

**Rochester Board of Education
Finance Committee
May 18, 2010
Immediately following Policy Committee Meeting**

MINUTES

Attendance: Commissioner Powell (Chair) and Commissioners White and Cruz. District Staff: Joyce Martelli, Jerome Underwood, Annmarie Lehner, Gary Smith, Vern Connors and Paul Burke.

Commissioner Powell convened the meeting at 6:39 p.m.

I. Review and Approve Minutes of April 15, 2010 Finance Committee Meeting and April 13, 2010 and April 26, 2010 Finance Committee Meeting of the Whole

Motion by Commissioner Cruz to approve the minutes of the April 15th Finance Committee meeting and of the April 13th and April 26th Finance Committee Meetings of the Whole. Seconded by Commissioner White. **Adopted 3-0.**

II. Questions and Answers regarding RCSD Financial Status

Joyce Martelli reported that the Governor has proposed withholding a portion of the June payment to school districts until the end of the month. She stated that no information is available currently as to the amount or percentage to be withheld, but the District will be able to sustain financially until the end of June. However, she noted that there is uncertainty as to the way in which the delayed payment will affect summer school, particularly since projections indicate that New York State will run out of money by the end of June.

Commissioner Powell stated a recent discussion in the Excellence in Student Achievement Committee meeting indicated that summer school would be paid largely through federal grant funds and therefore should not be in jeopardy due to the State's late payment. Ms. Martelli replied that a portion of District funds is necessary to cover the cost of summer school completely; the impact depends on the amount and timing of the payment from the State.

III. Receive and Review April 2010 Financial Report

Motion by Commissioner White to approve the April 2010 Financial Report. Seconded by Commissioner Cruz. **Adopted 3-0.**

IV. Receive and Review Quarterly Student Activity Funds Report

Commissioner White noted significant disparities among schools in terms of the level of student activity, as reflected in the amount of funds generated. He expressed the hope that the Administration is not just using this report to ensure that funds have been spent appropriately, but also to monitor the efforts of school administrators to encourage student activities.

Action Item: Discussion of the Administration's use of the Quarterly Student Activity Funds Report will be included as an agenda item for the Excellence in Student Achievement Committee. The Zone Chiefs are to be invited to attend this Committee meeting.

Motion by Commissioner Cruz to approve the Quarterly Student Activity Funds Report. Seconded by Commissioner White. **Adopted 3-0.**

V. Quarterly Change Order Report

Commissioner Powell noted that the Board will be voting in the May 25th Business Meeting to review and receive the Quarterly Change Order Report, which was provided to the Board in April. She proposed that the Finance Committee meet again just prior to the Board Business meeting on May 25th to review and receive this report.

Action Item: The Finance Committee will convene at 6:15PM on Tuesday, May 25th, just prior to the Board Business meeting, to review and receive the Quarterly Change Order Report.

VI. Review of Proposed Resolutions for April 29, 2010 Board Business Meeting

A. INFORMATION MANAGEMENT & TECHNOLOGY:

- 1. KC Distance Learning, Inc. (dba Aventa Learning) – (Resolution No. 2009-10: 873): withdrawn 5/17/10**

B. HUMAN CAPITAL INITIATIVES

- 1. POMCO, Inc. – (Resolution No. 2009-10: 901)**

Gary Smith explained that six responses were received to the RFP to administer the District's self-funded Workers' Compensation Plan, but only two bidders met the screening criteria: EBS and POMCO, Inc. He stated that POMCO, Inc. was selected based on their experience and the quality of their proposal.

Mr. Smith noted that Workers' Compensation costs have been gradually declining over the years, and are currently approximately \$2m per year. He stated that additional cost savings are anticipated in the future from reduced administration fees and payment of a smaller percentage for audits of medical claims.

Commissioner Cruz inquired as to the rationale for using external contractors for these services. Ada Nivia Velazquez, Workers' Compensation Specialist, replied that in-house administration of the Workers' Compensation Plan would require hiring staff with medical expertise to evaluate and pay medical claims, an approach that would be cost prohibitive.

