



To: Alder Stratton and Board of Alders Finance Committee  
From: Garth Harries, Superintendent  
Will Clark, Chief Operating Officer  
CC: Board of Education  
Date: May 8, 2014  
Re: Questions in Advance of May 9 Finance Committee

We are in receipt of the “BOE Questionnaire” from Alder Stratton in preparation for the Finance Committee Meeting on Monday, May 9<sup>th</sup>. We continue to object to the procedure and tone of Alder Stratton’s ongoing interrogation, and believe – whatever it’s other presumptions and motives – that it does not reflect good faith or genuine inquiry into either our budget or the challenge of educating the school district’s 21,000 students. That said, we do understand that there are good faith questions embedded in the Finance Committee’s discussions of the Board of Education budget. This response lays out both our concerns with the “Questionnaire”, and seeks to respond to the Alder’s and Finance Committee’s genuine questions of inquiry. We offer the response in support of the Mayor’s proposed budget, which as you know includes a \$1.5M increase to the BOE important to preserve current operations in the face of rising fixed costs and to enable programmatic pivots that continue to improve and expand learning for students.

#### **Alder Stratton’s “BOE Questionnaire”**

Late in the evening on May 5, 2014, well after business hours, the Board of Education received an email from Al Lucas with a cc to Alder Stratton as well as direct correspondence from the Alder, which requested response to an attachment of 38 pages, titled “BOE Questionnaire”. The document has three sections, each of which expects response from the BOE: first, a request for responses on approximately 105 true/false statements that amount to legal interrogatories and slanted request for admissions that set the stage for a lawsuit; second, 39 separate request for production of documentation, also in the language of litigation; and finally, 7 pages of specific questions concerning the BOE’s site based-budget request.

We object to the timing and the form of this “Questionnaire”. This document was not, we believe, submitted in good faith consistent with our understanding outlined at the Finance Committee on April 9, 2014. You will recall that at that meeting, Alderman Stratton had a number of questions regarding a variety of topics. After much discussion and through the suggestion of the Committee Chair, Alder Stratton agreed that he would withdraw his questions, including questions he has

previously presented to the Superintendent in advance of an introductory meeting, in order to review, synthesize and refine his questions, and to represent them to the BOE “within a few days”. The goal at that time was to try to agree about the underlying facts, through direct contact in advance of the next Finance Committee meeting on the BOE budget. In turn the Superintendent agreed to discuss Alder Stratton’ revised questions and assertions in person with the Alder, and to return to the Committee on May 14, 2014 to respond to such revised questions as well as any further inquiries that may come from other members of the Committee through the Chair or Committee Staff.

Instead of that agreed upon approach, Alder Stratton has chosen to follow a different path. The questionnaire is submitted nearly a month after the Finance Committee meeting, and fully two months after the initial submission of our budget to the Board of Alders. It is presented less than a week before the second Finance Committee meeting, with a suggestion that responses to the 38 pages of inquiry come within the stipulated 3 days. It asserts that most of the issues were previously raised with the superintendent – some indeed were raised, in preparation for an introductory meeting with the Superintendent that the Alder chose not to attend at its first scheduling, but those previously raised questions correspond only to the issues raised in the last 8 pages of the 38 page document - and again, the Alder had agreed to withdraw and try to streamline and synthesize those questions and requests, not to reiterate and broaden them.

From a form and timing perspective it is impossible to respond to the “BOE Questionnaire” as submitted. They are patently unreasonable in their volume and expectation, separate and apart from the need for the BOE to simultaneously close out our education and operations for this school year, lay constructive plans for next school year, and support the daily work of educating students. The format of the “Questionnaire” presents a clearly implied threat of litigation, a threat which is neither helpful in tone nor amenable to response. The “Questionnaire” presumes malfeasance and ill-intent on the part of the school and city administrations and their predecessors, in ways that do not support the City and the School administrations’ desire to strengthen the City. In sum, we feel the content and presumptions of the questionnaire help neither the New Haven taxpayer nor the 21,000 New Haven students who are our collective responsibility.

