



*Testimony before the New York Senate Finance Committee,  
Assembly Ways and Means Committee,  
Senate Education Committee,  
and  
Assembly Education Committee*

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## **Introduction**

Good afternoon. My name is Bolgen Vargas, and it is my privilege to testify before you a third time. The first was in an interim role, and this is my second year as Rochester's Superintendent of Schools.

I thank the committees for the opportunity to speak here today. Moreover, I would like to thank you—along with Gov. Cuomo, and your colleagues in the Assembly and Senate—for your ongoing support of public education.

I would especially like to thank the Governor and legislature for supporting full-day Pre-Kindergarten. Next week, more than 700 students in Rochester will begin a full-day Pre-K schedule, after starting the school year in a half-day program. For the first time, a majority of Rochester four-year-olds will receive a full day of education—about 1,250 of 1,900 Pre-K students. I should also note that the majority of classrooms with expanding schedules are in community organizations that provide Pre-K instruction to District students. This is one of hundreds of examples of community partnerships that allow us to serve students more efficiently and effectively.

The mid-year switch to full-day Pre-K was made possible by a \$5.9 million expansion grant for high-needs districts. With the Governor's pledge of more support, we will be able to offer full-day Pre-Kindergarten to nearly all four-year-olds next year. This is an essential component of our strategy to help Rochester students to read on grade level by third grade, one of our District's three academic priorities. The others are increasing the quantity of instruction with extended learning time, and improving the quality of instruction to help our children meet Common Core standards. We are aligning District resources to support these priorities, and we thank all our state leaders for your help.

I especially want to acknowledge Commissioner King and his team at the State Education Department. We appreciate the help and support they have given Rochester for our implementation of the Regents Reform Agenda.

For the past two years, I have not requested an increase in the recommended state aid to Rochester schools. I believe that this has made me an outlier among the Superintendents who appear before you. I know that it has not been popular with many stakeholders in my District.

But I believed strongly that we could fund our priorities by managing our organization more efficiently and shifting resources within the District budget.

I am pleased to say that this approach is helping Rochester to improve financial stability. Last year, management efficiencies were the largest single contributor to the plan that closed our \$50 million budget gap. In March, Rochester received one of the state's largest management efficiency grants. We have also been recognized nationally, one of four Districts selected as a national model by the Bill and Melinda Gates Foundation for spending money efficiently to meet the needs of students. Both grants have created a virtuous cycle in Rochester, where efficiencies have been recognized with funds that allow us to further improve and shift more resources to the classroom.

Within that context, I hope that I have earned credibility as I tell you this: To adequately serve our students and families, Rochester schools need a significant increase in state aid this year over the Governor's recommendation. The proposed increase in Foundation Aid allocated through the GEA restoration formula is only 1.3 percent for Rochester. This is significantly less than both the 2.4 percentage increase Statewide and the 3.1 percent statewide growth in personal income.

The restoration of the Gap Elimination Adjustment is a primary reason for this imbalance. I appreciate the fact that, during the Great Recession, high-poverty communities like Rochester fared better in state education aid than wealthier suburban districts. I do not envy you the task of balancing the interests of students from across the state.

However, I remind you that while many areas of the state are doing better, the poverty faced by my students has only gotten worse. An analysis of the most recent data, which I have attached to my testimony, shows that Rochester is now the fifth poorest city in the nation. We rank third in the nation for neighborhoods in extreme poverty, and are the poorest urban District in New York State. *(For more information, we are providing a Special Report prepared by the Rochester Area Community Foundation and ACT Rochester on Poverty and the Concentration of Poverty in the Nine-County Greater Rochester Area.)*

Poverty in Rochester is a fact. We do not use it as an excuse for low achievement. Poverty presents challenges to our families that we must mitigate, by giving Rochester students extra time and support. The Governor's budget proposal impairs our ability to do that.

We face significant challenges due to growing operational costs and the expansion and establishment of charter schools in Rochester. This month, I updated the Board of Education on our projected \$40.2 million budget gap. The major drivers of the gap are the charter school tuition increase, contractual salary increases, employee benefit costs, and the Governor's proposed State Aid being insufficient to cover the annual growth in operational costs.

