

Rochester City School District

Budgeting and Multiyear Financial Planning

APRIL 2020



OFFICE OF THE NEW YORK STATE COMPTROLLER
Thomas P. DiNapoli, State Comptroller

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Report Highlights

Rochester City School District

Audit Objective

Determine whether the Board's 2018-19 adopted budget was realistic and structurally balanced based on historical or known trends.

Key Findings

- The Board and District officials neglected to use accurate estimates of appropriations to balance the 2018-19 budget, which contributed to an unplanned operating deficit of \$27.4 million.
- The Board failed to adopt a structurally balanced budget and did not follow its fund balance policy when it appropriated fund balance to finance the 2018-19 budget.
- The District lacks a comprehensive multiyear financial plan.

Key Recommendations

The Board and District officials should develop and adopt structurally balanced budgets that:

- Include realistic estimates of revenues and appropriations based on historical trends or other known factors.
- Comply with the Board's fund balance policy and include a plan to eliminate the fund balance deficit and restore and maintain minimum thresholds.
- Contain comprehensive multiyear financial plans with goals and objectives for funding long-term operating needs.

District officials generally agreed with our recommendations and have initiated or indicated they planned to initiate corrective action.

Background

The Rochester City School District (District) is located in the City of Rochester in Monroe County.

The District is governed by a Board of Education (Board) which is comprised of seven elected members. The Board is responsible for the general management and control of the District's financial affairs. The Superintendent of Schools is responsible for the day to day management of the District. The Chief Financial Officer (CFO), Accounting Manager and Budget Director help manage the District's finances.

Quick Facts

Employees*	5,822
Enrollment	27,056
Expenditures	\$810,339,976

*Full-time equivalents (FTEs)

Audit Period

July 1, 2018 – March 12, 2020.

We extended our examination period back to July 1, 2015 for trend analysis.

Budgeting and Multiyear Financial Planning

The District experienced high turnover of certain key officials (Superintendent, CFO and Budget Director) during our examination period. The former Superintendent resigned in January 2019 with an interim Superintendent filling in until the current Superintendent began in July 2019. The former Budget Director and former CFO were in their roles throughout our examination period until their respective resignations in September and October 2019.

What is Effective Budgeting and Multiyear Financial Planning?

District officials are responsible for preparing and presenting to the board a properly and structurally balanced budget where recurring revenues¹ finance recurring expenditures. In order to accomplish this, District officials must ensure that budgeted revenues and appropriations are accurately estimated. The estimation of fund balance, which is the difference between revenues and expenditures accumulated over time, is also an integral part of the budget process. When adopting the ensuing year's budget, the board may appropriate a portion of surplus fund balance as a financing source. However, the board is responsible for retaining enough surplus fund balance at year-end to provide a reasonable financial cushion for unexpected events and cash flow in the ensuing year. Accurate revenue and appropriation estimates help ensure the amount of fund balance appropriated is reasonable. It is important for the board to adopt and enforce a policy that addresses the level of surplus fund balance to be maintained.

A helpful tool in developing a sound and structurally balanced budget is a multiyear financial plan. A multiyear financial plan should project revenues and expenditures several years into the future using past trends and operating results as well as any emerging changes. It projects what will happen to a district's ability to pay for and provide services given a set of policy and economic assumptions. These projections help policymakers assess expenditure commitments, revenue trends, financial risks and the affordability of new services and capital investments. Maintaining a reasonable level of surplus fund balance is a key element of effective multiyear financial planning. A multiyear financial plan should be periodically reviewed and updated to provide a reliable framework for preparing budgets and ensuring that information used to guide decisions is current and accurate.

The Board Adopted Budgets With Unrealistic Estimates

As we previously reported,² we found the revenues of \$778.6 million included in the adopted 2018-19 general fund budget were reasonably estimated. However,

1 The Big 5 City School Districts (New York City, Buffalo, Yonkers, Rochester and Syracuse) cannot levy taxes as a source of revenue. Instead, revenues are primarily dependent on funding provided by their cities, New York State, the federal government, and additional grants and special aid revenue.

2 <https://osc.state.ny.us/localgov/audits/schools/2020/rochester-br-20-2-1.htm>

several significant appropriations were not reasonable. The District's audited financial statements for the period ending June 30, 2019 state that expenditures exceeded revenues by \$42.4 million. The adopted budget included \$20 million of appropriated fund balance to balance the budget. However, the Board amended this amount downward mid-year to \$15 million, resulting in an unplanned general fund deficit of \$27.4 million.

When we analyzed the District's year-end financials, we found the predominate cause of the 2018-19 budget deficit was the severe underbudgeting of several appropriations, all of which should have reasonably been estimated by the District's Central Office. The top six appropriations that were underestimated totaled \$41.1 million and are highlighted in Figure 1.

