

THE BOARD OF PUBLIC EDUCATION
OF THE SCHOOL DISTRICT OF PITTSBURGH, PENNSYLVANIA

MINUTES

Meeting of: July 19, 2006

Call of the Meeting: Special Legislative Meeting

Members Present: Mr. Brentley, Mrs. Colaizzi, Dr. Dowd,
Mrs. Fink, Mr. Isler, Mr. McCrea, Mr.
Romaniello, Sr., Mr. Sumpter, Jr. and Mr.
Taylor

The following matters were received and acted upon.

Actions taken are recorded following the reports.

THE BOARD OF PUBLIC EDUCATION

PITTSBURGH, PENNSYLVANIA 15213

**Administration Building
341 South Bellefield Avenue**

SPECIAL LEGISLATIVE MEETING

AGENDA

July 19, 2006

ROLL CALL

COMMITTEE ON EDUCATION

1. Authorization to enter into an Intergovernmental Cooperation Agreement between the School District of Pittsburgh, the Duquesne City School District and the Commonwealth of Pennsylvania, Department of Education

ROLL CALL

COMMITTEE ON BUSINESS / FINANCE

1. Authorization to establish an Enterprise Fund as related to the Intergovernmental Cooperation Agreement between the School District of Pittsburgh, the Duquesne City School District and the Commonwealth of Pennsylvania, Department of Education

ROLL CALL

Committee on Education
Special Legislative Meeting
July 19, 2006

RESOLVED, That the Board of Public Education authorizes an Intergovernmental Cooperation Agreement between the School District of Pittsburgh, the Duquesne City School District and the Commonwealth of Pennsylvania, Department of Education for the performance of management services in the Duquesne City School District by the School District of Pittsburgh for the period July 19, 2006 through June 30, 2007 and further authorizes the proper officers of the District and legal counsel to execute all necessary documents in connection with this Resolution. This resolution is subject to the action of the Board of Control of the Duquesne City School District with respect to additional provisions subsequent to July 18, 2006, which have been reviewed and developed with the Pennsylvania Department of Education on July 19, 2006.

Respectfully Submitted,

Thomas Sumpter, Chairperson
Committee on Education

Committee on Business/Finance
Special Legislative Meeting
July 19, 2006

RESOLVED, That the Board authorize its proper officers to establish an enterprise fund for the purpose of recording the direct expenses and revenues from Pittsburgh's management of the Duquesne City School District, in accordance with Generally Accepted Accounting Principles (GAAP) and the Governmental Accounting Standards Board's (GASB) codification mandates. The Board is to be provided quarterly reports of the activity within the enterprise fund, including time spent by the Superintendent and Pittsburgh staff.

Respectfully Submitted,

Floyd McCrea, Chairperson
Committee on Business/Finance

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

TRANSCRIPT OF PROCEEDINGS

- - -

PITTSBURGH BOARD OF PUBLIC EDUCATION
SPECIAL LEGISLATIVE SESSION
WEDNESDAY, JULY 19, 2006
6:10 P.M.
ADMINISTRATION BUILDING - BOARD ROOM

- - -

BEFORE:

WILLIAM ISLER, BOARD PRESIDENT
RANDALL TAYLOR, FIRST VICE PRESIDENT
THERESA COLAIZZI, SECOND VICE PRESIDENT
MARK BRENTLEY
PATRICK DOWD
JEAN FINK
FLOYD McCREA
DANIEL ROMANIELLO, SR.
THOMAS SUMPTER

- - -

ALSO PRESENT:

MR. MARK ROOSEVELT	DR. LYNN SPAMPINATO
DR. ANDREW KING	MRS. JODY SPOLAR
MR. IRA WEISS	MR. PETER J. CAMARDA
MR. RICHARD R. FELLERS	MS. LEE B. NICKLOS

- - -

REPORTED BY: DEBORAH L. ENDLER
PROFESSIONAL COURT REPORTER

- - -

COMPUTER-AIDED TRANSCRIPTION BY
MORSE, GANTVERG & HODGE, INC.
PITTSBURGH, PENNSYLVANIA
412-281-0189

- - -

1 P-R-O-C-E-E-D-I-N-G-S

2 MR. ISLER: Good evening, ladies and gentlemen. I'd
3 like to welcome you to the Special Legislative Meeting
4 of the Board on July 19th, 2006. Would you all please
5 rise so that we may salute the flag?

