

**District School Board of Indian River County, Florida  
6500 - 57<sup>th</sup> Street, Vero Beach, FL 32967**

If a person decides to appeal any decision made by the Board with respect to any matter considered at these meetings, he will need to ensure that a verbatim record is made which includes the testimony and evidence upon which the appeal is to be made.

INVOCATION: Shortly before the opening gavel that officially begins a School Board meeting, the Chairman will introduce the Invocation Speaker. No person in attendance is or shall be required to participate in this observance and the personal decision of each person regarding participation will have no impact on his or her right to actively participate in the School Board's business meeting.

**Date: February 12, 2019**

**Time: 6:00 p.m.**

**Room: Joe N. Idlette, Jr. Teacher Education Center (TEC)**

**Business Meeting Agenda**

- I. CALL MEETING TO ORDER
- II. PLEDGE OF ALLEGIANCE TO THE FLAG AND PRESENTATION OF COLORS by Sebastian River High School's Navy Junior ROTC under the direction of Lieutenant Commander James Landis USN (Retired) and Master Sergeant Michael Hussey USMC (Retired).
- III. ADOPTION OF ORDERS OF THE DAY
- IV. PRESENTATIONS
  - A. Musical Rendition by – Vero Beach High School Mary Poppins Performance**
  - B. Short Video on School Initiatives**
  - C. Casual for a Cause – Leukemia and Lymphoma Society**
  - D. Veteran of the Month**
  - E. Proclamation – Career & Technical Education Month**
  - F. Recognizing Some Country Hero's**
- V. CITIZEN INPUT
- VI. CONSENT AGENDA
  - A. Approval of Minutes – Dr. Rendell**
    - 1. 2019-01-15 Business Meeting Minutes  
Superintendent recommends approval.
  - B. Approval of Personnel Recommendations – Dr. Rendell**

Attached is a list of personnel recommendations that includes personnel additions, terminations, and/or changes. Superintendent recommends approval.

**C. Approval of Donations – Dr. Rendell**

1. Sebastian River High School received a donation in the amount of \$3,730.72 from Highlands Homes Roofing, ~~\$2,230.72 will be used to benefit the Sebastian River High School Chum Bucket (Removed due to being a fundraiser)~~, and the remaining \$1,500 will benefit the Sebastian River High School Baseball team.
2. Vero Beach Elementary School received a donation in the amount of \$6,496 from the Education Foundation of Indian River County. The funds will be used for the Vero Beach Elementary School students field trip to Blue Man Group Show in Orlando.
3. Oslo Middle School received a donation in the amount of \$13,600 from Mr. And Mrs. William Tait. The donation will be used to purchase two new electronic scoreboards for the Oslo Middle School gymnasium.  
Superintendent recommends approval.

ADD-ON

**D. Approval of Student Expulsion Recommendation 2019-01 – Dr. Rendell**

Principal Dariyall Brown is requesting the expulsion of Student #19-31 on charges of School Board Policy 5600/5610 – WPO Weapons Possession – Violation of Hearing Officer’s Findings of Fact, Conclusion of Law and Recommendations dated January 10, 2019. Recommendation is for expulsion for the remainder of the 2018-2019 school year. Superintendent recommends approval.

VII. ACTION AGENDA

**A. Approval of Renewal - Agreement with Advanced Medical Personnel Services, Inc. for 2018-2019 – Mrs. Dampier**

The attached is a copy for a continuation to provide services for physical therapy and speech and language for ESE students. Advanced Medical provides one physical therapist and one full time Speech/Language Pathologist for students during their regular academic day. The original service agreement was in the amount of \$100,00.00. The ESE Department anticipates an approximate need for additional funds in the amount of \$97,800.00 for continued services through the end of the 2018-2019 school year and through the Extended School year. Funding for the contract will be through the IDEA Part B Entitlement Grant (K-12). Superintendent recommends approval

**B. Approval to Dispose of Surplus Property – Mr. Teske**

This request is for approval to dispose of surplus property in accordance with Florida Statutes 274.05 and 274.06. The attached lists represent property to be deleted from various inventories and/or for items that have been declared surplus. After Board approval, property will be recycled and/or auctioned. Superintendent recommends approval.

**C. Approval for Superintendent to Reach Budget Goal – Dr. Rendell**

In accordance with School Board Policy 6210, in the event the contingency reserve decreases to less than five percent (5%) of the District’s general fund budget, the Superintendent shall prepare for Board Approval, a financial plan and timeline to restore the unreserved fund balance not classified as restricted, committed, or nonspendable to the minimum amount set forth herein. Attached, please find a copy of the Plan and Timeline to achieve this Superintendent recommends approval.

**ADD-ON**

**D. Approval of Budget Amendment – Dr. Rendell**

This request is for approval of the following budget amendment for fiscal year ending June 30, 2019:

Amendment #2 – General Fund – October 2018 – December 2018

Superintendent recommends approval.

VIII. SUPERINTENDENT’S REPORT

IX. DISCUSSION

- 1) January 24, 2019 Sniffen and Spellman Report – Mrs. Zorc
- 2) New Education Reform – Textbook Adoption – Mrs. Rosario

X. SCHOOL BOARD MEMBER MATTERS

XI. INFORMATION AGENDA

- 1) Recurring Vendor report of Released Purchase Orders Through January 25, 2018 - Mr. Teske**  
Pursuant to Action Agenda Item B. Business Meeting on September 11, 2018, whereby as a means of efficient management of District operations, the School Board Approved Purchase Order authority caps for a list of vendors that routinely provide goods and services to the District. In accordance with the School Board’s directive, staff hereby, presents the attached report of released purchase orders or expenditures for all vendors on the list through January 25, 2018. This report ensures that previously approved limits are not exceeded. Please see attached backup.

XII. SUPERINTENDENT’S CLOSING

XIII. ADJOURNMENT

Any invocation that may be offered before the official start of the School Board business meeting is and shall be the voluntary offering of a private citizen to and for the benefit of the School Board pursuant to Resolution #2015-08. The views and beliefs expressed by the Invocation Speaker have not been previously reviewed or approved by the School Board and do not necessarily represent their individual religious beliefs, nor are the views or beliefs expressed intended to express allegiance to or preference for any particular religion, denomination, faith, creed, or belief by the School Board. No person in attendance at this meeting is or shall be required to participate in any invocation and such decision whether or not to participate will have no impact on his or her right to actively participate in the public meeting.

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# Proclamation

## DESIGNATING FEBRUARY AS

### Career & Technical Education Month

**WHEREAS:** February 1-28, 2019, has been designated Career and Technical Education Month<sup>®</sup> by the Association for Career and Technical Education; and

**WHEREAS:** career and technical education offers students the opportunity to gain the academic, technical and employability skills necessary for true career readiness

**WHEREAS:** students in career and technical education programs participate in authentic, meaningful experiences that improve the quality of their education and increase their engagement and achievement; and

**WHEREAS:** career and technical education provides students with career exploration opportunities earlier in their educational experience, which enables them to make informed and beneficial decisions about their academic coursework and pursue established programs of study and career pathways; and

**WHEREAS:** leaders from business and industry nationwide report increasing challenges related to addressing the skills gap and connecting qualified professionals with available careers in critical and growing CTE-related fields, including healthcare, energy, advanced manufacturing and information technology; and

**WHEREAS:** career and technical education prepares students for these and other fulfilling careers by offering integrated programs of study that link secondary and postsecondary education and lead to the attainment of industry-recognized credentials; and

**WHEREAS:** ensuring that employers have access to a qualified workforce is a crucial step in ensuring productivity among the business and industry communities as well as continued American economic growth and global competitiveness; and

**WHEREAS:** The Smith-Hughes Act, the first act of Congress to provide funding for career and technical education, was signed into law 101 years ago and allows us to celebrate how far CTE has come to become a powerhouse of America's economy;

NOW, THEREFORE, BE IT RESOLVED, that the School Board of Indian River County, Florida does hereby observe the month of February 2019 as

### CAREER AND TECHNICAL EDUCATION MONTH

BE IT FURTHER RESOLVED, that a copy of this proclamation be spread upon the minutes of the regular meeting of said Board.

Adopted this 12<sup>th</sup> day of February 2019

**SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA**

\_\_\_\_\_  
Laura Zorc, Board Chair

\_\_\_\_\_  
Tiffany M. Justice, Vice Chair

\_\_\_\_\_  
Teri Barenborg, Board Member

\_\_\_\_\_  
Jacqueline Rosario, Board Member

\_\_\_\_\_  
Mara Schiff, Ph.D., Board Member

\_\_\_\_\_  
Mark Rendell, Ed.D., Superintendent

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**Date: January 15, 2019**

**Time: 6:00 p.m.**

**Room: Joe N. Idlette, Jr. Teacher Education Center (TEC)**

**Business Meeting Agenda**

I. CALL MEETING TO ORDER

II. PLEDGE OF ALLEGIANCE TO THE FLAG AND PRESENTATION OF COLORS by Sebastian River High School's Navy Junior ROTC under the direction of Lieutenant Commander James Landis USN (Retired) and Master Sergeant Michael Hussey USMC (Retired).

III. ADOPTION OF ORDERS OF THE DAY

Chairman Zorc asked the Board Members if there were any items on the Consent Agenda that they wished to have moved to the Action Agenda. Mrs. Barenborg requested Consent A.1 be approved as amended. She also requested Consent B.2 be moved to the Action Agenda and a Citizen Input Item placed on Discussion. The topic was concern of score discrepancies. Mrs. Zorc requested to move the Discussion Items after the Citizen Input. Chairman Zorc called for a Motion. Dr. Schiff moved approval. Mrs. Rosario seconded the motion. There was a brief discussion prior to the vote. Dr. Schiff did state that she would be removing one of her Discussion Items. Chairman Zorc called for the vote on the Adoption of the Orders of the Day as amended, and it was unanimous with a 5-0 vote.

IV. PRESENTATIONS

Chairman Zorc recognized Dr. Rendell for a series of Presentations. Dr. Rendell gave a brief overview of the Presentations for the Board and audience. Dr. Rendell then turned the Presentations over to Mrs. Maddux. Mrs. Maddux welcomed everyone.

**A. Musical Rendition by - Pelican Island Elementary School**

Mrs. Maddux introduced the Chorus from Pelican Island Elementary School lead by Ms. Heidi Evans. They had two performances. They were: Change the World and Evergreen, Everblue.

**B. Short Video on School Initiatives**

Mrs. Maddux prefaced the video that was going to be shown. It was on the Stars of the Year Gala.

**C. Casual for a Cause – Salvation Army**

This particular item was postponed until the following Business Meeting.

**D. Veteran of the Month – Command Sergeant Major Ed Britt**

Mrs. Maddux introduced Command Sergeant Major Ed Britt. Share some of his accomplishments from the past and present. He took the moment to speak. A plaque was presented to him as well as a group photo taken with the Board Members and Dr. Rendell.

V. CITIZEN INPUT

Chairman Zorc called each of the Citizens up to speak.

Edward Dillard – Transparency & Accountability

Claudia Wahl – Legal Fees and Financial Mismanagement & Superintendent Spending Power

Jason Poman – Introduction of Vero Beach Little League Baseball

Liz Cannon – Personnel Recommendations, Instructional Calendar, Misc.

Becky Cook – Wages for Support Staff

Bryan Whiting – Bargaining in Good Faith

Michael Murray – Organizational Chart

Susan Aguilar – Fired from Teaching Position

Tessa Roberts – Susan Aguilar’s firing from IRA

The Discussion Section was moved to this portion of the meeting during the Adoption of the Orders of the Day. The Chairman recognized Dr. Schiff for Discussion 1.

VI. DISCUSSION

1.) Life Touch/Teen Truth – Dr. Schiff

Dr. Schiff asked to have this removed and would discuss during School Board Member Matters.

2.) School Board Member Finance Training – Dr. Schiff

Chairman Zorc recognized Dr. Schiff for this item. Dr. Schiff said this was in follow-up to the last meeting. She wants clarification to date/time for this. Chairman Zorc asked Dr. Rendell to speak regarding this. He provided two options and would like further direction to secure. Dr. Rendell explained that this would be a full day of training. The Chairman provided direction to secure a date for an off-meeting date.

3.) Current Status on Filling CFO Position – Mrs. Zorc

Chairman recognized Dr. Rendell for an update on filling the Assistant Superintendent of Finance’s position. Dr. Rendell shared when interviews were going to be held and how they would be held. It was shared how the teams were staffed in the past and how it will be for this process.

4.) Recent Discrepancies with Fund (Unrestricted Reserves) Balance - Mrs. Zorc

**ADD ON: Moratorium on all spending excluding essential services, wages, and capital improvements related to security and safety until discrepancies are resolved and new CFO is in place.**

Chairman Zorc shared the School Board Policies 6210 and 6233. She also provided section 1011.051 of the Florida State Statute. Chairman Zorc asked Dr. Rendell to share the information about the current status. He said it was slated for February but will be having a presentation at January 29<sup>th</sup>'s Workshop. He shared some items that Mrs. McGarrity has been working on the budget and will show that the Fund Balance is in better shape than what was presented. There was some further discussion before moving on to the next Discussion Item.

5.) SDIRC Legal Services – Dr. Schiff

Chairman Zorc recognized Dr. Schiff. Dr. Schiff reviewed the different back-up items with the Board Members. Chairman Zorc also asked the new Board Member to watch the workshop where this was discussed. Chairman Zorc asked that we have Mr. Carver speak at an upcoming workshop to the RFQ timeline. As well as, the possibility of the Audit Committee starting back up and other means of the different practices across the state. It was explained that each of the Board Members would have to appoint a volunteer to sit on this committee. Dr. Schiff said she just wants to see this process move forward.

Chairman Zorc called for a 10-minute recess at: 8:34 p.m.

Chairman Zorc reconvened the meeting at 8:44 p.m.

**ADD ON:**

**6.) Transportation – Mrs. Rosario**

Chairman Zorc recognized Mrs. Rosario. Mrs. Rosario reviewed several back-up items regarding this issue and expressed her concerns. Dr. Rendell shared some of the updates that had come through on this issue. There was some further discussion on the matter. Mr. Teske did advise the Board Members that Ms. Idlette was at the meeting and available to speak to the matter. Chairman Zorc explained they normally do not have people come to the podium to speak during Discussion.

**7) School Start Time – Mrs. Justice**

Chairman Zorc recognized Mrs. Justice. Mrs. Justice shared that this is something that needed to be revisited. Mrs. Barenborg asked if they could see more responses on the survey that was taken. The Board Members had a brief discussion on this and

shared some of the information from a previous Superintendent's Workshop. It was also discussed as to who sat on this committee.

**8) Dress Code – Mrs. Justice**

Chairman Zorc recognized Mrs. Justice. Mrs. Justice wanted to just start the conversation and make sure this was brought up. It was also shared that the Code of Conduct Meetings were starting and to make sure that everyone was aware. They continued to share information with regards to the meetings.

**Added on during the Adoption of Orders of the Day**

**9) Citizen Concern on Scoring – Mrs. Barenborg**

Chairman Zorc recognized Mrs. Barenborg. Mrs. Barenborg wanted to discuss the report that Mr. Taylor provided her with and to see who is verifying the numbers for the public. This is on the District Data Fact Sheet. Copies of the data will be provided to the Board Members and Mrs. Dampier. Mr. Taylor was going to re-review the data and get back with the Board.

**VII. CONSENT AGENDA**

Chairman Zorc called for a Motion. Mrs. Justice moved approval as amended. Dr. Schiff seconded the motion and it carried unanimously, with a 5-0 vote.

**A. Approval of Minutes – Dr. Rendell**

1. 2018-11-20 Business Meeting Minutes
2. 2018-12-11 Pending Litigation Minutes
3. 2018-12-11 Business Meeting Minutes

Superintendent recommends approval.

**B. Approval of Personnel Recommendations – Dr. Rendell**

Attached is a list of personnel recommendations that includes personnel additions, terminations, and/or changes. Superintendent recommends approval.

**C. Approval of Instructional Calendar – Dr. Rendell**

Current Florida Statute requires district administration to submit a school calendar for approval by the District's governing body. The submitted 2019-2020 Instructional Calendar reflects District priorities for ensuring effective instruction and providing seamless delivery of school support services throughout the year. The presented calendar is the work-product of the Instructional Calendar Committee, a collaborative team comprised of representatives of relevant stakeholder groups. Over the course of several months, the committee used an iterative process to draft and refine potential school year calendars. Each successive draft reflected the addition of pertinent stakeholder feedback and the results of an online survey. The presented recommendation is reflective of student and family needs, teacher and administrator suggestions, and District priorities and requirements. Superintendent recommends approval.

**D. Approval of Donations – Dr. Rendell**

1. Fellsmere Elementary School received a donation in the amount of \$3,000 from St. Augustine of Canterbury Episcopal Church. The funds will be used for purchasing a gift to help families in need.
2. Liberty Magnet School received a donation in the amount of \$2,000 by the Cowan Family Foundation. The funds will be used for IB training or IB supplies for Liberty Magnet School

Superintendent recommends approval.

VIII. ACTION AGENDA

Chairman Zorc recognized Mrs. Barenborg to discuss Consent B.2. Mrs. Barenborg spoke to the added on items to Consent B. Chairman Zorc spoke to this with the regards to the agenda posting process and dates. Dr. Rendell answered all questions from the Board. It was a consensus of the Board to receive a report quarterly of employee's leaving and retiring. Chairman Zorc had a couple of questions with regards to teacher that was listed in the Personnel Recommendations. All questions were answered. Chairman Zorc called for a Motion. Mrs. Barenborg moved approval. Mrs. Justice seconded the motion and it carried unanimously, with a 5-0 vote.

**A. Approval to Renew Agreement for #15-0-2018/JC Request for Proposal (RFP) for Lawn Maintenance Districtwide – Dr. Rendell**

Pursuant to the terms and conditions of RFP #15-0-2018/JC, the Purchasing Department is requesting approval to renew this Agreement for a period of one year with Brightview Landscaping Services, Inc. Scope of work is to provide labor, materials, services, skills, supervision and necessary tools and equipment to maintain customer's landscape in an attractive, safe condition throughout the contract period. Pricing shall include all labor, supervision, equipment, machinery, tools, materials, transportation, and services necessary for grounds maintenance to all locations within the district. The estimated annual expenditure is \$576,000. All prices, terms and conditions shall remain the same. The new contract period is February 26, 2019 through February 27, 2020. Please see attached backup. Superintendent recommends approval.

Chairman Zorc recognized Dr. Rendell to present the item. Dr. Rendell read the information to the Board and audience, along with sharing additional information. Chairman Zorc called for a Motion. Dr. Schiff moved approval. Mrs. Justice seconded the motion. After a brief discussion on the cost of the agreement and the timing, it was asked to postpone this item until the January 29, 2019. Dr. Schiff withdrew her motion to approve. Mrs. Justice withdrew her second. Chairman Zorc called for a new Motion. Mrs. Rosario moved approval to move the item to the January 29, 2019 Business Meeting. Mrs. Justice seconded the motion and it carried unanimously, with a 5-0 vote.

**B. Approval of a One (1) Year Extension for Collections Digital English Textbook Adoption – Mrs. Dampier**

The School Board approved the English Textbook Adoption during the 2014-2015 school year. Collections digital, publisher Houghton Mifflin Harcourt, is currently being used for the ELA Curriculum for our students enrolled grades 6-12. This extension will accommodate the one-year extension period from March 1, 2019 – June 30, 2020. The new ELA textbook adoption cycle will begin July 1, 2019. The cost for the English Language Arts curriculum is \$156,000. Superintendent recommends approval.

Chairman Zorc recognized Dr. Rendell to explain this item. Dr. Rendell read the information to the Board and audience. Chairman Zorc called for a Motion. Mrs. Justice moved approval. Mrs. Barenborg seconded the motion. The Board Members had questions regarding the Gap Year. Mrs. Dampier was asked to explain the process. She answered all questions. Dr. Rendell suggested they withdraw the motion in order to check with the vendor on the pricing. Chairman Zorc asked for a withdraw. Mrs. Justice withdrew her motion to move approval. Mrs. Barenborg withdrew her second. Chairman Zorc then called for a Motion. Mrs. Rosario made a Motion to postpone this until after the January 29, 2019 Business Meeting. Dr. Schiff seconded the motion and it carried unanimously, with a 5-0 vote.

**C. Approval to Award SDIRC 05-0-2019JC Invitation to Bid for Stadium Locker Room Renovations and Addition at Sebastian River High School – Mr. Teske**

The purpose and intent of this Invitation to Bid is for renovations to 4,280-square feet of the existing stadium locker room building and construction of a 1,000-square foot addition as per the bid specifications and drawings by Edlund, Dritenbas and Binkley Architects & Associates. The cost to the District is \$1,233,600.00 (Bid amount of \$1,028,000 and owner added contingency of \$205,600). The Purchasing Department recommends award to Summit Construction of Vero Beach, Inc. as the lowest and best responsive and responsible bidder meeting specifications, terms and conditions. Please see attached backup. Superintendent approves recommendation.

Chairman Zorc recognized Dr. Rendell to explain this item. Dr. Rendell read the information to the Board and audience. Chairman Zorc called for a Motion. Mrs. Justice moved approval. Mrs. Barenborg seconded the motion and it carried unanimously, with a 5-0 vote.

**D. Approval of Owner/Contractor Construction Agreement for Sebastian River High School Stadium Locker Room Renovation/Addition (SDIRC #05-0-2019JC) – Mr. Teske**

Approval is recommended for the Owner/Contractor Construction Agreement between the School Board of Indian River County and Summit Construction of Vero Beach, LLC. for Sebastian River High School Stadium Locker Room Renovations and Addition (SDIRC #05-0-2019JC), in the amount of \$1,233,600.00. The scope of work includes renovations to 4,280-square feet of the existing stadium locker room building and construction of a 1,000-square foot addition. The contract amount consists of the Contractor's Base Bid in the amount of \$1,028,000.00 and an owner added contingency in the amount of \$205,600.00, which includes all construction costs associated with this project. The contract amount does not include architectural, engineering and testing fees at an estimated amount of \$122,580.00, for an overall total project cost of \$1,356,180.00. Superintendent recommends approval.

Chairman Zorc recognized Dr. Rendell to explain this item. Dr. Rendell reviewed the information with the Board and audience. Chairman Zorc called for a motion. Mrs. Rosario moved approval. Dr. Schiff seconded the motion and it passed unanimously, with a 5-0 vote.

**E. Approval to Award SDIRC #01-0-2019JC RFQ for Prequalification of Electrical Contractors to Replace the Fire Alarm System at Sebastian River High School - Mr. Teske**

The Physical Plant Department requested that a Request for Qualifications (RFQ) be promulgated to prequalify electrical contractors prior to issuing an Invitation to Bid to replace the fire alarm system at Sebastian River High School. Since this project is expected to exceed \$300,000.00, participating contractors are required to prequalify in accordance with SREF (State Requirements for Educational Facilities). It is recommended that this RFQ be awarded to 1<sup>st</sup> Fire & Security, Inc. Please see attached backup. Superintendent recommends approval.

Chairman Zorc recognized Dr. Rendell to explain this item. Dr. Rendell reviewed the information with the Board and audience. Dr. Rendell asked Mr. Carver, Director of Purchasing, to come to the podium and speak to this item. Mr. Carver provided the Board Members with history on the process and reason for Action E and Action F. Chairman Zorc called for a Motion. Mrs. Justice moved approval. Dr. Schiff seconded the motion and it carried unanimously, with a 5-0 vote.

**F. Approval to Award SDIRC #06-0-2019JC RFQ for Prequalification of Electrical Contractors to Replace the Fire Alarm System at Sebastian River High School - Mr. Teske**

The Physical Plant Department requested that a Request for Qualifications (RFQ) be promulgated to prequalify electrical contractors prior to issuing an Invitation to Bid to replace the fire alarm system at Sebastian River High School. Since this project is expected to exceed \$300,000.00, participating contractors are required to prequalify in accordance with SREF (State Requirements for Educational Facilities). The previous RFQ (01-0-2019JC) resulted in only one prequalified contractor. Thus, this RFQ was released to increase competitive bid participation. It is recommended that this RFQ be awarded to Complete Electric and Paragon Electric. Please see attached backup. Superintendent recommends approval.

Chairman Zorc recognized Dr. Rendell to explain this item. Dr. Rendell reviewed the information with the Board and audience. Chairman Zorc called for a Motion. Mrs. Justice moved approval. Dr. Schiff seconded the motion and it carried unanimously, with a 5-0 vote.

**G. Approval of Superintendent's Organizational Chart – Dr. Rendell**

Approval of the revised 2018-2019 Organizational Chart. Superintendent recommends approval.

Chairman Zorc recognized Dr. Rendell to explain this item. Dr. Rendell read the information and reviewed information with the Board and audience. Chairman Zorc called for a Motion. Mrs. Justice moved approval. Dr. Schiff seconded the motion and it carried unanimously, with a 5-0 vote. The Board Members and Dr. Rendell had a brief discussion.

**IX. SUPERINTENDENT'S REPORT**

Chairman Zorc recognized Dr. Rendell for his Superintendent's Report. Dr. Rendell had nothing to report.

**X. SCHOOL BOARD MEMBER MATTERS**

Chairman Zorc recognized Mrs. Barenborg. She shared a Planning and Zoning Committee Meeting, watching the VBHS Band while in London on a personal trip, thanks to Cristen Maddux and Anitra Cummings for the wonderful Gala, Dinner & Prize Patrol, and attending many holiday shows. Mrs. Rosario wished everyone a Happy New Year's, Teacher and Employee of the Year, Osceola Magnet tour, Transparency – not rubber stamping and the Board being different, meetings with Dr. Rendell on a regular basis, and grateful for the position. Dr. Schiff thanked Cristen Maddux and Anitra Cumming for the Teacher of the Year and Employee of the Year Events, City of Sebastian meeting is coming up on Thursday, SRHS Life Touch Bullying in School Presentations, and Happy New Year. Mrs. Justice shared a run that is coming up from the Executive Round Table, Positive

Climate and Code, Teacher of the Year and Employee of the Year, thanks to Cristen Maddux, Anitra Cummings, Brenda Davis, and Peggy Poysell for all of their hard work with the event. Chairman Zorc thanked the deputy for his patience, thanked the employees for coming to speak, Bob Soos talk show, Deligation Event at the Chamber of Commerce, thank you to Cristen, Anitra, Peggy, and Brenda for the Teacher and Employee of the Year.

XI. INFORMATION AGENDA

**A. Financial Report for quarter ending October 31, 2018**

Attached are the Financial Reports for the month ending October 31, 2018.

XII. SUPERINTENDENT'S CLOSING

Chairman Zorc recognized Dr. Rendell for his Superintendent's Closing. Dr. Rendell reminded everyone that Monday was a holiday, Martin Luther King, Jr., and he hopes to see everyone at the parade.

XIII. ADJOURNMENT at 11:34 by Chairman Zorc.

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## CONSENT AGENDA 2/12/19

### **Personnel Recommendations**

#### 1. Instructional Leaves

Ihnen, Brian – VBHS, 1/31/19 – 2/15/19

#### 2. Instructional Separations

Threlkeld, Lucy – TCTC, resignation 4/1/19

Wise, Sheila – Alternative Center for Education, resignation 1/23/19

#### 3. Instructional Employment

Festagallo, Alisa – Fellsmere Elementary, 4<sup>th</sup> Grade Teacher 2/4/19

Hanlon, Mark – Oslo Middle, 6<sup>th</sup> Grade Math Teacher (Sunset Position) 1/22/19

Smith, Anthony – Sebastian Elementary, 1<sup>st</sup> Grade Teacher (Sunset Position)  
1/28/19

#### 4. Support Staff Leaves

Almanza, Maria – SRHS, 2/1/19 – 3/31/19

Brown, Sally – Information and Technology, 2/7/19 – 2/20/19

Colley, Khawndice – Transportation, 2/12/19 – 3/5/19

Robinson, Roy – Transportation, 1/8/19 – 3/5/19

Sears, Brandy – Transportation, 1/8/19 – 1/28/19

Weisberg, Maureen – SRHS, 1/24/19 – 3/1/19

#### 5. Support Staff Transfers

Bennett-Campbell, Dawn – from Pelican Island, School Social Worker to TCTC,  
Career and Technical Education Advisor 2/28/19

Gardiner, Robert – from Physical Plant, Painter to Physical Plant, Lead Painter  
11/29/18

Martin, Debra – from Physical Plant, Painter to Physical Plant, Lead Painter  
11/29/18

#### 6. Support Staff Separations

David, Louise – Transportation, retirement 5/24/19

Johns, Francis – Indian River Academy, resignation 2/5/19

Melton, Joy – Student Services, resignation 2/15/19

Owens, Marcelin – VBHS, resignation 1/25/19

#### 7. Support Staff Employment

Alvey, Diane – Wabasso School, ESE Teacher Assistant 2/4/19

Dobson, Elaine – Pelican Island, ESE Teacher Assistant 1/31/19

Green, Patreece – Vero Beach Elementary, Student Monitor 1/22/19

Scott, Catherine – Sebastian Elementary, Self-Care Aide 1/25/19

Webb, Curtis – Alternative Center for Education, ESE Teacher Assistant ~~4/15/19~~  
**1/17/19**

Webb, Daisy – Wabasso School, Health Assistant III 1/28/19

8. Administrative Leaves

Torres-Martinez, Lillian – Student Services, 1/22/19 – 4/19/19

9. Approval of Placement in Instructional Substitute Pool

Buzzetta, Theresa – Human Resources, Substitute Teacher 2/1/19

Howard, Charles – Human Resources, Substitute Teacher 1/28/19

Nealy, Kathleen – Human Resources, Substitute Teacher 1/24/19

Perez, Laurie – Human Resources, Substitute Teacher 1/29/19

10. Approval of Placement in Support Staff Substitute Pool

Damiano, Kim – Food and Nutrition Services, Substitute Food Service Assistant  
1/31/19

Hill, Janet – Human Resources, Substitute Teacher Assistant 1/18/19

Jourdain, Jean – Extended Day, Part-time Child Care Assistant Substitute  
1/28/19

Magana, Liliana – Extended Day, Part-time Child Care Assistant Substitute  
2/4/19

Massaroni Santella, Lori – Extended Day, Part-time Child Care Assistant  
Substitute 2/4/19

Owens, Marcelin – Food and Nutrition Services, Substitute Food Service Worker  
1/28/19

Perez, Laurie – Human Resources, Substitute Teacher Assistant 1/31/19

Ritchie, Carolyn – Extended Day, Part-time Child Care Assistant Substitute  
1/28/19

Sparkman, Nancy – Human Resources, Substitute Teacher Assistant 2/1/19



**Cynthia Emerson**  
Principal

**Rachel Moree**  
Assistant Principal

January 30, 2019

P.O. Box 7046  
Vero Beach, FL 32961

Dear Education Foundation of Indian River County:

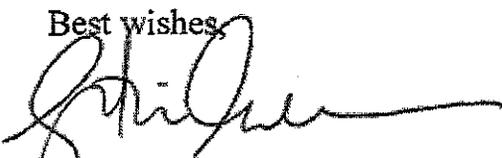
On behalf of Vero Beach Elementary School. I would like to thank you for your generous gift of \$6, 496 donated to our school. Your commitment to helping our students take a field trip to the Blue Man Group show in Orlando, FL, to recognize our top readers, is sincerely appreciated.

Charitable contributions to governmental units are tax-deductible under section 170(c)(1) of the Internal Revenue Code if made for a public purpose.

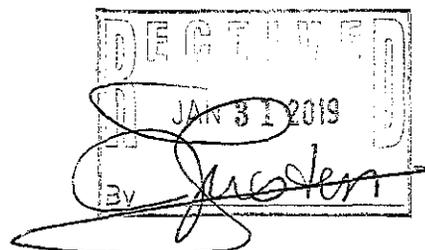
Vero Beach Elementary School's Federal TIN (Federal Tax Identification Number) is **59-6000673**.

Thanks again for your generous support.

Best wishes,



Cynthia Emerson, Principal



**Vero Beach Elementary School**  
1770 12th Street • Vero Beach, FL 32960 • Telephone: (772) 564-4550 • Fax: (772) 564-4552  
School District of Indian River County

# SEBASTIAN RIVER HIGH SCHOOL

9001 Shark Boulevard • Sebastian, Florida 32958

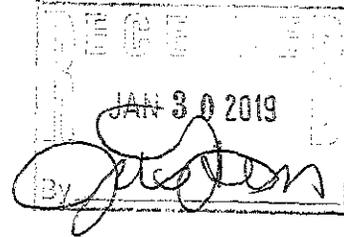
Telephone: (772) 564-4170 • Fax: (772) 564-4182

Date: January 29, 2019

To: Dr. Mark J. Rendell, Superintendent  
School Board Members  
Indian River County School District

From: Dariyall Brown, Principal  
Sebastian River High School

Subject: Request for approval of donation



Sebastian River High School would like to request the approval of a \$1,500.00 donation from Highland Homes Roofing.

These funds will be used to benefit our Baseball team and were deposited into the Sebastian River High School internal funds account entitled Baseball Boosters.

Sincerely,

  
Dariyall Brown  
Principal

## "You Can't Hide That Shark Pride"

Dariyall Brown Principal	Michele Holmes Assistant Principal	Kevin Van Brimmer Assistant Principal	Kelly Ward Assistant Principal	William Wilson III Assistant Principal
Madison Carna Guidance Counselor	Kim O'Keefe Guidance Counselor	Wendy Palmer Guidance Counselor	Lynn Phillips Guidance Counselor	Enrique Valencia Guidance Counselor



School District of Indian River County

# SEBASTIAN RIVER HIGH SCHOOL

9001 Shark Boulevard • Sebastian, Florida 32958

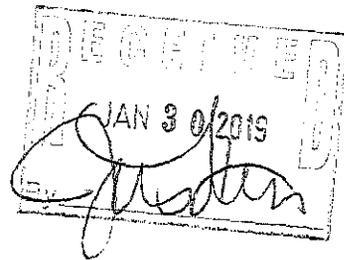
Telephone: (772) 564-4170 • Fax: (772) 564-4182

Date: January 29, 2019

To: Dr. Mark J. Rendell, Superintendent  
School Board Members  
Indian River County School District

From: Dariyall Brown, Principal  
Sebastian River High School

Subject: Request for approval of donation



Sebastian River High School would like to request the approval of a \$2,230.72 donation from Highland Homes Roofing.

These funds will be used to benefit our Chum Bucket program and were deposited into the Sebastian River High School internal funds account entitled Chum Bucket.

Sincerely,



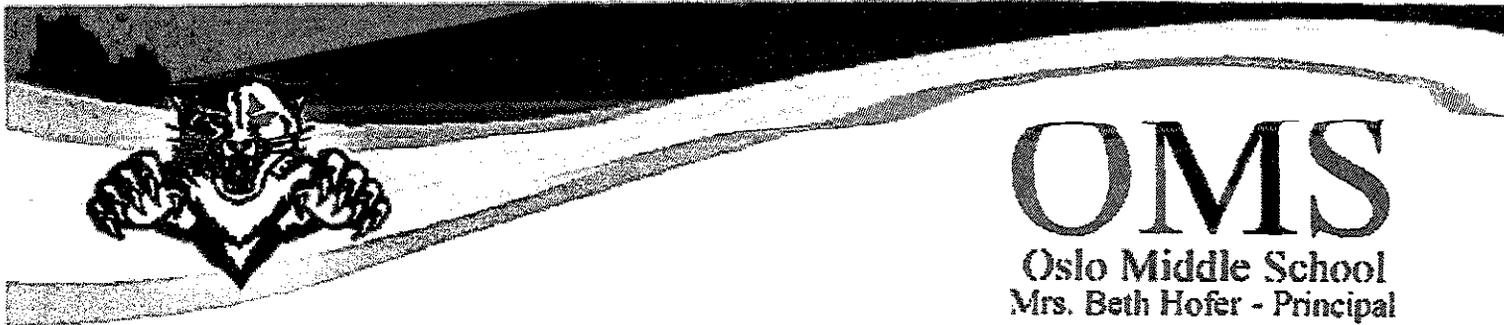
Dariyall Brown  
Principal

## *"You Can't Hide That Shark Pride"*

Dariyall Brown Principal	Michele Holmes Assistant Principal	Kevin Van Brimmer Assistant Principal	Kelly Ward Assistant Principal	William Wilson III Assistant Principal
Madison Cama Guidance Counselor	Kim O'Keefe Guidance Counselor	Wendy Palmer Guidance Counselor	Lynn Phillips Guidance Counselor	Enrique Valencia Guidance Counselor



*School District of Indian River County*



**OMS**  
Oslo Middle School  
Mrs. Beth Hofer - Principal

To: Dr. Mark J. Rendell, Superintendent  
School Board Members  
Indian River County School District

From: Beth Hofer, Principal

Date: February 4, 2019

Subject: Donation- SDIRC Board Rule 7.17

Oslo Middle School would like to request approval for a donation in the amount of \$13,600.00 received from Mr. and Mrs. William Tait. This donation will be used for two new electronic scoreboards for the Oslo Middle School gymnasium. All remaining funds are to be used to purchase athletic equipment or P.E. supplies.

Please authorize acceptance of this donation.

Roarifically yours,

Beth Hofer, Principal  
Oslo Middle School  
Home of the Wildcats  
[Beth.Hofer@indianriverschools.org](mailto:Beth.Hofer@indianriverschools.org)  
772-564-3950

**You Can't Hide That Wildcat Pride**

480 20th Avenue S.W. Vero Beach FL 32962 772-564-3980

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA  
AGREEMENT FOR CONTRACTED SERVICES  
(involving student data)**

**THIS AGREEMENT**, entered into this 13<sup>th</sup> day of February, 2019 by and between the School Board of Indian River County, Florida, a political subdivision of the State of Florida hereinafter referred to as the “School Board”, and Advanced Medical Personnel Services, Inc. (Legal Name of Contracting Party/Organization) hereinafter referred to as the “CONTRACTOR”, is as follows:

**1. SCOPE OF WORK**

The Contractor shall, in a satisfactory and proper manner as determined by the Superintendent, perform the following:

Nature of Contracted Services:

Speech and Language services, Occupational Therapy services, and/or Physical Therapy services, shall be provided at the prescribed schools on an as needed basis. Services shall be authorized by the SCHOOL BOARD representative.

Contractor shall be Provided Access to the Following Student Data:

Exceptional Student Education Records (including referral, eligibility staffing, Individual Education Plans, etc.

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Anticipated Outcome of Contracted Services:

The School Board will authorize, Advanced Medical Personal Services, Inc. to perform service on a case-by-case basis. The School Board shall exercise no control over services provided by Advanced Medical Personnel Services, Inc., except to ensure the quality and appropriateness of services provided by Advanced Medical Personnel Services, Inc.

Location of Contracted Service:

Various District School Sites as needed.

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Date(s)/Hours of Service:

As needed, to provide Speech and Language services, Occupational Therapy services, and/or Physical Therapy services by, Advanced Medical Personnel Services, Inc.

## **2. TERM OF AGREEMENT**

The Contractor shall commence performance of the Agreement on the 13<sup>th</sup> day of February, 2019 and shall complete performance to the satisfaction of the Superintendent no later than the 30<sup>th</sup> day of June, 2019.

## **3. COMPENSATION**

The Contractor compensated at the rate of \$65.00 per hour, not to exceed 7.5 hours per day as needed and will be paid the hourly rate. Services for extracurricular activities will be paid at the rate of \$65 per hour not to exceed two (2) additional hours per day unless prior approval is granted. Agreement shall not exceed \$98,000.00, which constitutes the maximum amount payable under this Agreement. The Contractor agrees to assume responsibility for all per diem and travel expenses, unless authorization to incur such expenses is granted by the School Board in advance of the expenditures being incurred. The Contractor shall be reimbursed for such approved expenditures as provided by §112.061 Florida Statutes, and School Board Policy 6550.

## **4. PAYMENT SCHEDULE**

Payment will be generated by the School Board's Accounts Payable Department within forty-five (45) days after completion of services and receipt of invoice(s). Payment will be made as indicated below:

- Partial payments upon receipt of invoice/s for services provided. Paid according Accounts Payable schedule for check runs.

## **5. REGULATIONS & ORDINANCES**

The Contractor shall comply with all applicable laws, ordinances, codes, rules and regulations of federal, state and local governments being licensed, if required, for performance of any work under this Agreement.