The Board of Regents is voting to give parents more non-District choices. Three new charter schools will open this fall in our community. Over the past nine years, enrollment in charters has grown from less than 700 to more than 3,200 students. The cost in tuition alone is over \$41.1 million, which does not include transportation and related expenses. With the three new charter schools and expansion of existing schools, we expect charter school enrollment to increase by over 800 students next year, and our tuition cost would increase by \$10.6 million, to \$51.7 million. The GEA restoration of \$4.5 million in the Governor's proposed budget would be fully absorbed by these costs.

Our financial projection assumed a 3 percent increase in Foundation Aid. This would require \$6.3 million in addition to the Governor's proposed budget, in order to avoid undesired budget cuts. Given our urgent need to improve student achievement, I am also seeking additional support for our academic priorities:

- \$1.7 million will fund 20 reading teachers to support third-grade literacy
- \$1.3 million will help us to reduce summer learning loss through extended learning time. Specifically, we will use it to fund summer school for students in grades Pre-K to 3, further supporting early literacy.
- \$3.3 million will help us to expand instructional time at up to seven elementary schools.
- \$1.0 million will support improved instruction by enabling teachers to participate in observing local model classrooms and replicating those practices.

Altogether, I am requesting an increase of \$13.6 million to improve the quantity and quality of services we provide Rochester students. That is a big "ask," I know. But I would not request these funds if I did not deem them necessary to serve our children. I assure you that every additional dollar the state can provide will benefit students in the classroom, or in enrichment activities and support outside the regular school day.

I can provide that assurance because, through the District budget process, we remain firmly committed to a strict financial diet. We will continue enforcing management efficiency and effectiveness to increase support for students at the school level. Without an increase in state aid this year, our low-fat budget will be stretched to the point where District programs are financially malnourished.

Before providing more information about our District, I want to mention two other legislative items that will be coming before you this year to support Rochester schools, apart from the state budget. We are working closely with Assemblyman David Gantt on both of these, and I want to express deep appreciation for his help and support.

- One is the enabling legislation for Phase 2 of our Facilities Modernization Plan. As you know, Rochester has lagged behind Buffalo and Syracuse in taking advantage of the opportunity to modernize schools. Today, however, Rochester's facilities plan is on track. We opened three newly modernized schools this year, and will complete seven more schools under Phase One. Since becoming Superintendent I have closed three schools and phased out seven low-performing programs. Our Board of Education has voted to close four additional schools over time, to ensure efficient use of space as our enrollment declines. Our stakeholders across the community have agreed on a Phase Two program with 26 additional school modernization projects. We are working closely with Mayor Lovely Warren on the enabling legislation to fund these projects, and we expect it to be introduced in the near future. We hope that the legislature will pass it quickly so that we can continue modernizing schools to better serve students, families, and neighborhoods.
- The second piece of legislation I want to mention is revenue-neutral. It is a request I initiated last year, to support neighborhood schools with a more flexible policy on transportation aid. Currently, the state pays for students who travel more than 1.5 miles to school. If Rochester had the flexibility to bus students less than 1.5 miles, more families will choose neighborhood schools, without increasing our transportation budget. We are finalizing the details of a pilot program to begin in the 2014-15 school year, and will ask the legislature for a waiver to support it.

We appreciate the support of Assemblyman Gantt, Majority Leader Morelle, Assemblyman Bronson, Senator Robach and Senator O'Brien on these bills and the many other

ways they provide support to Rochester schools. Now I will provide some additional background on our District, our improvement plans, and how we are allocating resources to fund our priorities.

### **Challenges Facing Rochester Students**

First, some brief facts about the Rochester district.

- We have 54 schools that educate over 29,000 K-to-12 students, and Universal Pre-K programs that serve about 1,900 children, or 90 percent of eligible families.
- Eighty-six percent of our students qualify for free or reduced price lunches. Starting last year, we took advantage of the community eligibility option to provide free lunches for all students.
- More than 16 percent of our students have special needs, and slightly over 11 percent have limited English proficiency. There are 81 different languages being spoken at home.

The challenges these numbers represent are shared, more or less, by my colleagues from other Big 5 districts. Though it pains me to say this, Rochester at this moment is doing the poorest job of addressing them.

