

Monday, August 4, 2025

MINUTES OF THE SPECIAL MEETING OF THE BRIDGEPORT BOARD OF EDUCATION, held August 4, 2025, at Bridgeport City Hall, 45 Lyon Terrace, Bridgeport, Connecticut.

Present were chair Jennifer Perez, Vice Chair Joseph Sokolovic, Secretary Albert Benejan Grajales, Andre Woodson, Robert Traber*, Maritza Estremera Jimenez, Willie Medina, and Akisha Cassermere*.

*remote participation

Interim Supt. Dr. Royce Avery was present.

The meeting was called to order at 6:31 p.m.

The first agenda item was a presentation by Clifton, Larson & Allen of the forensic audit.

Emilie Deveraux, who specializes in state and local government in the forensics area, and Lea Wyatt, a director in the forensics department, presented.

Ms. Deveraux said we were engaged by the Connecticut State Department of Education to conduct a forensic audit of the Bridgeport Public Schools for the fiscal years 2024 and 2025. She said the focus was on operational budget expenditures, fiscal controls, and looking at and identifying any misalignments between what was budgeted and the actual spending in those categories. She said it was not a

financial statement audit. She said the focus was on general fund expenditures, while the special revenue fund was looked at for trends.

Ms. Deveraux said the focus and scope was established after a meeting with the state. She said items were brought up as concerns or questions to be addressed. A document request list was created. Interviews were conducted with ten district personnel in various areas.

Ms. Deveraux said read-only access was granted to MUNIS to analyze financial data. She described the use of data analytics. She said 60 high-risk transactions were selected to test for their legitimacy and proper classification. Access was also granted to the former CFO's e-mail, and a targeted search was performed over 97,000 e-mails. Board minutes for the last two fiscal years were also provided.

Ms. Deveraux said a year-over-year budget analysis was performed to see if there were large jumps or decreases in categories. Employee listings were also examined, particularly for duplicate listings or ghost employees, and none were found.

Ms. Deveraux said the key findings were no evidence of fraud or misappropriation, but there were misclassifications of transactions. The misclassifications were manipulating the budget to make it appear that

certain expenditures were falling within the budgeted amounts, and it appeared this was often performed without board oversight.

Ms. Deveraux said there were often budget transfers, and it appeared the moves were made when one account in a budget category was being overspent, and those were shifted to another account that had budget left in it. She said this obscures the financial transparency and financial accountability. An example was the transfer of \$16 million from the retirees' fund budget account to various different active payroll accounts, which puts at risk the ability of fund the retiree account in the future.

Ms. Deveraux said there were seven transactions that were misclassified under "other services," including a large HVAC installation at a school.

Ms. Deveraux said in the targeted search of e-mail there was only one e-mail where the former CFO advised someone to split out a furniture purchase to two different purchase orders to avoid the \$25,000 limit. There were also a number of e-mails advising people not to do that because of the procurement policy.

Ms. Deveraux said the budgeting process was siloed in the CFO's office, and she did not seek input from department heads or school-level principals. She said the lack of transparency resulted in the overspending in

certain areas and retroactive budget adjustments that were not submitted for board approval.

Ms. Deveraux said the procurement process lacked visibility by being siloed with the CFO. She said some information was not tracked in MUNIS, including student activity funds which were tracked in an Excel spreadsheet.

Ms. Deveraux said the facilities department has a capital projects schedule, but no other departments saw the schedules, which is a lack of transparency, understanding, and communication as to what the projects are and how they are being prioritized.

Ms. Deveraux said on the financial reporting side there was inconsistent training and understanding on the systems and policies, such as the district's travel policy. She said the journal entry procedures were not always followed, with the same person creating the entry and then posting it, although it did not appear there was anything nefarious going on.

Ms. Deveraux said 34 recommendations were made in five categories. The first category is board oversight, particularly as related to budget adjustments. She said school allocations should be adjusted because of special needs such as a higher percentage of special education. She said another recommendation is separating the operating and grant budgets in the systems. Also

recommended are limits on and documentation for budget alignments, along with board approval.

Ms. Deveraux said we recommend avoiding vague account classifications such as “other services.” She said granting department heads read-only MUNIS access is recommended. Also recommended is centralizing purchasing and approval in MUNIS, and facilities and maintenance sharing their capital project schedules across departments. Annual training of all employees on systems, policies and procedures, and fraud awareness training, is also recommended. She recommended formal procedures for inventory and employee records.

Ms. Deveraux then answered e-mailed questions from prior to the meeting by board members.

