



**Response to Quarterly Financial
Plan Report for RCSD
February 28, 2021**



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ROCHESTER CITY SCHOOL DISTRICT

i. Organization of the Report

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ii. Introduction

On behalf of the Rochester City School District, I am submitting the State Monitor response to the Quarterly Report for the Financial Plan. This document is being sent to you in accordance with the provisions of Chapter 56 of the Laws of 2020. The Quarterly Report was shared with the RCSD Board on Thursday, February 25, 2021. The State Monitor response to the Quarterly Report was submitted to the Board on March 1, 2021. I look forward to the support of the State Education Department, RCSD administration, and the RCSD Board as we work to successfully implement these plans and improve outcomes for students.

iii. Process

The process for data collection included information gathered from meetings with the School Board and District administration in the form of presentations and observations; which were combined with artifacts as evidence to indicate the extent to which recommendations were addressed as of December 30, 2020. The State Monitor combined triangulated additional personal notes to complete the progress report submitted.



iv. Status of Specific Recommendations and Progress Benchmarks



General Fiscal Practices

| Recommendation(s) Recommendation #s | Benchmarks Summary of the status of the district's attainment of progress benchmarks contained in the Monitor's Report | Evidence of Action Indicate where evidence can be found of the Actions taken by the district. | State Monitor Response | Final Date to Complete/Implement |
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| | or established by the district. | | | |
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| <p>Review Fund Balance Policy for modification and approval by April 15, 2021. Effective June 30, 2021, the District shall adhere to the current Fund Balance Policy by committing to yearly increasing the fund balance. Recommendation #1</p> | <p>Proposed changes to the Fund Balance Policy was reviewed in the following Finance and Special Meetings:</p> <ul style="list-style-type: none"> - November 17, 2020, Finance Committee - December 15, 2020, Finance Committee - January 19, 2021, Finance Committee <p>and forwarded out of Committee for full Board consideration in the January 21 Business Meeting (1st reading) and January 26 Special Meeting (2nd Reading). The updated policy is intended to be considered for Board vote in the</p> | <p>Please see the attached agendas where the fiscal plan underwent Board Review. Attached is also the newly proposed Fund Balance Policy in track changes and clean copy, slated for consideration at the February 25 Business Meeting</p> | <p>The district has demonstrated through evidence and action that the recommendation to adhere to a newly developed RCSD Fund Balance Policy has been initiated and will be completed by the due date of 4/15/21.</p> | <p>By 4/15/2021</p> <p>Effective Immediately</p> |




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| | February 25 Business Meeting. | | | |
| <p>The Board and administration shall examine all contracts and programs providing direct service to students for the following:</p> <ul style="list-style-type: none"> ▪ Evidence of impact on student outcomes ▪ Alignment to the strategic plan ▪ Duplication of efforts ▪ Cost-effectiveness ▪ Feasibility ▪ Equity ▪ Need ▪ Sustainability | | | <p>The district has failed to demonstrate through evidence or action the recommendation to examine all contracts and programs providing direct service to students in a timely and consistent manner. Evidence does not align with the recommendation.</p>  | Effective Immediately |
| <p>The district should create a cross-discipline team with members of the human capital, teaching and learning, and the finance departments specifically for staffing and budgeting. The team shall ensure:</p> <p>1) all staffing and contingent staff requests are in the budget,</p> | | | <p>The district has demonstrated through evidence and action that the recommendation to create a cross-discipline executive leadership team to address enrollment, staffing, and budgeting has been initiated and continues to operate.</p>  | Effective Immediately |


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| <p>2) all hired staff are appropriately placed in the District's software program including position control and budget code, 3) any modifications to staffing are made in consultation with the team, principal, and chief.</p> | | | | |
| <p>Superintendent Evaluation should be implemented.</p> | | | <p>The district has demonstrated through evidence and action, the recommendation to initiate the evaluation process for the superintendent.</p>  | <p>Effective Immediately</p> |
| <p>The district shall initiate full implementation of Policy 8600</p> | | | <p>The district has demonstrated through evidence and action that the recommendation to implement Policy 8600 with fidelity has been initiated and continues to operate.</p>  | <p>Effective Immediately</p> |


