

IN THE MATTER OF THE ARBITRATION OF

STEVE GOLDSCHMIDT

and

PORTLAND SCHOOL DISTRICT NO. 1

CONDENSED

VOLUME II

DEPOSITION OF VICKI LYNN PHILLIPS
Taken on Behalf of Steve Goldschmidt

BE IT REMEMBERED That the deposition of VICKI LYNN PHILLIPS was taken on behalf of Steve Goldschmidt, before Kimberly J. Rise, Certified Shorthand Reporter for the State of Oregon, on Monday, the 20th day of June, 2005, commencing at the hour of 1:05 p.m., at the law offices of Barran Liebman, 601 S.W. 2nd Avenue, Suite 2300, Portland, Oregon.

Reported by:
Kimberly J. Rise
CSR No. 90-0138

Job No. KR-297-05

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DEPOSITION OF VICKI LYNN PHILLIPS

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3 APPEARANCES:

4 BUSSE & HUNT
By: Richard C. Busse
For Steve Goldschmidt;

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6 BARRAN LIEBMAN
By: Edwin A. Harnden
For Portland School District No. 1.

7

8 ALSO PRESENT:

9 Steve Goldschmidt
Jollee Patterson

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1 et cetera; and that if there were additional things that

2 he thought of afterwards that belonged to him, you know,

3 we would be happy to make sure that he got those.

4 Q. And did you explain what you meant by "best overall

5 interests of the School District"?

6 A. Not at that point.

7 Q. And did you invite him to respond?

8 A. Not in that meeting.

9 Q. About how long was it?

10 A. It was just a few moments -- or, a few minutes.

11 Q. Did you hand him or give him anything?

12 A. I did not.

13 Q. Did he receive a termination letter?

14 A. Well, I will have to go back and look, because it

15 would have been subsequent to that conversation. I didn't

16 hand him a termination letter.

17 Q. Okay.

18 A. I don't think. You know, I don't remember if I

19 handed it there or it came afterwards.

20 Q. All right.

21 A. I don't recall.

22 Q. Do you know what he said in the meeting, if

23 anything?

24 A. One question was why someone else was in the room.

25 This was when he first came in. And I explained that.

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VICKI LYNN PHILLIPS

1 called as a witness on behalf of Steve Goldschmidt,

2 having been previously sworn, was examined and

3 testified as follows:

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6 EXAMINATION

7 BY MR. BUSSE:

8 Q. Ready?

9 A. Yes.

10 Q. Okay. You realize, Dr. Phillips, that you're still

11 under oath?

12 A. Yes.

13 Q. On February 9th, the date of his termination, can

14 you tell us what you can recall concerning the termination

15 meeting.

16 A. The termination meeting was I asked Steve to come

17 into my office. I had asked one of our staff to be

18 present in order to do the escort out of the building. I

19 simply said to him that I had determined that the -- his

20 continued employment was not in the best overall interest

21 of the School District and that I was severing the

22 employment.

23 And I gave him an opportunity to pack personal

24 things; indicated that nothing related to the District was

25 to be taken out of the building, to turn in keys,

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1 And then, no, he did not respond -- not substantively.

2 Q. As of the time of his termination, what was your

3 understanding as to the latest developments that he was

4 undertaking in connection with the licensed staff

5 recruitment development formally known as CASA?

6 A. Could you repeat the front part of that question?

7 Q. Yes. As of the time of his termination, what was

8 your understanding as to what he was then working on in

9 connection with licensed staff recruitment development?

10 A. We had had a conversation about creating a more

11 aggressive recruitment plan, and my knowledge was that HR

12 staff was beginning to work on that. And there were

13 intended to be, at least at that time, preparations for

14 next year's teacher orientation and some continuing

15 discussions around the, sort of, conflict around the

16 teacher induction/teacher mentoring pieces with the PAT.

17 Q. What was he doing in connection with the teacher

18 induction program for success, or TIPS program?

19 A. The School District had been working under the

20 leadership of HR on a teacher induction program. That

21 program had come somewhat under fire by the teachers Union

22 because it was believed that it overlapped with the

23 mentoring program, so there were some continuing issues to

24 work out in regard to who was taking what role, whether

25 those programs overlapped or were, indeed, separate

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1 strategies for improving teacher performance in the
 2 District and particularly for addressing the needs of
 3 incoming teachers.
 4 I had expressed throughout the year, both in
 5 senior staff meetings and to Steve individually, that we
 6 wanted to pursue an array of teacher induction strategies,
 7 including beginning looking to develop -- do a stronger
 8 job of developing teacher leaders in the District and look
 9 at some different ways in which teachers could enter
 10 leadership opportunities, so there had been an ongoing
 11 discussion about those pieces.
 12 Q. Do you know what he was doing at the time, is my
 13 question.
 14 A. What he was -- Every day on a daily basis?
 15 Q. No, what he was doing on that program at the time
 16 of his termination on February 9th.
 17 A. Not at that time.
 18 Q. How about the aspiring educator program? What was
 19 he doing as of that time on that program?
 20 A. I would assume he was continuing to lead that
 21 program as it currently exists.
 22 Q. And what did that require on his part as of
 23 February 9th?
 24 A. It required his overall supervision and guidance.
 25 He had people -- Deborah Peterson and some others, in

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1 addition to sitting principals like Carla Randall,
 2 involved in actually delivering the program.
 3 Q. And what was its status as of that time?
 4 A. It was a program that had been under existence
 5 under Steve's leadership for a few years in the District.
 6 They take a small cohort of individuals every year and
 7 work to get them into strong administrative tracks and
 8 into pathways in the District.
 9 Q. And was there any problem in what HR was doing in
 10 that program as of that time, to your knowledge?
 11 A. The people that were leading that program seemed to
 12 be doing a solid job. The question and a continuing
 13 discussion was, in fact, how we could begin to grow our
 14 aspiring principals program and get more people,
 15 particularly people that were reflective of our student
 16 body, in that track and to -- how we could continue to
 17 strengthen the training for existing principals, so an
 18 ongoing expectation that we would talk about the strengths
 19 and challenges and continuing to grow that program
 20 significantly.
 21 Q. What was he doing on the "no child left behind"
 22 program as of that time?
 23 A. HR is charged with making sure that all of our
 24 teachers meet the highly qualified certification. The --
 25 the -- well, the letters that were to be sent out in

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1 relation to "no child left behind" telling families
 2 whether the teachers are highly qualified or not, that was
 3 coming up again at that point in the year.
 4 The previous year, because of the lack of
 5 collaboration with other departments in PPS like
 6 communications, multiple letters had gone out to the same
 7 family, and that had actually created a perception of
 8 inefficiency and ineffectiveness on the part of the
 9 District.
 10 So I had asked HR specifically this year to
 11 work not only in collaboration with the PAT but also with
 12 the department of communications to cut down the
 13 duplication on letters and correspondence to families so
 14 that they got the accurate information but didn't
 15 necessarily get five, six, seven, eight, or nine
 16 individual letters.
 17 Q. And did it do that?
 18 A. Yes, after much conversation and direction from me.
 19 Q. What was he doing on the employee recognition
 20 program as of that time?
 21 A. I'm not aware of the specifics of what he was
 22 doing.
 23 Q. How about the future educators program?
 24 A. I'm not aware of the specifics.
 25 Q. Of the leave of absence program?

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1 A. We were trying to more clearly define what was
 2 acceptable leaves, unacceptable, what -- you know, what
 3 constituted different types of leaves and looking more
 4 closely at our policies in -- sort of to see what was
 5 working and what wasn't and where there were problems and
 6 where there weren't. But, again, I wouldn't know the
 7 specifics.
 8 Q. What were the latest developments in PAPSA?
 9 A. The principals association?
 10 Q. Right.
 11 A. One of the latest developments was that I had asked
 12 Steve to begin to talk to PAPSA, and particularly to the
 13 economic welfare committee, to design or to think about,
 14 one, addressing the sort of conflict, concerns,
 15 consternation that had arisen over our placement of
 16 small-school administrators and our evolution into small
 17 schools and the fact that positions were allowed to be
 18 placed rather than posted.
 19 A year before I got there, positions that were
 20 actually supposed to be principal-level positions were not
 21 posted and the process was to not follow through.
 22 Small-school administrators, when I came, did
 23 not know what meetings they could attend, shouldn't
 24 attend, sort of what their status was in the District, and
 25 I -- and there were questions about compensation. Is a

1 small-school administrator different than a vice
2 principal? Should they be differently compensated? Who
3 has more accountability? Authority? A whole litany of
4 questions.