Ms. Deveraux said the information that the superintendent was contracted for ten years was obtained from public records research. Mr. Sokolovic said Connecticut state statute limits superintendents’ contracts to three years. He noted there were newspaper articles where the superintendent said she intended to stay for ten years.

Ms. Deveraux said the amphitheater contracts were reviewed; one of the three was selected to review, which was a qualified purchase that followed the policy. She noted they used a risk-based approach.

In response to a question, Ms. Deveraux said employee contracts were not in the scope of the audit, so the superintendent's contract was not seen. She said the item in the report can be corrected.

Mr. Traber said he did not consider items in the news as public records. He said it was also well known there was a not a ten-year contract, which makes him worry about what else in the public record might not be right. Ms. Deveraux said everything else was from documents, contracts, and MUNIS.

In response to a question, Ms. Deveraux said questions about legal action and the MBR is a question for the board's counsel.

In response to a question, Ms. Deveraux said it is not best practice to restrict the CFO from speaking directly to the board.

In response to questions, Ms. Deveraux said it is good practice for board members to request documentation prior to meetings. She said 48 hours in advance of meetings would be best. She said certain financial information has privacy implications, but that should be disclosed prior to an executive session. A concern about public disclosure would be dependent on whether the issues would violate FOIA or other privacy matters. She

said the question on conflict of interests was responded to by Dr. Hughes.

In response to a question, Ms. Deveraux said \$14 million in total was reviewed in 60 transactions. She said if an anomaly or potential fraud was seen, more transactions would have been investigated.

In response to a question, Ms. Wyatt said the category of “special sources” is fairly common with any procurement area.

In response to a question, Ms. Deveraux said the selection of items was not random, but a risk-based sample, concentrating on areas where we saw large transfers or adjustments. Higher-dollar transactions were selected to look at, along with every transaction right below the approval threshold.

Mr. Traber asked how big of a sample of this was of the overall budget in the two-year period. Ms. Deveraux said that was unknown.

Mr. Traber said he was hurt that the background failed to mention that the board had an RFP out for a forensic audit. Ms. Deveraux said she was not aware of that.

In response to a question, Ms. Deveraux said the misclassifications were in the accounting system. She said who did that was not in the scope of what we were

doing. Ms. Perez said that was a policy issue for the board.

In response to a question, Ms. Deveraux said the lack of board oversight was a lack of curiosity and the failure to provide the board with what was needed. She said she was not aware board members were not allowed to ask questions at Finance Committee meetings.

Mr. Traber said he thought Ms. Siegel remained with the district as a consultant for months after her departure. Ms. Deveraux said she did not believe that was germane because she was not the CFO making decisions.

Mr. Traber said there seemed to be two fixations in the report: the CFO and the Board of Education, and it seemed to ignore any other individuals that may have an influence on what happened here. He said he had trouble with this knowing the role of the superintendent and the chair of the board during this time.

In response to a question, Ms. Deveraux said the budget was siloed and controlled by the CFO. Mr. Traber said in one situation in the fall of 2023 the CFO stepped forward to defend the actions of the superintendent after the fact.

Mr. Sokolovic said he did not disagree with any of the recommendations from audit, and he thanked the presenters for conducting it. He said he had attempted to

get an audit since he joined the board, but it took a crisis of mega propositions to get one.

In response to a question, Ms. Deveraux said the date of the e-mail about the split purchase was February 18, 2022.

Mr. Sokolovic said the school allocations are just for discretionary spending, and more resources are allocated to higher-need schools, including special education. He added that there are times when the operating budget and grants must overlap because we have positions that must be absorbed by grants as the result of being starved of funding. Ms. Deveraux said the use of grants in that fashion needs to be more clearly documented and the approval needs to be retained. She said line-item transfers and budget adjustments must come to the board.

In response to a question, Ms. Deveraux said ESSER funds were only looked at as it related to expenditures exceeding budgeted amounts. Mr. Woodson said he would have thought \$144 million in ESSER would have been the first thing to check. Ms. Deveraux said we know what the budgeted amounts for ESSER for, but we were looking to see if expenditures aligned with budgets.

In response to a question, Ms. Deveraux said the scope of work was outlined in the initial meeting with the state.

In response to a question, Ms. Deveraux said we selected the people to interview based on an organizational chart and the review of board minutes.

In response to a question, Ms. Deveraux said we were provided with the approved policies of the district. She said some of the procurement policies are state level policies. The purpose of the interviews was to understand whether people knew what the policies were that they were supposed to be following. She said it was an issue of people understanding policies, not the policies themselves.

Mr. Medina noted he was the chair of the Policy Committee.

Mr. Medina said the audit only included interviews with two white males of the nine-member board. Ms. Deveraux said the two board members were randomly selected based on reading of minutes of those who had the most questions and comments.