<b>Questions and Themes in the BOE Budget</b>
---

With that objection to process stated, we recognize that there are honest themes of inquiry reflected in the questions from the Committee at our last session, and that those themes have echoes in Alder Stratton’s “Questionnaire”. We hope the Committee will focus Monday’s hearing on those issues, and not on the cross-examination that Alder Stratton clearly anticipates with his “Questionnaire”. To support those genuine and serious lines of inquiry, we offer the following responses to the Committee and to Alder Stratton:

**MBR:**

There has been much discussion of the Minimum Budget Requirement (MBR) and the obligations of the City to fund Education. This is a complex area of the law and policy similar to the PILOT (Payment in Lieu of Taxes). Simply stated, State law requires a certain minimum level of funding for Education, including from ECS and local contributions. In its original formulation, these funding levels were achieved through a complex formula defined by statute. Like PILOT and ECS, however, over time the law was then modified such that local towns are now essentially required to fund education in at the same financial level as the year prior (as reported to the State through a series of financial forms), plus whatever additional Education Cost Sharing and other adjustments are approved by the State. It is important to note that MBR operates now simply as a protection from Connecticut towns decreasing funding over existing levels, and it says nothing about the educational adequacy and appropriateness of town's support to education.

Issues about the City's in-kind contributions and their relationship to the MBR have also been raised. Clearly, in-kind or cost-based contributions from the City of New Haven to the Board of Education for payment of health care, pension, and workers compensation are an important part of the BOE budget, and for this reason they have been noted as distinct items in the Board of Education site-based budget submission. However, those in-kind contributions have not been included in the MBR calculation submitted by the BOE to the state – New Haven's MBR includes only the cash transactions, representing this year an obligation to fund \$177,219,297 primarily through the ECS funding that flows from the State to the City to the District, plus the prior year cash contribution from the City. The Mayor has requested an additional increase of \$1,530,296 million to the City's cash contribution which we believe is justified based on the prior years of flat funding, fixed cost increases faced by the Board of Education and the need to prioritize Education as a fundamental priority in the City. (We will discuss that request more later.)

Our understanding is that the methodology of in-kind support of the BOE's health care, pension, workers comp, and debt service has been in place for many years. It initially started in a time of conflict between the City and the BOE, as a way to ensure that the City could maintain its control of the relevant funding streams. That is, the City did not have confidence that cash provided for personnel benefits would be used for that purpose, given that once allocated the BOE has line-item discretion, and so the City preferred to pay the benefit costs itself. That beginning aside, our sense is that the synthesis of health care, pension, workers comp, and debt service has served the City and the Board of Education well, enabling pooling of risk, leverage with providers and unions, and effective negotiation the unions that cross the City and BOE.

Clearly, some districts in the State include not only cash support, but also in-kind support like health care, pensions, and workers compensation within their MBR calculation. Note that Debt Service is explicitly excluded, in any format, from the MBR calculation. We don't know when or why the decision was made not to include in-kind support in the MBR in New Haven. However, given the function of the MBR to set a floor for contribution, including in-kind contribution would have only increased the formal obligations of the City in the maintenance of funding. It appears that the City and the Board of Education were able to operate in a collaborative manner, for the reasons noted above, not requiring the specific listing of those costs in the MBR. That collaboration, we think, has been useful both programmatically and financially to both the City and Board of Education. While the City and the Board of Education certainly have the ability to rethink the contours and reporting of their financial collaboration now, doing so *\*should not\** and *\*cannot\** undermine the real and significant support that the City has provided historically to the City's school children. The core question, as the committee has observed, is not the legal requirements, but instead what support should be provided to the education of the City's children.

### **Administrators**

Concerns about the number of administrators have been raised by both the Committee and Alder Stratton. While we note below that central office remains a subject of inquiry, we will continue to defend the important work of our leaders and administrators. Schools, parents, and students depend on leadership and service from an effective central office – and all the more so in times of change and reform when the district is committed to improving its services. At the school level, leadership is particularly important. On average, each school based leader (principal and assistant principal) manages 20 teachers, 5 paraprofessionals, and a number of other non-certified staff, not to mention interacting with students and their parents at a ratio of 1:200. Many private and high performing public schools seek a ratio of one evaluator for every 8 to 10 teachers, a ratio much closer to what is recommended in other professional occupations, and a ratio which would effectively double the number of school based administrators. It is already the case that many of our administrators could make significantly more in salary to work in less challenging environments elsewhere in the State. We have taken steps in recent years to strengthen our leadership ranks, and to ensure alignment of leadership capacity in specific sites that may have been misaligned. If New Haven wants to attract, and develop, and retain high quality leaders, we need to continue to support their work.