Figure 1: Underestimated Appropriations in the 2018-19 Budget

General Fund Account	2018-19 Appropriations	2018-19 Expenditures	Underestimated Appropriations
Health and Dental Benefits	\$69,710,529	\$85,634,917	(\$15,924,388)
Substitutes	\$10,002,500	\$17,807,658	(\$7,805,158)
Charter School Tuition	\$79,563,000	\$86,057,100	(\$6,494,100)
Retirement	\$33,399,403	\$38,001,333	(\$4,601,930)
Contract Transportation	\$65,020,235	\$68,340,496	(\$3,320,261)
BOCES^a	\$22,905,088	\$25,868,662	(\$2,963,574)

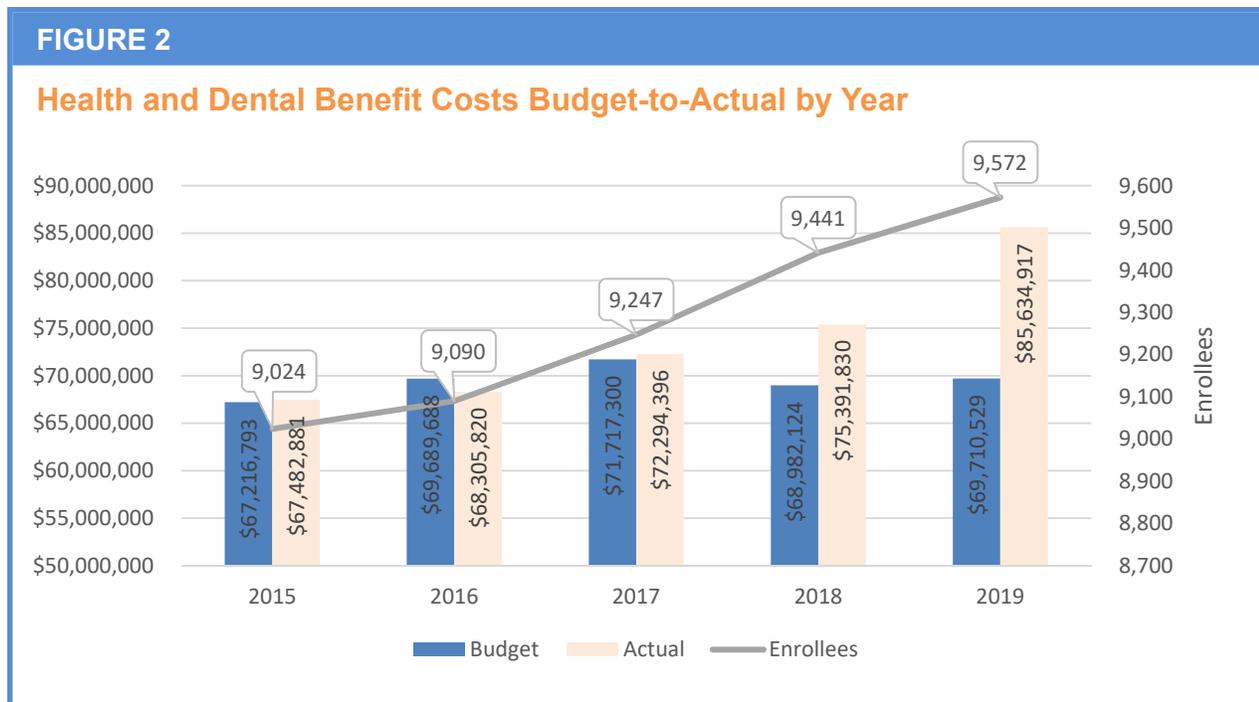
a Board of Cooperative Educational Services

Several District officials indicated that the CFO's attempts to close the initial budget gap by spreading cost reductions and efficiency measures over the entire District were met with resistance from various department heads. During the initial budget development stages, the CFO conveyed to both the Board on March 8, 2018 and to the public on March 14, 2018 that the initial budget gap was \$75 million, which was subsequently reduced to \$65 million by appropriating \$10 million of fund balance. During a March 20, 2018 budget update, the budget gap was reportedly down to \$31 million. When the Superintendent presented the draft budget on March 27, 2018, the budget gap had reportedly been eliminated. On May 12, 2018, the CFO sent the Board and Superintendent a letter³ which included a list of actions taken to close the budget gap. A number of the budget gap closure measures outlined in the CFO's letter differed from what had previously been presented with no explanation offered, including the appropriation of an additional \$10 million of fund balance.

3 [https://go.boarddocs.com/ny/rochny/Board.nsf/files/AYT4QG768F83/\\$file/Memo%20to%20VP%20Powell%20and%20BOE%20on%202018-19%20Budget%20Update.pdf](https://go.boarddocs.com/ny/rochny/Board.nsf/files/AYT4QG768F83/$file/Memo%20to%20VP%20Powell%20and%20BOE%20on%202018-19%20Budget%20Update.pdf)

We reviewed the six categories of appropriations that were most underestimated to gain a better understanding of how they were budgeted. We found the following:

Health and Dental Benefits – The District’s 2018-19 budget was overspent for health and dental benefit expenditures by almost \$16 million. The District is self-funded for health and dental benefits. Therefore, careful consideration must be paid when budgeting for this relatively large expenditure. In the 2016-17 budget, District officials appropriated \$71.7 million for health and dental benefits for 9,247⁴ enrollees. The District then reduced this budget item for 2017-18 by \$2.7 million to \$69 million. However, total enrollees had increased by 194 participants to 9,441 and resulted in total expenditures of \$75.4 million. In the 2018-19 budget, District officials increased appropriations slightly to \$69.7 million. However, this amount was below the 2016-17 level, despite total enrollees having increased to 9,572 (an increase of 131 participants from 2017-18 and 325 more than 2016-17) while total expenditures increased to \$85.6 million. Reducing appropriations for health and dental benefits while the number of participants increased was not a prudent budgeting practice and was counter to what the District’s third-party administrator advised. As a result, the appropriation for health and dental benefits was underbudgeted by nearly \$16 million.