5 I asked Steve to work with PAPSA to begin to
6 resolve all those questions and begin to create a fair and
7 equitable way of posting positions, to get clear about
8 what level a position was, whether in fact it would be
9 posted, at what level it would be compensated, to begin to
10 answer all those questions.

11 I assumed that those conversations were moving
12 along. I have subsequently found that Steve's
13 interpretation of those conversations and what I asked him
14 to do is very different than what he actually relayed to
15 PAPSA, and I have spent my last three or four weeks
16 working on that issue to both get clarity and to set the
17 framework for this year and going into next.

18 Q. And how did he misunderstand?

19 A. Well, I would have said he didn't misunderstand,
20 because I was pretty clear about what I was asking for and
21 we both knew those concerns. However, a memo that PAPSA
22 produced for me asking me for additional clarity on it
23 made it -- made it, you know, apparent to me that that had
24 not happened. And when I went into a meeting with PAPSA
25 and described what I had asked, they said that that was

1 attention that these concerns were still outstanding and,
2 in fact, had not even begun to be addressed when I thought
3 the conversation had been moving along.

4 Q. I'm not asking about that, I'm asking who told you
5 that that's not what Steve said to them.

6 A. I don't recall exactly who in the meeting. I'm
7 sure that, again, ~~Steve~~ relayed some of that, ~~Steve~~
8 ~~Steve~~.

9 Q. What is it that you said that you wanted?

10 A. Exactly what I said a few minutes earlier. I
11 wanted the concerns that were standing around principal
12 versus small administrator versus vice principal and small
13 schools versus large comprehensive high schools -- I
14 wanted the questions about describing positions, posting
15 positions, and the process people would go through, when
16 you had to, when you didn't, compensation, who went to
17 meetings, I wanted all of those things clarified. They
18 were outstanding questions that had been being asked for
19 months.

20 Q. And you're saying that they told you that Steve
21 didn't communicate any of that to them? Is that what
22 you're saying?

23 A. They said that was not their understanding from
24 Steve of what I had asked for. And since I clearly spent
25 my last few weeks having to problem-solve that myself, I

1 not what Steve had said to them.

2 Q. What did Steve say to them?

3 A. I can't, you know, specifically reply to that. We
4 went forward in a problem-solving mode, but clearly he had
5 not led them to believe that the directive I had given
6 was, indeed, the directive I had given.

7 Q. How is that clear?

8 A. Because they said, "That's not the conversation we
9 had with Steve at all." They cited some specifics. I
10 don't recall the conversation, but it was enough for me to
11 understand that what I was saying versus what Steve was
12 saying to them in the meetings were clearly different
13 things, and I spent my time over the last few weeks
14 sorting that out.

15 Q. Who is the "they"?

16 A. The PAPSA executive committee.

17 Q. Who --

18 A. ~~Steve~~ is the chair of that and ~~Steve~~
19 ~~Steve~~ actually leads the economic welfare committee,
20 which is the committee that I had asked Steve to
21 specifically work with.

22 Q. And those two individuals both told you that;
23 correct?

24 A. The executive committee clearly told me that, ~~Steve~~
25 was in that meeting, and ~~Steve~~ is the one who drew to my

1 would assume that there was miscommunication somewhere.

2 Q. But you've told me all you know about the nature of
3 that miscommunication; correct?

4 A. Well, again, if I'm clear about the questions and
5 PAPSA did not believe that they had gotten the answers nor
6 that there was a strategy in place for answering those
7 questions, then somewhere there was a lack of
8 communication and follow-through and that somewhere was
9 with the person who was charged with doing that.

REDACTED

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12 Q. You talked about employees coming to a meeting and
13 some came late because they had to move their cars to
14 avoid detection. Do you recall that meeting?

15 A. I do.

16 Q. Was that before or after you spoke with [REDACTED]
17 and then sent her to Michael Don?

18 A. It was after I spoke to [REDACTED], because it was the
19 episode with [REDACTED] that made people come to my office and
20 my assistants and say, "We still fear detection and we
21 know there will be retaliation for this, but we are no
22 longer willing to just sort of cower and step aside, we
23 are willing to come forward and talk about the environment
24 that exists in HR and the reason people haven't come
25 before" -- "come forward before." So that was a catalyst.

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1 Q. And how many days afterwards did that meeting take
2 place after [REDACTED] came to you?

3 A. No, I do not remember.

4 Q. Did [REDACTED] come to you before or after Michael
5 Don was hired in mid-January?

6 A. I don't remember the exact date.

7 Q. Well, I'm not asking about the exact date.

8 A. I know. I don't remember if it was before or after
9 Michael's hire.

10 Q. Thank you.

11 A. I think it was after, but I don't -- for sure.

12 Q. Do you recall the month that HR staff came to you
13 in that meeting?

14 A. I think it was early January.

15 Q. In that meeting -- And have you been able to
16 recall any of the names of the persons who came to you in
17 that meeting?

18 A. I thought we were producing a list.

19 Q. No list has been produced, so --

20 A. Okay. We are producing a list, so you will get the
21 names of those.

22 Q. Do you recall --

23 A. No. As I said -- I know [REDACTED] was in the
24 meeting. I don't recall all of the other people that were
25 in there.

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1 Q. Did any of the persons identify anything that [REDACTED]
 2 [REDACTED] in particular did to any individual?
 3 A. People made reference to both [REDACTED]. I
 4 do not recall the specifics, other -- I mean, the specific
 5 of a reference that was tied to the people, but they
 6 talked about supervision in that office or lack thereof by
 7 Steve and they talked about the sort of fear,
 8 intimidation, they used those kinds of languages when
 9 talking about the supervision that they experienced.
 10 Q. Do you recall any -- I just want to ask you about
 11 one at a time, and the first person is [REDACTED]. Do you
 12 recall anyone telling you, [REDACTED] said this or did this to
 13 me"?
 14 A. I don't recall the specifics.
 15 Q. Well, do you recall anyone generally saying that
 16 "[REDACTED] said or did this to me"?
 17 A. I do recall people using [REDACTED] name specifically
 18 in conjunction with, again, the kind of atmosphere that
 19 existed in HR.
 20 Q. Well --
 21 A. A specific instance, no, I do not remember.
 22 Q. Do you recall anyone saying, [REDACTED] came to
 23 me and said or did this to me," anything specific that
 24 Dianna did?
 25 A. Again, I recall people specifically using [REDACTED]

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1 name in collaboration -- in -- exactly as I've said to you
 2 about the kinds of things. I do not recall, you know,
 3 what specific incident was tied to whom. I did say before
 4 in my deposition about the kinds of phone calls that
 5 people were -- were made to people, the kinds of blackout
 6 issues and vacation issues that people described.
 7 Q. What phone call issues are you talking about?
 8 A. I think I described in my last deposition -- or
 9 last part of my deposition that someone reported receiving
 10 a phone call at home telling them not to get too involved
 11 with their grandfather's funeral.
 12 Someone else actually had to cancel a family
 13 reunion cruise that had been booked for months and months
 14 and then only was told two days beforehand that they could
 15 have gone after the -- everything had been canceled and
 16 rearranged. There were multiple stories in that regard
 17 Q. Well, any others that you can remember, the other
 18 stories?
 19 A. Again, there were stories about, you know,
 20 disrespect in the office, people in tears, not feeling
 21 like they had anywhere to turn to above [REDACTED]
 22 because they thought they wouldn't be listened to. There
 23 were all kinds of stories. But do I recall a specific --
 24 other specifics? No.
 25 Q. When you say there are all kinds of stories, then I

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1 have to ask you about each one that you do recall.
 2 A. Sure.
 3 Q. So allow me to, please. Can you relate any other
 4 story that has the same context that you've been able to
 5 relate the story about the funeral or about the spreading
 6 of ashes? Do you recall any other anecdote that anyone
 7 conveyed to you with that same degree of specificity?
 8 A. Well, certainly moving your cars and having --
 9 feeling like if you were seen after hours -- and that was
 10 not just that incident. I was looking -- as a CEO, I'm
 11 looking for trends and patterns, and what I heard in that
 12 meeting confirmed those. But, no, I do not remember
 13 another specific story.
 14 Q. I think you said last time that you observed
 15 members of human resources being rude to members of the
 16 Board. When did that ever occur?
 17 A. In the -- the specific -- one of the specific
 18 incidents I was talking about, it occurred in a -- one of
 19 our final negotiations meetings where we were briefing the
 20 Board on a number of pieces.
 21 Q. Who was --
 22 A. And in that instance, it was [REDACTED]
 23 Q. Okay. Any other occasion?
 24 A. Not that I specifically remember.
 25 Q. Was any member of HR ever rude to you?

