58-25E OAL Dkt. No. 17833-24 Agency Dkt. No. 398-12/24

New Jersey Commissioner of Education

Order on Emergent Relief

Crystal Williams,

Petitioner,

v.

Board of Education of the City of Newark, Essex County, Roger Leon, and Brenda Liss,

Respondents.

The record of this emergent matter, the sound recording of the hearing at the Office of Administrative Law (OAL), and the recommended Order of the Administrative Law Judge (ALJ) have been reviewed.

Petitioner, Crystal Williams, seeks an Order directing the Newark Board of Education (Board) to resume payment of her attorneys' fees incurred in connection with a School Ethics complaint brought against her while she was serving as a member of the Board. Petitioner asserts that pursuant to *N.J.S.A.* 18A:12-20, the Board is required to finance her representation in the underlying ethics matter, which is still ongoing.

On November 26, 2024, the Board rescinded a prior resolution authorizing its payment of petitioner's counsel fees. The Board contends that it is no longer obligated to pay petitioner's legal fees because petitioner, in her defense against the underlying ethics complaint, took a

position adverse to the Board's legal interests when she subpoenaed a third party to secure a report that the Board had previously classified as "privileged."

Petitioner filed a motion for emergent relief with the Commissioner, and the matter was transmitted to the OAL. After reviewing the written submissions and oral arguments, the ALJ granted petitioner's request for emergent relief in part. The ALJ reinstated the original resolution authorizing payment of petitioner's counsel fees on a monthly basis but instructed petitioner's counsel to carve out of her bill the portion relating to the subpoena and the report, reasoning that additional evidence and testimony is required to resolve this particular issue.

Upon review, the Commissioner disagrees with the ALJ that petitioner has demonstrated entitlement to emergent relief. In accordance with *N.J.A.C.* 6A:3-1.6(b), a grant of emergent relief is considered an extraordinary remedy that can only be issued upon a finding that petitioner has met the four-pronged standard set forth in *Crowe v. DeGioia*, 90 N.J. 126 (1982). To obtain emergent relief, petitioner must establish that: (1) she will suffer irreparable harm if the requested relief is not granted; (2) the legal right underlying her claim is settled; (3) she has a reasonable likelihood of prevailing on the merits of the underlying claim; and (4) she will suffer greater harm than respondent will suffer if the requested relief is not granted. *Id.* at 132-34; *N.J.A.C.* 6A:3-1.6(b).

The controlling statute regarding the indemnification of a Board member is *N.J.S.A.* 18A:12-20, which provides in relevant part:

Whenever a civil, administrative, criminal or quasi-criminal action or other legal proceeding has been or shall be brought against any person for any act or omission arising out of and in the course of the performance of his duties as a member of a board of education. . . the board of education shall defray all costs of defending such action, including reasonable counsel fees and expenses, together with costs

of appeal, if any, and shall save harmless and protect such person from any financial loss resulting therefrom.

Therefore, indemnification under *N.J.S.A.* 18A:12-20 is required only for conduct that arises out of and in the course of the performance of the board member's duties.

Here, petitioner is not entitled to emergent relief because the legal right underlying her claim is not settled. While the ALJ indicated that "petitioner was acting under the purview of her sworn duties," Order at 8, that fact has not yet been established. Further proceedings are required to determine whether petitioner's conduct in the underlying ethics matter arose out of and in the course of her duties as a board member. As of the oral argument on January 2, 2025, the parties were in the midst of discovery exchange and motion practice relative to discovery. The facts have yet to be developed, and additional facts will likely emerge as discovery proceeds.

Moreover, well-settled case law makes it clear that petitioner's indemnification claim is not ripe for review at this time. In *Robert Curcio v. Bd. of Educ. of the South Orange-Maplewood School District, Essex Cty.*, a former school employee sought an order requiring the board of education to indemnify him under *N.J.S.A.* 18A:16-6.¹ OAL DKT. NO. EDU 04142-24 (Initial Decision May 22, 2024), *adopted*, Commissioner Decision No. 239-24 (June 24, 2024). In *Curcio*, at the time the petition was filed with the Commissioner, no court proceedings or discovery had taken place regarding the underlying complaint. The ALJ concluded, and the Commissioner affirmed, that petitioner's claim was not fit for judicial review because additional factual