### **Labor Agreements and Contract Negotiations**

Employees of the Board of Education are covered by multiple labor agreements. Among those, several employee groups cross between the City and the Board of Education, including 3144, 884, and Executive Management. Several are exclusively Board of Education Employees, including, most

significantly, the teachers and administrators. However, in all cases the negotiation of labor agreements has happened in collaboration with the City through the Mayor's Office, particularly regarding economic issues. As a City Department under the Charter the Board of Education has acted in all respects like a City Department in the arena of contract negotiations and the expenses for such common issues as pension, medical and worker's compensation have been budgeted and handled just like any other City Department under the Charter.

No tentative agreement has been signed without consultation and agreement from the Mayor, and often the mayor's various negotiators have participated actively in strategy sessions, negotiations and as needed mediations and arbitrations. In addition, the Board of Alders, by state statute, must vote to accept any agreed contract, or it is returned for further negotiation. So while the BOE employees are indeed employees of the school district, the development of the benefit packages that are relevant to the City's in-kind contribution are in fact a collaborative exercise and a joint responsibility of the City and the Board of Education. It is worth noting that based on this collaborative work with the City and our Unions, the Board of Education has led the way managing cost efficiencies and savings in areas such as medical benefits, pension, worker's compensation and overtime. These successes have subsequently translated into City union contracts as well producing documented savings and cost avoidance throughout the City/Board of Education workforces.

### **Budget Process and Materials**

Information on the Board of Education is available from many sources. This Site Based Budget which was approved after two Public Meeting of the Board of Education is 482 pages of detail and narrative information about the Board of Education Revenue and Expense projections and requests for the 2014-2015 Fiscal Year. All Board of Education expenditures are publically approved through a Board of Education Committee and then through the Board of Education with the agendas and actions items for each posted in the Board of Education website. All Board of Education payments and accounts are also maintained on the City MUNIS system and as such are available for the Board of Alders and their staff to review. Audits of accounts are also conducted and maintained by the City and routinely filed with the Board on a regular basis.

When specific questions about the Board of Education budget have arisen, the Board of Education has participated and cooperated with all City, State and Federal oversight and audits, has filed all applicable forms and reports, has appeared at Leadership Meetings, Finance Committee meetings, Education Committee Meetings, and Blue Ribbon Commission meetings. The Board of Education has also followed similar line-item formats and organization of its budget in collaboration with the City and patterned after the City budget format itself. In that context, we have made many efforts

to strengthen budget process and transparency, and intend to continue those efforts in the administration of the New Superintendent.

### **2014-15 Proposed Budget**

The focal point of the Board of Education's 2014-15 proposed budget is to preserve current operations, while recognizing the need to continue to reform and strengthen the actual delivery of education services to students. Our original \$5.3M request of the city was calculated to provide the district the resources to absorb annual cost increases that are inevitable even on existing operations, particularly to employee wages, as well as changes in funding from other sources. These increased costs are not new initiatives, but simply the annual increases necessary to do our work, including the living wage increases mandated by local ordinance for our part-time custodial workforce, the increases negotiated into the contracts of our clerks and security guards, and the continued funding of turnaround efforts at schools where special fund support is ending.

Recognizing the financial position of the City, the Mayor's actual request included only a \$1,530,296 increase. It is worth noting that the Superintendent and the Board of Education have committed to responding to any gap in the budget with financial plans built into the budget from the start of the academic year, as opposed to managing through budget initiatives which represented targets for cost savings and revenue increases to hit through the course of the year. That \$3.5M gap must be addressed either through increased support from other sources or concrete cuts to BOE operations. We will of course pursue additional sources of revenue wherever possible, including State and philanthropic sources. However, the New Haven Public Schools is currently reviewing specific savings alternatives for ultimate presentation to the Board of Education once the funding is finalized, including the following:

- Consolidation of school programs and facilities, whether through merging of programs or co-location;
- Closing of under-enrolled classes at the Elementary, Middle, and High School Level, i.e. classes with less than 12-15 students;
- Targeted closing of programs, such as the infant toddler daycare program and certain athletic programs, with the elimination of associated supports, layoff or displacement of staff, and movement of students to other settings;
- Savings initiatives within the district's transportation program, through reduction of stops and therefore buses;
- Central office cuts where possible, with the observation that central office executive management, administrative, and 3144 employees represent only 6% of the overall District's personnel spend;

These plans and others will be required to meet the current budget proposed by the Mayor. Further reduction of the Board of Education budget, including elimination of the \$1.5M increase recommended by the Mayor will mean deeper elimination of services, programs and staff in each of the areas indicated above, with greater impact on students and student learning.