## **6. CONFIDENTIALITY OF STUDENT RECORDS**

For the purposes of performing the above scope of services only, Contractor is hereby designated a school official for the purposes of receiving limited confidential student information and the Contractor shall remain under the direct control of the School Board with respect to the use and maintenance of the confidential student information. Contractor acknowledges and agrees that it will not disclose the confidential student information to any other person or entity, and will only

use the confidential student information for the purpose listed in paragraph 1 above and for no other purpose. Upon the completion of the services, Contractor shall return to School Board all original and any copies of the confidential student information, and shall not retain any confidential student information. As Contractor will be receiving student information that is otherwise confidential, Contractor shall fully comply with the requirements of § 1002.22 and § 1002.221, Florida Statutes, and any other law or regulation, either federal or State of Florida, regarding confidentiality of student information and records. Further, Contractor for itself, and its officers, employees, agents, representatives, contractors, and subcontractors, shall fully indemnify and hold the School Board and its officers and employees harmless for any violation of this provision, including, but not limited to defending the School Board and its officers and employees against any complaint, administrative or judicial proceeding, payment of any penalty imposed upon the School Board, or payment of any and all costs, damages, judgments, or losses incurred by or imposed upon the School Board arising out of the breach of this provision by the Contractor, or its officers, employees, agents, representatives, contractors, and subcontractors, to the extent that the Contractor shall either intentionally or negligently violate this provision, or § 1002.22 or § 1002.221, Florida Statutes. This provision shall survive the termination of or completion of all obligations under this Agreement and shall be fully binding upon the Contractor until such time as any proceeding which may be brought on account of this provision is barred by any applicable statute of limitations.

## **7. ENTIRE AGREEMENT**

It is understood and agreed that this Agreement including Purchase Order Terms & Conditions, contains the complete understanding and agreement of the parties. No stipulation, agreement or understanding shall be valid or enforceable unless contained in this Agreement. No representations or statements made by any employees, agents or representatives of either party shall be binding on either party as a warranty or otherwise, except as expressly set forth herein.

## **8. GOVERNING LAW; VENUE**

This Agreement shall be governed by, and construed in accordance with the laws of the State of Florida. In the event of litigation, venue for any claim shall lie exclusively in a court of competent jurisdiction in Indian River County. All parties shall be responsible for their own attorneys' fees.

## **9. INDEMNIFICATION / HOLD HARMLESS AGREEMENT**

Contractor shall, in addition to any other obligation to indemnify the School Board of Indian River County, Florida, protect, defend, indemnify and hold harmless the School Board, its agents, officers, elected officials and employees from and against all claims, actions, liabilities, losses (including economic losses), costs arising out of any actual or alleged bodily injury, sickness,

disease or death, or injury to or destruction of tangible property including the loss of use resulting therefrom, or any other damage or loss arising out of, or claimed to have resulted in whole or part from any actual or alleged act or omission of the Contractor, subcontractor, anyone directly or indirectly employed by any of them, of anyone for whose acts any of them may be liable in the performance of the work, or violation of law, statute, ordinance, governmental administration order, rule or regulation by Contractor in the performance of the work; or liens, claims or actions made by the Contractor or any subcontractor or other party performing the work. The indemnification obligations hereunder shall not be limited to any limitation on the amount, type of damages, compensation or benefits payable by or for the Contractor or any subcontractor under workers' compensation acts, disability benefit acts, other employee benefit acts or any statutory bar. This provision shall survive the termination of or completion of all obligations under this Agreement.

#### **10. DUTY TO DEFEND**

The Contractor agrees, at its own expense, and upon written request by the Board, to defend any suit, action or demand brought against the School Board on any claim or demand arising out of, resulting from or incidental to Contractor's performance under this Agreement.

#### **11. CANCELLATION / TERMINATION**

In the event any of the provisions of this agreement are violated by the Contractor, the Superintendent or designee, shall give written notice to the Contractor stating the deficiencies and unless the deficiencies are corrected within ten (10) days, recommendation will be made to the School Board for immediate cancellation. Upon cancellation hereunder, the School Board of Indian River County, Florida, may pursue any and all legal remedies as provided herein and by law. The School Board of Indian River County, Florida, reserves the right to terminate any contract at any time and for any reason, upon giving ten (10) days prior written notice to the Contractor. If said contract should be terminated for convenience as provided herein, the School Board shall be relieved of all obligations under said contract. The School Board of Indian River County shall only be required to pay to the Contractor that amount of the contract actually performed to the effective date of termination.

#### **12. EQUAL EMPLOYMENT OPPORTUNITY**

Contractors awarded contracts involving Federal Funds in excess of \$10,000 must be in compliance with Executive Order 11246 of September 24, 1965 entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor Regulations (41 CFR Chapter 60).

### **13. ACCESS TO RECORDS / FLORIDA'S PUBLIC RECORDS LAWS**

This Agreement shall be subject to Florida's Public Records Laws, Chapter 119, Florida Statutes. Contractor understands the broad nature of these laws and agrees to comply with Florida's Public Records Laws and laws relating to records retention. The Contractor shall keep records to show its compliance with program requirements. Contractors and subcontractors must make available, upon request of the School Board, the United States Department of Education, the Comptroller General of the United States, the Florida Department of Education, or any of their duly authorized representatives, any books, documents, papers, and records of the Contractor which are directly pertinent to this specific Agreement for the purpose of making audit, examination, excerpting, and transcribing. The Contractor shall retain all records for five (5) years after final payment is made or received and all pending matters are completed pursuant to Title 34, Sections 80.36(b)(1 ). Exempt or confidential information should not be disclosed unless authorized by law. Contractor shall destroy any duplicate records which are exempt from public records disclosure as set forth in Chapter 119. Upon termination of this agreement all public records in possession of the Contractor must be transferred to School Board at no cost. If records are stored electronically, the records must be provided in a compatible format to School Board's operating system.

### **14. PATENTS, COPYRIGHTS AND ROYALTIES**

All books, manuals, films or other materials suitable for copyright or patent, regardless of means of transmission produced as a result of the work or services performed under or in connection with this Agreement, are hereby reserved as the exclusive property of and sole ownership by The School Board of Indian River County, Florida, unless and to the extent that the parties agree otherwise, as evidenced in writing and included as a part of this Agreement. Contractor shall defend, indemnify and hold the School Board and its successors and assigns harmless from and against all third-party claims, suits and proceedings and any and all damages, liabilities, costs and expenses (including reasonable attorneys' fees and court costs) incurred as a result of (i) infringement by Contractor of any third-party patent, copyright or trademark or (ii) misappropriation by Contractor of any third-party trade secret in connection with any of the foregoing. Contractor will indemnify and hold harmless the School Board from liability of any nature or kind, including costs and expenses for or on account of any copyrighted, service marked, trademarked, patented or unpatented invention, process, article or work manufactured or used in the performance of the Agreement, including its use by the School Board. If Contractor uses any design, device, materials or works covered by letters, service mark, trademark, patent, copyright or any other intellectual property right, it is mutually agreed and understood without exception that the proposal prices will include all royalties or costs arising from the use of such design, device or materials in any way involved in the work.

## **15. BACKGROUND SCREENING REQUIREMENTS**

In accordance with the requirements of §1012.465, §1012.32 and §1012.467, Florida Statutes, and School Board Policies as amended from time to time Contractor agrees that, if Contractor receives remuneration for services, Contractor and all of its employees who provide or may provide services under this Contract will complete criminal history checks, and all background screening requirements, including level 2 screening requirements as outlined in the above-referenced statutes and School Board Policies prior to providing services to The School Board of Indian River County.

Additionally, Contractor agrees that each of its employees, representatives, agents, subcontractors or suppliers who are permitted access on school grounds when students are present, who has direct contact with students or who has access to or control of school funds must meet level 2 screening requirements as described in the above-referenced statutes and School Board Policies.

A non-instructional contractor who is exempt from the screening requirements set forth in §1012.465, §1012.468 or §1012.467, Florida Statutes, is subject to a search of his or her name or other identifying information against the registration information regarding sexual predators and sexual offenders maintained by the Department of Law Enforcement under §943.043 and the national sex offender public registry maintained by the United States Department of Justice.

Further, upon obtaining clearance by School Board, the School Board will issue a photo identification badge, which shall be worn by the individual at all times in plain sight while on School Board property when students are present.

Contractor agrees to bear any and all costs associated with acquiring the required background screening -- including any costs associated with fingerprinting and obtaining the required photo identification badge. Contractor agrees to require all its affected employees to sign a statement, as a condition of employment with Contractor in relation to performance under this Agreement, agreeing that the employee will abide by the heretofore described background screening requirements, and also agreeing that the employee will notify the Contractor/Employer of any arrest(s) or conviction (s) of any offense enumerated in School Board Policy 8475 within 48 hours of its occurrence.

Contractor agrees to provide the School Board with a list of all its employees who have completed background screening as required by the above-referenced statutes and who meet the statutory requirements contained therein. Contractor agrees that it has an ongoing duty to maintain and update these lists as new employees are hired and in the event that any previously screened employee fails to meet the statutory standards. Contractor further agrees to notify the School Board immediately upon becoming aware that one of its employees who was previously certified as completing the background check and meeting the statutory standards is subsequently arrested or convicted of any disqualifying offense. Failure by Contractor to notify the School Board of such

arrest or conviction within 48 hours of being put on notice and within five (5) business days of the occurrence of qualifying arrest or conviction, shall constitute grounds for immediate termination of this Agreement.

The parties further agree that failure by Contractor to perform any of the duties described in this section shall constitute a material breach of the Agreement entitling the School Board to terminate this Agreement immediately with no further responsibility to make payment or perform any other duties under this Agreement.

## **16. CONFLICTING EMPLOYMENT OR CONTRACTUAL RELATIONSHIP**

As per School Board Rule 1113, it is the policy that no District officer or employee, including but not limited to, Board members, administrators, instructional staff members, or support staff members, shall have or hold any employment or contractual relationship with any business entity or any agency which is doing business with an agency of which s/he is an officer or employee, excluding those organization and their officer who, when acting in their official capacity, enter into or negotiate a collective bargaining contract with the District.

Furthermore, it is the policy of the Board that no District officer or employee, including but not limited to Board members, administrators, instructional staff members, or support staff members, shall have or hold any employment or contractual relationship that will create any conflict whatsoever between his/her private interests and the performance of his/her duties or that would impede the full and faithful discharge of his/her duties.

It is the intent of the Board that this policy is interpreted consistent with the Florida Commission on Ethics interpretations.

## **17. COMPLIANCE WITH BOARD POLICIES**

I certify agreement with the following School Board Policies: 6320 Purchasing and Contracting for Goods and Services; 6324 Cone of Silence; 6322 Construction Contracting and Bidding; 6540 Consultant Agreements; and 6460 Vendor Relations, and agree to comply with all applicable School Board contracting and procurement policies and procedures.

## **18. ASSIGNMENT**

This Agreement may not be assigned nor may any assignment of monies due, or to become due to Contractor, be assigned without the prior written agreement of The School Board of Indian River County, Florida. If Contractor attempts to make such an assignment, such attempt shall constitute a condition of default.

## **19. DEBARMENT**

By signing this Agreement, Contractor certifies, to the best of its knowledge and belief, that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a federal department or agency.
- (b) Have not, within the preceding five-year period, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
- (c) Are not presently indicted or otherwise criminally charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in the preceding paragraph (b).
- (d) Have not within the preceding five-year period had one or more public transactions (federal, state or local) terminated for cause or default.
- (e) Have not been debarred by the School Board pursuant to School Board policy 6320.

Contractor agrees to notify School Board within 30 days after the occurrence of any of the events, actions, debarments, proposals, declarations, exclusions, convictions, judgments, indictments, informations, or terminations as described in paragraphs 19(a) – (e) above, with respect to Contractor or its principals.

## **20. CONDUCT WHILE ON SCHOOL PROPERTY**

The Contractor acknowledges that its employees and agents must behave in an appropriate manner while on the premises of any school facility and shall at all times conduct themselves in a manner consistent with School Board Policies and subject to the administrator of designee. It will be considered a breach of this Agreement for any agent or employee of the Contractor to behave in a manner which is inconsistent with good conduct or decorum, or to behave in any manner which will disrupt the educational program or constitute any level of threat to safety, health and well-being of any student or employee of the School Board. The Contractor agrees to immediately remove any agent or employee if directed to do so by the building administrator or designee.

## **21. NO WAIVER**

Nothing herein is intended to serve as a waiver of sovereign immunity by the School Board.

## 22. NON-DISCRIMINATION

The parties shall not discriminate against any employee or participant in the performance of the duties, responsibilities and obligations under this Agreement because of race, color, religion, gender, age, marital status, disability, political or religious beliefs, or national or ethnic origin.

## 23. NO TAXES

The School Board is not obligated and does not agree to pay any federal, state, or local tax as a result of this agreement. The only exemption regarding payment of taxes shall be for situations that involve re-sale of product to the public for the purpose of fund-raising.

## 24. WRITTEN NOTICE DELIVERY

Any notice required or permitted to be given under this agreement by one party to the other party shall be in writing and shall be given and deemed to have been given immediately if delivered in person to the recipient's address set forth in this section or on the date shown on the certificate of receipt if placed in the United States mail, postage prepaid, by registered or certified mail with return receipt requested, addressed to the receiving party at the address hereinafter specified.

**Contractor/Vendor Address.** The address for Contractor/Vendor for all purposes under this agreement and for all notices hereunder shall be:

Contractor/Vendor: Advanced Medical Personnel Services, LLC  
Contact's Name/Title: Attn: Seth Mukai, Director of Sales  
Address: 11001 W 120<sup>th</sup> Ave, Suite 310  
Broomfield, CO 80021

**School Board's Address.** The address for the School Board of Indian River County for all purposes under this agreement and for all notices hereunder shall be:

School Board of Indian River County  
Attn: Superintendent Mark J. Rendell, Ed.D  
6500 57th Street  
Vero Beach, Florida 32967

### With a copy to:

Department: Student Services & Exceptional Student Education  
Department Director: Heather Clark, Director of Exceptional Student Education  
Address: 6500 57th Street

Vero Beach, Florida 32967

## **25. INSURANCE REQUIREMENTS**

During the term of this Agreement, the Contractor shall maintain the following insurance coverage in accordance with the requirements hereinafter stated:

- i. Commercial general liability coverage with limits of at least \$1,000,000.00 per occurrence; \$2,000,000.00 aggregate.
- ii. Automobile liability coverage of at least \$1,000,000.00 per occurrence; \$2,000,000.00 aggregate.
- iii. Professional liability or errors and omissions insurance with coverage of at least \$1,000,000.00 per occurrence; \$3,000,000.00 aggregate.

The insurance shall be issued by insurers licensed and authorized to issue policies of insurance in Florida, and each policy required shall be issued by a carrier with preferably a BEST rating of A+ or better. THE SCHOOL BOARD OF INDIAN RIVER COUNTY shall be named as an additional insured on each policy and the Contractor shall provide certificates of insurance for each policy showing the SCHOOL BOARD as an additional insured, before beginning services under this contract.

**VENDOR/CONTRACTOR**

BY: \_\_\_\_\_  
(Signature)

Seth Mukai  
(Name Typed)  
Director of Sales  
(Title)  
11001 W 120<sup>th</sup> Ave, Suite 310  
Broomfield, CO 80021  
(Address)

DATE: \_\_\_\_\_

FEIN (BUSINESS) 59-2961282  
SS# (INDIVIDUAL) \_\_\_\_\_

888-756-0605 / 855-809-8282  
PHONE / FAX  
smukai@gowithadvanced.com

CONTACT EMAIL ADDRESS

**THE SCHOOL BOARD OF INDIAN RIVER  
COUNTY, FLORIDA**

BY: \_\_\_\_\_  
Signature (Superintendent of Schools or Designee)

Mark J. Rendell, Ed.D  
(Name Typed)

Superintendent  
(Title)

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
(Signature) Chairman of the Board

DATE: \_\_\_\_\_



## Additional Named Insureds

### Other Named Insureds

11 Bridges, LLC dba Staffing Robot	Limited Liability Company, Additional Named Insured
Advanced Medical Holdings, LLC	Limited Liability Company, Additional Named Insured
Innovative Placements, Inc. dba IPI Travel	Corporation, Additional Named Insured
Rise Medical Staffing, LLC	Limited Liability Company, Additional Named Insured
Advanced Travel Therapy, Advanced Travel Nursing, and	Corporation, Additional Named Insured
Advanced School Staffing	



# ADDITIONAL REMARKS SCHEDULE

<b>AGENCY</b> Brown & Brown of Florida, Inc.		<b>NAMED INSURED</b> Advanced Medical Personnel Services Inc.	
<b>POLICY NUMBER</b>			
<b>CARRIER</b>	<b>NAIC CODE</b>	<b>EFFECTIVE DATE:</b>	

**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**

**FORM NUMBER:** \_\_\_\_\_ **FORM TITLE:** : Notes

E&O Coverage-Starstone Specialty Insurance-58242B164APL-\$1,000,000/\$3,000,000

PROFESSIONAL LIABILITY: CLAIMS MADE FORM-RETRO DATE 11/21/08  
 \$2,350,000 EACH CLAIM \$7,050,000 AGGREGATE  
 \$10,000 DEDUCTIBLE  
 \*\*VIRGINIA LIMITS ONLY:  
 PROFESSIONAL LIABILITY-\$2,350,000 OCCURRENCE/\$7,050,000 AGGREGATE  
 POLICY INCLUDES BLANKET ADDITIONAL INSURED COVERAGE AS WELL AS BLANKET  
 WAIVER OF SUBROGATION  
 NAMED INSURED AND RETRO DATES:  
 ADVANCED MEDICAL PERSONNEL SERVICES,INC-11/21/08  
 ADVANCED MEDICAL HOLDINGS,LLC-5/22/15  
 11 BRIDGES,LLC DBA STAFFING ROBOT-11/24/15  
 RISE MEDICAL STAFFING,LLC-4/27/16  
 INNOVATIVE PLACEMENTS,INC DBA IPI TRAVEL-8/31/16  
 ADVANCED MEDICAL PERSONNEL SERVICES,INC DBA ADVANCED,TRAVEL THERAPY,ADVANCED TRAVEL NURSING AND ADVANCED SCHOOL  
 STAFFING-  
 9/29/16  
 POLICY LIMIT-\$3,000,000  
 BREACH COSTS-\$3,000,000  
 PRIVACY PROTECTION-\$3,000,000  
 MULTIMEDIA PROTECTION-\$3,000,000  
 CYBER BUSINESS INTERRUPTION-\$3,000,000  
 CYBER EXTORTION-\$3,000,000  
 SUBLIMITS:  
 BREACH COSTS-COMPUTER FORENSIC COSTS-\$1,000,000  
 BREACH COSTS-NOTIFICATION COSTS-\$1,000,000  
 BREACH COSTS-CREDIT OR IDENTITY PROTECTION-\$3,000,000  
 BREACH COSTS-CRISIS MANAGEMENT & PUBLIC RELATIONS COSTS-\$50,000  
 PRIVACY PROTECTION-REGULATORY ACTION-\$250,000  
 PRIVACY PROTECTION-REGULATORY COMPENSATORY AWARD-\$3,000,000  
 PRIVACY PROTECTION-PCI FINES/PENALTIES-\$50,000  
 HACKER DAMAGE-CONSULTING COSTS-\$50,000  
 CYBER BUSINESS INTERRUPTION-CONSULTING COSTS-\$50,000  
 CYBER BUSINESS INTERRUPTION-LOSS AMOUNT SUB-LIMIT-\$10,000



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/8/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Assurance Agency, Ltd 1750 E Golf Road Suite 1100 Schaumburg IL 60173	<b>CONTACT NAME:</b> Doreen Lynch <b>PHONE (A/C No. Ext):</b> (847) 463-7343 <b>E-MAIL ADDRESS:</b> dlynch@assuranceagency.com	<b>FAX (A/C, No):</b> (847) 440-9126
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> ADVAMED-03 Advanced Medical Personnel Services, Inc. 5535 S. Williamson Blvd. Ste 774 Port Orange FL 32128	<b>INSURER A:</b> Praetorian Insurance Company	
	<b>INSURER B:</b>	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

**COVERAGES**

CERTIFICATE NUMBER: 1170096782

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$	
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$	
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$	
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	QWC4901668	6/12/2018	6/12/2019	X PER STATUTE OTH-ER	E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Proof of Insurance

**CERTIFICATE HOLDER****CANCELLATION**

Advanced Medical Personnel Services, Inc.  
 5535 S. Williamson Blvd.  
 Ste 774  
 Port Orange FL 32128

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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**Surplus Property Records ACT/RCY  
Auction/Recycle Items - Revenue Generating**

Barcode	Description	Original Value	Current Depreciation	Current Va	Capitalized	Serial #	Acquisition Date	Room
00069888	EXTRACTOR/CARPET POWR-FLITE CARPET EXTRACTOR	\$ 1,319.20	\$ 1,319.20	\$ -		6410 C7361	7/31/1996	RCY1
00071135	SWEEPER ADVANCE RETRIEVER 134B	\$ 4,957.20	\$ 4,957.20	\$ -		6410 1196349	8/28/1997	RCY1
00076653	PANASONIC VHS CAMCORDER (CCTV LAB.)	\$ 1,394.00	\$ 1,394.00	\$ -		6410 J0HB00010	7/31/2001	RCY1
00077093	APPLE IBOOK OCCUPATIONAL THERAPIST 500MHZ (GAIL FLOYD)	\$ 1,431.00	\$ 1,431.00	\$ -		6410 UV14204QLLK	11/19/2001	RCY1
00077154	DATAMATION 16 PC SECURITY CART	\$ 1,665.00	\$ 1,665.00	\$ -		6430	11/19/2001	RCY1
00077552	APPLE IBOOK 500 MHZ	\$ 1,000.00	\$ 1,000.00	\$ -		6410 UV20208LLPV	2/19/2002	RCY1
00077556	APPLE IBOOK 500 MHZ	\$ 1,000.00	\$ 1,000.00	\$ -		6410 UV20206ULV	2/19/2002	RCY1
00077624	INFOCUS DLP PROJECTOR (D.SRIGLEY)	\$ 2,199.00	\$ 2,199.00	\$ -		6430 7GT20100383	2/25/2002	RCY1
00077809	APPLE IBOOK (R.SWARTZ) 500MHZ W/CD-ROM,AIRPORT,ETC.	\$ 1,167.00	\$ 1,167.00	\$ -		6410 UV2060GDMHL	3/18/2002	RCY1
00077812	APPLE IBOOK (R.SWARTZ) 500MHZ W/CD-ROM,AIRPORT,ETC.	\$ 1,167.00	\$ 1,167.00	\$ -		6410 UV2060GFMHL	3/18/2002	RCY1
00077823	APPLE IBOOK P/N:Z04V00MB7 500MHZ,CD-ROM,ETC.	\$ 1,190.00	\$ 1,190.00	\$ -		6410 UV2081LMLLK	3/18/2002	RCY1
00078623	DATAMATION PC (36 MODULE) SECURITY CART	\$ 1,775.00	\$ 1,775.00	\$ -		6430	9/16/2002	RCY1
00080713	WHITTAKER GLS 15" MACHINE W/1515-11 BLUE COMMERCIAL 15"BRUSH, EXT-CORD	\$ 1,460.13	\$ 1,460.13	\$ -		6410 42325	1/12/2004	RCY1
00080718	WHITTAKER GLS 15" MACHINE W/1515-11 BLUE COMMERCIAL 15"BRUSH, EXT-CORD	\$ 1,460.17	\$ 1,460.17	\$ -		6410 42278	1/12/2004	RCY1
00081041	TENNANT MODEL 5400 26" AUTOMATIC- SCRUBBER W/EXTENTED SCRUB/AISLE WAND	\$ 7,855.80	\$ 7,855.80	\$ -		6410 5400-10175301	3/31/2004	RCY1
00081853	PROJECTORS HITCPX345SER 2000 LUMENS XG	\$ 3,584.61	\$ 3,584.61	\$ -		6410 G4K001107	3/7/2005	RCY1
00082265	PF AUTO SCRUBBER	\$ 2,499.00	\$ 2,499.00	\$ -		6410 090404887	4/18/2005	RCY1
00082365	PRO CHIN-DIP ASSIST COMBO ROYAL BLUE	\$ 1,746.75	\$ 1,746.75	\$ -		6410 N/A	8/8/2005	RCY1
00083384	AUTO SCRUBBER TORNADO 20EZ BRUSH DRIVEW/2-12V BAT.60HZ	\$ 2,843.00	\$ 2,843.00	\$ -		6410 99105A-EK005324	9/18/2006	RCY1
00083688	ELMO, P10XGA VISUAL 1 PROJECTOR	\$ 1,134.30	\$ 1,134.30	\$ -		6430 854207	1/2/2007	RCY1
00083691	ELMO, P10XGA VISUAL PRESENTER 1 PROJECTOR	\$ 1,134.30	\$ 1,134.30	\$ -		6430 854328	1/8/2007	RCY1
00083693	ELMO, P10XGA VISUAL PRESENTER 1 PROJECTOR	\$ 1,134.30	\$ 1,134.30	\$ -		6430 854306	1/8/2007	RCY1
00083695	INTEL CORE DUO PROCESSOR T2400 LAPTOP NC6320 1.83GHZ MHZ FSB 2MB 1,GB WXGA	\$ 1,215.00	\$ 1,215.00	\$ -		6410 CNU64636WH	1/16/2007	RCY1
00083697	INTEL CORE DUO PROCESSOR T2400 LAPTOP 1.83GHZ MHZ FSB 2MB 1GB WXGA DVD/CDRW	\$ 1,215.00	\$ 1,215.00	\$ -		6410 CNU64636XT	1/16/2007	RCY1
00084074	VISION ELIPTICAL TRAINER- EXERCISE EQUIPMENT * PE DEPT*	\$ 2,550.00	\$ 2,550.00	\$ -		6410 VEP000706090628	1/16/2007	RCY1
00084075	VISION RECUMBENT BIKE *PE DE EXERCISE BIKE	\$ 1,950.00	\$ 1,950.00	\$ -		6410 RB790305090685	1/16/2007	RCY1
00084117	EPSON 82C 2000 LUMEN PROJECTOR HITCPX3PROJECTOR 5ER XG CP-X345W	\$ 2,396.50	\$ 2,396.50	\$ -		6430 GY8F6Y0525L	2/20/2007	RCY1
00084615	B-235 2009 MERCEDES BENZ CONVENTIONAL W/A/C W/O LIFT MERCEDES BENZ *BUS2	\$ 80,912.00	\$ 80,912.00	\$ -		6510 4UZABRDJ99CZ79319	1/31/2008	RCY1
00084616	B-238 71 CAPACITY TYPE C CONVENTIONAL W/A/C W/O LIFT BUS-238	\$ 80,912.00	\$ 80,912.00	\$ -		6510 4UZABRDJ99CZ79322	1/31/2008	RCY1
00084644	B-232 71 CAPACITY TYPE C CONVENTION A/C W/O LIFT (2009) BUS-232	\$ 80,912.00	\$ 80,912.00	\$ -		6510 4UZABRDJ39CZ79316	1/31/2008	RCY1
00084645	B-234 71 CAPACITY TYPE C CONVENTION W/A/C W/O LIFT * BUS-234	\$ 80,912.00	\$ 80,912.00	\$ -		6510 4UZABRDJ79CZ79318	1/31/2008	RCY1
00084649	B-242 65 CAPACITY TYPE C STRAIGHT FLR W/A/C & LIFT * BUS-242	\$ 93,448.00	\$ 93,448.00	\$ -		6510 4UZABRDJ59CZ78314	1/31/2008	RCY1
00084669	B-241 65 CAPACITY TYPE C STRAIGHT FLR A/C W/LIFT (BUS-241)	\$ 93,448.00	\$ 93,448.00	\$ -		6510 4UZABRDJ39CZ78313	1/31/2008	RCY1
00084670	B-237 2009 71 CAPACITY TYPE C CONVENTNW/O LIFT MERCEDES BENZ (BUS-237)	\$ 80,912.00	\$ 80,912.00	\$ -		6510 4UZABRDJ79CZ79321	2/11/2008	RCY1
00084671	B-239 2009 71 CAPACITY TYPE C CONVENTNW/O LIFT MERCEDES BENZ (BUS-239)	\$ 80,912.00	\$ 80,912.00	\$ -		6510 4UZABRDJ09CZ79323	2/11/2008	RCY1
00084690	B-233 2009 71 CAPACITY TYPE C CONVENTNW/O LIFT MERCEDES BENZ (BUS-233)	\$ 80,912.00	\$ 80,912.00	\$ -		6510 4UZABRDJ59CZ79317	2/19/2008	RCY1
00084691	B-236 2009 71 CAPACITY TYPE C CONVENTNW/O LIFT MERCEDES BENZ (BUS-236)	\$ 80,912.00	\$ 80,912.00	\$ -		6510 4UZABRDJ59CZ79320	2/19/2008	RCY1
00085053	P4/PPX-NS EXTRACTOR POWR FLITE	\$ 1,159.00	\$ 1,159.00	\$ -		6410 1007 0806	6/30/2008	RCY1
00085170	HOFMAN TRUE CUT BRAKE LATHER ADG 200	\$ 5,485.00	\$ 5,485.00	\$ -		6410 8311V0308	6/30/2008	RCY1
00085175	HOFMANN HP TILT BACK W 30' CLAMPINT TIRE CHANGER	\$ 7,045.00	\$ 7,045.00	\$ -		6410 05086027643501	6/30/2008	RCY1
00085176	HOFMANN-OPTIMA WHEEL BALANCER	\$ 9,325.00	\$ 9,325.00	\$ -		6410 G89FB007	6/30/2008	RCY1
00085263	HP 2710 TABLET W/OUTDOOR VIEW NOTEBOOK W/KYB/MOUSE*	\$ 1,635.00	\$ 1,635.00	\$ -		6410 2CE82776YZ	7/31/2008	RCY1
00085344	DUAL RADION 802.11n ACCESS POINT WIFI	\$ 1,074.60	\$ 1,074.60	\$ -		6430 3308AP302000CE6050E	12/10/2008	RCY1
00085356	SE PILOT SCRUBBER W/ STANDARD- BRUSHES MOPS, FOR TILE FLOORS	\$ 1,978.00	\$ 1,978.00	\$ -		6410 AJL8689848	11/14/2008	RCY1
00085627	TENNANT 32" RIDER AUTO SCRUBBER W/PADS,BATTERIES,CHARGER	\$ 9,900.00	\$ 9,900.00	\$ -		6410 S11318	1/14/2009	RCY1
00086064	TORNADO LR 28" FLOOR-SCRUBBER, KEEPER,BATTERY CHARGER,PADHOLDER	\$ 5,742.50	\$ 5,742.50	\$ -		6410 DCS02110	8/31/2009	RCY1
00086245	PRESSURE WASHER PRO E404OHA 4000 PSI 13 HP HONDA ENGINE	\$ 1,177.55	\$ 1,177.55	\$ -		6410 09-06954	2/12/2010	RCY1

00086249	POWER-FLITE PAS28DXBC PREDATOR SCRUBBEAUTO WITH BATTERIES CHARGER PAD HOLDER	\$	5,179.00	\$	5,179.00	\$	-	6410 120803091	9/21/2009	RCY1
00086528	CAMERA VSMc 8 CHANNEL HYBRID COMPONET MOBILE DVR FOUR CAMERA SYSTEM/BUS-232	\$	2,269.63	\$	2,269.63	\$	-	6410 107389	3/25/2011	RCY1
00086529	CAMERA VSMc 8 CHANNEL HYBRID COMPONE MOBILE DVR FOUR CAMERA SYSTEM/BUS-233	\$	2,269.63	\$	2,269.63	\$	-	6410 107757	3/25/2011	RCY1
00086530	CAMERA VSMc 8 CHANNEL HYBRID COMPONE MOBILE DVR FOUR CAMERA SYSTEM/BUS-234	\$	2,269.63	\$	2,269.63	\$	-	6410 107756	3/25/2011	RCY1
00086531	CAMERA VSMc 8 CHANNEL HYBRID COMPONE MOBILE DVR FOUR CAMERA SYSTEM/BUS-235	\$	2,269.63	\$	2,269.63	\$	-	6410 107782	3/25/2011	RCY1
00086532	CAMERA VSMc 8 CHANNEL HYBRID COMPONE MOBILE DVR FOUR CAMERA SYSTEM/BUS-236	\$	2,269.63	\$	2,269.63	\$	-	6410 1000036-7	3/25/2011	RCY1
00086533	CAMERA VSMc 8 CHANNEL HYBRID COMPONE MOBILE DVR FOUR CAMERA SYSTEM/BUS-237	\$	2,269.63	\$	2,269.63	\$	-	6410 107388	3/25/2011	RCY1
00086534	CAMERA VSMc 8 CHANNEL HYBRID COMPONE MOBILE DVR FOUR CAMERA SYSTEM/BUS-238	\$	2,269.63	\$	2,269.63	\$	-	6410 107759	3/25/2011	RCY1
00086535	CAMERA VSMc 8 CHANNEL HYBRID COMPONE MOBILE DVR FOUR CAMERA SYSTEM/BUS-239	\$	2,269.63	\$	2,269.63	\$	-	6410 107783	3/25/2011	RCY1
00086537	CAMERA VSMc 8 CHANNEL HYBRID COMPONE MOBILE DVR FOUR CAMERA SYSTEM /BUS-241	\$	2,269.63	\$	2,269.63	\$	-	6410 107390	3/25/2011	RCY1
00086538	CAMERA VSMc 8 CHANNEL HYBRID COMPONE MOBILE DVR FOUR CAMERA SYSTEM/BUS-242	\$	2,269.60	\$	2,269.60	\$	-	6410 107758	3/25/2011	RCY1
00086787	SMARTCARE 20"STANDARD SYSTEM EXT CORD, MANUAL PAPER ROAMER HANDLE	\$	2,677.50	\$	2,422.50	\$	255.00	6410 11-55044	3/23/2012	RCY1
		\$	50,096.76	\$	50,096.76	\$	255.00			
	<b>Grand Total</b>	\$	<b>963,709.68</b>	\$	<b>963,454.68</b>	\$	<b>255.00</b>	<b>Total of Records</b>		<b>59</b>





(Rec'd)

School District of Indian River County  
SURPLUS REMOVAL REQUEST/TRANSFER FORM

Requesting Facility: Rosewood

Transfer To Facility: Warehouse / Surplus

Requesting Person: Lashann Biondi

Contact Person: Rhonda Berman

Property Records  
Office use only

Property Record #	Item Description (make/model)	Serial #	Condition	Property Records Office use only
			poor	
0077809	MAC I Book	UV20609DMHL	poor	
0083697	HP XP Laptop	CNUW4636XT	poor	
0083693	Elmo P10 projector	854300	poor	
0077624	In Focus Projector	76T20100383	poor	
0083695	HP XL Laptop	CNU64636WH	poor	
0083691	Elmo P10 projector	854328	poor	
0083688	Elmo P10 projector	854207	poor	
0077823	MAC I Book	UV20812MLLK	poor	
0077093	MAC I Book	UV14204QLLK	poor	
0077812	MAC I Book	UV20606FMHL	poor	
0077556	MAC I Book	UV20206MLLV	poor	
0077552	MAC I Book	UV20208LLV	poor	
0076653	Panasonic VHS Recorder	JOH300010	poor	

[Signature]  
Releasing Signature - Site P.R. Custodian

12-20-18  
Date

[Signature]  
Receiving Signature

12-20-18  
Date Received

(In addition to this form please enter your electronic work order request to expedite the removal of the items listed above)

Original - Property Records Department  
Copy for your records









School District of Indian River County  
SURPLUS REMOVAL REQUEST/TRANSFER FORM

Requesting Facility: Trans. Dept.

Transfer To Facility: SURPLUS

Requesting Person: Richard Trammell

Contact Person: Mike Reminger

Property Record #	Item Description (make/model)	Serial #	Condition	Property Records Office use only
X86528 ✓	Cameras IN B232	107389	obsolete	
X86529 ✓	" " B233	107757	obsolete	
X86530 ✓	" " B234	107756	obsolete	
X86531 ✓	" " B235	107782	obsolete	
X86532 ✓	" " B236	1000036-7	obsolete	
X86533 ✓	" " B237	107388	obsolete	
X86534 ✓	" " B238	107759	obsolete	
X86535 ✓	" " B239	107783	obsolete	
X86537 ✓	" " B241	107390	obsolete	
X86538 ✓	" " B242	107758	obsolete	

Richard Trammell Garage Coordinator  
Releasing Signature - Site P.R. Custodian

1/17/19  
Date

Mihail Reminger  
Receiving Signature

1/17/19  
Date Received

(In addition to this form please enter your electronic work order request to expedite the removal of the items listed above)

Original - Property Records Department  
Copy for your records

School District of Indian River County  
SURPLUS REMOVAL REQUEST/TRANSFER FORM

Requesting Facility: Trans. Dept

Transfer To Facility: SURPLUS

Requesting Person: Richard Trammell

Contact Person: Mike Renninger

Property Record #	Item Description (make/model)	Serial #	Condition	Property Records Office use only
X84644V	B232 Thomas C2	4U2ABR DJ39C279316	obsolete	
X84690V	B233 Thomas C2	4U2ABR DJ59C27917	obsolete	
X84645V	B234 Thomas C2	4U2ABR DJ79C279318	obsolete	
X84615V	B235 Thomas C2	4U2ABR DJ9C279519	obsolete	
X84691V	B236 Thomas C2	4U2ABR DJ59C279320	obsolete	
X84670V	B237 Thomas C2	4U2ABR DJ79C279321	obsolete	
X84616V	B238 Thomas C2	4U2ABR DJ99C279322	obsolete	
X84671V	B239 Thomas C2	4U2ABR DJ09C279323	obsolete	
X84669V	B241 Thomas C2	4U2ABR DJ39C278313	obsolete	
X84649V	B242 Thomas C2	4U2ABR DJ59C278314	obsolete	

Richard Trammell Garage Coordinator  
Releasing Signature Site P.R. Custodian

1/17/19  
Date

Mike Renninger  
Receiving Signature

1/17/19  
Date Received

(In addition to this form please enter your electronic work order request to expedite the removal of the items listed above)

Original - Property Records Department  
Copy for your records

**School District of Indian River County  
SURPLUS REMOVAL REQUEST/TRANSFER FORM**

Requesting Facility: Physical Plant

Transfer To Facility: SURPLUS

Requesting Person: Ann Rieben

Contact Person: MIKE Remingel

Property Record #	Item Description (make/model)	Serial #	Condition	Property Records Office use only
X 86064	✓ Tornado Walk Behind (WB) Scrubber	DC502110	Obsolete	
X 81041	✓ Tennant 5400 WB Scrubber	5400-10175301	Obsolete	
X 69888	✓ PowrFlite Carpet Extractor	C7361	Obsolete	
X 83384	✓ Tornado WB Scrubber	99105A-EK005324	Obsolete	
X 86245	✓ Pressure Washer	09-06954	Obsolete	
X 82265	✓ PowrFlite WB Scrubber	090.404887	Obsolete	
X 86249	✓ PowrFlite WB Scrubber	120803091	Obsolete	
X 71135	X Retriever Carpet Extractor	1196349	Obsolete	
X 80713	✓ Whittaker Scrubber	42325	Obsolete	
X 80718	✓ Whittaker Scrubber	42278	Obsolete	
✓ 86787	✓ Whittaker Scrubber - Smarttrace	11-55044	Obsolete	
X 85356	✓ Pilot Epic Carpet Spotter	AJL8689848	Obsolete	
X 85053	✓ PowrFlite WB Carpet Extractor	1007 0806	Obsolete	

Ann Rieben  
Releasing Signature - Site P.R. Custodian

11/20/18  
Date

\_\_\_\_\_  
Receiving Signature

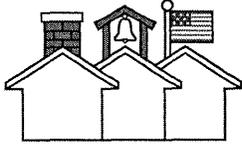
1/14/19  
Date Received

(In addition to this form please enter your electronic work order request to expedite the removal of the items listed above)

Original - Property Records Department  
Copy for your records



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# School District of Indian River County

6500 57<sup>th</sup> Street • Vero Beach, Florida, 32967 • Telephone: 772-564-3000 • Fax: 772-564-3054

Mark J. Rendell, Ed.D. - Superintendent

February 5, 2019

Dear Board Members,

At our workshop on Tuesday, January 29<sup>th</sup>, I gave the Board an update on our budget and finances at near the halfway point of the year. I did state there was not any concern over our ability to operate for the remainder of the school year, but there was some concern regarding the end of year unreserved fund balance. I shared that we had already undertaken some measures to alter our spending plan, but if we did not make any further changes, and indeed expended all budgeted funds, we would finish the budget year with an ending unreserved fund balance of approximately 4.4% percent.

School Board Policy 6210 Fiscal Planning states that “In the event the contingency reserve decreases to less than five percent (5%) of the District’s general fund budget, the Superintendent shall prepare for Board Approval, a financial plan and timeline to restore the unreserved fund balance not classified as restricted, committed, or nonspendable to the minimum amount set forth herein.”

So, as I stated in the workshop, we needed to continue to look for ways to alter the spending plan, and build up the unreserved fund balance. I am pleased to report to you that as a result of our adjustments, we currently have a projected unreserved fund balance of 5.08%. I have attached a worksheet that lists most of the adjustments, but will also describe them here.

The first area to examine were expenditures that were being charged to the general fund that could be charged to other funds, such as federal funds, or categorical state revenues. We also reviewed various revenues coming in that could be added to the general fund.