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1 A. Not that I recall.
 2 Q. You referred to a meeting in which you expressly
 3 spoke with Steve about [REDACTED]. Was that the
 4 January 27th meeting?
 5 A. I actually spoke to him in the fall, also, about
 6 [REDACTED] and [REDACTED]. I had spoken to him on multiple
 7 occasions.
 8 Q. You referred to one in your deposition in which you
 9 expressly conversed with him about their conduct.
 10 A. I did. I don't recall the specific date, but I do
 11 recall parts of the conversation, because one of the
 12 things I relayed to Steve was how astounded I was in many
 13 ways that any constituent group I talked to in the
 14 District and partners outside the District consistently
 15 and persistently described their demeanor the same and
 16 used the terms -- I think I said that before -- "mean" and
 17 "nasty".
 18 Q. In that conversation, did you relay to Steve what
 19 had been told to you by the HR staff?
 20 A. That particular conversation was in front of that
 21 one. And then when I talked to Steve again about the HR
 22 staff, yes, I relayed to him the kinds of things that I
 23 had heard and the trends and patterns that I continued to
 24 see without any adjustments.
 25 Q. Well, when you say "in front of that one", what are

1 you talking about?

2 A. Before. I -- the meeting I had with Steve about
3 [REDACTED] specifically was before the Trish
4 incident; it was before the meeting with HR staff in which
5 they wanted a closed private meeting with their cars
6 hidden.

7 Q. So would that have been before or after the
8 beginning of the year?

9 A. You know, I don't recall the dates. I do remember
10 in late December having several conversations. And,
11 again, as CEO, I had a number of conversations with Steve
12 about what I saw as problems in HR.

13 Q. Can you remember the substance of any of those
14 conversations?

15 A. Again, I think I have described the substance of
16 those conversations. I talked to him about things that I
17 thought we needed to be more aggressively moving on, from
18 position control to an aggressive recruitment plan, so I
19 picked up his suggestion about expanding that aggressive
20 recruitment plan into a diversity plan.

21 I talked to him repeatedly about the kind of
22 culture and atmosphere that was present in HR, from the
23 fact that people were afraid almost to walk through the
24 door and back through that area to the fact that there
25 were specific people on his staff that seemed to be doing

1 more than their share of contributing to that; that those
2 people were in leadership positions and that I felt like
3 something needed to be addressed and made the assumption
4 that as a senior manager he would address those issues.

5 I had that conversation almost from the time I
6 walked in the door about the perceptions that existed
7 around HR. We even talked about how, perceived or real,
8 those things needed to be addressed.

9 Q. I think we got into this by asking whether or not
10 the conversation that was in front of the one in which you
11 relayed to him HR staff's concerns about [REDACTED]
12 [REDACTED] when that conversation was in front of, you see.
13 And I asked you whether it was before or after the
14 beginning of the year --

15 A. And I --

REDACTED

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4 Q. C-11, is this a memorandum that you received from

5 [REDACTED] on area director candidate pool?

6 A. Yes, it is.

7 Q. It says, "My apologies for the delay - I got

8 sidetracked late last week with the administrator pay

9 project."

10 Do you recall what she was doing on that?

11 A. I -- the only thing I recall is we were working on

12 what to be able to tell the administrators during

13 leadership team week about their -- this year's

14 compensation.

15 Q. Did you view this memo to be appropriate and

16 respectful?

17 A. I wouldn't say I was happy with the delay, but,

18 yes, the writing is respectful.

19 Q. Did you work all right with [REDACTED],

20 yourself?

21 A. I -- she was courteous to me, if that's what you're

22 asking. Did I have to push her on getting some things

23 done and on thinking a little differently about some

24 things? Yes, I did.

25 Q. And did she respond to your entreaties?

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1 A. On some occasions.

2 Q. When did she not respond?

3 A. Well, she, again, was part of the team that clearly

4 did not respond to the requests I made around the audit.

5 I had to push, on several occasions, to get positions

6 posted.

7 I had to push and was clear with her as well

8 as with Steve that they needed to get in the room with the

9 other directors and senior managers who were trying to

10 fill vacancies and that they needed to stop playing memo

11 tag and actually get in the room and solve some of the

12 problems that we were experiencing going back and forth

13 about what HR wanted in a job description versus the

14 substantive elements that the person hiring and

15 knowledgeable in the area would want.

16 Q. Did you tell Mr. Goldschmidt that she was not

17 responding in connection with the audit?

18 A. I clearly told Mr. Goldschmidt his office was not

19 responding.

20 Q. And what did he say when you told him that?

21 A. There were a number of issues around why that had

22 occurred, including the technology pieces. I asked,

23 again, not only Steve but Bill Farver, Heidi, and a number

24 of people to come together and to work on that

25 collaboratively.

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1 Q. And did you tell him that [REDACTED] was not

2 responding in connection with getting positions posted?

3 A. I expressed my concern on a number of occasions

4 about delays, both delays in HR but also delays on the

5 part of other senior managers as memos went back and forth

6 versus, again, getting in the room and collaboratively

7 problem-solving, so yes.

8 Q. I'm talking about [REDACTED]k. Did you

9 express to Mr. Goldschmidt that [REDACTED] was

10 giving you problems and not responding in areas of posting

11 of positions?

12 A. I expressed concerns about delays in HR doing it.

13 I don't recall if I used [REDACTED] specifically.

14 Q. Well, that's what I'm asking you, okay. And I'm

15 asking in connection with a particular issue, which is

16 posting of positions. Let me ask it again. Do you have a

17 specific recollection of telling Mr. Goldschmidt that you

18 have a problem because [REDACTED]k is not responding

19 in connection with posting of positions?

20 A. I don't recall if I used that specific language.

21 Q. Did you ever tell Mr. Goldschmidt that you couldn't

22 work with [REDACTED]k?

23 A. No.

24 Q. Exhibit C-12, are these documents in connection

25 with a PAT inquiry concerning employment contracts?

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1 A. It looks like that's the case, and the PAT

2 periodically does ask for this information.

3 Q. Did they ask for it through you, to your

4 recollection?

5 A. I don't recall. Most recently, one came to me,

6 but --

7 Q. You mean after his termination?

8 A. There have been several come this year, probably

9 before and after, where they wanted information on

10 contracts or other things.

11 Q. Do you recall who it was at PAT that asked that of

12 you this year before his termination?

13 A. I don't. Usually it's one of the -- it's either

14 the president -- under the name of the president or one of

15 the uniserve reps.

16 Q. Exhibit C-13, is this a management policy team

17 agenda for Thursday, September 2nd?

18 A. Yes, it is.

19 Q. Do you recall telling Mr. Goldschmidt at or after

20 this meeting or beforehand that you had a problem with his

21 performance?

22 A. I remember in this meeting talking to all of the

23 senior managers. This piece that says "Our work together

24 as a team", I had a conversation with the senior managers

25 about collaboration across the offices; about disrespect

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1 with each other, which I had seen exhibited in those
2 meetings, and my lack of tolerance for that; and the
3 effects and the unintended consequences that this I loathe
4 behavior was having.

5 Q. Did you point out any particular individual in that
6 meeting?

7 A. I was clear that I expected every office to be able
8 to address those issues.

9 (Counsel conferred with the witness.)

