

THE CRUSADER

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Bonita Vista High School

Chula Vista, California

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NEWS

Money used by the Sweetwater Union High School District

from its \$1.5 million Pepsi fund continues to be questioned, as a million-dollar budget cuts and a large state deficit looms. As of late 2001, Supt. Ed Brand spent a total of nearly \$92,000 of Pepsi money allocated to him by the district's Master ASB. Documents reveal that some of that, and other Pepsi allocations, have been used for purposes not directly affecting students. "Insidious," is the complaint by an anonymous source who provided the *Crusader* with internal district documents and described Supt. Brand's "skimming money off the top."

In November of 2000, board member Greg Sandoval approved school board secretary Sandra Smith's seven-day trip to Paris, France. Board Pepsi allocations funded \$998 for her trip. Board member Jim Cartmill said during a

District accused of misusing funds

to excel in school by offering fishing trips several times

phone interview that Smith went to make contacts and raise donations for a non-profit group she is a member of. Smith declined to comment, and

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instead referred the *Crusader* to district spokeswoman Lillian Leopold who said that this group benefits Sweetwater adult school students.

In addition, an e-mail sent to district schools asked high schools to pay \$650 and middle schools \$325 to help fund the district's annual Hall of Fame dinner, honoring past Sweetwater students. Although praised by district officials for inspiring kids to achieve, this \$15,000 event, attended mostly by adults, has been criticized by some as having no benefit for district students.

Cartmill said that the Hall of Fame creates a vision that motivates kids, and gives students a positive influence. He also said that these successful

alumni could help create a Sweetwater endowment fund. "These are the people we would want to donate money," he said.

The school district has also been cutting back Pepsi bonuses and commissions to individual schools to fund programs at the district level, including freshman sports, coaching stipends, and Huck-Fin, a non-profit organization that provides the district with an extracurricular fishing program for students.

Estimated to cost nearly \$120,000 a year, and paid for by Pepsi funds, the Huck-Fin program has been cited by some as another example of district waste, kept alive by Supt. Brand's personal relationship to Huck-Fin program director Dave Gray. The Huck-Fin program is designed to educate students about the environment and motivates them

a year, Gray said in a phone interview.

Board member Sandoval has been quoted on the district website as calling the program an innovative tool for educational outreach and "an exciting water sport enhanced with peer mentoring and science learning in San Diego's fabulous outdoor settings." Some, however, think such should benefit all district students, not just a segment. Cartmill said that this program reaches out to at-risk kids and motivates them to do well in school.

In addition, documents reveal that Supt. Brand spent \$1000 for a secretary's dinner, despite claims earlier this year by Brand that his apportionment of the Pepsi fund solely benefited students. Cartmill defended the expense, pointing out that secretaries are essential to the operation of a school.

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Documents obtained from the district by the *Crusader* reveal that the district's use of its \$1.5 million Pepsi fund is not benefiting students directly — a claim that the district denies.

A majority of the check requests for the district's Master ASB account were made on behalf of board vice-president Bob Griego and Superintendent Ed Brand to the Mariachi Scholarship Foundation. The Mariachi Scholarship Foundation, according to district director of visual and performing arts, William Virchis, is an organization separate from the school district, and includes its own board of directors, whose president is Bob Griego.

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Allocation of Pepsi funds questioned

Since 1999, thousands of dollars have been donated from the Pepsi allocations of the superintendent and board members to the Mariachi Scholarship Foundation. Although the foundation primarily exists to benefit Sweetwater students, donations go to a foundation and scholarships not ultimately under the control of the Sweetwater Board of Trustees.

In addition, donations made from Griego's allocation of district Pepsi money to an organization he is the president of raises questions of ethics and legality. According to the

Mariachi Scholarship Foundation's website, some of its donors include the Sweetwater Union High School District, the SUHSD Corporate Development Team, the architectural firm Martinez and Cutri, Pepsi Cola, Hollywood Pizza, and the Rudolph and Sletten Construction Co. — all of whom have political or financial ties to the district and its board members.