Governance and Programmatic Decision Making




| Recommendation(s) Recommendation #s | Benchmarks Summary of the status of the district's attainment of progress benchmarks contained in the Monitor's Report or established by the district. | Evidence of Action Indicate where evidence can be found of the actions taken by the district. | State Monitor Response | Final Date to Complete/Implement |
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| District priorities, goals, and major initiatives are sustained through the life of the RCSD Strategic Plan unless officially modified through a majority Board action. A multi-year commitment to the academic and financial plans will force any new leaders entering the organization to commit to the District plans. This will diminish the "new leader fatigue" and allow staff the opportunity to commit to the goals of the plan regardless of any leadership changes. | | | Evidence not accessible to the reviewer | Effective Immediately |



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| <p>1) Adhere to contract staffing ratios. 2) Increase enrollment at RCSD schools by increasing achievement and providing programs that meet the needs and interests of students and their families.</p> | | | <p>The district has been challenged to demonstrate through evidence or action the recommendation to adhere to contract staffing ratios during the budget development process in a timely and consistent manner.</p> <ul style="list-style-type: none"> ● Employing a comprehensive approach to examining the student needs of general education, bilingual education and special education in the staffing and budgeting process is a district challenge. ● Data integrity regarding the number of staff and vacant positions in the district is a second challenge. ● The enclosed staffing chart includes minimal changes from previous years and is missing information. ● Evidence submitted unrelated to the recommendation <p>No evidence has been provided to support efforts to address</p> | <p>Effective Immediately</p> |
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| | | | the student population loss to charter schools. | |
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| The Board should adhere to all Board goals. | | | <p>1. Improve the Financial Condition of RCSD</p> <ul style="list-style-type: none"> ● The coordination between departments and schools for identifying needs and effectively allocating resources based on a student focus continues to be a challenge. ● Appropriate attention and analysis of current and future capital projects are required. ● The upgrade of financial and student management systems is needed. ● Synergy between students, staff, and financial management systems is needed. ● Reliance on state funds and a disproportionately low fund balance thwart efforts to conduct reliable financial planning. | Effective Immediately |

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| | | | <ul style="list-style-type: none"> ● The district is immersed in a change process, forcing tension between the old way of doing things and new strategies for progress. ● The district administration has not committed to specific actions to address declining student enrollment. ● Contracts and programs have not consistently been evaluated to ascertain evidence of positive outcomes for RCSD. ● Evidence supplied pertains to superintendent goals for evaluation, not RCSD Board goals.  | |
| | | | <p>2. Increase Academic Achievement</p> <ul style="list-style-type: none"> ● The district administration has not committed to specific actions to address | |



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| | | | <p>stagnant or declining student achievement.</p> <ul style="list-style-type: none">● An ESA committee of the whole has been established, but presentations are often orientation in nature versus data-driven, action-oriented and, results-focused.● Little or no attention, discussion, or specific action regarding the elimination of Receivership Schools in RCSD.● Little or no attention, discussion, or specific action regarding increasing the reading levels of RCSD students.● No detailed review of Strategic Plan priorities or leading indicators to the BOARD.● No academic data to examine the academic outcomes of students during 1st semester of remote learning across the district.  | |
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| | | | 3. Increase Equity for All Students  | |
| <p>The Office of the District Auditor General should conduct a mini audit of the workflow for contract development at least twice a year.</p> <p>Random preview of contracts by the State Monitor prior to arrival to legal counsel on a monthly basis</p> | | | <p>The district has demonstrated through evidence and action that the recommendation to assign the District Auditor General to lead a review of the workflow has been initiated and continues to operate.</p>  | Effective Immediately |
| <p>Effective immediately, all contracts and resolutions with a financial obligation for the District should include evaluations and cost analysis.</p> <p>Hold staff accountable for compliance with this protocol.</p> | | | <p>The district has failed to demonstrate through evidence or action the recommendation to examine all contracts and resolutions with a financial obligation for the District have undergone a program evaluation or a cost analysis in a consistent manner.</p>  | Effective Immediately |