⁴ Health and dental benefit expenditures reflect general fund appropriations, while the number of enrollees represent those in all funds. The District’s records did not clearly identify which enrollees belonged in which fund, so we used the total enrolled to review this appropriation.

Substitutes – The 2018-19 budget for substitute costs (teaching and civil service) was overspent by \$7.8 million. During the 2018-19 budget development process, District officials planned to reduce the use of substitutes by \$1 million as part of their appropriation adjustments. However, at year-end, the substitute costs had increased by \$1.1 million over 2017-18 expenditures.

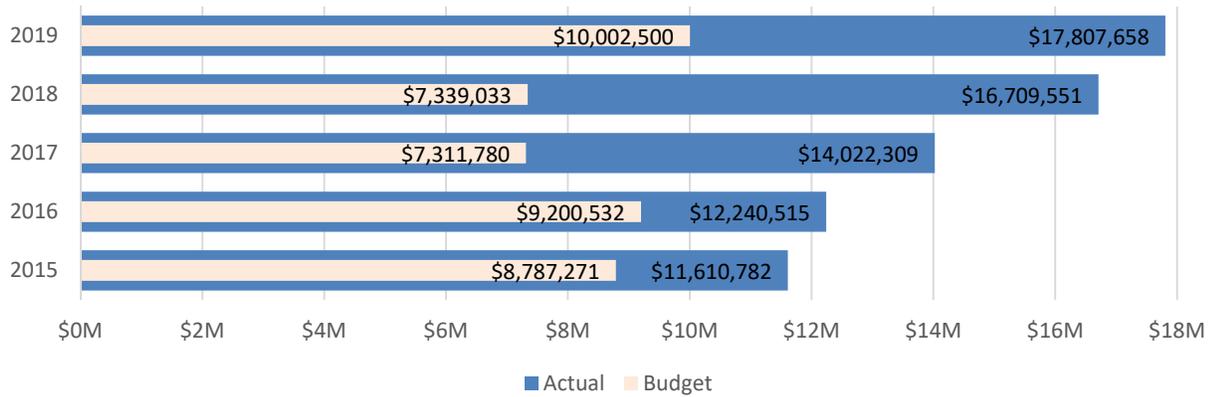
The primary reason for the overspending was from using substitutes to fill vacant positions as well as substitutes covering teacher absences. Budgeting for additional FTE positions and hiring more staff inherently increases the number of absences the District can expect to cover during the year. Budgeting for additional FTEs would not necessarily be an issue if funds were available for the positions. District officials have a practice of budgeting negative figures within their budget, in essence unappropriating funds, which causes the budget to be balanced on paper. However, unless the expenditures for those appropriations are reduced in practice, the budget is not structurally balanced and the appropriations will be exceeded. This practice of budgeting negative figures is unnecessarily confusing, as researchers hired by the District to study its budget development process stated, “Within the decades of our experience in school finance, we have never seen original allocations with negative numbers.”⁵ Because District officials budgeted negative amounts for vacancy turnover without fully reducing expenditures, appropriations were not available to fill the same number of FTEs, even on a temporary basis. District officials used substitutes to fill many of the positions anyway.

Furthermore, over the previous five years, the District has underbudgeted this appropriation between \$2.8 million and \$9.4 million annually, which runs counter to the decision to further reduce the budget for this area without already having implemented specific cost-savings measures.

5 [https://go.boarddocs.com/ny/rochny/Board.nsf/files/B5MSPV687FF4/\\$file/Report%20based%20on%20research%20Questions%20Rochester%20City%20Final%2010%202%2018.pdf](https://go.boarddocs.com/ny/rochny/Board.nsf/files/B5MSPV687FF4/$file/Report%20based%20on%20research%20Questions%20Rochester%20City%20Final%2010%202%2018.pdf)

