

Rochester Board of Education
Finance Committee
April 6, 2006 at 5:15 p.m.
Minutes

Present: Commissioners Powell and Brennan, Ms. Tripi, Dr. Cliby, Mr. Connors, Ms. Dunsmoor, Ms. Wilson.

Absent: Commissioner Evans (out of town)

Commissioner Powell convened the meeting at 5:20 p.m.

Commissioner Powell requested a motion to approve the agenda. Made by Commissioner Brennan. Seconded by Commissioner Powell. Adopted 2-0 with Commissioner Evans absent.

I. Receive and Review Monthly Financial Reports

Commissioner Powell opened the floor for questions regarding the financial reports.

Commissioner Powell asked why Special Education Private Excess Cost Aid was down \$2.5 million.

Ms. Tripi said the issue is a change in program whereby students were reduced from a .6% allocation to a .4% allocation based on the level of services they required. This change actually lowered the Full Time Equivalent (FTE) used as part of the calculation for the Public Excess Cost Aid.

Commissioner Powell asked if these were children in private facilities and Ms. Tripi said that was not the case.

Commissioner Powell asked whether the \$5.5 million is the product of IEPs actually being offered?

Ms. Tripi noted the programmatic changes that have changed the number of hours the students are receiving Supplemental Educational Services. Because the number of hours was reduced, the number of students based on the number of hours was reduced to the .4%.

Commissioner Powell asked whether this is within their IEP in every instance and Ms. Tripi said it is.

Commissioner Powell asked how many students are affected.

Mr. Connors explained that "students" means "FTEs." There are different thresholds and a student at .89 is considered a .6 for the purposes of calculating aid. The number of students -- 7,988-- is a weighted number that is based on each student's categories. The formulas run off this number. If a student is between .2 and .59 the student counts as a .2. If a student is .6 and above the student counts as a point .6.

Commissioner Powell restated that when their needs are recalculated from a .6 to a .4 that means the reimbursement is treated as a .2. Mr. Connors said that was correct.

Commissioner Powell noted that the system seems to work as long as the money going out is still covered under these changes and the needs of the students are being met.

Minutes taken by Ms. Wilson

Mr. Connors elaborated that services will be enhanced in the upcoming budget year, which will move more of the students back into the .6 level, better serve students, and ultimately result in an increase in aid. These aids are based on prior year's costs. Some of the costs are based on counts from two years ago and some of the costs are based on counts from last year. He continued that student counts and the expenses that drive these for the 05-06 aid year go back to 03-04 and 04-05. Again, this aid gets very complex.

Commissioner Powell asked whether the \$2.5 million reflects a difficulty in projecting or anticipating the revenues.

Mr. Connors explained that what will help in projecting and anticipating these revenues in future years is the IEP Direct program. The IEP Direct program captures a great deal of information that will allow the District to better analyze and report. As an example, he said the current system standardizes the school day for all schools across the District. So when you calculate 60% of the school day it is the same number for all schools. The fact of the matter is that the schools have different schedules and different hours of school days. With IEP Direct the District will be able to calculate on a school-by-school basis. As IEP Direct comes fully on line the District will have better information to use as a basis to project these revenues.

Commissioner Powell restated the IEP software will provide more reliable projections going forward.

Mr. Connors it will also help from a program management standpoint. The District will get better reports on a regular basis that program administrators can utilize to enhance their programs.

Commissioner Powell stated if it is close to a reimbursement threshold, such as .58, and more services could actually provide more aid (adding .02 to reach the .60 threshold) it certainly makes more sense to do that.

She added that she is concerned that a \$2.5 million decrease is going throw us out of balanced budget for the year.

Ms. Tripi explained that a detailed analysis of compensation had been done and looking particularly at vacancies, the District was able to project lower employee compensation and associated expenses.

Motion to accept the monthly financial reports and recommend their acceptance along with the Budget Amendment Resolutions to the Board made by Commissioner Brennan. Seconded by Commissioner Powell with Commissioner Evans absent. Adopted 2-0.

II. Receive and Review Proposed Resolutions for April 2006 Board Business Meeting

a. Budget Amendment Resolutions (see above).

b. Scholastic READ 180

Dr. Cliby indicated said the District wants to buy additional licenses for Scholastic READ 180 in order to service all of Monroe High School's English Language Learner (ELL) students. They are using the program now and started initially through a Learning Technology grant from NY State. It is a high interest program that takes video content and then differentiates instruction so that students, no matter what their reading levels, can be exposed to same content.

Motion to advance the Scholastic READ 180 resolution to the Board for consideration made by Commissioner Brennan, Seconded by Commissioner Powell with Commissioner Evans absent. Adopted 2-0.

Minutes taken by Ms. Wilson

III. Budget Process Update

Mr. Tripi informed the Committee that there were a number of comments from Board members and the feedback has been very helpful. The feedback will help enhance the program based budgeting models presented in the Superintendent's proposed budget book.

Other:

Ms. Tripi reiterated her concerns with the timing of Finance Committee meetings, particularly at times of budget amendments. She said that closing the books in a tight period of time and providing meaningful analysis is really a significant burden on the Budget Department. She believes that the Budget Department does a very good job and provides detailed analysis, but it is done quickly. Ms. Tripi said it would really be appreciated if the calendar issues moved forward.

Commissioner Powell informed Ms. Tripi that she and Commissioner Brennan had discussed getting this item on the Policy Committee's agenda and it is on the agenda for the next meeting, which is May 9th.

Ms. Tripi requested a Plan B for discussion by the Finance Committee if the issue encounters problems in the Policy Committee.

Commissioner Powell told Ms. Tripi that if she needs more time three months from now, now is the time to discuss it -- not two months from now. She suggested that Ms. Tripi look at the calendar going forward in the next few months in particular on the assumption that the issues will be resolved by summer. Ms. Powell speculated that hopefully the Board can make a commitment to changing the schedule and having monthly Business Meetings on the fourth Thursday of each month instead of the third. She noted that if that happens, the Finance Committee can convene one week later in the month, providing the Budget Department with an additional week.

Adjournment: Motion to adjourn made by Commissioner Brennan, Seconded by Commissioner Powell with Commissioner Evans absent. Adopted 2-0 at 5:42 p.m.