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| <p>All contracts and resolutions with a financial obligation for the District, over \$25,000 should include evaluations and cost analysis. This will support the decision-making process for the Board.</p> <p>All contracts and resolutions should be written in a manner that provides ample information and clearly specifies the requested action of the Board.</p> <p>All resolutions should include references to any other related Board actions.</p> <p>Board members should be encouraged to ask questions at committee meetings and through the Board, Question Log to gain greater understanding prior to voting on a resolution.</p> | | | <p>The district has failed to demonstrate through evidence or action the recommendations to consistently ensure</p> <ul style="list-style-type: none"> • all contracts and resolutions with a financial obligation for the District, over \$25,000 should include evaluations and cost analysis • all contracts and resolutions should be written in a manner that provides ample information and clearly specifies the requested action of the Board. • all resolutions should include references to any other related Board actions. <p style="text-align: right;"></p> <hr/> <p>The district has demonstrated through evidence and action that the recommendation to encourage Board members to pose questions at all meetings and through the Board Question Log has been established.</p> <p style="text-align: right;"></p> | <p>Effective Immediately</p> |
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Legal



| Recommendation(s) | Benchmarks Summary of the status of the district's attainment of progress benchmarks contained in the Monitor's Report or established by the district. | Evidence of Action Indicate where evidence can be found of the actions taken by the district. | State Monitor Response | Final Date to Complete/Implement |
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| The review of all MOAs and MOUs should occur as an agenda item for the executive cabinet, effectively immediately. | | | The district has failed to demonstrate through evidence or action the recommendations to consistently ensure MOAs and MOUs appear as agenda items for cabinet review during meetings  | Effective Immediately |
| The State Monitor should attend or receive minutes from all RCSD negotiation meetings. | | | The district has demonstrated through evidence and action that the recommendation for the State Monitor to attend or receive minutes from all negotiation meetings has been initiated and continues to operate.  | Effective Immediately |




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Budget Development

| Recommendation(s) | Benchmarks Summary of the status of the district's attainment of progress benchmarks contained in the Monitor's Report or established by the district. | Evidence of Action Indicate where evidence can be found of the actions taken by the district. | State Monitor Response | Final Date to Complete/Implement |
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| A report documenting all budget transfers shall be submitted to the Board and the State Monitor on a monthly basis at the Finance Committee meetings | | | The district has demonstrated through evidence and action that the recommendation to disseminate Budget Transfer Reports on a monthly basis has been initiated and continues to operate.  | Effective Immediately |


Organizational Structure and Internal Operational Efficiency


| Recommendation(s) | Benchmarks Summary of the status of the district's attainment of progress benchmarks contained in the Monitor's Report or established by the district. | Evidence of Action Indicate where evidence can be found of the actions taken by the district. | State Monitor Response | Final Date to Complete/Implement |
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| District administration and the Board should collaborate to develop and implement a process for regularly reviewing all District policies. | | | The district has demonstrated through evidence and action that the recommendation to establish a process to review district policies has been established through the RCSD Policy Committee.  | January 1, 2021 |
| District should initiate full implementation of Policy 6700R. | | | The district has demonstrated through evidence and action that the recommendation to implement RCSD Policy 6700R with fidelity and consistency has been initiated and continues to operate.  | Effective Immediately |

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| <p>District should initiate full implementation of Policy 6110R.</p> | | | <p>The district has failed to demonstrate through evidence or action the recommendation to implement RCSD Policy 6110R with fidelity and consistency.</p> <p style="text-align: right;"></p> | <p>Effective Immediately</p> |
| <p>District should initiate full implementation of Policy 6700.</p> | | | <p>The district has demonstrated through evidence and action that the recommendation to implement RCSD Policy 6700 with fidelity and consistency has been initiated and continues to operate</p> <p style="text-align: right;"></p> | <p>Effective Immediately</p> |
| <p>District should require, monitor, and enforce that all service providers document in the IEP Direct RS Service log all services provided and events preventing the delivery of services within 48 hours of delivery of service.</p> <p>District should, develop and implement a process to effectively monitor related services provided and ensure related services are provided in accordance with student IEPs. Ensure all types of related services are</p> | | | <p>? The district has failed to demonstrate through evidence or action to substantiate adherence to the recommendation. Resubmit Special Education Handbook links and additional evidence.</p> <p style="text-align: right;"></p> | <p>January 1, 2021</p> |