10 THE WITNESS: Well, I probably would not,
11 in that meeting, have directly embarrassed somebody in a
12 senior team meeting, but I would have given clear
13 direction about my expectations for all of the senior
14 managers. And I have, in a couple of meetings, said
15 something to both ██████████s and Steve about their
16 conversation going back and forth with each other.

17 BY MR. BUSSE:

18 Q. Do you recall mentioning Mr. Goldschmidt's name in
19 this meeting, is my question.

20 A. I don't.

21 Q. Exhibit C-14, is this a management policy team
22 meeting agenda of September 21st, 2004?

23 A. It is.

24 Q. Do you recall pointing out any performance issue
25 with Mr. Goldschmidt before, at, or after this meeting?

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1 A. Not at the management policy team. As a CEO, that
2 is not the way I would handle a conversation about
3 performance. But you will see again that on our work as a
4 team I was clearly setting the expectations for how I
5 expected senior managers to behave individually and
6 collectively. No, I did not call out Mr. Goldschmidt,
7 that I recall.

8 Q. And do you recall any meeting with him before or
9 after this particular meeting?

10 A. This is in September? Definitely, I had meetings
11 after with him.

12 Q. Do you recall express --

13 A. Again, I think I've asked that -- answered that.

14 Q. It would be hard to know before I ask the question.

15 A. Sorry.

16 MR. HARNDEN: Well, let's -- Go ahead
17 and ask the question.

18 MR. BUSSE: Thank you.

19 BY MR. BUSSE:

20 Q. At any meeting afterwards, do you recall, after
21 this September 21st management policy team meeting,
22 speaking with Steve about his performance?

23 A. As I have indicated, I had ongoing conversations
24 about the performance of HR and what I wanted to happen
25 differently.

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1 Q. Do you recall any after this meeting, ma'am?

2 MR. HARNDEN: Are you talking about the
3 same day? See, I think, Rich, that's the problem.

4 MR. BUSSE: You don't need to help. But
5 I just --

6 THE WITNESS: If you're asking about the
7 same day, no. If you're saying after September 21st, yes.
8 I have described those.

9 BY MR. BUSSE:

10 Q. C-15, is this a management policy team meeting
11 agenda for September 30th?

12 A. It is.

13 Q. And do you recall any issues that you called to his
14 attention about his performance before, at, or after this
15 meeting?

16 A. In his role as a senior manager, again, I would
17 have called to everybody's attention the shared
18 expectations piece that's on here and the relationships
19 with each other and support staff.

20 Q. Do you recall singling him out at the meeting?

21 A. I cannot recall an instance where I singled out a
22 senior manager at a meeting like that, because I believe
23 it would be inappropriate.

24 Q. Do you recall meeting with him either immediately
25 before or immediately after this meeting to discuss any

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1 issue in his performance?

2 A. I know that Steve and I have sometimes met before
3 those meetings, like at 7:30 or 8 in the morning, and
4 sometimes after, but I do not recall specifically whether
5 on this date we met before or after.

6 Q. Exhibit C-16, is this a copy of the management
7 policy team agenda for the October 13th meeting?

8 A. It is.

9 Q. Do you recall meeting with Mr. Goldschmidt either
10 immediately before or after this meeting to talk about any
11 performance issue of his?

12 A. I do not. But I would draw your attention, again,
13 to in the meeting we talked about the movement of the
14 receptionist to the first floor of the BESC. That was a
15 considerable conversation around customer service in the
16 District, why we would move that piece down and what our
17 expectations were of every office in that regard and
18 communications between the senior staff and the Board
19 talking about those issues.

20 Q. When you say or direct me to the move of
21 receptionist to the first floor, was that something that
22 was good or bad?

23 A. That was a good thing to begin to improve -- that
24 was being put under the office of communication, it was an
25 overall conversation about customer service, and this

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1 being one example of what we were going to do as an
 2 organization to improve customer service.

REDACTED

18 Q. Exhibit C-18, is this a letter from Mr. Goldschmidt
 19 to Susan Enfield dated October 26, 2004, offering her the
 20 director of teaching and learning position?
 21 A. It is.
 22 Q. Were you and she pleased with the efforts of HR to
 23 get her on board?
 24 A. It took some time, but, yes, she came on board.
 25 And if you will notice, her benefits and compensation are

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1 as I described earlier.
 2 Q. Exhibit C-19, is this a list of PAT new hires
 3 through November 1st, 2004?
 4 A. It looks to be that, yes.
 5 Q. And down there in the grand total, 373, was that a
 6 good number, in your experience?
 7 A. It's not unusual for the District to hire several
 8 hundred people.
 9 Q. Did you have --
 10 A. Except for this next year.
 11 Q. When this was issued, did you make any complaints
 12 to Mr. Goldschmidt about that number?
 13 A. No, not that I recall.
 14 Q. Is this Mr. Goldschmidt's letter to Mark
 15 Davalos --
 16 A. Yes.
 17 Q. -- dated November 9th, 2004?
 18 A. Yes.
 19 Q. And were you and he pleased about the service of HR
 20 to get him on board?
 21 A. Yes, and I was actively involved in that process.
 22 Q. Was there anything wrong with you being actively
 23 involved in the process?
 24 A. No, but I would say my active involvement helped.
 25 Q. Did you object or protest to your active

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1 involvement to Mr. Goldschmidt?
 2 A. No.
 3 Q. Okay. Is this an e-mail from Ms. Schwartzrock to
 4 you dated November 10, 2004?
 5 A. I -- it looks like it, yes.
 6 Q. And did you indicate any displeasure with
 7 [REDACTED] over the submission of this draft job
 8 description, to your recollection?
 9 A. I don't recall on this one. Again, the ESL
 10 director and the area director were positions that went
 11 back and forth between the chief academic officer and HR
 12 and there was considerable tension around that. As I
 13 arrived, I took a very active role in all of these and I
 14 kept the process moving.
 15 Q. And in terms of your contacts with [REDACTED]
 16 such as this one, did you work well with her on that
 17 project?
 18 A. I worked with her on a limited basis, but, yes,
 19 again, I was actively involved and pushing for results.
 20 Q. And --
 21 A. And there were some delays along the way in
 22 completing these, but she worked -- Did she work fine
 23 with me? Yes.
 24 Q. And did you make any complaints about her on this
 25 project to anyone?

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1 A. Other than expressing concerns to her or Steve
 2 about our delays, no.
 3 Q. Do you recall expressing any complaint about the
 4 delay, if there was any, in the submission of the draft
 5 for this job description to anyone?
 6 A. I don't recall if it was this position, but I did
 7 clearly express displeasure over job descriptions that
 8 were going back and forth and back and forth, and I asked
 9 certain people to get in the room together and resolve
 10 those.
 11 Q. Exhibit C-22, is this Mr. Goldschmidt's letter to
 12 Steve Olczak dated November 12, 2004?
 13 A. Yes, it is.
 14 Q. And were you and Mr. Olczak pleased with the
 15 support provided by HR getting him on board --
 16 A. I can't speak for Mr. Olczak. I was fine. Again,
 17 I was actively involved in this search.
 18 Q. And was that okay for you to actively involve
 19 yourself in that search?
 20 A. It was accepted.
 21 Q. Did you complain to Mr. Goldschmidt about that?
 22 A. No.
 23 Q. Exhibit C-23, is this an e-mail from [REDACTED]
 24 Schwartzrock to you regarding limited term employee dated
 25 November 16th, 2004?

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1 A. Yes.

2 Q. And is this another employment issue that you

3 worked with her on?

4 A. Yes.

5 Q. And as far as you were concerned, did that run

6 smoothly in this case?

7 A. Actually, I don't remember working directly with

8 her on this, I remember Steve and I having a conversation

9 about whether it was going to be a temporary employee or

10 come on in a contractual way. Sometimes I would get

11 e-mails back and forth with Karen without direct

12 interaction.

13 Q. Were your interchanges with Mr. Goldschmidt

14 acceptable, as far as you were concerned, on this

15 matter?

16 A. He or she and he were giving me the information

17 that I had requested.

