

## Summary

*CCRSD administration costs are among the highest in Massachusetts. Excessive legal fees are representative of administration overspending. School Committee (SC) is unclear of its oversight role. Is weak SC oversight responsible for the District's lack of fiscal restraint?*

Since the current administration took office in 2008, administration costs per pupil have risen sharply. In 2011, CCRSD was ranked the 16<sup>th</sup> highest school district in the state for administration cost per pupil, up from 42<sup>nd</sup> in 2008 (out of approximately 300 schools). With the exception of Lincoln, these costs are not in-line with CCRSD's peer school districts.

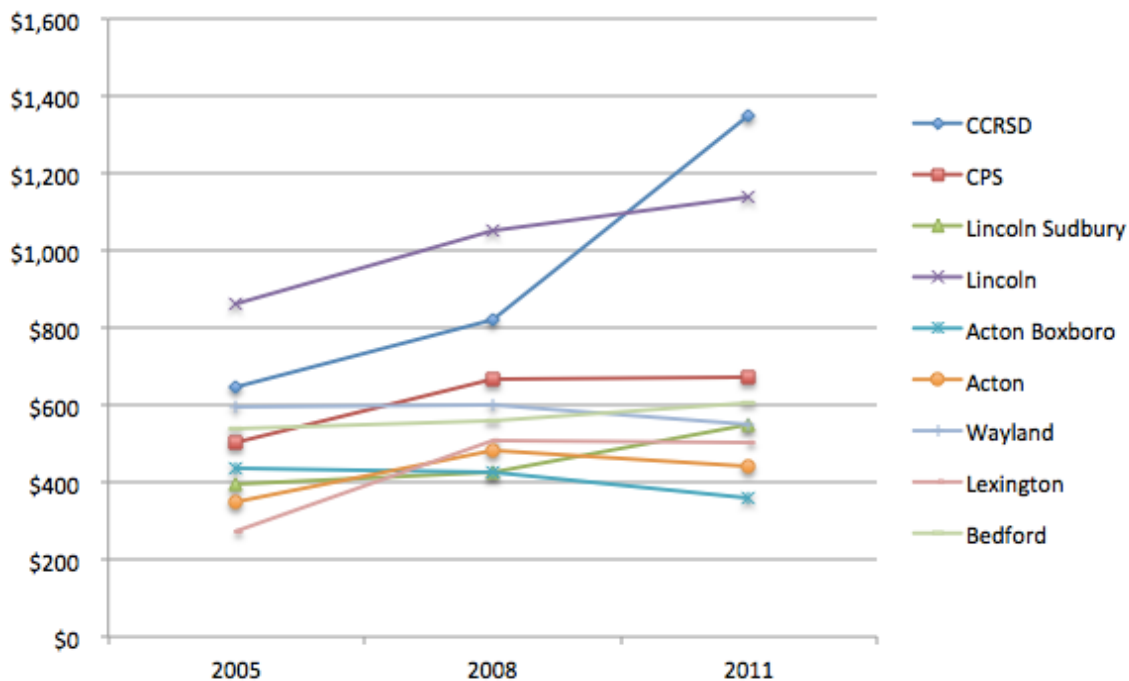
Billing for the District's legal services illustrates the administration's lack of fiscal controls. The District is regularly billed \$835/hour by Ropes & Gray (with rates reaching \$995/hour). This is approximately 3X the amount paid by the Town, which wisely negotiated a cap on its attorney fees.

In a letter to a Concord resident, SC Chairs stated that the superintendent is their leader and that they lack the authority to oversee legal budgets (which fall under the District's administration budget). Is this interpretation of the SC's relationship with the superintendent responsible for weak fiscal oversight? And has this lax oversight resulted in higher than normal administration costs and excessive legal fees?

## High Administration Cost Per Pupil

*CCRSD ranks 16<sup>th</sup> in Massachusetts for administration costs per pupil. These costs have sharply increased under the current superintendent and are more than double that of peer schools.*

As shown by the chart below, CCRSD was on par with peer schools for administration cost per student in 2005, but in 2008 (when the current administration took office) these costs escalated sharply. CCRSD costs are not in-line with peer schools (in some cases they are 3X higher) and CPS costs are, with the exception of Lincoln, also higher than all other peer schools.