6 (Pledge of Allegiance recited.)

7 MR. ISLER: Mr. Weiss, will you please call the roll.

8 MR. WEISS: Brentley?

9 MR. BRENTLEY: Here.

10 MR. WEISS: Mrs. Colaizzi?

11 MS. COLAIZZI: Here.

12 MR. WEISS: Mr. Dowd?

13 MR. DOWD: Present.

14 MR. WEISS: Mrs. Fink?

15 MS. FINK: Here.

16 MR. WEISS: Mr. McCrea?

17 MR. McCREA: Here.

18 MR. WEISS: Mr. Romaniello?

19 MR. ROMANIELLO: Here.

20 MR. WEISS: Mr. Sumpter?

21 MR. SUMPTER: Present.

22 MR. WEISS: Mr. Taylor?

23 MR. TAYLOR: Here.

24 MR. ISLER: Mr. Isler?

25 MR. WEISS: Present. All members present.

1 MR. ISLER: Thank you. Board Members, before you you
2 have a legislative book. There is an item in here for
3 the committee on education and one for the committee
4 on business/finance. I'd like to read the resolutions
5 separately. We will vote on them separately. The
6 first one is the committee on education.

7 Authorization to enter into an Intergovernmental
8 Cooperation Agreement between the School District of
9 Pittsburgh, the Duquesne City School District and the
10 Commonwealth of Pennsylvania, Department of Education.
11 This will be the first item that we will be voting on
12 tonight.

13 Is there any discussion or questions? Hearing none --
14 I'm sorry, Mrs. Colaizzi?

15 MS. COLAIZZI: Thank you. I will not be supporting
16 either one of these resolutions this evening. I have
17 a couple issues with this and I've already discussed
18 them with the Superintendent. But more importantly, I
19 have an issue with the contract not being made public
20 both to the City of Pittsburgh and to Duquesne for
21 that matter. The contract still is not public. It's
22 not here in front of me this evening any way. So I'm
23 not sure if anything has changed from the one time I
24 did see it or not. But I am concerned about that.

25 MR. ISLER: Mr. Weiss, we are entering into an,

1 authorizing to enter into the Intergovernmental
2 Cooperation Agreement. Do you want to speak to the
3 fact that there is no contract yet?

4 MR. WEISS: There are two language issues which were
5 resolved today. If this resolution passes, the Board
6 of Control must concur in them, following the approval
7 of both bodies and the execution of the contract. It
8 will be made available to the public as is in the case
9 of any other contract.

10 MS. COLAIZZI: But the Board doesn't know what those
11 changes are from when they have seen this contract in
12 the past, am I correct?

13 MR. ISLER: The question is, Mr. Weiss, do we then
14 have to vote on the contract once you negotiate it and
15 complete it?

16 MR. WEISS: No, this authorizes the Intergovernmental
17 Cooperation Agreement, the issues are related to
18 handling of personnel matters. They are not material
19 in the sense that the contract would not have to be
20 reapproved. We think it is appropriate for action
21 this evening.

22 MR. ISLER: Thank you. Mrs. Colaizzi, anything else?

23 MS. COLAIZZI: The only other comment I'd like to say
24 and then I'm done is it still is not a contract that
25 is in front of this Board, nor the public that we are

1 voting on this evening, even though we don't even know
2 what these changes are that he is referring to. So I
3 don't know what they are. But --

4 MR. ISLER: Mr. Weiss, do you want to add anything to
5 that?

6 MR. WEISS: It is not uncommon for, in fact, it is
7 common really for the Board to authorize contracts,
8 the terms of which are finalized by staff and special
9 counsel. And we believe the salient points have been
10 reviewed prior to this, and there has been nothing
11 material has changed since that time.