Mr. Medina said it seemed only \$14 million of about \$600 million over two years was examined. Ms. Deveraux said that was based on where there were the highest variances, highest transfers and adjustments, and where there was the highest risk.

Mr. Medina noted Ms. Deveraux said this was not a financial audit.

In response to a question, Dr. Avery said his staff required the requested data, including the board minutes. Ms. Wyatt said the request was for full board meeting minutes and committee meetings. Ms. Perez noted the minutes are summaries, not verbatim transcripts.

In response to a question, Ms. Deveraux said \$16 million went from the retirement account to the active payroll account in 2025.

Mr. Medina noted the student activity funds were not a high-dollar amount. Ms. Deveraux said it was to show there are things that were being tracked outside of the formal accounting process, which limits transparency and accountability.

In response to a question, Nestor Nkwo, chief financial officer, said he was the project manager for implementing MUNIS in 2009. He said the board chose not to maximize the use of MUNIS.

In response to a question, Mr. Nkwo explained Formstack, and said the board should not use it. He said in October there would be districtwide training for all clericals in the use of MUNIS. He said the “other services” category is a lousy way of recording. He said there is more accurate coding used on the city side.

Dr. Avery said we're going to take the 34 recommendations and follow all of them. He said there will be a system to ensure everything we do moving forward will rectify the 34 issues. He said MUNIS has a K to 12 component that will be integrated into our current practice via training and oversight. He said we were already thinking about this two years ago; we just didn't get to it. He said it would get done and it was a great opportunity to move forward.

In response to a question, Dr. Avery said we're going to piggyback off the city's use of MUNIS, and he would ask the state for support to make sure we get this done right.

Mr. Medina said Dr. Avery inherited these mistakes and he is correcting them.

In response to a question, Ms. Deveraux said in discussions with the state we were told what their objective was in conducting the audit. She said there was a limited budget and a limited time frame, and we did a risk-based assessment.

In response to a question, Ms. Deveraux said the cost of the audit was \$150,000, which was set by the state.

Mr. Traber said he appreciated the work that was done, and it would be very useful to our planning in the future.

In response to a question, Ms. Deveraux said an “other services” category should be limited and there should be a definition of what those services are expected to be.

Mr. Nkwo said the \$16 million transfer from the Internal Service Fund (retirees) is the amount that the board approved to balance the operating budget.

In response to a question, Ms. Deveraux said it would not be feasible to conduct an audit to look at every penny. Ms. Estremera Jimenez said they indicated they would have increased the sample size if they found something glaring.

Ms. Deveraux said the audit was conducted based on the scope and the risk areas.

Ms. Deveraux said she could provide the PowerPoint to Dr. Avery.

Mr. Sokolovic moved to move Item 4 to be handled next. The motion was seconded by Mr. Medina and unanimously approved.

The next agenda item was on enhancing board technology.

A video was played about the product BoardBook. Ms. Perez said this the board has had this product but has not been using it. She said it is recommended for use by

CABE. She described it as a more efficient way of handling paperwork and looking at data.

Dr. Avery said he keeps hearing the board members would like to have documentation more easily accessible to them, and this would help streamline things electronically. He said it was part of modernizing the district and being efficient. He noted there is a lot of training involved. He said Danielle Cauchon has been briefed to work with board members on implementing it.

Ms. Perez said it was already paid for through CABE membership.

In response to a question, Ms. Perez said it would be used in place of the portal. The public documents would be published to the website. Dr. Avery said the board members can see the board packets being built.

There was a discussion of how confidential or executive session documents would be handled.

Ms. Cauchon said she had a lot of the training and she would be able to assist the board members in the transition. She said the old system would be able to be used simultaneously for the transition.

In response to a question, Dr. Avery said a hub of the older portal's information could be maintained. He said he would meet with Mr. Postolowski on that.

Mr. Medina moved “*to approve the enhancing the board operational efficiency through technology using BoardBook.*” The motion was seconded by Mr. Benejan Grajales.

The motion was unanimously approved.

The next agenda item was an executive session for the evaluation of the Interim Supt., Dr Royce Avery, as a public officer and employee of the Bridgeport Board of Education.

Mr. Traber moved “*to go into executive session.*” The motion was seconded by Mr. Benejan Grajales and unanimously approved.

The executive session began at 8:20 p.m.

The board resumed in public session at 10:44 p.m.

Mr. Woodson moved to adjourn the meeting. The motion was seconded by Mr. Traber and unanimously approved.

The meeting was adjourned at 10:44 p.m.

Respectfully submitted,

John McLeod