18 Q. That you hadn't requested?

19 A. I had requested.

20 Q. Oh, okay. So that was appropriate?

21 A. In the normal course of business, yes.

22 Q. C-24, is this a memorandum from Mr. Goldschmidt to

23 you dated November 23rd, 2004?

24 A. Yes.

25 Q. And he said that, "As I understand it, the options

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1 were considered in this context. While you would like the

2 candidate full-time, currently the candidate is only

3 willing to commit to half time. Benefits is not an issue

4 for the candidate but salary expectations may put this

5 candidate at the level of the senior communications staff

6 (or above.) There will be major restructuring in the

7 department and that some current positions will be

8 eliminated. You want this to happen quickly and with

9 little 'dust.'

10 Did he accurately restate the context in which

11 those options were considered?

12 A. Yes, and I had asked him to tell me what all the

13 options were, so he is responding to my request.

14 Q. And was that an appropriate response?

15 A. Yes. He's the director of HR.

16 Q. And is this a management policy team and leadership

17 team meeting agenda for December 16, 2004?

18 A. Yes, it is.

19 Q. Do you recall speaking with Mr. Goldschmidt

20 immediately before or immediately after this meeting about

21 his performance?

22 A. Again, there were several occasions when we met

23 before and after. I do not recall if it was on this

24 specific date.

25 I do know in this meeting we talked about

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1 position control, which is one of the issues that I had

2 raised. We talked about the Wallace Grant, which was

3 about leadership development and, in particular, about the

4 need for cultural competency in the District and a

5 workforce that reflected that both in terms of substantive

6 training as well as recruitment of staff.

7 Q. And was he in agreement with your comments?

8 A. As far as I recall in that meeting, he was.

9 Q. And getting back to my question, do you recall, do

10 you have a specific recollection of any meeting either

11 before or immediately after this meeting?

12 A. And, again, I've answered that, not before or after

13 this specific meeting, but we did routinely meet

14 before/after on other days because he was a senior leader

15 in the District.

16 Q. Exhibit 26, did you receive a copy of

17 Mr. Goldschmidt's 12/20 e-mail to Mr. █████ and others

18 concerning personnel and the budget?

19 A. There were a number -- there -- I mean, this looks

20 totally in line with the conversations we've had. There

21 were lots of conversations about personnel and budget --

22 Q. Sometime --

23 A. -- as you can see from both the MPT meetings and in

24 individual groups.

25 Q. Sometimes you would communicate in person; correct?

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1 A. Yes.

2 Q. Sometimes those in-person communications would be

3 in groups and sometimes individually; correct?

4 A. Yes.

5 Q. Sometimes, as here, in C-26, we have e-mail

6 communications; correct?

7 A. That would be in follow-up to one of those

8 meetings, typically, yes.

9 Q. C-27, is C-27 another e-mail communication from

10 Mr. Goldschmidt to you dated 12/23/04?

11 A. Yes.

12 Q. And this is another example of an e-mail

13 communication between the two of you about that time;

14 correct?

15 A. There -- yes, but this is an example of poor

16 collaboration and communication between the chief academic

17 officer's office and HR and a contract in which a person

18 had been working for some time without having all the

19 appropriate documentation, and I had, again, to go to the

20 CAO and to HR and to mediate a contract with Antionette,

21 which should have already been done.

22 And Karen, actually, she did take it up and

23 problem-solve it for me after I made the direct request.

24 Q. By "Karen", are you referring to Karen

25 Schwartzrock?

REDACTED

- 15 Q. Exhibit C-29, is this a memorandum from
 16 Mr. Goldschmidt to you dated January 27, 2005?
 17 A. It is.
 18 Q. And do you recall receiving this memorandum?
 19 A. I do.
 20 Q. Do you recall speaking with Mr. Goldschmidt after
 21 its receipt?
 22 A. I do, before and after.
 23 Q. And what do you recall speaking with him about
 24 before he wrote it?
 25 A. We were talking about the need to craft a more

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- 1 aggressive recruitment plan that ensured we obtained staff
 2 at every level of the District that met the -- our need
 3 for a diverse array of staff, and there had been a series
 4 of pretty pointed e-mails from the Board and from
 5 particular members of the Board about whether we had
 6 Affirmative Action and other kinds of plans that ensured
 7 that diversity of the workforce and whether our data
 8 showed any improvement over the years.
 9 Our response was, one, to think about a more
 0 aggressive recruitment plan, and then Steve came back and
 1 said, "Let's think about a more broad-based plan and a
 2 diversity in the workplace plan" and showed me a model
 3 that he had seen. Again, this was after press on an issue
 4 that was a fundamental responsibility of HIR.
 15 Q. So did you view this as a positive development to
 16 receive this memo?
 17 A. I received this as a good step. I thought it was a
 18 fundamental piece that should have already been done or at
 19 least an aggressive recruitment plan that should have
 20 already been available.
 21 Q. Then you say that you spoke with him afterwards,
 22 after its receipt. What did you say when you spoke with
 23 him?
 24 A. I said to him that, given the context we were
 25 sitting in and the rightful press of not just the Board

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1 but the past history of the District, that this was a move
 2 in the right direction, but it was a move that came after
 3 push.
 4 Q. You said that? Or no?
 5 A. I don't recall the exact wording --
 6 MR. HARNDEN: Let's take a quick break.
 7 (A recess was taken at 2:15 p.m., and the
 8 deposition resumed at 2:22 p.m.)
 9 BY MR. BUSSE:
 10 Q. Exhibit C-30 --
 11 A. Yes.
 12 Q. -- is this the central office review for results
 13 and equity?
 14 A. It is.
 15 Q. Is it sometimes referred to as the Annenberg
 16 report?
 17 A. It is.
 18 Q. If you'll turn over to Page 3 of the report, it's
 19 Page 0924 --
 20 A. Okay.
 21 Q. -- under "Central Office Operations and Culture",
 22 Number 10, it says in the second sentence, "Some perceive
 23 that the human resources department has a disproportionate
 24 influence on decision making." Do you see that there?
 25 A. I do.

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1 Q. Do you know who that "some" is that's being
 2 referred to here?
 3 A. I did not conduct this review. I couldn't speak to
 4 that.
 5 Q. Did anybody who did conduct it speak to you and
 6 tell you who they were talking about?
 7 A. They did a collection of data across a large array
 8 of groups. They might be able to tell you that, but I
 9 couldn't.
 10 Q. My question is whether they told you that.
 11 A. I did not ask those questions. I was, again,
 12 looking for trends and patterns.
 13 Q. I'm just asking whether they told you that, not
 14 whether you asked.
 15 A. Not that I recall.
 16 Q. Thank you.
 17 Did you have a discussion with --
 18 THE WITNESS: Hang on one second.
 19 (The witness conferred with Counsel.)
 20 MR. HARNDEN: Just go ahead and tell him.
 21 THE WITNESS: Okay. I was just thinking,
 22 in response to the earlier question, about did they tell
 23 me who the "some" was. Not individuals. They did let me
 24 know that it crossed a wide array of groups that they
 25 talked to, support staff, teachers, principals,

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1 community.
 2 BY MR. BUSSE:
 3 Q. So you did speak with them about that. Who is the
 4 "they"? When you say "they" told you it went across a
 5 wide --
 6 A. The Annenberg CORRE team, in their report, public
 7 report, as well as in their conversations with the central
 8 of the CORRE team, of which Steve was a part, they
 9 repeatedly talked about the array of focus groups they had
 10 conducted and the data they had used and that these were
 11 trends and patterns across those groups.
 12 Q. Do you have a name of an individual, is my
 13 question, who said that?
 14 A. The Annenberg team would be -- I cannot think of
 15 her last name. The team included Greg Hobson, Frank --
 16 I'm trying to think of Frank's last name -- and Marla
 17 Ucelli. They conducted the work on behalf of the
 18 Annenberg Institute.
 19 Q. And you're saying at the meeting in which they told
 20 you who the they was in the second sentence of
 21 Paragraph 10 that Steve was there.
 22 A. They were -- Steve was in at least one CORRE
 23 meeting, yes, in which the results of this study was
 24 discussed.
 25 Q. Now, directing your attention to the specific --

