

Rochester City School District Fiscal Corrective Action Plan

The New York State Education Department (NYSED) has established a Fiscal Corrective Action Plan and outlined specific expectations for the Rochester City School District related to the Distinguished Educator’s recommendations for the District’s finances and District’s corresponding plan of action to address these recommendations. The items required under this plan shall be submitted to CAPFISCAL@nysed.gov by the dates identified below.

DE Recommendation	Plan of Action	Timeline	Expected Outcome Submitted to NYSED ¹	NYSED ¹ Comment on Current Status
Distinguished Educator Recommendations Improved Financial Management by Board				
Board to address district’s finances as an entire body (DE Rec. # 1)	<p>The Board of Education will meet as a whole group two times month in lieu of the committee structures (including Finance) for six months.</p> <p>The Chief Financial Officer (CFO) will present the monthly finance report to the complete board forty-eight hours prior to the first monthly meeting for their review and compile questions.</p> <p>The CFO will walk the board through the financial report and answer questions; recommended changes will be incorporated into a</p>	<p>Ongoing – Report on the success of this work and any necessary modifications to NYSED six months from submission of August 30,2019 report. (February 1, 2020)</p>	<p>Report on the success of this work and any necessary modifications to NYSED six months from submission of August 30,2019 report. (February 1, 2020)</p>	

¹ NYSED’s Assistant Commissioner for School Governance, Policy and Religious and Independent Schools will monitor progress on these steps.

DE Recommendation	Plan of Action	Timeline	Expected Outcome Submitted to NYSED ¹	NYSED ¹ Comment on Current Status
	<p>revised packet and submitted to the second board meeting for review and final approval.</p> <p>The Board will reassess on a 6-month basis the effectiveness of the process and make modifications as appropriate.</p>			
<p>Ensure that Board participates in fiscal oversight training (DE Rec. # 2)</p>	<p>CFO to provide coaching to Board on matrix. Yearlong professional development program. Training from: NYSED ASBO Great City Schools NYSED NYSGFOA</p>	<p>September 1, 2019 through August 31, 2020</p>	<p>Next step: RCSD's August 30 response cited August 2019 as a completion date for some trainings. By November 27, 2019, NYSED should be informed of what trainings occurred prior to August 30, 2019 as well as any additional trainings scheduled since then. In addition, RCSD should inform NYSED of any additional Board training scheduled for the remainder of the 2019-20 school year by November 27, 2019, as well as board attendance at each training after they occur.</p> <p>By November 27, 2019, NYSED should be informed of dates on which each existing BOE member undertook fiscal and governance training required under state law. If any members of the Board have not yet had that training, it should be scheduled immediately and reported to NYSED.</p>	

DE Recommendation	Plan of Action	Timeline	Expected Outcome Submitted to NYSED ¹	NYSED ¹ Comment on Current Status
			Fiscal Training: Required under Chapter 263 of the Laws of 2005 Governance Training: Required under Chapter 388 of the Laws of 2010	
Consider implications of structural deficit during contract negotiations (DE Rec. # 6)	Some training was reported in August report. Models should be developed which enable the Board to see clearly the impact of negotiated items over course of contract or seven years, whichever is longer.	Ongoing A working projections model (with assumptions stated clearly) to be presented to NYSED by January 15, 2020.	NYSED should be informed of all ongoing contract/salary negotiations with Units by November 27, 2019. A working model to be presented to NYSED by January 15, 2020.	
Require Board resolutions with significant fiscal implications to be accompanied by fiscal analysis (DE Rec. # 13)	Per August report, models were to be developed which enable the Board to see clearly the impact of resolutions over seven years.	Ongoing Per August Report, a testable working model was to be completed by September 2019.	A working model to be presented to NYSED by November 27, 2019.	
Distinguished Educator Recommendations Improved Internal Financial Management Capacity				
Establish clear criteria for selecting consultants (DE Rec. # 3)	Per August report, this was to be completed by November 2019.	Ongoing.	Submit criteria to NYSED by November 27, 2019.	

DE Recommendation	Plan of Action	Timeline	Expected Outcome Submitted to NYSED ¹	NYSED ¹ Comment on Current Status
			<p>Provide evidence that all consultants working in RCSD are selected and evaluated with resulting methodology.</p> <p>Report to NYSED by January 15, 2020 for all current consultants. With updates to be provided every six months.</p>	
<p>Have business department collaborate more closely with other departments (DE Rec. # 4)</p>	<p>This recommendation addressed the risks of decentralized financial management.</p> <p>District must balance the essential need for the organization to move toward and then maintain fiscal stability – and the ability to respond to emerging programmatic needs.</p> <p>Plan should include improved cash, payroll and procurement management practices. If local capacity does not exist to make these decisions, district should consider engaging the services of a consultancy with appropriate expertise.</p>	<p>Ongoing. August 30 report stated that department heads would meet with a budget analyst monthly, with cash management triggers when overspending is a risk. This is inadequate.</p> <p>District will formulate a plan to build systems appropriate to manage an organization of this size.</p>	<p>By January 15, 2020, the district will present a plan to build systems that manage cash and protect resources.</p> <p>NYSED will monitor progress on that plan prospectively.</p>	<p>Approach in August 30 report was inadequate to address district's concerns. As OSC found in its 2017 audit, district systems do not protect taxpayer funds well.</p>

