

May 4, 2018

Dear Janet,

Although you have not approached the Superintendent or School Board directly with concerns you addressed to the Town Council on April 5, 2018, I would like to supply you with as much clarification as possible. I have taken each of your concerns listed in your email addressed to the Town Council and have followed up with relevant information where possible.

- Review of the 2018-19 CESD Budget Appropriation Master Report (obtained directly from the Business Office) revealed that as of 2/11/18, **CEMS and PC Administration** expenditures had already exceeded by approximately **\$35,000 each** the entire 2017-18 FY allocation. (Appendix B)

Correct.

- Documents obtained after a FOAA request confirmed that **Principal Hasson received \$114,726** plus benefits, and **Principal Tracy received between \$87,106 and \$116,142** plus benefits during FY 2018- and neither has worked since July. Principal Eismeier, after 17 years, received \$30,000. (Appendix D)

I can only answer to Principal Hasson and Principal Tracy. I have no insight or knowledge of the terms of Principal Eismeier's departure.

Based on State law concerning school employee personnel matters, as well as the resignation agreements, I cannot provide any additional information regarding the resignations of the Principals. Title 20-A, M.R.S., Section 6101 provides that information in — any form — relating to an employee must be kept confidential if it relates to performance evaluations, personal references and other reports and evaluations reflecting on the quality or adequacy of the employees' work, or materials pertaining to disciplinary action.

I can assure you that each of the seven school board members, all with different perspectives and opinions, have agreed with the difficult leadership decisions that have been made. Weighing the financial costs, the quality of education and the best interests of the students, teachers, and the school district, the School Board came to a unanimous decision.

As we all know, employment issues often lead to expensive and disruptive litigation, and any responsible employer must carefully weigh the costs and benefits of settling such matters rather than engaging in protracted and costly legal disputes. Due to confidentiality requirements and legal considerations, that consideration could not take

place in public. When making judgments in these matters, we know we risk criticism, especially because much of the information must be kept confidential, but I believe we made the right judgments, and that the Cape Elizabeth schools are better for our having made them.

- **The 2017 municipal audit for CE noted “Significant Deficiencies”**, due to CESD bookkeeping issues (9 pages of line items were cited). Approximately **\$4 million of commingled funds** were discovered. This is the first time ever that our town has received a review of this nature. (Appendix F)

The Town Manger, Town Council, Superintendent, School Board, and the Business Manager of Fort Williams Light House, have met with the auditors of Runyon Kersteen Ouellette on two separate occasions following the completion of the Town of Cape Elizabeth, Maine, Annual Financial Report for the Year Ended June 30, 2017. The first meeting, on January 8, 2018, included a presentation of the auditors’ independent report in accordance with *Government Auditing Standards*. The second meeting on March 14th, focused on the “Significant Deficiencies,” “Other Comments,” and a review of the “Management’s Response and Corrective Action Plan” included within the auditors’ report.

An additional meeting, with partial representation of Town Council and School Board, occurred on March 5, 2018 with the auditors. The School Board Chair, School Board Finance Chair, Superintendent, Town Councilor Chair, Town Councilor Finance Chair, and Town Manager were in attendance. The citing of “Significant Deficiencies” and a plan for preventive measures was thoroughly discussed and mapped out. In addition to the “Management’s Response and Corrective Action Plan” (listed below) the group concurred on the importance of adding quarterly updates between the School Business Manager and auditors. The expectation is that inconsistencies will be addressed upon occurrence, rather than waiting for accounts to be rectified at the end of the calendar year.

The School Board and Superintendent have taken the auditors reporting of “Significant Deficiencies” seriously and have taken all necessary steps to not only understand how they occurred, but how to avoid similar reports in the future. The Superintendent, Business Manager, and School Board fully recognize the importance of accountability.

