

CIGR Committee Meeting of the Whole
Thursday, March 1, 2007
6 p.m.

Minutes

Meeting Topic: Governor's proposed 2007 budget

Attendance: CIGR Chair Malik Evans; Commissioners Willa Powell, Shirley Thompson, Van White. Commissioner Elliott arrived at 6:06 p.m. Commissioner Brennan arrived at 6:15 p.m. Also Richard Hannon, Chief of Governmental Relations & Special Projects, Board staff Linda Dunsmoor. President Garcia out of town.

Rick Hannon presented a detailed analysis of the governor's budget proposal, focusing on its Financial, Accountability, and Governance implications.

Financial

The new Foundation Aid rolls up 30 current formula aid categories into one. The governor has proposed \$28.6 million for RCSD in 2007-08. Commissioner Powell noted that Foundation Aid has been promoted by the Board of Regents for several years.

The governor's budget includes \$4 million in funding for the Rochester Children's Zone but the funding will be awarded to "a consortium of community organizations currently operating as a 501 (c) (3)" and is not an allocation to the District.

Cities will be required to maintain financial efforts on behalf of dependent districts. The wording of the legislation specifies that the "total amount of expenditures" may not be reduced unless the overall city budget is also being reduced. Mr. Hannon noted that the definition of "expenditures" is open to interpretation, as the City of Rochester classifies the \$119.1 million provided to the City School District as a transfer or negative revenue rather than as an expenditure. In response to Commissioner White, Mr. Hannon said the legislation may be amended and he will make that recommendation in Albany next week. Commissioner Powell offered a motion directing Mr. Hannon to work on changing the legislation wording from "expenditure" to "transfer." Second by Commissioner White. Adopted 5-1 with Commissioner Elliott dissenting and President Garcia absent.

Accountability

The "Contract for Excellence" will require districts to specify how incremental Foundation Aid will be used for new or expanded programs by choosing from a list of allowable programs and or activities. The list is not developed. Up to 15 percent of the increment may be used for "experimental" programs. Incremental funds can only be used to supplement, not supplant. An external auditor must certify that the conditions are met. Commissioner Powell drew a corollary to the EPE debacle, in which districts were provided funding for adult education programs before regulations were written and were later told they owed the funding back to the state for not meeting the regulations.

The proposed legislation also calls for Pre-K quality standards to be established. Commissioner Powell noted that this is not new, and that the quality standards for pre-kindergarten programs are already better than other regulations.

A new multi-year accountability system proposed through the legislation has the goal of restructuring and or reorganizing up to 5 percent of New York State schools in four years. The intervention process is specified with its cost borne by the restructured/reorganized district.

- For districts deemed deficient for two years, the superintendent must cooperate with the intervention team
- For districts deemed deficient for four years, the Board will be required to remove the superintendent.
- For district deemed deficient for six years, NYSED will commence removal of the Board or members.

Although the intervention process and sanctions are specified, the accountability measures to be used are not. Commissioners agreed that they expect to be held accountable as public officials but are wary of legislation that forwards sanctions without performance expectations. Commissioner Evans said the Board wants to be held accountable, but needs to know what it will be held accountable for. Commissioner Powell said the legislation took Board of Regents recommendations and added pure politics. Commissioner Thompson said commissioners need to discuss these issues with the local delegation. Commissioner White said the Board is accountable to the electorate and isn't sure the Education Department can even remove elected officials. Commissioner Brennan said this is another example of state officials determining that Rochester and other large urban centers are incapable of making the right choices and thus trying to supercede the democratic process. Commissioner Elliott said she favors the new regulations proposed by the governor tied to funding only in the sense that if Commissioners are not doing their jobs as School Board members, they need to go. She has no problem with the governor making these kinds of decisions.

Governance

The legislation provides for mayoral appointment of two additional members of Boards of Education in Buffalo, Rochester and Syracuse. Commissioner Brennan noted that Mayor Duffy has stated publicly that he supports this measure, although he ran on a platform contrary to this position.

Commissioners discussed the legislation as a whole and agreed that Mr. Hannon should summarize their comments and include them in his testimony to the legislative joint finance committee. He agreed and will provide the information in writing to commissioners prior to the Tuesday meeting. Points by commissioners:
Commissioner Powell: There is no evidence that factors other than finance cause schools to fail and no data that superintendents and or Boards are the only ones to be held accountable.

Commissioner Evans: The accountability standards must be defined. Also need to find out what officials in other cities are doing.

Commissioner White: Who are Boards accountable to? The electorate or the state?

Commissioner Thompson: What is the accountability of other stakeholders involved in education? There should be information about what needs to be done differently.

Commissioner Brennan: The mayor should be invited to a public meeting with the Board to discuss his position on the legislation.

Commissioner Elliott: She supports two additional mayoral appointments to the Board because education is an important issue to the community.

Adjournment

Commissioner agreed to meet Thursday, March 1 at 6 p.m. to flesh out an official Board position regarding the legislation.