¹ Both *N.J.S.A.* 18A:16-6 ("Indemnity of officers and employees") and *N.J.S.A.* 18A:12-20 ("Indemnity of members of boards of education) require indemnification for an "act or omission arising out of and in the course of performance of" the duties of the individual's position. While there are some differences between the two statues that are not relevant to this matter, the Commissioner concludes that the use of the same language in this portion of each statute warrants applying the reasoning of the *Curcio* decision here.

development was required regarding whether petitioner was acting within the scope of his employment when he committed the conduct alleged in the complaint. Further, the ALJ concluded, and the Commissioner affirmed, that indemnification should be determined later when more facts were available. *Ibid.* Similarly, in the instant matter, petitioner's indemnification claim may be revisited once the facts in the underlying ethics matter are further developed.

Petitioner also sought relief against individual respondents Roger Leon and Brenda Liss. The Commissioner concurs with the ALJ that petitioner has not demonstrated entitled to emergent relief as to respondents Leon and Liss.

Accordingly, petitioner's request for emergent relief is denied.² This case shall continue at the OAL with such proceedings as the parties and the ALJ deem necessary to bring it to closure.

IT IS SO ORDERED.

ACTING COMMISSIONER OF EDUCATION

Date of Decision:February 24, 2025Date of Mailing:February 24, 2025

² Because all *Crowe* factors must be satisfied to obtain emergent relief, the Commissioner need not analyze the remaining three factors.



State of New Jersey OFFICE OF ADMINISTRATIVE LAW

ORDER GRANTING PARTIAL

EMERGENCY RELIEF

OAL DKT. NO. EDU 17833-24 AGENCY DKT. NO. 399/12-24

CRYSTAL WILLIAMS,

Petitioner,

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BOARD OF EDUCATION OF THE CITY OF NEWARK, ROGER LEON AND BRENDA LISS (as amended),

Respondents.

Janelle Edwards-Stewart, Esq., for petitioner, Crystal Williams (Porzio, Bromberg and Newman, attorneys)

Lester Taylor, Esq., and Jeremy Washington, Esq. for respondents (Taylor Law Group, LLC, attorneys)

BEFORE ANDREW M. BARON, ALJ:

STATEMENT OF THE CASE

Petitioner, Crystal Williams brings this action for emergent relief seeking, among other things in Count II of the Amended Petition, an Order directing the Newark Board of Education to reinstate a prior resolution for the payment of counsel fees for representation in a School Ethics matter which was brought against her while serving as a member of the Newark Board of Education.

In Count I of the Amended Petition, under the header "Board member Exclusion and Disenfranchisement, adds the Newark Board of Education as a respondent and still includes individuals Superintendent Roger Leon and Board Counsel Brenda Liss as individual respondents, petitioner Crystal Williams also seeks additional relief in the form of restraints against individual respondents Leon and Liss. Among other things, petitioner seeks the additional relief against those individuals for allegedly violating her right to fully participate in Board meetings, as well as to deter her from carrying out her duties as a duly elected member of the Board of Education.

On November 24, 2024, the District rescinded the original resolution unilaterally and ceased payment for her counsel fees without notice to petitioner. The District did not inform either petitioner Williams or petitioner Thomas about its decision to rescind the legal fee agreement.

It was not until after the first oral argument started in the Thomas case that the district represented that it is no longer obligated to pay for either petitioners' legal services in the manner originally agreed upon since both petitioners authorized unilateral legal action by way of a third party contested subpoena against the district's vendor which submitted a confidential report to the district allegedly regarding working conditions in one of the district schools.

That school where both petitioner Williams and Thomas initiated their own investigation, is led by the school principal Nelson Ruiz, who filed an ethics complaint against both petitioners which gave rise to the need for legal fee indemnification.

Thus, the District contends that this petitioner joined in the effort to obtain a confidential document which is outside the scope of the legal representation that was agreed upon, and which is adverse to the interests of the District and therefore the district is no longer obligated to pay petitioners' counsel fees.

