

FACTS

The Commission found the material facts to be undisputed and invited respondents to comment on whether they agreed with the facts set forth in its probable cause letter. Respondents submitted several modifications and they have been incorporated into the following statement of facts.

The four respondents were members of the Glassboro Board of Education at the time the complained of conduct occurred. On February 13, 1997 through February 18, 1997, respondents attended the American Association of School Administrators conference in Orlando, Florida. The expenditure for the trip was set forth in the Glassboro Board of Education Payment Approval list for the account period October 1996. The Board approved the list as a whole at its October 16, 1996 public meeting. The expenditure appeared under Circle Travel, Inc. in the amount of \$8,007.72. This figure did not include the \$395.00 per person registration fee. The conference expenditure was one of over 300 bills that appeared on the bill list. The Board did not specifically discuss either the conference expenditure or the respondents' attendance at the conference at the October 16, 1996 public meeting or any other board meeting prior to the conference.

The AASA distributed a list of the names and addresses of 17 hotels that were connected with the conference. The costs of these hotels for a single or double room ranged from \$54.00 at the Quality Inn Plaza to \$184.00 at the Peabody Orlando. However, the deputy executive director of the AASA certifies that not all 17 hotels would have been available to the board members when they made reservations between September 5 and October 6, 1996. The AASA maintains a hold on the room blocks at its AASA convention hotels until Mid-October and does not mail the flier to general registrants advertising the convention hotels until November. Since the Glassboro Superintendent is a member of the New Jersey affiliate of the AASA, he probably received a flier from the association advertising the availability of its block of rooms. He could not specifically recall. If he had, then he would have been advised that three of the 17 hotels were available to the Glassboro Board members because only three were open to New Jersey registrants. They were: the Clarion at \$127 per night; the Omni Rosen at \$153 per night; and the Peabody at \$169 or \$184 (double) per night.

Anthony Esgro was the first of respondents to make his travel arrangements and he chose to do so through Circle Travel, a travel agency that he had used in the past. Mr. Esgro chose to stay at the Disney Wilderness Lodge. The Disney Wilderness Lodge is located over ten miles away from the conference site, on the grounds of the Disney World complex. In his most recent certification, he states that he believed that the conference was being held on the grounds of Disney World. He had not previously stated that belief in his original certification or his testimony before the Commission.

The other respondents subsequently made their travel arrangements through Circle Travel and likewise booked accommodations at the Disney Wilderness Lodge. Initially, in their answers, Mr. Meeks and Mr. Speziali had stated that they had made their travel arrangements through the district's business administrator. However, when Mr. Speziali and Mr. Meeks appeared before the Commission on September 27, 1997, they advised the Commission that they had contacted the business administrator, George Leone, and he had advised them that Mr. Esgro had made his arrangements separately. He suggested that they contact him. Mr. Meeks and Mr. Speziali further advised the Commission that they made their travel arrangements through Circle Travel and booked accommodations at the Disney Wilderness Lodge as well.

In his most recent supplemental certification, Mr. Meeks confirms his testimony before the Commission that after he informed Mr. Leone of his interest in the trip, Mr. Leone told him to contact Circle Travel to make the arrangements since Mr. Esgro, the Superintendent and other board members had already done so. He had his wife call and make the arrangements. Mr. Meeks goes on to say in his newest certification that he did not realize that their accommodations were not part of the convention hotel arrangements until just before they left for Florida. He does not recall receiving any travel information coming with the notification of the convention. Last, he was unaware of any policy regarding board member travel.

Mr. Speziali clarifies in his most recent certification that Mr. Leone made his arrangements, but said that he needed to call Circle Travel to arrange for payment of his wife's expenses. He says that this was done. He also certifies that he did not realize that their hotel was not at the convention's location until immediately prior to leaving for Florida. He adds that he did not even know that there was a convention center in Orlando and assumed that any convention in Orlando would be at Disney World. He assumed that the Board Secretary properly directed him how to make his arrangements.

Mr. Perez states in his written submission that he was one of the newest members of the Board having been on the Board for less than a year when the conference occurred. He was unaware of any such board policies regarding travel. Further, he states that he never contacted Circle Travel to make his travel arrangements to attend the conference. He only contacted them after the trip to ascertain the price of the Disney World pass. He said that he has always depended on clerical staff to make such travel arrangements and assumed that they would comply with all necessary regulations. He merely asked Mr. Leone to add his name to the list of Board members attending. He never asked to stay in any specific hotel and did not know that he would not be staying in a conference hotel. He notes that the first question he asked upon his arrival was where could he catch the shuttle to the conference. He also did not know that the Disney passes were included with the hotel and promptly reimbursed the board upon his return.