DE Recommendation	Plan of Action	Timeline	Expected Outcome Submitted to NYSED ¹	NYSED ¹ Comment on Current Status
<p>Implement recommendations of OSC 2017 Audit report (DE Rec. # 7)</p>	<p>August report suggests that some steps have been completed – but it acknowledges that a report must be shared with NYSED and that existing systems are inadequate.</p>	<p>Ongoing.</p> <p>August report says that most steps will be complete by September 2019. However, text in the report suggests that the RCSD despairs of implementing appropriate cash monitoring and payment control systems.</p>	<p>Evidence of ongoing work that was to be completed by September 2019 presented to NYSED by November 27, 2020.</p> <p>By January 15, 2020, the district will present a plan to build systems that manage cash and protect resources.</p> <p>NYSED will monitor progress on that plan prospectively.</p>	
<p>District to do a study on allocation and utilization of resources (DE Rec. # 8)</p>	<p>RCSD will:</p> <p>A. Assess and project enrollment patterns for the next 10 years through building capacity data. (Nov. 2018)</p> <p>B. Project enrollment to align resources to each school for necessary staffing adjustments within contractual obligations, staffing allocation will be</p>	<p>Should be completed by December 2019.</p>	<p>A. Enrollment report – submit by November 27, 2019</p> <p>B. Project enrollment/plan for attendance based staffing – submit to NYSED by January 15, 2020</p> <p>C. AROI Report - submit to NYSED by January 15, 2020</p>	

DE Recommendation	Plan of Action	Timeline	Expected Outcome Submitted to NYSED ¹	NYSED ¹ Comment on Current Status
	<p>adjusted to align to student enrollment. Institute a process whereby staffing allocation considers chronic absence and attrition. (Dec. 2019)</p> <p>C. Conduct an analysis of the allocation and use of resources aligned to the district priorities (Academic Return on Investment/AROI) through the budget planning process to inform 2019-2020 budget decision making. (Dec. 2019)</p>			
<p>Develop a long term financial plan (DE Rec. # 11)</p>	<p>Develop a long-term financial plan with Stakeholders' input that aligns instructional priorities with fiscal reality. The plan will include:</p> <ul style="list-style-type: none"> ○ Alignment to the District's strategic plan ○ Financial status of the District, which will be updated on an annual basis 	<p>August report states complete by December 2019</p>	<p>Submit to NYSED January 15, 2020</p>	

DE Recommendation	Plan of Action	Timeline	Expected Outcome Submitted to NYSED ¹	NYSED ¹ Comment on Current Status
	<ul style="list-style-type: none"> ○ Actions to improve the financial strength of the District ○ Fiscal actions/ control measures to gain efficiencies and effectiveness in daily operations in order to manage spending ○ Stability in Fund Balance to increase financial strength of the District ○ Sustainability of instructional programs and a review process to incorporate changes as appropriate ○ Recommendations from the Distinguished Educator's report ○ Recommendations for Special Education ○ Recommendations for English Language Learners ○ Investment for FMP Phase III 			

DE Recommendation	Plan of Action	Timeline	Expected Outcome Submitted to NYSED ¹	NYSED ¹ Comment on Current Status
	<ul style="list-style-type: none"> ○ Identified Receivership schools needs ○ Funding for School Climate report 			
Distinguished Educator Recommendations Clarity/Transparency of Financial Issues for Public				
CFO and Chief Communications Officer work together to show what needs to be done to improve fiscal health (DE Rec. # 5)	August report describes a process to develop budget priorities and a long term financial plan, then communicate those priorities to stakeholder groups.	August report focuses on budget making for 2020-21, but this process should be ongoing.	Timeline for student based budget process submitted to NYSED by November 27, 2019. Communication plan to NYSED by January 15, 2020	
Develop an addendum to budget book that gives community a clear picture of the budget (DE Rec. # 12)	Budget book was to have been posted June 2019. Quarterly budget presentations were to have begun in October 2019	Ongoing – should happen annually.	Schedule of budget presentations for 2019-20 to be submitted to NYSED by November 27, 2019. (Given 2018-19 budget issues, district will need to find a way to demonstrate to NYSED and stakeholders that updates are factual).	
Other Significant Recommendations				
Implement Recommendations from (current) OSC Budget Review – when available, 2019		To be determined		
Implement Recommendations from (current) OSC Audit – when available, 2019		To be determined		