For your own clarification, the audit’s listing of “Significant Deficiencies” had nothing to do with the nine pages of line items. Furthermore, not all nine pages of line items were attributed to the School Department. Of the items that were connected to the School Department, most were due to the timing of audit. This year, upon discussion with the auditors, it has been agreed that the audit will commence at the end of August — which should help reduce the need for Adjusting Journal Entries.

Management's Response and Corrective Action Plan:

1. *Management has reviewed the final FY 17 year-end reports and all funds are currently in balance. Management is currently working with its accounting software vendor to address any software-related issues.*
2. *Management will work on a better capital asset process in order to identify all assets that need tracking. In addition, the School Department will work on a better process to record Capital Improvement Projects. The Manager has spoken with the new Director of Facilities on providing a more clearly defined capital project listing for tracking progress and evaluation success.*

Important to clarify is that our current Business Manager joined the CESD in September of 2015, with the FY16 School Budget already determined and at play. The first budget cycle that the Business Manager was responsible for was FY17. Upon her arrival to the district, most of the year was spent reallocating line items into the proper 11 spending categories required by the Maine Department of Education. It was a tedious process which did create confusion for the auditors initially. While most of these issues were cleared by the time the FY17 budget work began, the software used to follow the School Budget had errors in its programming — which did contribute to some of audit citations.

- [A request for CESD's monthly financial statements for the current FY was made, and the Business Manager's response was that **monthly reports are not generated.** \(Any functional financial institution should track monthly expenditures.\)](#)

Financial Statements are compiled prior to each Finance Committee Workshop. Typically, these meetings occur monthly and are in conjunction with the monthly School Board Workshops. After this takes place, the Business Manager posts the Financial Statements on the CESD website.

During the budget season, roughly February through the end of April, the Finance Committee does not meet to review statements. Therefore, the Financial Statements get posted less frequently as they are contingent upon the School Board's opportunity to review them.

That said, your letter has pointed out a way in which to provide greater consistency. Therefore, the Business Manager has requested that the Financial Statements concur with each Regular School Board Business Meeting to ensure that they are available monthly and ready to post online under supports for the School Board Business Meetings.

- **Tremendous CESD administrative turnover- within the last 6 years CESD has employed:**

The average tenure of administrators has changed greatly in the past 20 years. According to the AASA (The School's Superintendents Association) *2006 State of Superintendency* study "the mean tenure for a superintendent is five to six years." (<http://www.aasa.org/content.aspx?id=740>)

Similarly, the average tenure for school principals is approximately five to six years. ("*Turnover in Principalship Focus of Research*," by Debra Viadero, Vol. 29, Issue 2009; included within *Education Week*, April 28, 2018. https://www.edweek.org/ew/articles/2009/10/28/09principal_ep.h29.html)

Given the statistics, the average rate of administrative turnover within our district (excluding any interim hires) is well within the normal range.

- **2 Superintendents**

Meredith Nadeau's tenure: 5 years.

Howard Colter, *interim* Superintendent, 2 years (despite conducting 3 superintendent searches)

- **1 CEHS Principal**

Jeff Shedd's tenure: 17 years (this June) and counting

- **2 CEHS Assistant Principals**

Troy Henniger's tenure: 8 years

Nate Carpenter's tenure: 4 years and counting

- **4 CEMS Principals**

Steve Connolly's tenure: 7 years

Doug Perley — *Interim* for 6 months

Mike Tracy's tenure: 4 years

Troy Eastman's tenure: 1 year and counting

- **3 (possibly 4) CEMS Assistant Principals**

John Casey's tenure: 10 years

Doug Perley — 6 months, then was temporarily shifted to Interim Principal

Meredith Nadeau — *Interim* 6 months to support CEMS during interim/search period for principal.