Not fully before me yet but still pending is a Cross-Motion to Dismiss the petition as it relates to the two individual respondents Leon and Liss. Count I of petitioner Williams' amended complaint seeks restraints be imposed against both individual respondents regarding past and future actions which allegedly prevent petitioner Williams from carrying out her duties as a member of the Board of Education. Without this issue being thoroughly briefed by both sides, **I CONCLUDE** I must **decline** at this time to enter such emergent relief as contained in Count I of the amended petition at this time, since it has not been demonstrated to me that I have the power to do so.

However, just as **I CONCLUDED** in the first related emergent application brought by petitioner A'Dorian Murray-Thomas, **I ALSO CONCLUDE** that petitioner Williams has met the four prongs of <u>Crowe v. DeGioia, 90</u> N.J. 126 (1982) which is the standard for deciding whether a litigant is entitled to emergent relief.¹

Subsequent to its initial filing which only named individual respondents Leon and Liss, petitioner Williams amended her pleadings to include the Newark Board of Education as a respondent. Respondents Leon and Liss are still named parties.

The Department of Education transmitted the case to the Office of Administrative Law (OAL) under the Administrative Procedure Act, N.J.S.A. 52:14B-1 to -15, and the Act establishing the office, N.J.S.A. 52:14F-1 to -23, for a hearing under the Uniform Administrative Procedure Rules, N.J.A.C. 1:1-1.1 to -21.6, and the rules of procedure established by the Department of Education to hear and decide controversies and disputes arising under school laws, N.J.A.C. 6A:3-1.1 to -1.17. Jurisdiction is conferred under N.J.S.A. 18A:6-9. The case was filed at the Office of Administrative Law (OAL) on or about May 24, 2024.

¹ A request to Consolidate this emergent application, with an existing matter brought by another member of the Board of Education under docket EDU 17815-24 was resolved by consent and a verbal order was entered on the record pending a memorialization in writing after Judge Bongiovanni files a related form.

My jurisdiction at this stage of the proceedings is to determine whether or not petitioner has met her burden under the four prongs of <u>Crowe v. DeGioia</u>, 90 N.J. 126 (1982), that would_justify granting emergent relief.

Following an informal conference on December 23rd, oral argument in this case was postponed until January 23, 2025 to allow petitioner time to evaluate whether to file opposition to the application to consolidate, or to give consent, which she ultimately did. Both sides filed supplemental submissions on January 22, 2025, including but not limited to petitioner's amended pleading which includes the Newark Board of Education as a party.

Due to the timing of the amended pleading, and the continued inclusion of the two individual parties Leon and Liss, counsel for respondent objected to the amended pleading. With this case still in the early stages, **I FIND** it is appropriate to grant the request of petitioner's counsel to amend the original pleadings, without prejudice to any motion which may subsequently be filed by respondent's counsel to dismiss some or all of the relief requested.

I Reserve Decision on the request for counsel fees for bringing this emergent application pending a full hearing on all outstanding issues.

Finally, this Order applies to respondent Newark Board of Education only and not individual respondents Roger Leon and Deborah Liss. As set forth herein, their liability and exposure, (if any) will be addressed at a later time.

FACTUAL DISCUSSION

This matter arises from a request for legal representation and indemnification for counsel fees in connection with an ethics complaint brought against the first petitioner Thomas by a Newark Board of Education employee, Nelson Ruiz who serves as principal of the Newark School of Global Studies.

The complaint, which is the subject of a separate proceeding before another Administrative Law Judge was allegedly brought by principal Ruiz in connection with efforts made by this petitioner and petitioner Thomas to investigate allegations of bias and harassment at the School of Global Studies.

Petitioner Williams has a long history and record of being active in the Newark school community which ultimately led her to seek a seat on the Newark Board of Education.

Just as I did in the Thomas matter, although the same criteria for seeking counsel fees from the district would apply if a member of the public brought the complaint, I **FIND** it even more compelling here, since the complaint was brought by a District employee.

Seeking to exercise her legal right to reimbursement/indemnification for counsel fees incurred in connection with the ethics complaint, petitioner through her present counsel approached the District and the Board. After some negotiation, the Board agreed to pay the reduced rate of \$285.00 an hour for the services of the Porzio Bromberg law firm which had been retained by petitioner to defend her interests in the School Ethics proceeding.