FIGURE 3

Substitute Costs Budget-to-Actual By Year

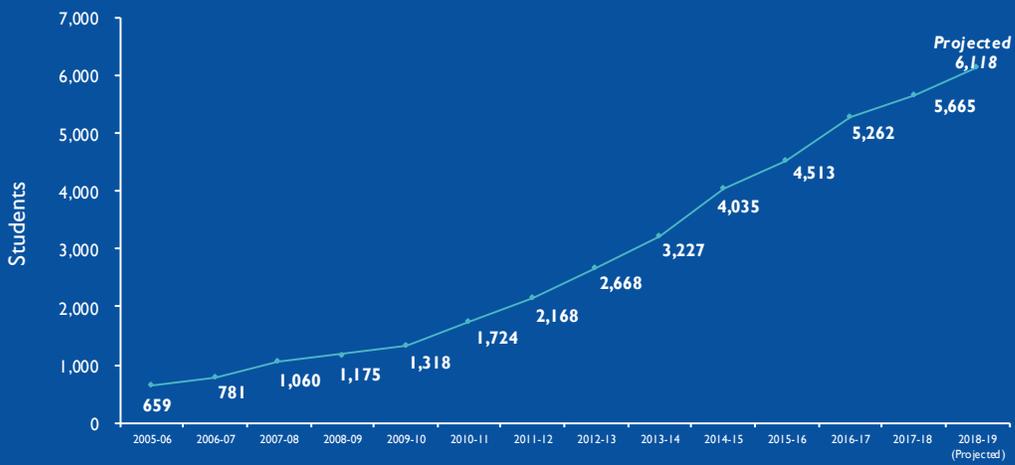


Charter School Tuition – The Board and District officials underbudgeted charter school tuition by \$6.5 million in the 2018-19 budget. We found that officials had sufficient information to reasonably project charter school tuition expenditures. District officials budgeted \$2.1 million (3 percent) more than the 2017-18 expenditures despite charter school enrollment increasing by 7 percent and charter school tuition increasing by 5 percent. The budget analyst who oversaw this area told us charter school tuition was initially underbudgeted because District officials underestimated charter school enrollment. However, in the March 27, 2018 budget presentation to the Board (see Figure 4), District officials projected charter school enrollment of 6,118 students, which was higher than actual enrollment of 6,011 students. Further, in the District’s 2017-18 budget book, officials projected 2018-19 charter school tuition increases of 13.9 percent with a budget increase of \$10.8 million. This amount would have been sufficient to cover the actual increase in charter school expenditures due to increases in charter school enrollment and State-mandated tuition.

FIGURE 4

District's Analysis of Charter School Enrollment^a

CHARTER SCHOOL ENROLLMENT TREND



a Rochester City School District, Budget Overview 2018-19, Page 21, <https://www.rcsdk12.org/cms/lib/NY01001156/Centricity/Domain/92/Budget%202018-19%203272018.pdf>

Retirement – The District’s 2018-19 budget was overspent by \$4.6 million for retirement costs for the New York State and Local Retirement System (NYSLRS) and New York State Teachers’ Retirement System (NYSTRS). The District’s 2017-18 budget book estimated NYSLRS and NYSTRS expenditures for 2018-19 to be 14 and 10 percent of the District’s payroll, respectively. If the District based its 2018-19 budget figures on these estimates, it would have budgeted appropriately for these expenditures, including factoring in an additional \$2.7 million due to NYSTRS for a payment under their pension stabilization program.⁶ Instead, District officials reduced their retirement budget estimates below the 2017-18 actual expenditures even though staffing had increased by 149.5 FTEs which would correspond to an increase in employee retirement costs.

Contract Transportation – The Board and District officials underbudgeted contracted transportation by \$3.3 million in the 2018-19 budget. During budget development, the Director of Transportation recommended to the Budget

6 New York State Education Law Section 521(3)

Director a transportation budget totaling \$69.3 million. However, the Budget Department budgeted \$65 million (6 percent less than recommended) and \$3.4 million (5 percent) less than 2017-18 actual expenditures despite transportation contract rate increases of 2.5 to 3 percent. The budget analyst assigned to this area told us that transportation appropriations decreased because District officials budgeted with an optimistic assumption that students would be more efficiently placed in District schools to reduce transportation costs. However, no corresponding actions were ever taken by the Board or District officials to more efficiently place students.

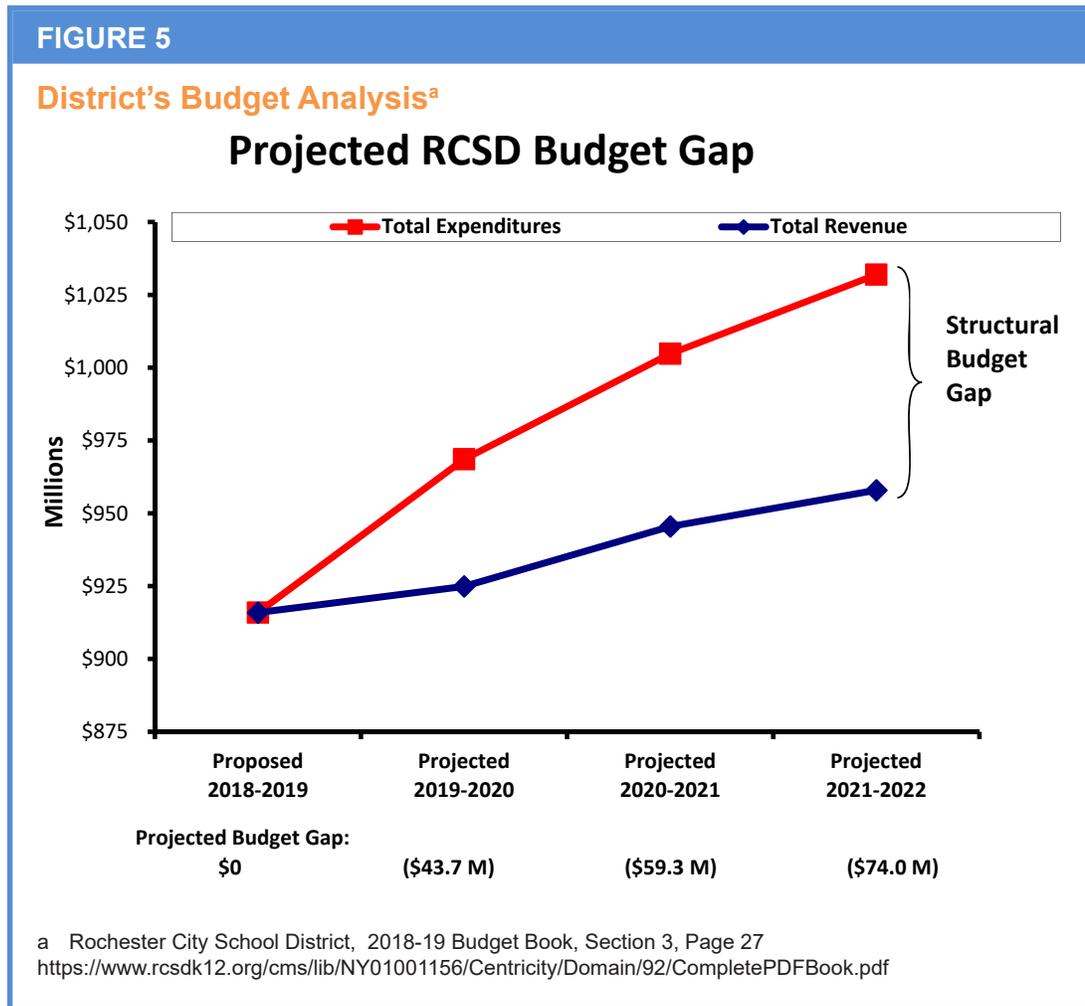
The Chief of Operations told us that more efficiently placing students would require a change to the School Choice Policy, which would require Board approval. Absent the Board adopting such changes or having taken other definable actions to more efficiently place students, the transportation appropriation should not have been reduced based on this assumption. Further, the District's 2017-18 budget book projected that contracted transportation expenditures would rise by 3 percent annually. If District officials had budgeted using this assumption, it would have been sufficient to cover the actual 2018-19 contracted transportation expenditures.