12 MR. ISLER: Mr. Brentley?

13 MR. BRENTLEY: Yes, I have a question on a little
14 different level. I know we have had a couple of
15 meetings and unfortunately I was unable to attend the
16 one meeting where we had an opportunity to get a
17 little bit more information on this topic. But I'm
18 wondering for, at least for the viewing audience, do
19 we have some of the basic questions that we can
20 possibly share, for instance, number of students in
21 the School District, the breakdown of the number of
22 students, the grade level or how many students are in
23 each grade level? If somebody has some of that
24 information is ready to share, that would be great.
25 If not, I think that would be very, very helpful for

1 the public.

2 Number two, I would also like to direct our staff to
3 look into almost on a level of a feasibility. Would
4 it make more sense for this District to just include
5 these students? I understand the number is under
6 1,000, if I'm not mistaken. And I don't know if it
7 would make more sense, if it would save more time, if
8 we can, you know, it just makes more sense. I would
9 really like to direct our staff to look into that
10 possibility and just kind of guesstimate it, would we
11 would do, where we would send those students, how can
12 we match those students up with some of the great
13 programs that exist within this District, and can we
14 possibly save a few dollars doing that.

15 MR. ISLER: I quickly, Mr. Brentley and I'm going to
16 let the Superintendent talk. This really is a one
17 year management contract we are working about. I
18 think the question you raised is very legitimate for
19 the future that we may look into it. But understand
20 now we are being asked just to provide management
21 services to the District. But I think that the
22 Superintendent can take that under advisement for
23 future effort. Do you want to speak to --

24 MR. BRENTLEY: Let me just also add, Mr. President,
25 and I appreciate that. I think even having that in

1 the back as a plan B just so that something for the
2 District to kind of chew on, if we ever get to that
3 point.

4 MR. ISLER: Thank you, sir. Mr. Roosevelt, do you
5 want to speak to Mr. Brentley's first point?

6 MR. ROOSEVELT: The District is about 800 students.
7 We don't know how many itv will be in September.
8 About 880 at the high school level and the rest K to
9 8. We don't yet have the grade level breakdowns.
10 But it is important to note that at this point, the
11 end of July, there is no discussion for the coming
12 school year of educating kids anywhere else but in
13 Duquesne. That's important to the Duquesne folks.
14 It's important to our folks.
15 There is two obligations for Pittsburgh under this
16 contract. One is to do a better job of providing
17 services to Duquesne kids and Duquesne next year. But
18 the second is to come up with a plan going forward.
19 That plan will be submitted to this Board, to the
20 Duquesne Board of Control and to the State and each
21 and every one of those entities will have the
22 opportunity to decide if that's something that they
23 want to go forward with at that time.
24 So it's a one year contract to run the District, with
25 the students in Duquesne; and then secondarily, it is

1 an obligation to come up with a coherent plan for the
2 future that will offer the Duquesne kids the promise
3 of better days ahead in their schools.

4 MR. ISLER: Mr. Dowd?

5 MR. DOWD: While I recognize that the terms of the
6 contract cannot be discussed, I just want to ask you,
7 Attorney Weiss, just a few simple questions. Is this
8 agreement in any way going to bring further legal
9 liability or financial burdens to this District in any
10 way?

11 MR. WEISS: Well, let me correct one thing, Mr. Dowd.
12 The terms of the contract are not prohibited from
13 discussion. The contract itself is not in final form
14 on a four corner document. In my view, the agreement
15 will not bring any additional liability to this
16 District or to any individual affiliated with this
17 District.

18 MR. DOWD: Thank you. And it's your belief
19 Superintendent Roosevelt, that we can actually help
20 administer to the needs of those students in Duquesne
21 over the course of this coming year?