Shortly thereafter, the Board introduced and approved a resolution approving the retention of the Porzio Bromberg firm at the agreed upon hourly rate of \$285.00 an hour.

It is undisputed and I **FIND** that the resolution did not include any conditions or limitations connected to the representation, nor did it contain the traditional "not to exceed a certain amount language" which most similar resolutions approved by public entities have in order to make sure that taxpayers are not being over-billed for legal services.

During this time, and continuously, from February 2023 through November 26, 2024 petitioner was and is being represented by Janelle Edwards-Stewart of the Porzio Bromberg law firm.

Somewhere along the line following the August 2024 payment, the district learned that in connection with petitioner's defense against the complaint, she joined in a request to subpoena a controversial document which apparently addressed the conduct at principal Ruiz's school. Though it was briefly shared with all Board members, the document that the district had been classified as "confidential" and all board members were required to return their copies.

The district only learned about the document subpoenaed in a roundabout way since it was not notified or copied by petitioner's counsel on the subpoena that went out. As a result, additional litigation has ensued, with the attorney for the consultant filing a 'Motion to Quash" the subpoena, which necessitated as an interested party, the district filing a Motion to Intervene in the ethics matter since it previously classified the document as "privileged" and did not want it released or disclosed. It is unclear why other alternate means of securing the document were not explored by petitioner's counsel.

Nonetheless, finding itself in an adverse legal position to the interests of the petitioner, and with a growing legal bill not contemplated when the original resolution was approved, on November 24, 2024, the District rescinded the original resolution and terminated its agreement with petitioner and her counsel.

On more than one occasion, petitioner Williams says she was physically barred by Board staff members, at the direction of respondents Leon and Liss from participating and being physically present for parts of at least two meetings, and on at least one occasion was barred from re-entering the building, on a very cold evening, even if just to retrieve her coat.

At the time the resolution authorizing the payment of counsel fees was rescinded, petitioner had accrued several thousand dollars in outstanding legal fees, which as of the filing of the emergency application, remain unpaid.

LEGAL STANDARD

Where authorized by law and where irreparable harm will result without an expedited decision granting or prohibiting some action or relief connected with a contested case, emergency relief pending a final decision on the whole contested case may be ordered upon the application of a party. N.J.A.C. 1:1-12.6(a). With respect to school laws in particular, the Commissioner has jurisdiction to hear and determine all controversies and disputes arising under school laws, except higher education, or under the rules of the State board or of the Commissioner. N.J.S.A. 18A:6-9. Where the subject matter of the controversy is a particular course of action by a district board of education or any other party subject to the jurisdiction of the Commissioner, the petitioner may include with the petition of appeal, a separate motion for emergent relief or a stay of that action pending the Commissioner's final decision in the contested case. N.J.S.A. 6A:3-1.6(a). A motion for a stay or emergent relief must be accompanied by a letter memorandum or brief which must address the following standards to be met for granting such relief pursuant to <u>Crowe v. DeGioia</u>, 90 N.J. 126 (1982):

- 1. The petitioner will suffer irreparable harm if the requested relief is not granted;
- 2. The legal right underlying petitioner's claim is settled;
- 3. The petitioner has a likelihood of prevailing on the merits of the underlying claim; and
- 4. When the equities and interests of the parties are balanced, the petitioner will suffer greater harm than the respondent will suffer if the requested relief is not granted.

N.J.S.A. 6A:3-1.6(b)

The seminal issue in the case before me is whether or not petitioner is entitled to emergent relief concerning an action by the Newark Board of Education and corespondents, Leon and Liss regarding the unilateral rescission by resolution of an agreement to pay for petitioner's reasonable counsel fees in defending against an ethics complaint brought against her by a District employee. The New Jersey Legislature long ago established public policy in favor of encouraging and in fact requiring boards of education to indemnify individuals most of whom serve voluntarily as members of local boards of education for legal fees in certain types of legal proceedings, including but not limited to formal grievances filed in the form of ethics complaints against sitting and/or former school board members. <u>See</u> N.J.S.A. 18A:12-20 et. seq.