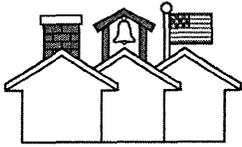
Here are some of the measures that we took initially to build up the unreserved fund balance:

- We transferred \$1.4 million dollars from the Capital Projects fund to the general fund to cover the cost of our Property Casualty Insurance.
- We added revenue from the sale of capital assets (ex; garbage trucks) to the general fund, which resulted in revenue of approximately \$121,000 dollars).
- We transferred the salary expenditures for 4 employees to the reading categorical for a savings to the general fund of approximately \$248,000 dollars.
- We transferred the salary expenditures of 22 employees to the Technology portion of 0.50 discretionary property tax millage for a savings to the general fund of \$1.39 million dollars.

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# School District of Indian River County

6500 57<sup>th</sup> Street • Vero Beach, Florida, 32967 • Telephone: 772-564-3000 • Fax: 772-564-3054

Mark J. Rendell, Ed.D. - Superintendent

---

In the time since the workshop we have continued to look for the same opportunities to add revenue and transfer expenditures, but to also look for opportunities to reduce expenditures. Here are some of the adjustments we have made since the workshop:

- I met with several district departments to review their budgets to look for areas to reduce spending. That resulted in a savings to the general fund of \$93,194.84 dollars.
- We reviewed some software purchases and transferred the Naviance contract to the technology portion of the 0.50 discretionary property tax millage, for a saving to the general fund of \$99,095 dollars.
- We identified several equipment purchases that had been charged to the general fund that qualified to be paid for in the capital equipment fund. This resulted in a savings to the general fund of \$43,000 dollars.
- We reviewed the recalibration of FTE payments to charter schools and that resulted in a net savings to the general fund of \$90,449 dollars.
- We continued to examine salary expenditures and found one position charged to categorical that needed to be in general (so an increase of \$64,300 dollars to the general fund), and one in general fund that needed to be in a grant (which represented a \$61,521 dollars savings to the general fund).
- We eliminated 3 positons in the Curriculum & Instruction department that were charged to the general fund and transferred these personnel to positions that support work in federal grant programs. This resulted in a savings to the general fund of \$109,133 dollars.

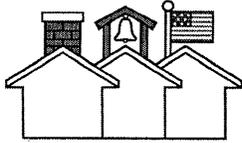
There have also been some minor adjustments in some areas but they were not significant enough to list here. We also are not done. I have not reviewed all department budgets yet, and will do so in the coming days. I am confident these reviews will yield additional some additional savings.

I want to highlight the fact that we have not taken any action that will adversely affect school operations. We have not reduced our ability to support our teachers and students. For example, we have put a “hold” on hiring a handful of positions in various departments, but not any position at a school, or that directly supports a school. In fact, we have encouraged principals and department leaders to continue to advertise vacancies and hire personnel. We have a job fair next week, and we are hiring. You may notice in the worksheet we have allocated \$400,000 to fill vacancies for the remainder of the year.

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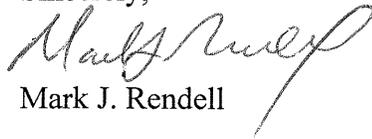
Mark J. Rendell, Ed.D. - Superintendent

---

I want to finish with the statement that while we have transferred the costs associated with some personnel to revenue sources that are not recurring, that is not a long-term solution. We made that decision to relieve the strain on the general fund balance for this current school year. We will address the return of these positions to recurring revenue sources in a proactive manner in the upcoming budget building process for the 2019-2020 school year.

Please let me know if you have any questions.

Sincerely,



Mark J. Rendell

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**Indian River School District - General Fund - BUDGET  
2018-2019 - Revised at February 5, 2019**

**From District Posted Reports  
February 5, 2018**

ESTIMATED REVENUES	<u>Beginning</u>
Federal	\$ 425,000.00
State	47,238,337.00
Local	99,967,652.00
<b>Adjustments</b>	
No Revenue Adjustments	
<b>TOTAL REVENUES</b>	<u>\$ 147,630,989.00</u>
Trans In - fr Capital Projects (pg 135 bud)	5,012,914.00
Non-Revenues Sources (pg 135 bud / sale of capital assets \$95,000 + loss recoveries \$151,000)	246,000.00
Fund Balance July 1,2018	18,655,173.00
<b>TOTAL REVENUES AND BALANCES</b>	<u>\$ 171,545,076.00</u>

ESTIMATED EXPENDITURES	
<b>TOTAL EXPENDITURES</b>	<u>\$ 162,553,939.00</u>
Transfers Out - Debt Service pg 135 bud	891,287.00

Adjustments	
Project 1090 Adjustments	\$ (326,648.84) (1)
Required Salary Coverage	922,743.00 (2)

Total Projected Fund Bal 6/30/2019	8,099,850.00
<b>TOTAL EXP, TRANSFERS, BALANCES</b>	<u>\$ 171,545,076.00</u>

FUND BALANCE	<i>(from pg 101 Budget)</i>	As % of Total Rev	Adjusted Fund Bal	
			1/23/2019	As % of Total Rev
Nonspendable (inventory)	\$ 324,168.00	0.22%	\$ 324,168.00	0.22%
Restricted	242,995.00	0.16%	242,995.00	0.16%
Assigned	500,000.00	0.34%	500,000.00	0.34%
Unassigned	7,032,687.00	4.76% <span style="border: 1px solid black; padding: 2px;">5.10%</span>	6,992,297.36	4.74% <span style="border: 1px solid black; padding: 2px;">5.08%</span>
<b>Total Projected Fund Bal 6/30/2019</b>	<u>\$ 8,099,850.00</u>	<u>5.49%</u>	<u>\$ 8,059,460.36</u>	<u>5.46%</u>

<u>Project 1090 Adjustments</u>	<u>Dollars</u>
Dr. Rendell's Department Budget Adjustments	\$ 93,194.84
Naviance Virtual Counselor Software from Millage	99,905.00
Capital Equipment - reclass to Fund 300	43,000.00
Preliminary Charter School Adjustment	90,549.00
<b>Total Estimated Spending Reduction</b>	<u>\$ 326,648.84 (1)</u>

<u>Salary Adjustments</u>		<u>Non-Discretionary Salaries</u>
<u>Project</u>	<u>Description</u>	
	<b>Balance 2/5/2019 Pay Reports</b>	<b>\$ (1,453,999.00)</b>
1000	1 position moved to 1000 Mental Health Alloc / Sharon	\$ (64,330.00)
1604	Packard	61,521.00
1911	4 Reading Teacher Salaries	248,040.00
1568	Critical Millage Tech .50 / 22 positions	1,399,015.00
	<b>Total</b>	<u>1,644,246.00</u>
	Approx .5 Remaining	50% 822,123.00
	<b>NET EFFECT - proj adj</b>	<u>(631,876.00)</u>
	C&I Transfers to FEDERAL	109,133.00
	<b>Est. Fill Vacancies</b>	<u>(400,000.00)</u>
	<b>Required Salary Coverage</b>	<u>\$ (922,743.00) (2)</u>

**FLORIDA DEPARTMENT OF EDUCATION  
FINANCIAL MANAGEMENT SECTION  
AMENDMENT TO DISTRICT SCHOOL BUDGET**

**SCHOOL DISTRICT OF INDIAN RIVER COUNTY  
Amendment #2 - October 2018 - December 2018  
General Fund**

<b>ESTIMATED REVENUE</b>					
	Function	Beginning Budget	Increase	Decrease	Revised Budget
<b>Grand Totals</b>		171,560,886.14	239,318.51	0.00	171,800,204.65
Federal Direct Sources	3100	125,000.00	0.00	0.00	125,000.00
Federal Through State Sources	3200	300,000.00	0.00	0.00	300,000.00
State Sources	3300	47,238,337.20	0.00	0.00	47,238,337.20
Local Sources	3400	99,981,442.14	117,793.51	0.00	100,099,235.65
Transfers	3600	5,014,934.00	0.00	0.00	5,014,934.00
Other Financing Sources	3700	246,000.00	121,525.00	0.00	367,525.00
Fund Equity	2700	18,655,172.80	0.00	0.00	18,655,172.80
<b>APPROPRIATIONS</b>					
	Function	Beginning Budget	Increase	Decrease	Revised Budget
Instructional Services	5000	102,714,719.55	54,207.92	0.00	102,768,927.47
Pupil Personnel Services	6100	4,075,917.43	1,172.75	0.00	4,077,090.18
Instructional Media Services	6200	1,814,323.03	287.60	0.00	1,814,610.63
Instructional Curriculum Development	6300	4,422,234.17	0.00	113,406.58	4,308,827.59
Instructional Staff Training	6400	1,575,197.20	125,160.21	0.00	1,700,357.41
Instructional Related Technology	6500	7,862,380.82	0.00	203,193.22	7,659,187.60
Board of Education	7100	864,623.40	55,309.86	0.00	919,933.26
General Administration	7200	503,918.01	35,030.00	0.00	538,948.01
School Administration	7300	8,968,150.32	22,547.00	0.00	8,990,697.32
Facilities Acquisition and Construction	7400	828,719.18	0.00	17,156.40	811,562.78
Fiscal Services	7500	1,219,676.53	0.00	2,500.00	1,217,176.53
Food Services	7600	0.00	0.00	0.00	0.00
Central Services	7700	2,309,583.08	4,317.39	0.00	2,313,900.47
Transportation Services	7800	5,215,122.85	0.00	44,174.83	5,170,948.02
Operation Services	7900	13,044,635.36	161,788.38	0.00	13,206,423.74
Maintenance Services	8100	3,311,405.28	182,616.66	0.00	3,494,021.94
Administrative Technology Services	8200	3,900,188.55	134,385.63	0.00	4,034,574.18
Community Services	9100	0.00	0.00	0.00	0.00
Debt Services	9200	0.00	0.00	0.00	0.00
Transfers	9700	891,287.05	0.00	0.00	891,287.05
Budgeted Fund Balance		8,038,804.33	0.00	157,073.86	7,881,730.47
<b>Grand Totals</b>		171,560,886.14	776,823.40	537,504.89	171,800,204.65

Adopted By Board:

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District Superintendent's Signature

## General Fund - Amendment # 2

### ESTIMATED REVENUES

Total estimated revenues increased by \$239,318.51 in the months of October 2018 through December 2018

#### **Object Code 3400 - Local Sources:**

\$	10,000.00	- Increase estimated revenue budget for the United Way Community Schools Donation
	20,374.00	- Increase estimated revenue budget for the Districtwide Recycling Program Donations
	42,314.89	- Increase estimated revenue budget for misc. payroll reimbursements
	24,600.00	- Increase estimated revenue budget for collection of PDCP Agreements
	121,525.00	- Increase estimated revenue budget for the sale of garbage trucks diesel and CNG
	246.54	- Increase estimated revenue budget for collection of Hurricane Shelter Expense
	20,258.08	- Increase estimated revenue budget for collection of prior year expenditures Joint Fleet Management Facility
\$	<u>239,318.51</u>	

### APPROPRIATIONS

Changes in the Appropriations budget changes are reflected as follows:

\$	10,000.00	- Increase appropriations budget for the United Way Textbooks to Bay Cty Hurricane Michael Donation
	20,374.00	- Increase appropriations budget for Board Approved Districtwide Recycling Program Donations Recd
	42,314.89	- Increase appropriations budget for collection of internal accounts reimbursement - Various Schools
	24,600.00	- Increase appropriations budget for PDCP Agreements
	121,525.00	- Increase appropriations budget for Waste Management Contract Sale of Garbage Trucks
	33,325.00	- Increase appropriations budget for Waste Management Contract Board Approved 10/9/2018
	79,392.24	- Increase appropriations budget for Consulting
	10,524.06	- Increase appropriations budget Textbooks
	1,940.42	- Increase appropriations budget for the Charter Schools FY2017/2018 ESE App Allocation
	24,216.30	- Increase appropriations budget for the Security to Cover SRO Costs
	11,117.50	- Increase estimated appropriations budget for Security Reimb Internal Accounts secondary schools
	12,912.96	- Increase estimated budget for Hurricane IRMA - play space set repair, pallets of water invoices
	11,300.00	- Increase appropriations budget for Board Approved Districtwide Recycling Program
	3,250.00	- Increase appropriations budget for Summer Custodial Service
	1,600.00	- Increase appropriations budget for PIO Ironside Press Invoice
	(9,500.00)	- Decrease Appropriations budget for close out of hurricane purchase orders
	(2,500.00)	- Decrease Appropriations budget for close out PO for Consulting
\$	<u>396,392.37</u>	Net increase in appropriations budget

### BUDGETED FUND BALANCE:

The Budgeted Fund Balance decreased by \$157,073.86 in the months of October 2018 through December 2018

## Zorc, Laura

---

**From:** Suzanne D'Agresta <sdagresta@orlandolaw.net>  
**Sent:** Thursday, January 24, 2019 4:11 PM  
**To:** Zorc, Laura; Justice, Tiffany; Barenborg, Teri; Rosario, Jacqueline; Schiff, Mara  
**Cc:** Esplen, Nancy  
**Subject:** FW: RE: Indian River School Board - Whistleblower Complaint \*\* CONFIDENTIAL INFORMATION \*\*  
**Attachments:** 19.01.24 Ltr to D'Agresta.pdf  
**Importance:** High  
**Follow Up Flag:** Flag for follow up  
**Flag Status:** Flagged

Dear School Board members –

**Please do not “reply all” to this communication. Additionally, this communication is confidential until such time as the process outlined below has been completed.**

The independent investigator retained to investigate the Whistleblower complaint submitted by Mr. Carter Morrison has completed his work. The attached letter details his findings and conclusions. Essentially, the investigator has concluded the allegations made do not demonstrate a reasonable cause to suspect Dr. Rendell (1) violated any federal, state or local law, rule or regulation, or (2) has committed an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty. The investigation is now concluded.

The information regarding the Whistleblower complaint is now subject to the process outlined in section 1012.31, Florida Statutes. This statute requires that any investigatory materials which may be considered derogatory to an employee become a public record 10 days after the employee has been provided the materials which will be added to the employee's personnel file. In this instance, I will move forward to advise Dr. Rendell of the statutory process and provide the relevant materials to him. Once the necessary signatures have been obtained, the 10 day waiting period will commence. I will let you know once the investigation document is a public record.

Please let me know if you have any questions. Thank you.



Suzanne D'Agresta, Shareholder  
Garganese, Weiss, D'Agresta, & Salzman, P.A.  
Board Certified City, County, & Local Government Law  
111 N. Orange Avenue, Suite 2000  
P.O. Box 2873  
Orlando, Florida 32802-2873

Phone (407) 425-9566  
Fax (407) 425-9596  
Website: [www.orlandolaw.net](http://www.orlandolaw.net)  
Email: [sdagresta@orlandolaw.net](mailto:sdagresta@orlandolaw.net)

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**From:** Gracie Jennings [mailto:[gjennings@sniffenlaw.com](mailto:gjennings@sniffenlaw.com)]  
**Sent:** Thursday, January 24, 2019 3:44 PM  
**To:** Suzanne D'Agresta <[sdagresta@orlandolaw.net](mailto:sdagresta@orlandolaw.net)>  
**Cc:** [asg@gainesnolan.com](mailto:asg@gainesnolan.com); [mark.rendell@indianriverschools.org](mailto:mark.rendell@indianriverschools.org); Mark Logan <[mlogan@sniffenlaw.com](mailto:mlogan@sniffenlaw.com)>  
**Subject:** [EXTERNAL] RE: Indian River School Board - Whistleblower Complaint

Good afternoon, Ms. D'Agresta,

Per Mr. Logan, please see attached correspondence in the above-referenced matter.

Thank you,

**Gracie Jennings**  
Legal Assistant to Robert J. Sniffen, Lisa B. Fountain, Jeffrey D. Slanker and Mark Logan

## **SNIFFEN & SPELLMAN, P.A.**

123 North Monroe Street  
Tallahassee, Florida 32301  
T (850) 205-1996 / F (850) 205-3004  
E-mail: [gjennings@sniffenlaw.com](mailto:gjennings@sniffenlaw.com)  
Website: [www.sniffenlaw.com](http://www.sniffenlaw.com) / Twitter: @Sniffenlaw

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# SNIFFEN & SPELLMAN, P.A.

123 NORTH MONROE STREET • TALLAHASSEE, FL • 32301

PHONE: 850.205.1996 • FAX: 850.205.3004

WWW.SNIFFENLAW.COM

January 24, 2018

**VIA U.S. AND ELECTRONIC MAIL:** [sdagresta@orlandolaw.net](mailto:sdagresta@orlandolaw.net)

Suzanne D'Agresta, Esq.

Garganese, Weiss, D'Agresta & Slazman, P.A.

111 N. Orange Avenue, Suite 2000

Orlando, FL 32802-2873

**Re: Indian River School Board – Whistleblower Complaint**

Dear Ms. D'Agresta:

As you are aware our firm was engaged on December 3, 2018 by the Indian River School Board ("School Board") with respect to a whistleblower complaint ("Complaint") filed by former Indian River School District Assistant Superintendent for Finance & Employee Services, Carter Morrison ("Complainant"), on November 20, 2018, via his counsel, Arnold S. Gaines.<sup>1</sup> The Complaint was filed against Superintendent Dr. Mark Rendell ("Dr. Rendell" or "Superintendent"). The Complaint alleges that the Superintendent violated the Florida Whistleblower Act (Sections 112.3187-112.31895, Florida Statutes), concerning certain events pertaining to the tentative fiscal 2018-2019 budget. Specifically the Complainant contends that his opposition to the Superintendent's directive to remove \$2.3 million from the tentative budget misled the Indian River School Board ("Board") to believe that there was an adequate unassigned fund balance of 5% and that the tentative budget was in compliance with the Board's by-laws as well as Section 1011.051(1) and (2), Florida Statutes. The Complainant also alleges that certain budgetary items in excess of \$2 million dollars, while discussed at public workshops during the budget development process, were omitted from the final budget and that had these amounts been properly included in the budget, the unassigned fund balance as of June 30, 2019 would be under 5%. The Complainant asserts that this action was a "possible violation of §1011.62, Florida Statutes."<sup>2</sup> Finally, the Complainant contends that Dr. Rendell's November 15, 2018 recommendation that Mr. Morrison be demoted from his position as Assistant Superintendent for Finance & Employee Services and transferred to the position of Transportation Coordinator was prohibited retaliatory conduct under the Whistle-blower Act.

Since the Complaint was filed against the Superintendent, consistent with School Board Policy 1211 – Whistleblower Protection, you, as Board Attorney, were authorized to receive the Complaint and to engage outside counsel to conduct an investigation consistent with the

<sup>1</sup> The Complaint consists of a letter from Mr. Morrison's attorney on behalf of his client as well as a signed, but undated, "Written Statement by Carter Morrison regarding events from July 10-31<sup>st</sup> 2018 regarding the School Board of Indian River County's Tentative Budget. This statement was previously provided to Susan Potter Norton with the law firm of Allen Norton & Blue and included as an attachment to her Investigative Report submitted on November 9, 2018.

<sup>2</sup> §1011.62 is the annual Florida Education Finance Program allocation determination statute.

procedures set forth in §112.3189, Florida Statutes.<sup>3</sup> On the date we were engaged you provided us with a substantial amount of information pertaining to the Complaint and the investigation thereof.

### **Determination Pursuant to §112.3189(3)**

§112.3189(3), Florida Statutes, here as implemented via School Board Policy 1211, requires an initial determination that the statute's threshold requirements have been met. Pursuant to that section of the statute, there must be an initial determination whether: (1) the information disclosed in the Complaint is the type of information described in §112.3187(5); (2) whether the source of the information (Complainant) is from a person who is an employee or former employee of the School Board; and (3) whether the information disclosed demonstrates reasonable cause to suspect that an employee or agent of the School Board has violated any federal, state, or local law, rule, or regulation, thereby creating a substantial and specific danger to the public's health, safety, or welfare, or has committed an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty.

If there is a determination that the threshold requirements of §112.3189(3) are met, then a recommendation is to be made by our firm whether a full investigation should be conducted as set forth under §112.3189(5). Under the statute an investigation shall be conducted unless the agency inspector general determines that such investigation is "unnecessary." §112.3189(5)(a). That subsection sets forth a number of suggested, but not binding factors to consider in making such a determination.

✱ In making our initial determination, we have reviewed all the materials provided by you on December 3, 2018. We note that the events surrounding the development of the tentative 2018-19 budget have already been the subject of extensive review. On August 21, 2018 peer review of the School District's budget processes and practices was conducted by Conley Weiss, the former CFO of the St. Johns County School District. On October 12, 2018 the accounting firm of Berger, Toombs, Elam, Gaines and Frank submitted an internal audit reviewing budgeted salary amounts in the preliminary and final 2018-19 budget. On November 9, 2018, the law firm of Allen, Norton & Blue submitted an Investigative Report based on its investigation into the "motivations behind" the Complainant's decision to submit a budget that contained a balance of less than 5% of revenues in the general fund. We have also engaged the Complainant's Counsel in discussions which are detailed below. We have not conducted interviews with either the Complainant or Dr. Rendell for the reasons also discussed below.

### **§112.3189(3)(a) Criteria – Type of Information Disclosed**

The first prong of our determination requires that we examine whether the information disclosed by the Complainant is of the type of information described in §112.3187(5), Florida Statutes. That section provides:

---

<sup>3</sup> For purposes of effectuation of School Board Policy 1211-Whistleblower Protection, we essentially sit in the place of the role of the Inspector General.

“(5) NATURE OF INFORMATION DISCLOSED.—The information disclosed under this section must include:

(a) Any violation or suspected violation of any federal, state, or local law, rule, or regulation committed by an employee or agent of an agency or independent contractor which creates and presents a substantial and specific danger to the public's health, safety, or welfare.

(b) Any act or suspected act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, suspected or actual Medicaid fraud or abuse, or gross neglect of duty committed by an employee or agent of an agency or independent contractor.”

Because the Complainant alleges that the Superintendent “took complete control of the budget after July 31, 2018” and further alleges that certain budgetary items were improperly omitted from the final budget, we conclude that the type of information disclosed meets the criteria set forth in §112.3189(3)(a).

#### **§112.3189(3)(b) Criteria – Source of Information**

Subsection (3)(b) of the statute is relatively straight forward. It requires that the source of information is a person who is an employee or former employee of the School Board. The Complainant, the source of the information disclosed, is such a person and, accordingly, the subsection (3)(b) criteria is met.

#### **§112.3189(3)(c) Criteria – Reasonable Cause to Suspect**

Pursuant to this subsection, we are called upon to make a threshold determination whether the information actually disclosed demonstrates reasonable cause to suspect that an employee or agent of the School Board has violated any federal, state, or local law, rule or regulation, thereby creating and presenting a substantial and specific danger to the public's health, safety, or welfare; or, has committed an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty.

\* We find, based upon our review of the allegations and information disclosed by the Complainant that there is no demonstration of reasonable cause to suspect any violation of any federal, state, or local law, rule or regulation, thereby creating and presenting a substantial and specific danger to the public's health safety, or welfare. We also find that there is no demonstration of reasonable cause to suspect the commission of an act of gross mismanagement, malfeasance, gross waste of public funds or gross neglect of duty. In reaching our determination, we note that the these standards set forth in subsection (3)(c) of the statute reflect a high bar for any individual disclosing whistle-blower information a there must be a substantial and specific danger to the public's health, safety and welfare. While the accuracy and content of the School Board's budget is of undoubtedly important concern we do not find there is the requisite reasonable cause of suspicion.

What is left under subsection (3)(c), for the purpose of our investigation is whether, based upon the information disclosed by the Complainant, there is the demonstration of reasonable cause to suspect a misfeasance by the Superintendent in the preparation and presentment of the

2018-2019 budget. In *Rosa v. Department of Children and Families*, 915 So.2d 210 (Fla. 1<sup>st</sup> D.C.A. 2005), the First District Court of Appeal, in reviewing identical whistle-blower language found in §112.3187(5) to that in subsection 112.3189(3)(c), construed the term “misfeasance” to include “negligent acts committed by an employee.” *Id.* In doing so, the Appellate Court also noted that “misfeasance” is defined as the “improper doing of an act which a person might lawfully do.” *Id.* Therefore, *Rosa* suggests that any improper act of the Superintendent disclosed by a whistle-blower, that is lawful, but negligently completed would satisfy the criteria of subsection (3)(c) and thus would require an additional determination or investigation. We also note the First District Court of Appeal stated in *Rosa* that the whistle-blower provisions in Chapter 112 are remedial in nature and, accordingly, should be given a “liberal construction.” *Id.*

While the Whistle-blower’s Act is given liberal construction as a remedial statute, we still conclude that there is no apparent reasonable cause to suspect that the Superintendent committed a misfeasance with respect to his handling of the 2018-19 Budget. The independent Investigative Report issued by Allen Norton & Blue found that the Superintendent was presented with the Complainant’s decision to add \$2.3 million in the tentative budget (negatively impacting the unassigned fund balance) very late in the tentative budget process and that the Complainant did not discuss the matter with the Superintendent prior to the publication of the tentative budget - despite a clear opportunity to do so. The Investigative Report found the Complainant’s actions “to be not only an exercise in poor judgment but a breach of trust”. The Complainant also authored a signed Memorandum to the Superintendent on July 31, 2018, regarding the “2018-19 Tentative Budget Update.” In the Memorandum, the Complainant affirmatively noted that, after the 2.3 Million dollar reversal ordered by the Superintendent, further changes to the budget would result in an ending fund balance meeting the 5% of revenues target.<sup>4</sup>

We also note that the Superintendent promptly and transparently communicated his concerns as to the circumstances involving the Tentative Budget to the School Board Members. On Tuesday, July 31, 2018, the Superintendent emailed the Board Members regarding the Tentative Budget and his determination to return 2.5 Million dollars to the general operating fund. In that email, the Superintendent noted that he would continue to keep the Board informed of budgetary developments leading up to the adoption of the final District Summary Budget. A Superintendent’s Workshop was held on August 28, 2018 where the Superintendent reviewed changes to the budget and Mr. Conley Weiss, the retired Director of Finance for St Johns County made a presentation as to the budget process. The School Board held a public hearing on the adoption of the 2018-19 Budget on September 6, 2018 where the fund balance issue was discussed prior to adoption of the Budget. After adoption of the Budget the Superintendent certified the same and transmitted the Budget to the Commissioner of Education. In the transmittal letter, the Superintendent noted that if there were any issues of noncompliance the district budget would be reviewed and amended accordingly.

\* Based upon our independent determination that the threshold criteria set forth in §112.3189(3) have not been met, we are, via this letter, notifying Counsel for the Complainant, as well as the Superintendent, of that determination pursuant to §112.3189(4).

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<sup>4</sup> The Complainant’s statement attached to his Complaint asserts that he was directed by the Superintendent to include the information contained in the Memorandum. However the Complainant was free to not author or sign the Memorandum and his signature attests to his accuracy of the information contained within the document.

We also note for the record the following. If we had determined that the threshold requirement of §112.3189(3) had been met, there would still have to be a determination as to whether a full investigation was not necessary. §112.3189(5)(a). That provision provides guidance, via several factors, to consider in determining whether an investigation is not necessary. These factors include:

1. The gravity of the disclosed information compared to the time and expense of an investigation.
2. The potential for an investigation to yield recommendations that will make state government more efficient and effective.
3. The benefit to state government to have a final report on the disclosed information.
4. Whether the alleged whistle-blower information primarily concerns personnel practices that may be investigated under chapter 110.
5. Whether another agency may be conducting an investigation and whether any investigation under this section could be duplicative.
6. The time that has elapsed between the alleged event and the disclosure of the information.

The statute does not limit the determination as to the factors to considered in determining the necessity of a full investigation. We note the following events occurring in the time period leading up to and shortly after our engagement on December 3, 2018.

#### **Events Occurring Shortly Before and Since the Commencement of the Investigation**

On November 15, 2018, after receiving the Investigative Report from Susan Norton at Allen Norton & Blue (submitted on November 9, 2018), the Superintendent wrote the Complainant to inform him that he was recommending his demotion and transfer from the position of Assistant Superintendent for Finance & Employee Services to the position of Transportation Coordinator. The Superintendent's recommendation was considered by the School Board at its November 20, 2018 meeting, but was postponed.<sup>5</sup> Thereafter, on November 21, 2018, the Superintendent wrote to the Complainant noting the Board's postponement of the recommendation and further informed him that the matter would be on the agenda for the Board's December 11, 2018 meeting.

On December 12, 2018, you informed me, via email and telephone conference as to certain events occurring on December 11<sup>th</sup>, prior to the Board's meeting. The Superintendent had informed you that he was changing his recommendation regarding the transfer of the Complainant to the Transportation Coordinator position and was, instead, directing the Complainant to return to work on December 13<sup>th</sup>. On the afternoon of the 12<sup>th</sup> you also received an email from the Complainant (also addressed to the School Board and others), submitting his resignation in order to accept a private sector offer of employment.

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<sup>5</sup> The Complainant's Complaint was transmitted to the School Board on that same day at approximately 11:30 am.

At the time we received this information on the 12<sup>th</sup> we were in the process of finalizing our review of the documents provided us and preparing to conduct interviews. Given the information received from you, we reached out to the Complainant's attorney to determine whether the Complainant, given his resignation, planned to maintain or withdraw his Complaint. We were not able to speak with the Complainant's counsel until December 18, 2018. At that time, the Complainant's counsel indicated that he would speak with his client regarding his position and advise us as to his intentions.

\* Unfortunately we were unable to make subsequent contact with the Complainant's attorney, despite repeated attempts via telephone and email, until Monday, January 14<sup>th</sup>, 2019. At that time we were advised, via email, that that Complainant's counsel was meeting with the Complainant that evening and as of the date and time of his email his client had not extended authority to his attorney to "drop the claim". Counsel for the Complainant further indicated he would call on the 15<sup>th</sup> of January to advise as to his client's position. The undersigned did not receive a call or other communication, despite repeated attempts to reach Complainant's counsel until the evening of January 17<sup>th</sup>, when the Complainant's Counsel advised the undersigned that he was "preparing a demand letter to the School District on behalf of my client" and that he "should have it to you next week." No mention was made of the Complainant's position as to the Complaint. The undersigned has, since the 17<sup>th</sup>, continued to attempt to make contact with the Complainant's counsel, via email and telephone, but has been unable to do so.

We suggest that a complainant has a right to withdraw his or her complaint at any time. If a complaint is withdrawn we believe that such withdrawal acts to bring the investigatory process associated with the complaint to a close. However, we also note that the withdrawal of a complaint does not, in any way, remove the protections provided by §112.3187 and School Board policy 1211 against adverse personnel action based on the disclosure. We also note that as contemplated in School Board Policy 1211, that there is no indication that the Complainant's complaint was not made in good faith and with a reasonable effort to determine the accuracy of the information contained within the Complaint. While we do not have an affirmative indication from the Complainant's Counsel that the Complainant has or desires to withdraw his Complaint, we note that, if a withdrawal occurred, we would have terminated the investigation prior to making the threshold determination pursuant to §112.3189(3).

We also note that Counsel for the Complainant has asserted he will submit a "demand" to the School Board. Of course the Complainant is absolutely entitled to assert whatever rights he may have as to the actions pertaining to his employment with the School District. However, under such circumstances, we believe a continued investigation would be potentially duplicative and prejudicial to all parties as there would likely be parallel proceedings ongoing at the same time. Again, while no formal demand has been lodged with the School Board as of the date of this letter, if such demand had been made, we would have necessarily terminated the investigation prior to making the threshold determination pursuant to §112.3189(3).

#### **Confidentiality of Complainant**

Pursuant to §112.3188(1), Florida Statutes, (1) The name or identity of any individual who discloses in good faith to the Chief Inspector General or an agency inspector general, a local

chief executive officer, or other appropriate local official information that alleges that an employee or agent of an agency or independent contractor:

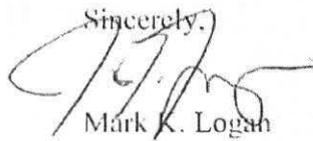
- (a) Has violated or is suspected of having violated any federal, state, or local law, rule, or regulation, thereby creating and presenting a substantial and specific danger to the public's health, safety, or welfare; or
- (b) Has committed an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty

may not be disclosed to anyone other than a member of the Chief Inspector General's, agency inspector general's, internal auditor's, local chief executive officer's, or other appropriate local official's staff without the written consent of the individual, unless the Chief Inspector General, internal auditor, agency inspector general, local chief executive officer, or other appropriate local official determines that: the disclosure of the individual's identity is necessary to prevent a substantial and specific danger to the public's health, safety, or welfare or to prevent the imminent commission of a crime; or the disclosure is unavoidable and absolutely necessary during the course of the audit, evaluation, or investigation.

We have not disclosed the name of the Complainant to any other person or party. For purposes of §112.3188 we consider our determination to be a final report and do not contemplate any further active investigatory activity.

### Conclusion

As we have determined that the information contained in the Complainant's Complaint does not demonstrate a reasonable cause to suspect that the Superintendent has violated any federal, state, or local law, rule, or regulation, thereby creating and presenting a substantial and specific danger to the public's health, safety, or welfare, or has committed an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty, we necessarily conclude our investigation.

Sincerely,  
  
Mark K. Logan  
Of Counsel  
For the Firm

Cc: Arnold S. Gaines, Esq,  
Counsel for Complainant (via email only)  
[asg@gainesnolan.com](mailto:asg@gainesnolan.com)

Dr. Mark Rendell,  
Superintendent (via email only)  
[Mark.Rendell@indianriverschools.org](mailto:Mark.Rendell@indianriverschools.org)

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## Zorc, Laura

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**From:** Rendell, Mark  
**Sent:** Tuesday, July 31, 2018 10:34 AM  
**To:** D'Agresta, Suzanne; Esplen, Nancy; Frost, Shawn; Justice, Tiffany; Maddux, Cristen; Poysell, Peggy; Rendell, Mark; Searcy, Charles; Simchick, Dale; Zorc, Laura  
**Cc:** Poysell, Peggy  
**Subject:** Tentative Budget

Dear Members of the School Board,

I have spoken with each of you over the phone over the last several days regarding the tentative budget that was presented to you at the work shop last Tuesday, July 24 and some subsequent events. This email will serve as a summary of the actions that I have taken regarding the tentative budget.

As I stated at the workshop, I was surprised to see the end of year unrestricted fund balance of the tentative budget projected to be as low as 3.5%. We had reduced our overall instructional position count (number of teachers) and successfully trimmed department budgets through the Zero-Based process. I pledged to you at the workshop that I would take action to reduce the projected expenditures and ensure that we were able to maintain a projected unrestricted fund balance of at least 5%, if not higher. I also stated at the workshop that I was confident that this was possible.

Upon receiving the tentative "budget book" on Friday, July 20, I began to review it page by page. What I discovered was that at many of our schools, 12 to be exact, there were extremely large increases in the Non-Discretionary Salary accounts. These large increases in the salary budgets at these schools were not associated with increases in teacher or other staff allocations. In other words, the budget for salaries at these schools was increased substantially without any associated increase in staffing. By my estimate, this increase in funding was between \$2 million and \$3 million dollars.

Because of what I found I met with Mr. Morrison on Friday, July 27. At that meeting I asked Mr. Morrison why the non-discretionary salary budgets at these various schools was increasing so substantially, without an increase in staff. He stated that on the afternoon of July 20, he inserted approximately \$2.3 million dollars into these various school salary accounts to "cover" a list of vacant teaching positions he had received from Mike Smeltzer, our Position Control Specialist. I asked Mr. Morrison if all of these vacancies were new positions and he stated that they were not. I reminded Mr. Morrison that we had indeed reduced the overall number of teaching positions in the district, so all of the positions should already have been accounted for in the current budget. He admitted that this was correct. My conclusion was that the transfer of \$2.3 million dollars was not necessary.

I asked Mr. Morrison who made the decision to transfer the \$2.3 million dollars into these accounts. He stated that he did it on his own. He made the transfer without my knowledge or direction. His actions brought the projected unrestricted fund balance down to 3.5%. I reached out to each Board Member immediately to share this information.

On Saturday, July 28, via email, I directed Mr. Morrison to prepare draft budget documents that reflect the following actions:

1. Return the funds (approximately \$2.3 million dollars) back to the general operating fund.
2. Prepare draft budget pages for each school affected reflecting the removal of the funds.
3. Prepare a draft summary page of the General Operating Fund that would reflect the return of the funds to the General Operating Fund.

I met with Mr. Morrison on Monday afternoon, July 30 to review the impact of these changes. The return of the funds that were inappropriately transferred on July 20 resulted in a projected fund balance of 5.7%. That is a stark contrast to the projected unassigned fund balance of 3.5%.

In my meeting with Mr. Morrison on July 30, he also revealed that he had already started reviewing individual school salary budgets and was of the belief that some of the budgeted salary accounts would indeed need to be increased to cover currently allocated positions, and had already started making those changes. I reminded him again that was not my directive at this time. Any additional changes will have to be reviewed and approved by me.

I have also identified several other line items in the budget that I will be reviewing with Mr. Morrison to ensure that we do not have any other accounts that are not budgeted appropriately.

I want to assure each of you that I will continue to inspect every aspect of the budget as we move toward a final 2018-2019 budget in September. I will also keep you informed and up to date of any changes, via phone calls, and written communication. In addition, I anticipate holding another budget workshop in August to review the final budget before we bring it to you for approval in September.

At the business meeting, tonight I will seek your approval of the tentative budget that was presented on July 24. However, as I stated then, I can assure you that the final budget that we present will have appropriately funded schools and programs and will have a projected fund balance of greater than 5%.

Please contact me if you have any questions.

**Mark J. Rendell**  
Superintendent  
School District of Indian River County  
(772) 564-3150 (office)  
(772) 204-3887 (mobile)

**Zorc, Laura**

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**From:** Rendell, Mark  
**Sent:** Friday, August 24, 2018 4:56 PM  
**To:** D'Agresta, Suzanne; Esplen, Nancy; Frost, Shawn; Justice, Tiffany; Maddux, Cristen; Poysell, Peggy; Rendell, Mark; Searcy, Charles; Simchick, Dale; Zorc, Laura  
**Cc:** Pelletier, Julianne; Baysura, Kelly; Dampier, Pamela; Davis, Brenda; Morrison, Carter; Teske, Jon; Torres-Martinez, Lillian  
**Subject:** Workshop Materials - Budget Book  
**Attachments:** Beginning Budget 18-19.pdf; Table of Contents.pdf; 18-19 Supt. Letter Tentative.doc

Hello Board Members,

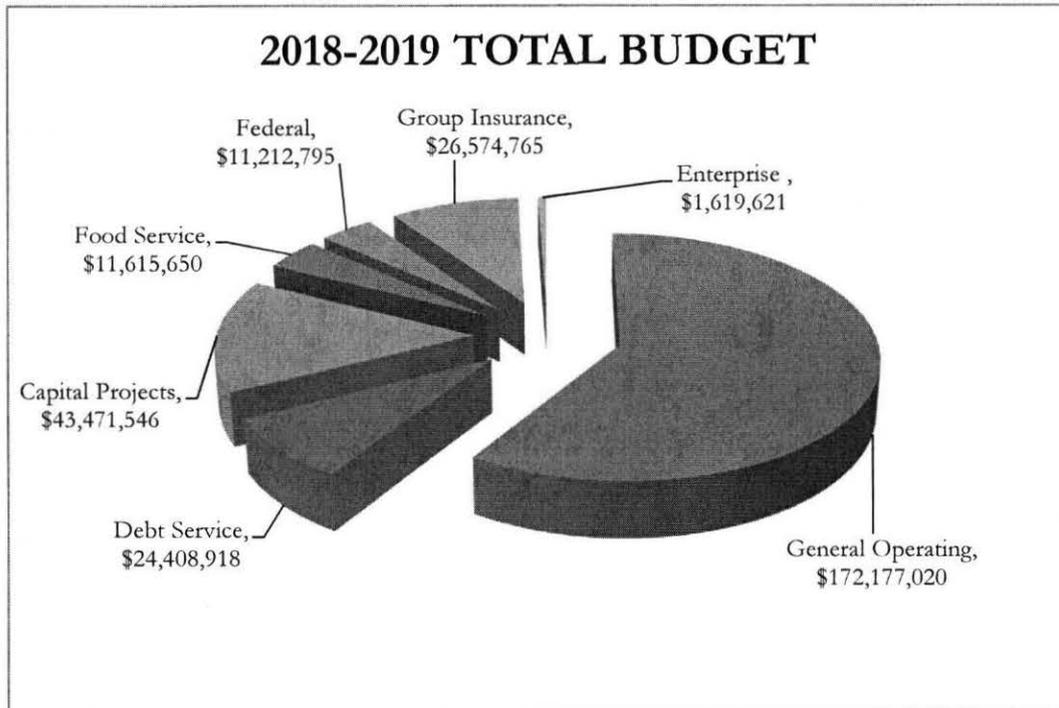
Attached to this email is a copy of the 2018-2019 Budget Book. This is the book we will be covering at the workshop on Tuesday. We still need to merge the workbook pages with the table of contents, cover letter and "who to call" pages. We will do that Monday morning and we will have hard copies of the book in your mailbox Monday afternoon.

Please let me know if you have any questions. Thank you.

