

**FINAL SUMMARY MINUTES – SPECIAL MEETING – JANUARY 7, 2013
ELMWOOD PARK BOARD OF EDUCATION**

Following are Final Summary Minutes of Special Meeting of the Elmwood Park Board of Education scheduled for 8 p.m. on Monday, January 7, 2013, in the Memorial High School Media Center. The meeting was opened at 8:07 p.m.

Present were: Keith Cannizzo, Douglas DeMatteo, Jeanne Freitag, Louise Gerardi, Jennifer Pellegrine, Kathleen Policano, Arlene Rudmann, Peter Scolaro, and Stephen Zaccone. Also present were Dr. Richard D. Tomko, Superintendent of Schools, William P. Moffitt, Board Secretary/Business Administrator, Chris Cerf, Commissioner of Education, Robert Gilmartin, Bergen County Executive Superintendent of Schools, Glenn Forney, New Jersey Department of Education, Division of Finance, Thomas Egan, State Monitor, and Jenna Rottenberg, Esq. of Schwartz, Simon, Edelstein & Celso, Esqs., board attorneys, who sat on the dais. Councilmen Robert Colletti, Frank Caramagna, Thomas Conboy, Roy Riggitano, Municipal Finance Officer/Treasurer, Borough of Elmwood Park, Michael Oppido, Athletic Director, and members of the public were also present.

After the flag salute and a moment of silence, the reading of the Statement of Compliance was incorporated. “There will be a Special Meeting of the Elmwood Park Board of Education on Monday, January 7, 2013, at 8 p.m. in the Memorial High School Media Center. Agenda: Introduction of State Monitor. No action may be taken”.

Board President, Douglas DeMatteo, yielded to Dr. Richard D. Tomko, Ph.D., Superintendent of Schools, who introduced Chris Cerf, Commissioner of Education, State of New Jersey. Commissioner Cerf addressed the board and introduced State Monitor, Thomas Egan to the board and public in attendance. Commissioner Cerf, indicated the reasons for assigning a State Monitor and provided a handout entitled *18A:7A-55, Appointment of State Monitor in Certain School Districts; Duties*.

Commissioner Cerf left the meeting at 8:15 p.m.

The meeting was opened to the public at 8:16 p.m. and closed to the public at 8:52 p.m.

The following individuals addressed the board during the open session of the meeting:

<u>Name</u>	<u>Address</u>	<u>Topic</u>
Michael Bufis	14 Philip Avenue	Inquiries and comments in regard to State Monitor’s compensation.
Gladys Gryskiewicz	256 Fencsak Avenue	Inquiries and comments in regard to State Monitor’s compensation, funding and role in district.

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Jeffrey Freitag	35 Hillman Drive	Inquiries and comments related to qualifications, compensation and role of State Monitor in district; Comments relative to district's surplus requirements; Comments in regard to Special Education spending.
Daniel Golabek	74 Godwin Avenue	Wished new board members good luck in coming year; Inquiries on State Monitor appointment; Inquiries and comments in regard to Special Education mandated spending.
Richard Rudmann	1 Paul Court	Commented in regard to compensation for State Monitor; Inquiries as to what budget cuts would be made.
Gladys Gryskiewicz	256 Fencsak Avenue	Inquiries on Special Education students and adequate yearly progress.
Jeffrey Freitag	35 Hillman Drive	Inquiries relating to placement of special education students.
Myles Garvey	98 Fencsak Avenue	Thanked Board of Education for waiving facilities use fees for Borough Recreation programs; Commented in regard to special education spending; Defended his actions in regard to past referendum and his role in campaigning against the referendums through automated phone calls. (President, Douglas DeMatteo, gaveled Mr. Garvey because he directly addressed individual board members instead of addressing only the Board President. Mr. Garvey was reminded by board counsel, Jenna Rottenberg, Esq., that he was in the public session of the meeting and not at question and answer session).

