



NEW HAVEN PUBLIC SCHOOLS

Operations Memorandum

DRAFT

To: New Haven Board of Education Finance and Operations Committee
From:
Date:
Re:

Contractor Name:

Contractor Address:

Is the contractor a Minority or Women Owned Small Business?

Renewal or Award of Contract/Agreement?

Total Amount of Contract/Agreement and the Hourly or Service Rate:

Contract or Agreement #:

Funding Source & Account #:

Key Questions: (Please have someone ready to discuss the details of each question during the Finance & Operations meeting or this proposal might not be advanced for consideration by the full Board of Education):

- 1. What specific service will the contractor provide:**
- 2. How was the contractor selected? Quotes? RFP? Sealed Bid or Sole Source? Please describe the selection process including other sources considered and the rationale for selecting this method of selection:**
- 3. If this is a renewal with a current vendor, has the vendor's performance been satisfactory under the existing contract or agreement?**
- 4. If this Contract/Agreement is a Renewal has cost increased? If yes, by how much?**
- 5. If this Contractor is New has cost for service increased from previous years? If yes, by how much?**

6. Is this a service existing staff could provide? Why or why not?

TO: Matt Wilcox, Chair BOE Finance & Operations Committee
Yensenia Rivera, President BOE

FROM: Atty. Michael J. Pinto, Chief Operating Officer, NHPS

DATE: May 29, 2020

RE: **BOE Outside Counsel Billing Rates/ FY2020-2021 Renewals**

Following the Board of Education Meeting of May 26, 2020, Finance & Operations Committee Chair Matt Wilcox asked for a written Memorandum to supplement the written memorandum of May 21, 2020 by Chief Operating Officer Michael Pinto requesting additional hourly billing rates for current outside counsel law firms to supplement that memorandum explaining unexpected cost overruns in the Shipman & Goodwin litigation contract for 2019-2020, which necessitated a change order in the amount of \$20,000.00 to move unexpended and unbilled funds in other legal services purchase orders to cover the costs.

A. Billing and Rates for Outside Counsel

1. In May and June of 2019 the Finance & Operations Committee and then the New Haven Board of Education approved contracts for three outside counsel firms at the following billing rates.

Berchem Moses & Devlin:

Partners:	\$255.00 per hour
Senior Counsel:	\$235.00 per hour
Associates:	\$195.00 per hour
Paralegals:	\$115.00 per hour

Shipman & Goodwin:

Partners & Associates Blended rate:	\$325.00 per hour
Paralegals	\$325.00 per hour

Law Offices of Martyn Philpot:

Partners and Junior Partners:	\$220.00 per hour
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2. The Chief Operating Officer has sent letters to each of the three firms that the Board employed as outside counsel for the 2019-2020 fiscal year as well as to Pullman & Comley whom the Board employed to investigate and negotiate the departure of the prior Superintendent soliciting proposals for representation for the FY2020-2021 year. Responses are due back today.

Our office has been in close contact with staff attorney Elias Alexiades and the Corporation Counsel Office to work to more efficiently evaluate which matters should be handled in-house by either Attorney Alexiades or staff attorneys within the Corporation Counsel Office. This coordination is hoped to reduce unnecessary use of outside counsel. We will also be reviewing Billing rates to ensure consistency across the City.

B. Review of Shipman Litigation/Investigations Billing.

The initial contract amount was for an amount not to exceed \$50,000.00; a change order in the amount of \$20,000.00 was approved by the Finance & Operations Committee and the full Board of Education. The increase was necessitated by additional expenses not anticipated when the initial contract was executed. In particular there were two months which saw significantly higher than usual billing, July 2019, and October 2019:

1. July 2019.

Shipman & Goodwin billing for the month totaled \$12,831.00. The higher than average billing for the month was due to investigations into personnel matters which led to three significant FOIA requests and resulted in two complaints to the FOI Commission. Specifically the underlying investigations, requested by the former Superintendent in those matters and expenses associated with them accrued costs of \$7,858.75 of the \$12,831.00 billed in the month of July.

2. October 2019

Shipman & Goodwin billing for the month totaled \$20,670.00. The significantly higher billing for the moth was directly related to costs associated with Labor Relations investigations matters which were assigned to outside counsel because of a staff shortage in the Board of Education Human Resources Department. Of the total \$15,990.00 is attributable to two significant personnel investigations matters for events that occurred in September and October 2019.

Staff anticipates this to have been a unique situation caused by the staff shortage in the HR Department coincident with the investigations. The return of HR staff to full strength and greater coordination between the Board of Education Labor Relations investigator and the City of New Haven Labor Relations Department will mitigate the likelihood of similar issues in the future.

A breakdown of Shipman & Goodwin billing by month for FY2019-2020 follows:

**Shipman & Goodwin -
Breakdown of FY 2020 Litigation and Investigation Expenditures**

Directly FOIA	Other	Total
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Atty. Michael J. Pinto
Chief Operating Officer



NEW HAVEN PUBLIC SCHOOLS

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	Related	Matters	Billing
Jul-19	\$260	\$12,571	\$12,831
Aug-19	\$1,170	\$4,453	\$5,623
Sep-19	\$0	\$6,435	\$6,435
Oct-19	\$618	\$20,053	\$20,670
Nov-19	\$0	\$6,370	\$6,370
Dec-19	\$1,690	\$975	\$2,665
Jan-20	\$33	\$1,821	\$1,853
Feb-20	\$65	\$8,158	\$8,223
Mar-20	<u>\$0</u>	<u>\$5,233</u>	<u>\$5,233</u>
	\$3,835	\$66,068	\$69,903