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August 26, 2022

The Honorable Tyisha Walker-Myers President, New Haven Board of Alders City of New Haven 165 Church Street New Haven, CT 06510

RE: REQUEST TO THE BOARD OF ALDERS TO REVIEW AND INVESTIGATE THE POLICIES AND PROCEDURES RELATED TO THE AWARDING CONTRACTS AT THE BOARD OF EDUCATION.

Dear President Walker-Myers,

The City of New Haven, along with the state and federal governments, are major funders of the New Haven Public Schools system. New Haven is by far the largest funding source for the schools, currently at \$190.6 million in what is known as General Funding. In fiscal year 2021-22 the NHPS received another \$206.5 million in other funding, known as Special Funding, for a total of \$397.1 million.

The NHPS is a separate body by state statute, though it conducts most of its large-scale contracting through the city's purchasing department, and follows city ordinances. I have been a member of the New Haven Board for Education for nearly seven years, and have worked with other board members to upgrade a finance reporting process that was not adequate for a \$400 million organization. Additionally, when I first joined the BOE, the finance reports were nonexistent and written board minutes were more than six months behind. We did much to move the financial reporting forward. We also reformed the contracting process so that the board had to approve contracts before they were awarded, which did not occur at the time. These may seem like simple changes, but they provided much more transparency and oversight for public spending decisions.

We now know what our budget entails and what where we spend our funds. Currently, 40% (\$77.2 million) of our General Funding budget goes towards teacher salaries, while 21% (\$40.5 million) is expended in contracting. Unfortunately, because of the past administration's desire to attract out of town students to our district, \$27.1 million of that contracting goes to transporation, and away from classrooms. This does not include the special funding. For nearly two years NHPS paid over \$46 million to an internationally owned bus company which did not transport children to schools. This is money which instead could have gone to teacher salaries and retention programming, or tutors, or any number of classroom related activities.

Though we have made significant changes to our fiscal reporting and oversight, there seems to be much further that we can go. During my time on the BOE I have witnessed a contracting awarding process that seems to morph and change over time, mainly based on who is in charge. I've also seen policies that creatively skirt city ordinances as well as Board of Education policies. For example, any multi-year

contract or a contract which is more than \$100,000 is supposed to go through a different process than a single year or less than \$100,000. Yet, the BOE regularly gets around that ordinance by writing the contract as a one-year contract with multiple renewals – sometimes four or five – effectively making the contract a five year or more term. This is only one example of the creative ways the NHPS have been able to avoid additional scrutiny before the Board of Alders and the New Haven public. I have observed a contracting process which ignored ordinances designed to protect New Haven based contractors. At one of our last meetings officials with both the NHPS and the city, who controlled a contractor awarding process, admitted on the record that they were not familiar with the city some city ordinances, as well as changing the bid price of the local contractor, effectively changing his lowest bidding status to the to the highest bidder.

These are just a few of the many issues which have raised concerns regarding the fiscal stewardship at the NHPS. I respectfully request that the New Haven Board of Alders convene a hearing to review, discuss, and potentially act on reforming the contracting process of the BOE and the city's purchasing department.

Respectfully submitted,

Darnell Goldson Elected Member, District 2, New Haven Board of Education