Doug Perley's tenure: 6 years (Perley announced his intended resignation at the end of 2017-18 school year, during the spring of 2017)

- **3 Pond Cove Principals**

Tom Eismeier's tenure: 17 years

Kelly Hasson's tenure: 5 years

Jason Manjourides' tenure: 1 year and counting

- **3 Pond Cove Assistant**

Julie Nickerson's tenure: 2 years (currently serving as a Principal in neighboring community)

Theresa Curran's tenure: 1 year

Sarah Forrey-Petit's tenure: 1 year and counting

- **3 Special Education Directors**

Jane Golding's tenure: 4 years

Steve Floyd — *Interim* for 1 year

Jessica Clark's tenure: 2 years (Clark announced her impending departure from the district in March 2018)

- **2 Directors of Instruction — New Position Added to District in 2013**

Ruth Ellen Vaughn's tenure: 3 years

Cathy Stankard's tenure: *Interim* 1 year; plus 2 years and counting as permanent

Turnover destabilizes the school community from the top down. It makes our district less attractive to potential applicants and new families. Conducting candidate searches for these top positions is also costly in terms of time and dollars. (Appendix A)

There is no doubt that administrative turnover creates new challenges within a school system and that it does require additional time and expense. Conducting many additional School Board Executive Sessions is *also* a result of administrative turnover. Nonetheless, the reality is that administrative tenures now average 5 years. School districts must therefore adapt and strive to mitigate the impact by seeking to replace administrators with highly qualified individuals who best match the requirements of the district and stakeholders — and are, themselves, looking for a position in which they can endure.

Identifying the right individual also means that a wide representation of stakeholders must be involved in the process. Cape Elizabeth School District's interview committees for administrative personnel have typically included the following composite of members: administrators, teachers, school board, parents, and community members. Typically, an announcement is made inviting all interested people to submit letters of interest to participate in the interview process. Sometimes, when there is ample time to compose a committee and/or there is a large number of interested people, the School Board Chair must choose and aims to form a balanced mixture of perspectives.

The School Board recognizes the importance of stability and synchronicity, and applies this framework with all potential hires. When a particular pool of candidates does not produce the ideal fit, however, the most reasonable and preferable alternative is to hire an interim. Interim's are brought on during periods of transition to ensure that obligations and responsibilities to the students are met. Settling for less has never been an option.

Cape Elizabeth School District has done everything possible to manage inevitable turnover sensitively and successfully. Perhaps the best indication of the district's success in managing administrative turnover, is the extremely high level of teacher retention.

According to a Summary Report conducted by the National Commission on Teaching & America's Future, called *No Dream Denied: A Pledge to America's Children*, the annual teacher turnover rate is 15.7% — compared to 11.9% in other professions (https://nctaf.org/wp-content/uploads/no-dream-denied_summary_report.pdf). While I do not have the exact number for Cape Elizabeth, I believe that the percentage of teacher attrition (not due to retirement) is less than 2 %.

What appears to support teacher retention is a school climate in which teaching and learning prosper. Where teachers feel respected, supported, and appreciated; where there is a deliberate goal of “developing and sustaining professionally rewarding career paths for teachers from mentored induction through accomplished teaching;” and where parent involvement is strong (J. Bransford, A. Brown, and R. Cocking, eds., *How People Learn: Brain, Mind, Experience, and School*, Washington, DC: National Academy Press, 1999).

Furthermore, by being successful at providing the sort of climate where teachers thrive, our district saves money associated with teacher turnover. (“Revolving Door Of Teachers Costs Schools Billions Every Year,” by Owen Phillips, March 2015, for NPR: www.npr.org/sections/ed/2015/03/30/395322012/the-hidden-costs-of-teacher-turnover)

- The Interim Superintendent did not publicly acknowledge the most recent administrative departures until July 17, when he sent a letter to the school community, pledging not to rush the hiring process and the inclusion of all stakeholders.

The agreements concerning those administrative departures were not finalized until July 7 and July 17 respectively, and Superintendent Colter announced them promptly to the school community on July 17th, 2018.