(UPDATED THROUGH P.L. 2009, ch. 168 and JR 11)

TITLE 18A EDUCATION

18A:7A-55 Appointment of State monitor in certain school districts; duties.

18A:7A-55 Appointment of State monitor in certain school districts; duties.

2. a. In addition to the powers provided pursuant to P.L.2005, c.235, P.L.1996, c.138 (C.18A:7F-1 et al.), and P.L.2007, c.260 (C.18A:7F-43 et al.) or any other law, the Commissioner of Education shall have the authority to appoint a State monitor and additional staff, as necessary, to provide direct oversight of a board of education's business operations and personnel matters if: the school district receives an adverse or a disclaimer of opinion by its independent auditor in the annual audit required pursuant to N.J.S.18A:23-1; or any two or more of the following circumstances apply to the school district:

- (1) the school district ends the fiscal year with a deficit balance as calculated for budgetary purposes in the general fund, special revenue fund, or capital projects fund, with the exception of a capital projects fund deficit caused by the issuance of bond anticipation notes;
- (2) the school district receives a qualified opinion by its independent auditor in the annual audit required pursuant to N.J.S.18A:23-1;
- (3) the school district receives an adverse, disclaimer, or qualified opinion by its independent auditor under the single audit section for State or federal awards in the annual audit required pursuant to N.J.S.18A:23-1;
- (4) the school district receives any audit findings by its independent auditor identified as material weaknesses in internal controls;
- (5) the school district fails to develop and implement a plan acceptable to the commissioner or his designee to address a potential or actual deficit balance in the general fund, special revenue fund, or capital projects fund, with the exception of a capital projects fund deficit caused by the issuance of bond anticipation notes;
- (6) the school district fails to implement a plan from the prior year which causes any findings from the independent auditor to be repeated;
- (7) the school district is required to return federal funds once it is determined that the school district's expenditures are not in compliance with the grant requirements; or
- (8) the school district submits the annual audit after the submission date required pursuant to N.J.S.18A:23-1.

b. The State monitor shall:

- (1) oversee the fiscal management and expenditures of school district funds, including, but not limited to, budget reallocations and reductions, approvals of purchase orders, budget transfers, and payment of bills and claims;
- (2) oversee the operation and fiscal management of school district facilities, including the development and implementation of recommendations for redistricting and restructuring of schools;

(3) ensure development and implementation of an acceptable plan to address the circumstances set forth in subsection a. of this section which resulted in the appointment of the State monitor. The plan shall include measurable benchmarks and specific activities to address the deficiencies of the school district;

(4) oversee all district staffing, including the ability to hire, promote, and terminate employees;

(5) have authority to override a chief school administrator's action and a vote by the board of education on any of the matters set forth in this subsection, except that all actions of the State monitor shall be subject to the education, labor, and employment laws and regulations, including the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), and collective bargaining agreements entered into by the school district;

(6) attend all meetings of the board of education, including closed sessions; and

(7) meet with the board of education on at least a quarterly basis to discuss with the members of the board the past actions of the board which led to the appointment of the State monitor and to provide board members with education and training that address the deficiencies identified in board actions.

c. The Commissioner of Education shall notify the State Board of Education following the appointment of a State monitor pursuant to subsection a. of this section. The State monitor shall report directly to the commissioner or his designee on a weekly basis. The State monitor shall also report monthly to the board of education and members of the public at the regularly scheduled board of education meeting.

d. For purposes of the "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq., the State monitor shall be considered a State officer, but for all other purposes the State monitor shall be considered an employee of the district.

e. The State monitor shall provide oversight in the school district until the commissioner determines that all remedial actions required under the plan have been implemented and the necessary local capacity and fiscal controls have been restored to school district operations.

f. The salary of the State monitor shall be fixed by the commissioner and adjusted from time to time as the commissioner deems appropriate. The school district shall assume the total cost of the State monitor and necessary additional staff appointed pursuant to subsection a. of this section. The State monitor shall have the authority to appoint legal counsel if legal action is taken against him while acting in his official duties as a State monitor or as needed upon approval of the commissioner.

