

Office of the Superintendent of Schools  
MONTGOMERY COUNTY PUBLIC SCHOOLS  
Rockville, Maryland

September 13, 2011

MEMORANDUM

To: Members of the Board of Education  
From: Joshua P. Starr, Superintendent of Schools  
Subject: Legal Fees Report for June 2011

This report covers expenditures for legal fees to outside counsel for Fiscal Year (FY) 2011 through the month of June 2011. A complete set of bills submitted and paid to each firm is available for your review in the Board office. The charts in Attachment A compare current expenses with those from the same period last year and provide information on the following:

- Non-special education legal expenses by firm
- Special education expenses for outside counsel, parent attorney fees, and other miscellaneous charges
- Special education expenses by firm

Attachment B is a list of the categories that better reflects the type of legal advice and litigation services being provided to Montgomery County Public Schools by outside law firms for non-special education matters. The categories in Attachment B are defined as follows:

- Personnel: Equal Employment Opportunity (EEO) complaints, appeals by personnel
- Facilities: construction, capital projects, use of facilities
- Procurement: contracts, bids
- Student: appeals
- Policy: development, implementation, interpretation (includes regulations), subpoenas
- Financial: expenditures, state aid
- Collective bargaining: negotiations, arbitration hearings, grievances
- Miscellaneous: many categories grouped together under one charge

**Non-special Education Legal Expenses**

The total charges for non-special education legal expenses in June 2011 were \$95,910. The cumulative total for FY 2011 was \$995,936. This is 38 percent higher than the amount for FY 2010.

The Carney Kelehan bill for June 2011 totaled \$81,268. The largest amount (\$42,874) was for policy matters, primarily related to charter school applications (\$18,724). The next largest amount was for

personnel matters (\$24,981), primarily related to a discrimination case (\$12,021). Facilities matters totaled \$11,883, the largest part of which related to the revision of a lease renewal agreement (\$5,858). Student matters totaled \$918, financial matters totaled \$408, and procurement matters totaled \$204.

The Venable bill for June 2011 totaled \$14,008. The largest amount (\$12,260) was for student matters, the largest part of which related to student transfer appeals (\$10,493). The next largest amount was for policy matters (\$1,646). Collective bargaining matters totaled \$102.

Charges in June 2011 for court reporters, hearing officers, and other legal services were \$634.

### **Special Education Legal Expenses**

Special education legal fees for outside counsel for June 2011 totaled \$5,780. The FY 2011 total of \$342,334 is \$297,090 (47 percent) lower than the previous fiscal year. Total FY 2011 special education legal costs of \$478,805 are \$102,343 (17 percent) lower than the budgeted amount of \$581,148.

The Jeffrey A. Krew bill for June 2011 totaled \$5,780. The bill included work on three cases, one of which involved an appeal to federal court (\$4,380), and two of which involved Individualized Education Programs (\$1,400).

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Attachments

## FY 2011 NON-SPECIAL EDUCATION LEGAL EXPENSES

<i>Outside Counsel</i>	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	FY 2011YTD	FY 2010 YTD	% Inc/(Dec)
<b>GENERAL LEGAL EXPENSES</b>															
Carney Kelehan*	\$ 79,156	\$ 93,763	\$ 54,247	\$ 50,061	\$ 39,854	\$ 22,310	\$ 42,092	\$ 36,544	\$ 77,375	\$ 69,407	\$ 78,788	\$ 81,132	\$ 724,729	\$ 589,419	22.96%
Hogan Lovells US LLP**	367	13,100	341	-	2,364	4,446	-	-	2,124	-	-	-	22,742	7,023	N/A
Venable	8,976	2,925	8,474	4,012	3,333	13,913	11,590	6,235	24,651	34,699	10,193	14,008	143,009	74,685	91.48%
Other	78	104	18,379	-	2,782	-	-	13,277	2,556	-	-	634	37,810	10,851	248.45%
<b>SUBTOTAL</b>	<b>\$ 88,577</b>	<b>\$ 109,892</b>	<b>\$ 81,440</b>	<b>\$ 54,073</b>	<b>\$ 48,333</b>	<b>\$ 40,669</b>	<b>\$ 53,682</b>	<b>\$ 56,056</b>	<b>\$ 106,706</b>	<b>\$ 104,107</b>	<b>\$ 88,981</b>	<b>\$ 95,774</b>	<b>\$ 928,290</b>	<b>\$ 681,978</b>	<b>36.12%</b>
Capital Budget	5,067	2,958	4,851	18,874	6,140	10,438	2,244	3,951	10,472	272	2,244	136	67,646	37,472	80.52%
<b>TOTAL</b>	<b>\$ 93,643</b>	<b>\$ 112,850</b>	<b>\$ 86,291</b>	<b>\$ 72,947</b>	<b>\$ 54,473</b>	<b>\$ 51,107</b>	<b>\$ 55,926</b>	<b>\$ 60,007</b>	<b>\$ 117,178</b>	<b>\$ 104,379</b>	<b>\$ 91,225</b>	<b>\$ 95,910</b>	<b>\$ 995,936</b>	<b>\$ 719,450</b>	<b>38.43%</b>

