board Business Meeting

A. PROCUREMENT & SUPPLY

1. **Morris Protective Services, Inc. – security guard services – Resolution No. 2010-11: 886**
2. **Lewis General Tires, Inc. – Resolution No. 2010-11: 887**
3. **Altec Industries, Inc.; B.J.R. Auto Radiator Service, Inc.; General Collision, Inc.; George & Swede Sales & Service, Inc.; Hawk Frame & Axle, Inc.; Kaiser-Wilcox Corporation; Milt & Ron's Transmission; Penn D.D.A., LLC; Thru-Way Auto Spring Service, Inc. - vehicle repairs – Resolution No. 2010-11: 888**
4. **Water Wise of America, Inc. – water treatment chemicals and services to maintain air conditioning and boiler systems – Resolution No. 2010-11: 889**

Motion by Commissioner White to address all above Procurement & Supply resolutions as a group. Seconded by Commissioner Cruz. **Adopted 3-0.**

Motion by Commissioner White to approve all above Procurement & Supply resolutions. Seconded by Commissioner Cruz. **Adopted 3-0.**

B. FACILITIES

Final Payments:

1. **DG Messmer, Corp. – mechanical work for renovations to Wilson Commencement Academy – Resolution No. 2010-11: 882**
2. **Steve General Contractor, Inc. – general construction for renovations to School No. 58 – Resolution No. 2010-11: 883**

Motion by Commissioner White to address all above Final Payment resolutions for Facilities as a group. Seconded by Commissioner Cruz. **Adopted 3-0.**

Motion by Commissioner White to approve all above Final Payment resolutions for Facilities. Seconded by Commissioner Cruz. **Adopted 3-0.**

Leases:

- 3. University of Rochester, Memorial Art Gallery – lease for grounds for physical education for the School of the Arts – Resolution No. 2010-11: 884**

Motion by Commissioner White to approve above Lease resolution for Facilities. Seconded by Commissioner Cruz. **Adopted 3-0.**

C. INFORMATION TECHNOLOGY

- 1. CELT Corporation – assistance provided to the District to obtain E-rate reimbursement – Resolution No. 2010-11: 890**
- 2. eVerge Group of Texas, Ltd. – expand Data Warehouse – Resolution No. 2010-11: 891**
- 3. eVerge Group of Texas, Ltd. – online recruiting and ePerformance implementation – Resolution No. 2010-11: 892**

Commissioner White inquired as to the purpose for the proposed contract with the CELT Corporation. Annmarie Lehner explained that this company assists the District in obtaining reimbursement for specific technologies (i.e. E-ratable), and has been successful in obtaining these funds for the last three years. She noted that E-rate reimbursement is expected to decline this year because the District spent less for these technologies this year. Ms. Lehner stated that the CELT Corporation identifies the specific items for which reimbursement may be obtained, completes the necessary paperwork, and monitors the process.

Commissioner White asked whether CELT Corporation is paid on a contingency basis. Ms. Lehner replied that the company receives one annual fee for these services.

Commissioner White questioned whether in-house staff will eventually obtain sufficient knowledge to perform these functions, so that there will be no need to hire contractors. Mark Cassella responded that the services provided by CELT Corporation are quite cost-effective: for an annual fee of \$39K, a total of \$10m in reimbursements were received by the District. He also noted that as the District reduces expenditures for these E-ratable items, CELT Corporation also reduces their fees. Another aspect of the services provided by CELT Corporation is assistance with audits of E-rate reimbursements. Mr. Cassella pointed out that the specific items eligible for reimbursement change frequently, which would be cumbersome and time-consuming for the District to monitor.

Motion by Commissioner White to address all above Information Technology resolutions as a group. Seconded by Commissioner Cruz. **Adopted 3-0.**

Motion by Commissioner White to approve all above Information Technology resolutions. Seconded by Commissioner Cruz. **Adopted 3-0.**

D. OTHER

- 1. Certica Solutions, Inc. – software to correct and validate data in Chancery, IEP, and Data Warehouse prior to submission to the State – Resolution No. 2010-11: 893**
- 2. Lawson Software Americas, Inc. – web-based human resources, employee benefits and payroll system integrated with PeopleSoft – Resolution No. 2010-11: 894**

Motion by Commissioner White to address above resolutions for Certica Solutions, Inc. and Lawson Software Americas, Inc. as a group. Seconded by Commissioner Cruz. **Adopted 3-0.**

Motion by Commissioner White to approve above resolutions for Certica Solutions, Inc. and Lawson Software Americas, Inc. Seconded by Commissioner Cruz. **Adopted 3-0.**

Late Submission:

Regional Transit Incorporated – to provide high school students with bus transportation to and from school for Summer School programs – Resolution No. 2010-11: 924

Commissioner White asked how expenditures are calculated for RTS services over the summer. Maria Mello-Dupre replied that the cost of RTS transportation services is based on the number of students attending summer school programs, as well as the zones in which those students reside. She reported that RTS services cost \$376 per student and 3,059 students are enrolled in summer school for a total of 32 days.

Commissioner White inquired as to the cost for the District to provide transportation to these students for summer school. Ms. Mello-Dupre replied that costs would double if the District provided this transportation.

Motion by Commissioner White to approve above resolution for RTS to provide transportation for high school students to attend summer school programs. Seconded by Commissioner Cruz. **Adopted 3-0.**

Motion by Commissioner White to adjourn. Seconded by Commissioner Cruz. **Adopted 3-0.**

Meeting adjourned at 7:10PM.

Next Finance Committee Meeting: July 21st, immediately following Policy Committee Meeting