

# **Rochester Board of Education**

## **Finance Committee**

**July 24, 2008**  
**6:30 p.m.**

### **MINUTES**

**Attendance:** Commissioners Powell (Chair), Elliott and Williams, District Staff: V. Carfagna, V. Connors, H. Cook, J. Fenton, T. Keysa, S. Lee, B. Rubenstein, C. Wheeler. Parent Representative: Felix Jacobs, and Board Staff: H. Washington.

Commissioner Powell convened the meeting at 6:30 p.m.

#### **I. Minutes for June Meeting**

Commissioner Elliott asked for clarification on G. Smith's comments regarding not to exceed limits on service contracts. Commissioner Powell recommended that a transcript of that portion of the meeting be provided at next month's meeting. The June minutes will be reviewed at the August Finance Committee meeting.

#### **II. Proposed Resolutions for August 8, 2008 Board Business Meeting**

The Committee reviewed Procurement and Supply, Educational Facilities, Transportation, School Food Services and Other resolutions.

In the discussion regarding Educational Facilities, F. Jacobs expressed a concern about the numerous items that are being added as change orders. T. Keysa pointed out that the items are related to the projects and that if they discover other things that need to be completed while the project is underway and if funding is available, then a change order is added to the project. He also said that 98% of the cost is reimbursed by the State. Commissioner Elliott suggested that there is documentation included that explains the details of discretionary change orders. T. Keysa stated that there needs to be a mechanism in place to report to the Board monthly items that may exceed the 10% threshold. Commissioner Williams suggested that reporting be timely and that the Board not receive information after the fact. Commissioner Powell suggested that an item be added to the agenda to include the review of the status of change orders.

Commissioner Williams asked if there was a policy pertaining to dealing with change orders. Commissioner Powell replied that there were some guidelines agreed upon on last year. She said that the 10% is approved in the Capital Improvement Plan, any change orders that are above 10% would have to be signed off by the next level of management and change orders above 20% would have to be signed off on by the Superintendent. Commissioner Elliott suggested that we discuss a policy at the next meeting. T. Keysa pointed out that we borrow 100% of the money used for projects through bonds and that 98% of the project cost is reimbursed by the State; that the State has to approve all change orders and some projects do not include change orders, but still have a 10% contingency built in. Twenty percent for soft costs is also built into the projects. He said that it usually takes 2 years to see a final payment after a change order is approved.

Commissioner Williams would like to have a policy put in place for change orders and has a concern with having a contingency built into projects. Commissioner Elliott stated that there needs to be checks and balances when using taxpayers' money. Commissioner Powell suggested that we set aside the first

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twenty minutes of the next meeting to review existing protocols and ask the Superintendent to sign off on them as guidelines. She also suggested that we identify where we are, where we need to go and the implications of changing a protocol. Commissioner Powell volunteered to work with the Superintendent and J. Fenton to get the existing protocols on paper, have them adopted as guidelines and later submit them to the Policy Committee for review. J. Fenton suggested that we look at the policies of other Districts in the Big5. Commissioner Williams stated that the Board should drive policy, not the Administration, and that the Board needs a policy to provide proper oversight. Commissioner Powell suggested that Commissioner Williams bring a proposal to the next meeting. He agreed to draft a proposal.

Commissioner Powell said that accountability issues have come up in the past. Commissioner Elliott stated that previous Boards were derelict in their responsibility and the current Board is holding the District more accountable. Commissioner Elliott requested that the Administration keep the Board informed in writing and Commissioner Powell asked to be reminded of previously approved items.

No one was available to answer questions regarding the Human Resources resolutions. Commissioner Powell suggested that we meet prior to the Board meeting to briefly discuss the Human Resources resolutions and that the meeting is tabled until August 7<sup>th</sup>.

**Motion** to table the Human Resources resolutions was made by Commissioner Elliott. Seconded by Commissioner Williams. **Adopted 3-0**

In the discussion regarding Cayen Systems, C. Wheeler pointed out that out of a pool of 16,000 potential applicants, 3,900 students applied and are receiving Supplementary Educational Services and that 20% of Title I funds are mandated for those services. The budget is \$5.6 million for the program this year. Commissioner Elliott suggested that the Board be given an orientation on Title I.

