

Semi-Annual Report of the Fiscal Monitor to
the Wyandanch Union Free School District

July 1 – December 31, 2021

Albert T. Chase, NYS Fiscal Monitor
March 2022

Introduction / Executive Summary

The November 2020 Fiscal Improvement Plan for the Wyandanch UFSD (“the District”) contained recommendations for actions to be undertaken by the District to enable it to develop operational and fiscal efficiencies. I can report that the vast majority of the recommendations made at that time have been enacted in full, while others have been partially enacted and are on their way to completion.

It should be noted that many of the recommendations made in the plan submitted to the Commissioner in December 2020 were not one-time actions but are continuing activities where the recommendations need to become integral components of District operations.

In November 2021, an update to the Fiscal Improvement Plan was completed and presented to the Board of Education (“the Board”) and the Wyandanch community at a public hearing. That update contained a total of seven (7) additional recommendations, which are addressed in a subsequent section of this document.

The Administration continues to be cooperative in enacting change and moving the District in a positive direction, with a comprehensive partnership being forged between the Fiscal Monitor and the Superintendent of Schools. As Fiscal Monitor, I continue to be consulted with regard to all fiscal matters as well as operational issues that relate to my area of oversight. My involvement is requested, and provided, in decisions regarding the financial and operational aspects of running the District.

The hiring of a new Business Administrator in July 2021 has resulted in a noticeable improvement in the operations of the business office. The individual’s experience and knowledge has led to improvements not only the business operations but also across all aspects of administration.

Since the previous Semiannual Report, covering the period January 1– June 30, 2021, there has been what I perceive as a negative shift in the demeanor of the Board and its desire to take actions that will move the Wyandanch schools in a positive direction. It is noticeable that the majority of Board members have made it a practice to ‘second-guess’ virtually all administrative personnel actions recommended by the Superintendent.

Key District Accomplishments - July through December 2021

-The 2021–22 District budget continues to be monitored closely and appears to be balanced in terms of anticipated revenues and expenditures. In early February 2022, The Business Administrator anticipates providing an initial general fund balance projection and estimate of the June 2022 year-end fiscal condition of the District. Early and comprehensive monitoring of the budget condition allows the District to recognize potential issues early on and deal with them before they become problematic.

-The Wyandanch UFSD undertook its annual Tax Anticipation Note borrowing for the 2021–22 school year. Because the District ended the last two years with a surplus, borrowing needs decreased from \$15 million to \$12 million. A positive change in the District’s credit rating by Standard & Poor’s, precipitated by better overall management and a positive cash flow, resulted in a savings in borrowing costs. The upgrade in the District’s credit rating, if maintained or further upgraded, will be extremely helpful when the possible consideration of a capital improvement bond is put forth.

- The Wyandanch UFSD continues to plan for the long-term improvement of its facilities. It is hoped that these initiatives will result in a bond proposition being voted on within the next two years.

-A new Director of Facilities has been hired. Since starting in October, the individual has shown great initiative and has made meaningful strides in the maintenance of school facilities. The Director is very responsive to issues that require immediate attention, while prioritizing projects based on student / faculty impact, as well as budget availability.

-Federal funding under both the American Rescue Plan (ARP) and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSSA) have been allocated by the District in accordance with its overall improvement plan, with the funds being spent down in a judicious manner. The administration has largely sought to avoid creating obligations (particularly in the area of personnel) that will result in funding problems once the federal funding ends. I will continue to work closely with administration in the monitoring of these funds, which are largely being utilized to address learning loss resulting from the pandemic.

-Preparations are being made in anticipation of the scheduled opening of The Academy Charter School (TACS) in September 2022. The District has worked closely with appropriate State Education Department staff to develop estimates of the costs to the District in the 2022–23 school year and beyond. There is some question as to whether the charter will open on time next fall, as it has been unable thus far to find a suitable location for its program.

Status of Outstanding Recommendations

The Fiscal Improvement Plan presented in November 2020 included a series of recommendations that the school district was expected to implement either immediately or over time. Each of those recommendations have been addressed by the Wyandanch administration in both its annual and quarterly reports. While the overwhelming majority of those recommendations have been implemented satisfactorily, there are several with which I continue to have some level of concern. These are (original recommendations are italicized):

-The Board of Education should arrange for training to assist it in clarifying school board and administrative roles.