22 MR. ROOSEVELT: Yes.

23 MR. DOWD: Thank you.

24 MR. ISLER: Mr. Taylor?

25 MR. TAYLOR: I support this resolution, but I do have

1 to go back to Mrs. Colaizzi's original point as to why
2 this could not be released publicly? That's my
3 question, why could this have not been released
4 publicly, the agreement that I and the other Board
5 Members have seen. Why it could not be released
6 publicly so that the public and taxpayers and affected
7 parties could have some input into these matters?
8 So again, I'm not exactly clear as to why this could
9 not have been released. And this of course is an
10 issue of information flow to the public I've had with
11 this Board and administration. So again I have to
12 ask, very clearly, why could this have not been
13 released before the Board voted on this, this matter?
14 MR. WEISS: Because up until as recently as 4:00 there
15 have been discussions concerning certain terms of this
16 agreement so that there literally is no agreement as a
17 document to release to the public. The general terms
18 of it have been described by the Superintendent.
19 Pittsburgh will be paid essentially for services its
20 staffs renders at Duquesne all through the Duquesne
21 School District. In addition, Duquesne is provided
22 with funds to support other positions which it itself
23 will hire employees with the School District's
24 recommendation.
25 Some of the financial terms have been purported in the

1 media, but there really is no agreement to release
2 until we have a four corner document that's signed.
3 Much like in labor negotiations, there is no release
4 of detail until both sides have approved a settlement.
5 And in this case, the resolution clearly states that
6 this action is subject to concurrent action by
7 Duquesne's Board of Control following the Board's
8 action this evening if the Board approves it.

9 MR. TAYLOR: Okay, I think I followed most of that. I
10 just for what I'm hearing for instance when we make
11 personnel decisions there are certain things we can't
12 release to the public about personnel decisions. From
13 what I gather from what you are saying, there was
14 really nothing legally that would have kept us from
15 either postponing, making sure everything was done,
16 all the agreements were made and a document was agreed
17 upon by all interested parties. And from what I hear
18 you saying, there would have been nothing would have
19 precluded us from releasing this document to the
20 public and to the citizens of Duquesne and Pittsburgh
21 to allow them to have input and then their Board of
22 Control, which voted on something last night, and then
23 this Board also could have voted on.

24 So I'm just trying to make sure that there was nothing
25 legally or nothing that would have precluded us again

1 from releasing a document prior to the Board voting on
2 it.

3 MR. WEISS: I will defer to the Superintendent and
4 staff, but one of the problems faced by both parties,
5 all parties, was the imminent commencement of the
6 school year in Duquesne. And that is why it was timed
7 this way, to give our staff and Duquesne's staff a
8 maximum time to get ready for the school year.

9 MR. TAYLOR: I understand. And I thank you for your
10 hard work on I think this very important agreement.
11 But it's unfortunate it's being done in this manner.
12 I agree with this resolution. I've spoken for
13 something like this. And I'd also ask the question
14 Mr. Brentley raised would it have not been more cost
15 effective simply to allow the students of Duquesne to
16 attend Pittsburgh Public Schools, even though I know
17 that there is great resistance to that in the Borough
18 of Duquesne.

19 But I think that that's more part of what people have
20 to do to sell this district and I think if we really
21 could get out there and show people what the
22 Pittsburgh Public Schools have to offer, that I think
23 they would look more favorably on sending their
24 students into Pittsburgh.

25 Again, I think it's a sad indictment of the way that

1 the State of Pennsylvania, Commonwealth of
2 Pennsylvania funds education. I think that there will
3 be many other school districts, maybe even this one
4 here will find themselves in the same situation as
5 Duquesne where you get to the point that's simply,
6 under the current funding, the way we fund education
7 in Pennsylvania, there is going to be many boroughs
8 and municipalities that simply cannot afford to
9 maintain their school system.

10 And so again, I call as we have called on many
11 organizations, called for now well over a decade for
12 the Pennsylvania state legislature to take a serious
13 look at schools, the way we fund education in this
14 State and to ensure that we no longer allow a child's
15 education to be determined based on his or her
16 address.