As shown by the table below, CCRSD has an administration cost per pupil of \$1,349 and ranks 16<sup>th</sup> out of approximately 300 Massachusetts school districts (in 2008 CCRSD ranked 42<sup>nd</sup>). As mentioned earlier, this escalation of costs started with the hiring of the current superintendent.

**2010-11 Per Pupil Expenditures Report**  
**Administration Function**

Year: 2011    Function: Administration

Per Pupil Expenditures are calculated by dividing a district's operating costs by its average pupil membership.  
[More about the data..](#)

[View Past Per Pupil Expenditures Reports](#)  
 \* Click any column header to sort ascending (first click) or descending (second click).

District	Org Code	Total FTE Memb	General Fund Appropriations	Grants, Revolving & Other Funds	Total Expenditures	Expenditure Per Pupil (Desc)
<a href="#">PROVINCETOWN</a>	02420000	191.4	\$441,707	\$105,800	\$547,507	\$4,352
<a href="#">ORLEANS</a>	02240000	196.1	\$554,636	\$81,966	\$636,602	\$3,317
<a href="#">ROWE</a>	02530000	88.5	\$136,783	\$0	\$136,783	\$2,121
<a href="#">EASTHAM</a>	00850000	236.4	\$375,508	\$1,317	\$376,825	\$1,748
<a href="#">SOUTH MIDDLESEX</a>	08290000	650.6	\$1,074,963	\$0	\$1,074,963	\$1,652
<a href="#">MINUTEMAN</a>	08300000	671.0	\$1,022,353	\$72,580	\$1,094,933	\$1,639
<a href="#">GREATER NEW BEDFORD</a>	08250000	2,091.9	\$2,582,421	\$813,520	\$3,395,941	\$1,624
<a href="#">NORTH SHORE</a>	08540000	459.5	\$734,063	\$0	\$734,063	\$1,605
<a href="#">NORFOLK COUNTY</a>	09150000	471.8	\$745,498	\$0	\$745,498	\$1,580
<a href="#">TRURO</a>	03000000	240.0	\$222,055	\$0	\$222,055	\$1,512
<a href="#">OLD COLONY</a>	08550000	548.5	\$745,417	\$42,962	\$788,379	\$1,437
<a href="#">NORTHAMPTON SMITH</a>	04060000	435.0	\$619,047	\$586	\$619,633	\$1,424
<a href="#">BLUE HILLS</a>	08060000	816.5	\$1,023,311	\$133,430	\$1,156,741	\$1,418
<a href="#">GREATER FALL RIVER</a>	08210000	1,376.6	\$1,883,877	\$47,800	\$1,931,677	\$1,403
<a href="#">WELLFLEET</a>	03180000	150.9	\$181,704	\$11,480	\$193,184	\$1,373
<a href="#">CONCORD CARLISLE</a>	06400000	1,247.4	\$1,621,765	\$0	\$1,621,765	\$1,349
<a href="#">HAWLEMONT</a>	06850000	113.1	\$124,701	\$0	\$124,701	\$1,298
<a href="#">ESSEX COUNTY</a>	09130000	476.6	\$615,178	\$0	\$615,178	\$1,291
<a href="#">FRANKLIN COUNTY</a>	08180000	495.1	\$517,162	\$95,226	\$612,388	\$1,245
<a href="#">CAMBRIDGE</a>	00490000	6,511.0	\$7,189,730	\$0	\$7,189,730	\$1,204

**Source:** Massachusetts Dept. of Elementary and Secondary Education (ESE) – go to link:

[http://profiles.doe.mass.edu/state\\_report/ppx.aspx](http://profiles.doe.mass.edu/state_report/ppx.aspx)

NOTE: Set the following menu items as follows -- set Year to 2011 -- set Function to Administration. Sort in descending order by "Expenditure Per Pupil"