Board of Cooperative Educational Services (BOCES) – The Board and District officials underbudgeted BOCES appropriations by \$3 million in the 2018-19 budget. BOCES appropriations were reduced by 12 percent (\$3.1 million) from the prior year. However, the number of students receiving BOCES services decreased by only 4 percent. We found that District officials and employees had sufficient information to reasonably project BOCES services prior to the Board adopting the budget. A budget analyst provided us with BOCES service request forms, initialed by the Executive Director of Special Education (now the Chief of Special Education), that listed the services and cost of services requested by the District for the 2018-19 school year. Additionally, BOCES provided the District with quotes for the cost of BOCES-provided nursing services prior to the adoption of the budget. If District officials budgeted the amounts from the BOCES service request forms and the nursing services quote, appropriations would have exceeded actual expenditures by approximately \$100,000.

Further, in the District's 2017-18 budget book, District officials projected 2018-19 BOCES services to increase by 3 percent, or approximately \$780,000, which would have been sufficient to cover actual BOCES expenditures for the 2018-19 school year, which decreased by approximately \$127,000. The Budget Department entered a 3 percent increase for BOCES services into the District's budget software. However, two budget analysts were later directed by the CFO to reduce the BOCES budget by a total of \$6 million during the budget preparation process in an effort to close the budget gap.

It is essential that the Board adopt reasonable, realistic and structurally balanced budgets in which recurring revenues finance recurring expenditures and reasonable levels of fund balance are maintained. It has become an

annual exercise to “close the gap” during the budget development process, but this must be accompanied by meaningful actions that reduce expenditures or increase revenues. The 2018-19 budget book contained the following chart which illustrates the District anticipates this process will continue.



The budget book further states, “Based on the multi-year projection assumptions, the District anticipates a deficit situation in future years due to rising expenses that outpace projected revenue increases. New York State law mandates that the District maintain a balanced budget. As such, the projected deficits for each year will be closed through actions taken in the budget process, and the projected budget gap for subsequent years will be reevaluated and revised each year.”

The District will continue to struggle financially until the Board and District officials address the accuracy of the estimates used to close the structural budget gap. A Distinguished Educator was appointed by the State Education Commissioner in July 2018 to assess the District’s fiscal, operational and instructional operations

and develop strategies for improvement. The Distinguished Educator's 61-page report dated November 14, 2018⁷ included the following findings:

FIGURE 6

Distinguished Educator's Findings^a

3. Most stakeholders (Board, administrators, teachers, parents, and community members) lack any real understanding of the serious implications of the structural deficit. Some seem to believe that funding will always be available. The Chief Financial Officer has shared with the Board that *"If this continues, the District's finances will hit rock bottom within three-to-five years."* The District does not appear to have approached this challenge with a sense of urgency. On May 1, 2014 the Board received a presentation highlighting the following points:
- "Expenses are growing faster than revenues, driven by things such as growth in charter school costs and contractual obligations to our bargaining units."*
 - "We need to proactively address these significant cost drivers. This will help provide greater stability for students, families and staff. This will help us sustain long-term growth in student achievement."*
 - "If we do not address the structural gap, we risk greater instability in the future. Significant annual budget cuts would create uncertainty and eventually eliminate essential services."²⁸*

Unfortunately, no significant actions have been taken to address these challenges.

a Rochester City School District, Distinguished Educator's report titled A Review of the Rochester City School District, Page 43
[https://go.boarddocs.com/ny/rochny/Board.nsf/files/B6KSTU744758/\\$file/Rochester%20Distinguished%20Educator%20Report-11-14-18.pdf](https://go.boarddocs.com/ny/rochny/Board.nsf/files/B6KSTU744758/$file/Rochester%20Distinguished%20Educator%20Report-11-14-18.pdf)

However, rather than begin to address the structural deficit using accurate estimates, the Board's 2018-19 adopted budget made the structural deficit worse. We are currently conducting a more extensive review of budgetary controls and monitoring deficiencies which also contributed to the 2018-19 deficit and plan to issue a separate report on these findings in the coming months.

