

STATE MONITOR SHELLEY JALLOW  
UPDATE ON

PROPOSED 2022-23 BUDGET

March 24, 2022

# WHY RCSD HAS A STATE MONITOR

## *History of Poor Academic Performance*

- **Receivership:** Highest concentration of receivership schools in the state.
- **Extremely Low ELA & Math Proficiency:** 2018-19 elem. prof. rates of 13% in Math & ELA.
- **Low Subgroup Performance:** Persistently low performance across student subgroups.
- **Extremely Low Graduation Rates:** Persistently lowest graduation rates of the Big 5.
- **Corrective Action:** ELL and Special Education Corrective Action Plans.

## *History of Poor Fiscal Management*

- **Negative OSC Audits:** Multiple OSC audits found problems with district fiscal policies and practices.
- **\$27.4 Million Operating Deficit:** The Board and District officials neglected to use accurate estimates of appropriations to balance the 2018-19 budget.
- **Adopted Structurally Unbalanced Budget in 2018-19:** Failed to adopt a structurally balanced budget and did not follow its fund balance policy.
- **No Multiyear Financial Plan:** The District lacks a comprehensive, multiyear financial plan.
- **\$35 Million State Bailout:** The district required a \$35 million state bailout in 2020.

## MONITOR FINDINGS AND RECOMMENDATIONS

**Phase out programs, practices, and partners** that are **unable to produce positive outcomes** for students. Use these resources to implement the Monitor's recommendations.

**Align District resources** according to a declining student population.

**Adhere to the District's budget constraints** and refrain from a culture of buying now and trying to figure out how to pay for it later.

Adopt a goal to **reduce borrowing** over the next five years.

Optimize all processes to **collect money owed** to the District.

**Examine** long-standing beliefs, practices, and **structures that contribute to the growing budget deficit.**

## DISTRICT LACKS PROGRESS ON IMPLEMENTING MONITOR'S RECOMMENDATIONS

Increasing departure from recommendations in Academic and Financial Improvement Plans

Growing number of recommendations rated as minimal evidence of action taken, inconsistent implementation, or no evidence of action taken, leading to fiscal distress

Focus on paper compliance rather than actual improvement

Siloed approach has hampered efforts to implement data-driven problem-solving models to support district improvement

## CURRENT RCSD FISCAL SITUATION

# Proposed SY 22-23 district budget is not balanced and poses many threats to RCSD finances:

Relies on \$30 million in appropriated fund balance to paper over significant structural issues.

Ignoring the district's true budget situation could **result in a budget deficit** and a depleted fund balance by 2025.

Continued rising expenses for teachers and transportation despite a declining student enrollment.

Longstanding and inappropriate practice of counting substitutes twice, contributes to rising substitute expenses.

Meaningful numbers of building closures, so that the district's footprint reflects actual needs.

*Burning through fund balance in good times leaves the district **more vulnerable to devastating and chaotic staff reductions** in bad times.*

# PROPOSED BUDGET FAILS TO IMPLEMENT ACADEMIC & FISCAL PLANS

The proposed budget fails to align the academic and financial plans to:

Reduce debt and  
create new revenue  
streams

Reduce  
transportation costs

Close and  
consolidate schools

Better plan for  
charter school  
expenditures

Align revenues with  
expenditures and  
resources to district  
needs

Align student  
program needs and  
reduce staff  
projections to actual  
student enrollment

Reduce expenditures on  
programs, departments  
and contracts that fail to  
improve positive student  
outcomes

Assess the value of  
consultant and agency  
contracts to build  
internal capacity

Effectively manage special  
education programs and  
procedures

# PROPOSED BUDGET FAILS TO IMPLEMENT FISCAL & ACADEMIC PLANS

The proposed budget does not outline a clear plan to:

Create a portfolio of enhanced high school programs to meet student needs

Replicate high-performing schools and programs to compete with other school options

Adopt standards-based, culturally relevant teaching practices, and remove all dated curricular materials from schools

Implement zone and school reconfiguration

Adhere to with fidelity, MTSS\* and RTI\*\* state mandates

Revamp or eliminate managed choice policy to foster equity across the system

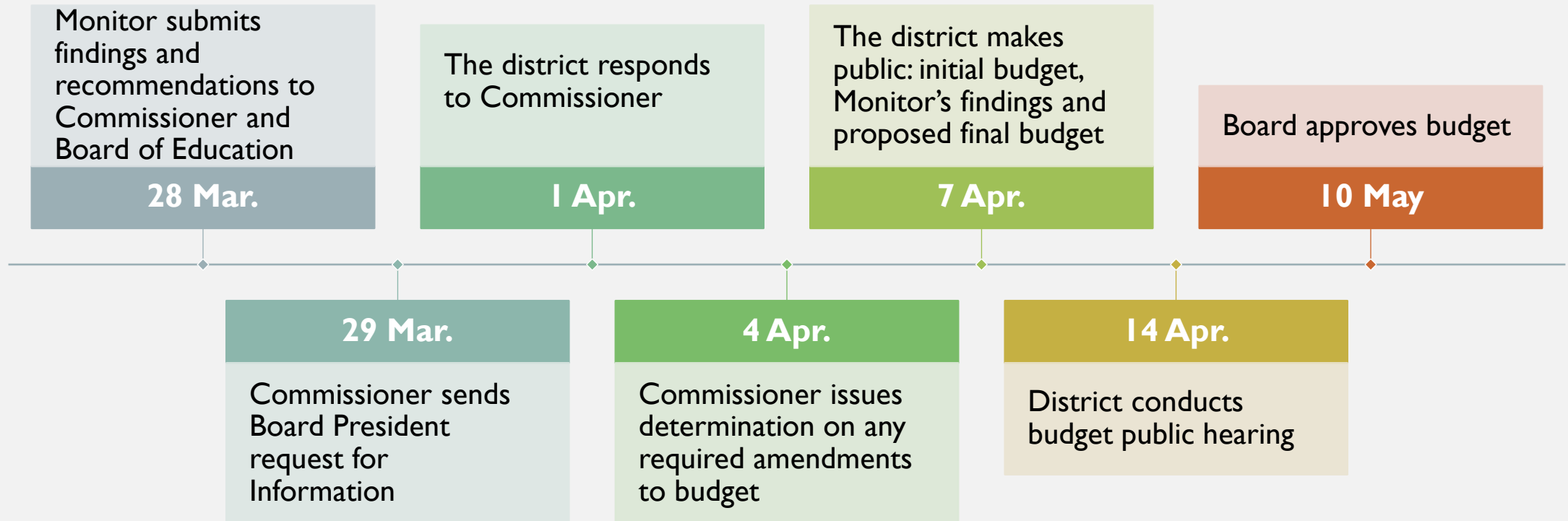
Establish a functioning PTO/PTA in each school

Use trend and projection data to establish master schedules that result in full classes and schedules for all teachers

\*Multi-tiered system of support

\*\*Response to intervention

## NEXT STEPS – MONITOR, NYSED & DISTRICT





THANK YOU