

Grand jury stands behind report

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SANTA CRUZ — Despite cries of inaccuracy from the Pajaro Valley school superintendent, the county grand jury Thursday stood firmly by its critical report of the district's management.

In a brief statement, the jury rejected school officials' contention that the report was misleading and unsubstantiated.

"While the grand jury wholeheartedly supports the school district's goals of attempting to improve education for all students, we reluctantly concluded that the problems addressed in the report threaten those very goals. We stand by our findings," the statement read.

No other school district in the county has been investigated by the grand jury in the last 10 years, according to jury records.

The jury noted that it had not received a copy of the rebuttal released Wednesday and was unsure whether it was a personal response from Superintendent Merrill Grant or the official response from the school board.

Grant said Thursday the response was from his office.

"I'm glad the grand jury responded and we will follow many of their suggestions," he said.

The Health and Human Services Committee of the grand jury started its investigation into the district six months ago, after receiving what the jury said was an "unusual" number of complaints about administrators being evasive on the budget and alleged personnel violations.

According to the committee's report, the investigation turned up examples of "sloppy and incomplete record-keeping, gross cost overruns in some offices and poor management decisions by the administration."

The committee also found board members were "politically divided."

Jury forewoman Linda Gilcrest said Thursday she was "very comfortable with the information in the report" and felt it was well-researched.

The committee included two former journalists, a former county Office of Education employee, two teachers, and a high school principal.

Four or five members of the jury committee worked on the Pajaro investigation, interviewing district and county administrators, trustees, parents, and present and former staff.

The jury said it interviewed 35 people, 30 of whom were current employees and trustees or officials from the county Office of Education.

"We didn't use any information not verified by at least two people, and they were high-level people," Gilcrest said. Other information was backed up by documents, many of which came from the school district.

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"Information was never taken at face value because much of it was conflicting," the jury stated.

After the investigation was under way, Gilcrest said, she was "quite frankly surprised" to find that the committee came out of the investigation with more faults found than they had been asked to investigate.

"We walk in with no preconceived ideas," she said. "For us to go in assuming there's a problem does not make sense."

Gilcrest said she thought several of the district's responses to the jury's findings were "confusing."

For example, business manager Bob Peterson questioned the jury's finding that short-term bank loans had cost the district "tens of thousand of dollars in interest." He said Wednesday the district had actually made money from interest earned by investing short-term loans made through a state bridge loan program.

But the jury pointed out that they were referring specifically to loans made through Wells Fargo Bank to meet June payrolls. In 1990-91, that bank loan cost the district \$10,000 for eight days.

Grant said he would have to check on those loans and would respond to the jury.

Gilcrest also questioned the district's claim that some recommendations were already in effect — particularly an injury-prevention program and audits of special categories of state money.

"From everything we investigated, that's not correct," she said, noting that many of the agencies the jury investigates makes changes as the investigation progresses.

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Trustee Janet Mayou said earlier this week she was relieved that the information in the report "is basically out and available to the public." Mayou said she agreed with most of the recommendations, particularly that board members should be more educated about their budget and legal responsibilities.

Trustee Dana Sales said he stood by the district's rebuttal of the report. "I felt I was interviewed after the fact and the report was basically done," he said.

Gilcrest disagreed. "There's not a reason in the world for the grand jury to come out with a scathing attack of the Pajaro Valley school district," she said. "There's nothing in it for us."

"The role we would like (the report) to play is that you get the issues out in the open and there's something positive and you get these issues resolved. ... We're looking for improvement."

Sales agreed that the report should be taken "constructively" by the district.

"We should take that report and find anything in it we can use," he said.