

Rochester Board of Education
Finance Committee Meeting
August 16, 2018

Attendance: Vice President Powell (Chair); President White; Commissioner Hallmark
Commissioner Sheppard (absent)

District Staff: Chief Financial Officer, Everton Sewell; Budget Director, Rodney Asse; East EPO
Chief Financial Officer, Carleen Pearce; Director of Procurement, Tim Schmandt; Director of
Grants & Business Office, Kathleen Saville; Executive Director of Career Pathways, Rhonda
Neal

Parent Representative: N/A (position vacant)

Board Staff: Kallia Wade

Vice President Powell convened the meeting at 5:36PM with a motion to approve the agenda as amended, and noted quorum. She also recognized the presenter of Resolution No. 2018-19: 204 and 205—Executive Director of Career Pathways, Rhonda Neal—and invited her to the table for discussion. This resolution was discussed out of order on the agenda in the interest of the presenter’s time.

I. Review and Approve Proposed Resolutions for the August 23, 2018 Board Business Meeting

E. OTHER

3. YMCA of Greater Rochester –agreement to provide physical education training and use of the 444 East Main Street facility for approximately [TBD] Career Pathways to Peace students – Resolution No. 2018-19: 205

Director Neal started the conversation by presenting on the YMCA of Greater Rochester Resolution No. 2018-19: 205. She noted that YMCA provides the physical education services for the career pathways to public safety program at REOC—juniors who are in this program take their PE at this site, offered through the YMCA. This arrangement allows students to get their gym credit while in the program. She further explained that this is part of students’ weekly schedule and that they are escorted to the facility by their teacher and the services are facilitated by a YMCA coach. Ms. Neal also clarified for the benefit of the Committee that she was only speaking to Resolution No. 2018-19: 205 and not 2014 as was originally stated.

Motion by Vice President Powell to approve Resolution No. 2018-19: 205. Seconded by Commissioner Hallmark. **Adopted 2-0.**

II. Question/Answer Session with East EPO

East EPO Chief Financial Officer, Carleen Pearce addressed the Committee by providing a few highlights from the EPO financial report and memo. CFO Pearce noted that despite the fact that the report indicates that East has 2 more teaching vacancies to fill for the next school year, these have subsequently been filled. As a result, the EPO is fully staffed and CFO Pearce noted excitement for the year to come. With regard to the vendor contract renewals, this month the EPO is asking for consideration of the Monroe #1 BOCES contract for social studies and ELA curriculum professional development services for 18-19. Additionally, there is a contract renewal for the continued on-going contractual relationship with Hillside for mentoring, tutoring, and family support services. CFO Pearce noted that there is no change in the contract for these services.

CFO Pearce also mentioned another resolution that will show up in the Board Business Meeting. She indicated there was some confusion as to whether this contract would be paid for by the Community Schools Grant (CSG) or the General Fund. The contract will actually be for the most part covered by the CSG, but there is a \$12K portion that is to be covered by the general fund for continuation of services for East scholars who are over-aged and under-credited. She indicated that there would be nothing new with this contract—it is already existing and will just need to be rolled-over for another year. Board Staff, Kallia Wade, clarified for the benefit of the Committee that this resolution was not included on the current agenda because it had not yet made it through the formal Resolutions packet process. However, Ms. Wade confirmed that the resolution would be ready in time for the Board meeting — in lieu of this, the conversation held was just informational so that the Committee members would be aware when it registered at the Board meeting. VP Powell and Commissioner Hallmark confirmed with CFO Pearce the total dollar amount for that resolution to be \$75K and that it was remaining flat from the previous year.

With regard to the financials, CFO Pearce noted that East EPO has been working on trying to close out their books. The report presented for review includes both the General (A) Fund and the Federal/Grant (F) Fund. She explained spreadsheet, noting what each of the lines meant and noted that unlike the rest of the district, East EPO will only show General Fund items and only expenditure. She explained that although it appears that East EPO has \$5.3MM reflecting as “Available”, it is important to note that the vast majority of the Community Schools grant money will be available for use up until 6/30/19. As such, East will actually be returning to the District \$3.8MM in fund balance, with a majority of this (\$2.3M) in the form of salaries. She indicated that is as a result of a reflection of the population that East has retained by way of staff—average base salary for East teachers are lower because of the fact that they are younger.

VP Powell reviewed the spreadsheet presented and noted that it is helpful to see the document presented in the way that it is, with grant funding evident.