Circle Travel made the arrangements through Go-Go tours. All hotel packages were for five days. Mr. Meeks' hotel package was \$1667.00, Mr. Speziali's was \$1642.00, Mr. Perez's was \$1405.00 and Mr. Esgro's was \$1168.45. All of the

respondents traveled with their wives except Mr. Perez. Mr. Esgro also had relatives in Orlando. All of the hotel packages included passes to Disney World. After the trip, respondents reimbursed the board by check in varying amounts for the cost of the passes. They did so as follows: Mr. Perez, \$200.00 on February 24, 1997; Mr. Meeks, \$400.00 on February 25, 1997; Mr. Esgro, \$400.00 on March 4, 1997; and Mr. Speziali, \$268.00 on April 23, 1997. The reimbursement amounts were for Disney passes for the respondent and his spouse, except that of Mr. Perez. Sue DiCicco of Circle Travel certifies that the actual value of the passes included in the package was \$176.55 per person. Only Mr. Perez sought any reimbursement from the board for food consumed during the conference. Respondents did not receive any additional perks with their hotel packages.

Glassboro Board of Education policies 9200 and 9250 set forth board policy for attendance at and reimbursement for conferences. Among other things, Policy 9200 provides that board representatives attending conferences should submit reports and that:

...the board recommends that, in addition to sending the mandated delegate to the New Jersey School Boards Association's Delegate Assemblies, the board send representatives to such educational conferences, workshops, conventions and seminars as it shall decide upon each year. The same regulations regarding travel arrangements and reimbursement developed for other district-paid attendance at such events shall apply.

Policy 9250 provides that since Board members do not receive payment for their services:

[w]ith board approval, they may be reimbursed for out-of-pocket expenses incurred on board business. ... Each year, the board shall approve a schedule of allowable charges for meals, lodging, transportation and telephone. *Such expenses shall be paid on the same basis as payment of expenses for administrators or teachers as established by board policy or contractual agreements.* (Emphasis added)

Policy 9250 also provides that the expenses are allowed for the board member only. Article X, Attendance at Conventions and Meetings, Section A, 3 of the administrators' contract in effect in February 1997, provides that administrators are entitled to \$120.00 per day for expenses including meals and lodging. Of the 17 hotels listed by the sponsor, eleven had room rates listed under \$120.00. However, none of the three hotels at which the respondents could have booked was priced below \$120.00 per day.

Complainant Mark Williams addressed the Glassboro Board at its public meeting on February 26, 1997. He raised questions about the propriety and cost of the attendance of respondents at the conference. On April 18, 1997, he filed the within complaint.

The Commission finds Mr. Perez's account to be credible and therefore, does not dispute the facts that he has set forth as to how he came to stay at the Disney Wilderness Lodge. The Commission has no evidence to refute the claims of Mr. Esgro, Mr. Meeks and Mr. Speziale and therefore accepts the facts set forth in their supplemental certifications. Thus, the Commission will now address each of the respondents' arguments regarding why the Commission should not find them to have violated the Act based on the foregoing facts.

ANALYSIS

Luis Perez

The Commission found probable cause to credit the allegations that Mr. Perez used his position to secure unwarranted privileges for himself in violation of N.J.S.A. 18A:12-24(b) by staying in a hotel that was above the cost set forth in the Board's policy. The Commission, having accepted Mr. Perez's account of the facts as credible, concludes that he did not make a choice to stay at the Disney Wilderness Lodge. Mr. Perez reasonably relied on the administrative staff of a school district to make travel arrangements for him in accordance with district policy. Mr. Perez did not have any way of knowing that the hotel at which Mr. Leone made his reservations was miles away from the conference. If Mr. Perez's stay at the Disney Wilderness Lodge was against board policy, the failure to follow policy cannot be attributed to him. Furthermore, he had a right to the reimbursement he received for food expenses and the Commission never found probable cause on that issue. Therefore, the Commission finds that Mr. Perez did not use his position to secure unwarranted privileges for himself in violation of N.J.S.A. 18A:12-24(b). The Commission thus dismisses the charges against him.

Clifford Meeks

The Commission found probable cause to credit the allegations that Mr. Meeks used his position to secure unwarranted privileges for himself by staying in a hotel that was above the cost set forth in the Board policy. Mr. Meeks now certifies that after he informed Mr. Leone of his interest in the trip, Mr. Leone told him to contact Circle Travel to make the arrangements since Mr. Esgro, the Superintendent and other board members had already done so. His wife made the arrangements. Mr. Meeks goes on to say that he did not realize that their accommodations were not part of the convention hotel arrangements until just before they left for Florida. He does not recall receiving any travel information with the notification of the convention. Last, he was unaware of any policy regarding board member travel, although he has been a member of the Board for 12 years.

Although the Commission finds it strange that someone would contact a travel agency and not ask about the accommodations and the proximity to the convention when the convention is the sole purpose of the trip, the Commission accepts that Mr. Meeks had his wife call and therefore was lacking details. The Commission also accepts that he did not receive the information regarding the other available hotels and was following Mr.