<b>Conclusion</b>
-------------------

We remain committed to the goals we have discussed with both the Finance Committee and the Education Committee: to strengthen the learning of the district's 21,000 students so they can all be successful in college, career, and life. We recognize that to accomplish this goal, we must be responsible and effective stewards of the resources entrusted to us, from the City, the State, and from other sources. We believe our track-record and the materials we have shared throughout this budget process demonstrate that the Board of Education is responsible and effective in this task – while, simultaneously, recognizing that we must continue to improve that stewardship, through expert support, the building of capacity, and ongoing commitment to leadership and improvement.

In the context of the priority the City holds for education, and our on-going work to improve both the education and operations of the New Haven Public Schools, we ask your support for the Mayor's proposed budget, including the Board of Education allocation.

**Appendix: Record of Success**

Over the last six years the Board of Education and the City of New Haven have jointly embarked on a path of collaboration for School Reform with defined goals and commitments to the students and families of New Haven. This effort was built on the foundation of collaboration and transparent good faith discussion and action. The Board of Education has received praise locally and nationally for School Reform. The unique model and path we have chosen involves layers of partners including the Board of Aldermen, the Mayor, the State Department of Education and Governor, the Secretary of Education and Federal Partners, our Statewide and Local elected delegation, Unions, parents, students and community partners and grant funders.

This unique model has not only produced local and national attention but has also allowed for the leveraging of millions of dollars in resources to support School Reform and Education programs in New Haven. This has allowed School Reform to grow and continue without dramatically increasing local General Fund spend.

Through the efforts of its teachers and staff, the school system can report significant additional highlights, as follows:

- ❖ Superintendent Harries has initiated the implementation of Innovation Based Budgeting strategies in an effort to promote efficiencies and realize revenue potential through programs including but not limited to site based budgeting, academic program consolidation, food services deficit reduction plan, energy efficiency and preventative maintenance programs, print/document management programs and workflow technology designed to eliminate waste and increase workflow efficiency, targeted privatization and other measures;
- ❖ Since 1995, New Haven has built or rehabilitated 37 schools as part of its landmark \$1.6 billion School Construction Program. In the works are ESUMS, New Haven Academy, Helene Grant and Bowen Field. These beautiful, state-of-the-art buildings are meant to inspire our young people and create an atmosphere in which learning and social development flourish;
- ❖ New Haven Promise scholarships have continued to expand. College persistence rate among Promise scholars higher dramatically higher than district average. 85% of Promise scholars enroll in second year. Continuing implementation of Pathways to Promise college-going curriculum in K-8 and expansion of College Summit in the high schools;
- ❖ The New Haven Public Schools successfully implemented year three of its groundbreaking teacher evaluation system and launched year four, achieving more progress toward its goal of improving every school in the district and affording all students the best education possible. More than a third of the teachers originally at risk for dismissal improved significantly with the help of intensive supports and professional development. 28 teachers



who failed to improve sufficiently separated from the district voluntarily, either retiring or resigning;

- ❖ The district's groundbreaking teacher evaluation system and hard work of our teachers played a role in New Haven's winning of a highly competitive \$53 million grant from the U.S. Department of Education in September 2012. The grant will fund the New Haven Professional Educator Program, an initiative that aims to develop, support and retain great teachers and administrators. In addition the grant funds will support the lion's share of costs associated with step movement for all teachers and administrators who are rated effective or better through the evaluation process over the next three years;
- ❖ Launched federal Gear Up New Haven program and scholarship in select schools in partnership with state of Connecticut and Southern Connecticut State University;
- ❖ Continued development of a nationally recognized School Food Program, which has continued to add healthy menu choices for children, increased student participation in meals and resulting federal reimbursements, and resulted in the awards of numerous grants and recognitions related to the availability of fresh fruits and vegetable and breakfast programs and the overall efforts to increase healthy eating and awareness and decreasing obesity in New Haven Public Schools. The Food Service Program has worked directly with the White House to assist in designing the Chef's Move to School Campaign and other aspects of the First Lady's "Let's Move" campaign. These efforts and many others by the Food Service staff have served to extend the classroom to the cafeteria and to ensure that all students are offered healthy meals throughout the year and are more cognizant of the healthy choices that they can make with respect to food and nutrition. With the hiring of a New Executive Director and the successful resolution of the Cafeteria Union contract as well as the proactive investments in technology and systems over the past few years, we are confident that the focus of fiscal stability and sustainability of the program along with the commitment to healthy meals will result in New Haven being the premiere Food Services Program in the state while remaining within budget;
- ❖ Successful transition to the Power School Student Information system which has allowed for school, grade and student specific performance tracking and data driven benchmarks and other strategies designed to increase student achievement and to create a state of the art comprehensive student information with Parent portals and other features which will increase efficiency, accountability and information sharing while reducing costs through the opening of Parent portals and other information sharing elements;
- ❖ Implementation of heightened rigor and support for the most expansive District-Wide Pre-K program in the State;
- ❖ State designation as the #1 Wellness Policy which reflects the Physical Activity and Wellness programs, and a variety of healthy education initiatives that support the documented connection between positive physical and mental health and student achievement including the implementation of a Health Curriculum and a Recess Policy across the District;

