1 BEFORE THE TEACHER STANDARDS AND PRACTICES COMMISSION 2 OF THE STATE OF OREGON 3 In the Matter of the STIPULATION OF FACTS 4 Teaching License of AND FINAL ORDER OF SUSPENSION) 5 **EDWARD H. SCHUMACHER** OF TEACHING LICENSE AND 6 SUSPENSION OF RIGHT TO APPLY 7 FOR ADMINISTRATIVE LICENSE 8 9 On or about September 6, 2004, the Teacher Standards and Practices Commission 10 (Commission) received a report indicating that Edward H. Schumacher (Schumacher), 11 Superintendent for the Union-Baker Education Service District (UBESD), had potentially violated 12 numerous Commission regulations. 13 After review of the matters alleged, Mr. Schumacher and the Commission agree that 14 their respective interests, together with the public interest, are best served by a stipulation to 15 certain facts and the imposition of a ninety (90) day suspension of both his teaching license and 16 the right to apply to reinstate his administrative license. 17 By signing below, Mr. Schumacher acknowledges, understands, stipulates, and agrees 18 to the following: (i) he has been fully advised of his rights to notice and a hearing to contest the 19 findings of fact, conclusions of law, and order set forth below, and fully and finally waives all 20 such rights and any rights to appeal or otherwise challenge this Stipulation of Facts and Order 21 of Suspension (Stipulation and Final Order); (ii) this Stipulation and Final Order is a public 22 document and disclosed to the public upon request by the Commission; (iii) this Stipulation and 23 Final Order is contingent upon and subject to approval and adoption by the Commission. If the 24 Commission does not approve and adopt this Stipulation and Final Order, then neither Mr. 25 Schumacher nor the Commission are bound by the terms herein; (iv) he has fully read this 26 Stipulation and Final Order, and understands it completely; (v) he voluntarily, without any force 27 or duress, enters into this Stipulation and Final Order and consents to issuance and entry of the 28 Stipulated Final Order below; (vi) he states that no promises or representation has been made

to induce him to sign this Stipulation and Final Order; and (vii) he has consulted with an attorney

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- 1 regarding this Stipulation and Final Order and has been fully advised with regard to his rights
- 2 thereto, or waives any and all rights to consult with an attorney prior to entering into this
- 3 Stipulation and Final Order and issuance and entry of the Stipulated Final Order below.

STIPULATION OF FACTS

- The Commission has licensed Mr. Schumacher since November 24, 1978. Mr.
 Schumacher currently holds a Standard Teaching License, with an endorsement in
 Basic Advanced Mathematics, issued November 18, 2004 and valid through November
 17, 2010. Mr. Schumacher also held a Standard Administrative License, with Standard
 Administrator and Standard Superintendent endorsements. This administrative license
 was effective September 13, 2002 to November 17, 2007 and is now expired.
- 2. From 1997 to 2004, Mr. Schumacher was the Superintendent for the UBESD. As Superintendent, Mr. Schumacher was responsible for the general operation of the UBESD. On or around 2004, there was an investigation of various UBESD business practices, including: travel reimbursements; reporting of Average Daily Membership (ADM) procedures; and public contracting. The information uncovered in the investigation of the UBESD practices indicates that he failed to properly manage the UBESD in several respects, more specifically as follows.
- 3. While under the management of Mr. Schumacher, the UBESD was responsible for providing alternative education services to 41 school districts. The UBESD was responsible for tracking student attendance and calculating ADM for students attending the UBESD programs. Between the 1999-2000 and 2003-2004 school years, the UBESD, through various employees, submitted false or erroneous ADM data to school districts served by the UBESD. The ADM data was submitted to school districts to bill school districts for services provided by the UBESD. In turn, those districts provided the false or erroneous ADM information to the Oregon Department of Education to receive funding from the State School Fund (SSF). The submission of false or erroneous ADM