The Board Did Not Maintain a Reasonable Level of Fund Balance

In August 2011, the Board adopted a fund balance policy⁸ with a stated purpose of maintaining the District's unrestricted general fund balance to provide the District with "sufficient working capital and a margin of safety to address current and future risks such as unanticipated emergency expenditures (i.e.,

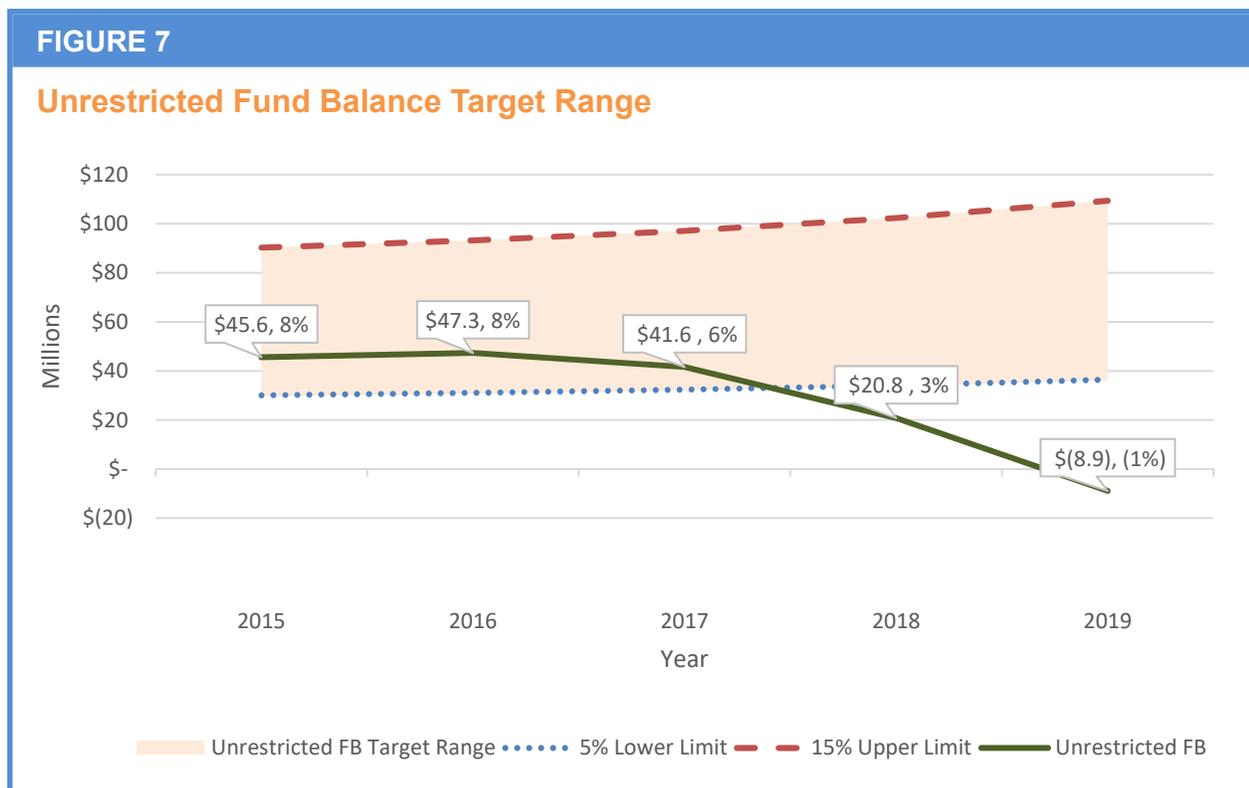
7 <http://www.nysed.gov/common/nysed/files/programs/main/rochester-de-report-11-14-18.pdf>

8 https://www.rcsdk12.org/cms/lib/NY01001156/Centricity/ModuleInstance/69473/6500%20Fund_Balance_Policy_Revised_8_3_11.pdf

health epidemic), unexpected cost increases (i.e., employee benefits and other budgetary expenditures), and revenue shortfalls (i.e., reductions in state aid or City funding).” Maintaining a reasonable unrestricted general fund balance is also necessary to plan for future long-term employee liabilities (such as post-employment health insurance) and future capital project and equipment needs.

Included in the policy’s guidelines is a provision that the District should maintain a minimum unrestricted general fund balance of 5 percent of the general fund’s annual operating expenditures and a maximum not to exceed 15 percent. Additionally, if fund balance drops below 5 percent, it shall be recovered at a rate of 1 percent each year until the 5 percent level is attained.

We found the Board’s fund balance policy to be reasonable. However, the Board did not follow the policy. The audited financial statements for the fiscal year ending 2017-18 report an unrestricted general fund balance total of \$40.8 million or 6 percent of that year’s operating expenditures which totaled \$682.7 million. However, District officials appropriated \$20 million to “close the gap” in the 2018-19 budget, leaving a balance of \$20.8 million or 3 percent of the annual operating expenditures. To comply with their policy’s stated unrestricted fund balance goals, a minimum of \$34.1 million (5 percent) should have been retained, which would have resulted in a maximum of \$6.7 million being available to appropriate in the 2018-19 budget.