- ❖ Successful application and leveraging of available program dollars through the ERATE program to maximize available federal resources to provide state of the art computer, phones and internet capability across the district;
- ❖ Successful transition and expansion to an on-line work order system for facilities repairs which has led to increased efficiency, reduction in outsourced repair costs, and identifiable measures of control and performance related to maintenance issues and Capital Projects;
- ❖ Continuation and expansion of Centralized Energy Conservation Programs and Energy Star School Profiles which have reduced kbtus and energy costs across the district in each of the last five years even though the total square footage has increased by hundreds of thousands of square feet . We have also engaged in successful implementation of an LED project at Ross Woodward School, Solar projects and are maximizing utilization of the Fuel Cell to both increase energy efficiency and reduce cost to the District;
- ❖ Aggressive negotiation of Collective Bargaining Agreements and work in collaboration with the City of New Haven in order to combat increased health care costs through medical plan redesign (part of the School Administrators Association and Food Service Workers Settlements highlight the major medical cost savings/avoidance obtained through BOE negotiations), Costly Work Rule/Privatization Concessions and negotiated wage freezes;
- ❖ Continuation of active lobbying efforts at the State and National level along with local and state-wide partners in order to seek additional revenue streams and grant supports for Education programs, Education funding, School Construction, School Security, IT and District supports.

For the upcoming year the Board will continue to build off of the gains noted above. The challenges to Urban Education remain significant and much more work needs to be done. In order to continue the steady gains that have been achieved over the last few years we will continue to focus on the following:

- ❖ Transformational planning for all schools, designed to promote aggressive growth consistent with the New Haven School Change goals;
- ❖ Expand the successfully implemented new evaluation and coaching systems for Teachers, Principals, and Central Office employees, ensuring that evaluation and coaching is professional, constructive, and consequential;
- ❖ Continue strengthening leadership pipelines within the public schools, to ensure the strongest possible school principals and assistant principals, and creating a career trajectory for our strongest teachers;
- ❖ Continue the implementation and expansion of Promise and College Summit programs across the District which will serve to establish college as not only a goal for all students but a reality which all students can achieve;

- ❖ Expand the focus on career and technical education as a way to engage student interests and prepare all students for some form of post-graduation certification or credential, which is essential for economic and life success for our students;
- ❖ Refine the Boost! Community Schools work with an expanded and strategic asset mapping, gaps analysis and resource development, for schools and implement a data warehouse for information sharing among schools and community providers;
- ❖ Further development of the New Haven Youth Map with City and community partners and of after-school options;
- ❖ Expansion of mentoring options;
- ❖ Expansion of the “Parent University” program, to ensure that parents have the knowledge, skill and ability to support their students in school and at home;
- ❖ Implement the new national common core of standards consistent with the leadership position on this issue that New Haven has already taken around the state and country;
- ❖ Expand successful implementation of new curriculum initiatives and literacy programs designed to utilize the data driven approach with school and district wide data teams;
- ❖ Expand and improve preschool initiatives through data driven strategies and review designed to push for academic mastery in the preschool and kindergarten years and improve the preschool application and enrollment processes;
- ❖ Refine and implement the Redistricting Committee recommendations to update registration protocols, increase transparency and strategically align our physical capacity with the existing and expected student population needs as well respecting parent expectations;
- ❖ Continue to focus on stakeholder engagement, parental involvement, and partnerships within the community through a redesigned website and Parentlink expansion designed to increase access to information and services, professional development of staff and workshops for parents and students;
- ❖ Strengthen truancy initiative and refocus partnerships with Dr. James Comer, Health provider partners and the New Haven Police Department in order to effectively address social and emotional needs of students and to continue to create a safe and nurturing learning environment while effectively reducing truancy rates and dropout rates and increasing graduation rates;
- ❖ Implementation of a coordinated school health program including curricular, provider and support services interventions through school and wraparound resource delivery as well as through optimization of School Based Health Clinics and other health supports.