- Rochester is a District that has only a few schools meeting standards of our 54 schools. 16 are Priority Schools that require immediate improvement plans. 29 schools are Focus Schools where we are required to make major changes.
- In 2012-13, just 5% of our 3rd through 8th graders passed the New York State's Common Core-linked assessment in English Language Arts and Math. Our graduation rate stands at 49%. Approximately 20 percent of our students are reading at grade level.
- Performance is especially low among African American students, Hispanic students, males, English Language Learners and students with disabilities.

Please know that it is not easy for me to share these statistics. Our District understands that the need to improve is urgent. In fact, I have told our community that this is our last chance to turn things around. There are multiple reasons I believe that to be true.

- Our families are voting with their feet by leaving the District. Enrollment has declined by 8,000 over the past 15 years. That is 22 percent of our student population that is choosing to attend non-district schools or move to the suburbs.

- Commissioner King and the State Education Department have been exceptionally supportive of our District's efforts to improve. From APPR to the Common Core to School Improvement Grants, we have received enormous support for transforming our District. For that support to continue, I am well aware that the state will require us to show significant and sustained progress, in the very near future. I hold myself accountable for demonstrating progress to the Rochester community and the state of New York.

### **Our Plan to Transform the District**

I believe that we have already begun reversing these trends. My team is working to instill accountability and discipline throughout our organization. We have identified five District priorities, and since I became Superintendent we have been tracking our progress against measurable targets. The goals are:

**1. Student Achievement and Growth:** We will ensure that each of our students is academically prepared to succeed in college, life and the global economy.

**2. Parental, Family and Community Involvement:** We will engage and collaborate with all our stakeholders, to hold ourselves collectively accountable for our students' success.

**3. Communication and Customer Service:** We will continually inform and seek input from parents, students, staff and members of the Rochester community, to continuously improve the quality of our instructional programs and operations.

**4. Effective and efficient Allocation of Resources:** We will stabilize our finances and fund our priorities, to focus resources on significantly improving student achievement.

**5. Management Systems:** We will improve the efficiency and effectiveness of management systems that impact operations of Central Office and our schools, to facilitate the accomplishment of all goals and objectives.

Today I will describe strategies to achieve the two priorities most relevant to our need for state support: Student achievement and the efficient allocation of resources.

### **Improving Student Achievement**

Attendance is a first part of our strategy to improve achievement. Students can't learn if they don't go to school, and teachers can't be accountable for the performance of students who aren't there. We have acknowledged this in our implementation of APPR.

Rochester has succeeded in making school attendance a community challenge. Every month, community volunteers join District employees in knocking on the doors of chronically absent students. Sometimes, we discover that families have moved and we're able to improve our data. Other times, we connect with parents and find solutions to get their children back in school. During the course of the last school year, the average daily attendance in four target schools for these outreaches rose 2 percent. We are targeting four more schools this year and strengthening the community involvement in our attendance initiative.

While working to increase attendance, we are focused on three academic priorities to improve achievement in core subject areas.

**1. Expanded Learning Time:** Last year, I lamented the fact that Rochester students received the least amount of instructional time of any group of children in Monroe County, when arguably they need and deserve the most. This year, I am happy to say that is no longer true. In fact, we have made three changes that increase instructional time for our students.

- With the support of the Rochester Teachers Association, we eliminated the 50-year practice of early dismissal on Wednesdays. This adds nearly 30 hours of instructional time over the course of the year, the equivalent of an extra week of school for all students.
- Thirteen of our schools are offering students 200 hours of additional learning time as part of school improvement grants. Schools use the time to offer extra instruction along with art, music, sports, and extra-curricular activities.
- Five Rochester schools have expanded their schedules by 300 hours as part of the national TIME Collaborative. The school communities have planned together to reconfigure the daily schedule for everyone and provide a variety of extra services for students and teachers. Community organizations serve as partners, offering instructional support and enrichment activities. We plan to provide expanded-learning schedules at up to seven more schools next year.

We are also adding learning time by increasing programs available to students in the summer. Summer learning loss is well-documented and especially harmful to low-income students, who lose about a month's worth of math skills and two months in reading each July and August. Last year, the District provided summer-school programming to about 10,000 students, a third of our population. With the state's help, we plan to expand that number this summer. We



want to provide summer school for all students in grades Pre-K to 3. We also are planning to expand enrichment opportunities, allowing students from our high-poverty neighborhoods to have more of the summer programming that suburban families take for granted.

