

**Rochester Board of Education
Finance Committee
March 18, 2010
5:30 p.m.**

MINUTES

Attendance: Commissioner Powell (Chair) and Commissioner White; Commissioner Cruz absent. District Staff: Joyce Martelli, Jerome Underwood, Annmarie Lehner, Gladys Pedraza Burgos, and Jeanette Silvers. Board Staff: D. Flanagan

Commissioner Powell convened the meeting at 6:09 p.m., immediately following the Finance Committee Meeting of the Whole.

I. Review and Approve Minutes of February 18, 2010 Finance Committee Meeting

Motion by Commissioner White to approve the February 18, 2010 Finance Committee Meeting minutes. **Adopted 2-0.**

II. Review and Receive February 2010 Financial Report

Joyce Martelli stated that there are not many changes in the report at this time.

Motion by Commissioner White to approve the February 2010 Financial Report. **Adopted 2-0.**

III. Review of Proposed Resolutions for March 23, 2010 Board Business Meeting

A. INFORMATION MANAGEMENT & TECHNOLOGY:

1. Oracle/eVerge (Resolutions 2009-10: 720 and 721)

Commissioner White noted that there is a large volume of resolutions and contracts with Oracle, and inquired as to the reason. Annmarie Lehner replied that this resolution is for licenses with the new Oracle Business Enterprise Edition to create a District data warehouse by integrating data from separate systems, such as Chancery, HR, and PeopleSoft Financials. Ms. Lehner clarified that this is the first component of development the data warehouse, which will require three months to complete. She stated that the District plans to expand to other financial systems over next winter.

Commissioner White expressed concern about the projected \$61.1m deficit and questioned whether the \$500K for this part of data warehouse development could be used to reduce the deficit, particularly as it will not affect classrooms. Ms. Lehner replied that these funds are specifically tied to information technology and will not be available after 2010-11, so could not be used to reduce the deficit.

2. Hewlett Packard (Resolution No. 2009-10: 719)

Commissioner Powell asked about the rationale for the resolution regarding an agreement with Hewlett Packard. Ms. Lehner clarified that Hewlett Packard manages all of the licensing for Microsoft and is now offering to bundle individual software licenses together, which will reduce these costs by approximately \$2m and will also provide for software upgrades.

Motion by Commissioner White to approve the above Information Management and Technology resolutions. **Adopted 2-0.**

B. PROCUREMENT:

1. L.D.L. Pools (Resolution No. 2009-10: 716)

2. Monroe – Orleans BOCES 2 – purchase of engineering and biomedical supplies (Resolution No. 2009-10: 717)

Motion by Commissioner White to approve above procurement resolutions. **Adopted 2-0.**

C. FACILITIES

Contracts

1. Window Specialists Inc. – School No. 5 (Resolution No. 2009-10: 703)

2. Window Specialists Inc. – School No. 6 (Resolution No. 2009-10: 704)

3. Renovations to School No. 9 and Clinton Baden Recreation Center (Resolution No. 2009-10: 705)

4. Renovations to Schools No. 16 and 22 (Resolution No. 2009-10: 706)

5. Renovations to School No. 34 (Resolution No. 2009-10: 707)

6. Renovations to School No. 42 (Resolution No. 2009-10: 708)

7. Renovations to School No. 58 (Resolution No. 2009-10: 709)

8. Renovations to Frederick Douglass Campus (Resolution No. 2009-10: 710)

9. Renovations to Edison Educational Campus (Resolution No. 2009-10: 711)

Commissioner White noted the expense involved in some of the school renovations (e.g. \$577K for window repair at School No. 5), and asked whether at least some of these expenses could be deferred to help reduce the deficit. Ms. Martelli explained that these renovation costs are covered by bonds for which the District receives 98% reimbursement from the State, so that reductions in these expenses would not result in much cost savings. Since these are capital improvements covered by issuing bonds, any additional revenue realized could not be used to cover operational expenses. Ms. Martelli reported that the Capital Improvement Plan will be presented to the Board within the next few weeks, and that considerable maintenance, repair and renovation is needed to the District's school buildings because of their age.

Commissioner White inquired whether the \$28m in debt currently held by the District could be reduced in any way. Ms. Martelli replied that if even no new capital projects were undertaken, the District would still have to pay interest on

bonds issued for past projects because the interest payments are paid over a fifteen-year period.

Commissioner Powell commented that costs and risks to the District and students could escalate significantly without performing needed maintenance and repairs, providing an example of replacing a boiler and heating system in School No. 16).

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

Final Payments

10. Kuitens Construction Inc. – renovations to School No. 7
(Resolution No. 2009-10: 712)

11. Lawman Heating & Cooling, Inc. – renovations to School No. 5
(Resolution No. 2009-10: 713)

12. Leo J. Roth Corporation – renovations to School No. 29
(Resolution No. 2009-10: 714)

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

Other

13. O’Brien & Gere Engineers, Inc. (Resolution No. 2009-10: 715)

Jerome Underwood explained that this resolution is for an agreement for an outside firm to review records and re-inspect District facilities every three years, as required by law.

Commissioner Powell commented that this is just another unfunded mandate.

Motion by Commissioner White to approve above resolution to contract with O’Brien & Gere Engineers, Inc. to perform the required record review and inspection of District facilities. **Adopted 2-0.**

D. OTHER

1. Follett Software Company (Resolution No. 2009-10: 718)

Motion by Commissioner White to approve the agreement with Follett Software Company. **Adopted 2-0.**

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

Meeting adjourned at 6:44 p.m.

Next Meeting: April 15th at 5:30PM