***Mark J. Rendell***  
**Superintendent**  
**School District of Indian River County**  
**(772) 564-3150 (office)**  
**(772) 204-3887 (mobile)**

**THE SCHOOL DISTRICT OF INDIAN RIVER COUNTY  
BEGINNING BUDGET BOOK  
2018-19**

August 28, 2018



Fund	Description	2017-18	2018-19	Difference
100	General Operating	\$ 174,493,373	\$ 172,177,020	\$ (2,316,353)
200	Debt Service	23,757,689	24,408,918	651,229
300	Capital Projects	41,597,304	43,471,546	1,874,242
400 FS	Food Service	12,059,367	11,615,650	(443,717)
400 OTHER	Federal	10,190,618	11,212,795	1,022,177
700	Group Insurance	23,666,149	26,574,765	2,908,616
900	Enterprise	1,128,196	1,619,621	491,425
<b>TOTALS</b>		<b>\$ 286,892,696</b>	<b>\$ 291,080,316</b>	<b>\$ 4,187,620</b>

Dr. Mark J. Rendell  
Superintendent  
Vero Beach, Florida

An Equal Opportunity Employer

School District of Indian River County, Florida  
 General Operating Fund  
 Projected Fund Balances June 30, 2018 and 2019

Fund Balance - July 1, 2018 (as of June 30, 2018)		As a % of Revenue	
Nonspendable	\$ 324,168	0.23%	
Restricted	5,741,926	3.99%	
Assigned	12,589,079	8.75%	
Unassigned	-	0.00%	8.75%
Total Fund Balance- July 1, 2018	\$ 18,655,173	12.96%	12.96%
Total Fund Balance - July 1, 2018		\$ 18,655,173	
<u>2018/2019 Projected Revenues</u>			
Federal	\$ 425,000		
State	47,238,337		
Local	99,962,303		
Other Financing Sources	5,896,207		
Total 2018/2019 Projected Revenue	\$ 153,521,847		
<u>2018/2019 Projected Appropriations</u>			
School and Department Budgets	\$ 163,933,336		
Total 2018/2019 Projected Appropriations	\$ 163,933,336		
Excess / (Deficiency) of Revenue over Appropriations		\$ (10,411,488)	
Projected Ending Fund Balance - June 30, 2019		\$ 8,243,685	

Analysis of Projected Ending Fund Balance - June 30, 2019		As a % of Revenue	
Nonspendable	\$ 324,168	0.22%	
Restricted	247,311	0.17%	
Assigned	500,000	0.34%	
Unassigned	7,172,206	4.86%	5.20%
Total Fund Balance- June 30, 2019	\$ 8,243,685	5.58%	5.58%

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## Indian River Recommendations

1. During the Budget meeting you stated this was the Beginning Budget. You also stated that in January or February the District would conduct a full Budget Review. In anticipation of this review I suggest you create a **working group to review center budgets** and their financial condition. The group should review two cost centers per week. The working group should consist of staff from Human Resources, Finance, Budget, and the Purchasing Office. You may want to include Curriculum/ESE and Facilities staff in the meeting when you review the financial position of some schools. Members should have access to the needed information and be in a position to pursue/initiate corrective action. The reviews should move from cost centers with larger budgets to cost centers with smaller budgets. I would start these reviews annually as soon as your third payroll is posted. I started this process in St Johns County about 15 years ago. It has matured, and is still in use today. I have attached a copy of an agenda that could be used for these meetings.

After listening to the staff discuss and answer my questions about your budget, I believe this process will achieve four goals. 1. It will affirm the budget adequacy and improve its accuracy. 2. It will help the staff learn the nuances of each center's and each program's budget. 3. It will help prepare for the winter Budget review. 4. The staff will be better prepared to build the 2019-2020 Budget.

When possible, I suggest you attend these meetings until you have a CFO. In St Johns each team member gathered their information and shared it in advance of the meeting with the group. In the meeting the information is projected onto a screen/TV so all can see, review, and comment on the data. We were usually able to complete two review cycles per year. Meetings were scheduled for the same day, time and place each week. They normally lasted one hour or less (once you get the process down).

2. I recommend that you consider the creation of a **Budget office** with a supervisor and a clerk to build, monitor and amend your budget. Someone is doing this work now. Each of the staff would need to know/learn Focus, know or learn to use Excel at a high level, and over a short time master Federal, State and District budget coding, procedures and guidelines. The CFO should guide and oversee the budget building, monitoring and amending processes, not perform routine data entry work.

3. As I was reviewing your budget I did not have access to **work papers** to confirm how budget numbers were developed. Therefore, I struggled understanding how some of your budgets were developed. I believe each cost center should have a set of work papers detailing past budget numbers and the details behind its new budget. Center budgets should use the fund, function and object (Red Book) to describe the budgets. **Staffing models must be part of these documents.** District wide costs such as water, electricity, phone, benefits, supplies, gasoline, IDEA, Title 1, etc. should also have work papers that display history and describe how the totals were developed and allocated to the various cost centers.

4. As you approach building next year's Budget, I suggest the following steps be taken:

A. Create a **Budget building working group**. I believe the following staff should be considered for the group:

The Senior member of the Curriculum Department

The Senior member of the ESE Department

The Senior member of Human Resources Department

The Senior member of the Facilities Department

The CFO

The Budget Supervisor

The individual responsible for FTE projections and reporting (when appropriate)

The group should be chaired by the CFO.

This group's first task would be to work with you annually to consider the District's Budget goals/focus for the coming Budget. This process would start each fall and become clearer as the legislature's and your budget discussions progress. How will your Budget dollars be focused/used next year?

This group's second task would be to meet soon after FDOE releases its 2018-2019 class size report to see if school staffing formulas (class size requirements/guidelines and your tipping points) need attention in advance of the coming budget cycle. (examples attached)

Third, I would expect them to recommend to the Superintendent 2019-2020 FTE numbers in response to FDOE's December inquiry.

Forth, in late January or early February agree to send each school their projected FTE (by category) for the coming budget cycle. More than likely the group will need to negotiate the final number for a few schools.

Fifth, after schools receive and build their budgets these individuals should attend, as necessary, school and department budget reviews in late April and May. The St Johns Agenda for these meetings is attached. It will need to be amended for the nuances of Indian River. These meetings usually lasted from 30 minutes to two hours depending on the complexity of the school's academic programs. The goal being: everyone all leaves the room on the same page, with very few, if any lose ends.

Sixth, starting in early July the group should meet regularly to consider late changes in FTE and staffing. These meeting may need to run for a week or two after school starts to help get the right resources to the right place, at the right time.

B. Starting in early January (first legislative information becomes available) or sooner the Budget Supervisor and CFO should begin, complete, and share their first looks at the next year's revenue and expense estimates with the working group. This not a one and done task, the revenue and expense work papers should be updated monthly at a minimum using current data. In early to mid-March school and Department budget building documents should be populated (examples attached) and sent to schools and departments so they can review, complete and fine tune their budget with the Budget Office prior to their sit down with the working group in mid-April through late May.

Today, in St Johns, most of this process is formula driven from a school's projected FTE and conducted online. That was not the case when I arrived in St. Johns County. Their budget process was a manual that has matured over the years. Julianne has been in touch with Darrell Colee (Budget Director) in St. Johns and I would encourage her to continue to question Darrell as necessary. Darrell plans to retire next summer; his replacement will be Cathy Weber.

**C. The Budget Supervisor and CFO should use the month of May to review the budget and start building the budget book for the June TRIM and Budget cycle.** They can start this process knowing final FEFP numbers will not be known until early July. I recommend they review the validity of the following:

Each revenue line and its four year-year history

The staffing and salary cost behind each salary line and its four-year history

The staffing and benefit cost behind each benefit line and its four-year history

Each object line and its four-year history

The Revenue and expense allocation for each categorical and its four-year history

The Revenue and expense allocation for each Grant and its four-year history

Expense lines for each center and their four-year history

ETC.

5. Dr. Rendell, when I worked for Dr. Hagerty we moved from home-grown software to a relational data base, Keystone. While working in St. Johns we went from Home grown to Terms, to Oracle, then to Sunguard.

In my twenty-five years as a K-12 CFO I used 6 different software systems. Each time I changed from one system to another I made the change on July 1. Each time I was associated with a conversion there were set up, training and data issues discovered at and after the conversion. It is hard work. I thought it was easier to match W-4's and 1099's data than merge operating and annual report data from two systems. Changing in July also gave us six months to learn the system, and to clear data and operating issues before we started building the next year's budget. I believe you are considering converting to Focus on January 1. My experience tells me, that if you convert on January 1, you will be learning the new system, finding and clearing data and operational issues, and building the budget all at the same time. If you convert on January 1, I would encourage the CFO and budget staff to learn as much as possible, and test as much as possible in the next few months and to start the next budget building process as early as possible in 2020.

6. The Comparative information I routinely used in the budget building process may have been present but I could not find it in the budget building information I had access to. The IT staff and Julianne built some tables for me. I am just used to having access to a far more robust and responsive data retrieval system. This is probably the result of Terms being used, rather than a relational data base such as Focus.

Once you convert to Focus, the **use of queries for real time data retrieval** should become routine for the CFO and Finance staff as they build your budget and monitor its condition. I believe Focus will retain routine queries for repetitive real time use by the appropriate finance and center staff. I used queries on a daily (hourly) basis when I was working. I would ask Focus to build, with your staff's input, a series of queries that can be used daily. Last, I would make sure the IT and Finance staffs have the skill to build queries on an as needed basis.

**7. Also, I noted that the cost center budgets were organized with words and a format that I was not familiar with (project#, all salary lines combined etc.).** When I looked in Terms I could see that TERMS was using FDOE accounting codes (Red Book), but at some point, the center budget data was collapsed into subjects and project numbers.

When you convert to Focus I encourage the District to continue using the FDOE account coding system (Red Book) in the budget building and reporting process. At the back of the Final Budget Book, page 98, financial information is presented on a one-page summary with Red Book codes and language. I think your presentation of center budgets and their staffing detail is an excellent part of your budget book. But I would convert Center data to the Red book format and language of fund, function and object. I would also add, prior to the center budget information, some summary information (page 98) using graphs and charts showing the major sources of revenue and how your resources are focused. By focusing on center budget, you are missing the big picture. Before you present center budgets, I would summarize your revenue and expense information in a series of very visual graphs and charts. We receive most of our revenue from these sources and we spend most of our money on instruction, salaries and benefits (page 98).

Again, I would change the center budgets to the Red Book format of:

Fund

Function

Object

8. **When you turn on Focus I suggest you make full use of it's work flow capability** (payroll, appointments, purchase orders, accounts payable) to perform routine functions and to perform budget amendments and Journal entries. In regard to budget amendments and journal entries I suggest the CFO can be part of the work flow, but not the initiator or the poster in either case.

The work flow can sequence and accommodate more than one approver. I suggest values above X (a value the CFO, you, and your auditors should approve) will always include the CFO as an approver.

Example: Budget Amendments

Initiator/developer

Approver

Approver # 2?

Poster

Example: Journal Entries

Initiator/developer

Approver

Approver #2?

Poster

Dr. Rendell, this may seem to be a lot of work for the budget building process but over the years it will mature and become more precise in allocating resources and producing the desired academic and financial outcomes. As I write these recommendations many details and nuances come to mind. I could probably turn this into a 20-page document, but I recommend you get Focus turned on, then implement the other recommendation as time permits. I believe you should start the weekly budget center meetings as soon as possible, the school budget meetings this fall, and require that next year's budget be built by May 31.

If I can be of further assistance, please let me know.

Conley Weiss

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CONFIDENTIAL



ALLEN NORTON & BLUE  
PROFESSIONAL ASSOCIATION

121 Majorca Avenue, Suite 300 • Coral Gables, Florida 33134  
Telephone 305-445-7801 • Facsimile 305-442-1578

November 9, 2018

Dr. Mark J. Rendell, Ed.D.  
School District of Indian River County  
6500 57<sup>th</sup> Street  
Vero Beach, Florida 32967

Re: Mr. Carter Morrison

Dear Dr. Rendell:

Pursuant to your request, attached please find my Investigative Report with attachments on Mr. Carter Morrison.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Susan Potter Norton".

Susan Potter Norton

Enclosures



ALLEN NORTON & BLUE  
PROFESSIONAL ASSOCIATION

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Telephone 305-445-7801 • Facsimile 305-442-1578

INVESTIGATIVE REPORT

By: Susan Potter Norton  
Date: November 9, 2018  
Re: Carter Morrison

The School Board of Indian River County Bylaws and Policies, 6210 Fiscal Planning requires that the School Board maintain an ending fund balance of 5% of revenues in the General Fund (Unassigned Fund) and that this amount not be restricted, committed, or non-spendable. On July 24, 2018, Mr. Morrison presented a 2018-2019 Tentative Budget (which had been published on July 20<sup>th</sup>) that reflected a projected Unassigned Fund Balance of \$5,183,078.00 or 3.5% of revenues as of June 30, 2019.

Pursuant to the School Board's request, I conducted a fact-finding investigation into the motivations behind Mr. Carter Morrison's, the Assistant Superintendent for Finance and Employee Services, decision to submit a budget that contained a balance of less than 5% of revenues in the General Fund. As part of the investigation, I was tasked with determining whether Mr. Morrison's proposed Tentative Budget was intended to undermine the Superintendent, Dr. Mark Rendell. Mr. Morrison's intent had been questioned because: (1) the Tentative Budget of July 24<sup>th</sup> unexpectedly showed a decrease in the Unassigned Fund Balance from over 5% to 3.5%; (2) the budget for Non-Discretionary Salaries for 12 schools showed extremely large increases, which were not associated with an increase in instructional or other staff; and (3) Mr. Morrison did not advise the Superintendent that he was encountering the above issues.

My investigation focused on the chain of events and Mr. Morrison's intent. I do not have the expertise to address and I have not attempted to address the various processes required in preparing the budget.

As part of my investigation I interviewed:

- Dr. Rendell, Superintendent;
- Julianne Pelletier, Director of Finance;

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SPDN-868764429-2505903

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<http://www.anblaw.com> • <http://twitter.com/anblaw>

- Lynn Justen, Mr. Morrison's Administrative Assistant;
- Mike Smeltzer, Position Control Specialist and Personnel Systems Manager;
- Jim Hamilton, consultant with the Florida Association of District School Superintendent;
- Conley Weiss, retired CFO of St. Johns School District;
- J Gaines, CPA with Berger, Tooms, Elam, Gaines & Frank; and
- Carter Morrison, Assistant Superintendent for Finance and Employee Services.

I also reviewed Budget Hearings of July 24<sup>th</sup> and August 28<sup>th</sup> on YouTube; and numerous documents in addition to those attached hereto; including the Budget of July 31, 2017; the Tentative Budget dated July 31, 2018, and August 28, 2018 and the Final Budget dated September 6, 2018; the School Board of Indian River County Bylaws and Policies, 6210 Fiscal Planning; emails between Dr. Rendell and Mr. Morrison; emails in July 2018 between Mr. Morrison and Mr. Smeltzer; emails for July 2016 and July 2017 between Ms. Susan Titus and Mr. Smeltzer; documents responsive to Mr. Morrison's Public Records Request; written materials provided by Mr. Morrison; a copy of the July 31<sup>st</sup> Tentative Budget with his notes; the Florida Education Finance Program First Calculation March 8, 2018; and the Second Calculation July 17, 2018; Dr. Rendell's notes regarding the large variance in salaries.

#### Summary of Findings of Fact

For the reasons set forth below, it is my opinion that Mr. Morrison in no way intended to undermine the Superintendent by submitting the Tentative Budget with only 3.5% of revenues remaining in Unassigned Funds. I have also concluded that the dramatic increase in the Non-Discretionary Salaries from the previous budget year was caused by an error in the formula applied to deduct the salaries for substitute teachers from the Non-Discretionary Salaries. However, it is also clear that Mr. Morrison exercised very poor judgment in not immediately discussing the increase in the Budget by 2.3 million dollars with the Superintendent and instead, unilaterally made the upward adjustment in the Budget, which in turn reduced the percentage of the Unassigned Fund.

#### Findings of Fact

##### Personnel Change

It should be noted there were changes in Personnel in the Finance Department, which may have affected the dissemination of information necessary for Mr. Morrison to prepare the Tentative Budget.

Susan Titus, the Budget Analyst, who in past years had worked directly with Mr. Smeltzer in compiling necessary information to project the number of positions to be filled in the budget year, retired last year. Although this was a factor that could have affected the preparation of the Tentative Budget, it is my understanding she had announced her

intent to retire a year or more in advance. Assuming that to be correct, it is unclear why she was not replaced until April 2018. Additionally, two (2) experienced clerks in finance also left.

Julianne Pelletier was appointed as the Director of Finance in April 2018 and, although qualified, she had not worked in Florida's public-school system previously.

#### Preparation of Tentative Budget

A key component of the Budget is the amount of the Non-Discretionary Salaries, the largest component of which is instructional personnel. The number of instructional positions depends in large part on the number of FTE, or students. The Office of Funding and Financial Reporting prepares and distributes the Florida Education Finance Program, which projects the number of students that will enroll in each school district. The Second Calculation was not issued until July 17, 2018; however, the First Calculation was issued on March 8, 2018. For the 2018-2019 school year, the Program projected a ½% decrease overall in students for the Indian River County School Board.

In order to determine the amount to budget for the instructional positions, it is necessary to determine the number of current instructional staff, which is reflected in the Commitment Report. That report, however, shows only the number of individuals on the payroll. It is also necessary to determine the number of instructional personnel to be allocated to each school and the number currently allocated to determine if schools are over or under staffed. Apparently, the information for the Commitment Report cannot be completed until after June 30<sup>th</sup>. Mr. Smeltzer, Human Resources Position Control Specialist, then processes the transfer of personnel between the appropriate schools and/or departments. On Saturday, July 14<sup>th</sup>, Mr. Smeltzer advised Mr. Morrison that he had finished this process. Mr. Morrison was then able to run a report in TERMS which reflects the salary and benefits of each employee.

During the week of July 16<sup>th</sup> Mr. Smeltzer and Mr. Morrison reviewed the allocations for each school and discovered that the allocations had not been updated and some of the allocations were wrong. It is not clear why the allocations had not been updated nor why tentative allocations were not made when the First Calculation was issued on March 8, 2018 thereby leaving only changes to mid-July. Mr. Morrison noticed the errors in allocations and started making corrections. An example of the changes is seen on pages 21, 23, and 24 of his copy of the Tentative Budget. Attachment 1. Mr. Morrison asked Mr. Smeltzer to correct all the allocations. Only after the allocations were "corrected" was it possible to determine the number of positions at any school which were "vacant" and the number of "vacant" positions that could be filled by transfers from schools where there was an over allocation. Then, only after transfers were determined could the number of new hires be calculated. I understand that allocations are still incorrect and that positions may be budgeted to one institution, while the employee ID number may show the position working at a different location and the payroll reflects yet a third location for the same position. The location reflected in the payroll is apparently correct.

The positions that could be transferred to satisfy the allocations necessary at other schools would already be reflected in the total number of positions on the Committed Report, even though they would not be allocated to the proper school. Thus, for these positions there is no increase in the amount to be budgeted for salaries.

On July 20th at around 4:30 p.m. Mr. Smeltzer provided Mr. Morrison with a list of positions that were "uncommitted" and listed as positions that would have to be filled by hiring. Additional monies must be budgeted for salaries for positions that are to be filled by hiring. According to the list, there were 65.4 vacancies for a total of 4.1 million dollars that need to be added to the budget. The list Mr. Smeltzer provided is attached and is labeled Attachment A. Attachment 2. Mr. Morrison stated he was completely shocked by the number. Mr. Morrison's reaction was confirmed by a colleague who indicated that Mr. Morrison's reaction was such that they were concerned, asked if he was okay and offered to get him a bottle of water. Although Mr. Smeltzer stated in his Synopsis of the Meeting on July 27<sup>th</sup> that he explained that, a number of the vacancies "were currently at another school and budget at that school would transfer to that vacancy," I fail to see any notation of that in the list identified as "Attachment A" provided to Mr. Morrison. Attachment 3. Thus, there was a clear miscommunication as to the number of vacancies that required hiring and salaries in the budget. As a result, I find it reasonable to believe that Mr. Morrison thought Mr. Smeltzer had corrected the allocations and, therefore, when the list said "Add Budget for" it meant add additional salary. Based upon interviews, I also find that given the information at the "eleventh hour" and the pending deadline, Mr. Morrison made a reasonable estimation in reaching his decision to add 2.3 million dollars in new salaries instead of the 4.1 million.

#### Basis for Large Variance in Salaries

To further increase transparency in the Budget, the decision was made to separate from Non-Discretionary Salaries the amount budgeted for Substitute Teachers. When the data entry clerks subtracted the allocation for substitute teachers, the same amount was incorrectly applied across all years. For example, if the salaries were in cell A-1 and the amount for the substitutes in A-2, then A-2 was subtracted from A-1. Then, instead of subtracting B-2 from B-1, B-2 was subtracted from A-1, C2 was also subtracted from A-1, etc. Also, the clerks did not consistently go left to right, but at times went right to left, starting with "D," for example, instead of "A". As a result of this error, the amount of a salary reported as being incurred in previous years was less than the amount actually expended. Hence, the large variance in twelve (12) schools between the amount expended for salaries in 2017 – 2018 and the amount budgeted for the 2018 – 2019 school year. Again, it is unclear why this adjustment was not made earlier, at least for the previous years, in sufficient time to allow a review to check for accuracy.

#### Failure to Communicate

In both, the written materials Mr. Morrison provided the undersigned and in his memorandum of July 31, 2018, Mr. Morrison acknowledges that he "made the call to enter \$2.3 million into the system to account for the vacancies as I recognized there would be

some level of vacancies to cover but certainly not 65.4 vacancies at a cost of \$4.1 million." See Attachment 4 and 5. (Page 3 of Morrison's Written Statement. Furthermore, it is clear from Mr. Morrison's Written Statement that Dr. Rendell not only emailed him but came to Mr. Morrison's office after Mr. Smeltzer gave him the list showing the 65.4 positions to be added to the Budget. Mr. Morrison's timeline indicates that he received the list from Mr. Smeltzer at 4:30 p.m. on Friday, July 20<sup>th</sup>, and received an email from Dr. Rendell at 5:00 p.m. inquiring if the materials were ready. The timeline also shows that not only did Dr. Rendell visit Mr. Morrison's office, at 5:00 p.m. but that when he did, they met face to face and spoke briefly. The Tentative Budget Book was published on Friday July 20<sup>th</sup>, again according to Mr. Morrison's timeline at or about 5:30 p.m. – 6:00 p.m. Thus, despite having the opportunity to do so, Mr. Morrison did not discuss the 2.3 million dollar increase in the budget for salaries or its negative impact on the Unassigned Fund with Dr. Rendell prior to publishing the Tentative Budget.

Additionally, Mr. Morrison did not alert Dr. Rendell to the decrease in the Unassigned Fund as the Budget Book was being published. Instead, Dr. Rendell only learned of the salary increase and dramatic decline in the percentage of the Unassigned Fund when he went through the booklet after it had been published. Attachment 6.

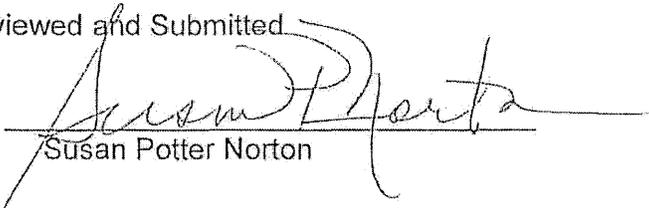
An Unassigned Fund Balance of 3.5% is a major concern not only because it is clearly below the 5% required by the Indian River County School Board's Bylaws. If it drops below 3% the Superintendent must notify the Department of Education (DOE) in writing and the DOE monitors the school district. If the percentage of Unassigned Fund drops below 2% the Superintendent must notify the DOE and if the School Board does not have a feasible recovery plan, the DOE will appoint a financial emergency board to manage and control the district's finances. See Fla. Stat.1011.051 (1) and (2).

#### Conclusion

Although I find that Mr. Morrison in no way intended to undermine Dr. Rendell, I do find his failure to immediately advise his Supervisor, the Superintendent that based on the last minute submission by Mr. Smeltzer, the School Board was potentially facing 4.1 million dollar increase in salary, and to discuss with him his proposal to reduce it to 2.3 million dollars, to be not only an exercise of very poor judgment but a breach of trust.

Reviewed and Submitted

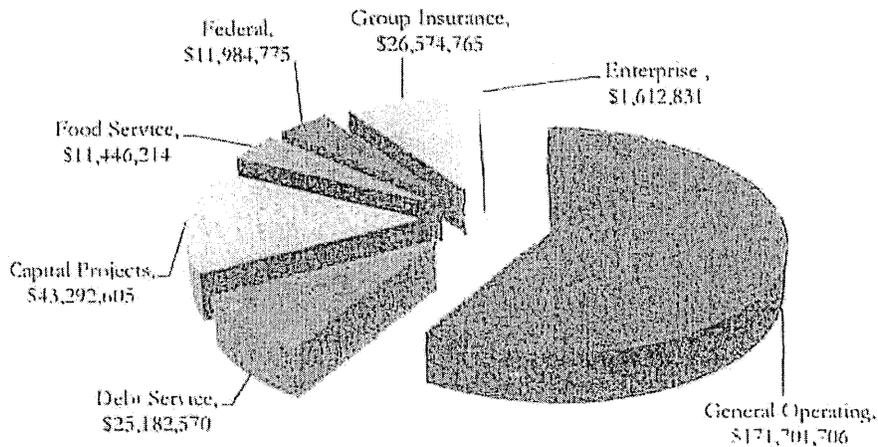
By:

  
Susan Potter Norton

THE SCHOOL DISTRICT OF INDIAN RIVER COUNTY  
TENTATIVE BUDGET BOOK  
2018-19

July 31, 2018

2018-2019 TOTAL BUDGET



Fund	Description	2017-18	2018-19	Difference
100	General Operating	\$ 174,493,373	\$ 171,701,706	\$ (2,791,667)
200	Debt Service	23,757,689	25,182,570	1,424,881
300	Capital Projects	41,597,304	43,292,605	1,695,301
400 FS	Food Service	12,059,367	11,446,214	(613,153)
400 OTHER	Federal	10,190,618	11,984,775	1,794,157
700	Group Insurance	23,666,149	26,574,765	2,908,616
900	Enterprise	1,128,196	1,612,831	484,635
<b>TOTALS</b>		<b>\$ 286,892,696</b>	<b>\$ 291,795,466</b>	<b>\$ 4,902,770</b>

Dr. Mark J. Rendell  
Superintendent  
Vero Beach, Florida

An Equal Opportunity Employer

Attachment 1

Edi Torres  
Allison  
9/14/2018

School District of Indian River County  
General Operating Budget  
Faculty 0031

Staffing Summary (Full Time Equivalent)

Position Description	2014-14 Allocation	2014-15 Allocation	2015-16 Allocation	2016-17 Allocation	2017-18 Allocation	2018-19 Allocation	Variance
ADMIN ASSISTANT PRINCIPAL	1.00	1.00	1.00	1.00	1.00	1.00	0.00
ASST PRINCIPAL	2.00	2.00	2.00	2.00	2.00	2.00	0.00
ASST PRINCIPAL SENIOR HIGH	1.00	1.00	1.00	1.00	1.00	1.00	0.00
ATHLETIC DIRECTOR	1.00	1.00	1.00	1.00	1.00	1.00	0.00
ATHLETIC TRAINER	1.00	1.00	1.00	1.00	1.00	1.00	0.00
AUXILIARY MEDIA TECH	1.00	1.00	1.00	1.00	1.00	1.00	0.00
AUXILIARY MEDIA TECH II	1.00	1.00	1.00	1.00	1.00	1.00	0.00
BUS DRIVER PERSONNEL HIGH SCHOOL	1.00	1.00	1.00	1.00	1.00	1.00	0.00
COUNSELOR REGULAR	15.00	15.00	15.00	15.00	15.00	15.00	0.00
EDUCATION TECHNOLOGY SPEC	1.00	1.00	1.00	2.00	0.00	0.00	0.00
ESSENTIAL CARE MGR	1.00	1.00	1.00	1.00	1.00	1.00	0.00
EXTENSION ASSISTANT 6.21	7.00	7.00	7.00	7.00	7.00	7.00	0.00
EXTENSION COORDINATOR	1.00	1.00	1.00	1.00	1.00	1.00	0.00
GRADE AID/COWIT	0.00	0.00	0.00	1.00	1.00	1.00	0.00
GROUNDSMAN	1.00	1.00	1.00	1.00	1.00	1.00	0.00
GUARDIAN SENIOR HIGH	0.00	7.00	8.00	8.00	8.00	8.00	0.00
HEAD COUNSELOR	1.00	1.00	1.00	1.00	1.00	1.00	0.00
HEAD COUNSELOR II	0.00	2.00	2.00	2.00	2.00	2.00	0.00
HEALTH ASSISTANT 2	0.00	2.00	2.00	2.00	2.00	2.00	0.00
LIBRARIAN MEDIA SPECIAL SENIOR HIGH	0.00	2.00	2.00	2.00	2.00	2.00	0.00
MEDIA CENTER ASSISTANT SENIOR	0.00	2.00	2.00	2.00	2.00	2.00	0.00
OCUPATIONAL SPECIALIST	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PLANT OPERATOR	0.00	7.00	7.00	7.00	7.00	7.00	0.00
PRINCIPAL HIGH SCHOOL	0.00	1.00	1.00	1.00	1.00	1.00	0.00
RECORDS SPECIALIST HIGH SCHOOL	1.00	1.00	1.00	1.00	1.00	1.00	0.00
ROBOT INSTRUCTOR	2.00	2.00	2.00	2.00	2.00	2.00	0.00
SECURITY MONITOR	0.00	2.00	2.00	2.00	2.00	2.00	0.00
SENIOR COMPUTER ASSISTANT	0.00	7.00	7.00	7.00	7.00	7.00	0.00
SECRETARY DEPARTMENT	0.00	2.00	2.00	2.00	2.00	2.00	0.00
SECRETARY I	2.00	7.00	7.00	7.00	7.00	7.00	0.00
SENIOR SECRETARY I	1.00	8.00	8.00	8.00	8.00	8.00	0.00
WELDING OPERATOR REGISTRATION	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER MEDIA SENIOR HIGH	0.00	7.00	7.00	7.00	7.00	7.00	0.00
TEACHER ASSISTANT ESSENTIAL	2.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER ASSISTANT ESSENTIAL	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER BUSINESS EDUCATION	0.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER DRAMA SENIOR HIGH	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER FOREIGN LANGUAGE SPANISH	0.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER GOLF	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER NON PROFESSIONAL CLERICAL	11.00	11.00	11.00	11.00	11.00	11.00	0.00
TEACHER NON PROFESSIONAL EDUCATION	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER NON PROFESSIONAL EDUCATION	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER PHYSICAL EDUCATION	4.00	4.00	4.00	4.00	4.00	4.00	0.00
TEACHER SPECIAL EDUCATION	2.00	2.00	2.00	2.00	2.00	2.00	0.00
TEACHER SPECIAL SERVICES	2.00	7.00	7.00	7.00	7.00	7.00	0.00
TEACHER VISUAL ARTS SENIOR HIGH	18.00	18.00	18.00	18.00	18.00	18.00	0.00
TEACHER MATH SENIOR HIGH	20.00	20.00	20.00	20.00	20.00	20.00	0.00
TEACHER SOCIAL SCIENCE SENIOR HIGH	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER PHYSICAL EDUCATION SENIOR	0.00	8.00	8.00	8.00	8.00	8.00	0.00
TEACHER PHYSICAL EDUCATION SENIOR	0.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER SENIOR SENIOR HIGH	17.00	17.00	17.00	17.00	17.00	17.00	0.00
TEACHER SOCIAL STUDIES SENIOR HIGH	17.00	17.00	17.00	17.00	17.00	17.00	0.00
TEACHER TECHNOLOGY EDUCATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TEACHER VAP PROGRAM	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER VOCATIONAL REHABILITATION	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER WORKSHEET MATH	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER WORKSHEET MATH SENIOR	0.00	1.00	1.00	1.00	1.00	1.00	0.00
TOTAL	214.00	214.00	214.00	214.00	214.00	214.00	0.00

0.00  
vacancies

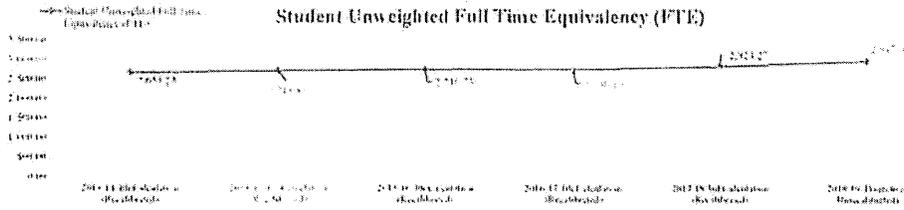
0.00

changes  
vacancies  
Total of vacancies planned  
(e.g. Bureau of Federal)



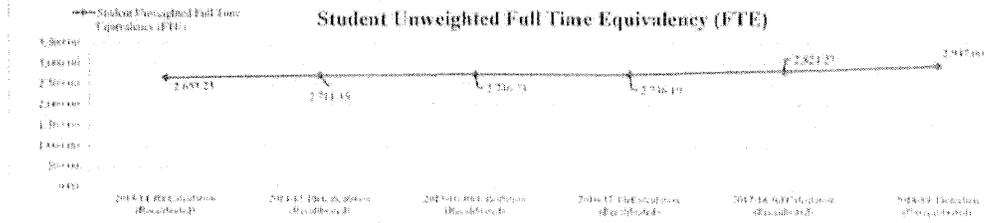
School District of Indian River County  
General Operating Budget  
Facility 0031

FTE History and Projection	2014-15 FTE Calculation (Recalculated)	2015-16 FTE Calculation (Recalculated)	2016-17 FTE Calculation (Recalculated)	2017-18 FTE Calculation (Recalculated)	2018-19 Projection (Recalculated)
Student Unweighted Full Time Equivalent FTE	2,531.27	2,531.27	2,531.27	2,531.27	2,531.27

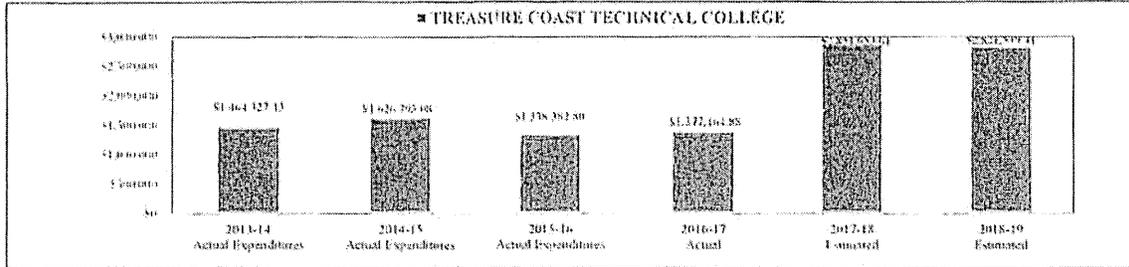


School District of Indian River County  
General Operating Budget  
Facility 0031

FTE History and Projection	2014-15 Calculation (Recalibrated)	2015-16 Calculation (Recalibrated)	2016-17 Calculation (Recalibrated)	2017-18 Calculation (Recalibrated)	2018-19 Projection (Recalibrated)	2019-20 Projection (Recalibrated)
Student Unweighted Full Time Equivalency (FTE)	2,657.23	2,711.35	2,716.73	2,716.19	2,821.27	2,917.16



School District of Indian River County  
General Operating Budget  
Facility 0032



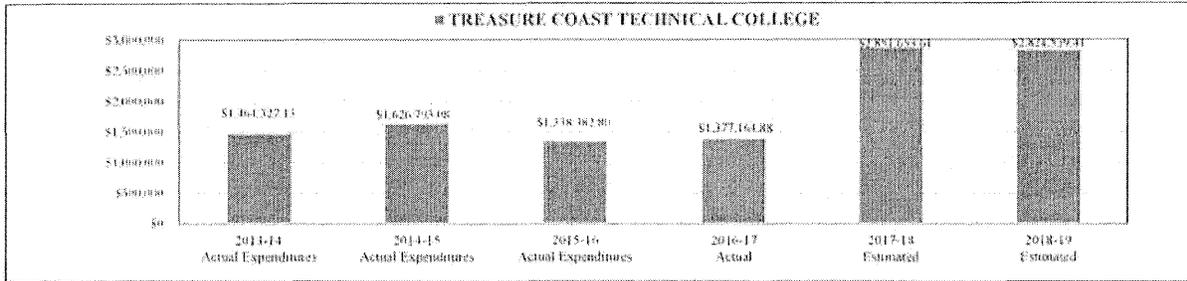
TREASURE COAST TECHNICAL COLLEGE								
Project#	Description	2013-14 Actual Expenditures	2014-15 Actual Expenditures	2015-16 Actual Expenditures	2016-17 Actual Expenditures	2017-18 Estimated Expenditures	2018-19 Estimated Budget	Variance
74	STUDENT HEALTH SERVICES	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
967	CREDIT MILEAGE ACCOUNTS	5,000.00	5,000.00	5,000.00	5,000.00	219,662.19	\$0.00	\$61,111.22
969	CREDIT MILEAGE ACCOUNTS	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	\$0.00	\$0.00
993	INSURANCE - RENTALS	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
610	EDUCATION SERVICES	984,834.72	1,473,483.57	887,450.00	888,400.00	5,751,265.47	\$25,345.54	\$1,190,019.88
612	EDUCATION SUPPLIES	8,416.11	5,000.00	5,000.00	8,872.50	5,000.00	5,000.00	5,000.00
613	EDUCATION SUPPLIES	6,296.15	1,901.95	2,140.61	8,977.11	24,126.21	\$4,730.48	\$0.00
614	EDUCATION SECURITY FUND	2,577.97	3,431.10	2,756.06	2,320.82	5,000.00	5,000.00	20,000.00
615	EDUCATION SECURITY FUND	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
616	EDUCATION WEIGHING PROGRAM	58,246.00	57,263.11	88,201.91	161,291.29	5,000.00	5,000.00	5,000.00
620	EDUCATION SUPPLIES	9,701.11	6,600.02	7,302.93	29,000.00	5,177.60	\$11,366.51	\$7,368.91
621	EDUCATION CLERICAL SAL	86,839.63	6,741.06	2,145.10	263,926.31	8,638.33	\$120,959.49	\$12,099.96
623	EDUCATION MEDICAL ASST	60,578.91	66,967.31	276,165.08	68,713.79	22,868.11	\$74,485.54	\$5,347.87
624	EDUCATION MEDICAL COORD	5,000.00	10,968.31	2,331.13	56,311.11	10,000.00	\$28,415.00	\$1,233.84
626	EDUCATION PHOTOGRAPHY	6,577.34	10,200.17	2,301.60	2,153.87	59,120.00	\$9,083.72	\$36.97
627	EDUCATION PHARMACY TECH	3,236.99	8,882.02	23,800.80	302,517.90	10,738.52	\$16,268.80	\$19,589.18
628	EDUCATION CLERICAL NURSE	172,712.67	171,803.46	2,203,333.41	2,211,000.46	2,221,115.75	\$225,345.45	\$0.00
965	RENTAL EQUIPMENT	5,000.00	22,127.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
968	RENTAL EQUIPMENT	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
TOTALS		\$1,064,327.13	\$1,626,793.06	\$1,378,382.80	\$1,372,464.88	\$2,252,345.41	\$2,252,345.41	-\$9,111.20

Staffing Summary (Full Time Equivalent)

Position Description	2013-14 Allocation	2014-15 Allocation	2015-16 Allocation	2016-17 Allocation	2017-18 Allocation	2018-19 Allocation	Variance
EDUCATION COORDINATOR	1.00	1.00	1.00	1.00	1.00	1.00	0.00
ASSISTANT PRINCIPAL	0.00	0.00	0.00	0.00	1.00	1.00	0.00
BOOKS & RECORDS SUPERVISOR	1.00	1.00	1.00	1.00	1.00	1.00	0.00
CAREER & TECHNICAL ADVISOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COMMUNITY AND COMMUNITY	0.85	0.85	0.85	0.85	0.85	0.85	0.00
EDUCATION PROGRAM	1.00	1.00	1.00	1.00	1.00	1.00	0.00
EDUCATION TECHNOLOGY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HEAD CUSTODIAN	1.00	1.00	1.00	1.00	1.00	1.00	0.00
RECREATION	1.00	1.00	1.00	1.00	1.00	1.00	0.00
PRINCIPAL ASSISTANT EDUCATION	0.00	0.00	1.00	1.00	1.00	1.00	0.00
RECORDS SPECIALIST	1.00	1.00	1.00	1.00	1.00	1.00	0.00
SECRETARY	1.00	1.00	1.00	1.00	1.00	1.00	0.00
SECRETARY ASSISTANT	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TECHNICAL EDUCATION	3.00	3.00	3.00	3.00	3.00	3.00	0.00
TECHNICAL EDUCATION	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TOTAL STAFFING FULL TIME	15.75	17.75	17.90	17.90	17.90	17.90	0.00