As a result of the District's budgeting practices, the general fund unrestricted fund balance has been completely depleted and at the 2019 year-end had a deficit of \$8,916,640. As a result of having no available unrestricted fund balance, the District lacks a financial cushion in the event of an emergency or cash flow shortage.

Officials Did Not Develop a Comprehensive Written Multiyear Financial Plan

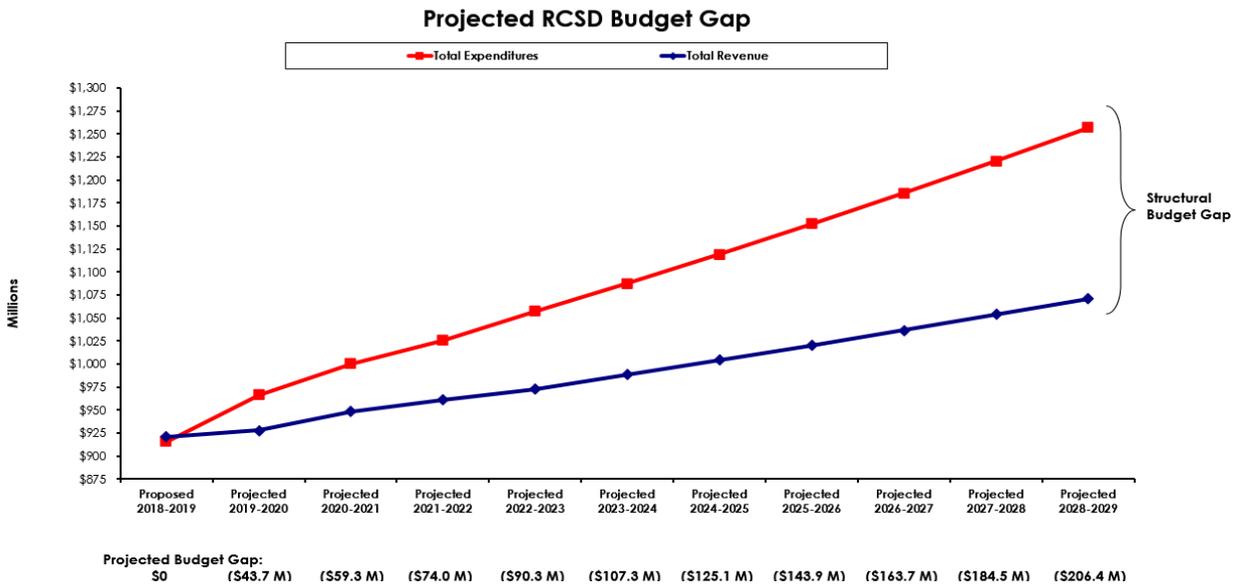
The Board's budget policy states the Superintendent, in conjunction with the CFO, will develop a multiyear long-range plan, including plans for budget presentation in both a program-based and school-unit format. However, District officials did not develop and adopt comprehensive multiyear financial plans that satisfied these requirements and set long-term objectives and goals. The budget books we reviewed did include high-level multiyear projections. However, these projections lack sufficient detail and as discussed previously in this report these projections did not appear to be used when constructing subsequent years' budgets.

Additionally, during the January 15, 2019 special Board meeting, a presentation titled "*Investing in Student and School Success: Innovative Ideas for Reinvesting Resources in the Rochester City School District*" was presented to the Board.⁹ The presentation outlined the existing structural deficit budget gap and several of its contributing factors. The presentation went on to illustrate what will happen to the budget gap if nothing changes.

⁹ [https://go.boarddocs.com/ny/rochny/Board.nsf/files/B8FK8J507BC8/\\$file/Investing%20in%20Student%20and%20School%20Success2.pdf](https://go.boarddocs.com/ny/rochny/Board.nsf/files/B8FK8J507BC8/$file/Investing%20in%20Student%20and%20School%20Success2.pdf)

FIGURE 8

District’s Multiyear Budget Gap Analysis^a



^a Rochester City School District, Projected RCSD Budget Gap, Page 15
[https://go.boarddocs.com/ny/rochny/Board.nsf/files/B8FK8J507BC8/\\$file/Investing%20in%20Student%20and%20School%20Success2.pdf](https://go.boarddocs.com/ny/rochny/Board.nsf/files/B8FK8J507BC8/$file/Investing%20in%20Student%20and%20School%20Success2.pdf)

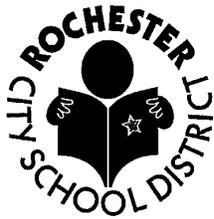
The presentation concluded with a section titled “What is our Path Forward” and offered several potential action items to close the gap including both short- and long-term options. However, District officials have not used this information to develop a comprehensive multiyear financial plan, which would help guide the development of future budgets and provide more transparency of the District’s long-term financial goals.

What Do We Recommend?

The Board and District officials should develop and adopt structurally balanced budgets that:

1. Include realistic estimates of revenues and appropriations based on historical trends or other known factors.
2. Comply with the Board’s fund balance policy and include a plan to eliminate the fund balance deficit and restore and maintain minimum thresholds.
3. Contain comprehensive multiyear financial plans with goals and objectives for funding long-term operating needs.