**2. Reading by Third Grade:** We know, at the primary grade levels, which students are most likely to not complete high school. Attendance and reading proficiency are the markers of success or failure. Students who cannot read on grade level by 3rd grade are four times less likely to graduate than those who can. If they are poor, that rises to 13 times.

We are pursuing a 4-pronged strategy to increase the numbers of 3rd graders who can read well:

- Enroll all 4-year-olds in high-quality, full-day Pre-Kindergarten; offer Pre-K to three-year-olds as resources allow
- Provide high-quality summer programs to stem summer learning loss for all students in Pre-K through grade 3
- Work with teachers to improve delivery of the Common Core literacy curriculum
- Help educators to use assessment data to better target instruction to the specific literacy skills their students need

**3. Instructional Excellence:** Classroom instruction is the heart of what we do; our academic results speak to the need to redouble our efforts and ensure that every student receives the best possible teaching. Our cross-functional team is identifying model teachers who will share their best practices with colleagues, especially those deemed “developing” or “ineffective” on evaluations. We are also training Principals to use a consistent walk-through tool to assess instruction and provide real-time feedback to teachers. Through a link to our Reading by Third Grade team, we are helping teachers across the district to use formative assessment data to guide their instruction.

Our District also is employing the APPR process to improve instructional quality. Rochester was one of the first Big 5 Districts to adopt an APPR agreement, and we met all state requirements in implementing the review system this year. Our teachers and administrators have concerns about the ratings, but we are working cooperatively to address them. I was especially pleased that the Rochester Teachers Association worked with me this year on a new APPR agreement that virtually eliminates pre-testing of students. We are attempting to use APPR not as a disciplinary threat, but a tool to focus the organization on continuous improvement.

Increased support for arts, music, sports and extracurricular activities is another part of our achievement strategy. In the past, these offerings were viewed as “extras” that were first on the chopping block when budgets were cut. We view them as essential components of a prevention strategy to provide social and emotional support, increase student attendance, reduce retention, and improve student behavior. These activities also contribute to parent engagement, providing positive reasons for parents to come to their child’s school and engage with school staff members and other families.

### **Effective and Efficient Use of Resources**

As noted above, Rochester has been working hard to live within our means, shifting resources within the District budget to focus more resources on student achievement. Last year, we closed a \$50.2 million budget gap without asking for more state aid. We achieved this by finding numerous efficiencies.

- Reducing the number of teachers in non-instructional assignments, while increasing the number of classroom teachers
- Closing and consolidating ineffective school programs
- Reducing the amount of leased space
- Delivering tutoring services in a new way that serves more students, and provides them with more instructional time, while spending less money
- Changing our in-school suspension model in a way that saves money and increases classroom diversity
- Decreasing the need for substitutes and the cash-out of unused vacation time
- Reducing Central Office administrative costs

We are determined to close our \$40.2 million gap this year, as we did last year, by finding efficiencies wherever possible.

- Reducing the cash-out of vacation will save \$2.7 million
- Health costs are contained thanks to a cooperative arrangement with our bargaining units
- We will focus more resources on the classroom and less on central administration

Using the resources of our Spending Money Smartly grant from the Gates Foundation, we are creating a three-year plan to reduce our structural budget gap and restore long-term financial stability to the district.

### **Conclusion**

The Rochester City School District is working to improve with relentless focus and a strong sense of urgency. We are shifting resources to the classroom instruction and student support that will deliver results for Rochester families. I appreciate the chance today to report on our efforts.

We are enthusiastic about many of the innovative proposals in the Governor's budget. Along with strong support with Universal Pre-K, the Governor's other priorities are aligned with our District strategies. We are eager to compete for grants that support Smart Schools and after-school programs. We appreciate the support of the P-TECH model, which we are developing with Monroe Community College as part of a larger effort to improve career and technical education for all students. We look forward to exploring the teacher innovation fund and how it may support our efforts to improve instructional quality.

However, for the first time in my three years as Superintendent, I am requesting more state aid this year. We simply can't afford to widen our budget gap or reduce focus on the academic priorities that will lead to improved student achievement in Rochester schools.

Again, I thank you for the opportunity to be here today. We are working urgently to improve student achievement through wise use of resources, and I am confident that we are moving in the right direction on both fronts. On behalf of Rochester's children, we respectfully request additional state support to continue and accelerate our progress.