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| monitored and document monitoring performed. | | | | |
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Transportation

| Recommendation(s) | Benchmarks Summary of the status of the district's attainment of progress benchmarks contained in the Monitor's Report or established by the district. | Evidence of Action Indicate where evidence can be found of the actions taken by the district. | State Monitor Response | Final Date to Complete/Implement |
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| Acknowledging the District's need to cut costs, the District should continue efforts to negotiate for a more favorable contract with RTS. | | | The district has attempted to demonstrate through evidence or action the recommendation to reduce the financial impact of transportation costs. District efforts have to overcome the impact of a late reopening of schools due to COVID.  | Effective Immediately |
| Review the Managed Choice Policy for possible modification, restoration, or elimination | | | | December 30, 2020 |
| District should initiate the following: A review of services and accommodations written on | | | The district has demonstrated through evidence and action that the recommendation to review services written on IEPs has | Effective Immediately |

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| IEPs, particularly the need for transportation. Negotiate contracts with transportation vendors. | | | been initiated and continues to operate.  | |
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vi. Modifications, Amendments and Violations

The RCSD administration is requesting an extension. The State Monitor is willing to grant the extension, affording the district to complete the recommendation on March 15, 2021.

| Recommendations from General Fiscal Practices | | | | | |
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| Activity | Current Status | Revision | Reason for Revision | Other Information / State Monitor's Response | Date Completed |
| <p>The Finance Department should review the Direct Pay list for reducing the expenditures allowable for Direct Pay. Progressive discipline should be implemented for staff members who violate protocols or policies for Direct Pay.</p> <p>Hold staff accountable for the proper use of the Concur system and P-Cards.</p> <p>This recommendation should improve the management of expenses. Recommendation #7</p> <p><i>A progressive discipline protocol should be established and shared with the cabinet for pending implementation by January 15, 2021.</i></p> | Yellow | <i>A progressive discipline protocol should be established and shared with the cabinet for pending implementation by March 15, 2021.</i> | The progressive discipline process is still being developed. Both the Controller and Director of Procurement became ill and were out for a significant amount of time. This matter is a priority and it is our intent to have the process defined by 2/26/2. | | |

vii. Conclusions

The District has made a strong first attempt to adhere to the recommendations documented in the State Monitor's Financial Plan. Many decision makers in the RCSD Executive Cabinet have been in their positions for less than four months. The challenges of reopening schools, financial management and academic acceleration during the pandemic have highlighted the strengths and weaknesses of a new team trying to evolve into a high functioning executive leadership team for a high needs urban district. In most cases actions were to be compliant with the recommendations in both the Academic Plan and the Financial Plan. By continuing to work with district administrators, the quality of the evidence of impact, resulting from the execution of the recommendations should become more apparent. The reporting

structure for the plans creates a two month delay for documenting the status of work completed by administration and the Board.

There are areas of concern from December 30 through the writing of this report. First, the administration has struggled with reviewing resolutions and contracts on a consistent basis before forwarding to the Board for action. The financial obligation, nor the evidence of positive student outcomes continues to not be at the forefront of the decision making process. The Board often votes on contracts and resolutions absent this information. Second, the analysis of the impact of MOAs and MOUs on the current and future budgets, as well as teaching and learning remains a work in progress. Third, it is unclear how the RCSD Board will monitor progress of their goals. Although there is an increase in attention to academics, through the ESA Committee of the Whole, more analysis of student data, followed by proposed action is required. No recommendations for budget priorities have been offered by the Board to administration.

viii. Next Steps

The State Monitor will continue to implement a three-pronged approach to data collection. The State Monitor will participate in daily work activities of central and school staff members to familiarize them with the plan, where appropriate and support their efforts to implement the recommendations. This will be essential in areas where there may be violations or inadequate progress. Meeting with internal and external parties to RCSD to familiarize them with the plans, seek input for future modifications and identify areas of synergy for future collaboration. Finally the State Monitor will continue to review district documents and other artifacts related to the execution of the recommendations within each plan. The most critical next step is to support the district with actions to incorporate some of the recommendations into the RCSD budget development process. A balanced budget is due March 1st and will require the implementation of best practices to overcome previous district citations hindering financial stability for RCSD.

ix. Appendices