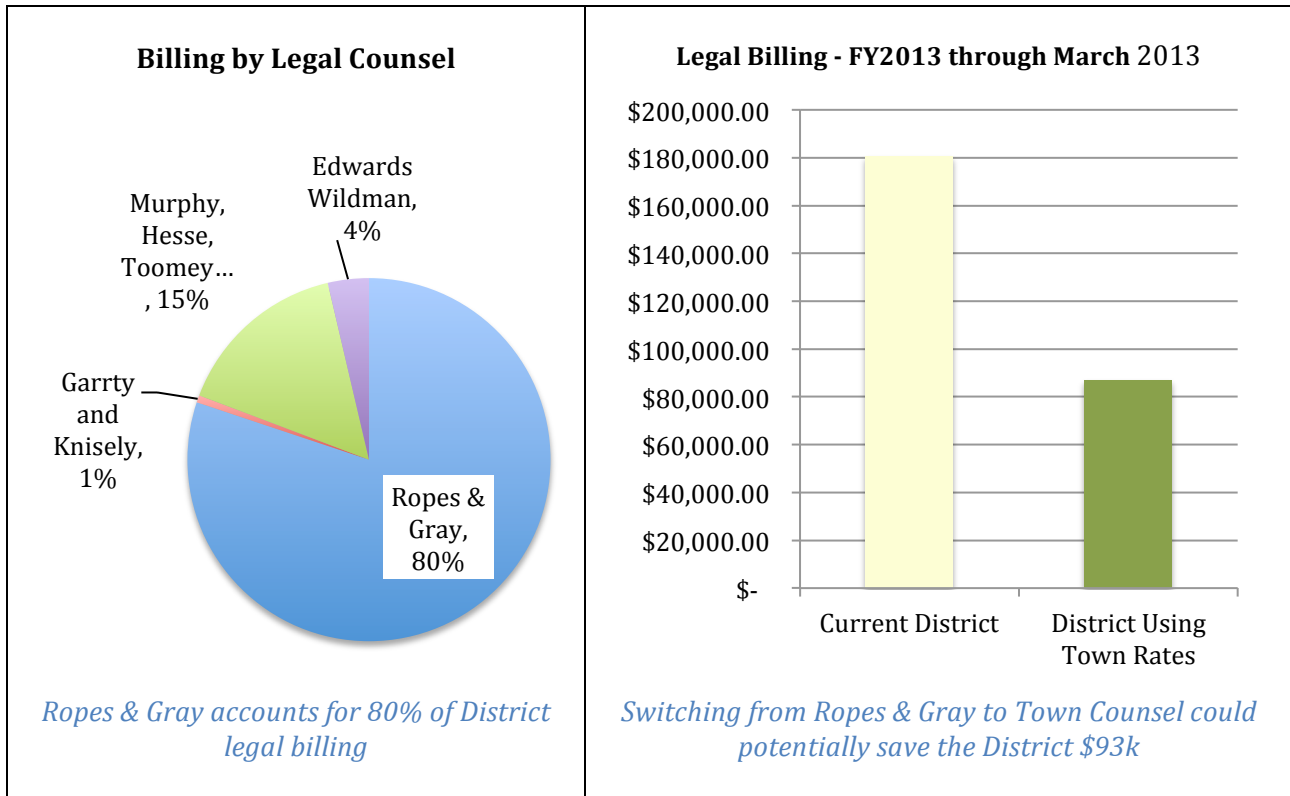
**Excessive Legal Fees are Representative of the District’s Fiscal Irresponsibility**

*CCRS)D administration costs are double those of its peer schools. District legal fees are approximately triple that of Town fees (up to \$995/hour). Excessive legal fees are representative of District overspending. Legal research into the PTG calls into question the District’s use of taxpayer funded legal services.*

As discussed earlier in this report, District administration costs are double (even triple) those of peer schools. By looking at a single line-item within the District’s administration budget (specifically legal fees associated with the Legal budget), and comparing that to similar fees billed to the Town of Concord, it appears that the District is lax in its fiscal controls. For instance, the Town has negotiated a cap of its legal fees at \$295/hour. However, the District has regularly paid \$835/hour for similar services; and has even paid up to \$995/hour for said services.

As shown in the chart below, if the District switched its legal services from Ropes & Gray (which is responsible for 80% of the District’s legal billing) to counsel used by the Town, then it could save

approximately \$93k in legal expenses, which would have negated the necessity of requesting an increase in the legal services budget, an increase which was later voted down during Town Meeting.



Additionally, the District is relying too much on its legal counsel to handle work that should be done in-house. For instance, the Town rarely refers public records requests to legal counsel for review and it rarely requests legal counsel to draft responses to public inquiries. However, it appears that the District routinely refers these requests to its legal counsel. With billing of \$835/hour, this is a wasteful use of taxpayer dollars.