Esgro's lead. Considering the foregoing, the Commission concludes that Mr. Meeks did not use his position to secure unwarranted privileges for himself in violation of N.J.S.A. 18A:12-24(b) and dismisses the charge against him.

Frank Speziali

The Commission found probable cause to credit the allegations that Mr. Speziale violated the School Ethics Act, N.J.S.A. 18A:12-24(b), for staying at the Disney Wilderness Lodge at a cost above that allowed by board policy while attending the AASA Conference from February 13-18, 1997. Mr. Speziale certifies that Mr. Leone made his arrangements, but told him that he needed to call Circle Travel to arrange for payment of his wife's expenses. He also certifies that he did not realize that their hotel was not at the convention's location until just before he left for Florida. He adds that he did not know that there was a convention center in Orlando and assumed that any convention in Orlando would be at Disney World, although he did not state this in his answer or in his testimony before the Commission. He assumed that the Board Secretary made appropriate arrangements for him.

As stated above, the Commission accepts Mr. Speziale's latest certification regarding how he came to stay at Disney World. In order to find that Mr. Speziale violated the School Ethics Act, it would have to show that he used or attempted to use his position to secure unwarranted privileges for himself. Mr. Speziale's arrangements were made by Mr. Leone who followed the lead of Mr. Esgro in booking the arrangements through Circle Travel. The Commission cannot show that he knew the cost of staying at Disney would be more than the other hotels on the facts before it, nor can it show that he should be accountable for a \$120.00 limit on expenditures in the Board's policy. Thus, it cannot conclude that Mr. Speziale used his position to secure unwarranted privileges for himself in violation of N.J.S.A. 18A:12-24(b) by staying at the Disney Wilderness Lodge.

The Commission also found probable cause to credit the allegations that Mr. Speziali did not reimburse the board enough for the Disney passes for him and his wife and reimbursed the board at all only after Mr. Williams questioned the expense in violation of N.J.S.A. 18A:12-24(b). Except for Mr. Speziali, all of the respondents reimbursed the board \$200.00 per person for the passes to Disney World. This reimbursement is consistent with the price the Commission received from Disney Wilderness Lodge of \$197.63 per pass when its staff asked how much the passes were for the respondents' trip. Mr. Speziali reimbursed the board only \$268.00 for two passes. Respondents' counsel has now submitted an affidavit from Sue DiCicco at Circle Travel indicating that the true cost of the Disney passes was \$176.55 per person. Counsel has also submitted a certification from Mrs. Speziali who certifies that Ms. DiCicco had quoted her a price of \$268.00 and she and her husband relied on that in reimbursing the Board. This conflicts with Mr. Speziale's initial testimony before the Commission that his wife received the \$268.00 quote from Disney World after the travel agent said the cost was "\$170-something." Mrs. Speziale's certification also contradicts that of Ms. DiCicco who says that when Mr. Speziale inquired as to the cost of the passes, she conducted the necessary research and

concluded the price was \$176.55 per person. Also, Mr. Perez had stated that he also called Circle Travel to determine the cost of the pass and, on the basis of the information he received, he reimbursed \$200.00. Mrs. Speziali notes in concluding that it was their intention to pay the correct amount, not to shortchange the Board. Last, she indicates that the difference will be reimbursed.

The Commission cannot conclude on the basis of the information before it that Mr. Speziale intended to underpay the Board. Ms. DiCicco has explained why her quote for the cost of the Disney pass may conflict with the prices quoted by representatives of Disney. She believes that the \$200.00 figure was reached by multiplying the daily admittance charge by five days, which is not the price when it is included in a package. Mr. Speziale was the last to reimburse the board, not doing so until after the public meeting where the expenses were questioned, but before he received the complaint. Nevertheless, Mr. Speziale did try to reimburse the correct amount and now represents that he will reimburse the Board for the difference between what he paid to the Board and Ms. DiCicco's estimate. The Commission cannot order Mr. Speziale to reimburse the Board the difference, but since he has certified as to his intent, the Commission expects him to do so. Therefore, the Commission has no basis to conclude that respondent used his official position to secure Disney World passes in violation of N.J.S.A. 18A:12-24(b).

Anthony Esgro

The Commission found probable cause to credit the allegations that Mr. Esgro used his position to secure unwarranted privileges for himself by staying at the Disney Wilderness Lodge at a cost greater than the board policy allows. Mr. Esgro explains in his last certification that he has made other trips in his 12-year membership on the Board and handled them all as he handled this one. He informed the Board Secretary that he wanted to attend and made his own arrangements. In this instance, after Mr. Leone told him about the conference, Mr. Esgro called Circle Travel and asked Sue DiCicco, the manager, to get him the best deal that she could at Disney World, where he wrongly assumed the convention was held. He adds that he was unaware that any conventions in Orlando were located any place other than Disney World.

