

January 26, 2024

Dear Rye Neck Community Members,

We write today to provide closure on an issue that developed at the end of the last school year, and continued through September and October.

To briefly summarize: the issue concerned a recommendation to utilize year-end surplus funds from the 2022-23 school year for the purchase of additional technology-related infrastructure products and services. Three options were defined by the superintendent in his recommendation. One of the options included the appointment of a specific vendor that would be contractually engaged through one of the district's existing vendors— a trusted company called Edu Tek, which has worked with the district since 1999 as both a technology consultant and reseller of technology infrastructure products and services. The new prospective vendor to be contracted by Edu Tek to provide services to Rye Neck UFSD would utilize aspects of Artificial Intelligence (AI) as part of the district's life safety plan.

For the sake of brevity, residents should know that there were two primary issues of concern:

1. Conflict of Interest and/or Appearance of Impropriety. One of the vendor's principal officers/shareholders (a Rye Neck alumnus) is also the adult son of a sitting Board of Education member. In June, questions were raised as to whether the contract would constitute a direct conflict of interest, or whether the appearance of impropriety, (i.e., the "optics" of the relationship), should disqualify the contract. Importantly, concerns were articulated over the absence of communication from the superintendent to the Board of Education and to the public about the familial relationship until the recommendation was made.

2. Procurement Protocol. Criticisms were identified around the process that was used for the recommended procurement. These included: the absence of clearly articulated functional requirements (i.e., what problem was the district trying to solve by utilizing this new technology); thorough evaluation of the vendor, which had only been incorporated in March of 2023; the prudence of Edu Tek functioning as the primary adviser on technology recommendations to the district, while also functioning as a reseller of technology; the viability of the proposed subcontract; and the timing of the communication to the Board of Education and public about plans to utilize public funds.

As a board with fiduciary responsibility, we put a premium on the integrity of our budgetary practices. In July, Dr. Lutinski publicly acknowledged that the process could have been handled better under his leadership. The Board of Education agreed to form a community team to research, communicate and advise on future technology infrastructure considerations. In addition, the Board decided to hire outside counsel to review the matter.

The law firm's review was recently completed, and the Board met with representatives of the

firm on Monday, January 22, to discuss its findings. We note here some of the more significant conclusions and recommendations of the review:

1. No conflict of interest was established, since the son of the board member is an adult/non-dependent and the board member has no ownership interest in the company.

However, the lack of immediate and early communication to the Board of Education from the superintendent about the potential for the appearance of impropriety was identified as concerning to the reviewers.

2. Several recommendations were made to uphold or improve procurement “best practices.” These are best summed up as: urging district leaders to focus on clearly articulating the goals and functional requirements of technology initiatives; providing opportunities for the community to engage in discussions around emerging technologies; adhering to policies around competitive bidding; and allocating surplus funds with full transparency and input of the board and community.

As a Board of Education, we recognize that this matter may have created confusion or concern about the Board’s ability to function at the highest level on behalf of the district and community. We accept the law firm’s review, recognizing the objectivity and pragmatism of their work. We commit to these three tangible steps:

1. Require the school superintendent and district general legal counsel to always communicate immediately and in writing to the Board of Education whenever any perceived conflict of interest or appearance of impropriety may emerge.

2. Create a technology committee with the means to provide the district with substantive guidance. Said committee will operate under all applicable rules and laws that guide committee conduct, including open meetings laws.

3. Adhere to the recommendations on procurement in accordance with our intention to maintain the district’s track record of fiscal integrity and oversight.

The law firm’s detailed list of recommended best practices can be reviewed [here](#).

The Rye Neck Board of Education remains steadfast in maintaining strong ethical standards and nurturing a culture of integrity within the organization. We thank the members of our community for allowing us the opportunity to work through this matter in a productive way.

Sincerely,

The Rye Neck Board of Education