Motion by Vice President Powell to approve the East EPO financial report. Seconded by Commissioners Hallmark. **Adopted 2-0.**

VP Powell and Commissioner Hallmark agreed that it would be prudent to review the East EPO resolutions at this point in the agenda. The Committee reviewed the following:

B. EAST EPO

- 1. Hillside Work-Scholarship Connection, Inc. (Hillside Family of Agencies) – agreement to provide youth development services, including 1:1 mentoring, academic support, life and social skills training, for approximately 200 first-time students entering 9th grade, with the goal to increase attendance and academic performance of at-risk students– Resolution No. 2018-19: 163**
- 2. The Board of Cooperative Educational Services – First Supervisory District of Monroe County (Monroe BOCES No. 1)– agreement to provide professional development focused on student-engaged assessment, curriculum development and feedback to teachers, including direct support to teachers, teacher leader and supervising administrators to continue to improve Upper School social studies and ELA curricula, with the goal to enable approximately one hundred staff to increase the engagement and learning of approximately five hundred students– Resolution No. 2018-19: 165**

Commissioner Hallmark noted her interested in East’s relationship with BOCES for PD services and indicated that she would have a conversation with CFO Pearce in regard to Resolution No. 2018-19: 165, to gain further insights.

Motion by Vice President Powell to approve Resolution Nos. 2018-19: 163 & 165. Seconded by Commissioner Hallmark. **Adopted 2-0.**

III. Question/Answer Session with District Administration

Chief Financial Officer, Everton Sewell addressed the Committee and indicated that the District is currently in the auditing process and will be formally starting its audit in 2 weeks. He noted that he would be presenting the unaudited numbers to the Committee in the current meeting. CFO Sewell indicate that the District received notification that Title IV allocation document was approved that day (8/16/18).

VP Powell noted that closing the books determines stacking and that the District should now have the expected aid for our private and public excess and high cost aid for special aid students. As such, this indicates the need for a final budget amendment for the 2017-18 school year, which she noted should be reflected in the District’s financial report. CFO Sewell confirmed this.

IV. Review and Discuss District July 2018 Financial Report

CFO Sewell addressed the Committee by beginning to walk members through the District’s financials. He went into further detail regarding the School Lunch Fund and noted that that the District was reimbursed less in the 2017-18 year because of reduced lunch participation (number of meals served was less). It was mentioned that this loss of \$280K may be due to the unavailability of culturally relevant meals especially with the new Puerto Rican student population. Sewell advised that the District had built up a surplus of in the Lunch fund from previous years and thus this would use this to cover the unanticipated expense. He also indicated,

for the benefit of the Committee that this surplus was not available to balance the General fund and so has traditionally been used to upgrade the kitchen equipment etc.

A conversation was held in regards to the procedure for completing Free and Reduced Price (F&RP) lunch designation. Following this, CFO Sewell indicated that approximately 86% of all students in the District are at an economic disadvantage.

The Financials discussion was placed on hold to discuss the Letter of Support for Charter School Tuition Reimbursement agenda topic.

V. Discuss Potential Support Letter to the Governor re the Supplemental Charter School Tuition Reimbursement Legislation

Vice President Powell indicated to the Committee that the Big 5 had requested a letter of support from districts in regards to bill approval of A.7966-C (Peoples-Stokes). This bill would reimburse school districts outside of New York City for supplemental charter school tuition payments in same school year in which they are paid. VP Powell noted the importance of this bill, and requested that the Finance Committee consider submitting a letter to the Governor in support.

Action: Board staff Wade to draft a letter of support from the RCSD Board before the August Board Business Meeting—at this meeting, VP Powell would request approval. This letter should also be reviewed by CFO Sewell and Chief of Staff, Fatimat Reid.

VI. Review and Approve Minutes of the May 17, 2018 Committee Meeting

Motion by Vice President Powell to approve the minutes of the May 17, 2018 Committee meeting. Seconded by Commissioners Hallmark. **Adopted 2-0.**

CFO Sewell continued to review the District's financials with the Committee and provided a detailed walk through of the numbers per the financial statements provided. During this review, there was some discussion regarding the prior year refunds. CFO Sewell indicated that these figures were as a result of reimbursements from Lawley Insurance from the 2016-17 business year. CFO Sewell noted that the District is now auditing things on a yearly basis to capture reimbursements for the year incurred. The review of the financial spreadsheets continued with the Committee touching on topics like RJSCB QSCB subsidies, health and welfare and a discussion on the back and forth of funds to Parochial, charter and private schools for payment of services based on which students were attending. CFO Sewell tied this discussion back into a discussion of health services revenue and indicated how much the District was receiving from Parochial, charter and private schools for students attending schools in the District. He also pointed out where the District paid out funds for District students to attend Parochial, charter and private schools. CFO Sewell closed the discussion by explaining the expenditures and accruals and noted that the Auditors decided when to close the books and that the District was still early in the process of balancing the 2017-18 financials.