Commissioner Cruz asked about the way in which the medical claims are audited. Ms. Velazquez responded that the audits are currently conducted by a consultant, who provides fiscal oversight and ensures compliance with Workers' Compensation laws and regulations. She stated that the District plans to renew the contract with this consultant.

Motion by Commissioner White to approve the agreement with POMCO, Inc. to administer the District's Workers' Compensation Plan. Seconded by Commissioner Cruz. **Adopted 3-0.**

C. YOUTH DEVELOPMENT & FAMILY SERVICES

1. Aztec Software Associates, Inc. – (Resolution No. 2009-10: 874)

Paul Burke explained that this agreement is for a comprehensive literacy training software package that is used with adults, high school and middle school students. He noted that post-test results were over 20% higher for those participating in this literacy training program.

Commissioner White inquired as to the way in which the program is funded. Mr. Burke replied that funding is provided through the Employment Preparation Education Grant.

Motion by Commissioner White to approve agreement with Aztec Software Associates, Inc. Seconded by Commissioner Cruz. **Adopted 3-0.**

D. INFORMATION MANAGEMENT & TECHNOLOGY

- 1. Tele Data Com, Inc. – (Resolution No. 2009-10: 875)**
- 2. Xerox Corporation – (Resolution No. 2009-10: 876)**
- 3. Cellco Partnership (dba Verizon Wireless) – (Resolution No. 2009-10: 877)**
- 4. CELT Corporation – (Resolution No. 2009-10: 878)**
- 5. NCS Pearson, Inc. – (Resolution No. 2009-10: 879)**
- 6. Serverware Corporation – (Resolution No. 2009-10: 880)**
- 7. Oracle USA, Inc. – (Resolution No. 2009-10: 881)**

Annamarie Lehner reported that all of the Information Management & Technology resolutions are for contract renewals.

Commissioner White requested additional information regarding the contract with Cellco Partnership. Ms. Lehner replied that this contract renewal is to continue providing services for the 300 cell phone users and 70 air card users in the District. Commissioner White asked about the way in which staff are determined to have a need for cell phones or air cards. Ms. Lehner stated that this determination is based on the District's cell phone regulation and consists of two categories: pre-approved users (i.e. Superintendent and key staff); pre-authorized users (staff who are away from their office for at least half the day on a regular basis, such as technicians).

Commissioner White inquired as to the funding source for Information Management & Technology contracts and purchases. Ms. Lehner stated that the funds are budgeted each year based on the contracts and agreements that are due to expire.

Commissioner Powell noted that some of these items are eligible for E-rate reimbursement, which defrays some of the costs.

Ms. Lehner clarified that the current resolution for an agreement with NCS Pearson is for annual maintenance, whereas a resolution with this same vendor last month was for implementation of PowerTeach and Parent Connect software.

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

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

VII. PROCUREMENT:

- 1. Audiology Supplies & Equipment – (Resolution No. 2009-10: 870)**
- 2. Conolly Printing – (Resolution No. 2009-10: 871)**
- 3. Barnes & Noble – (Resolution No. 2009-10: 872)**

Motion by Commissioner White to consider all above procurement resolutions as a group. Seconded by Commissioner Cruz. **Adopted 3-0.**

Commissioner White asked about the way in which funds were budgeted last year for audiology supplies and equipment. Mr. Smith stated that this resolution is for a contract extension and the funds were budgeted for the Audiology Department based on an assessment of the student population.

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

VIII. FACILITIES

Contracts

- 1. SWBR Architecture, Engineering, & Landscape Architecture, PC – (Resolution No. 2009-10: 890)**
- 2. Architectura, PC – (Resolution No. 2009-10: 891)**
- 3. Chaintreuil Jensen Start Architects, LLP – (Resolution No. 2009-10: 892)**
- 4. Clark Patterson Engineers, Surveyor and Architects, PC – (Resolution No. 2009-10: 893)**
- 5. CMA Architecture, PC – (Resolution No. 2009-10: 894)**
- 6. HBT Architects, LLP – (Resolution No. 2009-10: 895)**
- 7. Hunt Engineers, Architects & Land Surveyors, PC – (Resolution No. 2009-10: 896)**
- 8. IBC Engineering, PC – (Resolution No. 2009-10: 897)**
- 9. LaBella Associates, PC – (Resolution No. 2009-10: 898)**
- 10. Thomas H. Anderson (dba MA Architects) – (Resolution No. 2009-10: 899)**
- 11. Watts Architecture & Engineering, PC – (Resolution No. 2009-10: 900)**
- 12. School No. 1, 8, and 45 Renovations – (Resolution No. 2009-10: 882)**
- 13. Charlotte High School – (Resolution No. 2009-10: 883)**