Appendix A: Response From District Officials



Terry J. Dade
Superintendent of Schools
Van Henri White
President, Board of Education
Rochester City School District
131 West Broad Street
Rochester, New York 14614
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4/16/2020

Mr. Edward Grant, Chief Examiner
NYS Office of the State Comptroller
Rochester Regional Office
16 W. Main Street, Suite 522
Rochester, NY 14614-1608

RE: Rochester City School District
Budgeting and Multiyear Financial Planning
Report of Examination, 2020M-44

Dear Chief Examiner Grant:

This letter is Rochester City School District's response to the draft audit report referenced above. First, on behalf of the entire Board of Education and District Administration, we would like to thank the Comptroller's Office Examiners for their professionalism and courtesy during this review.

For each of the findings in the draft audit report, we are in general agreement with the Examiners' assessments and underlying analysis from which their conclusions were drawn. They are, in all material respects, in line with what our own internal analysis has shown.

The draft audit report concludes that the Board and District officials should develop and adopt structurally balanced budgets that:

- Include realistic estimates of revenues and appropriations based on historical trends or other known factors;
- Comply with the Board's fund balance policy and include a plan to eliminate the fund balance deficit and restore and maintain minimum thresholds;
- Contain comprehensive multiyear financial plans with goals and objectives for funding long-term operating needs.

Given the financial position of the District and the practices and circumstances that led to its condition, we agree with and accept the recommendations as presented.



Terry J. Dade
Superintendent of Schools
Van Henri White
President, Board of Education
Rochester City School District
131 West Broad Street
Rochester, New York 14614
www.rcsdk12.org

The District has already presented to the Board of Education a draft budget for the 2020-21 school year, and is working with the Board on amendments for a final proposal. Upon your review, we expect you will conclude our approach to budgeting is more methodical, more thoughtful and more deliberate in achieving a platform of academic success for our students that is financially secure and sustainable.

On behalf of our District, we thank you for your public service and appreciate the opportunity to respond to your draft audit report.

Sincerely,

Terry Dade,

Van Henri White

Cc: Lynda Quick
Annmarie Lehner
Robert Franklin
Cynthia Elliott
Willa Powell
Ricardo Adams
Amy Maloy
Natalie Sheppard
Beatriz LeBron
Marisol Lopez

Appendix B: Examination Methodology

While conducting this examination, we obtained sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our objective. However, in the interest of sharing our findings expeditiously with District officials, we did not conduct this examination under generally accepted government auditing standards (GAGAS). To achieve our objective and obtain valid evidence, our examination procedures included the following:

- We reviewed the Board's adopted budget policies and fund balance policy to determine if the District complied with them.
- We reviewed budget and financial reports and presentations made to the Board.
- We interviewed District officials and employees to gain an understanding of the District's budget process and budget development.
- We obtained historical information for the six expenditures that were significantly overbudget and reviewed budget-to-actual data to determine the budget figure trends.
- We interviewed and received financial data for the District's health insurance plan from the District's health insurance administrator.
- We obtained original budget estimates entered into the District's budget module and subsequent adjustments made to the estimates prior to transferring the budget into the District's financial software.
- We obtained and reviewed relevant service contracts including contracts for transportation and with BOCES.
- We obtained and reviewed journal entries made to the District's contingency accounts.
- We obtained and reviewed the District's charter school enrollment projection figures and compared them to the District's budget.
- We reviewed the District's substitute staffing trends and budgets.
- We reviewed the District's NYSLRS and NYSTRS budgeted expenditures as compared to the District's projection.
- We reviewed the District's multiyear planning documents.
- We reviewed the District's use of appropriated fund balance in compliance with the Board-adopted policy.
- We reviewed several District revenue estimates for reasonableness including charter school transitional aid, incarcerated youth aid and building aid.

Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or size of the relevant population and the sample selected for examination.

A written corrective action plan (CAP) that addresses the findings and recommendations in this report must be prepared and provided to our office within 90 days, pursuant to Section 35 of General Municipal Law, Section 2116-a(3)(c) of New York State Education Law and Section 170.12 of the Regulations of the Commissioner of Education. To the extent practicable, implementation of the CAP must begin by the end of the next fiscal year. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft report. The CAP should be posted on the District's website for public review.

Appendix C: Resources and Services

Regional Office Directory

www.osc.state.ny.us/localgov/regional_directory.pdf

Cost-Saving Ideas – Resources, advice and assistance on cost-saving ideas

www.osc.state.ny.us/localgov/costsavings/index.htm

Fiscal Stress Monitoring – Resources for local government officials experiencing fiscal problems

www.osc.state.ny.us/localgov/fiscalmonitoring/index.htm

Local Government Management Guides – Series of publications that include technical information and suggested practices for local government management

www.osc.state.ny.us/localgov/pubs/listacctg.htm#lmgm

Planning and Budgeting Guides – Resources for developing multiyear financial, capital, strategic and other plans

www.osc.state.ny.us/localgov/planbudget/index.htm

Protecting Sensitive Data and Other Local Government Assets – A non-technical cybersecurity guide for local government leaders

www.osc.state.ny.us/localgov/pubs/cyber-security-guide.pdf

Required Reporting – Information and resources for reports and forms that are filed with the Office of the State Comptroller

www.osc.state.ny.us/localgov/finreporting/index.htm

Research Reports/Publications – Reports on major policy issues facing local governments and State policy-makers

www.osc.state.ny.us/localgov/researchpubs/index.htm

Training – Resources for local government officials on in-person and online training opportunities on a wide range of topics

www.osc.state.ny.us/localgov/academy/index.htm

Contact

Office of the New York State Comptroller
Division of Local Government and School Accountability
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