VII. Review and Discuss 2017-18 Budget Amendments

C. BUDGET

- 1. Budget amendment– agreement to amend the General Fund Budget for 2017-18– Resolution No. 2018-19: TBD 1**
- 2. Budget amendment– agreement to amend the Special Aid Grant Fund Budget for 2017-18– Resolution No. 2018-19: TBD 2**
- 3. Budget amendment– agreement to amend the School Food Service Fund Budget for 2017-18– Resolution No. 2018-19: TBD 3**
- 4. Budget amendment– agreement to amend the Budget total for 2017-18– Resolution No. 2018-19: TBD 4**

Action Items:

Motion by Vice President Powell to address and approve the Budget Resolution Nos. 2018-19: TBD 1-4. Seconded by Commissioner Hallmark. **Adopted 2-0.**

Motion by Vice President Powell to approve and accept District’s July 2018 Financial Report. Seconded by Commissioner Hallmark. **Adopted 2-0.**

VIII. Review and Approve Proposed Resolutions for the August 23, 2018 Board Business Meeting

C. TRANSPORTATION

- 1. Regional Transit Service Incorporated – amendment of the agreement to provide additional bus transportation services during the 2018-2019 school year – Resolution No. 2018-19: 197**

Chief of Operations, Michael Schmidt addressed the Committee in regards to Resolution No. 2018-19: 197. He noted the delay because of the shift of Vertus Charter Schools, indicating that RTS had to take on additional routes to adequately cover the population of students. Commissioner Powell questioned whether this agreement would be financially neutral, to which Chief Schmidt noted no dramatic difference.

Motion by Vice President Powell to address and approve the Transportation Resolution No. 2018-19: 197. Seconded by Commissioner Hallmark. **Adopted 2-0.**

D. EDUCATIONAL FACILITIES

Final Payments:

1. **Michael A. Ferraulo Plumbing & Heating, Inc. – final payment for Plumbing Work for Renovations to School No. 9 – Resolution No. 2018-19: 198**
2. **Massa Construction– final payment for General Construction Work for Renovations to Franklin Educational Campus – Resolution No. 2018-19: 199**
3. **Leo J. Roth Corp. – final payment for Mechanical Work for Renovations to School No. 10 – Resolution No. 2018-19: 200**

Other:

- a. **Rochester Joint Schools Construction Board (“RJSCB”)– agreement to authorize and direct relocations, as well as the submission of appropriate documents required by the State Education Department with respect to these relocations – Resolution No. 2018-19: 201**

Chief Schmidt also presented re the facilities final payment resolutions. He indicated that the change orders were primarily due to found conditions like asbestos etc., when prompted by VP Powell’s question on 58% increase. VP Powell noted that it was important to follow up on change orders indicating an increase over 10%.

VP Powell followed up with Chief Schmidt re the development of a CIP video, to which he indicated that a meeting had been held with Communications and that they are moving forward with doing a video in September (perhaps the last week of the month).

Motion to address and approve the Educational Facilities Final Payment Resolutions Nos. 2018-19: 198-200 as a bundle

Chief Schmidt also presented re facilities other resolution, 201. He explained that the resolution captures 6 moves and that it was essentially drafted for State Ed and accountability purposes to memorialize the school moves. He advised that facilities would probably also be bringing another resolution for the Board’s review in the September meeting.

Motion to address and approve the Educational Facilities Other Resolution Nos. 2018-19: 201 Seconded by Commissioner Hallmark. **Adopted 2-0.**

F. OTHER

1. **Brighton Central School District; East Irondequoit Central School District; East Rochester Union Free School District; Gates Chili Central School District; Greece Central School District; Hilton Central School District; Penfield Central School District; Pittsford Central School District; Rush-Henrietta Central School District; Webster Central School District; and**

West Irondequoit Central School District – agreements with various suburban school districts, for required services pursuant to New York Education Law Section 912, for the 2018-2019 school year, for amounts to be determined, funded by the Department of Health Services – Resolution No. 2018-19: 203

VP Powell reminded the Committee that Resolution No. 2018-19: 203 captures the outgoing payments to other districts for health services, per the previous financials discussion.

Motion by Vice President Powell to address and approve the Other Resolution No. 2018-19: 203. Seconded by Commissioner Hallmark. **Adopted 2-0.**

2. YMCA of Greater Rochester –agreement to provide physical education training and use of the Monroe Avenue facility for approximately [TBD] students in the New Beginnings Program – Resolution No. 2018-19: 204

Motion by Vice President Powell to address and approve the Other Resolution No. 2018-19: 204. Seconded by Commissioner Hallmark. **Adopted 2-0.**

4. Hillside Children’s Center (Hillside Family of Agencies) –agreement to provide Day Treatment Program services for students placed in a special class program consisting of six (6) students, one (1) teacher and one (1) teacher assistant or paraprofessional, using the integrated framework of the State Education Department and the Office of Mental Health– Resolution No. 2018-19: 207

Motion by Vice President Powell to address and approve the Other Resolution No. 2018-19: 207. Seconded by Commissioner Hallmark. **Adopted 2-0.**

5. National Ambulance & Oxygen Services, Inc. (dba Rural Metro Medical Services) –agreement to provide ambulance standby service for all home football games, including varsity, junior varsity, modified teams and Sectional games – Resolution No. 2018-19: 209

VP Powell noted the not to exceed clause for the ambulance services contract for football games.

Motion by Vice President Powell to address and approve the Other Resolution No. 2018-19: 209. Seconded by Commissioner Hallmark. **Adopted 2-0.**

Next monthly Finance Committee Meeting: September 20, 2018.
Meeting adjourned at approximately 6:55PM