Morelle asks feds to probe alleged RCSD shortfall of $50 million

Justin Murphy

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Rep. Joseph Morelle on Sunday called on the federal government to investigate the Rochester City School District’s reported $50 million midyear budget hole, part of a growing fallout over the financial crisis.

At the same time, Superintendent Terry Dade pledged Sunday night that layoffs during the 2019-20 school year would not be part of the solution.

The district made a cryptic announcement Thursday night that it seemed to have overspent its 2018-19 budget. By Saturday, four sources with direct knowledge of the situation had confirmed the figure was likely in the range of $50 million.

Morelle, in a letter to U.S. Attorney General William Barr, asked for “an investigation into the ongoing financial and operational troubles” in the district.

Citing the Democrat and Chronicle report about the size of the gap, Morelle wrote: “This recent report only serves to raise further alarm and frustration within our community (regarding) RCSD.”

He pointed as well to the report last year from Distinguished Educator Jaime Aquino, which he said — incorrectly — the district has not yet acted upon in any significant way.

At the same time, school board member Beatriz Lebron called on Board President Van White and Finance Committee Chairwoman Willa Powell to step down from their leadership positions.

“Our job as school board members is to make sure superintendents are doing their jobs — and that includes staying in the black,” she said.

Lebron pointed out that she raised the alarm on the district’s budgeting process and financial state of affairs in advance of the 2018-19 budget, only to be ignored by most of her colleagues.

White said he will not step down and called for the community to wait until all the facts come out before making judgments, including in deciding whether Chief Financial Officer Everton Sewell should keep his job.
“There is no one particular person or position that makes this district succeed or fail,” he said. “This is a collective operation.”

He continued: “You want to talk about oversight — this doesn’t come to the attention of the committee unless the Board of Education’s contracted auditor brings it to the attention of our auditor general.”

Powell did not respond directly to Lebron’s challenge but agreed with White that there is blame to go around.

Both board members bristled at the idea the board should have been examining the district’s hiring in greater detail, noting the board is often criticized for micromanagement.

“I don’t know if there’s any (board) oversight process that can address that. We are not budget subject matter experts,” she said.

“We have to be able to trust the superintendent and his staff.”

In a video message Sunday night, Dade said he expects to hear more this week about what happened and how it can be addressed.

“I know difficult decisions will have to be made,” he said. “However, these decisions will be made judiciously so the impact is felt somewhere other than the classroom.”

He continued: “While there is no doubt we will address these financial issues with both short-term actions and long-term plans, I can assure you that I have no plans for a reduction of staff this year.”

That is a more optimistic outlook than Lebron, the audit committee chairwoman, displayed in her letter.

“This crisis will impact our ability to provide a sound education,” she wrote. “We know our district is at a disadvantage when it comes to meeting the great needs of our children. But we can’t do everything we want to do — and everything we need to do. We must live within our means.”

JMURPHY7@Gannett.com