Commissioner Powell noted that all of the above Facilities contracts are to begin design and engineering work on CIP projects. Jerome Underwood pointed out that the contract with SWBR Architecture, Engineering, & Landscape Architecture is for work on the 2009-10 CIP.

Motion by Commissioner White to consider all above Facilities contract resolutions as a group. Seconded by Commissioner Cruz. **Adopted 3-0.**

Commissioner White commented on the District's apparent failure to distribute business equitably to firms of color. Mr. Underwood replied that there have been challenges in locating firms of color specifically for architecture and specific trade work, but also acknowledged that the District's outreach efforts have been lacking. He stated that he is planning a presentation to the Board regarding the funds expended on public works projects, with a breakdown of M/WBE participation by trade. Mr. Underwood also noted that a new staff member has been quite aggressive in locating firms of color, which has resulted in a 30-40% reduction in waivers granted.

Motion by Commissioner White to approve all above Facilities contracts. Seconded by Commissioner Cruz. **Adopted 3-0.**

Final Payments

**14. Lloyd Mechanical – renovations to School No. 3 –
(Resolution No. 2009-10: 884)**

**15. Lloyd Mechanical – renovations to School No. 7 –
(Resolution No. 2009-10: 885)**

**16. Steve General Contractor, Inc. – renovations to School No. 3 –
(Resolution No. 2009-10: 886)**

**17. Steve General Contractor, Inc. – renovations to East High School –
(Resolution No. 2009-10: 887)**

**18. WYCO Mechanical, LLC – Transportation Department complex –
(Resolution No. 2009-10: 888)**

Motion by Commissioner Cruz to consider all above final payment resolutions as a group. Seconded by Commissioner White. **Adopted 3-0.**

Motion by Commissioner Cruz to approve all above final payment resolutions. Seconded by Commissioner Cruz. **Adopted 3-0.**

Other

**19. New York State Education – Building Project Reports -
(Resolution No. 2009-10: 889)**

Motion by Commissioner White to approve Building Project Reports to the New York State Education Department. Seconded by Commissioner Cruz. **Adopted 3-0.**

G. LATE SUBMISSIONS TO AGENDA

1. CaseNEX, LLC – (Resolution No. 2009-10: 914)

Jeanette Silvers explained that this resolution is to extend the annual maintenance agreement for DataCation until the end of the fiscal year on June 30, 2010. She stated that a resolution will be submitted for renewal of this agreement from July 1, 2010 through June 30, 2011 to ensure ongoing provision of technical support and assistance. Ms. Silvers reported that the total cost of this agreement is \$65K per year.

Motion by Commissioner White to approve above resolution to extend annual maintenance agreement with CaseNEX until June 30, 2010. Seconded by Commissioner Cruz. **Adopted 3-0.**

2. IBC Engineering, PC – (Resolution No. 2009-10: 913)

Mr. Underwood noted that this resolution is for design and engineering for renovations to the Central Kitchen, which is to be performed this summer.

Motion by Commissioner White to approve above resolution for design and engineering services for renovation of Central Kitchen. Seconded by Commissioner Cruz. **Adopted 3-0.**

IX. Review of Milestones and Timelines for Board Goals Assigned to Finance Committee for 2010-11

Debra Flanagan reviewed the proposed milestones and timelines for attaining the Board goals assigned to the Finance Committee for 2010-11.

Motion by Commissioner Cruz to approve proposed milestones and timelines for attaining Board goals assigned to the Finance Committee for 2010-11. Seconded by Commissioner White. **Adopted 3-0.**

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

Meeting adjourned at 7:36PM.

Next Meeting: June 10th, immediately following the Excellence in Student Achievement Committee meeting.