While the Board has undertaken training, both as a corporate body and as individuals, it is clear that Board members continue to interject themselves deeply into administrative matters, particularly those having to do with personnel and hiring. In some cases, such activity has made

it difficult for the District to operate in an effective and efficient manner, with the hiring of key staff being delayed. Continued training will only be effective if individual Board members are determined to utilize the best practices to which training has exposed them. The New York State School Boards Association (NYSSBA) or other qualified organizations should continue to be utilized as primary resources.

-Continue to ensure that backup personnel are up-to-date with current functions and ready to step in when called upon.

The staffing in the Business Office is lean when compared to other comparatively-sized school districts. While I have been assured that backup personnel will be in a position to assume the duties of any staff member who may be out for a period of time, I remain concerned that this process would not be problem-free. Having spoken extensively with the new Business Administrator about this, we are determined to work together to ensure that operations can continue in the temporary absence of key personnel.

-Obtain payment schedules for each of its PILOT payments to allow the District to accurately project its income from this source.

The Wyandanch UFSD has made significant strides in obtaining necessary aggregate data for its PILOT payment schedule. I would like to see the Business Office obtain the individual payment schedule for each PILOT so as to be able to determine which properties will be returning to the tax rolls yearly. I realize that obtaining this information may largely depend on the extensive cooperation of the Town of Babylon assessment office.

-Continue the services of the Internal Auditor to assist the Business Office in achieving greater operational efficiency.

The Board, Superintendent and Business Administrator have met with the internal auditors on at least two occasions recently. However, it does not appear that the internal auditors have been actively working in the District. No reports were issued by the internal auditors concerning 2020–21 school year operations. The auditors have stated that they anticipate ‘doubling up’ on audit activities to the District during the second half of the 2021–22 school year.

-Submit an updated five-year financial plan to the Monitor by September 1 each year. The financial plan will be balanced as to revenues and expenditures. The plan shall include statements of all estimated revenues and expenditures, including a cash flow plan.

It is agreed that the District should work in collaboration with the Monitor to update the financial plan. However, I have realized that September 1 was not a realistic date because the independent auditors generally do not complete their work by that time, and so the final numbers that serve as the foundation of future year financial planning are not available in time to complete this work by September 1. November 1 is a more realistic date for any annual updates, given the turnover in the leadership of the Business Office in 2021. A long-range plan should be completed by November 2022, covering the 2022–23 through 2026–27 school years.

My previous Semiannual Report, covering the period of January 1 – June 30, 2021, was submitted to the Board in November 2021, and after a public hearing, was finalized and submitted to Commissioner Rosa on December 16, 2021. Given the abbreviated timeframe between then and now, I did not realistically expect substantial progress on any of my additional recommendations contained in that report to have taken place. Nonetheless, I have listed them below, along with their current status and my comments.

-The Business Office and Human Resources shall work together closely to assure proper budgetary placement of District staff, to ensure that Payroll has sufficient information to correctly charge payroll expenses.

The Assistant Superintendent for Human Resources retired effective October 2021 and the position remained vacant through December 31, 2021. Although subsequent to the timeframe covered in this report, a new Assistant to the Superintendent for Human Resources was hired in January 2022, and meetings have occurred to refine the processes involving both offices. Continued progress on this front is anticipated.

The Administration shall ensure the compliant, efficient, and complete use of the ARP and CRRSAA funding within the designated timeframes.

- ***By December 1, 2021, the District will establish a schedule for submitting FS-25 Requests for Funds for each approved grant program. The schedule for requesting funds will reflect actual and anticipated expenditures.***
- ***All budget amendments to adjust the planned use of funds will be provided to the Monitor for review and approval five (5) days prior to submission to NYSED.***
- ***Quarterly fiscal reports detailing the encumbrance, expenditure, and liquidation of funds for each program will be provided to the monitor for review five (5) days prior to submission to NYSED for review by the Commissioner.***

The District will complete FS-10F Final Expenditure reports by the deadlines established by NYSED to ensure timely close-out of each respective grant program.

All timelines are currently being met.

Beginning immediately, State Aid related and other financially-related documents shall be filed accurately and on-time, resulting in no delays in State Aid payments to the District.

All timelines are currently being met.

