

PRESS RELEASE

Contact: **Thomas Russell,**
Spokesperson, Public Relations Officer
CUSD Recall Committee
(949) 294-8386 or (949) 459-1220

May 9, 2008
For Immediate Release



Secret and Illegal Superintendent's Contract Discovered

- Superintendent Carter and Old Guard Trustee Executed and Delivered Secret Agreement Purporting to Give Controversial Superintendent Huge Salary Increase and Golden Parachute
- Superintendent Had Publicly Rejected the Contract Offer

Rancho Santa Margarita, CA. Despite numerous public statements to the contrary, it has now been confirmed that CUSD Superintendent Woodrow Carter and Board President Mike Darnold executed and delivered a secret and illegal superintendent's employment contract. This action violated the California Brown Act and other applicable laws, and the contract is unenforceable for numerous reasons, including the following:

1. The written contract was **never** presented to the CUSD Board of Trustees for vote and approval.
2. The written contract was **never** placed on the CUSD open session agenda for review and comment by the public (and approval by the Board).
3. The signed contract now contains a highly suspicious and unauthorized 18-month "**golden parachute**" -- **a provision that was never discussed or approved** by the CUSD Board of Trustees.
4. Superintendent Carter **had repeatedly and publicly rejected the contract offer** (thereby legally terminating the effectiveness of the board's original offer).
5. **The Brown Act expressly prohibited the board from taking action in closed session** to increase the superintendent's compensation.

A copy of the illegal secret agreement is attached hereto.

Chronology of Events:

- 02/25/08 A Special Board Meeting is called for the purpose of voting on massive, controversial cuts to teachers and other district personnel. A closed session item is added to the agenda entitled, "Public Employee Employment – Superintendent's Contract." During closed session, the CUSD old guard trustees vote in favor of offering to Superintendent Carter a new three-year contract and a massive salary increase (in obvious violation of the Brown Act). When the Board returns to open session, Board President Mike Darnold fails to publicly disclose the terms of this contract offer.
- 02/26/08 OC Register Story confirms that CUSD Board President Darnold failed to disclose the terms of the contract offer at the February 25, 2008 Board Meeting. In addition, the OC Register reports it had now learned the board had voted in favor of offering to Superintendent Carter a \$972,000 three-year contract.
- 02/28/08 Carter attends two public town hall meetings where constituents urged him to reject the contract offer for the good of the district. Superintendent Carter publicly announces that he had rejected

the contract terms offered by the old guard trustees and would not sign a new contract.

02/29/08 The Capistrano Dispatch reports that Carter had “announced at two community meetings that he will not sign a \$324,950-a-year contract offered by the Capistrano Unified School District, opting to continue working under his current interim deal.”

OC Register reports that in response to intense public criticism, Carter had decided to “reject the contract” and confirmed that CUSD Communications Director Beverly de Nicola stated that, ***“the new \$974,850 contract is invalid now and will have to be renegotiated at a later date.”***

Superintendent Carter confirms in writing to CUSD Board Members and staff that he “would not sign the new contract...”

03/13/08 Superintendent Carter notifies CUSD Board Members he had signed his new contract **effective as of February 25, 2008**. Someone had now changed the end of Section 1 to read, ***“If the Trustees fire the Superintendent, he is entitled to 18 months compensation pay.”***

CUSD Recall Committee Spokesperson Tom Russell stated, ***“This shocking cover-up demonstrates a continuing conspiracy to conceal important information from the public – the district attorney needs to intervene immediately.”***

Discovery of the secret employment agreement comes on the heels of the discovery last month that Carter and the four old guard trustees (Marlene Draper, Sheila Benecke, Mike Darnold and Duane Stiff) were attempting to enforce an illegal secret “verbal agreement” with respect to the acquisition of additional land needed to complete the construction of the controversial \$150,000,000 San Juan Hills High School.

The CUSD Recall Committee is leading the current campaign to recall CUSD Trustees Benecke and Draper for creating a culture of corruption at CUSD and for gross fiscal mismanagement.

Earlier this year, the CUSD Recall Committee submitted 66,000 petition signatures – 60% more than required, to recall the two embattled CUSD Trustees. The O.C. Registrar of Voters certified the recall petitions. As a result, voters will have the opportunity to remove Draper and Benecke from office in a special election on Tuesday, June 24, 2008.

The grounds for the recall against Draper and Benecke are available at www.cusdreCALL.com.

In 2005, the CUSD Recall Committee led South Orange County residents in the unprecedented campaign to recall all seven elected Trustees of the Capistrano Unified School District. More than 177,000 signatures were obtained from South Orange County residents calling for the removal of all seven CUSD Trustees.

In November 2006, the CUSD Recall Committee’s three “ABC Reform Slate” candidates (Ellen Addonizio, Anna Bryson and Larry Christensen) were elected to the CUSD Board of Trustees by landslide margins of victory.

In May 2007, as part of the on-going criminal investigation of the CUSD leaders, former CUSD Superintendent James Fleming was indicted on three felony counts (misappropriation of public funds, use of school funds to improperly defeat the CUSD Recall Committee’s 2005 recall campaign, and conspiracy). If convicted, Fleming could serve up to four years in prison.

To learn more about these important issues, please visit our website at www.cusdreCALL.com or contact:

Thomas K. Russell

Spokesperson, CUSD Recall Committee

Telephone: (949) 459-1220, Facsimile: (949) 459-1217, Email: cusdreCALL@cox.net