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1 A. He was actually in and out of that meeting.
 2 Sorry.
 3 Q. Directing your attention to this specific sentence,
 4 did you discuss this specific sentence and its meaning
 5 with any of the three of those individuals, Greg, Frank,
 6 or Marla?
 7 A. I don't recall discussing this specific sentence.
 8 Q. Do you recall any of those three individuals
 9 elaborating on what was meant by "disproportionate
 10 influence"?
 11 A. I recall them giving examples on several of these
 12 items. I don't recall if they gave specific examples in
 13 this case.
 14 Q. Okay, thank you.
 15 On the next page, 925 at the bottom, D29 --
 16 Are you with me?
 17 A. Yes.
 18 Q. -- where it says, "Most agree that teacher
 19 recruitment and hiring is not efficient", did either Greg,
 20 Frank, or Marla tell you who that "most" included?
 21 A. Not in terms of specific individuals. But, again,
 22 they were clear about the whole report about the array of
 23 data they collected and the multiplicity of groups they
 24 spoke to.
 25 Q. Well, where it says "most", that excludes some of

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1 those groups. Did they tell you which were inside and
 2 which were outside the most --
 3 A. Not that I recall.
 4 Q. -- in this case?
 5 Then it says, "Most point to human resources
 6 practices and/or contract constraints (hiring rounds 1, 2,
 7 and 3)." As to the first part of that sentence, "Most
 8 point to human resources practices", in any meeting with
 9 Greg, Frank, or Marla were they any more specific about
 10 which practice they were referring to with you?
 11 A. Not a specific practice that I recall. Again, they
 12 gave an array of examples.
 13 Q. Did they give an array of examples in this case --
 14 I'm just pointing to this case, "human resources
 15 practices" on teacher recruitment and hiring, did they
 16 give any example --
 17 A. Not that I personally recall. But this report is
 18 built on an array of evidence that they would have
 19 available.
 20 Q. Exhibit C-31, is this a memo from you to
 21 Mr. Goldschmidt dated January 12, 2005 --
 22 A. It is.
 23 Q. -- concerning the resume and scope of work for
 24 Michael Don?
 25 A. It is.

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1 Q. And on Page 2 where it has "Scope of work for
 2 Michael Don", who drafted that?
 3 A. I did.
 4 Q. Now, you have certain aspects to his work,
 5 including, in the second bullet point, working with
 6 financial staff and then, in the third bullet point,
 7 working with senior staff. Why did you not specifically
 8 task him to provide guidance and support to HR?
 9 A. In this instance, I was outlining work across the
 10 scope of the organization and then targeting some areas in
 11 particular in which we were looking at cost savings.
 12 Q. What exhibit do you have in front of you?
 13 MR. HARN DEN: 32.
 14 MR. BUSSE: May I see that document back,
 15 please.
 16 MR. HARN DEN: This one?
 17 BY MR. BUSSE:
 18 Q. Exhibit 32, is this a memorandum from
 19 Mr. Goldschmidt to you dated January 13, 2005, on the
 20 subject of teacher recruitment, hiring strategies, and
 21 timelines?
 22 A. It is to me, Bill Farver, and to the management
 23 policy team, which means all the senior managers.
 24 Q. Did you appreciate Mr. Goldschmidt's input in
 25 connection with this issue?

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1 A. Mr. Goldschmidt, in this case, was providing us
 2 information on how the budget timelines and the HR
 3 timelines would inter -- interconnect, juxtapose.
 4 Q. And did you appreciate his input?
 5 A. Yes. It's a routine function of the District to
 6 make those timelines align to the greatest degree that we
 7 can, and I would expect a senior manager to alert us to
 8 where they perceived issues.
 9 Q. In the last sentence of the fourth paragraph, you
 10 say, "I would like your thoughts and advice on how best to
 11 proceed."
 12 Was that okay, for him to ask for your input?
 13 A. This memo is not just to me. This memo is to the
 14 full management policy team, the entire senior staff. I
 15 would hope that would be the case.
 16 Q. Was it appropriate, in your view, for him to ask
 17 for your input?
 18 A. Yes.
 19 Q. Did you express any dissatisfaction to him in the
 20 communication of this memo?
 21 A. Not that I recall. I do remember having a
 22 conversation about the fact that we would need to maybe
 23 adjust some of the timelines.
 24 Q. With him?
 25 A. I don't recall if it was just with Steve, or more

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1 likely it was with a group of people as we were talking
 2 about the budget.
 3 Q. Exhibit 33, is this a management policy team and
 4 leadership team agenda for January 13, 2005?
 5 A. It is.
 6 Q. Did you speak with him either before or immediately
 7 after this memo to express any displeasure about his
 8 performance?
 9 A. I don't recall if I spoke to him on this particular
 10 date, but I have spoke to him with displeasure about the
 11 SEAC and the county audits on occasion.
 12 Q. And what did you say about the SEAC audit?
 13 A. The SEAC audit is the audit that the city auditors
 14 were doing as a result of the i-tax. That was a fiasco
 15 that had occurred in the fall, taken much longer to
 16 produce data. We were here, at this point, talking about
 17 the results of that. I had expressed my displeasure in
 18 the fall over the lack of responsiveness.
 19 Q. Did you say that he did anything wrong?
 20 A. During my individual conversations with him, yes, I
 21 made it clear that we should have been responsive to those
 22 auditors and to that data. During collective
 23 conversations with the team that I then asked to respond
 24 to the auditors and to sort of get our act together, I was
 25 clear that I expected collaboration.

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1 In this particular meeting, we were talking
 2 about the results of that audit and moving forward, so we
 3 were past that point.
 4 Q. Oh, okay. How about with the county audit?
 5 A. The SEAC and county -- well, the -- I don't
 6 remember, the county audit about the sick leave data. Oh.
 7 I don't recall expressing anything in particular.
 8 Q. Okay.
 9 A. Other than we could change our policies.
 10 Q. Exhibit C-34, is this a copy of the workforce
 11 diversity plan dated January 2005?
 12 A. It appears to be that.
 13 Q. Were you pleased to see human resources produce
 14 such a plan?
 15 A. I have not seen this document. This was never
 16 given to me.
 17 Q. Were you aware of its existence before --
 18 A. No.
 19 Q. -- today?
 20 Exhibit 35, is this an e-mail from you to
 21 Steve Goldschmidt and others dated January 26, "Re:
 22 Sunnyside"?
 23 A. It is a sentence from me. The e-mail is actually
 24 from [REDACTED], and I'm giving one small directive at
 25 the top in response, in reply.

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1 Q. And it says, "I also want to follow up on getting
 2 someone (preferably" -- What's that?
 3 A. "Mutiu".
 4 Q. -- "in there to facilitate some sessions with staff
 5 and with parents."
 6 Did you have any other communications with him
 7 on this issue prior to his termination, to your
 8 recollection?
 9 A. I talked to him several times about [REDACTED].
 10 Q. Between January 26th and February 9th, do you
 11 recall --
 12 A. I don't recall the exact date.
 13 Q. Well, do you recall anything else, is my question.
 14 A. But this is the 26th and we were having
 15 conversations along -- around that time. I don't
 16 recall -- I know we had conversations before, I don't know
 17 about after.
 18 Wait a minute, let me see that again. Okay.
 19 Q. Exhibit C-36, is this a copy of the management
 20 policy team meeting agenda for January 27th, 2005?
 21 A. Yes.
 22 Q. Did you bring anything to his attention immediately
 23 before or after this meeting concerning anything that was
 24 inappropriate about his performance?
 25 A. Not that I know of, but in this meeting, again, you

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1 would see we talked about the central level redesign, we
 2 talked about the implementation of the BESC work
 3 and changes in units and staff assignment, so setting the
 4 expectations for managers, again, around customer service
 5 and results.
 6 Q. And did he participate in that meeting?
 7 A. I -- I'm assuming Steve was present at this
 8 meeting.
 9 Q. Was there anything he said or did in that meeting
 10 that indicated a lack of cooperation?
 11 A. Not that I recall.
 12 Q. Exhibit C-37, is this his termination letter --
 13 A. It is.
 14 Q. -- dated February 11, 2005?
 15 A. It is.
 16 Q. And did you draft this letter?
 17 A. I don't think so, but I approved it.
 18 Q. Who drafted it?
 19 A. I don't recall.
 20 Q. You don't recall.
 21 A. I don't recall. Sorry, I don't.
 22 Q. Do you recall who you got it from?
 23 A. I recall receiving a draft, I would have consulted
 24 with general counsel to do that, and then I recall
 25 finalizing the draft, approving it, and I think I actually