The switch in Worker's Compensation from self-insured to an insured policy as of July 2021 will require effective monitoring and oversight. A quarterly review of expenditures by the Business Office shall occur to ensure that the policy-based plan is proving beneficial to the school district.

It is premature to assess the success of the new program, due to limited data. More reliable data will be available at the time of the next Semiannual Report, covering the January -June 2022 timeframe.

Upon approval of the annual update to the improvement plan by the Commissioner, the Board of Education and Administration shall make every reasonable effort (e.g., bargaining in good faith, providing timely responses to requests for information, avoiding canceling scheduled bargaining sessions without good cause, maintaining open lines of communication) to settle outstanding employee contract negotiations in the 2021-22 school year in order to ensure accurate budgets for the 2022-23 fiscal year and beyond.

District labor counsel is in active negotiations with several of the District's bargaining units. Ideally, negotiations with the Wyandanch Teachers Association (WTA), whose contract expires in June 2022, should commence by early spring 2022.

The Board shall develop a policy under which a series of objective criteria are established to guide the Superintendent in determining whether a prospective employee is to be recommended to the Board for approval. Such policy shall have the goal of the Board rejecting recommended candidates only based upon cause. (Cause shall be defined as withholding approval for reason connected to the failure of the candidate to meet the qualifications of the position, conflicts of interest, or reasons connected to the candidate's moral character that would preclude him or her from working in a public school setting). Personal or subjective considerations shall not be the basis for the Board's refusal to approve recommended candidates for positions within the district.

No action or Board discussion has taken place. The need for clear guidelines is very apparent.

By January 31, 2022, the Board of Education shall set forth specific dates by which the following actions related to facility improvements shall take place:

- ***By mm/dd/yyyy, the Board shall appoint an architect to make a determination of possible capital projects.***
- ***By mm/dd/yyyy, the Facilities Committee shall submit to the Board a long-term capital improvement plan.***
- ***By mm/dd/yyyy, the Board shall approve the plans as submitted or as amended by the Board.***
- ***By mm/dd/yyyy, if the Board has not identified other funds to implement the plan, the District shall set a date to place a bond issue before the voters.***
- ***By mm/dd/yyyy, the District shall implement the capital improvement plan.***

The dates set forth shall be acceptable to the Fiscal Monitor.

The timeline stated for this activity were not within the timeframe of this report. However, a meeting of the Facilities Committee did take place at the end of January 2022, and a Request For Proposal (RFP) for architectural services has been distributed to qualified firms.

Focus for the Remainder of the 2021–22 School Year

There are a number of individual areas that should be focused on in an effort to create a model operation. Among these are¹:

- **New Leadership:** The new Business Administrator is providing qualified and experienced leadership. I expect that day-to-day operational matters will now be handled both timely and professionally. The Business Administrator has shared a number of ideas aimed at increasing operational efficiency as well as possible revenue increases.
- **Better integration of Business Office activities with Human Resources:** These offices interact in terms of position control and budgeting, as well as with payroll activities. There exists a need to coordinate processes and procedures and to define the roles and responsibilities of each office in regard to their intersecting activities. Improvements need to be made in the assignment of staff to specific budget/function areas as a means of achieving greater fiscal accuracy. Much progress was made last year, but a preliminary analysis shows that work remains to be done. For example, up to now, coding corrections were made through the Fiscal Monitor, but a system needs to be put in place whereby the Business Administrator has final sign-off prior to a new hire being assigned to a particular budget code. This is a process that will require a thorough review each year.
- **Long-term planning for capital improvements:** There is a real need for both upgraded and new facilities, and the planning must come up to speed during calendar year 2022. The District building aid ratio should provide a generous level of financial partnership with the State in this endeavor. I anticipate working closely with the administration and school board to advance the planning necessary prior to proposing a referendum.
- **Financial Plan Update:** There is a need to update the District's long-term financial plan to recognize changes that occurred in the 2021–22 school year budget, as well as to incorporate the proposed 2022–23 budget into that planning. Due to changing conditions, the plan will need to be substantively updated at least annually to ensure its continued relevance. The updated annual report to be submitted to the Board each November will be reflective of those changes. The eventual end of ARP and its effects on future budgets will need to be factored into the plan.
- **The use of funding provided through the American Rescue Plan (ARP) and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)** will need to be closely monitored to assure its appropriate use in meeting the needs of the Wyandanch students. It will be particularly important to ensure that the use of these funds do not create long-term or unsustainable obligations on the part of the District.
- **The Fiscal Monitor** will continue to work with the Board to provide fiscal training that may be requested in order to ensure that financial decisions are made using a complete

¹ Please note that a number of these items are contained in the previous section as Recommendations.

base of knowledge of the implications and potential outcomes that may result from such choices. I would prefer the topics to be directed by Board member request so that issues of their interest/concern are addressed.