*Handwritten notes:*  
 1.0000 -> 1.0000 -> 1.0000 -> 1.0000  
 1.0000 -> 1.0000 -> 1.0000 -> 1.0000  
 1.0000 -> 1.0000 -> 1.0000 -> 1.0000

School District of Indian River County  
General Operating Budget  
Facility 0032



TREASURE COAST TECHNICAL COLLEGE								
Project#	Description	2013-14 Actual Expenditures	2014-15 Actual Expenditures	2015-16 Actual Expenditures	2016-17 Actual Expenditures	2017-18 Estimated Expenditures	2018-19 Estimated Budget	Variance
24	FLORIDA TEACHER LEADERSHIP	\$209.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
307	CERTICAL MILLAGE - NOV. 07/50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$319,607.19	\$991,393.91
309	CERTICAL MILLAGE - NOV. 07/50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$601,013.81	\$601,013.81
303	ENERGY SAVING'S REBATE	\$14.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
610	ADULT EDUCATION GENERAL	984,014.72	1,178,352.57	587,150.19	589,416.01	\$2,341,465.42	\$752,515.41	(\$1,179,119.68)
612	ADULT EDUCATION-CULINARY	8,116.44	\$0.00	\$0.00	\$15,727.20	\$0.00	\$0.00	\$0.00
613	ADULT EDUCATION-COL	6,296.43	4,591.06	\$1,110.61	\$1,297.74	\$43,288.24	\$4,730.48	\$40,221.21
614	ADULT EDUCATION SECURITY GUARD	3,587.92	3,114.10	\$2,256.06	\$1,320.82	\$0.00	\$0.00	\$0.00
615	ADULT EDUCATION SECURITY GUARD	\$0.00	\$972.10	\$1,615.05	\$0.00	\$0.00	\$0.00	\$0.00
616	ADULT EDUCATION WELDING PROGRAM	\$51,816.04	\$7,363.47	\$8,833.91	\$161.25	\$0.00	\$0.00	\$0.00
620	ADULT EDUCATION MEDICAL	9,191.41	6,693.07	\$7,107.95	\$9,090.69	\$6,177.00	\$13,166.57	\$7,288.92
621	ADULT EDUCATION CERT NURSE ASST	6,839.63	8,733.06	\$3,435.10	\$65,986.31	\$16,358.53	\$170,939.19	\$124,109.96
623	ADULT EDUCATION MEDICAL ASST	69,378.91	69,967.21	\$70,165.06	\$69,753.70	\$72,168.07	\$77,185.51	\$6,317.67
625	ADULT EDUCATION MEDICAL CODING	7,816.03	10,368.54	\$7,854.13	\$6,511.11	\$10,890.19	\$9,415.00	\$18,511.81
626	ADULT EDUCATION PHLEBOTOMY	6,577.51	10,205.47	\$7,391.60	\$7,454.87	\$9,120.69	\$9,083.72	\$36.97
627	ADULT EDUCATION PHARMACY TECH	77,836.39	57,882.02	\$50,693.80	\$6,271.98	\$16,758.52	\$36,298.06	\$19,339.48
628	ADULT EDUCATION LIC. PRAC. NURSE	172,712.62	171,803.46	\$205,533.11	\$514,490.46	\$229,713.75	\$255,345.35	\$6,316.60
905	BANDWIDTH GRANT	\$0.00	\$2,427.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
918	BEST & BRIGHTEST COLLEGE SCHOLAR	\$0.00	\$0.00	\$16,512.54	\$6,277.01	\$10,000.01	\$0.00	\$10,289.54
TOTALS		\$1,061,327.13	\$1,626,793.08	\$1,338,382.80	\$1,277,164.88	\$2,881,653.61	\$2,821,539.41	(\$91,114.20)

10 & 11  
poured  
Pell

Staffing Summary (Full Time Equivalent)

Position Description	2013-14 Allocation	2014-15 Allocation	2015-16 Allocation	2016-17 Allocation	2017-18 Allocation	2018-19 Allocation	Variance
ADULT EDUCATION COORDINATOR	1.00	1.00	1.00	1.00	1.00	1.00	0.00
ASSISTANT PRINCIPAL	0.00	0.00	0.00	0.00	1.00	1.00	0.00
BOOKKEEPER SENIOR HIGH SCHOOL	1.00	1.00	1.00	1.00	1.00	1.00	0.00
CAREER & TECHNICAL EDUCATION ADVISOR	0.00	0.00	0.00	0.00	0.00	1.00	1.00
COORD. ADULT AND COMMUNITY ED.	0.85	0.85	0.00	0.00	0.00	0.00	0.00
DIRECTOR OF EPS PROGRAM	1.00	1.00	1.00	1.00	1.00	1.00	0.00
EDUCATION TECHNOLOGY SPECIALIST	0.90	0.90	0.90	0.90	0.90	0.90	0.00
HEAD CUSTODIAN	1.00	1.00	1.00	1.00	1.00	1.00	0.00
MULTIMEDIA SPECIALIST	1.00	1.00	1.00	1.00	1.00	1.00	0.00
PRINCIPAL ADULT CARE EDUCATION	0.00	0.00	1.00	1.00	1.00	1.00	0.00
RECORDS SPECIALIST	1.00	1.00	1.00	1.00	1.00	1.00	0.00
SECRETARY I	1.00	1.00	1.00	1.00	1.00	1.00	0.00
SECRETARY II - 12 MONTH	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TEACHER ADULT EDUCATION	5.00	5.00	5.00	5.00	5.00	5.00	0.00
TEACHER ADULT EDUCATION	1.00	1.00	1.00	1.00	1.00	1.00	0.00
TOTAL NUMBER OF POSITIONS ALLOCATIONS	13.75	13.75	13.90	13.90	13.90	13.90	0.00

Insect  
Nigel  
Kishan

Insect -> student support personnel / aide specialist 1  
Insect -> Position Assistant 1

2 teachers - Kellie & Building construction

# Attachment A

Summer school  
Project tent for lunch  
School Security  
Best \$ Budget

9553 - Add Budget for Safety Tech

9552 - Add Budget for Personal in Spec

9442 - Add Webmaster, Assoc Staff

9200 - Add ESE Teachers

Add Budget for Exec Dir Security

9011 - Change to all Security (8)  
Ad.

9008 - Change title for Safety Tech

Add Budget for Electronic

Change from Doc Release to Ops Manager

Change from Tech to Safety Tech

9006 - Add Budget for Security

9005 - Add Budget for Security

ESE Talk Special Project

0031 - Add Budget for Custodian

Ed Tech 2 at VBHS but accounted in 9442

Add Budget for TA

Add Budget for 2 Security Monitors

Add Budget for 3 ESE Teachers

# Attachment A

Summer school  
Project lead for W...  
School Security  
Best \$ Budget

9553 - Add Budget for Safety Tech

9557 - Add Budget for Security in Spec

9442 - Add Webmaster, Ass. Staff

9200 - Add ESE Teachers in list

Add Budget for Exec Dir Secondary

9011 - Change to all ESE teachers (8)  
Ad.

9009 - Change title for Data Entry Clerk

Add Budget for Database

Change from Data Training to Ops Training

Change from Tech to Admin

9006 - Add Budget for Data Clerk

12.

9007 - Add Budget for Security Tech

ESE Talk Speech Pathology R/S

0031 - Add Budget for Custodian

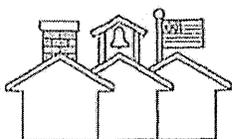
Ed Tech 2 at VBHS but accounted in 9442

Add budget for TA

Add budget for 2 Security Monitors

Add Budget for 3 ESE Teachers

- 9032- Add Budget for Teacher Vacancies ✓  
 5033- Add Budget for (2) Teachers ✓  
 Add Budget for (2) TA's ✓  
 0041- Add Budget for 2 Teachers ✓  
 0051- Add Budget for 2 Teachers ✓  
 0061- Add budget for 1 Teacher ✓  
 0081- Add Budget for 5 Custodian  
 3 Teachers ✓  
 0101- Add Budget for 4 Teachers ✓  
 0121- Add Budget for 2 Teachers ✓  
 1 TA  
 1 Medica Asst  
 0131 Add Budget for 1 Behavior Tech  
 2 Teachers ✓  
 1 Teacher ✓  
 0141- Add Budget for 1 Teacher ✓  
 0151 Add Budget for 2 Teachers ✓  
 0161 Add Budget for 2 Teachers ✓  
 0171 Add budget for 3 Teachers ✓  
 0191 Add budget for 3 Teachers ✓  
 0201 Add budget for 2 Teachers ✓  
 0221 Add Budget for 3 Teachers ✓  
 0271 Add Budget for 2 Teachers ✓  
 031 Add Budget for 3 Teachers ✓  
 0301 Add Budget for 1 Teacher ✓  
 0371 Add Budget for 3 Teachers ✓



# School District of Indian River County

6500 57<sup>th</sup> Street • Vero Beach, Florida, 32967 • Telephone: 772-564-3000 • Fax: 772-569-0424

Mark J. Rendell, Ed.D. - Superintendent

## Synopsis of meeting on 7/27/2018

Dr. Rendell:

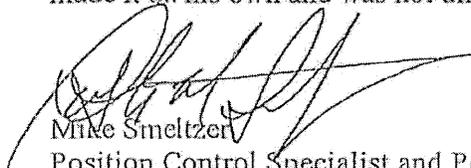
On Friday July 27, 2018 you called a meeting with Mr. Morrison and myself. The purpose of the meeting was to review the budget book.

During the meeting you asked Mr. Morrison to explain the variances in the Non-Discretionary salary budget for each site. Mr. Morrison explained that he made a budget transfer to cover vacancies that had not yet been filled at each site.

On Friday July 20, 2018, Mr. Morrison asked me to identify vacancies that had not been filled as of that date at all the sites. I provided a list of vacancies and reviewed them with Mr. Morrison. Based on that list Mr. Morrison estimated that an additional 4 million dollars would be needed to fund those vacancies. I explained that a lot of those vacancies, teachers that were currently at another school and budgeted at that school would transfer to that vacancy and that the replacement for them was already at that school, so we would be over budgeting for salaries.

During the review of sites, we were discussing the large variances in salary budgets at some of the schools. While discussing Citrus Elementary, which had a large variance in salary budget and no change in the number of positions at the school, Mr. Morrison stated it was due to additional funding at the school. The total variance for that school was just over 1 million dollars. Based on the information I provided to Mr. Morrison the amount budgeted for vacancies was not anywhere near that amount. I asked Mr. Morrison at that time if the total salary expenditure from the previous year was updated. He double checked and the salary expenditures for 2017-2018 were incorrect.

Mr. Morrison stated to you at the July 27<sup>th</sup> meeting that he did not feel comfortable making a budget transfer of 4 million dollars, so instead made a transfer of 2.1 million dollars for current vacancies on July 20<sup>th</sup>. When asked if who directed him to make this transfer he stated that he made it on his own and was not directed to do so.

  
Mike Smeltzer

Position Control Specialist and Personnel Systems Manager

"Educate and inspire every student to be successful"

Shawn R. Frost  
District 1

• Dale Simchick  
District 2

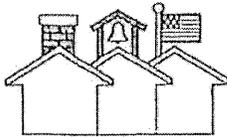
• Laura Zorc  
District 3

• Charles G. Searcy  
District 4

• Tiffany Justice  
District 5

"To serve all students with excellence"  
Equal Opportunity Educator and Employer

Attachment 3



# School District of Indian River County

6500 57<sup>th</sup> Street • Vero Beach, Florida, 32967 • Telephone: 772-564-3000 • Fax: 772-564-3054

Mark J. Rendell, Ed.D. - Superintendent

July 31, 2018

## MEMORANDUM

**TO:** Mark J. Rendell, Ed.D.  
Superintendent

**FROM:** Carter Morrison  
Assistant Superintendent for Finance & Employee Services

**SUBJECT** 2018-19 Tentative Budget update

The purpose of this memorandum is to provide you an update regarding the 2018-19 Tentative Budget that will be presented for Board approval this afternoon at the Public Hearing in the Teacher Education Center (TEC) at 5:01pm.

As you are aware, on July 24, 2018 at the 1:00pm Budget Workshop, some School Board Members expressed concern that staff presented a 2018-19 Tentative Budget that contained a projected Assigned + Unassigned Fund Balance of \$5,183,078 or 3.5% of revenues as of June 30, 2019.

On July 20, 2018 in preparing the Tentative Budget with the Human Resources Position Control Specialist (HR), I received a recommendation to add \$4,171,962 (**Attachment A**) to the budget based on the number of position allocations and vacancies at schools and departments. However, as explained by HR there was a possibility that this entry for \$4.1M could lead to an "overbudget" situation as they had not completed processing transfers of staff at the schools. Given this late development and the need to complete the Tentative Budget Book in time for Board publication, I made the judgement call as the District's Chief Financial Officer to enter approximately \$2,395,013.99 to cover vacancies based on personnel allocations and budgetary estimates from the TERMS system for the schools and departments. Further analysis supports that approximately \$2,014,400.61 of this amount was indeed warranted and should be kept in the budget.

"Educate and inspire every student to be successful"

Shawn R. Frost • Dale Simchick • Laura Zorc • Charles G. Searcy • Tiffany M. Justice  
District 1                      District 2                      District 3                      District 4                      District 5

"To serve all students with excellence"  
Equal Opportunity Educator and Employer

Attachment 4

Having knowledge of the incomplete transfers and its impact, during the Budget Workshop I publicly stated that anomalies exist in the budget as HR was still in the process of transferring staff. I pointed to the July 24, 2018 Board Business Agenda containing 14 personnel transfers as evidence of this fact.

In addition, I also pointed out that other factors such as FRS rate increases, retirements, experience placement on the salary schedule amongst others would impact the budgetary figures and thus the Tentative nature of the budget.

Subsequent the Budget Workshop, at your direction, HR and Finance staff reversed the \$2.3 million entry which then produced a projected fund balance of 5.76% but left no budget to cover the allocations and vacancies.

Having further reviewed the positions and budget allocations to identify areas that needed to be adjusted, corrected for errors, and updated, the preliminary results of these changes now show the 2018-19 ending fund balance at \$6,891,549 or 4.67% of revenues as of June 30, 2019.

In addition, I have discussed with you further changes to the budget that if approved and enacted, will yield a further \$663,262.24 or 0.44% and thus we feel that the 2018-19 ending fund balance will meet its 5% of revenues target as of June 30, 2019 for the Beginning Budget to be presented to the School Board and public on September 6, 2018.

Please feel free to contact me if you have any questions.

Cc: Edwina Suit  
Mike Smeltzer

Written statement by Carter Morrison regarding events from July 10-31<sup>st</sup> 2018 regarding the School Board of Indian River County's Tentative Budget.

To the best of my recollection this is the sequence of events:

Week of July 10-13 2018

For the entire week of July 10-13, 2018 I was in the process of rolling forward budgets and allocating and new funds to the new 2018-19 budgets. [Attachment A]. The 2017-18 Accounts Payable accrual run was now complete that posted the final 2017-18 expenditures to that year's budget and the roll forward funds had to be calculated and allocated properly. I went through the process of reconciling the accounts for millage, categorical, charter schools and fund balances so that I could report the 2017-18 fund balance status to the superintendent and board. [Attachment B] In all I would estimate that I entered in the system in excess of around \$160+million as part of my job duties as the Assistant Superintendent for Finance for the District. [Attachment C]

Saturday July 14, 2018

The Human Resources (HR) Position Control Specialist - Mike Smeltzer (Mike) indicated to me that the 2017-18 employee records had rolled forward and that transfer of personnel from the schools had been completed and thus all positions were placed at the appropriate schools and departments in the system.

Monday July 16, 2018

Based on this information received from Position Control on Saturday July 14, I ran the TERMS commitment report [Attachment D] which picks up the salary and FTE of the person in the job, calculates the associated benefits and commits the salary to the budget. The Finance and Budget offices have been utilizing this computer program for over 12 years in order to assist us in managing the budget. Based on the excel files produced by the program I was able to determine the number of positions that were also included currently in the budget.

I then took the information from the system and created the budgets in the TERMS system. As an added enhancement for further transparency to the budget I ran a TERMS report for the prior year's expenditures and asked my Director of Finance to assign the task of updating the budget book to the new staff accountant. I went into the budget book file and created the formula that will split out the prior year salary and benefits cost to reflect the amount for substitutes. In the past substitute costs were kept in the reserve account 9115-000 for salaries and would be moved from this account to the respective sites to cover the cost of subs throughout the budget year. This formula would need to be copied across all fiscal years and break out the amounts. [Attachment E]

I downloaded a commitment salary file from the TERMS system, created a pivot table of positions and salaries by school and Department then asked Mike to compare the pivot table that was produced from the computer program files that contained the number of positions that the program was picking up and to compare that number to the number of allocations in order to ensure that we have the appropriate budget to cover the vacancies. By way of example the average cost of a teachers compensation is

around \$64,000 and if a school was allocated 5 teaching positions but at the time had only hired 4 then the computer program (commitment report) would then only calculate the cost for the 4 positions and finance would then have to cover the vacancy of 1 position with budget of \$64,000 until the position could be filled and the computer program commit them to the budget. [Attachment D]

#### On or about Wednesday or Thursday July 18 or 19 meeting with Position Control

Throughout the week of July 20, I met with Mike to compare the allocations that were in the TERMS system and the budget book to ensure accuracy of the counts and the budget needed to cover any "uncommitted" personnel. During this exercise we discovered many errors in the allocation counts for prior years and the current year counts. By way of example many allocations had changed and were not properly recorded in the Budget Book for several years and some new positions that were newly approved by the School Board were not included in the personnel allocations. I then emailed him a draft copy of the Tentative Budget Book for updating the allocations and return to my office.

#### Friday July 20, 2018 Budget preparation for publication

The agreed upon time for the Budget Book to be completed and sent to the Board Office was at 1:00pm. Due to the updating of the budget book that was taking place for the breakout of substitute costs by finance, which had been delegated to staff, and the position allocations update comparison of the approved allocations vs. budget needed to cover the positions and corrections to the historical data, we were continually asking the Board Office for an extension to complete the Tentative Budget Book and associated workshop and Board meeting materials. About every hour or so I kept asking Nancy Esplen the School Board's Executive Assistant for continual extensions. At or around 4:30pm that afternoon Mike brought the results of his analysis to my office for us to review them in order to add the budget that was needed to ensure that appropriate funding was placed at the sites for vacancies. I was shocked and taken aback when he presented a total of 65.4 vacancies for a total of over \$4.1 million dollars to be added to the budget. I arrived at the \$4.1 million number by taking each position and calculating the average cost and entering it on a pre-populated spreadsheet that helps to calculate the benefits and thus the total compensation. [Attachment F] I recall remarking that "this does not make any sense, you are telling me that we have 3 weeks to go to open school and we have all these vacancies?, If I post this entry we will not have any fund balance left!". He then proceeded to try and explain to me that they are technically over budgeted as the replacement teachers had already been hired. At the time this was very confusing to me as I was trying to get the Tentative Budget Book published. However, against my better judgement I at first posted the \$4.1 million entry at first but then ultimately reversed it as it still did not make any sense that we would have that many vacancies at this point in time. I went back and reviewed the backup materials that Mike had given me to see if any of the vacancies made any sense. Some actually did. For example there was a vacancy for a Webmaster as the position was recently vacated by Ravi Annam and not filled as yet. I added the budget for that vacancy. There was another vacancy for an Executive Director of Secondary Schools recently vacated by Dr. Peggy Jones's a retirement so I added that budget to the system. Finally there was a vacancy for the Assistant Superintendent for HR and IT due to Bruce Green's resignation and I also added budget for that vacancy all these made sense to do so.

It was now approaching near 5:00pm and I received an email from Dr. Rendell stating "do we have any materials ready for the Board Workshop"? [Email from Dr. Rendell at or about 5:00pm was not received with PRR response] From a general perspective, departments are much easier to handle their budgets as there typically is not much personnel movement however the schools are increasingly much more difficult as teachers retire, are hired, rehired, transfer, placed on different steps, receive performance pay, raises based negotiations, etc. I decided to look at the remaining teacher vacancies that I had received from HR and made the call to enter \$2.3 million into the system to account for the vacancies as I recognized that there would be some level of vacancies to cover but certainly not 65.4 vacancies at a cost of \$4.1 million.

At or about 5:00pm Dr. Rendell came to my office and asked how are we doing? Frantically, I stood in my office doorway and said to him that HR had given me a list of vacancies last minute and I was trying to figure this out and get the Tentative Budget Book done. He remarked that "I have complete faith in your ability to get it done". I guess I did not react to his remark appropriately as my mind was focused on trying to get the book done. He stormed out of the office and said under his breath that "I can't even give the guy a compliment"! This brief exchange happened in the presence of my assistant Lynn Justen. The Budget Book and associated materials were subsequently published on or about 5:30pm-6:00pm.

#### Monday July 23 2018 meeting with Dr. Rendell

On July 23, I printed off the fund balance page of the Tentative Budget Book and met with Dr. Rendell at my weekly Monday morning meeting at 9:00am that is scheduled prior to Cabinet. At that meeting I discussed the budget. I indicated that we had published the Budget Book on Friday and that we are 3.5% of reserves. I also pointed out that the Transportation – ESE secretary position that was charged 78% IDEA and 22 % to the general fund was now mysteriously changed to 100% general fund. He said "why do we have to stress that?" He then expressed concern that the Board would not react favorably to the fund balance and I suggested that we can speak to the fund balance issue at the workshop within the context of the tentative nature of the budget. He did not want me to stress the fact that we were at 3.5% to the board but I suggested that we tell the board that we were at 3.5% but had more work to do for the final budget in September and should be able to get to 5% by that time. I also presented the breakdown of the 2017-18 operating results and fund balance showing a \$7 million loss as well as a listing of all restricted and categorical funds at year end. [Attachment G] I asked that I be allowed to include this information in my presentation to the Board at the July 24<sup>th</sup> Budget Workshop and he denied my request to show the Board the information. I also pointed out to him that in reviewing some pages of the Budget Book that there were a few errors (e.g. the fund balance page had to different numbers for the total appropriations) and he recommended that the corrected pages be amended on the agenda and discussed at the Budget Workshop the next day. Later that day the Board Office amended the agenda as we had discussed.

#### Tuesday July 24, 2018 Budget workshop with School Board

At the July 24, 2018 Board Budget workshop we presented the tentative budget and projected fund balance. At the start of the workshop at <http://safeyoutube.net/w/7AXd> at the 30.43 mark on the video

I explained that the salaries are still not final and I discussed the movement of people and impacts of retirements, vacancies, etc. In the same video at the 1:37:08 mark I discussed the fund balance and the allocations are not final and there is more work to be done. In the Board workshop I went through the pages of the budget book, got to and presented the summary page of revenues expenses and projected fund balance and was expecting him to comment on this as we had discussed the matter the day before the meeting. It was not until Chairman Frost interrupted my presentation at the 1:42:54 mark Board Chair Shawn Frost brought us back to page 98 and commented that we are 3.5% and we cannot deplete the reserve for a new board and that as a result the budget would not get his support. At 1:44:47 mark Mr. Frost also confirms that he has had a prior conversation regarding the 5% fund balance policy with Dr. Rendell. Board member Searcy then remarked that if we can assure him that by September we will be at 5% then it would get his support. Dr. Rendell then publicly addressed the Board that by September that the District will be at the required 5% fund balance. [Attachment E]. Later that afternoon at 7:28pm I emailed Dr. Rendell and suggested that he may have to consider a hiring freeze until we get these allocations sorted out. [Attachment E(2)]

#### Meeting Friday on July 27, 2018 4:00pm with Dr. Rendell and Mike Smeltzer

Dr. Rendell asked for a copy of the budget book to be sent to his office and scheduled a meeting in his conference room, for Friday July 27, 2018 for a "Budget Review". I asked him if it was okay for Mike Smeltzer to attend the meeting as well and it was approved. (I believe I also emailed Edwina Suit to make sure she approved Mike attending). At the meeting Dr. Rendell had a legal pad with notes and proceeded to highlight the schools that had large variances between the 2017 estimated expenditures versus the 2018 -19 budget. He asked me why these schools had these large variances and I said that I could not justify the amounts, they did not make sense however it may have something to do with the \$2.3 million entry that I had made for vacancies received from HR as I had brought the backup materials to my journal entry with me to the meeting. Mike then proceeded to explain to Dr. Rendell that HR placed a priority on the new hires so a teacher who needed to be transferred out of a school did not have their job record changed as yet to the new school but the replacement was already hired and placed at the school so that could produce an over budgeting situation. In addition, Mike explained to Dr. Rendell that he had given me a list of vacancies so it could have indeed affected the budget. [Attachment F] Dr. Rendell continued to highlight the school sites that had these large variances in the budget book and pointed out that Citrus Elementary was "the most damning one of them all". [Attachment H]. During our conversation he said to me that if he was able to do this exercise and find money then the union and our critics would be doing the same thing. As he continued to highlight the book I brought up the TERMS system on the computer TV screen in the conference room and ran reports to check the balances. We showed Dr. Rendell that all the positions that were currently in the system were fully committed to budget, no excess salary dollars and benefits existed, and the only funds that were available was supplements funding that is required by the IRCEA contract for schools.

I brought up the TERMS screen and ran reports to also check and see if the prior year expenditures at several schools were updated correctly in the budget book. We (Mike and I) then discovered that the prior year expenditures at Citrus elementary were in fact \$1 million more than was updated in the budget book which then revealed and now made sense why such a large variance existed at that school.

[By way of my recollection the initial 2017-18 expenditures at Citrus was reported as \$3 million and the 2018-19 budget was \$4 million hence a \$1 million increase over the prior year. I have subsequently confirmed these numbers through my public records requests.] These reports should still be in my TERMS computer spool file. With the TERMS system showing the 2017-18 expenditures at the correct \$4 million the variance was now essentially zero!] We went through the book and also found other schools that also had large variances between the 2017 expenditures and the 2018-19 budget and it was now becoming clearer that the prior year expenditures in the book were not properly updated and needed to be corrected. I then showed Dr. Rendell that I also found that there was a spreadsheet formula error in the excel file that was used to break out the salaries cost vs. the substitute costs and that formula was copied across all cells in the spreadsheet and that was why the variances were so large and would need to be corrected. This was a new feature to the budget presentation to enhance transparency of the budget.

He then dismissed Mike from the meeting as he indicated that had further questions for me on charter schools and their funding. For example he asked me why Indian River Charter High School's base funding was increasing by \$500,000 with only a few students more projected and asked me if it had anything to do with the transfer of charter school capital outlay from the capital fund and I concurred He had already deduced that was the reason and just wanted to confirm.

I told him that I would have to go back and check what was happening with the budget book errors and would have to do further research. However, in order to facilitate a discussion of the fund balance situation, I had put together a menu of items consisting of suggestions for potential reductions to department and school budgets and others suggested changes for example to add more Instructional Analysts to the Digital Classrooms Plan and Reading categorical Funds, which in turn would save operating funds and burn down the categorical funds. [Attachment I (1)] He agreed that we should do this "100% we should do this" and use up the restricted funds. I reiterated that this was a menu of suggestions and if he didn't have the stomach to do items 1 and 2 for example maybe he can look at other options on the list. The last item on the list was a question as to whether we can use the millage funds for "retaining high quality teachers" (ballot language) and he indicated that this should be our last option on the menu listing for consideration.

#### Email on Saturday July 28, 2018 from Dr. Rendell

On Saturday July 28 I received an email from Dr. Rendell stating before we cut schools funding as I had suggested (omitting other suggestions) that he was directing me to reverse the funds added to the schools, produce new budget pages for the schools affected and also to produce a new fund balance page. He also advised that I could skip our weekly Monday morning meeting at 9:00am and I could also skip the Cabinet meeting at 1:00pm to complete this task. I responded from my cell phone that I had received his directions. [Attachment J]

#### Meetings on Monday July 30, 2018 with Dr. Rendell.

Based on the email I received on Saturday July 28, 2018 directing me to reverse the \$2.3 million in funds allocated to schools, produce new budget pages and then a new summary page of the estimated fund

balance I spent the morning doing these entries on paper to reflect the impact of reversing the funds. (Note to reader –the Tentative Budget was now published to the School Board, all associated documents printed and fixed in the Budget Book and thus could not be amended in the TERMS system else it would not match what was given to the Board and public and fail audit).

After I was finished with my instructions I decided that I should try and meet with Dr. Rendell prior to our 3:00pm meeting to show him my working and the analysis that I had done showing the items that he had requested me to do and also to show him that what the variances would now look like if we were to reverse the entry in the system. I recall meeting with him in my office sometime around mid-day or so to review my work. At that time he remarked that “this is exactly what I wanted” and I felt that I had accomplished the task he assigned to me. [Attachment K]

I then met with Dr. Rendell at our scheduled 3:00pm meeting in his office and laid out the analysis showing the impact of the reversal and pages as he had requested. With the reversal of the \$2.3 million the estimated ending fund balance was now at 5.76%. However, the second half of my analysis showed that should we go ahead and reverse the entry in the system, that for example, the ACE would be losing a 0.4 FTE position however the school would be losing \$195,000. Several schools would now be short in funding and one or two would be over. I was taken aback when he asked me why did I do this and I replied that due to his remark on Friday that Citrus was the damming one of them all, I want to ensure that he saw the impact of the reversal which in essence would leave the school any funds to hire the teachers and any vacancies. I ran him through my analysis that I had prepared. . [Attachment L]. He then abruptly got up from the conference room table went to his office and came back and placed the email he had sent on Saturday July 30, 2018 with his directions and said “you did not do what I asked you to do”. He said “I asked you to reverse the funds” and I pointed to my analysis and said “Here it is”, he said “I asked you to produce new budget pages for the schools affected” and I pointed to my analysis and replied “here they are”, he said “I asked you to produce a new fund balance page” and I pointed to my analysis and said “here it is”. I also showed him the attachments to my analysis that showed that if we corrected the budget pages with the prior year expenditures corrected and updated properly that approximately \$2M of the \$2.3M would needed to be added back to the budget to cover for vacancies.[Attachment L] Even with this and other adjustments that needed to be made to a couple departments (e.g. Building Department) we are currently at 4.67% after corrections were made but had a plan to add another 0.44% to get to 5%. I showed him the corrected summary of pages on the screen in the conference room. [Attachment L] We once again went through the exercise of showing him the corrected pages compared to the TERMS system and at that point the total increase in the schools budgets (excluding charters) was about \$2.4 million down from the \$4 million in the initial tentative budget book. He then said “I don’t trust what TERMS is saying”. He said that still does add up and I explained that at least \$1.5 million as a result of the substitutes budget now housed out in the schools as opposed to the reserve accounts as it had been done in the past, and the rest could be accounted for based on FRS increases, and additional units for example that the Learning Alliance is funding. He still questioned me regarding the increases in expenditures over the years depicted in the budget book for various schools, obtained prior years books for comparison and I explained that we are now seeing the cumulative effect of raises and performance pay in the budget as we had just concluded a 3 year

contract for automatic raises and performance pay for our teachers. I also reminded him that I had done a presentation to the school board in executive session regarding the cumulative impact on a teacher's salary of raises and performance pay over a three year period. [Attachment M] He also said to me that we had reduced staffing so there should not be an increase. I responded that we cut 13 positions through the meetings we had on allocations but had put back nine ESE positions for a net decrease of only of 4. [Attachment M-1]. He then asked me what do we tell the Board tomorrow at the Public hearing, and I suggested to him that we discuss the corrected budget pages, spreadsheet formula error and suggestions with the Board, explain that we recognize that we are at 3.5% but its only a tentative budget and will give assurance that we can get to 5% by September's final budget hearing. He seemed very dismissive of this recommendation and pointed to my analysis and emphasized "obviously it will be better for me if I can go in at 5.76%".

He still insisted that I give him only the pages with the amounts entered on July 20, 2018 reversed and I left to go downstairs to my office and print them off for him. Prior to going back up to his office I emailed him the corrected budget pages [Attachment N] At or about 5:15pm I brought the pages he requested and additional set of budget pages that showed the updated amounts from 2013-14 through 2017-18 that had been affected by the spreadsheet formula error and he said to me "I am not comfortable with any of this!" pointing to the corrected pages I had made and refused to accept the corrected pages from me. Despite this I told him that I would write a memorandum to him and so we can forward to the school board prior to the Public Hearing as we know this would come up. He said "how soon can you get this done?" and I said I would do it first thing in the morning when I get to work.

#### Tuesday July 31<sup>st</sup>, 2018

As soon as I arrived at work I drafted the memorandum to him discussing the fact that at the July 24, 2018 workshop Board members had expressed concerns that the District Tentative Budget was at 3.5% however after corrections to the budget book pages and that there were recommendations we had, that the district fund balance could be programmed to meet its 5% Board Policy target. I took a draft (Attachment O – v1) of the memo to Dr. Rendell for his review. He insisted that I add language to the memorandum that specifically stating that the funds were reversed at his direction. I then proceeded to add the language to the memorandum and took it back to him again for his review (Attachment O -v2). This review was done in my office to which Dr. Rendell said "I don't know any other way to say it Carter so I am just going to say it that you entered \$2.3 million dollars in the budget that drew down the fund balance". I replied that yes I did enter \$2.3 million but the analysis shows that at least \$2 million was warranted as we had previously reviewed and discussed.

He then requested further language in my memo to state that I had unilaterally inserted \$2.3 million into the budget. I complied with his request but further expanded my memorandum to include the circumstances under which I included these amounts in the budget as I have described here and attached a copy of the hand written notes given to me by Mike Smeltzer that showed the 65.4 positions totaling \$4.1 million. [Attachment O-v3] This was around mid-day July 31 2018 and I asked my assistant Lynn Justen to bring the memorandum upstairs to Dr. Rendell and I left for lunch. When I returned from

lunch on or about 1:30pm Dr. Rendell came to my office, closed the door and said that "this is not going to be a comfortable conversation".

He then proceeded to tell me that I was being reassigned and gave me a letter signed by him that stated that I am being relieved of my duties as the Assistant Superintendent for Finance & Employee Services and being "reassigned in an effort to conduct an investigation into allegations of wrongdoing". I read the letter, signed it that I received it and gave him back an original. I remarked that "you are sending me home so I should stay home until I hear from you?" He said yes. He said that I could take my personal belongings and I started to clean out my desk. I attempted to pick up my budget book with my belongings from my desk and he said I could not take it. He also said "you can take either door you want". After 12 years of distinguished service, Highly Effective evaluations, five superintendents, stellar service to Board members, students and community it came down to which door I wanted to exit through. I left the building through the Finance Department with my head held high.

Later that afternoon I received a phone call from the Florida Department of Education while on my way home which went unanswered. No voice mail message was left. When I arrived home I received a phone call from Mark Eggers from the Florida Department of Education and he explained to me that Dr. Rendell had called the Commissioner of Education and told her that the Board was not going to approve the budget. Mark Eggers wanted to know what was happening and I explained to him that we were at 3.5% currently but at the July 24 workshop the Board told Dr. Rendell that as long as we got to 5% by September we would be fine. I referred to him to watch the July 24 tape if he didn't believe me. He explained that they told Dr. Rendell that under Florida Statutes the Board could amend the budget at the public hearing if they wanted to so he wasn't sure what the issue was. [Attachment P]

Thank you

*Carter Morrison*

Carter Morrison.

ll, Mark

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**From:** Rendell, Mark  
**Sent:** Tuesday, July 31, 2018 10:34 AM  
**To:** D'Agresta, Suzanne; Esplen, Nancy; Frost, Shawn; Justice, Tiffany; Maddux, Cristen; Poysell, Peggy; Rendell, Mark; Searcy, Charles; Simchick, Dale; Zorc, Laura  
**Cc:** Poysell, Peggy  
**Subject:** Tentative Budget

Dear Members of the School Board,

I have spoken with each of you over the phone over the last several days regarding the tentative budget that was presented to you at the work shop last Tuesday, July 24 and some subsequent events. This email will serve as a summary of the actions that I have taken regarding the tentative budget.

As I stated at the workshop, I was surprised to see the end of year unrestricted fund balance of the tentative budget projected to be as low as 3.5%. We had reduced our overall instructional position count (number of teachers) and successfully trimmed department budgets through the Zero-Based process. I pledged to you at the workshop that I would take action to reduce the projected expenditures and ensure that we were able to maintain a projected unrestricted fund balance of at least 5%, if not higher. I also stated at the workshop that I was confident that this was possible.

Upon receiving the tentative "budget book" on Friday, July 20, I began to review it page by page. What I discovered was that at many of our schools, 12 to be exact, there were extremely large increases in the Non-Discretionary Salary counts. These large increases in the salary budgets at these schools were not associated with increases in teacher or other staff allocations. In other words, the budget for salaries at these schools was increased substantially without any associated increase in staffing. By my estimate, this increase in funding was between \$2 million and \$3 million dollars.

Because of what I found I met with Mr. Morrison on Friday, July 27. At that meeting I asked Mr. Morrison why the non-discretionary salary budgets at these various schools was increasing so substantially, without an increase in staff. He stated that on the afternoon of July 20, he inserted approximately \$2.3 million dollars into these various school salary accounts to "cover" a list of vacant teaching positions he had received from Mike Smeltzer, our Position Control Specialist. I asked Mr. Morrison if all of these vacancies were new positions and he stated that they were not. I reminded Mr. Morrison that we had indeed reduced the overall number of teaching positions in the district, so all of the positions should already have been accounted for in the current budget. He admitted that this was correct. My conclusion was that the transfer of \$2.3 million dollars was not necessary.

I asked Mr. Morrison who made the decision to transfer the \$2.3 million dollars into these accounts. He stated that he did it on his own. He made the transfer without my knowledge or direction. His actions brought the projected unrestricted fund balance down to 3.5%. I reached out to each Board Member immediately to share this information.

On Saturday, July 28, via email, I directed Mr. Morrison to prepare draft budget documents that reflect the following actions:

1. Return the funds (approximately \$2.3 million dollars) back to the general operating fund.
2. Prepare draft budget pages for each school affected reflecting the removal of the funds.
3. Prepare a draft summary page of the General Operating Fund that would reflect the return of the funds to the General Operating Fund.

I met with Mr. Morrison on Monday afternoon, July 30 to review the impact of these changes. The return of the funds that were inappropriately transferred on July 20 resulted in a projected fund balance of 5.7%. That is a stark contrast to the projected unassigned fund balance of 3.5%.

At my meeting with Mr. Morrison on July 30, he also revealed that he had already started reviewing individual school salary budgets and was of the belief that some of the budgeted salary accounts would indeed need to be increased to cover currently allocated positions, and had already started making those changes. I reminded him again that was not my directive at this time. Any additional changes will have to be reviewed and approved by me.

I have also identified several other line items in the budget that I will be reviewing with Mr. Morrison to ensure that we do not have any other accounts that are not budgeted appropriately.

I want to assure each of you that I will continue to inspect every aspect of the budget as we move toward a final 2018-2019 budget in September. I will also keep you informed and up to date of any changes, via phone calls, and written communication. In addition, I anticipate holding another budget workshop in August to review the final budget before we bring it to you for approval in September.

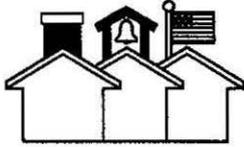
At the business meeting, tonight I will seek your approval of the tentative budget that was presented on July 24. However, as I stated then, I can assure you that the final budget that we present will have appropriately funded schools and programs and will have a projected fund balance of greater than 5%.

Please contact me if you have any questions.

*Mark J. Rendell*  
Superintendent  
School District of Indian River County  
72) 564-3150 (office)  
(772) 204-3887 (mobile)

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**CONFIDENTIAL**



# School District of Indian River County

6500 57<sup>th</sup> Street • Vero Beach, Florida, 32967 • Telephone: 772-564-3000 • Fax: 772-569-0424

Mark J. Rendell, Ed.D. - Superintendent

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## **Investigation Results**

**VIA: Hand Delivery**

November 15, 2018

Carter Morrison

323 SW Ridgecrest Drive  
Port St. Lucie, FL 34953

Dear Mr. Morrison:

The District's investigation into allegations that certain conduct of yours was inconsistent with Policy 1210, Standards of Ethical Conduct, has been completed. The investigation was conducted at the direction of the District by attorney Susan Potter Norton, Esq. of Allen Norton & Blue, P.A.

As you know, the District is committed to investigating allegations of improper conduct and taking whatever action is called for based on the results of that investigation.

The purpose of this letter is to inform you of the conclusions that have been reached concerning the allegations and to provide you with the District's next steps in this matter.

The allegations are that you:

- submitted a proposed Tentative Budget to the School Board that contained a balance of less than 5% of revenues (unassigned fund balance from over 5% to 3.5%) in the general fund to undermine me and the School Board;
- showed extremely large budget increases for non-discretionary salaries for 12 schools which were not associated with an increase in instructional or other staff; and
- made a budget transfer of approximately \$2.3 million dollars out of the general operating fund without my authorization.