17 And unfortunately, that's the way it is in this State.
18 We are one of the few states in the country that
19 continue to fund education in this manner. And so
20 again, I call on legislature to again look for ways to
21 take burdens off of our senior citizen taxpayers and
22 others and again make sure that every child gets a
23 fair chance for an education, not based on their
24 address.

25 I also think that and also ask the people in Duquesne

1 to again to form groups, organizations, watch dogs to
2 really watch what's happening here and to make sure
3 that their children are getting the best
4 opportunities.

5 And again, as I shared with the Superintendent and
6 others, I intend to be always watching to make sure
7 that in any interaction the Pittsburgh Public School
8 staff has with the students of Duquesne that we make
9 sure that those students are not treated as
10 second-class citizens, that we give them the best as
11 we attempt to do for all of our students.

12 So again, I encourage the Board to vote for this
13 resolution. These are very difficult times for the
14 people of Duquesne. I feel for them. But I also do
15 understand because we are dealing with many of the
16 same kind of issues and it's not impossible that we
17 could find ourselves in this same predicament in a
18 very short period of time.

19 But what really gratifies me about this this evening,
20 I think that the endorsement that the Pennsylvania
21 Department of Education has given to the Pittsburgh
22 Public Schools in obviously saying that we are doing a
23 good job and do have something to offer these
24 students, I hope that it puts to rest once and for all
25 that notion that the State is interested in dissolving

1 Pittsburgh or taking over Pittsburgh. Because it's
2 clear that if this District was such a disaster, they
3 would not be turning to the Pittsburgh Public Schools
4 to help out another school District that is really in
5 a lot of trouble. So again, I encourage the Board to
6 support this resolution.

7 MR. ISLER: I just want to clarify one thing. This is
8 a three-party agreement. It is the City of Pittsburgh
9 School District, it is the Duquesne School District
10 and the Commonwealth of Pennsylvania Department of
11 Education. Mr. McCrea?

12 MR. McCREA: I'm a little confused. We agree to this
13 tonight, they can make changes to it?

14 MR. WEISS: No. We are agreeing to this tonight.
15 They must concur in what we are agreeing. What we are
16 agreeing to has two slight changes from what the Board
17 of Control in Duquesne voted on last night. So they
18 must concur in those changes. Not a much different
19 procedure than this Board used when they handled the
20 Federation of Teachers matter. You voted subject to
21 their approval. We are voting tonight subject to the
22 Board of Control's concurring in the language that we
23 work through today. If they do not, there is no
24 agreement.

25 MR. McCREA: Do we know what that language was?

1 MR. WEISS: Yes. It basically gives Pittsburgh the
2 ability to assign its, certain of its employees to
3 Duquesne, to work at Duquesne at ground level, so to
4 speak, and be reimbursed for those costs, at
5 Pittsburgh's discretion. It also gives Pittsburgh,
6 secondly, the sole power to recommend hiring in
7 Duquesne for Duquesne employees and obligates the
8 Board of Control to act favorably on those
9 recommendations. So it gives Pittsburgh all the
10 management tools that the Superintendent believes is
11 necessary.

12 MR. McCREA: And this in no way will deter from the
13 education of the children in this District?

14 MR. WEISS: Superintendent has stated it will not.

15 MR. McCREA: I just wanted to make that clear. Also
16 so people understand Duquesne is a very small
17 District. In effect it's basically two schools that
18 we are adding on to what we are doing now, is that
19 correct? One building, two schools. So it's not a
20 really big task. You have a lot of irons in the fire,
21 we don't want to overdo. But sometimes I have to
22 understand exactly, there are no changes that are
23 going to be made to this after tonight?

24 MR. WEISS: That's correct.

25 MR. McCREA: Okay.

1 MR. ISLER: Mr. Romaniello?

2 MR. ROMANIELLO: Thank you, Mr. President. I guess
3 the one thing I want also on the record is the fact
4 that this resolution will not affect our, affect us
5 monetarily in any way? We won't be spending any City
6 of Pittsburgh School District money on this, this will
7 all be spent out of the money that the State has put
8 in the budget, am I correct?