1		information resulted in the school districts improperly claiming approximately 626 ADM,
2		and receiving approximately \$3.4 million dollars from the SSF to which the districts were
3		not entitled.
4	4.	While under the management of Mr. Schumacher, the UBESD paid for multiple inappropriate
5		reimbursement/expenses of various employees. This included allowing reimbursements for
6		many trips for which there was no supporting documentation; allowing mileage reimbursement
7		for trips and use of the UBESD credit card without verification of business purpose; and
8		bypassing district purchasing procedures and allowing reimbursement through travel
9		reimbursement forms for thousands of dollars of miscellaneous UBESD purchases. In allowing
10		these reimbursements, Mr. Schumacher acknowledges that he did not have complete control
11		over the UBESD and had difficulty overriding employees Lenny Williams and Lyle Mann.
12	5.	While under the management of Mr. Schumacher, the UBESD, between June 30, 2002 and
13		June 30, 2003 and fiscal year of 2004, failed to comply with public contracting laws under ORS
14		Chapter 279 and UBESD policy in multiple instances, including: not obtaining quotes for multiple
15		construction projects; hiring non-licensed contractors; paying one contractor using four different
16		names to avoid garnishments; and failing to use proper procedures when renovating a facility
17		owned by an employee.
18	IT IS S	SO STIPULATED:
19 20 21	Edwar	d H. Schumacher Date
22 23 24 25		And Chambertain, Executive Director er Standards and Practices Commission Q-28-09 Date
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III

CONCLUSION OF LAW

2	Mr. Schumacher's conduct of allowing false or erroneous ADM information to be reported by
3	UBESD employees as described in paragraphs 2 and 3 above constitutes gross neglect of duty under
4	ORS 342.175(1)(b); OAR 584-020-0040(4)(n) as it incorporates OAR 584-020-0025(3)(a) (Leadership
5	skills in managing the school, its students, staff, and programs) and OAR 584-020-0010(5) (Use
6	professional judgment); OAR 584-020-0040(4)(o) as it incorporates OAR 584-020-0035(2)(b) (Conduct
7	professional business, including grievances, through established lawful and reasonable procedures).
8	Mr. Schumacher's conduct of allowing inappropriate reimbursements as described in paragraph
9	4 above constitutes gross neglect of duty under ORS 342.175(1)(b); OAR 584-020-0040(4)(n) as it
10	incorporates OAR 584-020-0025(3)(a) (Leadership skills in managing the school, its students, staff,
11	and programs) and OAR 584-020-0010(5) (Use professional judgment); OAR 584-020-0040(4)(o) as
12	it incorporates OAR 584-020-0035(2)(b) (Conduct professional business, including grievances, through
13	established lawful and reasonable procedures).
14	Mr. Schumacher's conduct of allowing the UBESD to fail to comply with public contracting laws
15	as described in paragraph 5 above constitutes gross neglect of duty under ORS 342.175(1)(b); OAR
16	584-020-0040(4)(n) as it incorporates OAR 584-020-0025(3)(a) (Leadership skills in managing the
17	school, its students, staff, and programs) and OAR 584-020-0010(5) (Use professional judgment);
18	OAR 584-020-0040(4)(o) as it incorporates OAR 584-020-0035(2)(b) (Conduct professional business,
19	including grievances, through established lawful and reasonable procedures).
20	ORDER
21	The Commission adopts and incorporates herein the above findings of fact and
22	conclusions of law, and based thereon, suspends Mr. Edward H. Schumacher's Standard
23	Teaching License and his right to apply to reinstate his Standard Administrative License for a
24	period of ninety (90) days.
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1	Issued and dated this day of November, 2009.
2	TEACHER STANDARDS AND PRACTICES COMMISSION
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4 5	By: Walland Mambertain, Executive Director
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8	Approved as to form:
9 10 11	Rebekuh Cook
12	Rebekah Cook OSB# 063024
13	Attorney for Edward H. Schumacher