The District's investigation has concluded that your conduct did not amount to unlawful or criminal intent. Nonetheless, in certain instances it appears that you did not exercise the high standard of ethical conduct/judgment that is expected of an Assistant Superintendent/Chief Financial Officer of the District. Specifically, you:

"Educate and inspire every student to be successful"

Shawn R. Frost  
District 1

• Dale Simchick  
District 2

• Laura Zorc  
District 3

• Charles G. Searcy  
District 4

• Tiffany M. Justice  
District 5

"To serve all students with excellence"  
Equal Opportunity Educator and Employer

- failed to follow basic budget building practices when preparing the Tentative Budget;
- failed to create capacity within the department to carry out budgeting processes and procedures necessary to build a budget and maintain accountability;
- overlooked an error in the formula of the non-discretionary salaries which represented extremely large budget increases at 12 schools;
- failed to communicate with me, or the School Board, the concerns you had with the budgeted salary amounts and your reaction to it;
- failed to communicate and get my authorization to transfer more than \$2.3 million dollars out of the general operating fund; and
- did not maintain honesty in all professional dealings related to the budget.

You indicated that your decision to transfer more than \$2.3 million dollars was based on a large number of vacant positions at schools. However, the vacant positions were not additional, or “new” positions, so additional funds were not needed for these positions as they were already accounted for in the budget. You should have been aware of this information after working on the budget for several months.

As a result of the events surrounding the preparation of the tentative budget, the District enlisted the assistance of a former school district chief financial officer. His analysis of your practice in building the budget indicated several areas of shortcoming. For example, you did not enlist a budget building work group. The budget building work group would assist in the development of and periodic review of the budget. One of the tasks associated with such a work group would be the review of personnel assignments to buildings and departments, the largest portion of the District’s budget. Such a group would be able to track any increases or decreases in staffing, and thus identify any funding needs.

What is troubling, is that the District did have a work group that met and reviewed personnel allocations at schools. The work group consisted of members from Human Resources, Curriculum & Instruction, Principals, and their supervisors. You were aware of those meetings, but did not attend any of them. Participation in that process would have enabled you to have a clear picture of any changes in staffing levels at schools. Unfortunately, no one from your staff attended those meetings. At one point in this investigation you indicated that Susan Titus, who served as Budget Analyst for several years before retiring last year, worked with Human Resources on staffing allocations. Perhaps her replacement, Julianne Pelletier, could have been directed to attend those meetings. I contend, that if you, or a member of your staff had attended those meetings, the decision to add \$2.3 million dollars to the budgets of schools that were not experiencing any increases in staff, may not have been made.

“Educate and inspire every student to be successful”

Shawn R. Frost  
District 1

• Dale Simchick  
District 2

• Laura Zorc  
District 3

• Charles G. Searcy  
District 4

• Tiffany M. Justice  
District 5

“To serve all students with excellence”  
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There is further evidence that the practices in place to build the District's budget were flawed. In addition to seeking assistance from a former school district chief financial officer, the District retained the services of a local accounting firm to conduct an audit of the 2018-2019 budget, tentative and final. The analysis conducted by this firm found that the final proposed budget submitted in September 2018, which was constructed by finance department personnel, following the procedures that were in place, included a \$3.6 million difference between the budgeted salary amounts and the salary amounts actually committed to the schools and departments. This inaccurate budgeting lies either in the processes followed, or the lack of training and guidance provided to the personnel in the finance department.

When you made the decision to transfer \$2.3 million dollars out of the general operating fund into various school accounts, you did so completely on your own. You did not notify me that afternoon, and in fact did not notify me until a meeting I called one week later. Had you notified me of your perceived need to transfer these funds to cover vacant positions, I would have questioned the need for the transfer, as we had not increased staffing allocations at the schools. Indeed, overall there was a reduction in the number of instructional personnel, consistent with our reduction in student enrollment. Instead, despite several opportunities to do so, you did not share your concern, or your decision to transfer the \$2.3 million dollars out of the general operating fund with me. In fact, you presented the tentative budget to the School Board, with the drastic reduction in the unrestricted ending fund balance, without explanation or even discussion of the transfer. Your presentation did not provide the Board or District staff with an accurate picture of the District's financial position. Again, your actions did not surface until I called a meeting with you to question the substantially large increases in budgeted salary amounts appearing in 12 schools.

Because of your breach of mine and the District's trust and poor financial judgment, I find it necessary to recommend your transfer to the position of Transportation Coordinator.

As per District Policy, you are prohibited from acting in a manner or encouraging others to act in a manner that could be perceived as retaliation. Please do not take any action that shows favor or disfavor toward any person who you perceive to have been involved in this matter, nor act or communicate with such people in any way that could be considered retaliatory.

Future violations of School Board Policy or failure to comply with anti-retaliation directives may result in progressive discipline up to and including termination.

Please contact me if you need further clarification regarding these expectations. Thank you for understanding the seriousness of this issue. As we move forward, I anticipate that this type of issue will not recur.

"Educate and inspire every student to be successful"

Shawn R. Frost  
District 1

• Dale Simchick  
District 2

• Laura Zorc  
District 3

• Charles G. Searcy  
District 4

• Tiffany M. Justice  
District 5

"To serve all students with excellence"  
Equal Opportunity Educator and Employer

Thank you for your anticipated cooperation.

Sincerely,

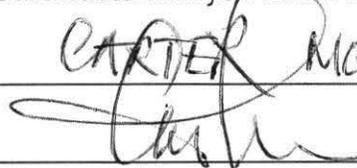


Mark J. Rendell, Ed.D.  
Superintendent

Cc: Dr. Jayne Purcell, Assistant Superintendent  
Dr. Edwina Hudson Suit, PHR, SHRM-CP, Executive Director of Human Resources  
Suzanne D'Agresta, School Board Attorney

Your signature indicates that you have received/read this letter.

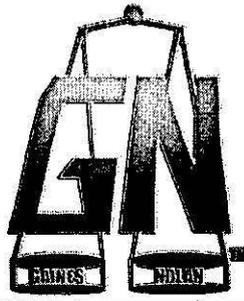
Print Name: CARTER MORRISON Date: 9/15/18

Signature: 

"Educate and inspire every student to be successful"

Shawn R. Frost • Dale Simchick • Laura Zorc • Charles G. Searcy • Tiffany M. Justice  
District 1 District 2 District 3 District 4 District 5

"To serve all students with excellence"  
Equal Opportunity Educator and Employer



Arnold S. Gaines, Esq.  
asg@gainesnolan.com  
Licensed in FL & DC

Debra S. Nolan, Esq.  
debra@gainesnolan.com  
Licensed in FL & MI

## Law Offices of Gaines & Nolan

Via Facsimile: 772-564-3054

November 20, 2018

Indian River School Board  
Shawn Frost, Chairman -Indian River County School Board  
6500 57th St.,  
Vero Beach FL 32967

***Re: Carter Morrison -vs- Indian River County School District***

Dear Mr. Frost/Indian River County School Board:

We hereby invoke on behalf of our client Mr. Carter Morrison, Assistant Superintendent for Finance & Employee Services, Florida's Whistleblower Statute, Fla. Stat. §112.3187 whereby retaliatory actions are prohibited against an employee who reports an actual or perceived violation of law which creates a substantial and specific danger to the public's health, safety, or welfare. In addition, this statute also prevents retaliatory action against any person who discloses information alleging the improper use of governmental office, gross waste of funds, or any other abuse or gross neglect of duty on the part of an agency, public officer or employee.

It is our contention that Mr. Morrison's opposition to Dr. Rendell's request to remove \$2.3 million from the Tentative Budget to mislead the Board and public into believing a projected 5% unassigned fund balance at the end of fiscal 2018-19 and subsequent diversion of funds in violation of Florida Statutes, qualifies him for the protections provided under Florida's Whistleblower Statute.

Dr. Rendell's recommendation to the School Board to demote Mr. Morrison from the Assistant Superintendent for Finance & Employee Services to the position of Coordinator of Transportation will serve as further evidence of retaliation against Mr. Morrison. We are requesting that the recommendation not be approved by the Board and that Mr. Morrison be allowed to return to work in his current position of Assistant Superintendent for Finance & Employee Services. If approved, Mr. Morrison will consider himself to have been wrongfully demoted / terminated in retaliation for having opposed Dr. Rendell's unethical and improper request to divert public funds. This recommendation is in direct violation of the protections under the Florida's Whistleblower Statute.

As you are aware, Mr. Morrison has been employed with the Indian River County School District for the past 12 years in the Finance & Employee Services Department without any disciplinary issues. Over the course of the last 5 years he has been responsible for preparing

over \$1.3 billion in budgets for Board approval and public hearing according to Fla Sta. §200 with distinction.

That is, until on July 30, 2018 when he met with Dr. Rendell and reviewed his request to remove \$2.3 million from the District's Non-discretionary salary budget. According to our client's written statement Dr. Rendell was pleased that a 5.76% fund balance would be achieved with the removal of this amount, until our client demonstrated that removal would then misrepresent the true status of the District's salary budget.<sup>1</sup>

Since the time our client refused to be a part of the misrepresentation to the Board he has been accused of the following inappropriate actions:

- Submitted proposed Tentative Budget to undermine the Superintendent and School Board [Investigative Report]
- Overlooked an error in the formula of the non-discretionary salaries which represented extremely large budget variances at 12 schools.
- "Stashed millions of dollars in inconspicuous accounts across the district, making it appear the district was in more dire financial straits than it truly is" [TcPalm article].
- "Unauthorized money shuffling" [TcPalm article]
- Made a budget transfer out of the general fund of approximately \$2.3 million without the Superintendent's authorization.

An investigation conducted by Ms. Susan Norton, Esq. of Allen, Norton & Blue concluded the following:

- No intent to undermine the Superintendent and School Board. In her opinion "*Mr. Morrison in no way intended to undermine the Superintendent by submitting the Tentative Budget with only 3.5% of revenues remaining in Unassigned funds*". (pg1)
- That "*The dramatic increase in the Non-Discretionary Salaries from the previous budget year was due to an error in the formula applied to deduct the salaries for substitute teachers from the Non-Discretionary Salaries*". (pg4). It should be noted that our client honestly and in good faith pointed out this error to Dr Rendell on July 27 despite his claims to have discovered it on August 28 at the Budget Workshop.
- Found it reasonable to believe that our client did not act improperly commenting that "*As a result I find it reasonable to believe that Mr. Morrison had believed that Mr. Smeltzer (HR Position Control) had corrected the allocations and, when the list said "Add Budget for" it meant to add additional salary* (pg4).
- Despite receiving the information at the "*eleventh hour and the pending deadline*" that our client made a "*reasonable estimation in reaching his decision to add \$2.3 million in new salaries instead of the \$4.1 million*"<sup>2</sup>

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<sup>1</sup> Mr. Morrison statement is attached to this letter for your review.

<sup>2</sup> Why was there no investigation or demotion of HR faculty for providing false information of 4.1 million dollars to be added to the budget?

Now that the investigation is final and cleared Mr. Morrison of any wrongdoing, Dr. Rendell has decided to recommend that the School Board demote Mr. Morrison on the false premise of not exercising certain standards of ethical conduct.

We strongly believe that this is a retaliatory move but more importantly a way to restrain Mr. Morrison from exposing the true deteriorating nature of the District finances in the final budget presented to the School Board.

For example, although certain budgetary items that would significantly impact the 2018-19 budget were publicly discussed at workshops during the budget development process, they were omitted from the final budget. These omissions lead the School Board and public to believe a projected 5% unassigned fund balance would remain at the end of the fiscal year. A few examples of omitted items are cited below for your review:<sup>3</sup>

Item#	Description	Amount
1	No reserve for Mckay Scholarship deductions	616,000
2	Teacher Performance pay (recently awarded and estimated)	<u>900,000</u>
3	No reserve for 2016-17 FEFP Audit findings:	
	~ESE and schools	149,802
	~Transportation	<u>427,500</u>
	Subtotal missing items from the 2018-19 final budget	<u>2,093,302</u>

We contend that the inclusion of these items would report a 3.68% unassigned fund balance as of June 30, 2019 and our client would be able to expose these significant omissions. Based on public records received by our client, and despite being warned by the Board Chair not to cut student programs, hundreds of thousands of dollars in Advanced Placement (AP) and International Baccalaureate (IB) funds, have been used to cover salaries. In doing so there are possible violations of Florida Stat §1011.62. In addition, it appears that millage referendum funds have been used to cover salaries of technicians and a supervisor in the IT Department, beyond the scope of public statements that the funds would be used solely for 31 Teaching positions, Technology for the classroom and Districtwide infrastructure, and technical training programs.

Therefore, at this time, we demand that you secure and preserve certain critical evidence that may be vital to Mr. Morrison's case. Specifically, we request that each item of evidence identified through this letter be maintained and preserved and not be destroyed, modified, altered, repaired, or changed in any manner:

1. Any statements taken of Mr. Morrison relating to the 2018 investigation into the 2018-2019 Budget as described in this letter;

<sup>3</sup> Dr. Rendell took complete control of the budget after Mr. Morrison was relieved of his duties on July 31, 2018. All monetary moves in the new budget were directed by the superintendent.

2. Any statements taken of Dr. Rendell relating to the 2018 investigation into the 2018-2019 Budget as described in this letter;
3. Any statements taken of any witnesses to the 2018 investigation into the 2018-2019 Budget as described in this letter;
4. All public hearings and video of all school board meetings discussing the 2018-2019 budget.
5. A copy of each investigative file into any District employee, other than Mr. Morrison regarding the 2018-19 Budget;
6. All electronically generated financial reports present in Mr. Morrison's TERMS spool file

Please be advised that each of the requests contained in this letter applies to you, in both your individual capacity as well as an employer; and to all evidence in your actual possession, as well as to evidence over which you have operational or functional control, even though it may be in the actual possession of a third party. In that regard, we ask that you please forward a copy of this letter to all persons or entities with custodial responsibility for any of the items referred to in this letter, and that you instruct them to take whatever steps are appropriate to avoid destruction of the identified evidence.

Please be aware that if you fail to properly secure and preserve each of the important and vital items of evidence identified in this letter, a legal presumption that the evidence would have been harmful to your side of the case may arise, and the judge in the trial of this matter may so instruct the jury.

Further, if you fail to secure and preserve each of the important and vital items of evidence identified in this letter, we will seek all legal and equitable actions and sanctions available against you. The destruction, alteration, modifications, repair, or loss of any of the evidence demanded to be secured and preserved in this matter may constitute the spoliation of evidence under federal and state laws and upon proper ruling, the jury will be informed of this destruction or spoliation.

Finally, within ten days of receiving this letter, please confirm whether the School District has established by ordinance an administrative procedure for handling Whistleblower complaints, or if it has contracted with the Division of Administrative Hearings under Florida Statute §120.65 to conduct hearings under Florida Statute §112.3187. If the District has an administrative procedure in place for handling Whistleblower complaints, please consider this correspondence as Mr. Morrison's complaint; and forward a copy of any controlling rules concerning the handling of such Whistleblower complaints.

Sincerely,

**LAW OFFICES OF GAINES & NOLAN**



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Arnold S. Gaines, Esq.  
For the Firm

cc: Charles G. Searcy - Vice Chairman -Indian River County School Board  
Tiffany M. Justice -Member -Indian River County School Board  
Dale Simchick -Member - Indian River County School Board  
Laura Zorc- Member - Indian River County School Board  
Jacqueline Rosario – Incoming School Board Member  
Mara Schiff – Incoming School Board Member  
Teri Barenborg – Incoming School Board Member  
Dr. Mark J. Rendell, Superintendent-Indian River County School District  
Ms. Suzanne D’Agresta, Indian River County School District Attorney  
Susan Norton, Allen Norton & Blue, Professional Association  
Nancy Espen, Executive Assistant to the School Board

**Written statement by Carter Morrison regarding events from July 10-31<sup>st</sup> 2018 regarding the School Board of Indian River County's Tentative Budget.**

To the best of my recollection this is the sequence of events:

**Week of July 10-13 2018**

For the entire week of July 10-13, 2018 I was in the process of rolling forward budgets and allocating and new funds to the new 2018-19 budgets. [Attachment A]. The 2017-18 Accounts Payable accrual run was now complete that posted the final 2017-18 expenditures to that year's budget and the roll forward funds had to be calculated and allocated properly. I went through the process of reconciling the accounts for millage, categorical, charter schools and fund balances so that I could report the 2017-18 fund balance status to the superintendent and board. [Attachment B] In all I would estimate that I entered in the system in excess of around \$160+million as part of my job duties as the Assistant Superintendent for Finance for the District. [Attachment C]

**Saturday July 14, 2018**

The Human Resources (HR) Position Control Specialist - Mike Smeltzer (Mike) indicated to me that the 2017-18 employee records had rolled forward and that transfer of personnel from the schools had been completed and thus all positions were placed at the appropriate schools and departments in the system.

**Monday July 16, 2018**

Based on this information received from Position Control on Saturday July 14, I ran the TERMS commitment report [Attachment D] which picks up the salary and FTE of the person in the job, calculates the associated benefits and commits the salary to the budget. The Finance and Budget offices have been utilizing this computer program for over 12 years in order to assist us in managing the budget. Based on the excel files produced by the program I was able to determine the number of positions that were also included currently in the budget.

I then took the information from the system and created the budgets in the TERMS system. As an added enhancement for further transparency to the budget I ran a TERMS report for the prior year's expenditures and asked my Director of Finance to assign the task of updating the budget book to the new staff accountant. I went into the budget book file and created the formula that will split out the prior year salary and benefits cost to reflect the amount for substitutes. In the past substitute costs were kept in the reserve account 9115-000 for salaries and would be moved from this account to the respective sites to cover the cost of subs throughout the budget year. This formula would need to be copied across all fiscal years and break out the amounts. [Attachment E]

I downloaded a commitment salary file from the TERMS system, created a pivot table of positions and salaries by school and Department then asked Mike to compare the pivot table that was produced from the computer program files that contained the number of positions that the program was picking up and to compare that number to the number of allocations in order to ensure that we have the appropriate budget to cover the vacancies. By way of example the average cost of a teachers compensation is

around \$64,000 and if a school was allocated 5 teaching positions but at the time had only hired 4 then the computer program (commitment report) would then only calculate the cost for the 4 positions and finance would then have to cover the vacancy of 1 position with budget of \$64,000 until the position could be filled and the computer program commit them to the budget. [Attachment D]

#### On or about Wednesday or Thursday July 18 or 19 meeting with Positon Control

Throughout the week of July 20, I met with Mike to compare the allocations that were in the TERMS system and the budget book to ensure accuracy of the counts and the budget needed to cover any "uncommitted" personnel. During this exercise we discovered many errors in the allocation counts for prior years and the current year counts. By way of example many allocations had changed and were not properly recorded in the Budget Book for several years and some new positions that were newly approved by the School Board were not included in the personnel allocations. I then emailed him a draft copy of the Tentative Budget Book for updating the allocations and return to my office.

#### Friday July 20, 2018 Budget preparation for publication

The agreed upon time for the Budget Book to be completed and sent to the Board Office was at 1:00pm. Due to the updating of the budget book that was taking place for the breakout of substitute costs by finance, which had been delegated to staff, and the position allocations update comparison of the approved allocations vs. budget needed to cover the positions and corrections to the historical data, we were continually asking the Board Office for an extension to complete the Tentative Budget Book and associated workshop and Board meeting materials. About every hour or so I kept asking Nancy Esplen the School Board's Executive Assistant for continual extensions. At or around 4:30pm that afternoon Mike brought the results of his analysis to my office for us to review them in order to add the budget that was needed to ensure that appropriate funding was placed at the sites for vacancies. I was shocked and taken aback when he presented a total of **65.4 vacancies for a total of over \$4.1 million dollars to be added to the budget. I arrived at the \$4.1 million** number by taking each position and calculating the average cost and entering it on a pre-populated spreadsheet that helps to calculate the benefits and thus the total compensation. [Attachment F] I recall remarking that "this does not make any sense, you are telling me that we have 3 weeks to go to open school and we have all these vacancies?, if I post this entry we will not have any fund balance left!". He then proceeded to try and explain to me that they are technically over budgeted as the replacement teachers had already been hired. At the time this was very confusing to me as I was trying to get the Tentative Budget Book published. However, against my better judgement I at first posted the \$4.1 million entry at first **but then ultimately reversed it** as it still did not make any sense that we would have that many vacancies at this point in time. I went back and reviewed the backup materials that Mike had given me to see if any of the vacancies made any sense. Some actually did. For example there was a vacancy for a Webmaster as the position was recently vacated by Ravi Annam and not filled as yet. I added the budget for that vacancy. There was another vacancy for an Executive Director of Secondary Schools recently vacated by Dr. Peggy Jones's a retirement so I added that budget to the system. Finally there was a vacancy for the Assistant Superintendent for HR and IT due to Bruce Green's resignation and I also added budget for that vacancy all these made sense to do so.

It was now approaching near 5:00pm and I received an email from Dr. Rendell stating "do we have any materials ready for the Board Workshop"? [Email from Dr. Rendell at or about 5:00pm was not received with PRR response] From a general perspective, departments are much easier to handle their budgets as there typically is not much personnel movement however the schools are increasingly much more difficult as teachers retire, are hired, rehired, transfer, placed on different steps, receive performance pay, raises based negotiations, etc. I decided to look at the remaining teacher vacancies that I had received from HR and made the call to enter \$2.3 million into the system to account for the vacancies as I recognized that there would be some level of vacancies to cover but certainly not 65.4 vacancies at a cost of \$4.1 million.

At or about 5:00pm Dr. Rendell came to my office and asked how are we doing? Frantically, I stood in my office doorway and said to him that HR had given me a list of vacancies last minute and I was trying to figure this out and get the Tentative Budget Book done. He remarked that "I have complete faith in your ability to get it done". I guess I did not react to his remark appropriately as my mind was focused on trying to get the book done. He stormed out of the office and said under his breath that "I can't even give the guy a compliment"! This brief exchange happened in the presence of my assistant Lynn Justen. The Budget Book and associated materials were subsequently published on or about 5:30pm-6:00pm.

#### **Monday July 23 2018 meeting with Dr. Rendell**

On July 23, I printed off the fund balance page of the Tentative Budget Book and met with Dr. Rendell at my weekly Monday morning meeting at 9:00am that is scheduled prior to Cabinet. At that meeting I discussed the budget. I indicated that we had published the Budget Book on Friday and that we are 3.5% of reserves. I also pointed out that the Transportation – ESE secretary position that was charged 78% IDEA and 22 % to the general fund was now mysteriously changed to 100% general fund. He said "why do we have to stress that?" He then expressed concern that the Board would not react favorably to the fund balance and I suggested that we can speak to the fund balance issue at the workshop within the context of the tentative nature of the budget. He did not want me to stress the fact that we were at 3.5% to the board but I suggested that we tell the board that we were at 3.5% but had more work to do for the final budget in September and should be able to get to 5% by that time. I also presented the breakdown of the 2017-18 operating results and fund balance showing a \$7 million loss as well as a listing of all restricted and categorical funds at year end. [Attachment G] I asked that I be allowed to include this information in my presentation to the Board at the July 24<sup>th</sup> Budget Workshop and he denied my request to show the Board the information. I also pointed out to him that in reviewing some pages of the Budget Book that there were a few errors (e.g. the fund balance page had to different numbers for the total appropriations) and he recommended that the corrected pages be amended on the agenda and discussed at the Budget Workshop the next day. Later that day the Board Office amended the agenda as we had discussed.

#### **Tuesday July 24, 2018 Budget workshop with School Board**

At the July 24, 2018 Board Budget workshop we presented the tentative budget and projected fund balance. At the start of the workshop at <http://safeyoutube.net/w/7AXd> at the **30.43** mark on the video

I explained that the salaries are still not final and I discussed the movement of people and impacts of retirements, vacancies, etc. In the same video at the **1:37:08 mark** I discussed the fund balance and the allocations are not final and there is more work to be done. In the Board workshop I went through the pages of the budget book, got to and presented the summary page of revenues expenses and projected fund balance and was expecting him to comment on this as we had discussed the matter the day before the meeting. It was not until Chairman Frost interrupted my presentation at the **1:42:54 mark** Board Chair Shawn Frost brought us back to page 98 and commented that we are 3.5% and we cannot deplete the reserve for a new board and that as a result the budget would not get his support. At 1:44:47 mark Mr. Frost also confirms that he has had a prior conversation regarding the 5% fund balance policy with Dr. Rendell. Board member Searcy then remarked that if we can assure him that by September we will be at 5% then it would get his support. Dr. Rendell then publicly addressed the Board that by September that the District will be at the required 5% fund balance. [Attachment E]. Later that afternoon at 7:28pm I emailed Dr. Rendell and suggested that he may have to consider a hiring freeze until we get these allocations sorted out. [Attachment E(2)]

#### **Meeting Friday on July 27, 2018 4:00pm with Dr. Rendell and Mike Smeltzer**

Dr. Rendell asked for a copy of the budget book to be sent to his office and scheduled a meeting in his conference room, for Friday July 27, 2018 for a "Budget Review". I asked him if it was okay for Mike Smeltzer to attend the meeting as well and it was approved. (I believe I also emailed Edwina Suit to make sure she approved Mike attending). At the meeting Dr. Rendell had a legal pad with notes and proceeded to highlight the schools that had large variances between the 2017 estimated expenditures versus the 2018 -19 budget. He asked me why these schools had these large variances and I said that I could not justify the amounts, they did not make sense however it may have something to do with the \$2.3 million entry that I had made for vacancies received from HR as I had brought the backup materials to my journal entry with me to the meeting. Mike then proceeded to explain to Dr. Rendell that HR placed a priority on the new hires so a teacher who needed to be transferred out of a school did not have their job record changed as yet to the new school but the replacement was already hired and placed at the school so that could produce an over budgeting situation. In addition, Mike explained to Dr. Rendell that he had given me a list of vacancies so it could have indeed affected the budget. [Attachment F] Dr. Rendell continued to highlight the school sites that had these large variances in the budget book and pointed out that Citrus Elementary was "the most damning one of them all". [Attachment H]. During our conversation he said to me that if he was able to do this exercise and find money then the union and our critics would be doing the same thing. As he continued to highlight the book I brought up the TERMS system on the computer TV screen in the conference room and ran reports to check the balances. We showed Dr. Rendell that all the positions that were currently in the system were fully committed to budget, no excess salary dollars and benefits existed, and the only funds that were available was supplements funding that is required by the IRCEA contract for schools.

I brought up the TERMS screen and ran reports to also check and see if the prior year expenditures at several schools were updated correctly in the budget book. We (Mike and I) then discovered that the prior year expenditures at Citrus elementary were in fact \$1 million more than was updated in the budget book which then revealed and now made sense why such a large variance existed at that school.

[By way of my recollection the initial 2017-18 expenditures at Citrus was reported as \$3 million and the 2018-19 budget was \$4 million hence a \$1 million increase over the prior year. I have subsequently confirmed these numbers through my public records requests.] These reports should still be in my TERMS computer spool file. With the TERMS system showing the 2017-18 expenditures at the correct \$4 million the variance was now essentially zero!] We went through the book and also found other schools that also had large variances between the 2017 expenditures and the 2018-19 budget and it was now becoming clearer that the prior year expenditures in the book were not properly updated and needed to be corrected. I then showed Dr. Rendell that I also found that there was a spreadsheet formula error in the excel file that was used to break out the salaries cost vs. the substitute costs and that formula was copied across all cells in the spreadsheet and that was why the variances were so large and would need to be corrected. This was a new feature to the budget presentation to enhance transparency of the budget.

He then dismissed Mike from the meeting as he indicated that had further questions for me on charter schools and their funding. For example he asked me why Indian River Charter High School's base funding was increasing by \$500,000 with only a few students more projected and asked me if it had anything to do with the transfer of charter school capital outlay from the capital fund and I concurred He had already deduced that was the reason and just wanted to confirm.

I told him that I would have to go back and check what was happening with the budget book errors and would have to do further research. However, in order to facilitate a discussion of the fund balance situation, I had put together a menu of items consisting of suggestions for potential reductions to department and school budgets and others suggested changes for example to add more Instructional Analysts to the Digital Classrooms Plan and Reading categorical Funds, which in turn would save operating funds and burn down the categorical funds. [Attachment I (1)] He agreed that we should do this "100% we should do this" and use up the restricted funds. I reiterated that this was a menu of suggestions and if he didn't have the stomach to do items 1 and 2 for example maybe he can look at other options on the list. The last item on the list was a question as to whether we can use the millage funds for "retaining high quality teachers" (ballot language) and he indicated that this should be our last option on the menu listing for consideration.

**Email on Saturday July 28, 2018 from Dr. Rendell**

On Saturday July 28 I received an email from Dr. Rendell stating before we cut schools funding as I had suggested (omitting other suggestions) that he was directing me to reverse the funds added to the schools, produce new budget pages for the schools affected and also to produce a new fund balance page. He also advised that I could skip our weekly Monday morning meeting at 9:00am and I could also skip the Cabinet meeting at 1:00pm to complete this task. I responded from my cell phone that I had received his directions. [Attachment J]

**Meetings on Monday July 30, 2018 with Dr. Rendell.**

Based on the email I received on Saturday July 28, 2018 directing me to reverse the \$2.3 million in funds allocated to schools, produce new budget pages and then a new summary page of the estimated fund

balance I spent the morning doing these entries on paper to reflect the impact of reversing the funds. (Note to reader –the Tentative Budget was now published to the School Board, all associated documents printed and fixed in the Budget Book and thus could not be amended in the TERMS system else it would not match what was given to the Board and public and fail audit).

After I was finished with my instructions I decided that I should try and meet with Dr. Rendell prior to our 3:00pm meeting to show him my working and the analysis that I had done showing the items that he had requested me to do and also to show him that what the variances would now look like if we were to reverse the entry in the system. I recall meeting with him in my office sometime around mid-day or so to review my work. At that time he remarked that “this is exactly what I wanted” and I felt that I had accomplished the task he assigned to me. [Attachment K]

I then met with Dr. Rendell at our scheduled 3:00pm meeting in his office and laid out the analysis showing the impact of the reversal and pages as he had requested. With the reversal of the \$2.3 million the estimated ending fund balance was now at 5.76%. However, the second half of my analysis showed that should we go ahead and reverse the entry in the system, that for example, the ACE would be losing a 0.4 FTE position however the school would be losing \$195,000. Several schools would now be short in funding and one or two would be over. I was taken aback when he asked me why did I do this and I replied that due to his remark on Friday that Citrus was the damming one of them all, I want to ensure that he saw the impact of the reversal which in essence would leave the school any funds to hire the teachers and any vacancies. I ran him through my analysis that I had prepared. [Attachment L]. He then abruptly got up from the conference room table went to his office and came back and placed the email he had sent on Saturday July 30, 2018 with his directions and said “you did not do what I asked you to do”. He said “I asked you to reverse the funds” and I pointed to my analysis and said “Here it is”, he said “I asked you to produce new budget pages for the schools affected” and I pointed to my analysis and replied “here they are”, he said “I asked you to produce a new fund balance page” and I pointed to my analysis and said “here it is”. I also showed him the attachments to my analysis that showed that if we corrected the budget pages with the prior year expenditures corrected and updated properly that approximately \$2M of the \$2.3M would needed to be added back to the budget to cover for vacancies.[Attachment L] Even with this and other adjustments that needed to be made to a couple departments (e.g. Building Department) we are currently at 4.67% after corrections were made but had a plan to add another 0.44% to get to 5%. I showed him the corrected summary of pages on the screen in the conference room. [Attachment L] We once again went through the exercise of showing him the corrected pages compared to the TERMS system and at that point the total increase in the schools budgets (excluding charters) was about \$2.4 million down from the \$4 million in the initial tentative budget book. He then said “I don’t trust what TERMS is saying”. He said that still does add up and I explained that at least \$1.5 million as a result of the substitutes budget now housed out in the schools as opposed to the reserve accounts as it had been done in the past, and the rest could be accounted for based on FRS increases, and additional units for example that the Learning Alliance is funding. He still questioned me regarding the increases in expenditures over the years depicted in the budget book for various schools, obtained prior years books for comparison and I explained that we are now seeing the cumulative effect of raises and performance pay in the budget as we had just concluded a 3 year

contract for automatic raises and performance pay for our teachers. I also reminded him that I had done a presentation to the school board in executive session regarding the cumulative impact on a teacher's salary of raises and performance pay over a three year period. [Attachment M] He also said to me that we had reduced staffing so there should not be an increase. I responded that we cut 13 positions through the meetings we had on allocations but had put back nine ESE positions for a net decrease of only of 4. [Attachment M-1]. He then asked me what do we tell the Board tomorrow at the Public hearing, and I suggested to him that we discuss the corrected budget pages, spreadsheet formula error and suggestions with the Board, explain that we recognize that we are at 3.5% but its only a tentative budget and will give assurance that we can get to 5% by September's final budget hearing. He seemed very dismissive of this recommendation and pointed to my analysis and emphasized "obviously it will be better for me if I can go in at 5.76%".

He still insisted that I give him only the pages with the amounts entered on July 20, 2018 reversed and I left to go downstairs to my office and print them off for him. Prior to going back up to his office I emailed him the corrected budget pages [Attachment N] At or about 5:15pm I brought the pages he requested and additional set of budget pages that showed the updated amounts from 2013-14 through 2017-18 that had been affected by the spreadsheet formula error and he said to me "I am not comfortable with any of this!" pointing to the corrected pages I had made and refused to accept the corrected pages from me. Despite this I told him that I would write a memorandum to him and so we can forward to the school board prior to the Public Hearing as we know this would come up. He said "how soon can you get this done?" and I said I would do it first thing in the morning when I get to work.

#### **Tuesday July 31<sup>st</sup>, 2018**

As soon as I arrived at work I drafted the memorandum to him discussing the fact that at the July 24, 2018 workshop Board members had expressed concerns that the District Tentative Budget was at 3.5% however after corrections to the budget book pages and that there were recommendations we had, that the district fund balance could be programmed to meet its 5% Board Policy target. I took a draft (Attachment O - v1) of the memo to Dr. Rendell for his review. He insisted that I add language to the memorandum that specifically stating that the funds were reversed at his direction. I then proceeded to add the language to the memorandum and took it back to him again for his review (Attachment O -v2). This review was done in my office to which Dr. Rendell said "I don't know any other way to say it Carter so I am just going to say it that you entered \$2.3 million dollars in the budget that drew down the fund balance". I replied that yes I did enter \$2.3 million but the analysis shows that at least \$2 million was warranted as we had previously reviewed and discussed.

He then requested further language in my memo to state that I had unilaterally inserted \$2.3 million into the budget. I complied with his request but further expanded my memorandum to include the circumstances under which I included these amounts in the budget as I have described here and attached a copy of the hand written notes given to me by Mike Smeltzer that showed the 65.4 positions totaling \$4.1 million. [Attachment O-v3] This was around mid-day July 31 2018 and I asked my assistant Lynn Justen to bring the memorandum upstairs to Dr. Rendell and I left for lunch. When I returned from

lunch on or about 1:30pm Dr. Rendell came to my office, closed the door and said that "this is not going to be a comfortable conversation".

He then proceeded to tell me that I was being reassigned and gave me a letter signed by him that stated that I am being relieved of my duties as the Assistant Superintendent for Finance & Employee Services and being "reassigned in an effort to conduct an investigation into allegations of wrongdoing". I read the letter, signed it that I received it and gave him back an original. I remarked that "you are sending me home so I should stay home until I hear from you?" He said yes. He said that I could take my personal belongings and I started to clean out my desk. I attempted to pick up my budget book with my belongings from my desk and he said I could not take it. He also said "you can take either door you want". After 12 years of distinguished service, Highly Effective evaluations, five superintendents, stellar service to Board members, students and community it came down to which door I wanted to exit through. I left the building through the Finance Department with my head held high.

Later that afternoon I received a phone call from the Florida Department of Education while on my way home which went unanswered. No voice mail message was left. When I arrived home I received a phone call from Mark Eggers from the Florida Department of Education and he explained to me that Dr. Rendell had called the Commissioner of Education and told her that the Board was not going to approve the budget. Mark Eggers wanted to know what was happening and I explained to him that we were at 3.5% currently but at the July 24 workshop the Board told Dr. Rendell that as long as we got to 5% by September we would be fine. I referred to him to watch the July 24 tape if he didn't believe me. He explained that they told Dr. Rendell that under Florida Statutes the Board could amend the budget at the public hearing if they wanted to so he wasn't sure what the issue was. [Attachment P]

Thank you

*Carter Morrison*

Carter Morrison.

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**Zorc, Laura**

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**From:** Suzanne D'Agresta <sdagresta@orlandolaw.net>  
**Sent:** Tuesday, November 27, 2018 5:52 PM  
**To:** Rendell, Mark  
**Cc:** Zorc, Laura  
**Subject:** FW: [EXTERNAL] Carter Morrison v Indian River School District  
**Attachments:** C Morrison ltr to Indian River 11-20-18.pdf

Dear Dr. Rendell –

As you are aware, the School Board has been provided with the attached letter from Mr. Morrison's legal counsel, asserting a Whistleblower complaint against you as Superintendent of the School District. Several steps are required at this time.

1. The attached letter, beginning at the bottom of page 3 and continuing onto page 4, demands that certain information relevant to the Whistleblower complaint is maintained and not destroyed. Please review the list of items and be sure your office is maintaining the listed information. Additionally, please provide the list of information to all other relevant departments with direction that those departments also maintain the listed information. I also recommend that any and all information related to Mr. Morrison's creation of the 2018-2019 budget, even if it is not listed on the attached letter, is also maintained and not destroyed. Finally, I will be communicating with Susan Norton's office for the same information.
2. I recommend the attached letter is reported to all appropriate insurance carriers for insurance coverage purposes. In the event a Whistleblower lawsuit is filed, you want to be sure you have not waived insurance coverage by not promptly reporting the potential lawsuit.
3. School Board policy 1211 and the implementing Procedure 1211 require that I, as School Board counsel, engage outside counsel to conduct an investigation concerning the allegations in the attached letter. I will communicate with Laura Zorc, the Chairman of the School Board, regarding recommendations for outside counsel and otherwise coordinate that process. Once the outside counsel is retained, I will provide you with that information.

Do not hesitate to contact me should you have any questions regarding the above. Thank you.



**Suzanne D'Agresta, Shareholder**  
**Garganese, Weiss, D'Agresta, & Salzman, P.A.**  
Board Certified City, County, & Local Government Law  
111 N. Orange Avenue, Suite 2000  
P.O. Box 2873  
Orlando, Florida 32802-2873

Phone (407) 425-9566  
Fax (407) 425-9596  
Website: [www.orlandolaw.net](http://www.orlandolaw.net)  
Email: [sdagresta@orlandolaw.net](mailto:sdagresta@orlandolaw.net)

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-----Original Message-----

From: [asg@gainesnolan.com](mailto:asg@gainesnolan.com) [mailto:[asg@gainesnolan.com](mailto:asg@gainesnolan.com)]

Sent: Tuesday, November 20, 2018 11:28 AM

To: [mark.rendell@indianriverschools.org](mailto:mark.rendell@indianriverschools.org); [shawn.frost@indianriverschools.org](mailto:shawn.frost@indianriverschools.org); [Charles.searcy@indianriverschools.org](mailto:Charles.searcy@indianriverschools.org); [laura.zorc@indianriverschools.org](mailto:laura.zorc@indianriverschools.org); [dale.simchick@indianriverschools.org](mailto:dale.simchick@indianriverschools.org); [tiffany.justice@indianriverschools.org](mailto:tiffany.justice@indianriverschools.org);

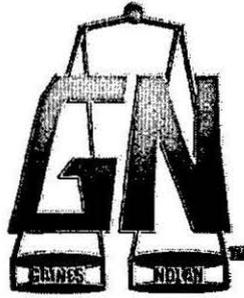
Suzanne D'Agresta <[sdagresta@orlandolaw.net](mailto:sdagresta@orlandolaw.net)>; [nancy.esplen@indianriverschools.org](mailto:nancy.esplen@indianriverschools.org); [SNorton@anblaw.com](mailto:SNorton@anblaw.com)

Subject: [EXTERNAL] Carter Morrison v Indian River School District

Dear Board:

Please find the attached correspondence invoking the Florida Whistle blower Statue and protections for my client, Carter Morrison. I have included Nancy Esplen on this email and I am requesting that she provide a full copy of the attachment to all incoming Board members before tonight't Board meeting. If you have any further questions, please contact my office. Thank you.