9 MR. WEISS: This will all be money that Duquesne pays
10 to Pittsburgh. There is no Pittsburgh money, either
11 tax revenue or State reimbursement revenue that will
12 go to this contract.

13 MR. ROMANIELLO: I'm in favor of this. The only thing
14 is it's just a shame that it had to come to this. As
15 my colleague stated, you know, about the inequity of
16 the way the money is given out across this
17 Commonwealth. But also I think it's a shame that a
18 school district that's 10, 12 miles away from the
19 other school district has to be the one to step up to
20 the plate, that not one of the school districts that
21 surround Duquesne had the moral, listened to the moral
22 obligation that they should have to step up and be
23 there to help these kids that are, you know, would
24 maybe be a little easier because they are closer, you
25 know, in miles, to each other, you know, in the same

1 back yard, in the same neighborhoods, that none of
2 those other school districts thought enough to stand
3 up to the plate and help these kids, that it had to
4 be, you know, Pittsburgh, that's coming.

5 But I want to commend the Superintendent and his staff
6 for stepping up and doing what the other school
7 districts didn't have the back bone to do.

8 MR. ISLER: Mr. Weiss, I'm going to read the
9 resolution into the record, okay. I think we have all
10 the comments. "RESOLVED, that the Board of Public
11 Education authorizes an Intergovernmental Cooperation
12 Agreement between the School District of Pittsburgh,
13 the Duquesne City School District and the Commonwealth
14 of Pennsylvania, Department of education for the
15 performance of management services in the Duquesne
16 City School District by the school District of
17 Pittsburgh for the period July 19th, 2006 through June
18 30, 2007. And further authorizes the proper officers
19 of the District and legal counsel to execute all
20 necessary documents in connection with this
21 resolution. This resolution is subject to the action
22 of the Board of Control of the Duquesne City School
23 District with respect to additional provisions
24 subsequent to July 18th, 2006 which have been reviewed
25 and developed with the Pennsylvania Department of

1 Education on July 19th, 2006."
2 Ready for a roll call, Mr. Weiss? Thank you.
3 MR. WEISS: Yes. Mr. Brentley?
4 MR. BRENTLEY: Yes.
5 MR. WEISS: Mrs. Colaizzi?
6 MS. COLAIZZI: No.
7 MR. WEISS: Mr. Dowd?
8 MR. DOWD: Yes.
9 MR. WEISS: Mrs. Fink?
10 MS. FINK: Yes.
11 MR. WEISS: Mr. McCrea?
12 MR. McCREA: Yes.
13 MR. WEISS: Mr. Romaniello?
14 MR. ROMANIELLO: Yes.
15 MR. WEISS: Mr. Sumpster?
16 MR. SUMPTER: Yes.
17 MR. WEISS: Mr. Taylor?
18 MR. TAYLOR: Yes.
19 MR. WEISS: Mr. Isler?
20 MR. ISLER: Yes.
21 MR. WEISS: Resolution is approved 8 to 1.
22 MR. ISLER: There is a second resolution that we must
23 vote on and it is coming out of the committee of
24 business. The first was committee on education with
25 Mr. Sumpster, this is Mr. McCrea's committee.

1 "RESOLVED, that the Board authorize its proper
2 officers to establish an enterprise fund for the
3 purpose of recording the direct expense and revenues
4 from Pittsburgh's management for the Duquesne City
5 School District, in accordance with Generally Accepted
6 Accounting Principles and the Governmental Accounting
7 Standards Board's codification mandates. The Board is
8 to be provided quarterly reports of the activity
9 within the enterprise fund, including time spent by
10 the Superintendent and the Pittsburgh City School
11 District staff." Are there any questions about this
12 one? Mr. Romaniello?

13 MR. ROMANIELLO: I just have one question. We will be
14 getting our money up front? There won't be any chance
15 that somewhere down the road all of a sudden, you
16 know, the other, Duquesne or the State or somebody
17 will say well, you know, there is not enough money or
18 the money hasn't come. We will be getting our money
19 up front, am I correct?