Pursuant to this law, boards of education are required to indemnify a board member if a complaint is filed against them in connection with the board member's duties. <u>See Quick v. Old Bridge</u> 308 N.J Super, 338. (App. Div 1998). The law is liberally construed in favor of covering a board member's counsel fees, <u>regardless of the outcome of the case against them</u>. (Emphasis added). <u>See also, Errington v. Mansfield Twp. Bd.</u> <u>of Ed</u>. 100 N.J. Super. 130 (App. Div. 1986).

The policy in favor of covering a board member's counsel fees also applies to administrative matters <u>Matthews v. Englewood</u>, OAL Dkt. No. EDU 01228-08 (2010).

In defense of its action rescinding the prior resolution, the Newark Board of Education argues that its actions were distinguished from the facts in <u>Castriota v. Roxbury</u> 427 N.J. Super 592 (App. Div. 2012), in that the rescission of the prior resolution paying for counsel fees was not done in a legal forum. Nonetheless, that case also refers to a public entity acting in a "quasi-judicial" forum similar to the circumstances here, where the Board, without notice to petitioner, acted as judge and jury in unilaterally terminating its agreement to pay for legal services in an action that had been brought against the petitioner by an employee of the Board, (in this case the principal of a school which the board member was looking into complaints by members of the public and staff associated with the principal's school).

In doing so, petitioner was acting under the purview of her sworn duties, thus for purposes of this proceeding, other than the separate legal dispute over the subpoena the appropriateness of which will be determined at a later time, the public policy of this State not only says she is entitled to have her "reasonable" fees covered which the board had

already negotiated and agreed upon, but the statute uses the word, **shall be covered**. (Emphasis added).

DISCUSSION AND CONCLUSIONS OF LAW

In petitioner's initial emergent basis statement, petitioner contends that emergent relief is required because:

Petitioner says she. will suffer irreparable harm if the requested relief is not granted since it would jeopardize her ability to put on a proper defense to the ethics complaint filed against her by a District employee, and that preventing her from doing so would damage her reputation in the public domain as an elected member of the Newark Board of Education.

Respondent's opposition to the emergent application states essentially that petitioner has not met the criteria for emergent relief, including but not limited to the argument that at this stage there is no irreparable harm, and the equities do not balance in petitioner's favor at this stage of the proceedings. Respondent further states that even if there is some merit to petitioner's contentions, since there are so many facts in dispute, the matter cannot be decided without a full plenary hearing on the merits. Respondent further contends that the actions of petitioner and her counsel now put them in an adverse legal position to the District which is paying for her counsel fees, while also being compelled to protect its interest in keeping a document confidential.

In order to prevail on an application for emergent relief, a petitioner must meet all four conjunctive prongs set forth in <u>Crowe</u>. Since, petitioner has established irreparable harm, as well as the likelihood of success on the merits, she is entitled to **partial emergent relief**, on the limited issue of indemnification of reasonable counsel fees incurred in defending against the ethics allegations. Public policy is well established that a public official who gets sued or as in this case is charged with an ethics violation is entitled to a defense and to be indemnified by the governing body unless their acts were ultra vires or outside the scope of their duties.

I further **CONCLUDE** that while I have concerns about the manner in which petitioner and her counsel sought to obtain the confidential document to support her defense in the ethics case, the application for emergent relief should only be **GRANTED in PART**, as it relates to reinstating the original resolution awarding petitioner counsel fees, since the District unilaterally and in an arbitrary and capricious manner without notice or due process to petitioner rescinded the prior resolution memorializing an agreement to pay petitioner's counsel fees to defend against the ethics complaint which was brought against her by a District employee.

With that said, **I FURTHER CONCLUDE** that it is only appropriate at this time to return petitioner to the original status quo, being reasonable counsel fees at \$285.00 to defend her interests against the original ethics charge. However, without testimony and additional evidence and information, **I AM UNABLE TO CONCLUDE** that the subpoena and corresponding litigation related to it is also covered by the umbrella of the original resolution, especially when there may have been other less costly means to obtain the document in dispute for use in the ethics case.

While the District may have "unclean hands' by virtual of its unilateral action terminating the agreement for counsel fees, to some extent the petitioner and her counsel themselves also have "unclean hands" by virtue of their own unilateral action sending a subpoena out to a District consultant for a document they knew had already been classified as confidential and when there may have been other less costly means to obtain it.