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1 handed it to Steve but I'm not for sure, if I handed it to
 2 him or gave it to him afterward.
 3 Q. Where it says "as defined by your job description",
 4 what were you referring to in his job description?
 5 A. Among other things, the responsibility for
 6 fundamental functions in HR that I did not believe were in
 7 place and the responsibility for improving morale in the
 8 District and providing services to all of its employees.
 9 Q. And you've told me what you meant by that?
 10 A. Yes.
 11 Q. Okay. It says "and otherwise". What did you mean
 12 by "otherwise"?
 13 A. I think I described those earlier, too, in terms of
 14 the trust, the atmosphere, the hiring of HR staff and the
 15 way they carried out their duties. I've described all of
 16 that.
 17 Q. Exhibit C-38, is this a copy of the job description
 18 for executive director of human resources, and it
 19 indicates last updated 12/17/04?
 20 A. This is a copy. One of the problems we have is
 21 that there's one copy on the Web site and, as I recall, a
 22 different one in the files.
 23 Q. Do you recall which this is?
 24 A. I think this is the one on the Web site, which
 25 talks specifically about enhancing the morale of School

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1 District employees, promoting the overall efficiency of
 2 operations, et cetera, recruitment, hiring of high-quality
 3 personnel.
 4 Q. So is this the one that was referred to in
 5 Exhibit C-37 when you refer to "job description"?
 6 A. Most likely, because it's the one posted on the Web
 7 site.
 8 Q. Exhibit C-39, is this a copy of the teacher leave
 9 audit dated March 2005?
 10 A. It is.
 11 Q. Have you previously testified to the things that,
 12 to your view, HR did wrong in connection with failing to
 13 be responsive to the auditors in this teacher leave audit?
 14 A. I did.
 15 Q. Do you have anything to add to what you've already
 16 testified to?
 17 A. No. I think I testified to the failure of the HR
 18 department to provide the requisite data in a timely
 19 manner and the risk that it placed us in terms of being
 20 the only District not in that report when the repeal of
 21 the i-tax was looming.
 22 Q. Which you've already testified to?
 23 A. Yes.
 24 Q. Exhibit C-41, is this the press release that you
 25 issued, or a copy of it, on February 9th, 2005?

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1 A. It's not a press release. This went out to
 2 employees in the District just to notify them of -- that
 3 Steve, Karen, and Dianna were no longer with the District.
 4 Q. Why did you, in this press release, indicate in the
 5 same -- I'm sorry, why did you, in this particular
 6 notification to employees of the District, indicate that
 7 Karen Schwartzrock and Dianna Hanlon were placed on paid
 8 administrative leave?
 9 A. Because it's a statement of fact.
 10 Q. Were you trying to distinguish the treatment that
 11 you gave Mr. Goldschmidt from the treatment that you gave
 12 them?
 13 A. I was giving the employees the basic information.
 14 Q. I just want to show you a document, see if you've
 15 ever seen it before, C-40.
 16 A. Not that I recall.
 17 Q. Okay. Let me show you another document, ask if
 18 you've seen it before.
 19 A. KPMG. I've seen the larger report and looked at
 20 portions of it. This appears to be the executive summary.
 21 Q. And did you review that before Mr. Goldschmidt's
 22 termination?
 23 A. Not in specific regard to the termination. I did
 24 review it, I think, in the fall and maybe after as we were
 25 working through the budget and thinking about cost

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1 reductions and savings and as I was looking at things that
 2 perhaps were in there that should have been done over the
 3 last few years, were recommended and were not enacted.
 4 Q. Do you recall any?
 5 A. I don't recall specifically.
 6 Q. With respect to the hiring of a recruiter, is it
 7 true that last fall you and Mr. Goldschmidt agreed that it
 8 was better not to fill the position with someone who did
 9 not meet your criteria and to repost the position later in
 10 2005 at a higher salary?
 11 A. We -- actually, what we agreed to was the fact that
 12 I wasn't satisfied with the candidate that Mr. Goldschmidt
 13 was recommending and that I did not believe that person
 14 had the skills, and in fact he agreed that person didn't
 15 have the full set of skills and that we would be settling
 16 for less than we had asked for, so I suggested that
 17 perhaps we needed to redesign the position and, yes,
 18 perhaps it would take more compensation.
 19 I also later learned that the position got
 20 redescribed and a person hired -- the person hired anyway
 21 without my knowledge.
 22 Q. And who was that?
 23 A. I don't recall the name, but we will be sure to
 24 find that. But not as a recruiter, they were not hired as
 25 a recruiter.

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1 Q. What were they hired as?
 2 A. I don't recall. Another position in HR.
 3 Q. So how did you find out that somebody, instead of
 4 recruiter, was hired without your knowledge?
 5 A. I don't recall.

REDACTED

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1 THE WITNESS: Oh, okay.
 2 BY MR. BUSSE:
 3 Q. I have handed you what has been marked C-125. I've
 4 been given a copy of what appears to be your calendar.
 5 Can you just identify for me that that's what that
 6 document is.
 7 A. Again, looks to be, yes.
 8 Q. Now, final document is C-126. Can you tell me what
 9 that document is. First of all, are those notes in your
 10 handwriting?
 11 A. Yes.
 12 Q. And can you tell me the occasion for the making of
 13 those notes?
 14 A. It occurred sometime during the conversation around
 15 the design of the new administrative contracts, the
 16 exhibit you showed me a few ago.
 17 Q. What month would that have been?
 18 A. Those were ongoing conversations, so I do not know
 19 the month I took these notes in. They appear to be right
 20 before the first reading, and I've forgotten that exact
 21 date, although we could get you the date of the Board
 22 meeting when that first reading took place.
 23 Q. Do you recall what year it was?
 24 A. It could have been the end of '04 or the beginning
 25 of '05. Those conversations were ongoing in the fall and

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1 into the new year.
 2 Q. Did you tell Michael Don to tell Ms. Edwards that
 3 you were going to order Steve Goldschmidt to fire [REDACTED]
 4 [REDACTED] Karen Schwabert, and [REDACTED] and, if he
 5 didn't, he would be terminated for insubordination?
 6 A. No. We had a conversation about the best way to
 7 address [REDACTED] and [REDACTED].
 8 Q. "We" meaning whom?
 9 A. I know that I discussed it with Mike and I think,
 10 at some point, I discussed it with Julia Brim-Edwards,
 11 with Mike Don and with Julia Brim-Edwards.
 12 Q. So you're denying having told him that?
 13 A. I'm denying the way you've framed it.
 14 Q. Well, what did you say to him to that effect?
 15 A. We were looking at the options for how we would
 16 address the termination of [REDACTED] and [REDACTED]. Among the
 17 options were we could ask Steve to do it. And the
 18 evidence, at least as I saw it, was that Steve would
 19 refuse to do that, because we had had numerous
 20 conversations about the need for action in HR around those
 21 two individuals and I had seen none.
 22 Second, we talked about just doing all three
 23 at once, and we ended up -- or, I ended up making the
 24 decision to do all three at once. But that conversation
 25 was strictly in regard to how we would handle the -- the

1 severance of [redacted] and [redacted].

2 Q. And when was it that you and Julia and Michael were

3 discussing this?

4 A. It was probably, you know, end of January, mid to

5 end of January.

6 Q. Why were you talking about options to terminate

7 [redacted] and [redacted]?

8 A. Because whenever you address senior management

9 personnel in an organization, particularly in some key

10 areas, such as technology, finance, and HR, you pay

11 attention to when and how you terminate, because they deal

12 with a great degree of confidentiality and very sensitive

13 issues in the District.