- There was little opportunity for public input during this four-week period in the summer, nor were any School Board meetings held between June 26 and August 14, when selected candidates for both Principal positions, and the PC Assistant Principal, were voted on. The only stakeholder opportunity was when parents were invited for one hour to meet one finalist for each school, once a finalist for each school was selected. These two meetings also were held at very short notice, on August 9 and August 10. (Appendix K)

Immediately after Superintendent Colter sent news of the Principals resignations on July 17, 2018, a request for participation in the interview process for each building was made of the teachers/staff of each respective buildings, parents identified by the Pond Cove

Parents Association and CEMS Parents Association, Superintendent, Administrators, and School Board. Each interview committee had 10 to 12 members comprised of three or more regular education teachers; one special education teacher; one administrator; two to four parents; two School Board members and one nurse (in the case of the PCES). The committees participated in all areas of the process: they screened applications; chose candidates; conducted first-round interviews; narrowed the field; conducted second-round interviews; and ultimately made recommendations to the Superintendent. The Superintendent held finalist interviews, followed by the arranging for the finalists to meet with additional teachers in each building.

Greater stakeholder participation (beyond the members of the interview committee) was arranged by inviting the finalists' to the district on August 9th and August 10th, whereby the community had one hour for questions and answers and were then asked to complete a rating form and comments for each candidate. Upon positive feedback from the vast majority of stakeholders that participated in the process, the Superintendent made a recommendation to the School Board for three hires: the School Board discussed these candidates during an Executive Session on Monday, August 14, 2017 and then moved into a Special Business Meeting where the Board unanimously voted to approve the hires of Principal Eastman, Principal Manjourides, and Assistant Principal Forrey-Petit.

Given the time of year, the late onset of the interview process, and the strong pool of candidates, the limited amount of time available for stakeholder input was optimized. Furthermore, it is argued that when there is a strong pool of candidates it is prudent to hire as soon as possible no matter what the circumstances.

Lastly, in full recognition that administrators need to earn the trust and respect of their staff in order to be most effective at their jobs, Superintendent Colter recently requested that teachers and staff complete anonymous job-performance surveys for each new administrator. The overwhelming common theme that has emerged from the feedback is that teachers feel greatly supported and a renewed sense of direction and optimism. The new administrative hires have had a very successful first year.

- **CESB held 31 executive sessions in 2017 alone.** Nearly all executive sessions listed "personnel issues" as a rationale. In contrast, Falmouth School Board held only 3 Executive sessions in 2017. The Yarmouth School Board held 2; MSAD 51's School Board had 3. (Appendices E, H)

I haven't counted myself, but it is quite possible that we have held 31 Executive Sessions in 2017. Andrea Fuller, Assistant to the Superintendent, does a superb job of posting and recording every single meeting that involves the School Board — as is required by law. Andrea is exemplary in this regard and I would not be surprised to learn that neighboring communities struggle to match her high standard.

Below is a rough list of the many reasons why the School Board has been required to hold Executive Sessions as mandated by law during 2017:

1. Prior to every monthly Regular School Board Business Meeting, the School Board and Superintendent have made it a practice to meet in order to discuss any personnel items related to the agenda (e.g., discussing athletic personnel nominations during each new sports season) and/or to discuss any issues not included on the agenda, that cannot be discussed in public (e.g., student disciplinary concerns).
2. Superintendent Searches: There was one round during the winter that did not produce enough viable candidates, nonetheless Executive Sessions were required to determine available options. A second round of candidates were considered and interviews were held. Again, the decision was made during Executive Session that the new pool of candidates did not include a potential hire. The School Board held a third search in the fall, which did ultimately lead to the selection of a new hire. Along the way, each stage of this process has required serious discussions that must be conducted in Executive Session. All discussions of applicants, all interviews with candidates and all deliberations on potential candidates must by law be conducted in Executive Session; multiple searches will inevitably require multiple Executive Sessions.
3. Administrative Resignations and Hires: as in two Principals and one Assistant Principal
4. Concerns over specific personnel.
5. Concerns over specific students.
6. Status review of pending litigations.

This School Board is a highly committed Board — with members who greatly value communication, transparency, and a strong work ethic. Hundreds of hours are donated because each member believes that public education is the backbone of our country and a constitutional right which belongs to all children. We have nothing to hide.