Gaines and Nolan Law Firm  
Arnold S. Gaines, Esq.  
2100 SE Hillmoor Drive  
Suite 106  
Port Saint Lucie, FL 34952  
772-200-4600 office  
772-200-4575 fax  
[asg@gainesnolan.com](mailto:asg@gainesnolan.com)



Arnold S. Gaines, Esq.  
asg@gainesnolan.com  
Licensed in FL & DC

Debra S. Nolan, Esq.  
debra@gainesnolan.com  
Licensed in FL & MI

**Law Offices of Gaines & Nolan**

**Via Facsimile: 772-564-3054**

November 20, 2018

Indian River School Board  
Shawn Frost, Chairman -Indian River County School Board  
6500 57th St.,  
Vero Beach FL 32967

***Re: Carter Morrison -vs- Indian River County School District***

Dear Mr. Frost/Indian River County School Board:

We hereby invoke on behalf of our client Mr. Carter Morrison, Assistant Superintendent for Finance & Employee Services, Florida's Whistleblower Statute, Fla. Stat. §112.3187 whereby retaliatory actions are prohibited against an employee who reports an actual or perceived violation of law which creates a substantial and specific danger to the public's health, safety, or welfare. In addition, this statute also prevents retaliatory action against any person who discloses information alleging the improper use of governmental office, gross waste of funds, or any other abuse or gross neglect of duty on the part of an agency, public officer or employee.

It is our contention that Mr. Morrison's opposition to Dr. Rendell's request to remove \$2.3 million from the Tentative Budget to mislead the Board and public into believing a projected 5% unassigned fund balance at the end of fiscal 2018-19 and subsequent diversion of funds in violation of Florida Statutes, qualifies him for the protections provided under Florida's Whistleblower Statute.

Dr. Rendell's recommendation to the School Board to demote Mr. Morrison from the Assistant Superintendent for Finance & Employee Services to the position of Coordinator of Transportation will serve as further evidence of retaliation against Mr. Morrison. We are requesting that the recommendation not be approved by the Board and that Mr. Morrison be allowed to return to work in his current position of Assistant Superintendent for Finance & Employee Services. If approved, Mr. Morrison will consider himself to have been wrongfully demoted / terminated in retaliation for having opposed Dr. Rendell's unethical and improper request to divert public funds. This recommendation is in direct violation of the protections under the Florida's Whistleblower Statute.

As you are aware, Mr. Morrison has been employed with the Indian River County School District for the past 12 years in the Finance & Employee Services Department without any disciplinary issues. Over the course of the last 5 years he has been responsible for preparing

over \$1.3 billion in budgets for Board approval and public hearing according to Fla Sta. §200 with distinction.

That is, until on July 30, 2018 when he met with Dr. Rendell and reviewed his request to remove \$2.3 million from the District's Non-discretionary salary budget. According to our client's written statement Dr. Rendell was pleased that a 5.76% fund balance would be achieved with the removal of this amount, until our client demonstrated that removal would then misrepresent the true status of the District's salary budget.<sup>1</sup>

Since the time our client refused to be a part of the misrepresentation to the Board he has been accused of the following inappropriate actions:

- Submitted proposed Tentative Budget to undermine the Superintendent and School Board [Investigative Report]
- Overlooked an error in the formula of the non-discretionary salaries which represented extremely large budget variances at 12 schools.
- "Stashed millions of dollars in inconspicuous accounts across the district, making it appear the district was in more dire financial straits than it truly is" [TcPalm article].
- "Unauthorized money shuffling" [TcPalm article]
- Made a budget transfer out of the general fund of approximately \$2.3 million without the Superintendent's authorization.

An investigation conducted by Ms. Susan Norton, Esq. of Allen, Norton & Blue concluded the following:

- No intent to undermine the Superintendent and School Board. In her opinion "*Mr. Morrison in no way intended to undermine the Superintendent by submitting the Tentative Budget with only 3.5% of revenues remaining in Unassigned funds*". (pg1)
- That "*The dramatic increase in the Non-Discretionary Salaries from the previous budget year was due to an error in the formula applied to deduct the salaries for substitute teachers from the Non-Discretionary Salaries*". (pg4). It should be noted that our client honestly and in good faith pointed out this error to Dr Rendell on July 27 despite his claims to have discovered it on August 28 at the Budget Workshop.
- Found it reasonable to believe that our client did not act improperly commenting that "*As a result I find it reasonable to believe that Mr. Morrison had believed that Mr. Smeltzer (HR Position Control) had corrected the allocations and, when the list said "Add Budget for" it meant to add additional salary*" (pg4).
- Despite receiving the information at the "*eleventh hour and the pending deadline*" that our client made a "*reasonable estimation in reaching his decision to add \$2.3 million in new salaries instead of the \$4.1 million*"<sup>2</sup>

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<sup>1</sup> Mr. Morrison statement is attached to this letter for your review.

<sup>2</sup> Why was there no investigation or demotion of HR faculty for providing false information of 4.1 million dollars to be added to the budget?

Now that the investigation is final and cleared Mr. Morrison of any wrongdoing, Dr. Rendell has decided to recommend that the School Board demote Mr. Morrison on the false premise of not exercising certain standards of ethical conduct.

We strongly believe that this is a retaliatory move but more importantly a way to restrain Mr. Morrison from exposing the true deteriorating nature of the District finances in the final budget presented to the School Board.

For example, although certain budgetary items that would significantly impact the 2018-19 budget were publicly discussed at workshops during the budget development process, they were omitted from the final budget. These omissions lead the School Board and public to believe a projected 5% unassigned fund balance would remain at the end of the fiscal year. A few examples of omitted items are cited below for your review:<sup>3</sup>

Item#	Description	Amount
1	No reserve for Mckay Scholarship deductions	616,000
2	Teacher Performance pay (recently awarded and estimated)	<u>900,000</u>
3	No reserve for 2016-17 FEFP Audit findings:	
	~ESE and schools	149,802
	~Transportation	<u>427,500</u>
	Subtotal missing items from the 2018-19 final budget	<u>2,093,302</u>

We contend that the inclusion of these items would report a 3.68% unassigned fund balance as of June 30, 2019 and our client would be able to expose these significant omissions. Based on public records received by our client, and despite being warned by the Board Chair not to cut student programs, hundreds of thousands of dollars in Advanced Placement (AP) and International Baccalaureate (IB) funds, have been used to cover salaries. In doing so there are possible violations of Florida Stat §1011.62. In addition, it appears that millage referendum funds have been used to cover salaries of technicians and a supervisor in the IT Department, beyond the scope of public statements that the funds would be used solely for 31 Teaching positions, Technology for the classroom and Districtwide infrastructure, and technical training programs.

Therefore, at this time, we demand that you secure and preserve certain critical evidence that may be vital to Mr. Morrison's case. Specifically, we request that each item of evidence identified through this letter be maintained and preserved and not be destroyed, modified, altered, repaired, or changed in any manner:

1. Any statements taken of Mr. Morrison relating to the 2018 investigation into the 2018-2019 Budget as described in this letter;

<sup>3</sup> Dr. Rendell took complete control of the budget after Mr. Morrison was relieved of his duties on July 31, 2018. All monetary moves in the new budget were directed by the superintendent.

2. Any statements taken of Dr. Rendell relating to the 2018 investigation into the 2018-2019 Budget as described in this letter;
3. Any statements taken of any witnesses to the 2018 investigation into the 2018-2019 Budget as described in this letter;
4. All public hearings and video of all school board meetings discussing the 2018-2019 budget.
5. A copy of each investigative file into any District employee, other than Mr. Morrison regarding the 2018-19 Budget;
6. All electronically generated financial reports present in Mr. Morrison's TERMS spool file

Please be advised that each of the requests contained in this letter applies to you, in both your individual capacity as well as an employer; and to all evidence in your actual possession, as well as to evidence over which you have operational or functional control, even though it may be in the actual possession of a third party. In that regard, we ask that you please forward a copy of this letter to all persons or entities with custodial responsibility for any of the items referred to in this letter, and that you instruct them to take whatever steps are appropriate to avoid destruction of the identified evidence.

Please be aware that if you fail to properly secure and preserve each of the important and vital items of evidence identified in this letter, a legal presumption that the evidence would have been harmful to your side of the case may arise, and the judge in the trial of this matter may so instruct the jury.

Further, if you fail to secure and preserve each of the important and vital items of evidence identified in this letter, we will seek all legal and equitable actions and sanctions available against you. The destruction, alteration, modifications, repair, or loss of any of the evidence demanded to be secured and preserved in this matter may constitute the spoliation of evidence under federal and state laws and upon proper ruling, the jury will be informed of this destruction or spoliation.

Finally, within ten days of receiving this letter, please confirm whether the School District has established by ordinance an administrative procedure for handling Whistleblower complaints, or if it has contracted with the Division of Administrative Hearings under Florida Statute §120.65 to conduct hearings under Florida Statute §112.3187. If the District has an administrative procedure in place for handling Whistleblower complaints, please consider this correspondence as Mr. Morrison's complaint; and forward a copy of any controlling rules concerning the handling of such Whistleblower complaints.

Sincerely,

**LAW OFFICES OF GAINES & NOLAN**



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Arnold S. Gaines, Esq.  
For the Firm

cc: Charles G. Searcy - Vice Chairman -Indian River County School Board  
Tiffany M. Justice -Member -Indian River County School Board  
Dale Simchick -Member - Indian River County School Board  
Laura Zorc- Member - Indian River County School Board  
Jacqueline Rosario – Incoming School Board Member  
Mara Schiff – Incoming School Board Member  
Teri Barenborg – Incoming School Board Member  
Dr. Mark J. Rendell, Superintendent-Indian River County School District  
Ms. Suzanne D'Agresta, Indian River County School District Attorney  
Susan Norton, Allen Norton & Blue, Professional Association  
Nancy Espen, Executive Assistant to the School Board

**Written statement by Carter Morrison regarding events from July 10-31<sup>st</sup> 2018 regarding the School Board of Indian River County's Tentative Budget.**

To the best of my recollection this is the sequence of events:

**Week of July 10-13 2018**

For the entire week of July 10-13, 2018 I was in the process of rolling forward budgets and allocating and new funds to the new 2018-19 budgets. [Attachment A]. The 2017-18 Accounts Payable accrual run was now complete that posted the final 2017-18 expenditures to that year's budget and the roll forward funds had to be calculated and allocated properly. I went through the process of reconciling the accounts for millage, categorical, charter schools and fund balances so that I could report the 2017-18 fund balance status to the superintendent and board. [Attachment B] In all I would estimate that I entered in the system in excess of around \$160+million as part of my job duties as the Assistant Superintendent for Finance for the District. [Attachment C]

**Saturday July 14, 2018**

The Human Resources (HR) Position Control Specialist - Mike Smeltzer (Mike) indicated to me that the 2017-18 employee records had rolled forward and that transfer of personnel from the schools had been completed and thus all positions were placed at the appropriate schools and departments in the system.

**Monday July 16, 2018**

Based on this information received from Position Control on Saturday July 14, I ran the TERMS commitment report [Attachment D] which picks up the salary and FTE of the person in the job, calculates the associated benefits and commits the salary to the budget. The Finance and Budget offices have been utilizing this computer program for over 12 years in order to assist us in managing the budget. Based on the excel files produced by the program I was able to determine the number of positions that were also included currently in the budget.

I then took the information from the system and created the budgets in the TERMS system. As an added enhancement for further transparency to the budget I ran a TERMS report for the prior year's expenditures and asked my Director of Finance to assign the task of updating the budget book to the new staff accountant. I went into the budget book file and created the formula that will split out the prior year salary and benefits cost to reflect the amount for substitutes. In the past substitute costs were kept in the reserve account 9115-000 for salaries and would be moved from this account to the respective sites to cover the cost of subs throughout the budget year. This formula would need to be copied across all fiscal years and break out the amounts. [Attachment E]

I downloaded a commitment salary file from the TERMS system, created a pivot table of positions and salaries by school and Department then asked Mike to compare the pivot table that was produced from the computer program files that contained the number of positions that the program was picking up and to compare that number to the number of allocations in order to ensure that we have the appropriate budget to cover the vacancies. By way of example the average cost of a teachers compensation is

around \$64,000 and if a school was allocated 5 teaching positions but at the time had only hired 4 then the computer program (commitment report) would then only calculate the cost for the 4 positions and finance would then have to cover the vacancy of 1 position with budget of \$64,000 until the position could be filled and the computer program commit them to the budget. [Attachment D]

#### On or about Wednesday or Thursday July 18 or 19 meeting with Positon Control

Throughout the week of July 20, I met with Mike to compare the allocations that were in the TERMS system and the budget book to ensure accuracy of the counts and the budget needed to cover any "uncommitted" personnel. During this exercise we discovered many errors in the allocation counts for prior years and the current year counts. By way of example many allocations had changed and were not properly recorded in the Budget Book for several years and some new positions that were newly approved by the School Board were not included in the personnel allocations. I then emailed him a draft copy of the Tentative Budget Book for updating the allocations and return to my office.

#### Friday July 20, 2018 Budget preparation for publication

The agreed upon time for the Budget Book to be completed and sent to the Board Office was at 1:00pm. Due to the updating of the budget book that was taking place for the breakout of substitute costs by finance, which had been delegated to staff, and the position allocations update comparison of the approved allocations vs. budget needed to cover the positions and corrections to the historical data, we were continually asking the Board Office for an extension to complete the Tentative Budget Book and associated workshop and Board meeting materials. About every hour or so I kept asking Nancy Esplen the School Board's Executive Assistant for continual extensions. At or around 4:30pm that afternoon Mike brought the results of his analysis to my office for us to review them in order to add the budget that was needed to ensure that appropriate funding was placed at the sites for vacancies. I was shocked and taken aback when he presented a total of **65.4 vacancies for a total of over \$4.1 million dollars to be added to the budget. I arrived at the \$4.1 million** number by taking each position and calculating the average cost and entering it on a pre-populated spreadsheet that helps to calculate the benefits and thus the total compensation. [Attachment F] I recall remarking that "this does not make any sense, you are telling me that we have 3 weeks to go to open school and we have all these vacancies?, If I post this entry we will not have any fund balance left!". He then proceeded to try and explain to me that they are technically over budgeted as the replacement teachers had already been hired. At the time this was very confusing to me as I was trying to get the Tentative Budget Book published. However, against my better judgement I at first posted the \$4.1 million entry at first **but then ultimately reversed it** as it still did not make any sense that we would have that many vacancies at this point in time. I went back and reviewed the backup materials that Mike had given me to see if any of the vacancies made any sense. Some actually did. For example there was a vacancy for a Webmaster as the position was recently vacated by Ravi Annam and not filled as yet. I added the budget for that vacancy. There was another vacancy for an Executive Director of Secondary Schools recently vacated by Dr. Peggy Jones's a retirement so I added that budget to the system. Finally there was a vacancy for the Assistant Superintendent for HR and IT due to Bruce Green's resignation and I also added budget for that vacancy all these made sense to do so.

It was now approaching near 5:00pm and I received an email from Dr. Rendell stating "do we have any materials ready for the Board Workshop"? [Email from Dr. Rendell at or about 5:00pm was not received with PRR response] From a general perspective, departments are much easier to handle their budgets as there typically is not much personnel movement however the schools are increasingly much more difficult as teachers retire, are hired, rehired, transfer, placed on different steps, receive performance pay, raises based negotiations, etc. I decided to look at the remaining teacher vacancies that I had received from HR and made the call to enter \$2.3 million into the system to account for the vacancies as I recognized that there would be some level of vacancies to cover but certainly not 65.4 vacancies at a cost of \$4.1 million.

At or about 5:00pm Dr. Rendell came to my office and asked how are we doing? Frantically, I stood in my office doorway and said to him that HR had given me a list of vacancies last minute and I was trying to figure this out and get the Tentative Budget Book done. He remarked that "I have complete faith in your ability to get it done". I guess I did not react to his remark appropriately as my mind was focused on trying to get the book done. He stormed out of the office and said under his breath that "I can't even give the guy a compliment"! This brief exchange happened in the presence of my assistant Lynn Justen. The Budget Book and associated materials were subsequently published on or about 5:30pm-6:00pm.

#### **Monday July 23 2018 meeting with Dr. Rendell**

On July 23, I printed off the fund balance page of the Tentative Budget Book and met with Dr. Rendell at my weekly Monday morning meeting at 9:00am that is scheduled prior to Cabinet. At that meeting I discussed the budget. I indicated that we had published the Budget Book on Friday and that we are 3.5% of reserves. I also pointed out that the Transportation – ESE secretary position that was charged 78% IDEA and 22 % to the general fund was now mysteriously changed to 100% general fund. He said "why do we have to stress that?" He then expressed concern that the Board would not react favorably to the fund balance and I suggested that we can speak to the fund balance issue at the workshop within the context of the tentative nature of the budget. He did not want me to stress the fact that we were at 3.5% to the board but I suggested that we tell the board that we were at 3.5% but had more work to do for the final budget in September and should be able to get to 5% by that time. I also presented the breakdown of the 2017-18 operating results and fund balance showing a \$7 million loss as well as a listing of all restricted and categorical funds at year end. [Attachment G] I asked that I be allowed to include this information in my presentation to the Board at the July 24<sup>th</sup> Budget Workshop and he denied my request to show the Board the information. I also pointed out to him that in reviewing some pages of the Budget Book that there were a few errors (e.g. the fund balance page had to different numbers for the total appropriations) and he recommended that the corrected pages be amended on the agenda and discussed at the Budget Workshop the next day. Later that day the Board Office amended the agenda as we had discussed.

#### **Tuesday July 24, 2018 Budget workshop with School Board**

At the July 24, 2018 Board Budget workshop we presented the tentative budget and projected fund balance. At the start of the workshop at <http://safeyoutube.net/w/7AXd> at the **30.43** mark on the video

I explained that the salaries are still not final and I discuss the movement of people and impacts of retirements, vacancies, etc. In the same video at the **1:37:08 mark** I discussed the fund balance and the allocations are not final and there is more work to be done. In the Board workshop I went through the pages of the budget book, got to and presented the summary page of revenues expenses and projected fund balance and was expecting him to comment on this as we had discussed the matter the day before the meeting. It was not until Chairman Frost interrupted my presentation at the **1:42:54 mark** Board Chair Shawn Frost brought us back to page 98 and commented that we are 3.5% and we cannot deplete the reserve for a new board and that as a result the budget would not get his support. At **1:44:47 mark** Mr. Frost also confirms that he has had a prior conversation regarding the 5% fund balance policy with Dr. Rendell. Board member Searcy then remarked that if we can assure him that by September we will be at 5% then it would get his support. Dr. Rendell then publicly addressed the Board that by September that the District will be at the required 5% fund balance. [Attachment E]. Later that afternoon at 7:28pm I emailed Dr. Rendell and suggested that he may have to consider a hiring freeze until we get these allocations sorted out. [Attachment E(2)]

#### **Meeting Friday on July 27, 2018 4:00pm with Dr. Rendell and Mike Smeltzer**

Dr. Rendell asked for a copy of the budget book to be sent to his office and scheduled a meeting in his conference room, for Friday July 27, 2018 for a "Budget Review". I asked him if it was okay for Mike Smeltzer to attend the meeting as well and it was approved. (I believe I also emailed Edwina Suit to make sure she approved Mike attending). At the meeting Dr. Rendell had a legal pad with notes and proceeded to highlight the schools that had large variances between the 2017 estimated expenditures versus the 2018 -19 budget. He asked me why these schools had these large variances and I said that I could not justify the amounts, they did not make sense however it may have something to do with the \$2.3 million entry that I had made for vacancies received from HR as I had brought the backup materials to my journal entry with me to the meeting. Mike then proceeded to explain to Dr. Rendell that HR placed a priority on the new hires so a teacher who needed to be transferred out of a school did not have their job record changed as yet to the new school but the replacement was already hired and placed at the school so that could produce an over budgeting situation. In addition, Mike explained to Dr. Rendell that he had given me a list of vacancies so it could have indeed affected the budget. [Attachment F] Dr. Rendell continued to highlight the school sites that had these large variances in the budget book and pointed out that Citrus Elementary was "the most damning one of them all". [Attachment H]. During our conversation he said to me that if he was able to do this exercise and find money then the union and our critics would be doing the same thing. As he continued to highlight the book I brought up the TERMS system on the computer TV screen in the conference room and ran reports to check the balances. We showed Dr. Rendell that all the positions that were currently in the system were fully committed to budget, no excess salary dollars and benefits existed, and the only funds that were available was supplements funding that is required by the IRCEA contract for schools.

I brought up the TERMS screen and ran reports to also check and see if the prior year expenditures at several schools were updated correctly in the budget book. We (Mike and I) then discovered that the prior year expenditures at Citrus elementary were in fact \$1 million more than was updated in the budget book which then revealed and now made sense why such a large variance existed at that school.

[By way of my recollection the initial 2017-18 expenditures at Citrus was reported as \$3 million and the 2018-19 budget was \$4 million hence a \$1 million increase over the prior year. I have subsequently confirmed these numbers through my public records requests.] These reports should still be in my TERMS computer spool file. With the TERMS system showing the 2017-18 expenditures at the correct \$4 million the variance was now essentially zero!] We went through the book and also found other schools that also had large variances between the 2017 expenditures and the 2018-19 budget and it was now becoming clearer that the prior year expenditures in the book were not properly updated and needed to be corrected. I then showed Dr. Rendell that I also found that there was a spreadsheet formula error in the excel file that was used to break out the salaries cost vs. the substitute costs and that formula was copied across all cells in the spreadsheet and that was why the variances were so large and would need to be corrected. This was a new feature to the budget presentation to enhance transparency of the budget.

He then dismissed Mike from the meeting as he indicated that had further questions for me on charter schools and their funding. For example he asked me why Indian River Charter High School's base funding was increasing by \$500,000 with only a few students more projected and asked me if it had anything to do with the transfer of charter school capital outlay from the capital fund and I concurred He had already deduced that was the reason and just wanted to confirm.

I told him that I would have to go back and check what was happening with the budget book errors and would have to do further research. However, in order to facilitate a discussion of the fund balance situation, I had put together a menu of items consisting of suggestions for potential reductions to department and school budgets and others suggested changes for example to add more Instructional Analysts to the Digital Classrooms Plan and Reading categorical Funds, which in turn would save operating funds and burn down the categorical funds. [Attachment I (1)] He agreed that we should do this "100% we should do this" and use up the restricted funds. I reiterated that this was a menu of suggestions and if he didn't have the stomach to do items 1 and 2 for example maybe he can look at other options on the list. The last item on the list was a question as to whether we can use the millage funds for "retaining high quality teachers" (ballot language) and he indicated that this should be our last option on the menu listing for consideration.

**Email on Saturday July 28, 2018 from Dr. Rendell**

On Saturday July 28 I received an email from Dr. Rendell stating before we cut schools funding as I had suggested (omitting other suggestions) that he was directing me to reverse the funds added to the schools, produce new budget pages for the schools affected and also to produce a new fund balance page. He also advised that I could skip our weekly Monday morning meeting at 9:00am and I could also skip the Cabinet meeting at 1:00pm to complete this task. I responded from my cell phone that I had received his directions. [Attachment J]

**Meetings on Monday July 30, 2018 with Dr. Rendell.**

Based on the email I received on Saturday July 28, 2018 directing me to reverse the \$2.3 million in funds allocated to schools, produce new budget pages and then a new summary page of the estimated fund

balance I spent the morning doing these entries on paper to reflect the impact of reversing the funds. (Note to reader –the Tentative Budget was now published to the School Board, all associated documents printed and fixed in the Budget Book and thus could not be amended in the TERMS system else it would not match what was given to the Board and public and fail audit).

After I was finished with my instructions I decided that I should try and meet with Dr. Rendell prior to our 3:00pm meeting to show him my working and the analysis that I had done showing the items that he had requested me to do and also to show him that what the variances would now look like if we were to reverse the entry in the system. I recall meeting with him in my office sometime around mid-day or so to review my work. At that time he remarked that “this is exactly what I wanted” and I felt that I had accomplished the task he assigned to me. [Attachment K]

I then met with Dr. Rendell at our scheduled 3:00pm meeting in his office and laid out the analysis showing the impact of the reversal and pages as he had requested. With the reversal of the \$2.3 million the estimated ending fund balance was now at 5.76%. However, the second half of my analysis showed that should we go ahead and reverse the entry in the system, that for example, the ACE would be losing a 0.4 FTE position however the school would be losing \$195,000. Several schools would now be short in funding and one or two would be over. I was taken aback when he asked me why did I do this and I replied that due to his remark on Friday that Citrus was the damming one of them all, I want to ensure that he saw the impact of the reversal which in essence would leave the school any funds to hire the teachers and any vacancies. I ran him through my analysis that I had prepared. . [Attachment L]. He then abruptly got up from the conference room table went to his office and came back and placed the email he had sent on Saturday July 30, 2018 with his directions and said “you did not do what I asked you to do”. He said “I asked you to reverse the funds” and I pointed to my analysis and said “Here it is”, he said “I asked you to produce new budget pages for the schools affected” and I pointed to my analysis and replied “here they are”, he said “I asked you to produce a new fund balance page” and I pointed to my analysis and said “here it is”. I also showed him the attachments to my analysis that showed that if we corrected the budget pages with the prior year expenditures corrected and updated properly that approximately \$2M of the \$2.3M would needed to be added back to the budget to cover for vacancies.[Attachment L] Even with this and other adjustments that needed to be made to a couple departments (e.g. Building Department) we are currently at 4.67% after corrections were made but had a plan to add another 0.44% to get to 5%. I showed him the corrected summary of pages on the screen in the conference room. [Attachment L] We once again went through the exercise of showing him the corrected pages compared to the TERMS system and at that point the total increase in the schools budgets (excluding charters) was about \$2.4 million down from the \$4 million in the initial tentative budget book. He then said “I don’t trust what TERMS is saying”. He said that still does add up and I explained that at least \$1.5 million as a result of the substitutes budget now housed out in the schools as opposed to the reserve accounts as it had been done in the past, and the rest could be accounted for based on FRS increases, and additional units for example that the Learning Alliance is funding. He still questioned me regarding the increases in expenditures over the years depicted in the budget book for various schools, obtained prior years books for comparison and I explained that we are now seeing the cumulative effect of raises and performance pay in the budget as we had just concluded a 3 year

contract for automatic raises and performance pay for our teachers. I also reminded him that I had done a presentation to the school board in executive session regarding the cumulative impact on a teacher's salary of raises and performance pay over a three year period. [Attachment M] He also said to me that we had reduced staffing so there should not be an increase. I responded that we cut 13 positions through the meetings we had on allocations but had put back nine ESE positions for a net decrease of only of 4. [Attachment M-1]. He then asked me what do we tell the Board tomorrow at the Public hearing, and I suggested to him that we discuss the corrected budget pages, spreadsheet formula error and suggestions with the Board, explain that we recognize that we are at 3.5% but its only a tentative budget and will give assurance that we can get to 5% by September's final budget hearing. He seemed very dismissive of this recommendation and pointed to my analysis and emphasized "obviously it will be better for me if I can go in at 5.76%".

He still insisted that I give him only the pages with the amounts entered on July 20, 2018 reversed and I left to go downstairs to my office and print them off for him. Prior to going back up to his office I emailed him the corrected budget pages [Attachment N] At or about 5:15pm I brought the pages he requested and additional set of budget pages that showed the updated amounts from 2013-14 through 2017-18 that had been affected by the spreadsheet formula error and he said to me "I am not comfortable with any of this!" pointing to the corrected pages I had made and refused to accept the corrected pages from me. Despite this I told him that I would write a memorandum to him and so we can forward to the school board prior to the Public Hearing as we know this would come up. He said "how soon can you get this done?" and I said I would do it first thing in the morning when I get to work.

#### **Tuesday July 31<sup>st</sup>, 2018**

As soon as I arrived at work I drafted the memorandum to him discussing the fact that at the July 24, 2018 workshop Board members had expressed concerns that the District Tentative Budget was at 3.5% however after corrections to the budget book pages and that there were recommendations we had, that the district fund balance could be programmed to meet its 5% Board Policy target. I took a draft (Attachment O - v1) of the memo to Dr. Rendell for his review. He insisted that I add language to the memorandum that specifically stating that the funds were reversed at his direction. I then proceeded to add the language to the memorandum and took it back to him again for his review (Attachment O -v2). This review was done in my office to which Dr. Rendell said "I don't know any other way to say it Carter so I am just going to say it that you entered \$2.3 million dollars in the budget that drew down the fund balance". I replied that yes I did enter \$2.3 million but the analysis shows that at least \$2 million was warranted as we had previously reviewed and discussed.

He then requested further language in my memo to state that I had unilaterally inserted \$2.3 million into the budget. I complied with his request but further expanded my memorandum to include the circumstances under which I included these amounts in the budget as I have described here and attached a copy of the hand written notes given to me by Mike Smeltzer that showed the 65.4 positions totaling \$4.1 million. [Attachment O-v3] This was around mid-day July 31 2018 and I asked my assistant Lynn Justen to bring the memorandum upstairs to Dr. Rendell and I left for lunch. When I returned from

lunch on or about 1:30pm Dr. Rendell came to my office, closed the door and said that "this is not going to be a comfortable conversation".

He then proceeded to tell me that I was being reassigned and gave me a letter signed by him that stated that I am being relieved of my duties as the Assistant Superintendent for Finance & Employee Services and being "reassigned in an effort to conduct an investigation into allegations of wrongdoing". I read the letter, signed it that I received it and gave him back an original. I remarked that "you are sending me home so I should stay home until I hear from you?" He said yes. He said that I could take my personal belongings and I started to clean out my desk. I attempted to pick up my budget book with my belongings from my desk and he said I could not take it. He also said "you can take either door you want". After 12 years of distinguished service, Highly Effective evaluations, five superintendents, stellar service to Board members, students and community it came down to which door I wanted to exit through. I left the building through the Finance Department with my head held high.

Later that afternoon I received a phone call from the Florida Department of Education while on my way home which went unanswered. No voice mail message was left. When I arrived home I received a phone call from Mark Eggers from the Florida Department of Education and he explained to me that Dr. Rendell had called the Commissioner of Education and told her that the Board was not going to approve the budget. Mark Eggers wanted to know what was happening and I explained to him that we were at 3.5% currently but at the July 24 workshop the Board told Dr. Rendell that as long as we got to 5% by September we would be fine. I referred to him to watch the July 24 tape if he didn't believe me. He explained that they told Dr. Rendell that under Florida Statutes the Board could amend the budget at the public hearing if they wanted to so he wasn't sure what the issue was. [Attachment P]

Thank you

*Carter Morrison*

Carter Morrison.

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GARGANESE, WEISS, D'AGRESTA & SALZMAN, P.A.

*Attorneys at Law*

111 N. Orange Ave., Suite 2000  
P.O. Box 2873  
Orlando, Florida 32802-2873  
Phone (407) 425-9566  
Fax (407) 425-9596

**Suzanne D'Agresta**  
Board Certified City, County & Local  
Government Law

[sdagresta@orlandolaw.net](mailto:sdagresta@orlandolaw.net)

November 28, 2018

Via e-mail: [asg@gainesnolan.com](mailto:asg@gainesnolan.com)

Arnold S. Gaines, Esquire  
Law Offices of Gaines & Nolan  
2100 SE Hillmoor Drive, Suite 106  
Port St. Lucie, Florida 34952

Re: My client: The School Board of Indian River County, Florida  
Your client: Mr. Carter Morrison

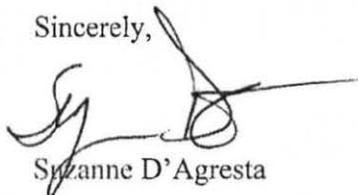
Dear Mr. Gaines:

This firm is general counsel to the School Board of Indian River County, Florida. Your letter dated November 20, 2018 regarding allegations being made by Mr. Carter Morrison has been provided to me for a response. Please direct all future communications regarding this matter to my attention.

Pursuant to your request, this letter will serve to notify you the School Board adopted policy 1211 as its internal process for investigating Whistleblower complaints. The School Board has not adopted an administrative procedure for hearing Whistleblower complaints, nor has the School Board contracted with the Florida Division of Administrative Hearing to conduct Whistleblower complaint hearings.

Should you have any questions regarding the above information, please do not hesitate to contact me.

Sincerely,



Suzanne D'Agresta

SDA/slj

cc: School Board members (*via e-mail*)  
Mark J. Rendell, Superintendent (*via e-mail*)

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Ft. Lauderdale (954) 670-1979 • Kissimmee (321) 402-0144 • Cocoa (866) 425-9566  
Website: [www.orlandolaw.net](http://www.orlandolaw.net) • Email: [firm@orlandolaw.net](mailto:firm@orlandolaw.net)

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## Zorc, Laura

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**From:** Suzanne D'Agresta <sdagresta@orlandolaw.net>  
**Sent:** Wednesday, November 28, 2018 11:41 AM  
**To:** Zorc, Laura; Justice, Tiffany; Barenborg, Teri; Rosario, Jacqueline; Schiff, Mara  
**Cc:** Esplen, Nancy  
**Subject:** FW: [EXTERNAL] Carter Morrison v Indian River School District \*\* DO NOT REPLY ALL TO THIS MESSAGE \*\*  
**Attachments:** C Morrison ltr to Indian River 11-20-18.pdf

Dear School Board Members –

This email will serve to address the attached letter alleging a Whistleblower complaint, and the process to be followed.

As you may recall, Mr. Carter Morrison's attorney sent the attached letter to the School Board last week, alleging a Whistleblower complaint against Dr. Mark Rendell. The law defines a Whistleblower complaint as a report of violations of any federal, state or local law, rule or regulation by a public employer that creates a substantial and specific danger to the public's health, safety or welfare. The allegations may include an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty on the part of a public officer.

In 2013, the School Board adopted policy 1211 to address such complaints. That policy provides in part that if the alleged reported misconduct involves the Superintendent, "the report is to be filed directly with the Board Attorney who is hereby authorized to engage outside counsel to conduct the investigation concerning the alleged misconduct." Additionally, the policy provides that if the report is made by an administrative staff member, the investigation must be conducted in accordance with the procedures set out in section 112.3189, Florida Statutes. As the attached Whistleblower complaint was filed by an administrative staff member and involves Dr. Rendell, I am moving forward to engage qualified outside counsel to conduct the investigation. After brief consultation with Ms. Zorc as School Board Chairman, I have determined to engage Mr. Mark Logan of Sniffen & Spellman, P.A., to conduct this investigation.

The statutory procedures for such an investigation first require the investigator, within 20 days, to make a determination if the complaint meets the criteria of a Whistleblower complaint. If the determination is in the negative, that information will be provided and the process stops. If the determination is in the affirmative, the investigator is then required to conduct an investigation of the allegations and provide a final written report within 60 days. This timeline may be extended for good cause shown. Given that the investigatory time period includes the 2 weeks the District offices are closed in December, additional time may be needed. However, at this moment you can assume the timeline will be maintained.

Finally, at this time, please do not publically discuss this Whistleblower complaint or otherwise discuss the details of the complaint with anyone. The law provides that the name of the individual who makes a Whistleblower complaint, the complaint, and any materials relating to the investigation of the complaint are confidential and exempt from disclosure pursuant to a public records request. See sections 112.3188(2)(b), 119.071(2)(k) and 1012.31(3)(a)1., Florida Statutes. This confidentiality requirement applies while the investigation is active, and protects the due process rights of all parties involved.

Please do not hesitate to contact me should you have any questions regarding the above information. As additional information becomes available, I will provide an update. Thank you.



**Suzanne D'Agresta, Shareholder**  
**Garganese, Weiss, D'Agresta, & Salzman, P.A.**  
Board Certified City, County, & Local Government Law  
111 N. Orange Avenue, Suite 2000  
P.O. Box 2873  
Orlando, Florida 32802-2873  
Phone (407) 425-9566  
Fax (407) 425-9596  
Website: [www.orlandolaw.net](http://www.orlandolaw.net)  
Email: [sdagresta@orlandolaw.net](mailto:sdagresta@orlandolaw.net)

Any incoming e-mail reply to this communication will be electronically filtered for "spam" and/or "viruses." That filtering process may result in such reply being quarantined (i.e., potentially not received at our site at all) and/or delayed in reaching us. For that reason, we may not receive your reply and/or we may not receive it in a timely manner. Accordingly, you should consider sending communications to us which are particularly important or time-sensitive by means other than e-mail.

Confidentiality Note: This e-mail, and any attachment to it, contains privileged and confidential information intended only for the use of the individual(s) or entity named on the e-mail. If the reader of this e-mail is not the intended recipient, or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that reading it is strictly prohibited. If you have received this e-mail in error, please immediately return it to the sender and delete it from your system. Thank you.

-----Original Message-----

From: [asg@gainesnolan.com](mailto:asg@gainesnolan.com) [mailto:[asg@gainesnolan.com](mailto:asg@gainesnolan.com)]

Sent: Tuesday, November 20, 2018 11:28 AM

To: [mark.rendell@indianriverschools.org](mailto:mark.rendell@indianriverschools.org); [shawn.frost@indianriverschools.org](mailto:shawn.frost@indianriverschools.org); [Charles.searcy@indianriverschools.org](mailto:Charles.searcy@indianriverschools.org); [laura.zorc@indianriverschools.org](mailto:laura.zorc@indianriverschools.org); [dale.simchick@indianriverschools.org](mailto:dale.simchick@indianriverschools.org); [tiffany.justice@indianriverschools.org](mailto:tiffany.justice@indianriverschools.org); Suzanne D'Agresta <[sdagresta@orlandolaw.net](mailto:sdagresta@orlandolaw.net)>; [nancy.esplen@indianriverschools.org](mailto:nancy.esplen@indianriverschools.org); [SNorton@anblaw.com](mailto:SNorton@anblaw.com)  
Subject: [EXTERNAL] Carter Morrison v Indian River School District

Dear Board:

Please find the attached correspondence invoking the Florida Whistle blower Statue and protections for my client, Carter Morrison. I have included Nancy Esplen on this email and I am requesting that she provide a full copy of the attachment to all incoming Board members before tonight't Board meeting. If you have any further questions, please contact my office. Thank you.

Gaines and Nolan Law Firm  
Arnold S. Gaines, Esq.  
2100 SE Hillmoor Drive  
Suite 106  
Port Saint Lucie, FL 34952  
772-200-4600 office  
772-200-4575 fax

11/29/18

## LEGAL REPRESENTATION AGREEMENT

The undersigned, **THE SCHOOL BOARD OF INDIAN RIVER COUNTY** ("SBIRC"), does hereby retain and employ **SNIFFEN & SPELLMAN, P.A.**, ("the law firm"), to represent the client The School Board of Indian River County, in the following matters:

**Investigation of Whistleblower complaint (Morrison) regarding Superintendent in accordance with section 112.3189, Florida Statutes**

This document sets forth the agreement concerning the representation of the client by the law firm in these matters only.

### ATTORNEYS' FEES

1. The client agrees to pay all attorney's fees and costs incurred. Attorney's fees records will be computed on an hourly basis for time that is devoted to the representation. It is often impossible to determine in advance the amount of time that will be needed to complete a matter. A not to exceed estimated budget of \$50,000 has been established for the scope of services, and the law firm will contact the School Board Attorney, and obtain prior approval, before exceeding the estimated budget amount. The law firm shall use its best judgment to determine the amount of time and nature of the services to be performed in the client's best interest. The law firm will keep the client informed of the time devoted to its representation. The client shall pay the firm based upon the following hourly rates:

Attorney Initials	Name	Hourly Rates
RJS	Robert J. Sniffen	\$ 200.00
MPS	Michael P. Spellman	\$ 200.00
DPW	Dawn P. Whitehurst	\$ 200.00
MKL	Mark K. Logan	\$ 200.00
LBF	Lisa B. Fountain	\$ 200.00
TJH	Terry J. Harmon	\$ 200.00
ECI	Elmer C. Ignacio	\$ 160.00
DKS	Diana K. Shumans	\$ 160.00
JDS	Jeffrey D. Slanker	\$ 160.00
MRF	Michael R. Fidrych	\$ 160.00
KCK	Kevin C. Kostelnik	\$ 160.00
MJH	Mitchell J. Herring	\$ 160.00
MJC	Matthew J. Carson	\$ 160.00
JBD	Jarrett B. Davis	\$ 160.00
<b>Paralegal Initials</b>		
KJB	Karen Barger	\$ 80.00
TW	Trae Wylie	\$ 90.00

Law Clerks	\$50.00/\$60.00
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2. The hourly rate shall include, but is not limited to, time spent for conferences, on the telephone, drafting documents, in negotiations, conducting legal research, depositions and other discovery matters, court appearances, electronic mail transmissions, or any other activity reasonably related and necessary to the scope of the law firm's representation. The Firm will not bill for travel time but will bill for travel expenses. At this time, the litigation team assigned to this case will consist of: Mark K. Logan, Mitchell J. Herring, Robert J. Sniffen and Karen Barger; however, it may be necessary to utilize other Firm lawyers for various tasks.

3. The law firm will bill the client on a monthly basis and the client will pay the law firm in full for all attorney's fees and costs incurred by the law firm no later than 30 days from the date of the law firm's invoice. Statements for services and costs shall be submitted via-electronic mail to the School Board Attorney, Suzanne D'Agresta, Shareholder, at [sdagresta@orlandolaw.net](mailto:sdagresta@orlandolaw.net).

Client shall remain fully responsible for the payment of all attorney's fees and costs incurred by the law firm regardless of any right to reimbursement, insurance defense proceeds or indemnification the client may have.