The questionable use of legal services needs scrutiny. Such services include: (1) Administration officials tasked Ropes & Gray to "Research whether a parent teacher group at a public school constitutes a public body and is therefore subject to the Mass Open Meeting Law", presumably to gain access to PTG emails. (2) Administration officials authorized \$20k in legal fees to fight a citizen complaint that the building committee violated Open Meeting Laws. (3) Administration officials tasked 14.5 hours of legal services to fight a potential restraining order to demolish the bus depot; the restraining order was never filed and the bus depot was demolished, even though there was an advisory town warrant to preserve it. (4) Administration officials paid Ropes & Gray attorneys \$945/hour for services related to the "Assistance with Bid and Lease Matters for Bus Leases and Potential Acquisition of New Bus Depot Location." Please note that this is a partial list based on only a few months worth of legal invoices. What else has the District tasked its legal counsel to do?

The District appears to make no attempt to cap legal fees, it overuses its legal resources for work that should be done internally and uses said services in a questionable manner. Does this lack of fiscal and managerial oversight extend beyond the administration budget? What else should be scrutinized?

**Source:** Public Records Request: 2013 legal invoices (through March) and 2012 legal invoice summaries (available upon request)

## Role of the School Committee is Unclear

*SC chairs have stated that the superintendent is their leader. Has this belief weakened SC oversight of the administration and does it explain the strained environment surrounding CPS and CCRSD? Does it also explain excessive legal fees and high administration cost per pupil?*

In an email exchange between Concord resident Miguel Echavarri and SC chairs, SC chairs stated that, “Diana Rigby is the Superintendent of our school district and our leader.” Further, the Chairs stated that they had no authority over daily school operations, which they believed included legal invoices.

This interpretation of the relationship between the superintendent and the SC is troubling. SC members are the Town’s elected representatives. They are tasked with protecting the public interest. They answer to the people who voted them into office, not to the superintendent. In fact, the superintendent is not their leader; she’s their employee. To suggest otherwise is disturbing. Yet, the resulting lack of superintendent oversight may help explain the troubling environment between district officials, SC members and the residents of Concord.

With regard to the SC’s authority over District invoices, school policy (taken from the Concord Public School website and shown below) specifically states that a decision to seek legal advice will be made by the SC or the SC may direct the superintendent to take such action (refer to paragraph 4 below). Even when the SC has directed the superintendent to seek legal advice, she must seek authorization from the SC regarding unusual types or amounts of professional legal services (refer to paragraph 5 below). Thus the SC does indeed have the authority to oversee invoices. And, contrary to the SC Chairs claim that they don’t have authority over invoices, all of the legal invoices in Mr. Echavarri’s possession have been stamped; “approved for payment by vote of the committee.”

SC Chairs have stated that they lack the authority to oversee legal invoices. Has this lack of oversight by SC members, attributed to the notion that the superintendent is the leader of the SC and thus beyond reproach, resulted in a lack of fiscal restraint and misuse of school resources? And as a result of this lack of oversight, are taxpayers funding \$995/hour attorneys (3X’s that of the Town) and are local PTGs now the target of taxpayer funded legal research? This report has only analyzed the legal services budget. How has the administration handled other line items in its budget? And has a lack of fiscal restraint contributed to CCRSD having the 16<sup>th</sup> highest administration cost per pupil in Massachusetts?

### SCHOOL ATTORNEY

The School Committee may use the services provided by the Town Counsel. The Committee and the Superintendent may seek his/her services to counsel and represent the school system at various times.

However, because the complexity of school department operations often requires specialized legal services, the Committee may also retain an attorney or law firm to provide additional legal services.

It will be the duty of the Counsel for the Committee to advise the School Committee and the Superintendent on the specific legal problems submitted to him. He/she will attend meetings upon request and will be sufficiently familiar with Committee policies, practices, and actions under these policies, and with requirements of the school law to enable him/her to offer the necessary legal advice.

A decision to seek legal advice or assistance on behalf of the school system will be made by the Committee. The Superintendent may also take such action at the direction of the Committee.

Many types of legal assistance are routine and do not require specific Committee approval or prior notice. However, when the Superintendent concludes that unusual types or amounts of professional legal service may be required, he/she will advise the Committee and seek either initial or continuing authorization for such service.

LEGAL REFS.: M.G.L. [71:37E](#); [71:37F](#)