Summary

I wish to thank the Wyandanch Board, administration, and community for their generous support in my efforts to assist with continuous, meaningful, and positive change for the Wyandanch schools. I look forward to the future of the Wyandanch UFSD and the opportunity to contribute to the continuing progress of the District.

cc: Dr. James Baldwin, Sr. Deputy Commissioner for Educational Policy
Dr. Angelique-Johnson Dingle, Deputy Commissioner, P-12 Instructional Support
Mr. Jason, Harmon, Deputy Commissioner, P-12 Operational Support
Wyandanch UFSD Board of Education
Dr. Gina Talbert, Superintendent of Schools

Attachment: List of Approved Contracts – July – December 2021

Wyandanch UFSD**Contracts Entered Into With Outside Parties****Contracts 2021-22****July 2021 through December 2021**

Entity	Service	Date Approved
US Medical, Inc	Nursing services	7/21/2021
Horizon Healthcare Staffing	Nursing services	7/21/2021
Stericycle	Biohazard waste management	7/21/2021
Educational Data Services	Cooperative bidding service	7/21/2021
Broadspire	Insurance services	7/21/2021
Salerno Brokerage	Insurance services	7/21/2021
Dr. Wafa-Deeb Westervelt	Administrative leadership consulting	7/21/2021
RJ Consulting Math	Professional staff development	7/21/2021
One World United	College and career services	7/21/2021
JSlichko Consulting	Professional staff development	7/21/2021
Change Impact	Professional staff development	7/21/2021
Always Learning	Professional staff development	7/21/2021
Logic Wing	Professional and student development	7/21/2021
Horizon Healthcare Staffing	Nursing services	8/25/2021
Young Life, LI	Student mentoring program	8/25/2021
Economic Opportunity Council of Suffolk	Student improvement programs Health field-related opportunities for students	8/25/2021
Health Occupation Partnership	Translations of educational documents	8/25/2021
Human Touch Translations	Student mentoring program	8/25/2021
Big Brothers / Big Sisters	Job coaching for teachers	8/25/2021
RCP Consultants, Inc	DTSDE review process	8/25/2021
K-12 Insights, Inc		

St. Joseph's College	Pre-Kindergarten learning services	8/25/2021
SAVVAS Learning Company	Curricular assessment services	9/15/2021
Teachers College Reading & Writing Project	Staff development	9/15/2021
LLK Consulting	School counselor professional development	9/15/2021
Branching Minds	Student evaluation and data aggregation	9/15/2021
Hicksville UFSD	Special education services to Wyandanch students	9/15/2021
Guercio & Guercio	District labor counsel	9/15/2021
Montgomery Granger	Two day consulting w new Facilities Director	10/20/2021
LIU Veterinary College	Cooperative program between District and LIU	10/20/2021
John S. Goess Realty Appraisal	Appraisal - District Sewer Project	10/20/2021
O'Brien Speech, Language & Learning PLLC	Special education services to Wyandanch students	10/20/2021
East Islip UFSD	Special Education services to Wyandanch students	10/20/2021
Advanced Cardiovascular Diagnostics	Covid-19 testing as needed	11/17/2021
K-Piano Learning Foundation	Musical instruction for students	11/17/2021
Half Hollow Hills CSD	Special Education services	11/17/2021
The Hagedorn Little Village School	Special Education evaluation services	11/17/2021
Beyond Boundaries Therapeutic Services	Special Education services	11/17/2021
Farmingdale UFSD	Special Education services	11/17/2021
Central Islip UFSD	Health & Welfare services	12/15/2021
Half Hollow Hills CSD	Special Education services	12/15/2021
Law Firm of Bond, Schoeneck, and King	Special counsel for Board matter	12/28/2021