#### COSTS AND EXPENSES

4. The client agrees to pay all costs and expenses incurred by the law firm. The law firm is authorized to pay and incur expenses on behalf of the client. Costs normally include, but are not limited to: long distance telephone calls, removal expenses, photocopies, out-of-town travel expenses, mileage for travel, postage, expert witness fees and costs, filing fees, computer research expenses and other expenses reasonably required to be expended and arising out of the law firm's representation. Charges will not be billed for facsimile transmissions.

#### MUTUAL REPRESENTATIONS

5. The client has the right to terminate the representation of the law firm at any time. In the event of such termination, the client shall pay the law firm for fees and costs incurred through the date of such termination. The law firm shall have the right to withdraw from the representation if the client does not make payments required by this agreement, if the client has misrepresented or failed to disclose material facts to the law firm, if the client is uncooperative, if irreconcilable differences are present, if the client fails to follow the law firm's advice and/or for any other legally permissible reason. Upon the occurrence

of any of these events, the client will execute such necessary documents as will permit the law firm to withdraw.

**IN THE EVENT THERE ARISES A DISPUTE BETWEEN THE CLIENT AND THE LAW FIRM REGARDING ATTORNEY'S FEES AND COSTS INCURRED DURING THE REPRESENTATION, THE CLIENT AND THE LAW FIRM MUTUALLY AGREE TO SUBMIT TO ARBITRATION OF THEIR CONTROVERSY CONCERNING THE LEGAL FEES AND COSTS CHARGED BY THE LAW FIRM. THE PARTIES HAVE THEREBY AUTHORIZED A DULY APPOINTED ARBITRATION PANEL OF THE FLORIDA BAR TO ACT AS ARBITRATOR(S) AND TO PROCEED TO HEAR ANY SUCH DISPUTE PURSUANT TO THE SUPREME COURT RULE REGULATING THE FLORIDA BAR -- CHAPTER 14, (FEE ARBITRATION RULE), RULES OF PROCEDURE FOR A FEE ARBITRATION PROCEEDING AND CHAPTER 682, FLORIDA STATUTES. THE MEMBERS OF THE ARBITRATION PANEL SHALL BE VESTED WITH ALL THE POWERS AND SHALL ASSUME ALL THE DUTIES GRANTED AND IMPOSED UPON ARBITRATORS BY FLORIDA LAW. THE PARTIES ALSO AGREE THAT JUDGMENT MAY BE ENTERED ON THE AWARD IN ANY COURT OF COMPETENT JURISDICTION IN THE STATE OF FLORIDA AND, THEREFORE, ANY AWARD RENDERED SHALL BE BINDING.**

6. The client acknowledges that the law firm has not made guarantees regarding the disposition of any phase of the matter or matters for which it has been retained. All expressions relative to the matter for which the law firm has been retained are opinions of the law firm.

7. The provisions of this agreement shall apply only to the matters set forth above and unless otherwise specifically provided.

8. The cooperation of the client with the law firm is essential. The client must keep the law firm informed immediately of any changes of address, phone number, employment and circumstances. Full disclosure to the law firm of all facts is essential to enable proper representation. The Client must promptly fill out, execute and/or return all papers sent to client such as interrogatories, requests for information, requests for documents, etc. The School Board Attorney will be the initial contact for this scope of service, and will coordinate the receipt of background information and any other information requested.

9. **IMPORTANT NOTICE REGARDING EMAIL COMMUNICATION:** With changes in technology, the law firm is aware that email is a common method of communication; however, please keep in mind the following: (a) clients should never use computers maintained or monitored by others (e.g., work; public computers) when communicating about sensitive or attorney-client matters; (b) incoming emails may not be read immediately, because the intended recipient may be out of the office or otherwise unavailable; if your email communication is time-sensitive, please call our office to ensure

we are aware of your email; and (c) the Firm uses automated filters to block viruses and unwanted emails. It is possible the Firm's network may not recognize your email address and prevent your emails from being properly delivered. Please call our office if we have not responded to your email within a reasonable time or if the matter is time-sensitive.

10. Either party may, from time to time, request changes in the scope of the services to be performed under this agreement. Such changes, which are mutually agreed upon by and between the client and the law firm, shall be incorporated in written amendments to this agreement.

11. The firm will provide proof of professional liability insurance prior to commencing work.

12. This agreement, including any attachments, embodies the entire agreement of the parties. There are no other provisions, terms, conditions, or obligations. This agreement supersedes all previous oral or written communications, representations or agreements on this subject.

**NOTICE: This agreement contains provisions requiring arbitration of fee disputes. Before you sign this agreement you should consider consulting with another lawyer about the advisability of making an agreement with mandatory arbitration requirements. Arbitration proceedings are ways to resolve disputes without use of the court system. By entering into agreements that require arbitration as the way to resolve fee disputes, you give up (waive) your right to go to court to resolve those disputes by a judge or jury. These are important rights that should not be given up without careful consideration.**

The law firm will comply with Florida's public record laws in relation to this Agreement, specifically to:

1. Keep and maintain public records required.
2. Upon request from the client's custodian of public records, provide the client with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and following completion of the Agreement if the law firm does not transfer the records to the client.
4. Upon completion of the Agreement, transfer, at no cost, to the client all

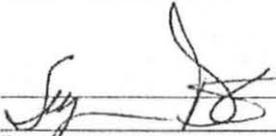
public records in possession of the law firm or keep and maintain public records required by the client to perform the service. If the law firm transfers all public records to the client upon completion of the Agreement, the law firm shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the law firm keeps and maintains public records upon completion of the Agreement, the law firm shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the client, upon request from the client's custodian of public records, in a format that is compatible with the information technology systems of the client.

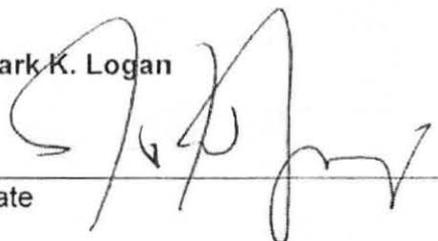
**IF THE LAW FIRM HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE LAW FIRM'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT BRENDA DAVIS; [Brenda.Davis@indianriverschools.org](mailto:Brenda.Davis@indianriverschools.org); (772) 564-3149.**

The client has read and fully understands this agreement, and executes it voluntarily. By signing below, the individual executing this agreement on the client's behalf acknowledges and represents that he or she has full authority to enter into this agreement on behalf of the client.

Read, Approved and Accepted on this 29<sup>th</sup> day of November, 2018.

THE SCHOOL BOARD OF INDIAN RIVER COUNTY Law Firm – Sniffen & Spellman, P.A.

  
By: Suzanne D'Agresta  
Its: School Board Attorney  
Date 11/29/18

Mark K. Logan  
  
Date \_\_\_\_\_

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## Zorc, Laura

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**From:** Pelletier, Julianne  
**Sent:** Monday, December 10, 2018 6:46 PM  
**To:** D'Agresta, Suzanne  
**Cc:** Zorc, Laura; Justice, Tiffany; Schiff, Mara; Rosario, Jacqueline; Barenborg, Teri  
**Subject:** Review Requested  
**Attachments:** CodeofEthics.pdf; FB156 Salary and Benefits GF Non -Discretionary 12 7 2018.pdf; Fund Balances 2010 - 2019.pdf; Journal Report JP 12 7 2018.pdf; Memo analysis and supporting documentation.pdf; Salary Benefit Screens at 12 6 2018.pdf; You should know this.docx

**Follow Up Flag:** Flag for follow up  
**Flag Status:** Flagged

The following information is being provided under SDIRC Whistleblower Protection according to F.S. 112.3187, 112.3189.

Please find attached a letter in support of Carter Morrison, Assistant Superintendent of Finance and Employee Services at the School District of Indian River County.

In addition, please find within my letter information disputing statements made by Dr. Rendell charging Carter Morrison with failure to follow basic budgeting practices, failure to create capacity in the department, overlooking a formula error, not getting authorization for a \$2.3 million entry, and not maintaining honesty in professional dealings related to the budget.

All budget movements that were made by Finance staff after Carter Morrison became unavailable were done so at Dr. Rendell's directive. Salaries and benefits are underbudget and were underbudget at the time of the beginning budget, and there are items that Dr. Rendell, Superintendent chose to leave out of the beginning budget, such as McKay Scholarship and recent audit findings.

Everything attached should be reviewed before a decision is made on Carter Morrison's position change.

Additionally, pay close attention to the revised projected fund balance based on items mentioned within the letter.

Our CFO was taken from our Department and Finance has not been provided any expertise as we were promised on July 31, 2018 and again a week later. The only 'assistance' provided was people or organizations passing through to investigate with no substantiated findings.

Regards,

Juli Pelletier  
Director of Finance  
School District of Indian River County  
6500 57<sup>th</sup> Street  
Vero Beach, Florida 32967  
Telephone 772-564-3056  
Fax 772-564-3037  
[Julianne.pelletier@indianriverschools.org](mailto:Julianne.pelletier@indianriverschools.org)

Under Florida's "Public Records" law, absent a specific exclusion, written communications to or from Indian River County School District employees are considered public records. E-mail communication with this correspondent may be subject to public and media disclosure upon request.

December 7, 2018

You should know: Carter hired me a year and a half ago as Senior Accountant and Auditor for the Insurance Fund. I was honored and so excited to be promoted to Director of Finance in April of 2018, so that I could learn from him all the many pieces to the puzzle contained within the Florida Education Finance Program, the Operations of the SDIRC, and achieve a personal goal I had been working towards.

My family, still in NH, were planning to come down so that my son could begin 3<sup>rd</sup> grade in August, and my husband would begin to establish his Electrical Contractor business down here after he licensed. They were so happy for me that I loved my new position, that our plan was becoming reality although they were sacrificing leaving friends and a solidly established business to come down to live in Vero Beach. July 31st that All went on hold.

Our finance department is a fabulous team of 15 people, I am so proud of and humbled by them, that they have continued to work tirelessly without objection since I met them, even with the tumultuous accusations over the last 4.5 months they have maintained their professionalism and carried on. We have our great team of 4 on the Risk Management and Benefits group – Carter built it all and I have had the absolute pleasure of working with them.

Carter Morrison has always adhered to the utmost ethical, legal, moral and the highest professional standards of conduct in all aspects of his career and the responsibilities of his position.

His documentation is meticulous, his work ethic profound.

He is humble and kind and a pleasure to work for.

Hanging outside our Finance door is the Government Finance Officers Association (GFOA)– Code of Professional Ethics. Carter was a Certified Government Finance Officer since 2007 after passing a series of 5 rigorous exams, he adheres to and upholds this code of ethics impeccably.

Also hanging outside our Finance door are 16 awards for excellence in reporting for the Comprehensive Annual Financial Report (CAFR). You should stop by and see them and learn what this entails.

Carter is a member of the Florida School Finance Officers Association since 2002, serving on their Board of Directors for 4 years. Members across the State know Carter and all respect him and speak highly of him.

Carter has been a member of the Association of Certified Fraud Examiners for years.

Carter has served as Vice Chairman for SCERMP since 2016 and became Chairman in February 2018. SCERMP is a consortium of 7 school districts with over \$4 billion in total insured value. (They meet and negotiate to get the best rates and coverage for the member school districts – presently SDIRC is spending \$39K -unplanned and not budgeted - at the previous board request for an RFP to see if there are better insurance rates available to SDIRC)

At the District, Carter served on the HIATF committee and after taking over the Self Insurance Fund, was able to turn the depleted Fund around to meet the Safe Harbor Standards set forth by the State of Florida.

Carter also served on the District negotiation teams for the IRCEA and the CWA, and although not always in agreement both presidents of our District Unions hold Carter with high regard.

I find it discerning that the letter contained in the attachments to Tuesday, December 11, 2018's agenda question Carter's budget building practices when the budget which he developed is now 159 pages, more detailed and transparent than that which many of the large and small counties in the State provide within 3 weeks of year end and prior to the Fiscal Year even being closed.

Furthermore, the statement charging Carter with failure to build capacity is outrageous –

Sue Titus – Budget Analyst retired in December of 2017, 30 years of service, Donna Alderman retired in February 2018, 10 years of service, and another staff accountant left in the middle of June 2018.

I began in this position April 24, 2018.

Carter had set a weekly training schedule with one of the new Staff Accountants and I so that we could begin to learn the pieces of the puzzle but with budget development in full force, year-end, and the fact that my replacement for my former position could not begin until August 6, 2018 because board approval didn't occur until July 24th, those training meetings were difficult to complete at times.

The 2 new Staff Accountants (replacements) began in mid-March and mid-July; as I said before there are many moving pieces – especially to a 159-page **TENTATIVE** budget.

Never mind the **FACT** that Carter was given 4.1 million dollars of vacancies from Mike Smeltzer (who is supposed to be the **KEY** employee in charge of position control) the exact day that the **Tentative** Budget was due upstairs – why did this happen? This is a re-occurring issue year after year which I have confirmed with long term staff. (I have available information about many incorrect positions through position control as well

as an email stating to leave someone in an incorrect position at an incorrect rate of pay -with federal dollars -which I sent to the Superintendent last week as Mike would not resolve it. I have not yet received information of a directive telling Mike to fix it, nor has it been fixed. I was rather confused to see that Mike Smeltzer was on the agenda for a promotion and increase of \$12,000.00, when ultimately his late submission was the root of this entire debacle according to the investigation. Additionally, the numbers of positions and positions assigned to facilities are the responsibility of position control, but that information was not provided accurately to Finance or updated in the allocations section of the budget book, I even requested this the week after Carter was sent home and what I received back was some pages with hand written scribbles.)

Carter, while trying to complete the Tentative Budget was performing an analysis of these \$4.1 million of vacancies while he was called **every five to ten minutes** from Nancy Esplen, Peggy Poysell and Dr. Rendell to see if he was finished yet? I witnessed these interruptions first hand as he reviewed his analysis with me. I have the documentation of his analysis and will forward it. It was a TENTATIVE book (not final) beginning budget.

To be even more transparent, Carter had our team split out the substitutes salaries from the non-discretionary salaries total amount across all years, in an effort to get this done too quickly the formula error occurred for schools, we found it on the 24<sup>th</sup> of July and knew we would fix it before the final beginning budget, as we still hadn't closed out the Fiscal Year and there would be many updates that would still need to take place. I told Dr. Rendell the day he sent Carter home, that there was a formula error in the substitute split, it is a Tentative Budget – that information of the error went ignored until Connelly Weiss, Former CFO of St. Johns County told Dr. Rendell the same thing weeks later.

**Carter always maintained honesty with all dealings of the budget.**

The dollar volume in all operations of this district for this year is \$289million. The accounting entries required to get all that detail into an archaic system such as we are working on is astronomical nevertheless, Carter did it all, and we helped him with the pieces that we could as best we could when our other responsibilities were completed. **My point is, Carter had authority to make \$289million dollars of budget this year, and \$286 million each of the prior two years, but he didn't have authority to make an entry to complete the budget of \$2.3million, the amount in question by Dr. Rendell, really?**

I have in the finance department all the backup documentation of the entries that Carter made to build this budget, add the vacancies, his analysis of the vacancies,

suggestions of changes or adjustments to make that would create savings to the district and help the projected fund balance.

As I have already mentioned to you the hard work and dedication of the entire Finance Department; many have expressed to me their displeasure to the statements that Dr. Rendell made about the Finance Team in his November 15, 2018 letter to Carter Morrison. What a great way to destroy the morale of a highly functional team.

I am forwarding to you all the journal entries made by myself from July 1, 2018 through last week, I want you to see those primarily to the Budget, in a journal report. I have all the documentation that Dr. Rendell handed to me to move people to positions in projects, to return salaries to the fund balance, to remove positions from schools – over \$2.7million. There were increases to revenue in a few categories which was verbal direction from Dr. Rendell to myself and a Senior member of my team. In the end attempting to get the fund balance to the desired >5% Dr. Rendell decided to take Carter's suggestions for savings which he had previously refused, we were directed to use some of the suggestions which I will also forward. I assure, we did all this movement for budget purposes at his direction, possibly up to the 3.7 million that the letter states, but again all at his directive.

Prior to submitting the final beginning budget, there were items that I mentioned to Dr. Rendell that were not yet in the budget - I had seen a notation on one of Carter's reconciliations for McKay Scholarships (\$647,000) possibly a take back from the State but unsure, and the FL DOE audit findings that came in a report on August 7, 2018 roughly \$600,000 which Dr. Rendell said, "we will get to those later." These items were left out of the beginning budget that was approved, approximately 1.2 million dollars – this will be further reduction in the fund balance. (please see analysis on fund balance reports)

Once the teachers were paid in August I told Dr. Rendell, the balances of non-discretionary salaries and benefits were negative, he said, "the Commitment is wrong." (The Commitment is a report which runs and posts, it calculates all salaries and benefits needed for the presently filled positions, example: if someone is on unpaid leave status there will be no commitment for them for the period) It is my understanding that the Commitment Report has been used by the District for 12 years – The commitment was not and is not wrong.

if Carter had purposefully overbudgeted at the schools as accused there would be a surplus, budget would be greater than commitment, not a deficit. Now 4.5 months later the non-discretionary salaries are **negative 1.63 million dollars**, and the benefits for non-discretionary are **negative (\$965,050.18)** and across all projects the benefits are **negative (\$1,290,246.19)**.

**Again, If Carter had over budgeted at the schools and facilities these would have a surplus, they do not.** I will forward the present balances of these salaries and benefits, screen printouts and report of each facility for you to see.

At this time, I am not sure why we had to pay \$10,000 for an audit of the budget, their report appears incorrect, which I was just given a copy of two days ago, yes December 4, 2018 when it was received by Dr. Rendell in early October. The auditor is coming in on Monday, December 10, 2018 to review with me, but the accurate information is in TERMS.

In mid-November, I learned of yet another reporting error to the DOE from Transportation which could have a very serious negative impact on the funding because eligible rather than actual riders were reported (The DOE is who notified our IT and Transportation departments of the reporting issue.) Transportation reporting, I am told is now correct, but this years and prior years funding was based on overstated riders, which could impact the fund balance by another \$1.2 million for just this year's overreporting (I do not know the timing of how DOE catches up with these errors and reduces funding or if they will require a payment, it is included therefore in the revised projection).

Additional costs affecting the fund balance are unplanned legal expenses presently \$90,000, the unplanned requested Property Casualty RFP \$39,000, and costs from the TCE Generator Fuel Tank leak, cleanup, tank replacement and fuel storage, (for this approximate \$118,000 we will hopefully share the cost with the County as this large generator is for the special needs shelter operation at TCE), but conservatively expect \$50,000 against the fund balance if none of the insurance policies provide reimbursement.

You need to know Carter built up the fund balance post-recession, carefully:

FY	Unassigned + Assigned %	Inc(dec)	Unassigned + Assigned Fund Balance	Inc(dec)	Total Fund balance	Inc(dec)
2010	1.34%	N/A	\$1,620,000.00	N/A	\$2,536,951.00	N/A
2011	9.62%	8.28%	\$12,034,000.00	\$10,414,000.00	\$14,572,039.00	\$12,035,088.00
2012	10.42%	0.80%	\$12,618,000.00	\$584,000.00	\$16,287,620.00	\$1,715,581.00
2013	9.92%	-0.50%	\$12,318,514.00	-\$299,486.00	\$16,962,132.00	\$674,512.00
2014	10.19%	0.27%	\$13,587,096.00	\$1,268,582.00	\$20,523,918.00	\$3,561,786.00
*2015	11.46%	1.27%	\$15,584,018.00	\$1,996,922.00	\$23,925,775.00	\$3,401,857.00
2016	12.56%	1.10%	\$17,769,921.00	\$2,185,903.00	\$26,053,961.00	\$2,128,186.00
2017	10.98%	-1.58%	\$15,802,737.00	(\$1,967,184.00)	\$25,252,791.00	(\$801,170.00)
2018 - Unaudited	8.75%	-2.23%	\$12,589,079.00	(\$3,213,658.00)	\$18,655,861.00	(\$6,596,930.00)
2019 - Projected	5.10%	-3.65%	\$7,532,687.00	(\$5,056,392.00)	\$13,315,227.00	(\$5,340,634.00)
2019 - Revised Projected	1.53%	-3.57%	\$2,252,748.00	(\$5,279,939.00)	\$2,819,911.00	(\$10,495,316.00)

Dr Rendell Appointed as Superintendent of Schools effective July 1, 2015

Note - Revised projected as of today, projected was \$8mil. See supporting documentation for all years from our TERMS reports which I will forward does include all fund equity, Federal, State, Local and Transfers for Revenue less Expenses which are Inventory, Restricted, Assigned and Unassigned.

		Budget	Revised		
Beginning FB		18,655,173	18,655,173	Additional Unbudgeted:	
Rev	Fed	425,000		Salary Short	1,633,587.00
	St	47,238,337		Benefit Short	965,050.00
	Lo	99,967,652		Mckay Scholarship	647,000.00
	Tra	5,258,914		FEFP Audit Finding	577,302.00
	Total	152,889,903	152,889,903	Audit of budget	10,000.00
Exp		163,445,226	163,445,226	Unbudgeted legal	90,000.00
Additional unbudgeted		5,279,939	168,725,165	Property Casualty RFP	39,000.00
Rev-exp		(10,555,323)	(15,835,262)	Tank Leakage	118,000.00 share with Cot
End FB		8,099,850	2,819,911	New Transp adjustment	1,200,000.00 pending
Breakdown:	Inv	324,168	324,168	Total	5,279,939.00
	Restr	242,995	242,995		
	Ass	500,000	500,000		
	Unass	7,032,687	1,752,748		
	To reconcile	8,099,850	2,819,911		
FB % Test	Base	7,532,687	2,252,748		
	Operating Rev	147,630,989.00	147,630,989.00		
	%	5.10%	1.53%		

**Please see that the revised projection of 1.53% is well below the original projection of 5.10% of assigned and unassigned revenues.**

Carter stressed over the fund balance and he protected it as best he could consider the spending habits of some of the departments; it is our job to protect the monetary assets of the SDIRC and adhere to the standards set by FL DOE and all Grants – Local, State or Federal. We are presently a low risk per the Auditor General based on no financial findings during Carter's tenure.

As a new Board you will need to be cautious of funding sources on items that you are reviewing and approving, and whether the item in question is already planned or it is new and unplanned. There is not an endless supply of funds available as you know. In fact, funding is very limited. There are no remaining emergency funds.

**To wrap this up I would like to say, we, the Finance Department received a promise of help and assistance the day and week following Dr. Rendell sending Carter home and 4.5 months later that has still not happened.**

The Finance Department deserves to be acknowledged for their great work, not subjected to the public accusations that Dr. Rendell has stated in his letter.

Carter Morrison does not deserve to be demoted, he deserves to maintain his seat as CFO of this school district and face the challenge of this diminishing fund balance. Carter has the knowledge, experience, and expertise to address the declining fund balance situation.

The many great employees of this District and the thousands of children of this School District deserve to have Carter with his Financial and Operational expertise in place as CFO to move the District forward. This district should be better than the others around, not just trying and struggling to keep up with the others.

The Silos that exist are stemming from the top down and they need to be eliminated. The 2200 employees are all on the same team, should have the same goal, to successfully educate the children of this county in a safe environment, and the employees should also feel that they are supported and safe, part of a functional team rather than in a dysfunctional facility where they fear speaking up, fear being bullied, and fear being targeted.

Feel free to contact me at any time with any question and I will always do my best.

Regards,

Juli Pelletier

Attachments to follow:

GFOA Ethics

Carter Memo and Analysis -support in finance

Salary and Benefit Screen prints

FB156 Salary and Benefit GF Non-Discretionary

Journal Report JP – supporting docs in finance

Fund Balances 2010-2019

**Zorc, Laura**

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**From:** Suzanne D'Agresta <sdagresta@orlandolaw.net>  
**Sent:** Tuesday, December 11, 2018 8:29 AM  
**To:** Zorc, Laura; Justice, Tiffany; Barenborg, Teri; Rosario, Jacqueline; Schiff, Mara  
**Subject:** Re: [EXTERNAL] FW: Review Requested

Good morning Board members. The below email and attached documents were provided to the investigator handling the investigation of the Whistleblower complaint filed by Mr. Morrison. Please treat this information as confidential. Thank you.

Suzanne D'Agresta  
Garganese, Weiss, D'Agresta & Salzman, P.A.

Sent from my iPhone

On Dec 10, 2018, at 6:46 PM, D'Agresta, Suzanne <[Suzanne.D'Agresta@indianriverschools.org](mailto:Suzanne.D'Agresta@indianriverschools.org)> wrote:

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**From:** Pelletier, Julianne  
**Sent:** Monday, December 10, 2018 6:45:36 PM (UTC-05:00) Eastern Time (US & Canada)  
**To:** D'Agresta, Suzanne  
**Cc:** Zorc, Laura; Justice, Tiffany; Schiff, Mara; Rosario, Jacqueline; Barenborg, Teri  
**Subject:** Review Requested

The following information is being provided under SDIRC Whistleblower Protection according to F.S. 112.3187, 112.3189.

Please find attached a letter in support of Carter Morrison, Assistant Superintendent of Finance and Employee Services at the School District of Indian River County.

In addition, please find within my letter information disputing statements made by Dr. Rendell charging Carter Morrison with failure to follow basic budgeting practices, failure to create capacity in the department, overlooking a formula error, not getting authorization for a \$2.3 million entry, and not maintaining honesty in professional dealings related to the budget.

All budget movements that were made by Finance staff after Carter Morrison became unavailable were done so at Dr. Rendell's directive. Salaries and benefits are underbudget and were underbudget at the time of the beginning budget, and there are items that Dr. Rendell, Superintendent chose to leave out of the beginning budget, such as McKay Scholarship and recent audit findings.

Everything attached should be reviewed before a decision is made on Carter Morrison's position change. Additionally, pay close attention to the revised projected fund balance based on items mentioned within the letter.

Our CFO was taken from our Department and Finance has not been provided any expertise as we were promised on July 31, 2018 and again a week later. The only 'assistance' provided was people or organizations passing through to investigate with no substantiated findings.

Regards,

Juli Pelletier  
Director of Finance

School District of Indian River County  
6500 57<sup>th</sup> Street  
Vero Beach, Florida 32967  
Telephone 772-564-3056  
Fax 772-564-3037  
[Julianne.pelletier@indianriverschools.org](mailto:Julianne.pelletier@indianriverschools.org)

Under Florida's "Public Records" law, absent a specific exclusion, written communications to or from Indian River County School District employees are considered public records. E-mail communication with this correspondent may be subject to public and media disclosure upon request.

<CodeofEthics.pdf>

<FB156 Salary and Benefits GF Non -Discretionary 12 7 2018.pdf>

<Fund Balances 2010 - 2019.pdf>

<Journal Report JP 12 7 2018.pdf>

<Memo analysis and supporting documentation.pdf>

<Salary Benefit Screens at 12 6 2018.pdf>

<You should know this.docx>

## Zorc, Laura

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**From:** CARTER MORRISON <carter.morrison@att.net>  
**Sent:** Wednesday, December 12, 2018 2:21 PM  
**To:** Rendell, Mark  
**Cc:** Schiff, Mara; Rosario, Jacqueline; Zorc, Laura; Barenborg, Teri; Justice, Tiffany; Suit, Edwina; Pelletier, Julianne; Poysell, Peggy; Arnold Gaines; Debra Nolan; sdagresta@orlandolaw.net  
**Subject:** Carter Morrison's resignation  
**Attachments:** Carter Morrison Resignation SDIRC.pdf

Dear Dr. Rendell and School Board Members:  
Please see attached and below for my letter of resignation.  
Thanks  
Carter

December 12, 2018

Mark J. Rendell, Ed.D

Superintendent of Schools

School District of Indian River County

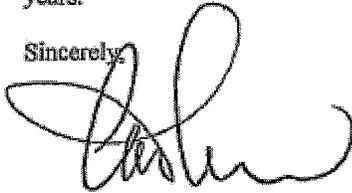
Dear Dr. Rendell:

I have accepted an offer of employment from a multinational private sector corporation and as such hereby tender my resignation as the Assistant Superintendent of Finance & Employee Services with the School District of Indian River County.

As you are aware I am on approved leave through December 21<sup>st</sup> 2018. My last workday with the District will be December 28, 2018.

Thank you for the opportunity to serve the students of Indian River County with excellence for the last 12 years.

Sincerely,



Carter G. Morrison

Assistant Superintendent for Finance & Employee Services

Cc: School Board Members

Juli Pelletier

Edwina Suit

## Zorc, Laura

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**From:** Pelletier, Julianne  
**Sent:** Wednesday, December 12, 2018 3:51 PM  
**To:** Rendell, Mark  
**Cc:** Zorc, Laura; Schiff, Mara; Rosario, Jacqueline; Barenborg, Teri; Justice, Tiffany; D'Agresta, Suzanne; Suit, Edwina  
**Subject:** resignation  
**Attachments:** End12122018153408.pdf

Dr. Rendell:

It is with regret that I tender my resignation from the School District of Indian River County, effective January 4, 2019.

I am grateful for having had the opportunity to serve as Director of Finance, work for Carter Morrison, work with this amazing Finance team and the many great employees here at the District for these past 8 months.

I offer my best wishes for the success of the District, the many wonderful employees and all of the children.

Sincerely,

**Juli Pelletier**

Director of Finance

School District of Indian River County

6500 57<sup>th</sup> Street

Vero Beach, Florida 32967

Telephone 772-564-3056

Fax 772-564-3037

[Julianne.pelletier@indianriverschools.org](mailto:Julianne.pelletier@indianriverschools.org)

Under Florida's "Public Records" law, absent a specific exclusion, written communications to or from Indian River County School District employees are considered public records. E-mail communication with this correspondent may be subject to public and media disclosure upon request.

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## Zorc, Laura

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**From:** Suzanne D'Agresta <sdagresta@orlandolaw.net>  
**Sent:** Friday, December 14, 2018 11:38 AM  
**To:** Zorc, Laura; Justice, Tiffany; Barenborg, Teri; Rosario, Jacqueline; Schiff, Mara  
**Subject:** Indian River School Board - confidentiality of information related to Whistleblower complaint/investigation

**Follow Up Flag:** Flag for follow up  
**Flag Status:** Flagged

Dear School Board members –

I understand some or all of you are being pressured by the media and/or community members to release information regarding the details of the Whistleblower complaint submitted by Carter Morrison. This email will provide the statutory basis for the confidentiality of such information and will also provide the possible penalties if the confidentiality requirement is breached.

As mentioned in my November 28, 2018 email to School Board members, the law provides that the name of the individual who makes a Whistleblower complaint, the complaint, and any materials relating to the investigation of the complaint are confidential and exempt from disclosure pursuant to a public records request. See sections 112.3188(2)(b), 119.071(2)(k) and 1012.31(3)(a)1., Florida Statutes. This confidentiality requirement applies while the investigation is active, and serves to protect the due process rights of all parties involved. The specific statutory language is as follows:

Section 112.3188(2)(b), Florida Statutes - All information received by a local chief executive officer or appropriate local official or information produced or derived from fact-finding or investigations conducted pursuant to the administrative procedure established by ordinance by a local government as authorized by s.112.3187(8)(b) is **confidential** and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution, if the information is being received or derived from allegations as set forth in paragraph (1)(a) or paragraph (1)(b) and an investigation is active.

Section 119.071(2)(k), Florida Statutes - A complaint of misconduct filed with an agency against an agency employee and all information obtained pursuant to an investigation by the agency of the complaint of misconduct is **confidential** and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution until the investigation ceases to be active, or until the agency provides written notice to the employee who is the subject of the complaint, either personally or by mail, that the agency has either:

1. Concluded the investigation with a finding not to proceed with disciplinary action or file charges; or
2. Concluded the investigation with a finding to proceed with disciplinary action or file charges.

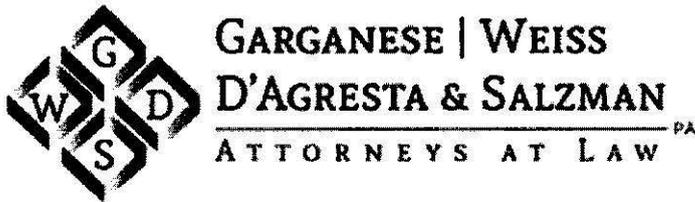
Section 1012.31(3)(a)1., Florida Statutes - Public school system employee personnel files are subject to the provisions of s.119.07(1), except as follows:

1. Any complaint and any material relating to the investigation of a complaint against an employee shall be **confidential** and exempt from the provisions of s. 119.07(1) until the conclusion of the preliminary investigation or until such time as the preliminary investigation ceases to be active.

While I understand the School Board wishes to respond to media requests and community demands, the law does not allow for information related to the Whistleblower complaint/investigation to be released publicly at this time.

For your information, the law also provides possible penalties for failing to comply with the above restrictions. Sections 112.3188(4) and 119.10, Florida Statutes, provide that any person who willfully and knowingly discloses information or records made confidential by the Whistleblower laws or the public records laws, commits a misdemeanor of the first degree. The maximum punishment for such a violation is a prison term not exceeding 1 year and a monetary fine not exceeding \$1,000. Any elected official who violates any provision of the public records laws could also be found to have committed a noncriminal infraction, punishable by a fine not exceeding \$500.

I share this information not to frighten or threaten you, but to offer you an explanation of why you may not share details at this time and the possible consequences to you individually if you do. This information may be of assistance to you in explaining to the community why you are unable to respond to questions at this time. Please let me know if I can offer any additional information. Thank you.



**Suzanne D'Agresta, Shareholder**  
**Garganese, Weiss, D'Agresta, & Salzman, P.A.**  
Board Certified City, County, & Local Government Law  
111 N. Orange Avenue, Suite 2000  
P.O. Box 2873  
Orlando, Florida 32802-2873  
Phone (407) 425-9566  
Fax (407) 425-9596  
Website: [www.orlandolaw.net](http://www.orlandolaw.net)  
Email: [sdagresta@orlandolaw.net](mailto:sdagresta@orlandolaw.net)

Any incoming e-mail reply to this communication will be electronically filtered for "spam" and/or "viruses." That filtering process may result in such reply being quarantined (i.e., potentially not received at our site at all) and/or delayed in reaching us. For that reason, we may not receive your reply and/or we may not receive it in a timely manner. Accordingly, you should consider sending communications to us which are particularly important or time-sensitive by means other than e-mail.

Confidentiality Note: This e-mail, and any attachment to it, contains privileged and confidential information intended only for the use of the individual(s) or entity named on the e-mail. If the reader of this e-mail is not the intended recipient, or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that reading it is strictly prohibited. If you have received this e-mail in error, please immediately return it to the sender and delete it from your system. Thank you.

**RESOLUTION 2019-01**

**A RESOLUTION OF THE SCHOOL BOARD OF MARTIN COUNTY, FLORIDA,  
REGARDING EXECUTIVE ORDER NUMBER 19-32  
FROM THE STATE OF FLORIDA, OFFICE OF THE GOVERNOR  
AND MATHEMATICS INSTRUCTIONAL MATERIALS ADOPTION**

**WHEREAS**, The School Board of Martin County, Florida, is the governing body for the School District of Martin County, Florida; and

**WHEREAS**, the mission of the School Board of Martin County is “to educate all students for success”; and

**WHEREAS**, Section 1006.28, Florida Statutes, requires the provision of adequate instructional materials for all 18,332 students in the School District of Martin County, and \$1,431,431 is the current categorical allocation provided for K-12 instructional materials; and

**WHEREAS**, Section 1006.36, Florida Statutes, requires terms of adoption of instructional materials be for five (5) years and the School District of Martin County is currently undergoing an instructional materials adoption for Mathematics; and

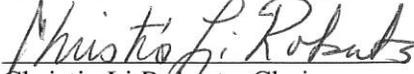
**WHEREAS**, Section 1006.283(1), Florida Statutes, requires that all instructional materials for core courses used by the Martin County School District are aligned with applicable state standards; and

**WHEREAS**, the State of Florida, Governor’s Executive Order Number 19-32 includes a recommendation to eliminate Common Core (Florida Standards);

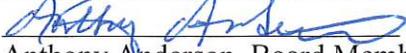
**THEREFORE BE IT RESOLVED**, by the School Board of Martin County:

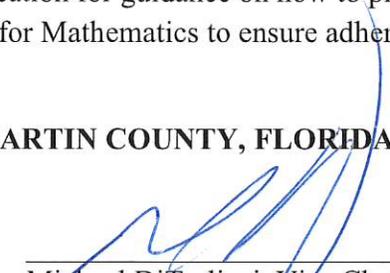
The School Board of Martin County, Florida, calls upon the Governor of Florida and the Florida Department of Education for guidance on how to proceed with the purchase of instructional materials for Mathematics to ensure adherence to the intent of the Executive Order.

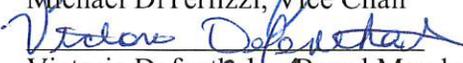
**ADOPTED BY THE SCHOOL BOARD OF MARTIN COUNTY, FLORIDA** on February 5, 2019, in Martin County, Florida.

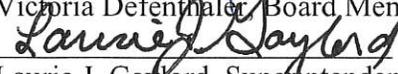
  
Christia Li Roberts, Chair

Marsha Powers, Board Member

  
Anthony Anderson, Board Member

  
Michael DiTerlizzi, Vice Chair

  
Victoria Defenthaler, Board Member

  
Laurie J. Gaylord, Superintendent

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2019-RECURRING VENDOR LIST

Vendor Number	Vendor Name		2018/19 Purchase Order/Spend Authority Requested	2018/19 Remaining Spend Authority	Category	Bid/RFP/Contract Piggyback Reference or Bid Exempt
V090359	1ST FIRE AND SECURITY		\$225,000.00	\$ 88,852.74	Fire Alarms - inspect,test,repair	Palm Beach Co. Schools Bid #18C-47V
P.O.Number	Date	Amount				
Multiple P.O.'s	THRU 01.25.2019 subtotal ....	\$ 136,147.26				
V101900	AMERIGAS		\$ 450,000.00	\$ 250,002.00	LP Fuel for school buses	Broward Co. Schools Bid #15-024R
P.O.Number	Date	Amount				
Multiple P.O.'s	THRU 01.25.2019 subtotal ....	\$ 199,998.00				
V088974	EE&G ENVIRONMENTAL		\$ 150,000.00	\$ 83,654.00	Environmental Services	Brevard Co. RFP #14-P-079-DR
P.O.Number	Date	Amount				
Multiple P.O.'s	THRU 01.25.2019 subtotal ....	\$ 66,346.00				
V101504	FAMOSO INC dba MANPOWER		\$ 206,000.00	\$ 101,500.00	Substitute Custodians	St. Lucie Co. RFP 127-039*
P.O.Number	Date	Amount				
Multiple P.O.'s	THRU 01.25.2019 subtotal ....	\$ 104,500.00				
V023780	FLORIDA POWER & LIGHT		\$ 3,200,000.00	\$ 1,686,607.31	Utilities	6A-1.012(15) Exempt
P.O.Number	Date	Amount				
Multiple Checks	THRU 01.25.2019 subtotal ....	\$ 1,513,392.69				
V026840	GLOVER OIL		\$ 150,000.00	\$ 4,000.00	Fuel Unleaded/Diesel	City of PSL Co-Op Bid #20130038
P.O.Number	Date	Amount				
Multiple P.O.'s	THRU 01.25.2019 subtotal ....	\$ 146,000.00				
V032740	INDIAN RIVER CO UTILITIES		\$ 280,000.00	\$ 130,678.02	Utilities	6A-1.012(15) Exempt
P.O.Number	Date	Amount				
Multiple Checks	THRU 01.25.2019 subtotal ....	\$ 149,321.98				
V040546	M&B PRODUCTS		\$ 300,000.00	\$ 120,000.00	Juice	Palm Beach Co. Schls ITB #15C-34D
P.O.Number	Date	Amount				
Multiple P.O.'s	THRU 01.25.2019 subtotal ....	\$ 180,000.00				
V082781	MARTIN FENCE		\$ 300,000.00	\$ 203,733.00	Fencing	Town of Davie B-12-76
P.O.Number	Date	Amount				
Multiple P.O.'s	THRU 01.25.2019 subtotal ....	\$ 96,267.00				
V099275	ROBERT ERNESTON PRODUCE		\$ 500,000.00	\$ 261,373.28	Produce	Palm Beach Co. Schools ITB 15C-33D
P.O.Number	Date	Amount				
Multiple pCard	THRU 01.25.2019 subtotal ....	\$ 238,626.72				
V080064	TRANE		\$ 1,500,000.00	\$ 421,193.00	HVAC	TCPN #R150502
P.O.Number	Date	Amount				
Multiple P.O.'s	THRU 01.25.2019 subtotal ....	\$ 1,078,807.00				
V090538	US FOODS (P.O.W.E.R.B.U.Y.)		\$ 2,500,000.00	\$ 408,177.13	Food & Non-Food Cafeteria Items	Ocseola Co. Schools Bid C-14-0508-LH
P.O.Number	Date	Amount				
Multiple P.O.'s	THRU 01.25.2019 subtotal ....	\$ 2,091,822.87				
Total approved authority		\$ 6,001,229.52	\$ 9,761,000.00	\$ 3,759,770.48		

\* Vendor has several Bids/Contracts to piggyback (primary is referenced).

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