Clearly, when the District agreed to pay petitioner's reasonable counsel fees, they did not contemplate paying additional fees for a separate action which would permit petitioner to obtain a confidential document it had retained an outside consultant to prepare.

Accordingly, while I **CONCLUDE** that petitioner would suffer irreparable harm if the original agreement was not reinstated, and petitioner would likely succeed on the merits, the equities are balanced in her favor and the law on the subject is well-settled, **I ONLY**

CONCLUDE that this determination applies to the original agreement to cover petitioner's reasonable fees for legal representation. For the time being, petitioner's counsel will have to "carve out of her bill" that portion that pertains to the subpoena and the dispute over the document, the justification for which can be decided at a later time.

I **CONCLUDE** that without testimony and additional evidence and information concerning whether petitioner's actions seeking to secure the confidential document were appropriate, the legal dispute over the document and the corresponding fees related to it should be dealt with at a later time.

It should be noted here that my **CONCLUSION** at this stage of the proceedings is limited to the request for Emergent relief under the now amended petition against the added respondent Newark Board of Education.

I FURTHER CONCLUDE while petitioner Williams may have suffered irreparable harm due to the alleged conduct of Leon and Liss it is not appropriate to enter the requested relief regarding counsel fees against the individual respondents Leon and Liss, nor is it evident at this time petitioner will succeed on the merits of the request for restraints against them and I ALSO CONCLUDE unless it is demonstrated to me at a later time in the case, I HAVE NO AUTHORITY, to enter restraints against respondents Leon and Liss as requested by this petitioner Williams regarding their alleged actions against her at recent Board meetings.

I CONCLUDE that aspect of the requested relief shall be addressed at a later time after both sides have had the opportunity to fully brief and put before me the law on whether or not I have legal authority to order and grant such relief.

<u>ORDER</u>

It is hereby ORDERED that the petitioner's application for emergent relief is GRANTED IN PART AT THIS TIME AS IT PERTAINS TO THE ORIGINAL RESOLUTION AUTHORIZING THE PAYMENT OF REASONABLE COUNSEL FEES,

PAID ON A REGULAR BASIS ON THE DISTRICT'S MONTHLY BILL LIST TO DEFEND AGAINST THE ORIGINAL ETHICS COMPLAINT.

I HEREBY ORDER THE ORIGINAL AGREEMENT IS REINSTATED AND FOR THE REASONS SET FORTH HEREIN, THE NOVEMBER 24, 2024 RESOLUTION RESCINDING THE AGREEMENT IS DEEMED NULL AND VOID.

I RETAIN JURISDICTION AND FURTHER ORDER, that the remainder of the case, including but not limited to further disputes over the continuing obligation to pay for petitioner's counsel fees shall be subject to a full plenary hearing over the entire matter, including whether or not the fees related to the subpoena for a confidential document which might have been secured in alternate ways are appropriate, and/or whether or not that portion of the primary ethics case which the District says puts it and petitioner in an adverse situation outside the scope of N.J.S.A.18A:12-20.

The same applies to the request for emergent relief requesting restraints which for purposes of this application are **DENIED WITHOUT PREJUDICE** until both sides can fully brief and put before me the law as it relates to jurisdiction and power over individual respondents and their actions.

Finally, since only part of the requested relief is being granted at this time, the request for counsel fees is hereby **DENIED WITHOUT PREJUDICE**, subject to renewal at a later time.

This Order on application for emergency relief may be adopted, modified or rejected by the **COMMISSIONER OF THE DEPARTMENT OF EDUCATION**, who/which by law is authorized to make a final decision in this matter. The final decision shall be issued without undue delay but no later than forty-five days following the entry of this order. If the **COMMISSIONER OF THE DEPARTMENT OF EDUCATION** does not adopt, modify or reject this order within forty-five days, this recommended order shall become a final decision on the issue of emergent relief in accordance with N.J.S.A. 52:14B-10.

The next telephone status conference in this matter shall be held on March 6, 2025 at 3:30 PM. PLEASE DIAL IN FOR THE CONFERENCE Toll Free Number: 1-877-951-6587 Participant Code: 96089818.

January 28, 2025

DATE

211

ANDREW M. BARON, ALJ

Date Received at Agency

January 28, 2025

Date E-Mailed to Parties:

January 28, 2025

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