- **The CESD website is extremely difficult to navigate**, creating a barrier to access. Gmail users have been asked in some places to log in to see 2018-19 budget documents, which is a violation of the public's right to know. There is no such registration requirement on the Town's website. Such barriers to viewing public documents are probably illegal. A 3 week correspondence with the Business Office was required to rectify this issue. Budget documents for 2018-19 available online are not kept up to date, despite numerous edits noted in the activity log. (Appendices C, I, L)

I agree. Though the CESD website has improved somewhat over the years, it still has room for improvement. That said, creating “barriers” is not and has never been the intention. In previous budgets, we have discussed the need not only for a revised website, but also the need for a dedicated webmaster. Unfortunately, averaging \$46,000 annually for an entry-level webmaster, this is not an expense the CESD has been able to fund (<https://www.payscale.com/research/US/Job=Webmaster/Salary/8e275786/Entry-Level>). Instead, the schools and the town rely on one webmaster, Wendy Derzawiec, that works a portion of her professional time to Cape Elizabeth. The CESD only budgets \$2000 for her assistance. During budget season, our Business Manager — who is not a trained webmaster — does the online updating.

Though you are clearly aware, it bears repeating that any information that is not easily located on the website, can also be requested directly through the Business Manager and/or the School Board. There is no effort to obfuscate as your inquiry tends to suggest.

Contextual Considerations:

- a trend continues: projected 40% decrease in state education subsidy, roughly \$875,000
- possible increase in CE property taxes, up to 11%
- proposed school renovations/new buildings- current estimate is \$27 million

Yes, three years in a row Cape Elizabeth has been hit with nearly \$2.5 million loss in State funding.

The school portion of the possible increase to Cape Elizabeth taxes is 10.2%, but the overall increase to tax payers is 7.4% — once the municipal budget portion is included.

The School Board fully recognizes the implication of loss of revenue from the State: the burden of funding our schools falls largely on the local taxpayers. In full awareness of the current situation, the School Board has approached the Town Council to collaborate on creating a new system which keeps our schools strong and alleviates the burden to some of our community members with fixed incomes. I am hopeful that together, we will be able to develop a new path forward that is both sensitive and responsible.

The proposed school renovations process, which was quoted by the engineers and architects at the April 30, 2018 joint workshop with the Town Council, is currently only about 3% into the process. It is at the earliest stages of development and is indeed an estimate. The extent to which will or will not be included in any future project and dollar amount will be determined by thorough and repeated input from all stakeholders. The estimated \$27 million figure is a high number, which could easily be less and/or reduced if certain areas of the study are not included in a bond. Upon approval of the first portion of the study, in the amount of \$249,350, the School Board will immediately set out to form a committee made up of a large cross-section of stakeholders: School Administrators, Teachers, School Board, Parents, Students, Town Councilors, Planning Board, Police Officers.

The School Board members are elected public officials who are accountable to the voters and taxpayers. They hire and oversee the CESD Superintendent, whose responsibilities include personnel and budgetary matters, among them oversight of the Business Office. There is an enormous fiduciary duty to our Town that has been shirked. There is a lack of transparency, indeed a culture of opacity in decision-making, without which trust and relationships cannot be built. Anyone who cares about the quality of our children's education and the disposition of our tax dollars should be extremely concerned and asking for answers to the questions raised by these findings. (Appendices C, J)

We were elected to govern our schools in accordance with the requirements of State and Federal law. Far from being opaque, we have conducted all of our work in public, with the sole exception of matters that must by law be kept confidential. You and all members of the public are welcome to attend our meetings and to provide us input or ask questions at any time. Any suggestion that we have anything to hide or that we have not acted in good faith with the best interest of students and the community in mind is groundless.

I encourage you to reach out to the School Board directly in the future. Thank you for your interest in our schools.

Respectfully,

Susana Measelle Hubbs
Chairwoman, Cape Elizabeth School Board