## FY 2011 SPECIAL EDUCATION LEGAL EXPENSES

<i>Type of Cost</i>	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	FY 2011YTD	FY 2010 YTD	% Inc/(Dec)
<b>SPECIAL EDUCATION LEGAL COSTS</b>															
Special Education Outside Counsel	\$ 45,111	\$ 22,746	\$ 58,466	\$ 19,027	\$ 1,299	\$ 23,501	\$ 31,277	\$ 55,774	\$ 31,875	\$ 30,823	\$ 16,655	\$ 5,780	\$ 342,334	\$ 639,424	-46.46%
Hearing Officers, Court Reporters, Misc.	308	198	143	41	-	124	330	113	49	243	196	5,843	7,588	2,125	257.08%
Parent Attorney Fees	-	-	-	3,660	-	3,000	36,860	17,248	-	-	-	4,940	65,708	-	N/A
Other Settlement Costs	-	-	-	-	-	-	-	-	61,900	-	-	1,275	63,175	166,306	N/A
<b>TOTAL</b>	<b>\$ 45,419</b>	<b>\$ 22,944</b>	<b>\$ 58,609</b>	<b>\$ 22,728</b>	<b>\$ 1,299</b>	<b>\$ 26,625</b>	<b>\$ 68,467</b>	<b>\$ 73,135</b>	<b>\$ 93,824</b>	<b>\$ 31,066</b>	<b>\$ 16,851</b>	<b>\$ 17,838</b>	<b>\$ 478,805</b>	<b>\$ 807,855</b>	<b>-40.73%</b>

<i>Outside Counsel</i>	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	FY 2011YTD	FY 2010 YTD	% Inc/(Dec)
<b>ATTORNEYS</b>															
Carney Kelehan	\$ -	\$ 1,340	\$ 295	\$ -	\$ -	\$ -	\$ 1,635	\$ 574	\$ -	\$ -	\$ 2,109	\$ -	\$ 5,953	\$ 18,557	-67.92%
Hogan Lovells US LLP	-	-	-	-	-	-	-	-	-	-	-	-	-	124	N/A
Jeffrey Krew	45,111	21,406	58,172	19,027	1,299	23,501	29,642	55,200	31,875	30,823	14,546	5,780	336,381	619,725	-45.72%
Night, Manzi, Nussbaum and Laplaca	-	-	-	-	-	-	-	-	-	-	-	-	-	1,018	N/A
<b>TOTAL</b>	<b>\$ 45,111</b>	<b>\$ 22,746</b>	<b>\$ 58,466</b>	<b>\$ 19,027</b>	<b>\$ 1,299</b>	<b>\$ 23,501</b>	<b>\$ 31,277</b>	<b>\$ 55,774</b>	<b>\$ 31,875</b>	<b>\$ 30,823</b>	<b>\$ 16,655</b>	<b>\$ 5,780</b>	<b>\$ 342,334</b>	<b>\$ 639,424</b>	<b>-46.46%</b>

\*Formerly Reese &amp; Carney

\*\*Formerly Hogan &amp; Hartson

**STATISTICS FOR JUNE 2011 LEGAL FEES  
EXCLUDING SPECIAL EDUCATION**

<u>Category</u>	<u>Total Charge</u>	<u>Firm</u>	<u>Charges by Firm</u>
Personnel	\$25,189	<ul style="list-style-type: none"> <li>• Carney Kelehan*</li> <li>• Venable</li> <li>• Other</li> </ul>	\$24,981 0 208
Facilities	11,883	<ul style="list-style-type: none"> <li>• Carney Kelehan</li> </ul>	11,883
Procurement	204	<ul style="list-style-type: none"> <li>• Carney Kelehan</li> </ul>	204
Student	13,178	<ul style="list-style-type: none"> <li>• Carney Kelehan</li> <li>• Venable</li> </ul>	918 12,260
Policy	44,520	<ul style="list-style-type: none"> <li>• Carney Kelehan</li> <li>• Venable</li> </ul>	42,874 1,646
Financial	408	<ul style="list-style-type: none"> <li>• Carney Kelehan</li> </ul>	408
Collective Bargaining	102	<ul style="list-style-type: none"> <li>• Venable</li> </ul>	102
Miscellaneous	<u>426</u>	<ul style="list-style-type: none"> <li>• Carney Kelehan</li> <li>• Venable</li> <li>• Other</li> </ul>	0 0 426
TOTAL	\$95,910	<ul style="list-style-type: none"> <li>• Carney Kelehan</li> <li>• Venable</li> <li>• Hogan Lovells US LLP</li> <li>• Other</li> </ul>	\$81,268 14,008 0 <u>634</u>
		TOTAL	\$95,910

\*Formerly Reese & Carney

\*\*Formerly Hogan & Hartson

Note: Totals may differ due to rounding.