



# North Syracuse Central School District

"BRIGHTER TOGETHER"

Annette Speach  
Superintendent of Schools  
www.nscsd.org

5355 West Taft Road  
North Syracuse, NY 13212  
(315) 218-2150  
Aspeach@nscsd.org

April 26, 2018

*Dear North Syracuse Central School District Community:*

*We completely understand, and share, the community's disappointment over last week's announcement that the North Syracuse Central School District is being assessed penalties for not filing final cost reports on time over the past 20 years. Although these administrative errors happened during several administrations, the current administration must work through this difficult time and find a solution that protects the interests of our students, staff and the NSCSD community.*

*Throughout this letter, we provide additional information on the situation and outline ways the community can make an impact. To obtain relief from these penalties, we need your help.*

*But first, some background on the situations we face today:*

- *The penalty being assessed by New York State will have no impact on the 2018-19 budget. Any penalties for the next several years will be paid out of the district's fund balance.*
- *The 2018-19 budget is based on a tax levy increase of \$2.5 million which is at the tax levy cap. No attempt is being made to levy additional taxes to cover this penalty. The long term financial impact of a failed budget is far worse than the penalty itself.*
- *We informed the community of the penalty as soon as we were advised of the specific amount due and the date payments would start. Although, we first learned of the State's concerns about final cost reporting and a possible penalty of \$50.8 million in 2015. The District immediately worked to address each of the deficiencies identified by the New York State Department of Education. Through these efforts, the penalty was reduced to \$29.9 million. On March 30<sup>th</sup> of this year, it was further reduced to \$19.4 million and were informed that an annual payment of \$1.94 million would be required for 10 years.*
- *The six projects in question were completed on time, within budget and in accordance with the specifications approved by the taxpayers. Most of the aid that the State is now trying to take back has already been paid to the district.*
- *The District has taken decisive actions to address the capital project compliance issues.*
  - \* *Internal practices have been addressed and procedures have been adopted to ensure that all filing deadlines are complied with.*
  - \* *As of this date, the District's Business Office has completed all of the required filings for all capital projects.*
  - \* *The District has not worked with the architectural firm who managed most of the projects in question for the District since 2007.*
  - \* *In 2012, the District replaced its accounting firm, whose annual work included an audit of the capital projects fund.*

April 26, 2018

Page 2

***Complete relief from these penalties requires your help.***

*In order to reduce the penalty further, the Governor, the Senate and the Assembly must agree to change the law associated with this penalty. As a taxpayer and voter, your voice in the process is critical.*

*As we indicated in our April 19, 2018 letter to the community, our local legislators have been very supportive. We are appreciative of their efforts and believe that they will continue to do as much as they can to seek penalty relief for the district. We further believe that the Governor has the power to grant the district relief. Although he cannot act unilaterally to waive the penalties, his support along with the existing support of the senate and assembly would allow for legislation to be passed. We have contacted the Governor directly and would encourage you to seek his support. On the following page, we have provided contact information for the Governor and our local legislators. If you choose to communicate with them it is important to emphasize that:*

- 1. NSCSD does not have the funds to pay the penalty that has been assessed. Collection of these penalties will cause reductions in programs for students and have a devastating impact on their education.*
- 2. We already spend less per pupil than most districts in Central New York and New York State.*
- 3. The inequitable distribution of school aid across NYS has particularly hurt NSCSD. In 2018-19 we will receive \$9.3 million less foundation aid than prescribed by the formula established in 2007.*
- 4. We are a lower-wealth district with a wealth ratio of .63 (average is 1.0) and a free and reduced lunch rate of 36%.*

*We appreciate your concern and support. You have our commitment that we will do everything possible to minimize the impact of these administrative errors on students, staff and the community.*

*Thank you.*

*Sincerely,*



*Annette Speach*  
Superintendent of Schools



*Michael Shusda*  
Board of Education President

*April 26, 2018*

*Page 3*

To contact the Governor you can submit a **message on line** at:

<https://www.governor.ny.gov/content/governor-contact-form>

Or:

**Contact by phone:**

1-518-474-8390

Office hours: 9:00am to 5:00pm

Or:

**Contact by mail:**

The Honorable Andrew M. Cuomo

Governor of New York State

NYS State Capitol Building

Albany, NY 12224

**Senator John DeFrancisco**

50<sup>th</sup> Senate District Office

800 State Office Bldg.

333 East Washington St.

Syracuse, NY 13202

(315) 428-7632

Email: [idefranc@nysenate.gov](mailto:idefranc@nysenate.gov)

Facebook: [www.facebook.com/pages/Senator-John-A-DeFrancisco/8776617150](https://www.facebook.com/pages/Senator-John-A-DeFrancisco/8776617150)

Twitter: [@JohnDeFrancisco](https://twitter.com/JohnDeFrancisco)

**Senator David J. Valesky**

53<sup>rd</sup> Senate District Office

333 East Washington St., Room 805

Syracuse, NY 13202

(315) 478-8745

Email: [valesky@nysenate.gov](mailto:valesky@nysenate.gov)

Facebook: [www.facebook.com/SenValesky](https://www.facebook.com/SenValesky)

Twitter: [@SenDaveValesky](https://twitter.com/SenDaveValesky)

**Assemblyman Al Stirpe**

127<sup>th</sup> District Office

7293 Buckley Rd., Ste 201

North Syracuse, NY 13212

(315) 452-1115

Email: [StirpeA@nyassembly.gov](mailto:StirpeA@nyassembly.gov)

Facebook: [www.facebook.com/AssemblymanAlStirpe](https://www.facebook.com/AssemblymanAlStirpe)

Twitter: [@stirpeal](https://twitter.com/stirpeal)

**Assemblywoman Pamela J. Hunter**

128<sup>th</sup> District Office

711 East Genesee St., 2<sup>nd</sup> Floor

Syracuse, NY 13210-1540

(315) 449-9536

Email: [HunterP@nyassembly.gov](mailto:HunterP@nyassembly.gov)