The Commission is uncomfortable with Mr. Esgro's change in the account of how he came to receive lodging accommodations at Disney World. First, he testified before the Commission that he did not even know that he was being registered at a Disney World hotel, but left it to the travel agent to find him suitable accommodations. Now he says that he asked for a Disney World hotel, but on the mistaken belief that the convention was going to be held there. Furthermore, since Mr. Esgro is a school administrator and member of NJASA, he should have had the list of conference hotels that were available, at least the three available to New Jersey registrants. Nevertheless, since the Commission remains uncertain about the facts concerning Mr. Esgro's travel arrangements that the other Board members followed, the Commission will address the legal argument concerning the policy.

Policy 9200 provides: “the same regulations regarding travel arrangements developed for other district-paid attendance at such events shall apply.” Counsel argues that there is no evidence of any “regulations” regarding such travel arrangements. Policy 9250 refers to “a schedule of allowable charges for meals, lodging, transportation and telephone.” Counsel argues that there is no evidence of such a schedule. Without such a schedule, he argues, the Board members could not be clear that either policy set any guidelines that apply to limit expenditures on Board member travel. He also argues that the Commission’s reading of the Glassboro Board Policy limiting expenses to the \$120.00 per day limit in the administrators’ contract was never applied by the Board. The Commission is persuaded by counsel’s argument that the policy’s applicability is too vague to support a finding that respondents violated the policy. In addition, the new information supplied by the AASA indicates that there were no hotel rooms that were available to respondents for under \$120.00 per day. Thus, the Commission cannot conclude that by having the Board pay more than \$120.00 per day, respondent used his position to secure unwarranted privileges for himself. This of course applies to all the respondents, but the Commission already dismissed the charges against them on other grounds.

The complainant had asked that the respondents be required to reimburse the board for the difference between the \$120.00 per day amount and what they paid to stay in Orlando. The Commission has authority to discipline officials as set forth in the act and therefore cannot order such relief. Even if it could, the calculation would be of questionable applicability given that the Board members were unaware that there was a Board policy arguably setting such an expense limit. Furthermore, the lowest priced hotels under \$120.00 per day were ostensibly not available to New Jersey attendees. Thus, the Commission finds that it could not and should not order the respondent Board members to pay the difference between the \$120.00 per day amount and the cost of their hotel package.

The Commission is satisfied that the respondents have remedied the lack of procedures that caused the filing of this complaint. Respondents could have avoided this complaint if they had followed a standard procedure for their travel arrangements. In the present case, every board member made arrangements separately instead of as a group. According to the travel agent this resulted in what appeared to be a suspicious disparity in costs for the same hotel package booked within days of each other. Counsel has shown that the Board has modified their travel policy so that this issue is not likely to arise again. However, it could go further and delineate the number of board members that can go to any given convention. In addition, the Board members should have publicly discussed how many Board members were going on the trip and how much it was going to cost. The respondents have never shown that their attendance at the convention was discussed and approved by the Board. They showed only that the Board approved a payment to Circle Travel as part of a 300-item bill list in October 1996. This obscure approval gave the appearance that the Board members were trying to do something that the public would not condone if discussed openly. If the Board is paying for its members to attend a conference, it must openly discuss the number of members attending and the cost of the trip.

CONCLUSION

For all the foregoing reasons, the Commission concludes that respondents did not violate N.J.S.A. 18A:12-24(b) of the School Ethics Act by staying at the Disney Wilderness Lodge during the AASA Conference and dismisses the charges against them.

This decision constitutes final agency action and thus may be appealed directly to the Appellate Division of the Superior Court.

Paul C. Garbarini
Chairperson

Resolution Adopting Decision -- C07-97

Whereas, the School Ethics Commission has considered the pleadings filed by the parties and the documents submitted in support thereof and has considered the testimony of the respondents and the complainant; and

Whereas, the Commission found probable cause to credit the allegations in the complaint and invited respondents to file a written statement in response; and

Whereas, the Commission has reviewed respondents' written statement and now concludes that respondents did not violate N.J.S.A. 18A:12-24(b) of the School Ethics Act; and

Whereas, the Commission has reviewed the proposed decision of its staff setting forth the reasons for its conclusion; and

Whereas, the Commission agrees with the proposed decision;

Now Therefore Be It Resolved that the Commission hereby finds that respondents did not violate the School Ethics Act and dismisses the charges against them; and

Be It Further Resolved that the Commission adopts the enclosed decision referenced as its decision in this matter.

Paul C. Garbarini, Chairperson

I hereby certify that the Resolution was duly adopted by the School Ethics Commission at its public meeting on March 30, 1998. Commissioner Robert Bender abstained from the discussion and decision.

Lisa James-Beavers, Executive Director

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