Griego was unavailable for comment, but Lillian Leopold, district director of grants and communications, denied any wrongdoing by the district or board

members. Other check requests include one by board member Arlie Ricasa for a catered lunch in February of 2002 totaling nearly \$2700.

Ricasa was out of town and unable to be reached to comment on the nature of this expenditure. Numerous other donations by board members were to various Latino organizations in San Diego including the San Diego Latino Film Festival, the Latino Unity Coalition, Chicano/Chicana Youth Leadership Camp, and two gala dinners for the San Diego County Hispanic Chamber and the Fashion Group International Style Awards.

In addition, the district used Pepsi funds to reimburse board member Jim Cartmill \$113.12 for a \$135.28 dinner and \$17.24 worth of ice cream with a district consultant, Consuelo Castillo Kickbusch, in October of 2000. Receipts indicate that the district also paid for the hotel, airfare, and rental car of Kickbusch, who was hired for the Back to School Celebration for Educators in 2000, with Pepsi funds.

Money given to board members and the superintendent from the Pepsi fund was approved by the Master ASB and is in compliance with the law. Guidelines of the Master ASB prohibit the use of its funds for non-student activities, but those guidelines theoretically do not apply to board members and the superintendent.

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District defends Pepsi, Jostens upfront money

The Sweetwater Union High School District has been accused of gouging students through questionable contracts and mishandling student monies, according to a *Union-Tribune* editorial. Under scrutiny are contracts with Jostens and Pepsi. The district secured an exclusive contract with Jostens in 1998 to provide class rings, in exchange for \$50,000 in upfront money to be controlled by Supt. Ed **Gordon Siu**
Ad Manager

Brand said that the money was divided among the school ASBs. According to the *Union-Tribune*, while the district got this money, the cost of class rings went up as much as \$50 over past contracts, and the price of caps and gowns had increased \$7.

Chief Operations Officer Bruce Husson told the *Crusader* that the district noticed that the price of rings during the first year of the contract was "higher than it should have been." Brand said that after the first year of the Jostens contract, the district renegotiated the deal to lower the price of rings. A *Union-Tribune* editorial accused the district of getting "kickbacks" at the expense of students. Husson denied the accusation. While delivering a verdict against Jostens in a lawsuit against them, Orange County Judge David O'Carter said that it is an illegal business practice to stop competition by accepting upfront money.

ASB adviser Jill Gonzales said that it is the job of the ASB to provide products to students at the best price. Previous to the all-district contract, individual schools negotiated deals with companies. In 1998, however, Supt. Brand hired negotiators who paid as much as \$78,000 a year to represent the entire district in securing contracts. That team has since disbanded. According to Brand, the district has made more money than it ever has due to contracts secured by the team. Brand also said that upfront money from the Jostens contract goes to fund various student activities.

Gonzales, however, said that students should not be forced to "pay to play." Five years ago, the district also secured a 10-year, \$1.5 million contract with Pepsi. That money was entrusted to the Master ASB, a legal body composed of district ASB advisors.

From that \$1.5 million, \$2,000 a year goes to the five district trustees for their own discretionary spending, and \$50,000 a year goes to Supt. Brand. Board member Arlie Ricasa denies any form of discretionary spending for trustees, despite accusations made by the *Union-Tribune*. Both Husson and the district's fiscal services office confirmed the monetary allotments made to the trustees and Supt. Brand. Brand said that his allotment is spent solely on students.

Many argue that the \$1.5 million are student funds that should be spent by student ASBs and with student approval, as required by the California Education Code. Students do not have oversight of spending, which may be a violation of the code. Brand said that using the Master ASB system was a recommendation of the district's general counsel.

According to Gonzales, Bonita has made \$50,000 a year in commissions for Pepsi sales, but in recent years, the district has taken away \$20,000 a year to fund programs at the district level. In a memo to all club advisors earlier this year, Bonita Vista ASB financial secretary Barbara Griffith said that due to reduction of Pepsi commissions, the ASB "has necessitated a budget freeze or reduction on all accounts."