14 And I did not believe that additional

15 conversations with Steve would lead to the changes in

16 management that I needed to see in HR, and so I made the

17 determination that I needed to sever the employment

18 relationship with all three.

19 Q. That wasn't responsive to my question.

20 A. Oh, I'm sorry.

21 MR. HARNDEN: I object to that comment.

22 MR. BUSSE: Just move to strike.

23 MR. HARNDEN: Move to strike.

24 BY MR. BUSSE:

25 Q. Earlier when you were discussing what to do with

1 [redacted] and [redacted] with Julia and Michael, why were you

2 discussing terminating those two, is my question, [redacted]

3 and [redacted]?

4 A. Because I, again, have described, numerous times in

5 this deposition, the contribution I felt like they made to

6 the conditions in HR.

7 Q. When you were first discussing an option of dealing

8 with [redacted] and [redacted], did you tell Michael Don that

9 [redacted] would be amongst the persons that you would order

10 Steve to terminate?

11 A. I questioned whether [redacted] was -- whether [redacted]

12 performance issues were in the same category as those I

13 saw with [redacted] and [redacted] and ultimately determined that

14 they were not.

15 Q. When did you do that?

16 A. Again, as we were having these conversations,

17 pretty much I have watched the performance of all four of

18 those individuals, along with others in HR and other

19 senior managers, since I came here.

20 Q. No, when did you decide that [redacted] performance

21 issues were not in the same category and so she would be

22 excluded?

23 A. Well, again, I've looked at it all along. I think,

24 in the final analysis, I needed to make a decision and I

25 determined, as the CEO, that those behaviors were not of

1 the same magnitude as [redacted] and [redacted].

2 Q. And that's what I'm trying to get a fix on.

3 A. I don't remember the exact date.

4 Q. Well, with respect to the first iteration, it

5 included both [redacted] [redacted], and [redacted]; correct?

6 A. No. It included a question about [redacted]. It

7 included [redacted] and [redacted] definitely.

8 Q. Okay.

9 A. It included a question about [redacted].

10 Q. And over what passage of time? Are we talking

11 about minutes, hours, or days that [redacted] was excluded?

12 A. I would say it was days, because I was reviewing

13 what I knew about past performance as I was coming to a

14 conclusion.

15 Q. And so when you were first discussing ordering

16 Steve to terminate the group, whether it was two or three,

17 [redacted], [redacted], and [redacted] or [redacted] and [redacted] only, what

18 is it about that discussion that went further to speculate

19 that he would refuse to do that? Why was that part of the

20 discussion?

21 A. First of all, it was discussed as an option among

22 other options. And the reason I made that

23 determination -- There were two reasons. One, I had had

24 numerous conversations with Steve about their performance

25 to no avail and no change in it, so I had no reason to

1 believe he would address that issue in the kind of

2 responsive, timely way I would have expected.

3 And, second, HR is a critical piece of the

4 organization with access to sensitive information, and I

5 believed that, just like I would do so in technology or

6 finance, I would need to move it at once, and I made that

7 decision.

8 Q. Had you ever given him an order that he had

9 disobeyed prior to that time?

10 A. I think I have described in this deposition a

11 number of times where Steve did not comply with directives

12 that I had given or assumptions and parameters I'd

13 described.

14 Q. I'm sorry, where had he not complied with a

15 directive prior to this?

16 A. Again, I think I described the PAPSA conversation;

17 I've described a number of times in which I did not feel

18 like he followed through. Are you asking me for a

19 specific time when he said, "No"? I don't have that.

20 Q. And when you were first discussing this with Julia,

21 are you saying that Julia and you and Michael were there

22 in the same meeting at the same time?

23 A. I don't recall a meeting of all three. I recall a

24 conversation about contract issues with Julia.

25 Q. Getting back to my question, then, did you direct

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1 Michael to go to Julia and tell her that you had a plan
 2 that you would order Steve to terminate either [REDACTED],
 3 [REDACTED], and [REDACTED] or [REDACTED] and [REDACTED] and that, if he
 4 didn't, you would terminate him for insubordination?
 5 A. There was no directive given. There was a
 6 conversation about all of the possible options --
 7 Q. So you did not --
 8 A. -- and what would be the consequences of options.
 9 Q. You did not tell Mike to tell Julia that that was
 10 your plan?
 11 A. Mike may have been asked to tell Julia the options
 12 that were being considered. But, again, there was no
 13 directive given. I'm the person who made the decision in
 14 the end and decided which option to carry out.
 15 Q. You said that he may have. Did you tell -- Let me
 16 finish my question, if I may. Did you tell Michael Don
 17 that one of the options you were considering was to have
 18 [REDACTED], [REDACTED], and [REDACTED] terminated by Mr. Goldschmidt
 19 and, if he refused to do that, that you would terminate
 20 him for insubordination?
 21 A. I likely asked Michael to discuss the options with
 22 Julia, one of which was Steve could be asked to terminate
 23 [REDACTED] or [REDACTED]. If he did, one thing happens; if he
 24 refused to, there's a different consequence. That's
 25 reality. So in describing an option, Michael may have

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1 very well described that that could end up being a
 2 possibility.
 3 Q. But it wasn't that you were telling Mr. Don that
 4 there was a plan that you had to set Mr. Goldschmidt up
 5 for termination by ordering him to terminate somebody that
 6 you knew he would refuse to do?
 7 A. Absolutely not, as evidenced by the way I ended up
 8 handling it.
 9 Q. Isn't it true that even before Mr. Don was hired
 10 you had already decided to terminate Mr. Goldschmidt?
 11 A. I don't recall exactly when I came -- I had been
 12 coming to that conclusion all year long, as I said
 13 before.
 14 Q. Isn't it true you communicated, in prehire
 15 interviews of Michael Don, that you wanted to terminate
 16 Mr. Goldschmidt?
 17 A. No. I think I communicated in prehire interviews
 18 with Mr. Don -- because I would not have talked
 19 specifically about personnel issues, I talked about areas
 20 of the organization that I thought needed transformation
 21 and improvement, including budget, facilities, HR,
 22 communications.
 23 Q. Isn't it true that you concluded that you needed to
 24 terminate Mr. Goldschmidt after your November 19th meeting
 25 discussing his contract?

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1 A. No.
 2 Q. And that after Mr. Don came on the two of you
 3 looked over his job description and Mr. Don was the one
 4 that came up with the morale issue from the job
 5 description?
 6 A. The morale issue in the job description is not the
 7 only factor in terminating Steve.
 8 MR. BUSSE: Would you read back the
 9 question.
 10 (The question was read by the reporter.)
 11 THE WITNESS: Not that I recall;
 12 although, I'm sure we talked about the job description.
 13 BY MR. BUSSE:
 14 Q. Is it also true that after you decided not to
 15 terminate [REDACTED] that you sent Mr. Don to Julia
 16 Brim-Edwards and said that your plan was to order
 17 Mr. Goldschmidt to terminate [REDACTED] and [REDACTED] and, if he
 18 refused, he would be terminated for insubordination?
 19 A. No. Again, I have said that was an option that was
 20 considered among different options.
 21 MR. BUSSE: Okay, let's step outside.
 22 (There was a pause in the proceedings.)
 23 MR. BUSSE: That's it.
 24
 25 (The deposition concluded at 3:13 p.m.)

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1 STATE OF OREGON)
 2 County of Washington) ss.
 3
 4 I, Kimberly J. Rise, Certified Shorthand Reporter for
 5 the State of Oregon, hereby certify that said witness
 6 personally appeared before me at the time and place set
 7 forth in the caption hereof; that at said time and place I
 8 reported in Stenotype all testimony adduced and other oral
 9 proceedings had in the foregoing matter; that thereafter
 10 my notes were reduced to typewriting under my direction;
 11 and that the foregoing 80 pages constitute a full, true
 12 and accurate record of all such testimony adduced and oral
 13 proceedings had and of the whole thereof.
 14 IN WITNESS WHEREOF I have hereunto set my hand this
 15 29th day of June, 2005.
 16
 17
 18 /s/KIMBERLY J. RISE
 19 Kimberly J. Rise
 20 Certified Shorthand Reporter
 21 for the State of Oregon
 22
 23 CSR No. 90-0138
 24
 25