L.2006, c.15, s.2; amended 2007, c.53, s.16; 2007, c.260, s.24.

18A:7A-56 Recommendation of advance State aid payment to school district; repayment.

3. a. The Commissioner of Education shall recommend to the State Treasurer whether an advance State aid payment should be made to a school district for which a State monitor has been appointed. The commissioner's recommendation shall be based on whether the payment is necessary to ensure the provision of a thorough and efficient education. An advance State aid payment shall be recorded by the school district as revenue for budget purposes in the school year in which the advance State aid payment is provided.

b. The advance State aid payment shall be repaid by the school district through automatic

reductions in the State aid provided to the school district in subsequent years. The term of the repayment shall not exceed 10 years, but may be for a shorter term as determined by the State Treasurer. At any time during the term of the repayment the State Treasurer, in consultation with the Commissioner of Education, may determine to impose interest on the unpaid balance ; except that interest shall not be imposed in the case of a school district for which a State monitor is appointed within 90 days of the effective date of this act. The commissioner shall transfer the amount of the reduction in State aid to the account established pursuant to section 5 of this act.

c. In any year in which the school district's undesignated general fund balance is greater than 1.5% of general fund expenditures, the amount which exceeds 1.5% shall be an additional amount applied to the following year's repayment of the advance State aid payment and the school district's State aid shall be reduced by this additional amount in that following year.

L.2006,c.15,s.3.

18A:7A-57 Forensic audit of certain school districts; presentation.

4. a. The Office of the State Auditor, or the Office of the State Comptroller, in cooperation with the State Auditor, shall conduct a forensic audit of the fiscal operations of any school district which has a year-end general fund deficit and also meets one of the other criteria in subsection a. of section 2 of this act. The audit shall be of the fiscal year in which the general fund deficit occurred and shall be in addition to the audit required of school districts pursuant to N.J.S.18A:23-1.

b. Notwithstanding the provisions of R.S.52:24-1 et seq., or any other law to the contrary, the Office of the State Auditor or the Office of the State Comptroller shall submit the audit to the commissioner, the Governor, and the Legislature. The Office of the State Auditor or the Office of the State Comptroller shall also present the audit to the district's board of education and the public at the board's next regularly scheduled monthly meeting.

c. The Office of the State Auditor or the Office of the State Comptroller shall forward any findings of fraudulent activities discovered as a result of the audit to the appropriate law enforcement agency.

d. Within 30 days of the presentation of the audit by the Office of the State Auditor or the Office of the State Comptroller to the board of education, the board shall submit to the commissioner a plan that addresses all of the findings, conclusions, and recommendations of the Office of the State Auditor or the Office of the State Comptroller which have not been previously addressed by the school district.

L.2006, c.15, s.4; amended 2007, c.52, s.21.

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Daniel Golabek	74 Godwin Avenue	Had comments in regard to no call listing.
Michael Bufis	14 Philip Avenue	Additional inquiries relating to role of State Monitor in the district and encouraged use of openness on his activities.

Comments By Board Members:

During this session, Mrs. Freitag made comments in regard to the State Monitor's compensation. She also wanted to let everyone know that she was awaiting answers to questions relative to the State Monitor. Mrs. Freitag also inquired as to where the State Monitor's office would be located.

Also during this session, Mrs. Rudmann made comments in regard to "moving forward as a community" and reminded the board and everyone that this past referendum contained three questions, with the first question requesting needed repairs and renovations to facilities.

By motion of Ms. Pellegrine, which was seconded Mrs. Gerardi, the meeting was adjourned at 8:59 p.m.

I hereby certify these final summary minutes of the Special Meeting of the Elwood Park Board of Education in session on Monday, January 7, 2013, to be true and correct and in complete agreement with the official Minute Book of the Board of Education.

Respectfully submitted,



William P. Moffitt
Board Secretary