20 MR. WEISS: Being paid quarterly with the first
21 payment being made at the beginning. The agreement
22 also provides that if there is a financial
23 interruption, the obligation to perform is excused.
24 So they don't pay, there is no work.

25 MR. ROMANIELLO: Okay. I was just looking to make

1 sure that we protect our, you know, our own taxpayers.

2 MR. WEISS: We are. I believe the District is
3 protected.

4 MR. ISLER: It is very clear that there is no money to
5 be spent by Pittsburgh taxpayers and Duquesne. And
6 I'm glad you pointed that out, Mr. Romaniello, and my
7 other former Board members who have commented on that.
8 What we are attempting to do here is make sure that
9 our staff is not spending excess time in taking
10 anything away from our students which is something
11 else that our Board members have talked about.

12 Mr. McCrea?

13 MR. MCCREA: There was a figure of approximately, what
14 \$1.7 million involved with this? Is that from the
15 State?

16 MR. WEISS: That's the total that's being provided to
17 Duquesne by the State.

18 MR. MCCREA: Does that go into the enterprise fund and
19 then is withdrawn from that? Is that how it works?

20 MR. WEISS: No. The funds are paid quarterly and
21 presumably they will go into the enterprise fund.

22 I'll defer to the finance staff people, but that's how
23 it works. Duquesne will pay Pittsburgh the funds on a
24 quarterly basis.

25 MR. ISLER: Is it from funds supplied --

1 MR. McCREA: That's what I'm asking, does it come from
2 the enterprise account and how does it get into the
3 enterprise account?

4 MR. CAMARDA: The activity in the enterprise fund is
5 to control all the District's costs and time of staff
6 and other expenses related to being in Duquesne. As
7 Mr. Weiss was explaining, the cash flow moves to
8 Duquesne and quarterly payments come to Pittsburgh
9 from money that flows into Duquesne. The 1.7 million
10 flows through Duquesne. Part of that is our
11 management fee comes out of that \$1.7 million. Other
12 parts related to positions that the Board would be
13 recommending and other activity related to personnel
14 and service delivery that are direct Duquesne
15 expenditures.

16 MR. McCREA: This is encumbered then in Duquesne's
17 budget? It's encumbered to be spent in this manner
18 only, is that correct?

19 MR. CAMARDA: Being we are the management team, we are
20 going to assure that all the resources related to this
21 contract are safeguarded for the use of this contract.

22 MR. ISLER: Mr. McCrea, this will be, again, a three
23 party agreement and the Commonwealth will sign it, so
24 we should be assure all of our money. Mrs. Colaizzi?

25 MS. COLAIZZI: Is this part in the contract? This

1 part of this enterprise --

2 MR. WEISS: This has nothing to do with the contract.

3 This is our accounting.

4 MS. COLAIZZI: Explain this account again. What, how

5 exactly does the money go into it and where does it

6 come from and then what is it used for to pay out?

7 MR. CAMARDA: It's used to pay for the --

8 MS. COLAIZZI: How does it get in there first?

9 MR. CAMARDA: It comes from the quarterly payments

10 that come related to the cash flow to Duquesne. Comes

11 into Pittsburgh. Will be placed in the enterprise

12 fund. We will be documenting all of our employees'

13 activity. And then that activity and the cost for

14 that will show up as being in the enterprise fund. So

15 we can separately account for and control all activity

16 related to Pittsburgh being in Duquesne, providing

17 service to Duquesne.

18 MS. COLAIZZI: So will Pittsburgh know when it's

19 exhausted these dollars?

20 MR. CAMARDA: Yes, we will.

21 MS. COLAIZZI: So if we start to exhaust these dollars

22 by month 10, what happens?

23 MR. CAMARDA: Well, we will know ahead of time based

24 on service provided and anticipated service way before

25 we get to month 10, and we will bring that to the

1 attention of the Superintendent, to the Secretary of
2 Education, the Board of Control indicating what
3 activity occurred and where we are at within our
4 contract as far as cost for service we have to
5 deliver.