In the discussion regarding Instructional Technology, H. Cook said that the College Board is a national organization, whose mission is to provide equity and access to all students in Higher Education and to increase the diversity of the college population. The organization writes SAT exams, sponsors AP programs, and PSAT for students. It is currently used in Charlotte, East and Marshall as a pilot program and is being expanded to correctional facilities and the School Without Walls. B. Rubenstein pointed out that it integrates SAT preparation in the classrooms and can be assessed at home and in libraries.

**Motion** to advance the following resolutions to the Board for consideration was made:

**A. PROCUREMENT & SUPPLY**

- 1. Alarm Systems Equipment** – by Commissioner Williams. **Adopted 3-0**

**B. FACILITIES**

**Final Payments**

- 1. Blackmon-Farrell Electric, Inc.** – by Commissioner Elliott. **Adopted 3-0**
- 2. Frederico Wrecking Co. Inc.** - by Commissioner Elliott. **Adopted 3-0**
- 3. McMullen-Bishop Inc. DBA North Eastern Electrical.** - by Commissioner Elliott. **Adopted 3-0**
- 4. Steve General Contractor, Inc.** – **Resolution 662** - by Commissioner Elliott. **Adopted 3-0**
- 5. Steve General Contractor, Inc.** – **Resolution 758** - by Commissioner Elliott. **Adopted 3-0**
- 6. Steve General Contractor, Inc.** – **Resolution 716** - by Commissioner Elliott. **Adopted 3-0**

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Other

7. **City of Rochester** - by Commissioner Williams. **Adopted 3-0**
8. **New York State Education** - by Commissioner Williams. **Adopted 3-0**
9. **Alliance to Save Energy** - by Commissioner Williams. Commissioner Elliott dissented. **Adopted 2-1**

Leases

10. **Holy Apostles Church** - by Commissioner Williams. Commissioner Elliott dissented. **Adopted 2-1**
11. **Sacred Heart Cathedral** - by Commissioner Elliott. **Adopted 3-0**

C. **FOOD SERVICES**

1. **City of Rochester (Summer Food Service Program)** – by Commissioner Williams. **Adopted 3-0**

D. **OTHER**

1. **Penn Equipment & Tool Corporation** – by Commissioner Elliott. **Adopted 3-0**
2. **Cayen Systems** - by Commissioner Williams. **Adopted 3-0**

E. **HUMAN RESOURCES**

1. **Enwisen, Inc.** – tabled until 8/7
2. **Upstate WorkComp, Inc.** – tabled until 8/7
3. **ESI Employee Assistance Group** – tabled until 8/7

F. **INSTRUCTIONAL TECHNOLOGY**

1. **College Board (website assessments, etc.)** - by Commissioner Williams. Commissioner Elliott dissented. **Adopted 2-1**
2. **College Board (web-based online SAT course)**- by Commissioner Williams. **Adopted 3-0**

G. **TRANSPORTATION**

1. **2008-09 School Year** – by Commissioner Elliott. **Adopted 3-0**

**Action Items**

H. Washington will provide a transcript of a portion of the June minutes, which included comments from G. Smith regarding service contracts.

H. Washington set-up a Finance Committee meeting for an half hour prior to the Business meeting on 8/7/08 to review Human Services resolutions.

Commissioner Powell will highlight in a written report any items that are approved by the Finance Committee to the Board and invite the Superintendent to respond.

Set aside the first 20 minutes of the next Finance Committee meeting to review existing protocols for change orders.

J. Fenton will draft some guidelines for protocol on change orders.

Commissioner Williams will bring a proposal to the next meeting on a policy for change orders.

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C. Wheeler will provide SES historical data for the last three years and a summary of that enrollment by provider/by school for the 2007-2008 school year.

B. Rubenstein will provide the Board with a list of SAT results.

**III. Next Meeting – August 21, 2008 at 5:30 p.m.**

**Adjournment: Motion** to adjourn at 9:40 p.m. was made by Commissioner Elliott. Seconded by Commissioner Williams. **Adopted 3-0**

Prepared by H. Washington