6 MS. COLAIZZI: So in other words, we are not, maybe I
7 should ask Mr. Roosevelt this question, we are not
8 obligated to do the work if we have passed that, the
9 amount of money that we would have exhausted?

10 MR. ROOSEVELT: Correct. But it's incumbent upon us
11 to be keeping track of this ahead of time, so that we
12 would be giving them warning signals long before the
13 money ran out. It would be not particularly efficient
14 of us to only know it at the last minute.

15 MS. COLAIZZI: I understand that part. But what I'm
16 more concerned about is what happens if you run out of
17 the money, are you going to feel obligated at that
18 point in time to continue your work even though you
19 run out of the money just because we feel obligated to
20 do things, we don't start things we don't finish? And
21 then do our children tax dollars end up going there?
22 I mean regardless if it's directly or not.

23 MR. ROOSEVELT: We will not do that under any
24 circumstances. There are even some legal questions
25 about whether it would be permissible for us to do

1 that.

2 MR. WEISS: If I may add, it is not permissible for
3 the School District of Pittsburgh to spend its funds
4 on School District of Duquesne. The funds that are
5 spent on the School District of Duquesne are spent by
6 Duquesne and paid to Pittsburgh.

7 MR. ISLER: Mr. Brentley?

8 MR. BRENTLEY: Mr. Weiss, just another general legal
9 question in terms of the type of relationship we will
10 be establishing. In the case where this staff or this
11 management team from the District makes recommendation
12 for position, for personnel, the Control Board
13 disagrees, there is a stand-off, is there a clause in
14 the contract, what happens in a case like that?

15 MR. WEISS: Language provides that the Control Board
16 will discharge its duty to hire in accordance with the
17 recommendation of the Superintendent and Pittsburgh
18 has the sole authority to recommend.

19 MR. BRENTLEY: That's a lot. Okay.

20 MR. ISLER: Any other questions? Mr. Weiss, can we go
21 to roll call on this resolution, please?

22 MR. WEISS: Mr. Brentley?

23 MR. BRENTLEY: Yes.

24 MR. WEISS: Mrs. Colaizzi?

25 MS. COLAIZZI: No.

1 MR. WEISS: Mr. Dowd?
2 MR. DOWD: Yes.
3 MR. WEISS: Mrs. Fink?
4 MS. FINK: Yes.
5 MR. WEISS: Mr. McCrea?
6 MR. McCREA: Yes.
7 MR. WEISS: Mr. Romaniello?
8 MR. ROMANIELLO: Yes.
9 MR. WEISS: Mr. Sumpter?
10 MR. SUMPTER: Yes.
11 MR. WEISS: Mr. Taylor?
12 MR. TAYLOR: Yes.
13 MR. WEISS: Mr. Isler?
14 MR. ISLER: Yes.
15 MR. WEISS: Resolution is approved 8 to 1.
16 MR. ISLER: Thank you, Mr. Weiss. Thank you,
17 Mr. Superintendent for working on behalf of the
18 students of Pittsburgh and Duquesne and we look
19 forward to our first quarterly report.
20 Is there any other items to be brought before this
21 Board at this time? Hearing none, this meeting is
22 adjourned.
23 (Thereupon, at 6:40 p.m., the Special
24 Legislative Meeting was concluded.)
25

1 C-E-R-T-I-F-I-C-A-T-E

2 I, Deborah L. Endler, the undersigned, do hereby
3 certify that the foregoing twenty-six (26) pages are a
4 true and correct transcript of my stenotypy notes
5 taken of the Agenda Review Meeting, held in the
6 Pittsburgh Board of Public Education, Administration
7 Building, Board Committee Room, on Wednesday,
8 July 19, 2006.

9

10

11

12

Deborah L. Endler, Court Reporter

13

- - -

14

15

16

17

18

19

20

21

22

23

24

25